



LEE COUNTY BOARD OF COMMISSIONERS
DENNIS WICKER CIVIC CENTER
1801 NASH STREET
SANFORD, NC 27330

June 17, 2024

MINUTES

Roll Call

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

CALL TO ORDER

Young Commissioner Brantley Deal called the Board of Commissioners meeting to order at 6:00 p.m.

INVOCATION

Young Commissioner Julia Slowik provided an invocation, followed by Young Commissioner Ailyssiah Merrit leading the Board and meeting attendees in the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

I. ADDITIONAL AGENDA

Chairman Smith asked to add II.W Budget Amendment # 06/17/24/17, add III.A Lee County Youth Voice Delegate, remove V.A Zoning Map Amendment / Rezoning Request, add VII.L Lee County Transportation Committee Projects List, and item X. Closed Session to the Agenda. Commissioner Cameron Sharpe asked to move items VII.C Tax Management Associates, Inc. - Contract Addendum, VII.D Letter to Attorney General's Office-Vendor Pricing, VII.E Lee County Daymark Mental Health Roof Replacement, and VII.F Lee County Employee Health Clinic and Civil Defense Roof Replacement Project to the Consent Agenda.

Commissioner Taylor Vorbeck also asked to move item VII.L Lee County Transportation Committee Projects List to the Consent Agenda.

Motion: Motion to approve the Agenda as amended.

Mover: Taylor Vorbeck

For: 6 - Dr. Andre Knecht, Cameron Sharpe, Kirk Smith, Bill Carver, Mark Lovick, Taylor Vorbeck

Absent: 1 - Robert Reives

Motion Result: Passed

II. APPROVAL OF CONSENT AGENDA

Motion: Motion to approve the Consent Agenda as amended.

Mover: Cameron Sharpe

For: 6 - Dr. Andre Knecht, Cameron Sharpe, Kirk Smith, Bill Carver, Mark Lovick, Taylor Vorbeck

Absent: 1 - Robert Reives

Motion Result: Passed

II.A Minutes from the May 31, 2024 Budget Work Session

BOC Budget Work Session Minutes_5-31-24_final.pdf

II.B Minutes from the June 3, 2024 Regular Meeting

BOC Regular Meeting Minutes_6-3-24.pdf

II.C Juvenile Crime Prevention Council (JCPC) Annual Plan Certification

FINAL SIGNED Documents for County Commissioner Approval LEE 6.11.2024.pdf

II.D Approval of Budget Amendment # 06/17/24/16

Budget Amendment Packet 6-17-24.pdf

II.E Banking Agreement Extension

Lee County Government extension.pdf

II.F Lee County's Health Insurance Program

County of Lee_AFAEvergreen_08012024.pdf

County of Lee_GISF_08012024.xlsx

County of Lee_GroupApply_08012024.pdf

County of Lee_PSC_08012024.pdf

County of Lee_RCF_BO 123_08012024.pdf

County of Lee_RCF_PPO Coins with HSA_08012024.pdf

County of Lee_Retiree_Only Health Plan Attestation Form_08012024.pdf

II.G Revised May 2024 COLTS - County of Lee Transit System - Procurement Policy

County of Lee Transit System Procurment Plan Revised May 2024 (2).pdf COLTS Revised Procurement Policy.pdf

II.H Health and Well-being Initiative-RENEW

Application 2024-2025.pdf

Existing Contractors Application 2024-2025.pdf Applications-Mental Health

Provider Agreements EB.pdf Applications-Mental Health Provider Agreements for Existing Providers.pdf Checklist 2024-2025.pdf

FINAL EXPENSES 2024-2025.pdf

Sample Contract 2024-2025.pdf

Provider Agreement Final Draft 2025.pdf

- II.I Updated Funding Resolution to Direct the Expenditure of Opioid Settlement Funds
A RESOLUTION BY THE COUNTY OF LEE-Opioid Settlement Amended-6-17-24.pdf
- II.J Microsoft, Tyler Technology, and Davenport Group Support and Licensing 2024-2025
- II.K Refund and Release Report for May 2024
 - Gen Statute 105.pdf
 - RELEASE CODES SPREADSHEET.pdf
 - May 2024 Personal Property Abatement Report.pdf
 - May 2024 Real Property Abatement Report.pdf
- II.L MOU For ARPA Funding Region 6 Grant FY 25
 - Lee County ARPA Grant FY 25 (002).pdf
- II.M North Carolina Alliance of Public Health Agencies Contract (NCAPHA)
 - NCAPHA_Staffing_Contract_2024-2025.pdf
- II.N Awarding Service Side Arm to Lt. Dana Elliott Resolution
 - Dana_Elliott_Resolution_final.pdf
- II.O Lee County Athletic Park Playground Equipment Purchase
 - LCAP Playground.pdf
 - 2023-01-11 Playground Sketch.pdf
- II.P Renewal of the Lee County Libraries NC Cardinal Contract for 2024-2025
 - NC_Cardinal_Memorandum_of_Agreement_for_FY202 (1).pdf
- II.Q Senior Services Home and Community Care Block Grant FY 2025
 - Department Grant Information Form FY 2025 HCCBG.pdf
 - FY 2025 DAAS 730 HCCBG County Funding Plan Lee County.pdf FY 2025 HCCBG County Funding Plan Lee County.pdf
 - FY 2025 HCCBG Certification of Local Match Lee County.pdf FY 2025 HCCBG Standard Assurances Lee County.pdf
- II.R Southern Health Partners Contract Approval
 - Health Services Agreement - Lee County NC effective 6-1-24 (final) (signed by SHP).pdf
 - Lee Contract Addendum effective 6-1-24 (final) (signed by SHP).pdf
- II.S Forte Agreement Amendment No. 2
 - Prior Forte Contracts.pdf
 - Lee_County__NC_-Second_AMEND-44659_for_PPA_Rnwl_Term_thru_09-16-23__cover_gap__auto_renew_.pdf

II.T Approve contract with SAGA for economic development services

Updated 2024SAGA Contract.pdf

II.U Broadway Library Roof Replacement

023RAL-075 Lee County BL RR - Bid Tabulation - Certified.pdf

II.V Reappointment of Chairman Kirk Smith to the Central Pines Rural Planning Organization

II.W ADD ON - Budget Amendment #06/17/24/17

6-17-24-17.pdf

III. INTRODUCTION OF THE 2024 LEE COUNTY YOUNG COMMISSIONERS LEADERSHIP PROGRAM

The Young Commissioners introduced themselves to the Board. Those present included Allyson Macias; Ben Klug, Brantley Deal, Ciara Powell, Gerado Aguirre-Suazo; Ailyssiah Merrit, Summer Spencer, Kaiya Powell, Savannah Pressley-Lee, Sofia Macias, Julia Slowik, Omar Brito, Kennedy White, Jeanne Apperson, Isabella Derr, and Talitha Heimbuecher.

III.A Lee County Youth Voice Delegate

Young Commissioner Omar Brito was selected as the Youth Voice Delegate for Lee County this year, and one of the requirements for this position is to give a speech to the delegate's local Board of Commissioners regarding an issue the delegate sees in the community. Mr. Brito noted that many youths and teens say there isn't much to do in Sanford and Lee County, which isn't necessarily the case. He believes teens need to be better informed of opportunities in the community. Mr. Brito is also on the Lee County Youth Council and said one of the council's goals is to increase activities for teens, including potential internships with the County, more clubs, utilizing the new Library and the Lee County Athletic Park, and more. The Young Commissioners put a booth together at the annual Lee County Fair.

IV. PUBLIC COMMENTS

- Alan Rummel, 1001 Northview Drive (Budget/Finance)

- Chad Deal, 2448 Hickory House Road (Budget/Fire)

V. PUBLIC HEARINGS

V.A REMOVAL REQUESTED - Zoning Map Amendment / Rezoning Request for a vacant 59.05 +/- acre tract of land with frontage on Lower Moncure Road (SR 1002) from Residential Agricultural (RA) to Heavy Industrial (HI)

REZ@(V)Lower Moncure Rd-BINDER.pdf

This item was removed from the Agenda.

VI. OLD BUSINESS

VI.A Appointments to Boards and Commissions

Commissioner Robert Reives arrived at 6:25 p.m.

The appointments were announced later in the meeting.

2024 Board Appointment Ballot_draft.pdf

Motion: Motion to vote for the appointments to Lee County boards and commissions by ballot.

Mover: Taylor Vorbeck

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

Motion Result: Passed

VII. NEW BUSINESS

VII.A Permission for Lee County Libraries to allow vendor alcohol sales at 2024 POP!-con event

Assistant Director of Library Services Christopher Luetzger presented the annual request for the Lee County Libraries (LCL) to allow vendor alcohol sales at 2024 POP!-con event on August 17 from 10 a.m. to 2 p.m. LCL is requesting permission from the Board to allow two vendors to sell sealed cider and mead again this year. Both vendors are under the County's vendor agreement that has been approved by the Legal Department. This year is the fourth year of this event, and there have been no issues with the alcohol vendors or any others to date.

Vendor Contract Alcohol POP!-con 2024.pdf

Alcohol sales Commissioner Presentation June 17, 2024

(1).pdf TUP APPROVAL.pdf

Motion: Motion to approve and give permission for the Lee County Libraries to allow vendor alcohol sales at the 2024 POP!-con event.

Mover: Dr. Andre Knecht

For: 5 - Dr. Andre Knecht, Cameron Sharpe, Kirk Smith, Bill Carver, Taylor Vorbeck

Against: 2 - Robert Reives, Mark Lovick

Motion Result: Passed

VII.B 2013 Tax Bill Write Off

Tax Administrator Michael Brown requested the authority to write off delinquent 2013 tax bills in the amount of \$15,212.09 (real taxes are \$1,559.07 and personal property taxes are \$13,653.02), per NCGS 105-373(g) and 105-378. These taxes were first due on September 1, 2013.

GS_105-373.pdf

GS_105-378.pdf

Summary - Last 3 Years Write Off for 2013.pdf

Motion: Motion to authorize the Tax Collector to write-off 2013 delinquent tax bills in the amount of \$ 15,212.09 per NCGS 105-373(g) and 105378.

Mover: Dr. Andre Knecht

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

Motion Result: Passed

VII.C Tax Management Associates, Inc. - Contract Addendum

Moved to the Consent Agenda.

TMACONTRACT 1996.pdf

TMA.NEW.SIGNED 2013.pdf

Lee County NC Addendum 6-4-2024.pdf

TMA Lee County Addendum by Lee County FY 23.24 signed.pdf

VII.D Letter to Attorney General's Office-Vendor Pricing

Moved to the Consent Agenda.

Letter to AG Pricing Vendors 6.17.24.pdf

VII.E Lee County Daymark Mental Health Roof Replacement

Moved to the Consent Agenda.

021RAL-053 Lee County MH RR - Re-Bid Tabulation - Certified.pdf

VII.F Lee County Employee Health Clinic and Civil Defense Roof Replacement Project

Moved to the Consent Agenda.

021RAL-053 Lee County EH & CD RR - Re-Bid Tabulation - Certified.pdf

VII.G FY 2024-25 Fire District Budget Ordinance

County Manager Lisa Minter presented the FY 2024-25 Fire District Budget Ordinance, which has been prepared based on the fire district rates that were presented to the Lee County Fire Advisory Board.

Lee County Government FY 2024-25 Fire District Budget Ordinance (FINAL).pdf

Motion: Motion to approve the FY 2024-25 Fire District Budget Ordinance.

Mover: Mark Lovick

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

Motion Result: Passed

VII.H Approve Contract with the City of Sanford for Planning Services

County Attorney Whitney Parrish introduced this item. Since 2013, the Board of Commissioners has contracted with the City of Sanford for the City to provide planning services to the County. This service includes, but is not limited to, zoning administration and enforcement, subdivision administration, long-range planning, land use planning, etc.

Contract for Planning - 2024-2025.pdf

Motion: Motion to recuse Commissioner Cameron Sharpe from the contract with the City of Sanford for planning services due to a conflict of interest.

Mover: Cameron Sharpe

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

Motion Result: Passed

Motion: Motion to approve the contract with the City of Sanford for planning services.

Mover: Mark Lovick

For: 6 - Dr. Andre Knecht, Robert Reives, Kirk Smith, Bill Carver, Mark Lovick, Taylor Vorbeck

Abstain: 1 - Cameron Sharpe

Motion Result: Passed

VII.I FY 2024-25 Budget Ordinance

County Manager Lisa Minter introduced the FY 2024-25 Budget Ordinance and noted that it was based on her recommended budget that was presented to the Commissioners on May 20, 2024. The only change made to the Budget Ordinance was to move one position from General Services to the Parks and Recreation department; however, that change did not impact the budget total.

Lee County FY 2024-25 Budget Ordinance (FINAL).pdf

Motion: Motion to approve the FY 2024-25 Budget Ordinance.

Mover: Robert Reives

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

Motion Result: Passed

VII.J FY 2025 - FY 2029 Capital Improvement Plan (CIP)

County Manager Lisa Minter introduced a resolution to adopt the the FY 2025 - FY 2029 Capital Improvement Plan (CIP). Commissioner Reives noted concerns regarding a new law enforcement center and offered a motion to delay that project by one year. County Manager Lisa Minter said if the Board were to leave the plan as is, then staff will start planning and finance the project in the year it's listed; however, the Board could push it out and discuss it later at the Board Retreat in December. Commissioner Reives would like to have General Services' opinion on the current facility before moving forward with the project. Commissioner Taylor Vorbeck prefers a new judicial center facility, also known as Option 3 from Moseley Architect's Lee County Jail Feasibility Study, but wants it to be constructed in phases. Ms. Minter said that staff will continue to do research for potential properties for a new facility, but will not reach out to architects yet.

FY25-FY29 CIP Adoption Resolution.pdf FY25-FY29 CIP

Requested & Recommended Projects.pdf

Motion: Motion to approve the FY 2025-2029 Capital Improvement Plan (CIP) and extend the jail facility project by one year.

Mover: Robert Reives

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

Motion Result: Passed

VII.K Bond Referendum Discussion

County Manager Lisa Minter said this item was added to the agenda so the Board could be aware of the bond referendum process. There is time to put a bond referendum on the November 2024 ballot, but the Board would need to take action tonight. The next opportunity will not be until spring of 2026. The County's bond counsel drafted a vague notice of intent for consideration; however, the Board would choose the type of bond and the amounts desired. Commissioner Bill Carver asked if a smaller amount, such as \$13 million for the Southern Lee High School project, is appropriate for a bond and Ms. Minter said small amounts would not require a bond referendum as the County would be able to cover that amount. Commissioner Carver would like to hold off on bond referendum for now. Commissioner Mark Lovick agreed and would like to consider it for the spring 2026 ballot after more communications regarding the bond referendum could be distributed. Commissioner Reives is not interested in a bond referendum right now and noted that the Lee County Board of

Education would need to choose to participate if referendum is school-related. Commissioner Cameron Sharpe would consider an education- related bond referendum over the other two items indicated (parks and recreation facilities and general County buildings). Ms. Minter noted that notice of intent for the November 2024 ballot would need to run in the newspaper by June 27 if the Commissioners wanted to move forward. She also said the County can still move forward with the projects as planned and that having a bond referendum does not stop current projects. Chairman Smith would like this to be a topic for consideration at the upcoming joint meeting with the school board.

9b._Requested_v_Recommended_Projects_RECOMMENDED_FY25-FY30.pdf

9c._Requested_v_Recommended_Projects_RECOMMENDED_FY25-FY30.pdf

Notice of Intent-Lee 2024 Referendum (4872-0049-4534.pdf Calendar-Lee County (November 2024) (4879-1305-7989.pdf

VII.L ADD ON - Lee County Transportation Committee Projects List

Moved to the Consent Agenda.

VIII. MANAGERS' REPORTS

VIII.A March 2024 Sales Tax Report

Finance Director Candace Iceman presented both the March 2024 Sales Tax Report and the May 2024 Monthly Financial Report. Net sales tax revenues are up 3.79% from the same period last fiscal year. Ad valorem tax collections are at 105.51% of the adopted budget. The target for expenditures at the end of May is 91.67%. March 2024 Sales Tax.pdf

VIII.B May 2024 Monthly Financial Report

May 2024 Financial Report.pdf

VIII.C County Manager's Monthly Report

County Manager gave her Manager's Monthly Report, a copy of which is attached and incorporated into these minutes. Commissioner Lovick asked if there are any updates regarding the easement requests the Board heard a few months ago.

Assistant County Manager of Operational Services Jennifer Gamble said staff is working with the developers to bring the easements back to the Board next month. Commissioner Carver also asked for an update regarding the sidewalk installation at Horton Park. Ms. Minter said staff will also plan to address that in July, as well as the additional parking spaces.

County Managers Report - 6-17-2024.pdf

Library_Level Up_June 2024 digital edition.pdf

2024_May_Library_Director_Report.pdf

Parks and Rec_5.28.2024 Agenda.pdf

Parks and Rec_March Meeting Minutes.pdf

PERMIT ISSUANCE REPORT- MAY 2024.pdf

Tax_Monthly Managers Report May 2024.pdf

TRC Agenda_June 2024.pdf

CHSAB Minutes 04-2024.pdf

IX. COMMISSIONERS' COMMENTS

Chairman Smith noted that the Trillium Health Services Town Hall event will be on June 25 at 10 a.m. at the Dennis A. Wicker Civic Center. Commissioner Reives recommended the County and Lee County Schools Finance Teams, County Manager, and Superintendent meet prior to the joint meeting of the Boards.

The Chairman then called for a 10-minute break prior to Closed Session. The Board went into Closed Session at 7:18 p.m.

Motion: Motion go into closed session per N.C. General Statutes § 143-318.11(a)(3) to consult with our attorney to consider and give instructions concerning a potential or actual claim, administrative procedure, or judicial action; if known, the title of the action is: Lee County v. Amerisource Bergen Drug Corporation, Cardinal Health; McKesson Corporation, etc.

Mover: Dr. Andre Knecht

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

Motion Result: Passed

X. CLOSED SESSION

Motion: Motion go out of Closed Session.

Mover: Taylor Vorbeck

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

Motion Result: Passed

The Board resumed Open Session at 7:30 p.m.

Chairman Smith noted that there was a tie vote between two individuals for the Sanford Area Growth Alliance Board and asked for a motion to vote the tie by a show of hands.

Motion: Motion to vote the tie by a show of hands.

Mover: Dr. Andre Knecht

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

Motion Result: Passed

Those in favor of Dehra Green were Commissioners Bill Carver, Dr. Andre Knecht, Taylor Vorbeck, and Robert Reives.

Those in favor of Noah Gunter were Chairman Kirk Smith and Commissioners Mark Lovick and Cameron Sharpe.

Dehra Green won the tie and the second seat on the Sanford Area Growth Alliance Board.

Motion: Motion to approve adding Pharmacy Benefit Managers (PBMs) to the existing opioid litigation.

Mover: Bill Carver

For: 6 - Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Bill Carver, Mark Lovick, Taylor Vorbeck

Against: 1 - Kirk Smith
Motion Result: Passed

Clerk to the Board/Communications Specialist Hailey Hall read the results of the boards and commissions appointments, which are as follows:

- *ADA Committee: Christina Barrow and Tiara White*
- *Airport Authority: Charles "Charlie" Parks*
- *Agriculture Advisory Board: Angela Person (Greenwood seat)*
- *Central Carolina Board of Trustees: Gladys McAuley*
- *Cemetery Board of Trustees: Steven Chewning*
- *Library Board of Trustees: Clarissa Miller, Erin Britton, and Sue Porr*
- *Parks and Recreation Commission: David Duboc and Greg Crowson (regular seats) and Christina Barrow and Evelyn Bullard (alternate seats)*
- *Sanford Area Growth Alliance Board: Darren Steadman and Dehra Green*
- *Senior Services Advisory Board: Dawn Morris, Joyce Smith, Martha Wicker, and Mary Ann Gaster*
- *Transportation Advisory Board: Steven Underwood*

ADJOURN

Motion: Motion to adjourn. The Board adjourned at 7:35 p.m.

Mover: Robert Reives

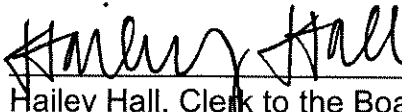
For: 7 - Dr. Andre Knecht, Robert Reives, Cameron Sharpe, Kirk Smith, Bill Carver, Mark Lovick, Taylor Vorbeck

Motion Result: Passed



Kirk Smith, Chairman
Lee County Board of Commissioners

ATTEST:



Hailey Hall, Clerk to the Board



I. Executive Summary

**Lee County Juvenile Crime Prevention Council
FY 2024-2025
Executive Summary**

The Lee County Juvenile Crime Prevention Council (JCPC), in fulfillment of the duties and responsibilities as set forth in the General Statutes of the State of North Carolina, has reviewed and updated the County Plan.

The JCPC has identified the issues and factors which have an influence and impact upon delinquent youth, at-risk youth, and their families in Lee County. Further, the JCPC has identified the strategies and services most likely to reduce/prevent delinquent behavior. During the FY 23-24, the Lee County JCPC and the Funded Programs continued to perform mandated responsibilities to ensure that the JCPC were meeting the requirements of the NC Department of Public Safety.

Priorities for Funding: Through a risk & needs assessment and a resource assessment, the JCPC has determined that the following services are needed to reduce/prevent delinquency Lee County.

<input checked="" type="checkbox"/> Mentoring Services	<input checked="" type="checkbox"/> Restitution/Community Service	<input type="checkbox"/> Services Addressing Problem Sexual Behavior
<input checked="" type="checkbox"/> Parent/Family Skill Building	<input checked="" type="checkbox"/> Teen Court – including Sentencing and Responsive Circles	<input type="checkbox"/> Group Home
<input checked="" type="checkbox"/> Interpersonal Skill Building	<input type="checkbox"/> Psychological Assessments	<input type="checkbox"/> Temporary Shelter Care
<input checked="" type="checkbox"/> Vocational Skills	<input type="checkbox"/> Family Counseling	<input type="checkbox"/> Runaway Shelter Care
<input checked="" type="checkbox"/> Experiential Skills	<input type="checkbox"/> Home Based Family Counseling	<input type="checkbox"/> Specialized Foster Care
<input checked="" type="checkbox"/> Tutoring/Academic Enhancement	<input type="checkbox"/> Individual/Group/Mixed Counseling	<input type="checkbox"/> Temporary Foster Care
<input checked="" type="checkbox"/> Mediation/Conflict Resolution – including Truancy Mediation, Victim-Youth and Family Group Conferencing, Responsive Circles	<input checked="" type="checkbox"/> Substance Abuse Counseling	<input type="checkbox"/> Juvenile Structured Day

Monitoring and Evaluation: Each program funded in the past year by the JCPC has been monitored. The monitoring results and program measurable objective outcomes were considered in making funding allocation decisions. The JCPC continues to conduct implementation monitoring of its action plan and its funded programs. The JCPC Funded programs were monitored January – February 2024 by the JCPC.

Funding Recommendations: Having published a Request for Proposals for these needed services for a minimum of thirty (30) days, the JCPC has screened the submitted proposals and has determined which proposals best meet the advertised needed services. The publication of the Request for Proposals was on January 31, 2024 and the deadline date was March 4, 2024. As

required by statute, the JCPC recommends allocation of the NC Department of Public Safety Division of Juvenile Justice and Delinquency Prevention Funds to the following Programs in the amounts specified below for the upcoming fiscal year. Please Note: There was **\$205,084** in NCDPS/JCPC Funding allocated for FY24-25. The JCPC recommends **\$9,625** be allocated from the NCDPS/JCPC funds for the administrative costs of the Council for FY 24-25.

#	Program Provider	DPS-JCPC Funding
1	County JCPC Administrative	\$9,625
2	Project Challenge (LEE)	\$70,000
3	Life Connections D-A-S-H Mentoring	\$18,000
4	Scots For Youth-Lee County Teen Court	\$101,000
5	Bragg Street Academy High School Seminar	\$6,459

The funding planning sessions were challenging, and the JCPC had to make difficult decisions to prioritize cost-effective dispositional alternatives and intervention programs available for youth to (1) provide intervention when juveniles come to the attention of the juvenile justice system; (2) prevent deeper engagement in the system; or (3) prevent interfaces with juvenile justice as a solution to reducing delinquent behaviors. The amount of funding available limited the JCPC's ability to expand current initiatives at all sponsoring agency's requested capacity. Additionally, the JCPC Administrative Budget was reduced to allow for more revenues to be driven into youth programs. We anticipate that this will impact capacity of coordination of annual planning processes for the Council's legislatively mandated duties and responsibilities on behalf of Lee County Government and County Commissioners. Ideally, JCPC coordination and administration would benefit from the full NCDPS/JCPC revenue allowance of \$15,500 annually from the allocation of \$205,084 designated for Lee County.

The JCPC makes the following additional recommendations to (or brings the following to the attention of) the Lee County Board of Commissioners:

1. Part of each county's responsibilities when partnering with NCDPS is to plan for a permanent funding stream for delinquency prevention programs to supplement the JCPC allocation. **Lee County requires that program providers provide a 30% match of allocated funds. In order for Lee County to support a strong array of JCPC services, the JCPC is recommending the following in Lee County's next budget planning sessions in FY 24/25 for FY 25/26:**

- a. That Lee County invest \$44,025 for FY 24/25 to supplement the JCPC allocation to meet sponsoring agency funding requests and fund JCPC Admin and Coordination at full capacity.
 - b. That Lee County invest reoccurring beginning FY 25/26 \$61,525 to supplement the NCDPS/JCPC.
 - c. Community-based intervention and prevention Programs are becoming an increasingly valuable solution to reducing the rising costs of juvenile detention stays. By supplementing the NCDPS/JCPC allocation, the Lee County Government and County Commissioners would increase availability of a strong JCPC service array for alternatives to juvenile detention and youth development centers when applicable.
2. The JCPC Supports local coalitions, collaborations, partnerships, and projects to bring models of best practices to JCPC funded programs and other grass roots agencies. This serves to develop the professional capacity of those working with at-risk youth throughout the community, which is part of the JCPC's mission to create awareness and a more efficient community response to juvenile crime and delinquency.
 3. The local JCPC is committed to reducing racial and ethnic disparities to address the disproportionate number of minority youth who have contact with the juvenile justice system. The JCPC seeks to impact outcomes at decision points in the juvenile justice system through research, community planning and the development of strategies to educate referral agents on community intervention programs designed to address juvenile crime and delinquency before juvenile justice system entry.
 4. The local JCPC continues to meet all requirements and minimum standards as outlined in the NCDPS/JCPC guidelines.

Respectfully Submitted,

Crystal Morrison
Crystal Morrison (June 11, 2025 09:21 EDT)
Crystal Morrison
Chair, Lee County Juvenile Crime Prevention Council

Date: 06/11/24

LEE County NC DPS - Community Programs - County Funding Plan

Available Funds: \$ 205,084 Local Match: \$ _____ Rate: 30%

DPS JCPC funds must be committed with a Program Agreement submitted in NC Allies and electronically signed by authorized officials.

#	Program Provider	DPS-JCPC Funding	LOCAL FUNDING			OTHER	OTHER	Total	% Non DPS-JCPC Program Revenues
			County Cash Match	Local Cash Match	Local In-Kind	State/Federal	Funds		
1	County JCPC Administrative	\$9,625						\$9,625	
2	Project Challenge (LEE)	\$70,000	NOT FINAL	NOT FINAL	NOT FINAL			\$70,000	
3	Life Connections D-A-S-H Mentoring	\$18,000	NOT FINAL	NOT FINAL	NOT FINAL			\$18,000	
4	Scots For Youth-Lee County Teen Court	\$101,000	NOT FINAL	NOT FINAL	NOT FINAL			\$101,000	
5	Bragg Street Academy High School Seminar	\$6,459	NOT FINAL	NOT FINAL	NOT FINAL			\$6,459	
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
TOTALS:		\$205,084						\$205,084	

The above plan was derived through a planning process by the LEE County
 Juvenile Crime Prevention Council and represents the County's Plan for use of these funds in FY 2024/2025.

Amount of Unallocated Funds _____

Amount of funds reverted back to DPS _____

Discretionary Funds added _____

check type initial plan update final

-----DPS Use Only-----

Reviewed by _____	Area Consultant	Date _____
Reviewed by _____	Program Assistant	Date _____
Verified by _____	Designated State Office Staff	Date _____

Crystal Morrison 06/11/24
Crystal Morrison | June 11, 2024 09:03 (EST)
 Chairperson, Juvenile Crime Prevention Council (Date)

[Signature] 6/17/24
 Chairperson, Board of County Commissioners (Date)
 or County Finance Officer

Juvenile Crime Prevention Council Certification (cont'd)

STANDARD #4 - Planning

- A. Does the JCPC conduct a minimum of biennial planning process which includes a needs assessment, monitoring of programs and funding allocation process? YES
- B. Is this Annual or Biennial Plan presented to the Board of County Commissioners and to DPS? YES
- C. Is the Funding Plan approved by the full council and submitted to Commissioners for their approval? YES

STANDARD #5 - Public Awareness

- A. Does the JCPC communicate the availability of funds to all public and private non-profit agencies which serve children or their families and to other interested community members? (RFP, distribution list, and article attached) YES
- B. Does the JCPC complete a minimum of biennial needs assessment and make that information available to agencies which serve children or their families, and to interested community members? YES

STANDARD #6 – No Overdue Tax Debt

- A. As recipient of the county DPS JCPC allocation, does the County certify that it has no overdue tax debts, as defined by N.C.G.S. §105-243.1, at the Federal, State, or local level? YES

Briefly outline the plan for correcting any areas of standards non-compliance.


Nominating/Membership Committee will continue to seek candidates for vacancies.

Having complied with the Standards as documented herein, the Juvenile Crime Prevention Council may use up to \$15,500 of its annual Juvenile Crime Prevention fund allocation to cover administrative and related costs of the council. Budget pages (sections VI and VII) printed from NCALLIES detailing the expenditure's must be attached to this certification.

The JCPC Certification **must be received by DPS by June 30th annually.**

**JCPC Administrative Funds
SOURCES OF REVENUE**

DPS JCPC	
Only list requested funds for JCPC Administrative Budget.	<u>\$9,625</u>
Local	<u>0.00</u>
Other	<u>0.00</u>
Total	<u>\$9,625</u>

<u>Crystal Morrison</u> <small>(Crystal Morrison Dur 01 2024 US 081601)</small>	06/11/24
JCPC Chairperson	Date
	<u>6/17/24</u>
Chairman, Board of County Commissioners	Date



Juvenile Crime Prevention Council Certification

Fiscal Year: 2024/2025 _____

County: LEE COUNTY	Date: 5/22/2024
<p>G.S. 143B-853 allows for a 2-year funding cycle for programs that meet the requirements of the statute and have been awarded funds in a prior funding cycle. Indicate below if the JCPC plans to allow for a 1-year or 2-year funding cycle. (Check 2-year if the JCPC has a mixture of 1-year and 2-year funding.)</p>	
1-Year Funding: FY 2024-2025	2-Year Funding: FY _____ and FY _____

CERTIFICATION STANDARDS

STANDARD #1 - Membership

- | | |
|---|------------|
| A. Have the members of the Juvenile Crime Prevention Council been appointed by county commissioners? | <u>YES</u> |
| B. Is the membership list attached? | <u>YES</u> |
| C. Are members appointed for two-year terms and are those terms staggered? | <u>YES</u> |
| D. Is membership reflective of social-economic and racial diversity of the community? | <u>YES</u> |
| E. Does the membership of the Juvenile Crime Prevention Council reflect the required positions as provided by N.C.G.S. §143B-846? | <u>NO</u> |

If not, which positions are vacant and why?

#1 School Superintendent or Designee - A request has been made to Lee County Schools to identify a designee. Position #12 Two Persons Under the Age of 21, or one person under the age of 21 and one member of the public representing the interests of families of at-risk juveniles. JCPC has filled one of the vacancies with a member of the public representing the interests of families and at-risk juveniles. Position #14 Juvenile Defense Attorney - Not able to identify a Juvenile Defense Attorney.

STANDARD #2 - Organization

- | | |
|--|------------|
| A. Does the JCPC have written Bylaws? | <u>YES</u> |
| B. Bylaws are <input type="checkbox"/> attached or <input checked="" type="checkbox"/> on file (Select one.) | |
| C. Bylaws contain Conflict of Interest section per JCPC policy and procedure. | <u>YES</u> |
| D. Does the JCPC have written policies and procedures for funding and review? | <u>YES</u> |
| E. These policies and procedures <input type="checkbox"/> attached or <input checked="" type="checkbox"/> on file. (Select one.) | |
| F. Does the JCPC have officers and are they elected annually? | <u>YES</u> |
| JCPC has: <input checked="" type="checkbox"/> Chair; <input checked="" type="checkbox"/> Vice-Chair; <input type="checkbox"/> Secretary; <input type="checkbox"/> Treasurer. | |

STANDARD #3 - Meetings

- | | |
|--|------------|
| A. JCPC meetings are considered open and public notice of meetings is provided. | <u>YES</u> |
| B. Is a quorum defined as the majority of membership and required to be present in order to conduct business at JCPC meetings? | <u>YES</u> |
| C. Does the JCPC meet six (6) times a year at a minimum? | <u>YES</u> |
| D. Are minutes taken at all official meetings? | <u>YES</u> |
| E. Are minutes distributed prior to or during subsequent meetings? | <u>YES</u> |

Juvenile Crime Prevention Council Certification (cont'd)

STANDARD #4 - Planning

- A. Does the JCPC conduct a minimum of biennial planning process which includes a needs assessment, monitoring of programs and funding allocation process? _____
YES
- B. Is this Annual or Biennial Plan presented to the Board of County Commissioners and to DPS? _____
YES
- C. Is the Funding Plan approved by the full council and submitted to Commissioners for their approval? _____
YES

STANDARD #5 - Public Awareness

- A. Does the JCPC communicate the availability of funds to all public and private non-profit agencies which serve children or their families and to other interested community members? (RFP, distribution list, and article attached) _____
YES
- B. Does the JCPC complete a minimum of biennial needs assessment and make that information available to agencies which serve children or their families, and to interested community members? _____
YES

STANDARD #6 – No Overdue Tax Debt

- A. As recipient of the county DPS JCPC allocation, does the County certify that it has no overdue tax debts, as defined by N.C.G.S. §105-243.1, at the Federal, State, or local level? _____
YES

Briefly outline the plan for correcting any areas of standards non-compliance.

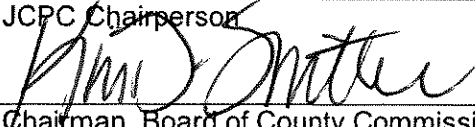
Nominating/Membership Committee will continue to seek candidates for vacancies.

Having complied with the Standards as documented herein, the Juvenile Crime Prevention Council may use up to \$15,500 of its annual Juvenile Crime Prevention fund allocation to cover administrative and related costs of the council. Budget pages (sections VI and VII) printed from NCALLIES detailing the expenditure's must be attached to this certification.

The JCPC Certification **must be received by DPS by June 30th annually.**

**JCPC Administrative Funds
SOURCES OF REVENUE**

DPS JCPC	
Only list requested funds for JCPC Administrative Budget.	_____
Local	_____
Other	_____
Total	_____

<p>JCPC Chairperson </p>	<p>Date 6/17/24</p>
<p>Chairman, Board of County Commissioners</p>	<p>Date</p>

Juvenile Crime Prevention Council Certification (cont'd)

LEE COUNTY

County

FY 2024/2025

Instructions: N.C.G.S. § 143B-846 specifies suggested members be appointed by county commissioners to serve on local Juvenile Crime Prevention Councils. In certain categories, a designee may be appointed to serve. Please indicate the person appointed to serve in each category and his/her title. Indicate appointed members who are designees for named positions. Indicate race and gender for all appointments.

Specified Members	Name	Title	Designee	Race	Gender
1) School Superintendent or designee	VACANT		<input type="checkbox"/>		
2) Chief of Police or designee	Evan Gunter	Chief	<input type="checkbox"/>	W	M
3) Local Sheriff or designee	Sgt. Larry Whitake	Sergeant	<input checked="" type="checkbox"/>	W	M
4) District Attorney or designee	Tiffany Bartholomew	Asst. District Attorney	<input checked="" type="checkbox"/>	TM	M
5) Chief Court Counselor or designee	Michelle Bennett	Chief Court Counselor	<input type="checkbox"/>	B	F
6) Director, Local Management Entity/Managed Care Organization (LME/MCO), or designee	Laurie Perez	Licensed Counselor	<input checked="" type="checkbox"/>	W	F
7) Director DSS or designee	Lee Tomassini	CPS Supervisor	<input checked="" type="checkbox"/>	W	F
8) County Manager or designee	Candace Iceman	Asst. Finance Director	<input checked="" type="checkbox"/>	W	F
9) Substance Abuse Professional	Beverly Wicker	Licensed Substance Abuse Counselor		B	F
10) Member of Faith Community	Gail Dickens	Pastor		W	F
11) County Commissioner	Mark Lovick	County Commissioner		W	M
12) Two persons under the age of 21, or one person under the age of 21 and one member of the public representing the interests of families of at-risk juveniles	VACANT				
	Pamela Adkins	Professor		B	F
13) Juvenile Defense Attorney	VACANT				
14) Chief District Judge or designee	Jim Love Jr.	District Court Judge	<input checked="" type="checkbox"/>	W	M
15) Member of Business Community	Jeffrey Petty	Logistic Operation Supervisor		W	F
16) Local Health Director or designee	Juan Diaz-Franco	Vital Records	<input checked="" type="checkbox"/>	H	M
17) Rep. United Way/other non-profit	VACANT				
18) Representative/Parks and Rec.	Bill Shuey	Athletic Supervisor		W	M
19) County Commissioner appointee	Christopher McLean	Chaplian		B	M

Juvenile Crime Prevention Council Certification (cont'd)

20) County Commissioner appointee	Crystal Morrison	Alcohol and Drug Services Prevention and Early Intervention Specialist		B	F
21) County Commissioner appointee	Angela Minnick	General Manager		W	F
22) County Commissioner appointee	Bobby Covington	Evangelist		B	M
23) County Commissioner appointee	Cynthia Galyean	Childcare Owner		W	F
24) County Commissioner appointee	Clarence Judd	Retired US Marine Corps		B	M
25) County Commissioner appointee	VACANT				



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

Candace Iceman
Candace Iceman, Finance Director

6/20/24
Date

FY24-25 JCPC Executive Summary

MEMO TO: LEE COUNTY BOARD OF COMMISSIONERS
 FROM: LISA MINTER, LEE COUNTY MANAGER
 SUBJECT: BUDGET AMENDMENT:# 6/17/24/16
 DATE: June 17, 2024

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

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
RECREATION	1100-3612-35251	GYMNASTICS	150,000	48,623	198,623
RECREATION	1100-3612-35280	SANLEE PARK REVENUE	38,000	375	38,375
RECREATION	1100-3612-38200	RENT	28,000	28,000	56,000
		TOTAL CHANGES		76,998	

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

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
RECREATION	1100-6120-43200	UTILITIES	185,000	45,000	230,000
RECREATION	1100-6120-43340	MAINTENANCE-POOLS	3,325	3,998	7,323
BLDS GRDS	1100-4262-45430	INSURANCE-OTHER PROPERTY	156,867	9,031	165,898
LIBRARY	1100-6110-42600	UNEMPLOYMENT	-	12,766	12,766
HEALTH	1100-5100-42600	UNEMPLOYMENT	286	7,025	7,311
RECREATION	1100-6120-41300	TEMPORARY SALARIES	233,624	28,000	261,624
		TOTAL CHANGES		105,820	

SECTION III. THE FOLLOWING GENERAL FUND (1100) EXPENSE DECREASES ARE HEREBY APPROVED:

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
SHERIFF'S OFFICE	1100-4310-45420	INSURANCE-VEHICLES	95,160	9,031	86,129
SHERIFF'S OFFICE	1100-4310-42600	UNEMPLOYMENT	6,700	6,700	-
JAIL	1100-4320-42600	UNEMPLOYMENT	4,000	4,000	-
SOCIAL SERVICES	1100-5312-42600	UNEMPLOYMENT	5,000	2,066	2,934
MISC EXPENSE	1100-9800-49000	RESERVE FOR UNEMPLOYMENT TAX	25,000	7,025	17,975
		TOTAL CHANGES		28,822	

SECTION IV. THE FOLLOWING KWIANIS CHILDREN PARK II PROJECT FUND (4844) EXPENSE INCREASES ARE HEREBY APPROVED:

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
KCP PII	4844-8100-46300	GENERAL CONSTRUCTION	435,051	34,609	469,660
		TOTAL CHANGES		34,609	

SECTION V. THE FOLLOWING KIWANIS CHILDRENS PARK II PROJECT FUND (4844) EXPENSE DECREASES ARE HEREBY APPROVED:

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
KCP PII	4844-8100-46140	ARCHITECT & ENGINEERING	63,230	13,830	49,400
KCP PII	4844-8100-46430	FURNISHINGS	24,000	20,779	3,221
		TOTAL CHANGES		34,609	

SECTION VI. THE FOLLOWING TEMPLE PARK PROJECT FUND (4845) EXPENSE INCREASES ARE HEREBY APPROVED:

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
TEMPLE PARK	4845-8100-46430	FURNISHINGS	223,700	2,456	226,156
TEMPLE PARK	4845-8100-46300	GENERAL CONSTRUCTION	75,137	365	75,502
		TOTAL CHANGES		<u>2,821</u>	

SECTION VII. THE FOLLOWING TEMPLE PARK PROJECT FUND (4845) EXPENSE DECREASES ARE HEREBY APPROVED:

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
TEMPLE PARK	4845-8100-46900	CONTINGENCY	8,088	<u>2,821</u>	5,267
		TOTAL CHANGES		<u>2,821</u>	


 KIRK SMITH, CHAIR


 HAILEY HALL, CLERK TO THE BOARD





Lee County Government-County of Lee

First Amendment To Contract of Services

This First Amendment to Contract for Services (“Amendment”) is made and entered into this 16th day of April 2024 between Lee County Government (also known as County of Lee), 115 Chatham Street, Sanford, North Carolina and First National Bank of Pennsylvania, One North Shore Center, Pittsburgh, Pennsylvania (“First National Bank”).

Background

County of Lee and First National Bank are parties to that certain contract, effective 7/1/2019, pursuant to which First National Bank provides certain services to County of Lee. County of Lee and First National Bank desire to amend the Original Contract as stated herein for the following purposes: exercising the right to extend the banking services contract expiring 6/30/2024 for an additional one-year period as provided in the Original Contract.

Agreement

Now, THEREFORE, for and in consideration of the mutual promises set forth in this Contract, the parties do mutually agree as follows:

1. First National Bank agrees to a continuance of all specifications as noted in the Original Contract unless said specifications have changed since the Original Contract’s inception. In the event of changes, the structure and services currently in place override the Original Contract. The term of the original contract shall be extended until 6/30/2025.
2. No other Amendments. Except as specifically stated in this Amendment, the Original Contract remains in full force and effect.
3. Counterpart Execution. This Amendment may be executed and recorded in two or more counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument. Each party shall be entitled to rely upon executed copies of this Amendment transmitted by facsimile or electronic “PDF” to the same and full extent as the originals.

[THE REST OF THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY]

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, County of Lee and First National Bank have executed this Contract on the day and year first written above.

First National Bank of Pennsylvania

Service Provider Name

Mark Smith 6/17/24

Signature of Authorized Representative Date

56-6000313

Service Provider's Federal Identification #

County Of Lee

Candace Deeman

6/19/24

Finance Director

Date

County of Lee Transit System – Procurement Policy and Procedure Adoption

On behalf of the Lee County Board of Commissioners, I hereby acknowledge receipt of the County of Lee Transit System Procurement Policy and Procedures set forth by the Federal Transit Administration and North Carolina Department of Transportation. We, the Lee County Board of Commissioners, have **reviewed and hereby adopt** this Policy. For any procurements regarding the County of Lee Transit System, we are committed to ensuring that all decisions are made in accordance with the Policy and the Lee County Purchasing and Procurement guidelines.



Signature of Authorizing Official

Kirk D. Smith, Chair

6/17/24
DATE

County of Lee Transit System FTA PROCUREMENT POLICY

May 2024

Disclaimer: This template document is disseminated by RLS & Associates, Inc. for educational purposes only. This is not a legal document that adds to or makes any official interpretations of federal requirements. Any interpretations, conclusions, or opinions expressed in this document are those of the author(s) and do not necessarily reflect the views of the Federal Transit Administration. RLS assumes no liability for the use of the information contained herein.

Table of Contents

1. INTRODUCTION	1
1.1. Purpose	1
1.2. Applicability	1
1.3. Third-Party Contracting Capacity	2
1.4. Relationship to Other Subrecipient Policies	2
2. CODE OF ETHICS AND CONFLICT OF INTEREST POLICY	3
2.1. Purpose	3
2.2. Definition of Key Terms	3
2.3. Applicability	3
2.4. Gifts	4
2.5. Employee Conflicts of Interest	4
2.5.1. Conflicts of Interest	4
2.5.2. Discovery of Actual or Potential Conflict of Interest (Disqualification and Waiver)	4
2.5.3. Employee Disclosure Requirements	5
2.5.4. Confidential Information	5
2.5.5. Solicitation Provision	5
2.6. Organizational Conflicts of Interest	6
3. County of Lee Transit System RESPONSIBILITIES UNDER FEDERAL LAW	7
3.1. Third-Party Contracting Capacity	7
3.2. Contract Administration System	7
3.2.1. Written Procurement Procedures	7
3.2.2. Adequate Third-Party Contract Provisions	9
3.2.3. Industry Contracts	9
3.2.4. Revenue Contracts	9
3.2.5. Record Keeping	9
3.3. Determination of Needs	10
3.4. Eligibility	10
3.5. Necessity	10
3.5.1. Unnecessary Reserves	11
3.5.2. Acquisition for Assignment Purposes	11

3.6.	Contractor Responsibilities	12
3.6.1.	Debarment and Suspension	12
3.6.2.	Lobbying Certification and Disclosure	13
3.6.3.	Required Contract Clauses	13
3.7.	Bonding	13
3.7.1.	Thresholds	13
3.7.2.	Acceptable Sureties	14
3.7.3.	Reduced Bonding.....	14
3.7.4.	Excessive Bonding	15
3.8.	Preference for U.S. Property—Build America, Buy America	15
3.9.	Accessibility	15
3.10.	Recovered Materials	15
3.11.	Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms.....	16
4.	SOURCES OF ACQUISITIONS	17
4.1.	Force Account.....	17
4.2.	Joint Procurements	17
4.3.	State or Local Government Purchasing Schedules or Purchasing Contracts	17
4.3.1.	Definition.....	17
4.3.2.	Small Quantity Conditions for Rolling Stock.....	17
4.3.3.	Applicability of Federal Provisions	18
4.3.4.	Federal Supply Schedules	18
4.3.5.	Existing Contracts	18
4.4.	The Open Market	21
5.	PROCEDURES FOR OPEN MARKET PROCUREMENTS.....	22
5.1.	Solicitation of Competitive Price Quotes, Bids or Proposals.....	22
5.2.	Receipt and Evaluation of Unsolicited Proposals.....	22
5.3.	Prequalification	22
5.4.	Solicitation Requirements and Restrictions	23
5.4.1.	Description of the Property or Services	23
5.4.2.	Evaluation Factors	24
5.4.3.	Permissible Contract Types	25
5.4.4.	Prohibitive or Restricted Contract Types	25
5.4.5.	Other Federal Requirements Affecting the Property or Services to be Acquired.....	25

5.4.6.	Other Federal Requirements Affecting the Bidder or Offeror and the Contractor	25
5.4.7.	Reservation of Right to Award to Other Than the Low Bidder or Offeror	25
5.4.8.	Reservation of Right to Reject All Bids or Offers.....	27
5.5.	Methods of Procurement.....	27
5.5.1.	Informal Procurements: Micro-Purchases	27
5.5.2.	Informal Procurements: Small Purchases	28
5.5.3.	Formal Procurements.....	29
5.6.	Noncompetitive Procurements	34
5.6.1.	When Appropriate.....	34
5.7.	Evaluation Requirements	36
5.7.1.	General	36
5.7.2.	Options	37
5.8.	Contract Award Requirements.....	37
5.8.1.	Award to Other Than the Lowest Bidder or Offeror	37
5.9.	Independent Cost Estimate and Cost and Price Analysis	40
5.9.1.	Independent Cost Estimate	40
5.9.2.	Cost or Price Analysis	40
5.10.	Estimated Costs	40
6.	CONTRACT ADMINISTRATION REQUIREMENTS AND CONSIDERATIONS.....	42
6.1.	County of Lee Transit System Staff Responsibilities	42
6.2.	Administrative Restrictions on the Acquisition of Property and Services.....	42
6.2.1.	Legal Eligibility	42
6.2.2.	Scope of the Project	42
6.2.3.	Period of Performance	42
6.3.	Contract Modifications and Change Orders.....	43
6.3.1.	Bilateral Contract Modification	43
6.3.2.	Unilateral Contract Modification	43
6.3.3.	Change Orders for Construction Projects.....	44
6.3.4.	Authority	44
6.3.5.	Necessity to Perform Cost or Price Analysis.....	44
6.4.	Federal Cost Principles	44
6.5.	Payment Provisions	44
6.5.1.	Financial Support for the Project	44
6.6.	Protections Against Performance Difficulties	45
6.6.1.	Changes	45

6.6.2.	Remedies	45
6.7.	Contents of Complete Contract Files	46
6.7.1.	Written Record of Procurement History	46
6.8.	Access to Records.....	47
6.9.	Contract Administration and Close-Out Documents.....	47
6.9.1.	Contractor Performance.....	47
6.9.2.	Contract Deliverables	47
6.9.3.	Contract Changes	47
6.9.4.	Contract Payments	48
6.9.5.	Contract Close-Out	48
6.10.	Protest Procedures.....	48
6.10.1.	Statement of Policy	48
6.10.2.	County of Lee Transit System Staff Responsibilities	48
6.10.3.	Solicitation Provision	49
6.10.4.	Requirements for Protests	49
6.10.5.	Protest Response.....	50
6.10.6.	Review of Protests by NC DOT	50

1. INTRODUCTION

1.1. Purpose

This policy establishes guidelines and minimum standards that the County of Lee Transit System will use in the management of its third-party contracts. This manual is intended to ensure that the County of Lee Transit System complies with Federal Transit Administration (FTA) and the North Carolina Department of Transportation's standards to ensure full and open competition and equitable treatment of all potential sources for all purchases made with funding derived from the Federal, state, and local governments. In all purchasing activity, the goal of the County of Lee Transit System is to ensure maximum open and free competition consistent with:

- 2 CFR § 200.318 – 200.327;
- FTA Circular 4220.1F "Third Party Contracting Guidance" or the latest version thereof

1.2. Applicability

This manual applies to all procurements undertaken and financed, in whole or in part, with FTA financial assistance provided to the County of Lee Transit System to support **open market procurements**. An open market solicitation is used to purchase a good or service by soliciting from any available source. Most grantee procurement activity will be undertaken on the open market. Open market procurements exclude:

- Employment Contracts;
- Real Estate Contracts; and
- Intergovernmental Agreements (IGAs)

The goal of this procurement policy is to provide an atmosphere in which all procurement transactions will be conducted in a manner providing full and open competition. The County of Lee Transit System will avoid the following situations considered to be restrictive of competition:

- Application of unreasonable requirements placed on firms in order for them to qualify to do business.
- Imposition of geographic preference standards in the selection of vendors.
- Imposition of unnecessary experience and excessive bonding requirements.
- Use of noncompetitive pricing practices between firms or between affiliated companies.
- Employment of noncompetitive awards to any person or firm on retainer contracts.
- Failure to recognize organizational conflicts of interest, which means that because of other activities, relationships, or contracts, a contractor is unable, or potentially unable, to render impartial assistance or advice to the County of Lee Transit System; a contractor's objectivity in performing the contract work is or might be otherwise impaired; or a contractor has an unfair competitive advantage.
- Use of "brand name" specifications without listing its salient characteristics and not allowing "an equal" product to be offered; and
- Any arbitrary action in the procurement process.

The County of Lee Transit System will conduct procurements in a manner that does not give in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. This does not preempt North Carolina licensing laws from being considered in those disciplines that are regulated by the State of North Carolina. Geographic location may be a selection criterion in procurements for architectural and engineering (A&E) services if an appropriate number of qualified firms, given the nature and size of the project, are able to compete for the contract.

1.3. Third-Party Contracting Capacity

Federal regulations (2 CFR § 200.319(c) and FTA guidance found in FTA Circular 4220.1F, Chapter III, § 3a) require the County of Lee Transit System to have written procurement procedures. This policy is designed to meet FTA and NC DOT's requirements in this regard.

1.4. Relationship to Other Subrecipient Policies

The purpose of these purchasing policies and procedures is two-fold. First, the Subrecipient has established these policies and procedures to conform to the provisions of Federal procurement regulations that govern the Subrecipient's use of FTA and NC DOT funds. Second, these policies and procedures assure that materials, supplies, services, and equipment required for the efficient and effective operation of the transit program are procured with regard to an analysis of price, quality, quantity, terms, and delivery specifications. These policies and procedures pertain only to the Subrecipient's purchases made with FTA funds for the transit program; purchases with local funds and for purposes other than transit should follow the applicable North Carolina law.

These policies may not answer all questions related to purchasing; if any employee of the County of Lee Transit System has a question regarding these procedures, NC DOT should be contacted for clarification and guidance.

When the County of Lee Transit System undertakes any purchase utilizing FTA funds, this policy shall supersede any existing purchasing policy promulgated by the Subrecipient. When any conflict exists between this policy and the existing policies of the Subrecipient, the procedures in this policy shall prevail. If any employee of the County of Lee Transit System determines that a conflict exists between these policies and state and local law, the County of Lee Transit System shall contact NC DOT and communicate the conflict.

2. CODE OF ETHICS AND CONFLICT OF INTEREST POLICY

2.1. Purpose

Federal grant management rules (2 CFR § 200.318(c)(1)) require each recipient to maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. This policy must address:

- Personal conflicts of interest
- Gifts; and
- Violations.

2.2. Definition of Key Terms

As used herein, the following definitions apply:

Conflict of Interest – A situation in which an employee, board member, officer, or agent has a private or personal interest sufficient to appear to influence the objective exercise of his or her official duties. A conflict of interest represents a divergence between a person covered by this policy and their private interests and their professional obligations to the County of Lee Transit System as such that an independent observer might reasonably question whether the individual's professional actions or decisions are determined by considerations of personal gain, financial or otherwise.

Financial Interest – An officer, agent, board member, his or her partner, employee, or their immediate family, is considered as having a financial interest in a company if: they receive more than \$10,000 in consulting income, salaries, or equity in the company; they have more than 5 percent equity in the company; they have intellectual property rights in or receive royalties from the company; or they serve as a director, officer, partner, trustee, manager or employee of the company.

Immediate Family – Immediate family includes an employee's spouse, grandparent, parent, brother, sister, child or grandchild, and his or her partner.

2.3. Applicability

No employee, elected official, agent, or other individual under an employment contract with the County of Lee Transit System, or his or her immediate family member, partner, or organization that employs or is about to employ any of the foregoing may participate in the selection, award, or administration of a contract supported with FTA assistance if a conflict of interest, real or apparent, would be involved.

Such a conflict would arise when any of those previously listed individuals has a financial or other interest in the firm selected for the award.

2.4. Gifts

Any contractor, subcontractor, or supplier who has a contract with the Subrecipient; has performed under such a contract within the past year; or anticipates bidding on such a contract in the future shall be prohibited from making gifts or providing favors to any individual defined in Section 2.2. who is charged with the duty of:

- Preparing plans, specifications, or estimates for public contracts; or
- Awarding or administering public contracts; or
- Inspecting or supervising construction.

The County of Lee Transit System also prohibits all covered individuals defined in Section 2.2. who perform the functions listed above from receiving or accepting any such gift or favor.

Alternatively, FTA subrecipients may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value

2.5. Employee Conflicts of Interest

2.5.1. Conflicts of Interest

It shall be a breach of ethical standards for any County of Lee Transit System employee to participate directly or indirectly in a procurement when the employee knows:

- The employee or any member of the employee's immediate family, board member, officer, agent, his or her partner, has a financial interest pertaining to the procurement;
- A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or
- Any other person, business, or organization with whom the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

2.5.2. Discovery of Actual or Potential Conflict of Interest (Disqualification and Waiver)

Upon discovery of an actual or potential conflict of interest, an employee participating directly or indirectly in a procurement shall:

- Promptly file a written statement of disqualification with the Lee County Assistant Finance Officer as the Procurement Officer; and
- Withdraw from further participation in the procurement.

The employee may, at the same time, request from the Lee County Assistant Finance Officer as the Procurement Officer, an advisory opinion as to what further participation, if any, the employee may have in the procurement. It shall be at the sole discretion of the Procurement Officer to determine if the employee may have any further participation in the procurement and, if so, the extent to which the

employee may participate. Any employee who fails to comply with the provisions of this paragraph may be subject to disciplinary action.

2.5.3. Employee Disclosure Requirements

A County of Lee Transit System employee, who has reason to believe that he/she or his/her immediate family have an interest that may be affected by his/her official acts or actions as a County of Lee Transit System employee or by the official acts or actions of the County of Lee Transit System, shall disclose the precise nature and value of such interest in a written disclosure statement to the Procurement Officer. The employee's disclosure statement will be reviewed by the Procurement Officer and the Procurement Officer will respond to the employee in writing with an opinion as to the propriety of said interest.

In the event that the Procurement Officer has reason to believe that he/she or his/her immediate family has an interest that may be affected by his/her official acts or actions as a County of Lee Transit System employee or by the official acts or actions of the County of Lee Transit System, he/she shall disclose the precise nature and value of such interest in a written disclosure statement.

2.5.4. Confidential Information

A County of Lee Transit System employee may not directly or indirectly make use of, or permit others to make use of, for the purpose of furthering a private interest, confidential information acquired by virtue of their position or employment with the County of Lee Transit Program.

2.5.5. Solicitation Provision

The County of Lee Transit System shall insert the following provisions in all formal competitive solicitation documents for products and services:

These policies shall apply to the County of Lee Transit System employees involved in procurement. It is a breach of ethical standards for any County of Lee employee to participate directly or indirectly in a procurement when the employee knows:

- *The employee or any member of the employee's immediate family has a financial interest pertaining to the procurement;*
- *A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or*
- *Any other person, business, or organization with whom the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.*

In addition, any persons acting as members of an evaluation committee for any procurement shall, for the purposes of the procurement, be bound by the conditions of this Section. Throughout the bid/proposal evaluation process and subsequent contract negotiations, offerors shall not discuss or seek specific information about this procurement, including but not limited to, the contents of submissions, the evaluation process, or the contract negotiations, with

members of any evaluation committee, governing board, or other County of Lee Transit System employees other than the designated Procurement Officer.

2.6. Organizational Conflicts of Interest

The Procurement Officer and technical personnel are encouraged to work closely with the legal counsel to review all situations that appear to have the potential for an organizational conflict of interest.

Organizational conflicts of interest may result in bias and potentially provide an unfair competitive advantage to a potential offeror. An organizational conflict of interest occurs due to the type of work to be performed under a third-party contract, or because of other activities or relationships such as:

- A contractor is unable, or potentially unable, to render impartial assistance or advice to the Subrecipient;
- A contractor's objectivity in performing contract work is or might otherwise be impaired; or
- A contractor has an unfair competitive advantage.

Bias arises when a contractor is placed in a situation where there may be an incentive to distort advice or decisions. Whenever a contract is awarded that involves the rendering of advice, the question must always be asked as to whether the potential for a conflict of interest exists for the contractor rendering the advice. The County of Lee Transit System will utilize a "Conflict of Interest Disclosure Statement," in its solicitation when contracting for services of this nature.

3. County of Lee Transit System RESPONSIBILITIES UNDER FEDERAL LAW

3.1. Third-Party Contracting Capacity

The County of Lee Transit System must maintain adequate technical capacity to carry out its FTA-assisted projects and comply with Federal rules. The County of Lee Transit System's third-party contracting capability must be adequate to undertake its procurements effectively and efficiently in compliance with applicable Federal, state, and local requirements.

3.2. Contract Administration System

The County of Lee Transit System must maintain a contract administration system to ensure that it and its third-party contractors comply with the terms, conditions, and specifications of their contracts or purchase orders and applicable Federal, state, and local requirements. See Section 6 of this policy for a full discussion of contract administration.

3.2.1. Written Procurement Procedures

The County of Lee Transit System must maintain and follow written procurement procedures that address:

- (a) Solicitations – Requirements for the County of Lee Transit System solicitations are addressed in Section 5.
- (b) Necessity – Requirements related to the County of Lee Transit System's need for products or services are addressed in Section 3.3.
- (c) Environmental and Energy Efficiency Preferences – The County of Lee Transit System will provide a preference for products and services that conserve natural resources, protect the environment, and are energy efficient by complying with and facilitating compliance with Section 6002 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6962, and U.S. Environmental Protection Agency (U.S. EPA), "Comprehensive Procurement Guideline for Products Containing Recovered Materials," 40 C.F.R. part 247.
- (d) Procurement Methods – Descriptions of the procurement methods that the County of Lee Transit System may use are included in Section 5.
- (e) Legal Restrictions – Descriptions of Federal and state restrictions on the County of Lee Transit System's acquisitions are included in Section 5.

Third-Party Contract Provisions – Specific third-party contract provisions required for each contract and flow-down requirements to subcontracts must be included in all contracts.

- (1) Sources – Descriptions of the availability and use of various sources of products and services are addressed in Section 4.

- (2) Resolution of Third-Party Contracting Issues – Procedures related to the resolution of third-party contracting issues are included in Section 6.10.

3.2.2. Adequate Third-Party Contract Provisions

The County of Lee Transit System must include provisions in all of its third-party contracts that are adequate to form a sound and complete agreement.

3.2.3. Industry Contracts

The County of Lee Transit System shall not use an industry-developed contract or a contract that is provided by a bidder or offeror unless it has first evaluated the benefits of the contract. The County of Lee Transit System shall ensure that such contracts include all required Federal provisions but do not include terms and conditions that may be unfavorable to the County of Lee Transit System.

3.2.4. Revenue Contracts

The County of Lee Transit System may enter into a revenue contract with a third party to generate revenues in connection with a transit-related activity, or to create business opportunities utilizing an FTA-funded asset. Any such contract opportunity will follow competitive selection procedures and principles outlined herein.

3.2.5. Record Keeping

The County of Lee Transit System must prepare and maintain adequate and readily accessible project performance and financial records, covering procurement transactions as well as other aspects of project implementation. The County of Lee Transit System must maintain these records for five (5) years after the County of Lee Transit System and its lower tier subrecipients, if any, have made final payment and all other pending matters are closed. Specific recordkeeping requirements include:

- (a) Written Record of Procurement History – The County of Lee Transit System must maintain and make available to NC DOT and FTA written records detailing the history of each procurement. For all procurements above the micro-purchase level, the County of Lee Transit System must maintain records relating to:
 - (1) Procurement Method – The County of Lee Transit System must provide its rationale for the method of procurement it used for each contract, including a sole source justification for any acquisition that does not qualify as competitive.
 - (2) Contract Type – The County of Lee Transit System must state the reasons for selecting the contract type it used;
 - (3) Contractor Selection – The County of Lee Transit System must state its reasons for contractor selection or rejection;
 - (4) Contractor Responsibility – The County of Lee Transit System must provide a written determination of responsibility for the successful contractor;
 - (5) Cost or Price – The County of Lee Transit System must evaluate and state its justification for the contract cost or price; and
 - (6) Reasonable Documentation – The County of Lee Transit System must retain documentation commensurate with the size and complexity of the procurement.

- (7) Vendor Verification –The County of Lee Transportation System must include verification of acceptance with a selected vendor/supplier/manufacturer through the Federal System of Award Management (SAM) for each project and associated project file.

- (b) Access to Records – The County of Lee Transit System must provide FTA and NC DOT officials, the Comptroller General, or any of their representatives, access to and the right to examine and inspect all records, documents, and papers, including contracts, related to any FTA project financed with Federal assistance.

- (c) Use of Technology/Electronic Commerce – The County of Lee Transit System may use an electronic commerce system to conduct third-party procurements. If (The County of Lee Transit System) uses an electronic commerce system, then the following requirements apply:
 - (1) Sufficient System Capacity – The County of Lee Transit System's system must have sufficient system capacity necessary to accommodate all Federal requirements for full and open competition.
 - (2) Written Procedures – Before any solicitation takes place, The County of Lee Transit System must establish adequate written procedures to ensure that all information FTA/NC DOT requires for project administration is entered into the system and can be made readily available to NC DOT as needed.

3.3. Determination of Needs

The County of Lee Transit System must maintain and follow adequate procedures for determining the types and amounts of products and services it needs to acquire. The County of Lee Transit System shall comply with the following requirements when determining the types and amounts of products and services it needs to acquire:

3.4. Eligibility

All products and services to be acquired with FTA funds must be eligible under the Federal law authorizing the FTA assistance award and any regulations thereunder. All products and services to be acquired with FTA funds must also be eligible for support within the scope of the underlying grant or cooperative agreement from which the FTA assistance to be used is derived.

3.5. Necessity

The County of Lee Transit System shall adhere to the following standards for avoiding the purchase of duplicative and/or unnecessary products and services it does not need.

3.5.1. Unnecessary Reserves

The County of Lee Transit System shall limit the acquisition of Federally-assisted property and services to the amount it needs to support its operations.

3.5.2. Acquisition for Assignment Purposes

The County of Lee Transit System shall contract only for its current and reasonably expected public transportation needs and shall not add quantities or options to third-party contracts solely to permit assignment to another party at a later date. These limits on assignments, however, do not preclude joint procurements that are entered into simultaneously by two or more parties to obtain advantages unavailable for smaller procurements.

- (a) General Prohibition – (The County of Lee Transit System) may contract only for its current and reasonably expected public transportation needs and may not add quantities or options to third-party contracts solely to permit assignment to another party at a later date.
- (b) Changes in the Recipient’s Needs – NC DOT and FTA recognize that the quantity of property or services a recipient reasonably believes it may need at the time of contract award may change. The County of Lee Transit System's later needs might decrease due to changed circumstances or honest mistakes. In those situations, The County of Lee Transit System may assign its unneeded contract authority to another entity that would like to acquire the property or services.
- (c) Exceptions – These limits on assignments, however, do not preclude:
 - (1) Joint Procurements – The County of Lee Transit System and one or more other FTA recipients may enter into a single procurement at the same time to obtain advantages unavailable for smaller procurements.
 - (2) Participation in NC DOT Sponsored Vehicle Procurements – The County of Lee Transit System may enter into contracts developed by the State of North Carolina to acquire vehicles. See Section 4.3 of this policy for a full discussion of state government purchasing schedules and contracts.
- (d) Procurement Size – For every procurement, The County of Lee Transit System shall consider whether to consolidate or break out the procurement to obtain the most economical purchase. Absent efforts to foster greater opportunities for Disadvantaged Business Enterprises (DBEs), small and minority firms, and women’s business enterprises, The County of Lee Transit System shall not split a larger procurement merely to gain the advantage of micro-purchase or small purchase procedures.
- (e) Options – The County of Lee Transit System shall justify, as needed, all option quantities included in every solicitation and contract. An option is a unilateral right in a contract by which, for a specified time, the County of Lee Transit System may acquire additional equipment, supplies, or services than originally procured. An option may also extend the term of the contract. If the County of Lee Transit System elects to use options in a

procurement, The County of Lee Transit System shall include option prices in the evaluation of bid prices or cost proposals. If The County of Lee Transit System fails to evaluate option prices in its award evaluation, and subsequently elects to exercise an option, it shall be treated as a sole source award.

- (f) Lease of Rolling Stock – For rolling stock and related equipment, the Fixing America’s Surface Transportation (FAST) Act removed the requirement to demonstrate the cost-effectiveness of leasing compared to purchasing described above in subsection (f). The FAST Act, however, now requires The County of Lee Transit System to submit a report to FTA within three years of executing a rolling stock lease that includes: (1) An evaluation of the overall costs and benefits of leasing rolling stock; and (2) A comparison of the expected short-term and long-term maintenance costs under a lease versus maintenance costs when buying rolling stock.
- (g) Specifications – The County of Lee Transit System's procurement specifications shall clearly describe the products or services to be procured and shall state how the proposals will be evaluated. The County of Lee Transit System's procurement specifications shall not be exclusionary, discriminatory, unreasonably restrictive, or otherwise in violation of Federal or North Carolina laws or regulations.

3.6. Contractor Responsibilities

The County of Lee Transit System in awarding contracts, financed in whole or in part, with FTA financial assistance, shall follow the guidance in this section to evaluate contractor capabilities to perform the contract.

In addition to the Federal rules (2 CFR § 200.318(h)) that require contract awards be made only to responsible contractors, Federal transit law at 49 U.S.C. § 5325(j) limits third-party contractor awards to those contractors capable of successfully performing under the terms and conditions of the proposed contract. Before selecting a contractor for an award, the County of Lee Transit System must consider such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

3.6.1. Debarment and Suspension

Debarment and suspension regulations and guidance include the following provisions.

3.6.1.1. DOT Debarment and Suspension Regulations

U.S. Department of Transportation (DOT) regulations, “Nonprocurement Suspension and Debarment,” 2 CFR Part 1200 apply to each third party contract at any tier of \$25,000 or more, to each third party contract at any tier for a federally required audit (irrespective of the contract amount), and to each third party contract at any tier that must be approved by an FTA official irrespective of the contract amount (2 CFR § 1200). The County of Lee Transit System shall apply DOT’s debarment and suspension requirements to itself and each third-party contractor at every tier to the extent required by DOT’s regulations that incorporate the requirements of

Office of Management and Budget (OMB), "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)" (2 CFR § 180).

3.6.1.2. System for Award Management

The System for Award Management (SAM) combines Federal procurement systems and will list any entity, or any of its principals, that are currently subject to an active exclusion meaning the entity is debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts using Federal Transit Administration funds.

As a best practice, The County of Lee Transit System should print the screen with the results of the SAM.gov search to include in the procurement file. Alternatively, the County of Lee Transit System may collect a debarment and suspension certification from the prospective third-party contractor or include a clause in the third-party contract requiring disclosure. FTA notes that affirmative actions, such as checking SAM.gov or including a requirement for a signed certification, are preferred. As such, it shall be the policy of the County of Lee Transit System to verify that the prospective third-party vendor is not listed as a debarred contractor on SAM.

3.6.2. Lobbying Certification and Disclosure

If a third-party contract will exceed \$100,000, before awarding the contract, the County of Lee Transit System will obtain a lobbying certification, and if applicable, a lobbying disclosure from a prospective third-party contractor (see DOT regulations, "New Restrictions on Lobbying," 49 CFR Part 20, modified as necessary by 31 U.S.C. Section 1352).

3.6.3. Required Contract Clauses

In addition to the requirements outlined above, various requirements may apply to The County of Lee Transit System third-party contracts, depending upon the type of procurement and the anticipated dollar value of said contract. It is the responsibility of The County of Lee Transit System to assess each procurement and determine the applicable third-party terms and conditions that should be included in the solicitation and contract documents. Federal regulations at 2 CFR § 200, Appendix II and FTA Circular 4220.1F contain guidance on the applicability of these contract terms and conditions.

3.7. Bonding

Some procurements may require the County of Lee Transit System to require the vendor to submit a bid bond, performance bond, or payment bond (typically construction projects). When bonding is required, the following conditions will apply.

3.7.1. Thresholds

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, NC DOT may accept the bonding policy and requirements of the Subrecipient provided that NC DOT has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

3.7.1.1. Bid Guarantee

A bid guarantee from each bidder equivalent to five percent of the bid price. The “bid guarantee” must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

3.7.1.2. Performance Bond

A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

3.7.1.3. Payment Bond

A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract. FTA has determined that payment bonds in the following amounts are adequate to protect Federal interest and will accept a local bonding policy that meets the following minimums:

- Less Than \$1 Million. Fifty percent of the contract price if the contract price is not more than \$1 million
- More Than \$1 Million but Less Than \$5 Million. Forty percent of the contract price if the contract price is more than \$1 million but not more than \$5 million
- More Than \$5 Million. Two and one-half million dollars if the contract price is more than \$5 million

3.7.2. Acceptable Sureties

Federal rules for non-governmental recipients require the non-governmental recipient to obtain construction bonds from companies holding certificates of authority as acceptable sureties under Department of the Treasury regulations, “Surety Companies Doing Business with the United States,” (31 CFR § 223). For a current list of approved sureties, see the Department of the Treasury’s Listing of Approved Sureties (Department Circular 570). As FTA encourages governmental recipients to require similarly acceptable sureties, it shall be the policy of the County of Lee Transit System to such accept sureties.

3.7.3. Reduced Bonding

The County of Lee Transit System recognizes that bonding costs can be expensive. The County of Lee Transit System will accept a local bonding policy that conforms to the minimums described in Section 3.4.1. If bonding levels are sought at levels less than these amounts, the County of Lee Transit System must obtain the prior approval of NC DOT/FTA. NC DOT/FTA shall approve such requests only if it determines that (The County of Lee Transit System)'s bonding policy adequately protects the Federal interest in the project.

3.7.4. Excessive Bonding

The County of Lee Transit System will adhere to FTA's rules on excessive bonding requirements (FTA Circular 4220.1F, Chapter IV, § 2h(1)(f)). However, if the County of Lee Transit System determines it has a material risk of loss because of a failure of the prospective contractor, bonding requirements may exceed those outlined in Section 3.7.1 only with the prior approval of NC DOT/FTA.

3.8. Preference for U.S. Property—Build America, Buy America

Buy America regulations require that all iron, steel, and manufactured products used in an FTA-funded project be produced in the United States. Rolling stock is included in the category of manufactured products. Originally, the iron and steel requirements applied to all construction materials made primarily of iron or steel used in infrastructure projects.

On November 15, 2021, President Biden signed the Infrastructure Investment and Jobs Act (IIJA or the Bipartisan Infrastructure Law), Pub. L. No. 117-58, which includes the Build America, Buy America Act (BABA). Specifically, BABA expands the coverage of Buy America preferences to all manufacturing processes for construction materials used in federally assisted infrastructure projects.

3.9. Accessibility

Facilities to be used in public transportation service must comply with 42 U.S.C. Sections 12101 *et seq.* and DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)," 49 CFR § 37; and Joint ATBCB/DOT regulations, "Americans with Disabilities (ADA) Accessibility Specifications for Transportation Vehicles," 36 CFR § 1192 and 49 CFR § 38. Notably, DOT incorporated by reference the ATBCB's "Americans with Disabilities Act Accessibility Guidelines" (ADAAG), revised July 2004, which include accessibility guidelines for buildings and facilities, and are incorporated into Appendix A to 49 CFR Part 37. DOT also added specific provisions to Appendix A modifying the ADAAG, with the result that buildings and facilities must comply with both the ADAAG and amendments thereto in Appendix A to 49 CFR Part 37.

3.10. Recovered Materials

The County of Lee Transit System shall comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

3.11. Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms

The County of Lee Transit System must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps must include:

- Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above.

4. SOURCES OF ACQUISITIONS

4.1. Force Account

Force account means the use of the County of Lee Transit System's own labor forces and equipment to undertake a project (typically construction, renovation, or repair). The use of force account labor is a project management function, rather than a procurement and contract administration function, except in the general sense of the Subrecipient's ability to perform work with its own forces rather than contracting with another entity to acquire the property or services it needs, and the cost implications of the recipient's decision. The County of Lee Transit System does not charge force account labor to its FTA grants.

4.2. Joint Procurements

The County of Lee Transit System may participate in joint procurements whereby the County of Lee Transit System and one or more other entities agree from the outset to use a single solicitation document and enter into a single contract with a vendor for delivery of products or services. The following requirements apply to the County of Lee Transit System's participation in joint procurements:

- Solicitation documents may not be drafted to accommodate the needs of other parties that may later want to participate in the benefits of the contract.
- The County of Lee Transit System is responsible for ensuring that the joint procurement solicitation and contract comply with all Federal requirements and that the solicitation document and contract include all required clauses and certifications.

4.3. State or Local Government Purchasing Schedules or Purchasing Contracts

4.3.1. Definition

FTA uses the term "state or local government purchasing schedule" to mean an arrangement that a State or local government has established with several or many vendors in which those vendors agree to provide essentially an option to the State or local government, and its subordinate government entities, to acquire specific property or services in the future at established prices. These arrangements are somewhat similar to the General Services Administration's (GSA) Cooperative Purchasing Program available for Federal Government use.

4.3.2. Small Quantity Conditions for Rolling Stock

For Section 5339-funded procurements, the County of Lee Transit System will use the innovative procurement tools authorized under section 3019 of the FAST Act to the extent practicable. If the County of Lee Transit System conducts a stand-alone procurement (i.e., not part of a state contract or joint/cooperative procurement) for fewer than five buses, it must prepare a written justification for not using an authorized "innovative procurement tool" pursuant to 49 USC § 5339(a)(10)(B).

4.3.3. Applicability of Federal Provisions

When obtaining property or services in this manner, the County of Lee Transit System must ensure all Federal requirements, required clauses, and certifications (including Buy America) are properly followed and included, whether in the master intergovernmental contract or the recipient's purchase document. While NC DOT takes all precautions to ensure that such provisions are in the original solicitation and contract documents, it is ultimately the County of Lee Transit System's responsibility to ensure such documents and certifications are obtained.

If such requirements, clauses, and certifications were not included in the original purchase solicitation and contracts, the County of Lee Transit System may request the vendor to append the required Federal clauses in the purchase order or other document that effects the the County of Lee Transit System's procurement. When this method is used, the County of Lee Transit System shall obtain Buy America certification before entering the purchase order. This method cannot be used to circumvent FTA's Buy America requirements.

4.3.4. Federal Supply Schedules

Purchases by the County of Lee Transit System from Federal Supply Schedules established by the U.S. General Services Administration (GSA) are limited to the purchase of information technology (IT) products and products and services to facilitate recovery from a major disaster. The following requirements apply to the County of Lee Transit System purchases from GSA schedules:

- The County of Lee Transit System is authorized to use GSA schedules for purchases of products and services to facilitate recovery from a major disaster that is declared by the President of the United States. Upon declaration of a major disaster by the President, the County of Lee Transit System may purchase products and services from GSA schedules both in advance and in the aftermath of the emergency event. The County of Lee Transit System shall be responsible for ensuring that the products and services acquired will only be used for recovery.
- The County of Lee Transit System must ensure that all Federal requirements, required clauses, and certifications are properly followed and included, whether in the master intergovernmental contract or the County of Lee Transit System's purchase document.
- The County of Lee Transit System is required to evaluate the reasonableness of prices obtained from GSA schedules. GSA schedule pricing may not be used as a sole or single source for procurement. The County of Lee Transit System may only use GSA schedule pricing as one of the multiple pricing sources solicited in accordance with its requirements for small purchases described in Section 5.

4.3.5. Existing Contracts

The County of Lee Transit System may use existing contract rights as an acquisition source. An "existing contract" means a contract that, when formed, was intended to be limited to the original parties thereto.

4.3.5.1. Permissible Actions

Within the conditions set forth below, the County of Lee Transit System may use existing contract rights held by another recipient of FTA assistance:

(a) Exercise of Options – The County of Lee Transit System may use contract options held by another recipient of FTA assistance with the following limitations:

- (1) Consistency with the Underlying Contract – The County of Lee Transit System must ensure that the terms and conditions of the option it seeks to exercise are substantially similar to the terms and conditions of the option as stated in the original contract at the time it was awarded.
- (2) Price – The County of Lee Transit System may not exercise an option unless it has determined that the option price is better than prices available in the open market, or that when it intends to exercise the option, the option is more advantageous.
- (3) Awards Treated as Sole Source Procurements – The following actions constitute sole source awards:
 - i. Failure to Evaluate Options Before Awarding the Underlying Contract – If a contract has one or more options and those options were not evaluated as part of the original contract award, exercising those options after contract award will result in a sole source award.
 - ii. Negotiating a Lower Option Price – Exercising an option after (The County of Lee Transit System) has negotiated a lower or higher price will also result in a sole source award unless that price can be reasonably determined from the terms of the original contract, or that price results from Federal actions that can be reliably measured.

(b) Assignment of Contract Rights (“Piggybacking”) – If the County of Lee Transit System finds that it has inadvertently acquired contract rights in excess of its needs, it may assign those contract rights to another NC DOT subrecipient if the original contract contains an assignability provision that permits the assignment of all or a portion of the specified deliverables under the terms originally advertised, competed, evaluated, and awarded, or contains other appropriate assignment provisions. The County of Lee Transit System may use contractual rights through assignment from another recipient of FTA assistance after first determining the contract price remains fair and reasonable, and the contract provisions are adequate for compliance with all Federal requirements. (The County of Lee Transit System) need not perform a second price analysis if a price analysis was performed for the original contract; however, the County of Lee Transit System must determine whether the contract price or prices originally established are still fair and reasonable before using those rights. The County of Lee Transit System shall be responsible for ensuring the contractor’s compliance with FTA’s Buy America requirements and execution of all the required pre-award and post-delivery Buy America review certifications. Before proceeding with the assignment, however, the County of Lee Transit System shall review the original contract to be sure that the

quantities the assigning recipient acquired, coupled with the quantities that the County of Lee Transit System seeks, do not exceed the amounts available under the assigning recipient's contract.

4.3.5.2. Impermissible Actions

The County of Lee Transit System may not use Federal assistance to finance:

- (a) Improper Contract Expansion – A contract has been improperly expanded when it includes a larger scope, greater quantities, or options beyond the recipient’s reasonably anticipated needs. A contract has also been improperly expanded when excess capacity has been added primarily to permit assignment of those contract rights to another entity.
- (b) Cardinal Changes – A significant change in contract work that causes a major deviation from the original purpose of the work or the intended method of achievement, or causes a revision of contract work so extensive, significant, or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract, is a cardinal change or “tag-on”. A change within the scope of the contract is not a cardinal change or “tag-on”.

4.4. The Open Market

The County of Lee Transit System will acquire most of the property and services it needs through procurements in the open market using procedures described in Section 5 of this Manual.

5. PROCEDURES FOR OPEN MARKET PROCUREMENTS

5.1. Solicitation of Competitive Price Quotes, Bids or Proposals

Compliance with the solicitation procedures described in Section 5.4 below will fulfill FTA requirements for “full and open competition.”

5.2. Receipt and Evaluation of Unsolicited Proposals

The County of Lee Transit System may enter into contracts based on an unsolicited proposal when authorized by applicable State law or regulation. Receipt of an unsolicited proposal does not, by itself, justify a contract award without providing for full and open competition. Unless the unsolicited proposal offers a proprietary concept that is essential to contract performance, the County of Lee Transit System must seek competition. To satisfy the requirement for full and open competition, the County of Lee Transit System must take the following actions before entering into a contract resulting from an unsolicited proposal:

- Publicize its receipt of the unsolicited proposal;
- Publicize an adequate description of the products or services offered without improperly disclosing proprietary information or disclosing the originality of thought or innovativeness of the products or services sought;
- Publicize its interest in acquiring the products or services described in the proposal;
- Provide an adequate opportunity for interested parties to comment or submit competing proposals; and
- Publicize its intention to award a contract based on the unsolicited proposal or another proposal submitted in response to the publication.

If it is impossible to describe the products or services offered without revealing proprietary information or disclosing the originality of thought or innovativeness of the products or services sought, the County of Lee Transit System may make a sole source award to the offeror. A sole source award may not be based solely on the unique capability of the offeror to provide the specific products or services proposed.

5.3. Prequalification

The County of Lee Transit System may prequalify bidders, offerors, and products for procurement purposes; however, the County of Lee Transit System is not required to do so. The decision of whether to require prequalification for eligibility to participate in procurement shall be made separately for every procurement and shall be approved by the Lee County Assistant Finance Officer who serves as the County Procurement Officer.

If The County of Lee Transit System opts to prequalify bidders, offerors, and products for procurement purposes, the following conditions apply:

- The County of Lee Transit System must ensure that all prequalification lists it uses are current;
- The County of Lee Transit System must ensure that all prequalification lists it uses include enough qualified sources to provide maximum full and open competition; and
- The County of Lee Transit System must permit potential bidders or offerors to qualify during the solicitation period (from the issuance of the solicitation to its closing date). The County of Lee Transit System is not required to hold a particular solicitation open to accommodate a potential supplier that submits products for approval before or during that solicitation nor must (The County of Lee Transit System) expedite or shorten prequalification evaluations of bidders, offerors, or products presented for review during the solicitation period.

5.4. Solicitation Requirements and Restrictions

Every procurement solicitation that the County of Lee Transit System issues above the micro-purchase level (currently established in Federal guidance at \$10,000), must include the following information and be advertised in a manner that ensures adequate and open competition.

5.4.1. Description of the Property or Services

The solicitation and the contract awarded thereunder must include a clear and accurate description of the County of Lee Transit System's technical requirements for the products or services to be acquired in a manner that provides for full and open competition.

5.4.1.1. Descriptive Elements

The County of Lee Transit System will prepare descriptions of property, goods, or services in terms of functions to be performed or level of performance required, including the range of acceptable characteristics or minimum acceptable standards. Detailed product specifications should be avoided if at all possible; however, there is no prohibition against their use when appropriate.

5.4.1.2. Quantities

Additional quantities or options above the County of Lee Transit System's needs at the time of acquisition may not be added to contracts solely to allow the assignment of those quantities or options at a later date.

5.4.1.3. Brand Name or Equal

When it is impractical or uneconomical to provide a clear and accurate description of the technical requirements of the property to be acquired, a "brand name or equal" description may be used to define the performance or other salient characteristics of a specific type of property. The salient characteristics of the named brand that bidders or offerors must provide must be identified.

5.4.1.4. Prohibited Practices

Solicitations with requirements that contain features that unduly restrict competition may not be used. The County of Lee Transit System shall not:

- Impose unreasonable business requirements for bidders or offerors.
- Impose unnecessary experience requirements for bidders and offerors.
- Use prequalification procedures that conflict with the prequalification standards described in Section 5.3.
- Make a noncompetitive award to any person or firm on a retainer contract with the County of Lee Transit System if that award is not for the property or services specified for delivery under the retainer contract.
- Impose unreasonable restrictive bonding requirements on bidders and offerors in excess of FTA and state requirements.
- Specify only a “brand name” product without allowing offers of an “equal” product, or allowing an “equal” product without listing the salient characteristics that the “equal” product must meet to be acceptable for award.
- Specify in-state or local geographical preferences, or evaluating bids or proposals in light of in-state or local geographic preferences, even if those preferences are imposed by State or local laws or regulations. The only exception expressly mandated or encouraged by Federal law that may be applicable to the County of Lee Transit System is the procurement of Architectural and Engineering (A&E) Services. Geographic location may be a selection criterion in the procurement of A&E services if an appropriate number of qualified firms are eligible to compete for the contract given the nature and size of the project.
- Engage in practices that result in organizational conflicts of interest. An organizational conflict of interest occurs when any of the following circumstances arise:
 - Lack of Impartiality or Impaired Objectivity – When the bidder or offeror is unable, or potentially unable, to provide impartial and objective assistance or advice to the County of Lee Transit System due to other activities, relationships, contracts, or circumstances.
 - Unequal Access to Information – When the bidder or offeror has an unfair competitive advantage through obtaining access to nonpublic information during the performance of an earlier contract.
 - Biased Ground Rules – When during the conduct of an earlier procurement, the bidder or offeror has established the ground rules for a future procurement by developing specifications, evaluation factors, or similar documents.
- Support or acquiesce in noncompetitive pricing practices between firms or between affiliated companies.
- Take any arbitrary action in the procurement process.

5.4.2. Evaluation Factors

All solicitations issued by the County of Lee Transit System shall identify all factors to be used in evaluating bids or proposals. At the discretion of the Procurement Officer, the relative order of importance and/or weights may be communicated to prospective offerors.

5.4.3. Permissible Contract Types

The County of Lee Transit System shall state the type of contract that will be awarded in all solicitation documents. The following types of contracts will typically be executed with the successful vendor:

5.4.3.1. Firm Fixed Price

A firm fixed price contract includes a price that remains fixed irrespective of the contractor's cost experience in performing the contract. A firm fixed price contract may include an economic price adjustment provision, incentives, or both.

5.4.3.2. Cost Reimbursement

A cost-reimbursement contract provides for payment of the contractor's allowable incurred costs, to the extent prescribed in the contract. Allowable costs may include incentives if the recipient believes they can prove helpful. Cost-reimbursement contracts are suitable for use only when uncertainties involved in contract performance do not permit costs to be estimated with sufficient accuracy to use any type of fixed-price contract.

5.4.4. Prohibitive or Restricted Contract Types

The following contract types are prohibited or restricted:

5.4.4.1. Cost Plus Percentage of Cost

Cost plus Percentage of Cost type contracts are prohibited.

5.4.4.2. Time and Materials

Time and Materials type contracts may be used only after a written determination is made that no other contract type is suitable. In addition, the contract between the County of Lee Transit System and the Contractor must specify a ceiling price that the Contractor may not exceed except at its own risk.

5.4.5. Other Federal Requirements Affecting the Property or Services to be Acquired

The solicitation and resulting contract must identify those Federal requirements that will affect contract scope and performance.

5.4.6. Other Federal Requirements Affecting the Bidder or Offeror and the Contractor

The solicitation and resulting contract must identify all Federal requirements that a bidder or offeror must fulfill before and during contract performance.

5.4.7. Reservation of Right to Award to Other Than the Low Bidder or Offeror

The solicitation must specifically reserve the County of Lee Transit System the right to award a contract to other than the low bidder or offeror. If the solicitation documents do not specify this right, the County of Lee Transit System will be obligated to award the contract to the low bidder.

5.4.8. Reservation of Right to Reject All Bids or Offers

The solicitation must specifically reserve the County of Lee Transit System's right to reject all bids or offers.

5.5. Methods of Procurement

The County of Lee Transit System shall use competitive procedures appropriate for the acquisition undertaken. The procedures used must comply with North Carolina and local law as well as with Federal requirements. Federal restrictions vary with the type of procurement method used. The following guidance is based on the requirements of 2 CFR § 200.318 – 200.326, supplemented by FTA policies that address the needs of FTA recipients.

5.5.1. Informal Procurements: Micro-Purchases

5.5.1.1. Definition

Micro-purchases are those purchases of products and services that cost \$10,000 or less, as defined by 2 CFR §200.67 (or current threshold established by Federal Acquisition Regulations (FAR)); for purposes of this policy, The County of Lee Transit System will use Micro Purchase Limit as the threshold for relatively simple purchases as a means to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost.

5.5.1.2. Approval Authority

Micro-purchases must be approved in writing by one of the following of The County of Lee Transit System employees:

- Melanie Rodgers - Transit Director
- Jen Waterhouse – Assistant Finance Officer/Procurement Officer

5.5.1.3. Competition

The County of Lee Transit System may acquire products and services valued at less than Micro Purchase Limit without obtaining competitive quotations. Micro-purchases should be distributed equitably among qualified suppliers.

Micro-purchases are exempt from FTA's Buy America requirements. Davis-Bacon prevailing wage requirements, however, will apply to construction contracts exceeding \$2,000, even though the recipient uses micro-purchase procurement procedures.

5.5.1.4. Prohibited Divisions

The size or dollar value of procurements may not be divided or reduced merely to come within the micro-purchase limit. The only allowable exception to this restriction is for the express

purpose of fostering greater participation of DBEs, small and minority firms, and women's business enterprises in the County of Lee Transit System's Federally-assisted procurements.

5.5.1.5. Documentation

Every micro-purchase must be accompanied by a written determination that the price is fair and reasonable and a description of how that determination was made.

5.5.2. Informal Procurements: Small Purchases

5.5.2.1. Definition

FTA defines small purchases are those purchases of products and services, including construction services, that cost greater than \$10,000 but not more than \$250,000. For purposes of this policy, the County of Lee Transit System) will consider small purchases those that cost greater than \$500.00 not more than \$5,000.00.

5.5.2.2. Approval Authority

Small purchases must be approved in writing by one of the following the County of Lee Transit System employees:

- Melanie Rodgers - Transit Director
- Jen Waterhouse – Assistant Finance Officer – Procurement Officer

5.5.2.3. Required Competition

Price or rate quotations must be obtained from an adequate number of qualified sources (i.e., at least two). It is the responsibility of the County of Lee Transit System to ensure that an adequate number of quotations, bids, or proposals are received.

5.5.2.4. Prohibited Divisions

The size or dollar value of procurements may not be divided or reduced merely to come within the small purchase limit. The only allowable exception to this restriction is for the express purpose of fostering greater participation of DBEs, small and minority firms, and women's business enterprises in the County of Lee Transit System's Federally-assisted procurements

5.5.2.5. Documentation

Every small purchase must be documented in the grantee's written procurement history file. The level of documentation is stipulated in Section 6.6.1.

For small purchases, price quotations may be oral or written.

5.5.2.6. Special Considerations

The County of Lee Transit System may acquire products and services directly from State contract vendors in lieu of competitively procuring such products and services itself through the small purchase method of procurement.

The County of Lee Transit System reserves the right to use formal purchase methods, even if small purchase thresholds are met, if the Procurement Officer believes it is in the best interests of the the County of Lee Transit System to do so.

5.5.3. Formal Procurements

5.5.3.1. Definition

Formal purchases are those purchases of products and services that cost greater than the current Federal threshold of \$250,000. For purposes of this policy, the County of Lee Transit System will use formal procedures for all purchases over \$500.00.

5.5.3.2. Approval Authority

Large purchases must be approved in writing by the following the County of Lee Transit System employees or officials:

- Melanie Rodgers - Transit Director
- Jen Waterhouse – Assistant Finance Officer – Procurement Officer

5.5.3.3. Formal Procurement Methods

There are two primary methods of procurement for large purchases of products and services:

- Sealed Bid method; and
- Competitive Proposal method.

5.5.3.4. Required Competition

Formal bids and competitive proposals must be publicly advertised.

For formal purchases by the sealed bid method of procurement, two or more responsible bidders must be willing and able to compete effectively for the business.

For formal purchases by the competitive proposal method of procurement, two or more offerors must be willing and able to submit an offer or proposal.

5.5.3.5. Required Documentation

Every formal purchase must, at a minimum, be supported by a written independent cost estimate, formal bids or proposals, a written cost or price analysis as appropriate, a written

justification and detailed rationale for contractor selection (including application of evaluation criteria), and a written determination of the responsibility of the contractor. Additional documentation requirements are dependent upon the formal procurement method that is utilized to make the purchase.

5.5.3.6. Special Considerations

The County of Lee Transit System may acquire products and services via state contract in lieu of competitively procuring such products and services itself through the sealed bid and competitive proposal methods of procurement.

5.5.3.7. Procedural Methods for Sealed Bids

The sealed bid method of procurement is a formal method in which bids are publicly solicited and a firm fixed price contract is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the Invitation for Bids (IFB), is lowest in price. The vehicle through which bids are solicited is an IFB. The IFB document contains technical specifications for the product or service to be purchased, a description of the procedures for submitting a bid, and the forms on which bids must be submitted.

- (a) When Appropriate – The sealed bid method of procurement is the preferred method for acquiring products and services that, including construction services, cost greater than \$5,000.00. The sealed bid method of procurement may also be used for small purchases if it is determined to be appropriate. The sealed bid method of procurement is appropriate if the following conditions apply:
- (1) Precise Specifications – A complete, adequate, precise, and realistic specification or purchase description is available.
 - (2) Adequate Sources – Two or more responsible bidders are willing and able to compete effectively for the business.
 - (3) Fixed Price Contract – The procurement generally lends itself to a firm fixed-price contract.
 - (4) Price Determinative – The successful bidder can be selected on the basis of price and those price-related factors listed in the solicitation including, but not limited to, transportation costs, life cycle costs, and discounts expected to be taken. Apart from responsibility determinations, contractor selection may not be determined on the basis of other factors whose costs cannot be measured at the time of award.
 - (5) Discussions Unnecessary – Discussions with one or more bidders after bids have been submitted are expected to be unnecessary as the award of the contract will be made based on price and price-related factors alone.
- (b) Requirements for Sealed Bids – The following requirements apply to the sealed bid method of procurement:
- (1) Publicity – The Invitation for Bids must be publicly advertised.
 - i. The Procurement Officer shall ensure that sufficient time is allowed to prepare bids before the date of bid opening.

- ii. Notice of bidding opportunities may be provided in other ways in addition, but not as a substitute, to a published notice. The methods may include, but not necessarily be limited to:
 - a. Direct notice, based on compiled vendor lists or from pre-qualification lists, sent to prospective offerors; or
 - b. Use of advertisement by electronic means.
- (2) Adequate Sources – Bids must be solicited from an adequate number of known suppliers.
- (3) Adequate Specifications – The Invitation for Bids, including any specifications and pertinent attachments, must describe the property or services sought in sufficient detail that a prospective bidder will be able to submit a proper bid.
- (4) Sufficient Time – Bidders must be allowed sufficient time to prepare bids before the date of bid opening.
- (5) Public Opening – All bids must be publicly opened at the time and place prescribed in the Invitation for Bids.
- (6) Fixed Price Contract – A firm fixed price contract must be awarded in writing to the lowest responsive and responsible bidder unless the Invitation for Bids specifically allows for the award of a fixed price incentive contract or the inclusion of an economic price adjustment provision.
- (7) Rejection of Bids – Any or all bids may be rejected if there is a sound, documented business reason.

5.5.3.8. Competitive Proposals

The competitive proposal method of procurement is a formal method in which written proposals are publicly solicited and a contract is awarded to the responsible offeror whose proposal, taking into consideration price and other factors, is considered to be the most advantageous to The County of Lee Transit System or that is considered to be the “best value” to The County of Lee Transit System. The vehicle through which proposals are solicited is Request for Proposals (RFP). The RFP document contains technical specifications for the product or service to be purchased, a description of the procedures for submitting a proposal, criteria to be used in the County of Lee Transit System’s evaluation of proposals, and the forms on which proposals must be submitted, if applicable.

- (a) When Appropriate – The competitive proposal method of procurement is appropriate for the acquisition of products and services that cost greater than \$5,000.00 when the nature of the procurement does not lend itself to sealed bidding and the County of Lee Transit System expects that more than one source will be willing and able to submit a proposal. The competitive proposal method of procurement may also be used for small purchases if it is determined to be appropriate. The competitive proposal method of procurement may not be used for the procurement of construction services. The competitive proposal method of procurement is appropriate when any of the following circumstances are present:

- (1) Type of Specifications – The products or services to be acquired are described in a performance or functional specification, or if described in

detailed technical specifications, other circumstances such as the need for discussions or the importance of basing contract award on factors other than price alone are present.

- (2) Uncertain Number of Sources – Uncertainty about whether more than one bid will be submitted in response to an Invitation for Bids.
- (3) Price Alone Not Determinative – Due to the nature of the procurement, contract award need not be based exclusively on price or price-related factors.
- (4) Discussions Expected – Separate discussions with individual offerors are expected to be necessary after they have submitted their proposals.

(b) Requirements for Competitive Proposals – The following requirements apply to the competitive proposal method of procurement:

- (1) Publicity – The Request for Proposals must be publicly advertised.
- (2) Evaluation Factors – All evaluation factors and their relative importance must be specified in the solicitation, but numerical or percentage ratings or weights need not be disclosed.
- (3) Adequate Sources – Proposals must be solicited from an adequate number of qualified sources.
- (4) Evaluation Method – A specific method must be established and used to conduct technical evaluations of the proposals received and to determine the most qualified offeror.
- (5) Price and Other Factors – An award must be made to the responsible offeror whose proposal is most advantageous to the County of Lee Transit System or that represents the “best value” to the County of Lee Transit System with price and other factors considered.
- (6) Best Value – The County of Lee Transit System may award a contract to the offeror whose proposal provides the greatest value to The County of Lee Transit System. To do so, the solicitation must inform potential offerors that the award will be made on a “best value” basis and identify what factors will form the basis for the award. The County of Lee Transit System must base its determination of which proposal represents the “best value” on an analysis of the tradeoff of qualitative technical factors and price or cost factors.

5.5.3.9. Two-Step Procurements

The County of Lee Transit System may use two-step procurement procedures in both sealed bid and competitive proposal procurements, provided the opportunity for full and open competition is retained.

- (a) Review of Technical Qualifications and Approach – The first step is a review of the prospective contractors’ technical approach to the County of Lee Transit System’s request and their technical qualifications to carry out that approach followed by the establishment of a competitive range consisting of prospective contractors that demonstrate a technically satisfactory approach and have satisfactory qualifications.

- (b) Review of Bids and Proposals Submitted by Qualified Prospective Contractors – The second step consists of soliciting and reviewing complete bids or proposals, including price, submitted by each prospective contractor determined to be qualified. Absent exceptional circumstances, bids or proposals must be solicited from at least three qualified prospective contractors.

5.5.3.10. Architectural and Engineering (A&E) Services and Other Services

FTA’s enabling legislation at 49 U.S.C. § 5325(b)(1) requires the use of the qualifications-based procurement procedures contained in the “Brooks Act,” 40 U.S.C. § 1101 through 1104, to acquire A&E services.

- (a) Qualifications-Based Procurement Procedures Required – The County of Lee Transit System must use qualifications-based procurement procedures to acquire architectural and engineering (A&E) services as well as certain other services that are directly in support of, directly connected to, directly related to, or lead to construction, alteration, or repair of real property. In addition to A&E services, other services that must be procured by qualifications-based procurement procedures include:

- Program management;
- Construction management;
- Feasibility studies;
- Preliminary engineering;
- Design, architectural, engineering;
- Surveying, mapping; and
- Other related services.

The nature of the work to be performed and its relationship to construction, not the nature of the prospective contractor, determine whether qualifications-based procurement procedures may be used.

- (b) Qualifications-Based Procurement Procedures Prohibited – Unless FTA determines otherwise in writing, qualifications-based procurement procedures may not be used to acquire other types of services if those services are not directly in support of, directly connected to, directly related to, or do not lead to construction, alteration, or repair of real property. Qualifications-based procurement procedures may not be used for actual construction, alteration, or repair of real property.
- (c) Qualifications-Based Procurement Procedures – The following procedures apply to qualifications-based procurements:
- (1) Qualifications – Unlike other two-step procurement procedures in which price is an evaluation factor, an offeror’s qualifications are evaluated to determine contract award.
 - (2) Price – Price is excluded as an evaluation factor.

- (3) Most Qualified – Price negotiations are first conducted with only the most qualified offeror.
- (4) Next Most Qualified - Only after failing to agree on a fair and reasonable price may negotiations be conducted with the next most qualified offeror. Then, if necessary, negotiations with successive offerors in descending order may be conducted until contract award can be made to the offeror whose price the recipient believes is fair and reasonable.

5.6. Noncompetitive Procurements

Normally, the County of Lee Transit System must provide for full and open competition when soliciting bids or proposals. Federal regulations at 2 CFR § 200.320(f)(1) – (4), however, acknowledge that under certain circumstances, a recipient may conduct procurements without providing for full and open competition.

5.6.1. When Appropriate

Noncompetitive procurement procedures may only be used when the procurement is inappropriate for small purchase procedures, sealed bids, or competitive proposals, and at least one of the following circumstances are present:

5.6.1.1. Competition Adequacy

After soliciting several sources and receiving an inadequate response, the County of Lee Transit System shall review its specifications to determine if they are unduly restrictive or if changes can be made to encourage the submission of more price quotes, bids, or proposals. If the County of Lee Transit System determines that the specifications are not unduly restrictive and changes cannot be made to encourage greater competition, the County of Lee Transit System may determine the original competition adequate and complete the purchase from among the sources that submitted a price quote, bid, or proposal. A cost analysis must be performed in lieu of a price analysis when this situation occurs.

5.6.1.2. Sole Source

When the County of Lee Transit System requires products or services available from only one responsible source, and no other products or services will satisfy its requirements, the County of Lee Transit System may make a sole source award. In addition, when the County of Lee Transit System requires an existing contractor to make a change to its contract that is beyond the scope of that contract, the County of Lee Transit System will consider the change a sole source award that must be justified. Sole source awards are only appropriate when one of the following conditions apply:

- (a) Unique Capability or Availability – The products or services are available from only one source if one of the conditions described below is present:

- (1) Unique or Innovative Concept – The offeror demonstrates a unique or innovative concept or capability not available from another source. Unique or innovative concept means a new, novel, or changed concept, approach, or method that is the product of original thinking, the details of which are kept confidential or are patented or copyrighted, and is available to the County of Lee Transit System only from one source and has not in the past been available to the County of Lee Transit System from another source.
 - (2) Patents or Restricted Data Rights – Patent or data rights restrictions preclude competition.
 - (3) Substantial Duplication Costs – In the case of a follow-on contract for the continued development or production of highly specialized equipment and major components thereof, when it is likely that award to another contractor would result in substantial duplication of costs that are not expected to be recovered through competition.
 - (4) Unacceptable Delay – In the case of a follow-on contract for the continued development or production of highly specialized equipment and major components thereof, when it is likely that award to another contractor would result in unacceptable delays in fulfilling the County of Lee Transit System's needs.
- (b) Unusual and Compelling Urgency – The County of Lee Transit System may limit the number of sources from which it solicits bids or proposals when the County of Lee Transit System has such an unusual and urgent need for the products or services that the County of Lee Transit System would be seriously injured unless it were permitted to limit the solicitation. The County of Lee Transit System may also limit the solicitation when the public exigency or emergency will not permit a delay resulting from competitive solicitation for the products or services.
- (c) Authorized by NC DOT – The County of Lee Transit System may request permission from NC DOT to allow it to use noncompetitive proposals for a particular procurement.
- (d) When Prohibited – Less than full and open competition is not justified based on:
- (1) Failure to Plan – The County of Lee Transit System's lack of advance planning, resulting in limited competition, is not justification for a sole source or single bid award.
 - (2) Limited Availability of Federal Assistance – Concerns about the amount of Federal assistance available to support the procurement.
- (e) Procurement Procedures – The following requirements apply when the County of Lee Transit System completes a procurement utilizing less than full and open competition:
- (1) Potential Sources – The County of Lee Transit System must solicit offers from as many potential sources as is practicable under the circumstances.
 - (2) Sole Source Justification – The County of Lee Transit System must justify all sole source procurements in writing. Sole source procurement justifications must describe the reasons why a sole source procurement is appropriate, state which

of the authorized justifications listed in Section 5.6.1.2 are applicable, include a cost analysis, and be signed by the Finance Officer - Procurement Officer. If the County of Lee Transit System decides to solicit an offer from only one source, the County of Lee Transit System must justify its decision in writing. The written justification must include the same elements as a sole source justification except that it must state which of the authorized justifications listed in Section 5.6.1.2 are applicable to the sole source purchase.

- (3) Cost Analysis – The County of Lee Transit System must prepare or obtain a cost analysis verifying the proposed cost data, the projections of the data, and the evaluation of the costs and profits. A price analysis shall not be adequate to justify a sole source purchase.

- (f) Exception for Procurement Activities Using Non-FTA Funds – When it is determined by the Assistant Finance Officer - Procurement Officer to be in the best interest of the County of Lee Transit System, noncompetitive procurement procedures may be utilized to acquire professional or other transportation-related services that do not involve the use of FTA financial assistance. Any such determination must be made in writing and signed by the Assistant Finance Officer - Procurement Officer.

5.6.1.3. Single Bid or Proposal

- (a) Single Bid or Proposal – Upon receiving a single bid or proposal in response to a solicitation, the County of Lee Transit System should determine if competition was adequate. This should include a review of the specifications for undue restrictiveness and might include a survey of potential sources that chose not to submit a bid or proposal.
 - (1) Adequate Competition – Competition is adequate when the reasons for a single response were caused by conditions beyond (The County of Lee Transit System)'s control. After documenting the determination of adequate competition in the procurement file, the procurement process may continue with the single response.
 - (2) Inadequate Competition – Competition is inadequate when the reasons for a single response were caused by conditions within (The County of Lee Transit System)'s control. In such situations, The County of Lee Transit System must correct all deficiencies in the procurement process that caused competition to be inadequate (e.g., unduly restrictive specification, inadequate advertisement/ dissemination) and then reissue the solicitation.

5.7. Evaluation Requirements

The following standards shall apply to all evaluations of bids or proposals conducted by the County of Lee Transit System.

5.7.1. General

When evaluating bids or proposals received in response to a solicitation, the County of Lee Transit System shall consider all evaluation factors specified in the solicitation documents and shall evaluate the bids or offers proposals only on the evaluation factors included in those solicitation documents. The County of Lee Transit System may not modify its evaluation factors after bids or proposals have been received without re-opening the solicitation.

5.7.2. Options

The following standards shall apply when awarding contracts that include options:

5.7.2.1. Evaluation Required

In general, the County of Lee Transit System must evaluate bids or offers for any option quantities or periods contained in a solicitation if it intends to exercise those options after the contract is awarded. The price associated with exercising the option needs to be defined at the outset, either as a specific price, percentage increase of the base price, or some other calculable method. If the options were not evaluated as part of the award, the exercise of the options is considered a sole-source procurement.

5.7.2.2. Evaluation Not Required

The County of Lee Transit System need not evaluate bids or offers for any option quantities when the County of Lee Transit System does not intend to exercise those options after the contract is awarded.

5.7.2.3. Evaluators

In addition to evaluators with experience in technical or public policy matters related to the procurement, other evaluators may also include auditors and financial experts to the extent that the Assistant Finance Officer - Procurement Officer determines would be necessary or helpful. If the County of Lee Transit System lacks qualified personnel within its organization, it may solicit evaluators from other transit organizations or may contract for evaluation services. If it does so, the procurement procedures in this policy will apply to those contracts and to those contractors selected to perform evaluation functions on behalf of the recipient.

5.8. Contract Award Requirements

The following standards shall apply to all contract award decisions made by the County of Lee Transit System:

5.8.1. Award to Other Than the Lowest Bidder or Offeror

The County of Lee Transit System may award a contract to other than the lowest bidder if the award furthers an objective consistent with the purposes of 49 U.S.C. Chapter 53, including improved long-term operating efficiency and lower long-term costs. The County of Lee Transit System may also award a contract to other than the offeror whose price proposal is lowest, when stated in the evaluation factors

of the solicitation. In both cases, the County of Lee Transit System must include a statement in its solicitation document reserving the right to award the contract to other than the low bidder or offeror.

The County of Lee Transit System must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

5.8.1.1. Award Only to a Responsible Bidder or Offeror

The County of Lee Transit System may only award contracts to responsible contractors possessing the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract and who demonstrate that its proposed subcontractors also qualify as responsible. The County of Lee Transit System must consider such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources when making a determination of contractor responsibility. The County of Lee Transit System must also ensure that the contractor is not listed as a debarred or suspended contractor on the System for Award Management (SAM), which is maintained by the General Services Administration (GSA), at the time of contract award. Entities that are listed as debarred or suspended contractors on SAM may not be determined to be responsible contractors by the County of Lee Transit System. For every procurement action above the micro-purchase level, The County of Lee Transit System must make a written determination of the responsibility of the contractor and include such determination in the applicable contract file (See Section 3.6).

To designate a prospective contractor "responsible" as required by 49 U.S.C. § 5325, the County of Lee Transit System, at a minimum, must determine and ensure that the prospective contractor satisfies the following criteria described herein. In addition to being otherwise qualified and eligible to receive the contract award under applicable laws and regulations, a responsible contractor:

- (a) Integrity and Ethics – Has a satisfactory record of integrity and business ethics, in compliance with 49 U.S.C. Section 5325(j)(2)(A).
- (b) Debarment and Suspension – Is neither debarred nor suspended from Federal programs under DOT regulations, "Nonprocurement Suspension and Debarment," 2 CFR Parts 180 and 1200, or under the FAR at 48 CFR Chapter 1, Part 9.4.
- (c) Affirmative Action and DBE – Is in compliance with the Common Grant Rules' affirmative action and FTA's Disadvantaged Business Enterprise requirements.
- (d) Public Policy – Is in compliance with the public policies of the Federal Government, as required by 49 U.S.C. § Section 5325(j)(2)(B).

- (e) Administrative and Technical Capacity – Has the necessary organization, experience, accounting, and operational controls, and technical skills, or the ability to obtain them, in compliance with 49 U.S.C. Section 5325(j)(2)(D).
- (f) Licensing and Taxes – Is in compliance with applicable licensing and tax laws and regulations.
- (g) Financial Resources – Has, or can obtain, sufficient financial resources to perform the contract, as required by 49 U.S.C. Section 5325(j)(2)(D).
- (h) Production Capability – Has, or can obtain, the necessary production, construction, and technical equipment and facilities.
- (i) Timeliness – Is able to comply with the required delivery or performance schedule, taking into consideration all existing commercial and governmental business commitments.
- (j) Performance Record – Is able to provide a:
 - (1) Current Performance – Satisfactory current performance record; and
 - (2) Past Performance – Satisfactory past performance given its records of long-time performance or performance with a predecessor entity, including:
 - i. Sufficient Resources. Key personnel with adequate experience, a parent firm with adequate resources and experience, and key subcontractors with adequate experience and past performance,
 - ii. Adequate Past Experience. Experience in carrying out similar work with particular attention to management approach, staffing, timeliness, technical success, budgetary controls, and other specialized considerations as described in the recipient’s solicitation, and
 - iii. Any Past Deficiencies Not the Fault of the Bidder or Offeror. A prospective bidder or offeror that is or recently has been seriously deficient in contract performance is presumed to be non-responsible unless the recipient determines that the circumstances were properly beyond the bidder or offeror’s control, or unless the bidder or offeror has taken appropriate corrective action. Past failure to apply sufficient tenacity, perseverance, and effort to perform acceptably is strong evidence of non-responsibility. Failure to meet the quality requirements of a contract is a significant factor to consider in determining satisfactory performance. NC DOT expects the County of Lee Transit System to consider the number of the bidder or offeror’s contracts involved and the extent of deficient performance in each contract when making this determination.

5.8.1.2. Rejection of Bids and Proposals

The County of Lee Transit System) may reject all bids or proposals submitted in response to an Invitation for Bids or Request for Proposals. (The County of Lee Transit System) must include a statement in its solicitation document reserving the right to reject all bids or proposals.

- (a) Extent and Limits of Contract Award – The selection of a contractor to participate in one aspect of a project does not, by itself, constitute a sole source selection of the contractor’s wholly owned affiliates to perform other work in connection with the project.

5.9. Independent Cost Estimate and Cost and Price Analysis

5.9.1. Independent Cost Estimate

For every procurement above the Simplified Acquisition Threshold, The County of Lee Transit System shall make a written independent estimate of cost prior to receiving price quotes, bids, or proposals.

5.9.2. Cost or Price Analysis

The County of Lee Transit System shall perform a cost or price analysis in connection with every procurement over \$250,000 and for all contract modifications.

5.9.2.1. Price Analysis

If the County of Lee Transit System determines that competition was adequate, a written price analysis, rather than a cost analysis, is required to determine the reasonableness of the proposed contract price.

5.9.2.2. Cost Analysis

The County of Lee Transit System must perform or obtain a cost analysis when:

- (a) A price analysis will not provide sufficient information to determine the reasonableness of the contract cost.
- (b) When the offeror submits elements of the estimated cost.
- (c) When only a sole source is available, even if the procurement is a contract modification.
- (d) In the event of a change order.

5.10. Estimated Costs

Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred, or cost estimates included in negotiated prices would be allowable for the

non-Federal entity under subpart E of 2 CFR § 200. The County of Lee Transit System may reference its own cost principles that comply with the Federal cost principles.

6. CONTRACT ADMINISTRATION REQUIREMENTS AND CONSIDERATIONS

6.1. The County of Lee Transit System Staff Responsibilities

Prior to the execution of third party contracts, the County of Lee Transit System shall designate a Project Manager to serve as the County of Lee Transit System's principal contact with the contractor and as the primary administrator of the contract. The designated Project Manager for each contract shall have responsibility for directing and overseeing the work performed by the contractor; reviewing and approving deliverables and invoices from the contractor; determining percentage of contract completion for progress payments (if applicable); making recommendations on the exercise of contract options (if applicable); recommending contract changes; preparing justifications for contract changes; performing independent cost estimates and cost or price analyses for contract changes; making recommendations on approval or rejection of subcontractors; assisting with the resolution of contract disputes; making recommendations on contract termination or other contractor disciplinary actions; maintaining complete contract files; and other contract administration duties that may be necessary.

6.2. Administrative Restrictions on the Acquisition of Property and Services

The following Federal laws and regulations impose administrative requirements, many of which will affect specific third-party procurements.

6.2.1. Legal Eligibility

The property or services acquired must be eligible for support under the restrictions accompanying the Federal statute authorizing the Federal assistance to be used.

6.2.2. Scope of the Project

The property or services acquired must be eligible for support within the scope of the underlying grant or cooperative agreement from which the Federal assistance to be used is derived.

6.2.3. Period of Performance

The County of Lee Transit System will use sound business judgment and be judicious in establishing and extending a contract's period of performance.

6.2.3.1. General Standards

The period of performance generally should not exceed the time necessary to accomplish the purpose of the contract. The County of Lee Transit System will also consider competition, pricing, fairness, and public perception. The County of Lee Transit System's procurement files will document its rationale for determining the performance period designated for each contract.

6.2.3.2. Time Extensions

Consistent with the general tone of FTA Circular 4220.1F, contract time extensions shall be considered in light of whether they are permissible changes or impermissible cardinal changes. Once the County of Lee Transit System awards a third-party contract, an extension of the contract term length that amounts to a cardinal change will require a sole source justification.

6.2.3.3. Authority to Extend

The Finance Office- Procurement Officer for the contract shall recommend all contract time; prior to making a recommendation for a contract time extension. The Assistant Finance Officer - Procurement Officer shall prepare a written justification and cost analysis (if applicable) for the contract time extension and shall negotiate the appropriate contract modification with the contractor.

6.3. Contract Modifications and Change Orders

A contract modification is any written change in the terms of the contract. The County of Lee Transit System is responsible for issuing, evaluating, and making necessary decisions involving any change to its third-party contracts, and any change orders or modifications it may issue.

Change orders may be limited in scope; generally, all changes will be consistent with the scope of the contract. It is the responsibility of The County of Lee Transit System to evaluate the change order and determine if the change is consistent with the scope of the original contract. If determined to be outside the scope of the original contract, then The County of Lee Transit System shall consider the change to be a cardinal change in the scope of work. These changes shall be considered to be a sole source award and be subject to the requirements set forth in this policy for sole source awards.

There are different modifications, as follows:

6.3.1. Bilateral Contract Modification

A bilateral contract modification represents a contract change that must be signed by both parties and is sometimes referred to as a supplemental agreement. This type of modification is used to:

- Make negotiated equitable adjustments to the contract price, delivery schedule, or other contract terms resulting from the issuance of a change order
- Define letter contracts
- Reflect other agreements of the parties modifying the terms of the contract

6.3.2. Unilateral Contract Modification

A unilateral contract modification only requires authorization by the County of Lee Transit System. Such changes are used to make administrative changes, issue change orders, make changes authorized by clauses other than a bilateral modification, or issue termination notices.

6.3.3. Change Orders for Construction Projects

The County of Lee Transit System shall provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms to the approved plans and specifications.

6.3.4. Authority

The Assistant Finance Officer - Procurement Officer shall have authority to approve all contract modifications that do not alter the scope of work greater than \$10,000. Changes that impact project costs above this level shall be approved by the Lee County Manager.

6.3.5. Necessity to Perform Cost or Price Analysis

If a contract modification is construed to meet the definition of a “cardinal change” in the scope of work, the County of Lee Transit System is obligated to conduct a cost or price analysis in conjunction with the contract modification.

6.4. Federal Cost Principles

Federal rules require project costs to conform to applicable Federal cost principles for allowable costs. In general, costs must be necessary and reasonable, allocable to the project, authorized or not prohibited by Federal law or regulation, and must comply with Federal cost principles applicable to the recipient.

OMB guidance for grants and agreements, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” 2 CFR § 200, applies to project costs incurred the County of Lee Transit System.

6.5. Payment Provisions

The County of Lee Transit System will follow the provisions of this section when using FTA funds to support its third-party contracts.

6.5.1. Financial Support for the Project

Costs may only be incurred by the County of Lee Transit System if NC DOT has awarded a financial assistance contract to the County of Lee Transit System.

6.5.1.1. Progress Payments

Progress payments are payments for contract work that has not been completed. The County of Lee Transit System may use NC DOT assistance to support progress payments provided the recipient obtains adequate security for those payments and has sufficient written documentation to substantiate the work for which payment is requested.

6.5.1.2. Adequate Security for Progress Payments

Adequate security for progress payments may include taking title, obtaining a letter of credit, or taking equivalent measures to protect the recipient's financial interest in the progress payment. Adequate security should reflect the practical realities of different procurement scenarios and factual circumstances. The County of Lee Transit System should always consider the costs associated with providing security (for example, the recipient may need to acquire bonds or letters of credit in the commercial marketplace) and the impact of those costs on the contract price, as well as the consequences of incomplete performance.

6.5.1.3. Adequate Documentation

Sufficient documentation is required to demonstrate completion of the amount of work for which progress payments are made.

6.5.1.4. Percentage of Completion Method

Federal rules require that any progress payments for construction contracts be made on a percentage of completion method described therein. The County of Lee Transit System, however, may not make progress payments for other than construction contracts based on this percentage method.

6.6. Protections Against Performance Difficulties

The County of Lee Transit System shall include provisions in its third-party contracts that will reduce potential problems that might occur during contract performance, as follows:

6.6.1. Changes

The County of Lee Transit System shall include provisions that address changes and changed conditions in all third-party contracts except for routine supply contracts.

6.6.2. Remedies

The County of Lee Transit System shall include provisions that address remedies in its third-party contracts. Provisions related to remedies may include provisions for:

6.6.2.1. Liquidated Damages

The County of Lee Transit System may use liquidated damages if the County of Lee Transit System reasonably expects to suffer damages through delayed contract completion, or if weight requirements are exceeded, and the extent or amount of such damages are uncertain and would be difficult or impossible to determine. Rate and measurement standards must be calculated to reasonably reflect the County of Lee Transit System's costs should the standards not be met and must be specified in the solicitation and contract. The assessment for damages

may be established at a specific rate per day for each day beyond the contract's delivery date or performance period. A measurement other than a day or another period of time, however, may be established if that measurement is appropriate, such as weight requirements in a rolling stock purchase. The contract file must include a record of the calculation and rationale for the amount of damages established. Any liquidated damages recovered must be credited to the project account.

6.6.2.2. Violation or Breach

Third-party contracts exceeding \$250,000 must include administrative, contractual, or legal remedies for violations or breaches of the contract by the third-party contractor.

6.6.2.3. Suspension of Work

The County of Lee Transit System may include provisions pertaining to suspension of work in its third-party contracts.

6.6.2.4. Termination

Termination for cause and termination for convenience provisions must be included in third party contracts exceeding \$10,000.

6.7. Contents of Complete Contract Files

The following documents shall comprise the contents of a complete contract file for procurements above the micro-purchase level:

6.7.1. Written Record of Procurement History

The County of Lee Transit System shall maintain written records detailing the history of the procurement, including records relating to:

6.7.1.1. Procurement Method

The County of Lee Transit System must provide its rationale for the method of procurement it used for each contract, including a sole source justification for any acquisition that does not qualify as competitive.

6.7.1.2. Contract Type

The County of Lee Transit System must state the reasons for selecting the contract type it used.

6.7.1.3. Contractor Selection

The County of Lee Transit System must state its reasons for contractor selection or rejection, including written justification and evaluation documents.

6.7.1.4. Contractor Responsibility

The County of Lee Transit System must provide a written determination of responsibility for the successful contractor.

6.7.1.5. Cost or Price

The County of Lee Transit System must evaluate and state its justification for the contract cost or price, including the independent cost estimate and cost or price analysis.

6.7.1.6. Reasonable Documentation

The County of Lee Transit System must retain documentation commensurate with the size and complexity of the procurement, including documents related to solicitation, receipt and evaluation of offers, and contract award, negotiation, and execution.

6.8. Access to Records

Federal rules (49 U.S.C. § 5325(g)) provide FTA and NC DOT officials, the Comptroller General, or any of their representatives, access to and the right to examine and inspect all records, documents, and papers, including contracts, related to any FTA project financed with Federal assistance authorized by 49 U.S.C. Chapter 53.

6.9. Contract Administration and Close-Out Documents

The County of Lee Transit System shall maintain written records detailing the performance and close-out of the contract, including records relating to:

6.9.1. Contractor Performance

The County of Lee Transit System must maintain documents related to contractor adherence to budget and schedule, compliance with contract terms and conditions, DBE participation, progress reports, disputes, and disciplinary actions.

6.9.2. Contract Deliverables

The County of Lee Transit System must maintain copies of all contract deliverables and records relating to approval, rejection, and requested modifications of contract deliverables.

6.9.3. Contract Changes

The County of Lee Transit System must maintain copies of all contract modifications, including documentation related to the determination of need, written justification and rationale, cost analysis, negotiation, and execution.

6.9.4. Contract Payments

The County of Lee Transit System must retain documentation of invoices, approval of payments, requests for modifications to invoices, determination of the percentage of contract completion for partial payments (if applicable), and ownership of title to partial work products.

6.9.5. Contract Close-Out

The County of Lee Transit System must retain documentation related to contractor performance and evaluation, approval of final deliverables and payments, transfer of title to complete work products to The County of Lee Transit System, and contract audit and final reconciliation.

6.10. Protest Procedures

6.10.1. Statement of Policy

The County of Lee Transit System is responsible for resolving all contractual and administrative issues, including protests of evaluations and contract awards, arising out of its third-party procurements using good administrative practices and sound business judgment.

In general, NC DOT will not substitute its judgment for that of the County of Lee Transit System unless the matter is primarily a Federal concern. Nevertheless, NC DOT and FTA can become involved in the County of Lee Transit System's administrative decisions when a the County of Lee Transit System protest decision is appealed to NC DOT.

The County of Lee Transit System shall give timely notification to NC DOT when it receives a third-party procurement protest and will keep FTA informed about the status of any such protest. The County of Lee Transit System shall disclose all information about any third-party procurement protest to NC DOT upon request.

The County of Lee Transit System's procedure for addressing third-party procurement protests is described in Paragraph 6.10.3 below. The County of Lee Transit System shall insert its protest procedure in all solicitation documents for products and services having an estimated value of \$100,000 or greater.

6.10.2. The County of Lee Transit System Staff Responsibilities

The following staff responsibilities shall be assigned in all protests:

- The Assistant Finance Officer - Procurement Officer – Responsibilities include: ensuring that the the County of Lee Transit System Protest Procedure is included in all solicitation documents; and providing information to and assisting the legal counsel with the resolution of protests.
- Legal counsel – Responsibilities include: reviewing all procurement protests; and advising and assisting the Subrecipient as needed with the resolution of all procurement protests.

6.10.3. Solicitation Provision

The County of Lee Transit System shall insert the following provision in all solicitation documents:

6.10.3.1. Pre-Proposal Protests

All protests concerning solicitation specifications, criteria, and/or procedures shall be submitted in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail) to the Assistant Finance Officer - Procurement Officer as specified below not later than ten (10) business days prior to the deadline for submission of bids/proposals.

The Assistant Finance Officer - Procurement Officer may, within his or her discretion, postpone the deadline for submission of bids/proposals, but in any case, shall provide a written response to all protests not later than five (5) business days prior to the deadline for submission of bids/proposals. If the deadline for submission of bids/proposals is postponed by the Assistant Finance Officer - Procurement Officer as the result of a protest the postponement will be announced through an addendum to the solicitation.

The decision by the Assistant Finance Officer - Procurement Officer shall be the final agency decision on the matter but shall be subject to judicial review as set forth by FTA below.

6.10.3.2. Pre-Award Protests

With respect to protests made after the deadline for submission of bids/proposals but before contract award by the County of Lee Transit System, protests shall be limited to those protests alleging a violation of Federal or State law, a challenge to the bids/proposals evaluation and award process, the County of Lee Transit System's failure to have or follow its protest procedures or its failure to review a complaint or protest. Such protests shall be submitted in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail) to the Assistant Finance Officer - Procurement Officer as specified below not later than five (5) business days after the Recommendation for Contract Award announcement by the County of Lee Transit System.

The Assistant Finance Officer - Procurement Officer may, within his or her discretion, postpone the award of the contract, but in any case, shall provide a written response to all protests not later than three (3) business days prior to the date that the County of Lee Transit System shall announce the contract award.

The decision by the Assistant Finance Officer - Procurement Officer shall be the final agency decision on the matter but shall be subject to judicial review as set forth or review by NC DOT as specified below.

6.10.4. Requirements for Protests

All protests must be submitted to the County of Lee Transit System in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail), with sufficient documentation, evidence, and legal authority to demonstrate that the Protestor is entitled to the relief requested. The protest must be certified as being true and correct to the best knowledge and information of the Protestor, and be signed by the Protestor. The protest must also include a mailing address to which a response should be sent.

Protests received after the deadlines for receipt of protests specified above are subject to denial without any requirement for review or action by the County of Lee Transit System.

All protests must be directed in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail) to the Assistant Finance Officer - Procurement Officer at the address shown in the solicitation documents.

6.10.5. Protest Response

The Assistant Finance Officer - Procurement Officer shall issue written responses to all protests received by the required protest response dates. All protest responses shall be transmitted by first-class U.S. Postal Service to the address indicated in the protest letter.

For convenience, the County of Lee Transit System will also send a copy of the response to a protest to the Protester by facsimile and/or electronic mail if a facsimile number and/or electronic mail address are indicated in the protest letter. The protest response transmitted by the U.S. Postal Service shall be the official the County of Lee Transit System response to the protest and the County of Lee Transit System will not be responsible for the failure of the Protester to receive the protest response by either facsimile or electronic mail.

6.10.6. Review of Protests by NC DOT

All protests involving contracts financed with Federal assistance shall be disclosed to NC DOT. Protesters shall exhaust all administrative remedies with the County of Lee Transit System prior to pursuing protests with NC DOT. NC DOT limits its reviews of protests to: a grantee's failure to have or follow its protest procedures; a grantee's failure to review a complaint or protest when presented an opportunity to do so; or violations of Federal law or regulation. Appeals to NC DOT must be received within five (5) working days of the date the Protester has received actual or constructive notice of the County of Lee Transit System final decision or within five (5) working days of the date the Protester has identified other grounds for appeal to NC DOT.



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

Candace Iceman
Candace Iceman, Finance Director

7/11/24
Date

COLTS Procurement Policy



**A RESOLUTION BY THE COUNTY OF LEE
TO DIRECT THE EXPENDITURE OF OPIOID SETTLEMENT FUNDS-UPDATED as of
June 17, 2024**

WHEREAS Lee County has joined national settlement agreements with companies engaged in the manufacturing, distribution, and dispensing of opioids;

WHEREAS the allocation, use, and reporting of funds stemming from these national settlement agreements and bankruptcy resolutions (“Opioid Settlement Funds”) are governed by the Memorandum of Agreement Between the State of North Carolina and Local Governments on Proceeds Relating to the Settlement of Opioid Litigation (“MOA”) and the Supplemental Agreement for Additional Funds from Additional Settlements of Opioid Litigation (“SAAF”);

WHEREAS Lee County has received Opioid Settlement Funds pursuant to these national settlement agreements and deposited the Opioid Settlement Funds in a separate special revenue fund as required by section D of the MOA;

WHEREAS section E.6 of the MOA states that, before spending opioid settlement funds, the local government’s governing body must adopt a resolution that:

- (i) indicates that it is an authorization for expenditure of opioid settlement funds; and,
- (ii) states the specific strategy or strategies the county or municipality intends to fund pursuant to Option A or Option B, using the item letter and/or number in Exhibit A or Exhibit B to identify each funded strategy; and,
- (iii) states the amount dedicated to each strategy for a specific period of time.

NOW, THEREFORE BE IT RESOLVED, in alignment with the NC MOA and SAAF, Lee County authorizes the expenditure of opioid settlement funds as follows:

1. First strategy authorized
 - a. Name of strategy: Collaborative Strategic Plan
 - b. Strategy is included in Exhibit A
 - c. Item letter and/or number in Exhibit A: 1
 - d. Amount authorized for this strategy: \$75,000.
 - e. Period of time during which expenditure may take place:
Start date July 1, 2024 through End date June 30, 2026.
 - f. Description of the program, project, or activity: Lee County Government will allocate responsibilities of the Opioid Funding Strategic Planning, reporting and

administration of settlement funds to the Assistant County Manager of Governmental Support through Community Support Services. For FY 24-25, Community Support Services will host a LEAD fellow through UNC Chapel Hill. A portion of this position's job duties will be responsible for leading Lee County's efforts required by the MOA and therefore these funds will cover up to \$30,000 per year for this time limited position's salary. The LEAD fellow is expected to spend one year with Community Support Services but may be extended an additional year. This position will be responsible for the coordination of the Opioid Settlement Funds to include coordination with multiple community partners to evaluate needs, access needed supplies, evaluate current and future funding streams to support services, work with the subcommittee and Board of Commissioners in providing updates to the strategic plan, develop annual reports, track expenditures and complete all reporting requirements for the use of funds under the guidance of the Assistant County Manager. Lee County Government also reserves, under this strategy, to allocate a portion of any Lee County Government employee's salary, who is tasked with reporting and administering the settlement funds, proportionate to their percentage of job duties related to the opioid funds.

g. Provider: Lee County Government, Administration and UNC School of Government.

2. Second strategy authorized

a. Name of strategy: Evidence-based Addiction Treatment

b. Strategy is included in Exhibit A

c. Item letter and/or number in Exhibit A: 2

d. Amount authorized for this strategy: \$900,000

e. Period of time during which expenditure may take place:

Start date January 22, 2024 through End date December 31, 2028

f. Description of the program, project, or activity: Increase access to evidence-based treatment for individuals with Opioid Use Disorder by providing funding for Medication-Assisted Treatment. The County will contract with approved, licensed MAT providers to cover treatment costs not covered by other resources.

g. Provider: County will submit RFP for eligible Office Based Opioid Treatment, OBOT and Opioid Treatment Programs, OTP providers who serve Lee County residents.

3. Third authorized strategy

a. Name of strategy: Recovery Support Services

b. Strategy is included in Exhibit A

c. Item letter and/or number in Exhibit A: 3

d. Amount authorized for this strategy: \$275,000

e. Period of time during which expenditure may take place:

Start date January 22, 2024 through End date December 31, 2028

f. Description of the program, project, or activity: A full time certified PEER support specialist position will be funded to provide individuals in jail and the community support in treatment and recovery and to provide people who use drugs assistance in accessing treatment, recovery support, harm reduction services, healthcare or other services or support they need to improve their health and well-being as part of RENEW Lee County. Lee County may contract with a community provider or may hire internally for this PEER support specialist position.

- g. Provider: First Health EMS or alternate community contracted provider, or internally as a Lee County Government employee.
4. Fourth authorized strategy
 - a. Name of strategy: Employment-related Services
 - b. Strategy is included in Exhibit A
 - c. Item letter and/or number in Exhibit A: 5
 - d. Amount authorized for this strategy: \$30,000
 - e. Period of time during which expenditure may take place:
Start date January 22, 2024 through End date December 31, 2028
 - f. Description of the program, project, or activity: Support Central Carolina Community College by providing tuition costs for job training classes for individuals in treatment and/or recovery with Opioid Use Disorder that are not covered by other resources.
 - g. Provider: Central Carolina Community College
 5. Fifth authorized strategy
 - a. Name of strategy: Naloxone Distribution
 - b. Strategy is included in Exhibit A
 - c. Item letter and/or number in Exhibit A: 7
 - d. Amount authorized for this strategy: \$50,000
 - e. Period of time during which expenditure may take place:
Start date January 22, 2024 through End date December 31, 2028
 - f. Description of the program, project, or activity: Provide naloxone to organizations that distribute or administer naloxone to persons at risk of overdose or their social networks. Lee County will target those released from jail or prison specifically through our RENEW program. Lee County Government may also supply naloxone to our first responders to be used in overdose response kits.
 - g. Provider: Lee County Government, Community Support Services Department and Lee County Health Department
 6. Sixth authorized strategy
 - a. Name of strategy: Post-overdose Response Team
 - b. Strategy is included in Exhibit A
 - c. Item letter and/or number in Exhibit A: 8
 - d. Amount authorized for this strategy: \$50,000
 - e. Period of time during which expenditure may take place:
Start date January 22, 2024 through End date December 31, 2028
 - f. Description of the program, project, or activity: The County, through our EMS, law enforcement, Community Support Services Department, and future PEER support specialist, are all working together to provide post overdose response to individuals who have overdosed. This strategy will help to provide first responders, Community Social Worker and PEER Support Specialist with post overdose response kits that include educational information, naloxone, fentanyl test strips, linkage to care and other supportive tools to persons who have overdosed, are at risk to overdose, or their social network.
 - g. Provider: Lee County Government, Community Support Services Department
 7. Seventh authorized strategy
 - a. Name of strategy: Syringe Service Program
 - b. Strategy is included in Exhibit A

- c. Item letter and/or number in Exhibit A: 9
 - d. Amount authorized for this strategy: \$5,000
 - e. Period of time during which expenditure may take place:
Start date January 22, 2024 through End date December 31, 2028
 - f. Description of the program, project, or activity: Support Lee County's Safe Syringe Program through the Lee County Health Department which contracts with the nonprofits Helping Hands Clinic, Health, Healing and Hope, and potential future contractors.
 - g. Provider: Lee County Government, Public Health Department
8. Eighth authorized strategy
- a. Name of strategy: Addiction Treatment for Incarcerated Persons
 - b. Strategy is included in Exhibit A
 - c. Item letter and/or number in Exhibit A: 11
 - d. Amount authorized for this strategy: \$100,000
 - e. Period of time during which expenditure may take place:
Start date January 22, 2024 through End date December 31, 2028
 - f. Description of the program, project, or activity: Support and provide payment for continuity of treatment to individuals who present to the Lee County Jail with a valid prescription from an approved, licensed MOUD treatment center if funding is not available through any other source.
 - g. Provider: Sanford Treatment Center
9. Ninth authorized strategy
- a. Name of strategy: Re-entry Programs
 - b. Strategy is included in Exhibit A
 - c. Item letter and/or number in Exhibit A: 12
 - d. Amount authorized for this strategy: \$285,000
 - e. Period of time during which expenditure may take place:
Start date January 22, 2024 through End date December 31, 2028
 - f. Description of the program, project, or activity: Support Lee County's Re-entry Program in connecting individuals in the Lee County jail with addiction treatment, recovery support, harm reduction services, primary healthcare, or other services needed upon release by providing supplies and information to individuals being released from the Lee County jail or from North Carolina Department of Adult Corrections. A portion of this funding will also go to cover the costs of the re-entry services coordinator position who is responsible for linking services to individuals exiting the jail or the Department of Adult Corrections.
 - g. Provider: Lee County Government, Community Support Services Department
10. Tenth authorized strategy
- a. Name of strategy: Recovery Support Services: Support People in Treatment and Recovery
 - b. Strategy is included in Exhibit A
 - c. Item letter and/or number in Exhibit A: 3
 - d. Amount authorized for this strategy: \$50,000
 - e. Period of time during which expenditure may take place:
Start date January 22, 2024 through End date December 31, 2028

- f. Description of the program, project, or activity: Provide funding through COLTS vouchers for transportation services to transport individuals to and from OUD treatment or recovery programs and treatment for any co-occurring SUD/MH conditions who lack alternative options.
 - g. Provider: Lee County Government, County of Lee Transit System, COLTS
11. Eleventh authorized strategy
- a. Name of strategy: Criminal Justice Diversion Programs
 - b. Strategy is included in Exhibit A
 - c. Item letter and/or number in Exhibit A: 10
 - d. Amount authorized for this strategy: \$330,000
 - e. Period of time during which expenditure may take place:
Start date July 1, 2024 through End date December 31, 2028
 - f. Description of the program, project, or activity: Support Lee County Government Pre-trial services program that connects individuals involved in the criminal justice system to addiction treatment, recovery support, harm reduction services, primary healthcare, prevention or other services or support. Lee County Government will fund a portion of the salary of our pre-trial coordinator.
 - g. Provider: Lee County Government, Community Support Services

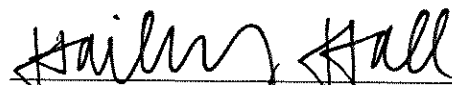
The total dollar amount of Opioid Settlement Funds appropriated across the above named and authorized strategies is \$ 2,150,000.

Adopted this the 17th day of June, 2024.



 Kirk D. Smith, Chairman
 Lee County Board of Commissioners

ATTEST:



 Hailey Hall, Clerk to the Board



LEE COUNTY

CONTRACT COVERSHEET

(This information box is to be completed by Department when submitting a contract for review.)

Date Submitted: June 04, 2024

Department: Health Contact Person: Carol Thompson

Telephone: ext. 5350 E-mail Address: cathompson@leecountync.gov

Vendor Name: Cumberland County Health Department

Type of Contract: New Renewal Amendment Services Goods

Consulting Construction Lease Other: _____

Description/Scope of Work: Cumberland County is providing grant funds to the Lee County Health Department to purchase resources needed for the health department.

Funding Source: County State Grant Federal Grant Local Grant

To Be Financed Other: _____

Total Contract Amount: \$61,114.00 Contract Period: July 1, 2024 - May 31, 2025

Fiscal Year	Amount to Encumber
FY25	\$61,114.00
FY	
FY	
FY	

Required Forms Checklist	
<input type="checkbox"/>	Iran Divestment/E-verify
<input checked="" type="checkbox"/>	Pre-Audit Certification/Signature
<input type="checkbox"/>	W-9 Tax Form for New Vendor

Local Signatures Required: County Attorney County Manager Department Head

Board of Commissioners (Chair) Other: _____

Review Progress

(Please initial and date once reviewed.)

06-05-2024 Department Head
Comments: _____

County Attorney
Comments: _____

Cain 6/19 Finance

County Manager

Final Steps

(Once the contract has been reviewed/signed by all parties)

Return FULLY EXECUTED (signed by the vendor) copy of contract to:

Susan Mills (if the contract was signed by County Manager) _____

Jennifer Gamble (if the contract was signed by the Board of Commissioners) _____

Signed via SeamlessDoc.com
William H. Cain

LEE COUNTY

CONTRACT COVERSHEET

(This information box is to be completed by Department when submitting a contract for review.)

Date Submitted: June 04, 2024

Department: Health Contact Person: Carol Thompson

Telephone: ext. 5350 E-mail Address: cathompson@leecountync.gov

Vendor Name: Cumberland County Health Department

Type of Contract: New Renewal Amendment Services Goods
 Consulting Construction Lease Other: _____

Description/Scope of Work: Cumberland County is providing grant funds to the Lee County Health Department to purchase resources needed for the health department.

Funding Source: County State Grant Federal Grant Local Grant
 To Be Financed Other: _____

Total Contract Amount: \$61,114.00 Contract Period: July 1, 2024 - May 31, 2025

Fiscal Year	Amount to Encumber
FY 25	\$61,114.00
FY	
FY	
FY	

Required Forms Checklist	
<input type="checkbox"/>	Iran Divestment/E-verify
<input checked="" type="checkbox"/>	Pre-Audit Certification/Signature
<input type="checkbox"/>	W-9 Tax Form for New Vendor

Local Signatures Required: County Attorney County Manager Department Head
 Board of Commissioners (Chair) Other: _____

Review Progress

(Please initial and date once reviewed.)

Department Head
Comments: _____

County Attorney
Comments: _____

Finance

County Manager

Final Steps

(Once the contract has been reviewed/signed by all parties)

Return FULLY EXECUTED (signed by the vendor) copy of contract to:

Susan Mills (if the contract was signed by County Manager) _____

Jennifer Gamble (if the contract was signed by the Board of Commissioners) _____

MEMORANDUM OF UNDERSTANDING
BETWEEN
LEE COUNTY HEALTH DEPARTMENT
AND
CUMBERLAND COUNTY HEALTH DEPARTMENT

THIS MEMORANDUM OF UNDERSTANDING (the “**MOU**”) is made and entered into the 1st day of July, 2024 by and between Lee County Health Department and Cumberland County Health Department. Lee County Health Department and Cumberland County Health Department shall collectively be referred to as the “**Parties**” to MOU.

Whereas Cumberland County Health Department is the fiscal agent for Region 6, for funding received from the NC Division of Public Health to fill critical gaps in Public Health Infrastructure in order to respond to the COVID-19 pandemic and Lee County Health Department is included in Region 6.

Now, therefore, in consideration of the foregoing and the mutual agreements contained herein, the Parties hereby agree to this Memorandum of Understanding and the following responsibilities:

1. Responsibilities of Cumberland County Health Department:

- Provide grant funding not to exceed, \$61,114 to fund the purchase of equipment and services listed on Exhibit 1. Payment will be made upon receipt of an invoice and copies of receipts for items received by Lee County Health Department.

2. Responsibilities of Lee County Health Department:

- Apply grant funds toward the purchase of the equipment and services listed on Exhibit 1.
- Invoices must be received by April 30, 2025.

3. Miscellaneous:

A) **Amendments.** No amendment of any provision of this MOU will be valid unless the amendment is in writing and signed by both Parties hereto.

B) **Entire Agreement.** This MOU constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements (Whether written or oral and whether express or implied) between the Parties to the extent related to such subject matter.

C) **Notices.** Any notice pursuant to this MOU must be in writing and will be deemed effectively given to the other Party upon the actual receipt thereof via certified mail, return receipt requested.

D) **Governing Law.** This MOU will be governed by the laws of the State of North Carolina without giving effect to any choice or conflict of law principles of any jurisdiction.

E) **Counterparts.** This MOU may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same agreement.

F) **E-VERIFY:** CONTRACTOR shall comply with the requirements of Article 2 of Chapter 64 of the General Statutes. Further, if CONTRACTOR utilizes a subcontractor, CONTRACTOR shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the General Statutes.

G) **IRAN DIVESTMENT ACT CERTIFICATION:** Contractor hereby certifies that Contractor, and all subcontractors, are not on the Iran Final Divestment List ("List") created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.55-69. Contractor shall not utilize any subcontractor that is identified on the List.

The term of the Memorandum of Understanding shall be 7/1/2024 through 5/31/2025.

IN WITNESS WHEREOF, the Parties hereto have executed and delivered this MOU as of the date first written above.

LEE COUNTY HEALTH DEPARTMENT

BY: Kirk D. Smith

Name: Kirk D. Smith

Title: Chair, Lee County Board of Commissioners

CUMBERLAND COUNTY HEALTH DEPARTMENT

BY: _____

Name: _____

Title: _____

This instrument has been pre-audited in the manner Required by the local government budget and fiscal Control act.

Approved for legal sufficiency

BY: Candace Stemen
County Finance Director

BY: _____
County Attorney's Office

County of Cumberland

BY: _____
County Manager

Lee County Health Department Additional Resources With 621 ARPA FY25

Exhibit #1

General Administration	Item Description	Quantity	Cost per each	Total Cost
Office Chair - Finance Officer	Current chair for Finance Officer is 20 plus years old and is worn out. The height adjustment no longer works and is sitting low and seat padding is gone....causing sciatica and lower back pain	1	400	400
Office Chair - Accounting Clerk IV	Current office chair is broken and leans to one side.	1	475	475
Office Task Chair	Health Director	1	400	400
Laptop	Health Director	1	1,466	1,466
Wireless Keyboard and Mouse Combo	Health Director	1	22	22
ViewSonic OMNIA 32" Curved Monitor & Docking Station	Assistant Health Director	1	410	410
Yealink SIP-T58W Pro Desk Phone	Health Director	1	345	345
Yealink WH66-Mono Wireless Headset	Health Director	1	195	195
Yealink WH63 Convertible DECT Wireless Headset	Accounting Clerk IV	1	145	145
LG 32" Curved Monitor (Tonia & Mandisa)	The finance staff receives and processes invoices and orders electronically on a daily basis. Also takes multiple web based trainings. The ability to view necessary information via double screen would allow better ease of work.	2	205	410
Staff Paging System	This pager system is used to page Foreign Language Interpreters in our various clinics such as Communicable Disease, Family Planning, COVID Clinic, Primary Care etc. The current pager system is 15 plus years old and some of the pagers are failing and cannot be replaced.	1	579	579
ICHD Services Brochures	Lee County Health Department Services brochures to be distributed at Health Fairs and other community outreach events. (315 English & 315 Spanish)	630	0.40	252
Total Request for General Admin				5,099

Clinic	Item Description	Quantity	Cost per each	Total Cost
Vital Spot Machines with stand	Two of the current vital spot machines are unable to receive calibration due to company policy because of age. For the reason we are requesting updated machines to replace those and additional machines to complete furnishing in two additional exam rooms.	4	3,703	14,812

<u>Microscope</u>	1	7,800	7,800
Microscope-The current microscope is over 20 years old. The lenses are no longer crisp for specimen viewing causing the potential for missed diagnosis. New microscopes offer better technology for specimen viewing.			
<u>Wide Blood Draw Chair with tray</u>	1	1,038	1,038
Current chair is old and "leather" is cracking. This presents a blood born issue in case of spillage and prevents easy clean up with wipes.			
<u>Office Chair</u>	1	475	475
The current chair for the Nurse Supervisor does not provide good ergonomics and she is unable to sit close to her desk for proper body alignment.			
<u>Speculum Lights & Charger</u>	2	558	1,116
We are currently down to one light and charger. These speculums are utilized with most patients in our female family planning and STD patients. These products are vital in the day to day operations of our clinics.			
<u>Battery Back-Up (CyberPower PR1500LD Smart App Sinewave System)</u>	1	646	646
The private vaccine refrigerator purchased last year does not automatically stay on with power failure even with generator plug ins. The utilization of a battery back up will prevent interruption in the power source to the refrigerator.			
<u>Data Logger for portable fridge & freezer</u>	5	520	2,600
These are a requirement yearly per the state immunization program to ensure safe storage of private and state vaccines that are administered to children through the VFC program and children and adults in the private vaccine program.			
<u>Wall Mounted Otoscope/ophthalmoscopes</u>	2	1,419	2,838
Missing from child health room, room 241, and two new exam rooms. These are vital instruments used during physical exam to ensure healthy eye and ear functioning. These components of the physical exam are required for Child health ERRN to perform for well child physicals and the advanced practice provider to perform during all physical assessments.			

Health O' Meter Professional Digital Scales All scales are out of date and displaying inaccurate weights despite yearly calibration. Patient weight is one component used in vital sign reading and can assist the provider in calculating BMI, and visualizing trends in the patient.	2	469	938
Portable scales These scales are used by the TB nurse when performing at home visits. Patient weight is used to ensure that the patient is not experiencing medication side effects. The current portable scales no longer work.	2	75	150
G3 Responder Bags We have three emergency shelters. Two more responder bags are needed on hand when we have to open/help at the emergency shelters. Price includes shipping.	2	440	880
27" Computer Monitor The nursing staff run complex programs requiring multiple web based trainings and documentation requirements. The ability to view necessary information via double screen would allow better ease of work.	1	102	102
2 Drawer Filing Cabinet For Lab Technician	1	225	225
Total Request for Clinic =			33,620

Health Education	Item Description	Quantity	Cost per each	Total Cost
Epson EpiqVision Flex Portable Projector Many of the locations where Health Education provides outreach and classes do not have the equipment needed such as screens, projectors or a TV.		1	349	349
Office Task Chair Existing chair in supervisor's office is exhibiting wear – it squeaks, the seat is not steady and shifts.		1	400	400
Five Shelf Bookcase For Health Educator I office to replace existing shelf that is not able to hold much weight and leans when you put pressure on it.		1	513	513
Metal Shelving Units, 5 shelves This is for the Health Education storage closet that currently has inadequate shelving. It needs better shelving for a safer space and the ability to find items faster and easier.		1	209	209
Total Request for Health Education =			1,471	

WIC	Item Description	Quantity	Cost per each	Total Cost
OptiPlex Small Form Factor Desktop Computer Old machines. They will not support Widows 11 per IT (quote is for \$1,060. Added a 20% increase.)		2	1,272	2,544
Amazon Fire 55" TV and wall mount This device will advertise/educate WIC and Health Department clients of our services/events while they are waiting for their appointments.		1	440	440

Desktop Scanner WIC Director	1	299	299
Ink cartridges for document scanners WIC Director & Nutritionist II	10	79.40	794
Leather High Back Executive Chair WIC Director & Nutritionist II	2	134.50	269
Total Request for WIC =			4,346

Animal Shelter	Item Description	Quantity	Cost per each	Total Cost
Cannon Video Camera This item is used for animal cruelty cases, animal intake, animal temperament testing.		1	329	329
Office Cubicles Maximize office space to add another staff person		3	1,135	3,405
Total Request for Animal Shelter				3,734

Environmental Health	Item Description	Quantity	Cost per each	Total Cost
Tech -> EHS (Cubicle) *				
Desk Unit		1	3,262	3,262
Desk Hutch		1	1,110	1,110
5-Shelf Bookcase		1	3,484	3,484
Office Chair		1	350	350
*Essential items for new EHS workspace				
Storage Cabinets *Storage for Program Specialists & EH Supervisor (Downsize storage area to workstations)		3	897	2,691
Extech LT40 LED Light Meter Inspection Item		3	120	360
360 Protective Laptop Sleeve For the 3 existing Microsoft Pro laptops.		3	30	90
360 Protective Laptop Sleeve For the 2 new Dell Latitude 3340, XCTO laptops.		2	29	58
Brother ADS-1300 document desktop scanner For Food and Lodging		1	330	330
Munsell Soil Color Book		2	299	598
Clinometer with Percent and Degree Scales		2	159.50	319
First Aid Kit		8	17.50	140

Mag-Lite Led Flashlight

	2	26	52
Total Request for Environmental Health			12,844
ARPA funds request total			61,114

LEE COUNTY

CONTRACT COVERSHEET

(This information box is to be completed by Department when submitting a contract for review.)

Date Submitted: May 07, 2024

Department: Health Contact Person: Ty Boswell

Telephone: 5324 E-mail Address: tboswell@leecountync.gov

Vendor Name: North Carolina Alliance of Public Health Agencies (NCAPHA)

Type of Contract: New Renewal Amendment Services Goods
 Consulting Construction Lease Other: _____

Description/Scope of Work: Staffing agreement renewal for contract employees hired through NCAPHA for Health Department services. Note regarding Total Contract Amount section below: precise amount to be determined based on staffing requirements through FY25, to exceed \$30,000. Combined Grant and County funding.

Funding Source: County State Grant Federal Grant Local Grant
 To Be Financed Other: _____

Total Contract Amount: \$0.00 Contract Period: 7/1/2024 - 6/30/25

Fiscal Year	Amount to Encumber
FY25	
FY	
FY	
FY	

Required Forms Checklist
<input type="checkbox"/> Iran Divestment/E-verify
<input type="checkbox"/> Pre-Audit Certification/Signature
<input type="checkbox"/> W-9 Tax Form for New Vendor

Local Signatures Required: County Attorney County Manager Department Head
 Board of Commissioners (Chair) Other: _____

Review Progress

(Please initial and date once reviewed.)

05-24-2024 Department Head
Comments: _____

Boswell

County Attorney
Comments: _____

cai 6/19 Finance

County Manager

Final Steps

(Once the contract has been reviewed/signed by all parties)

Return FULLY EXECUTED (signed by the vendor) copy of contract to:

Susan Mills (if the contract was signed by County Manager) _____

Jennifer Gamble (if the contract was signed by the Board of Commissioners) _____

*Signed via DesktopDocuCenter
William Heath Cain



***North Carolina Alliance of Public Health Agencies (NCAPHA)
Staffing Agreement***

North Carolina Alliance of Public Health Agencies, Inc., entered into effective as of July 1, 2024, with its principal office located at 222 North Person Street, Suite 208, Raleigh, North Carolina 27601 (“Agency”), and Lee County Health Department with its principal office located at 106 Hillcrest Drive, Sanford NC 27330 (“Client”) agree to the terms and conditions set forth in this Staffing Agreement (the “Agreement”).

1. Agency Duties and Responsibilities

Agency will:

- a. Recruit, screen, interview, hire, and assign its employees (“Assigned Employees”) to perform tasks in accordance with Client’s specifications as described to Agency in writing for staffing under Client’s supervision and will be the common law employer of Assigned Employees;
- b. Pay each Assigned Employee’s wages and provide them with the benefits that Agency offers to them;
- c. Pay, withhold, and transmit payroll taxes; provide unemployment insurance and workers' compensation benefits; and handle unemployment and workers' compensation claims involving Assigned Employees;
- d. Require Assigned Employees to sign agreements (in the form of Exhibit A) acknowledging that they are not entitled to holidays, vacations, paid time off, disability benefits, insurance, pensions, or retirement plans, or any other benefits offered or provided by Client;
- e. Comply with applicable federal, state and local labor and employment laws, including the Immigration Reform and Control Act of 1986; the Internal Revenue Code (“Code”); the Employee Retirement Income Security Act (“ERISA”); the Health Insurance Portability and Accountability Act (“HIPAA”); the Family Medical Leave Act; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act; the Fair Labor Standards Act; the Consolidated Omnibus Budget Reconciliation Act (“COBRA”); the Uniformed Services Employment and Reemployment Rights Act of 1994.
- f. In compliance with Section 420.302(b) of the Medicare regulations, until the expiration of four years after the furnishing of services provided under this Agreement, Agency will make available to the Secretary, U.S. Department of

Health and Human Services, the U.S. Comptroller General, and their representatives, this Agreement and all books, documents and records necessary to certify the nature and extent of the costs of those services;

- g. Obtain and keep on file all documentation required by the U.S. Immigration and Naturalization Service to prove legal status to work and reside in the United States;
- h. At Client's request, provide certificates evidencing general liability and professional liability insurance coverage.

1.2 Right to Control

In addition to Agency's duties and responsibilities set forth in paragraph 1, Agency, as the common law employer, has the right to review and address, unilaterally or in coordination with Client, Assigned Employee work performance issues and to enforce Agency's employment policies relating to Assigned Employee conduct at the worksite. The work assignment of Assigned Employee will be terminated by Agency upon receipt of Client's written request given to Agency at least fifteen (15) days in advance; provided, however, that Client may immediately terminate an Assigned Employee's work assignment for cause. If Assigned Employee's work assignment is terminated for cause, Client shall provide Agency with a written statement specifying the cause in reasonable detail promptly following such termination.

2. Client Duties and Responsibilities

Client will:

- a. Properly supervise Assigned Employee's work performance and be responsible for Client's business operations, products, services, and intellectual property;
- b. Properly supervise, control, and safeguard its premises, processes, and systems, and not permit Assigned Employees to operate any vehicle or mobile equipment, or entrust them with unattended premises, cash, checks, keys, credit cards, merchandise, confidential or trade secret information, negotiable instruments, or other valuables without Agency's express prior written approval or as strictly required by the job description provided to Agency;
- c. Provide Assigned Employee with a safe work site and provide appropriate information, training, and safety equipment with respect to any hazardous substances or conditions to which Assigned Employee may be exposed at the work site;
- d. Not change Assigned Employee's job duties without Agency's express prior written approval;
- e. Exclude Assigned Employees from Client's benefit plans, policies, and practices, and not make any offer or promise relating to Assigned Employees' compensation

or benefits;

- f. Reimburse Agency for advertising conducted with respect to recruiting specific personnel, when advertising is done at the request of Client;
- g. Comply with OSHA Bloodborne Pathogen Exposure Control regulations found under OSHA Standard 29 C.F.R.e.1910. Client certifies that it has developed and follows an Exposure Control Plan in conformance with those regulations. At the time of initial assignment to tasks where occupational exposure may occur, Client will provide Assigned Employee with training in compliance with OSHA Standard 29 C.F.R.e.1910. Client agrees to provide post exposure evaluation and follow-up pursuant to OSHA Standard 29 C.F.R.e.1910, if an exposure incident occurs to any Assigned Employee and to provide copies of all records of post-exposure care to Agency. Client agrees to orient Assigned Employee to Client's policies, procedures, operations and OSHA/Infection Control procedures, and inform the Agency of training dates and any changes in the Client's policies and procedures;
- h. Designate a representative to report to Agency all time worked by each Assigned Employee on a mutually agreed schedule;
- i. Be responsible for compliance with all relevant safety and health laws and regulations during the period of the Assigned Employee's assignment under Client's supervision, including but not limited to JCAHO regulations relating to orientation and evaluation and HIPAA regulations.

Payment Terms, Bill Rates, and Fees

- 3. Client will pay Agency for its performance as set forth on Exhibit B and will also pay any additional costs or fees set forth in this Agreement. Agency will invoice Client for services provided under this Agreement on a semi-monthly basis. Payment is due on receipt of invoice. Invoices will be supported by the pertinent time sheets or other agreed system for documenting time worked by the Assigned Employees. Information appearing on the invoice shall be deemed accurate and affirmed by Client unless Client notifies Agency in writing within five business days of date of the invoice, specifying the particular error(s), omission(s), or objection(s). Failure to notify Agency within that time shall constitute a waiver of any objection thereto. Agency may impose a finance charge of one and one-half (1 ½) percent per month to all outstanding amounts unpaid by for thirty (30) days or more after date of the invoice. In the event that any action is brought to enforce or interpret this Agreement, the prevailing party shall recover its costs and reasonable attorneys' fees in bringing such action. If a portion of any invoice is disputed, Client will pay the undisputed portion.
- 4. In addition to the rates specified in Exhibit B of this Agreement, Client will pay Agency the amount of all new or increased labor costs associated with Client's Assigned

Employees that Agency is legally required to pay-such as wages, benefits, payroll taxes, social program contributions, or charges linked to benefit levels-until the parties agree on new rates.

Confidential Information

5. Both parties may receive information that is proprietary to or confidential to the other party or its affiliated companies and their clients. Both parties agree to hold such information in strict confidence and not to disclose such information to third parties or to use such information for any purpose whatsoever other than performing under this Agreement or as required by law. No knowledge, possession, or use of Client's confidential information will be imputed to Agency as a result of Assigned Employees' access to such information.

Cooperation

6. The parties agree to cooperate fully and to provide assistance to the other party in the investigation and resolution of any complaints, claims, actions, or proceedings that may be brought by or that may involve Assigned Employees.

Indemnification and Limitation of Liability

7. To the extent permitted by law, Agency will defend, indemnify, and hold Client and its parent, subsidiaries, directors, officers, agents, representatives, and employees harmless from all claims, losses, and liabilities (including reasonable attorneys' fees) to the extent caused by Agency 's breach of this Agreement; its failure to discharge its duties and responsibilities set forth in paragraph 1; or the negligence, gross negligence, or willful misconduct of Agency or Agency 's officers, employees, or authorized agents in the discharge of those duties and responsibilities.
8. To the extent permitted by law, Client will defend, indemnify, and hold Agency and its parent, subsidiaries, directors, officers, agents, representatives, and employees harmless from all claims, losses, and liabilities (including reasonable attorneys' fees) to the extent caused by Client's breach of this Agreement; its failure to discharge its duties and responsibilities set forth in paragraph 2; or the negligence, gross negligence, or willful misconduct of Client or Client's officers, employees, or authorized agents in the discharge of those duties and responsibilities.
9. Neither party shall be liable for or be required to indemnify the other party for any incidental, consequential, exemplary, special, punitive, or lost profit damages that arise in connection with this Agreement, regardless of the form of action (whether in contract, tort, negligence, strict liability, or otherwise) and regardless of how characterized, even if such party has been advised of the possibility of such damages.
10. As a condition precedent to indemnification, the party seeking indemnification will inform the other party within five business days after it receives notice of any claim, loss,

liability, or demand for which it seeks indemnification from the other party; and the party seeking indemnification will cooperate in the investigation and defense of any such matter.

Term of Agreement

11. The term of this Agreement will be for an entire fiscal year, which runs from July 1 through June 30, for the year of the effective date of this Agreement. The Agreement may be terminated by either party upon thirty (30) days written notice to the other party, except that, if a party becomes bankrupt or insolvent, discontinues operations, or fails to make any payments as required by the Agreement, either party may terminate the Agreement upon written notice.

Miscellaneous

12. While Agency follows the guidelines described in Exhibit C and will give each Assigned Employee safety and standards online training relating to safety, universal precautions, occupational exposure to bloodborne pathogens, other safety issues and HIPAA regulations, Client will provide each Assigned Employee with all necessary site-specific training, orientation and evaluations that may be required by federal, state or local occupational safety laws or rules, including JCAHO and HIPAA, for members of Client's workforce. Further, Client will only assign Assigned Employee to work in the clinical specialty areas in which they are professionally qualified and oriented to work. In the event of any actual or threatened claim arising out of or relating to the acts of omissions of the Assigned Employee, Client shall provide Agency written notice of such claim promptly and, in no event, later than 30 days after Client knew, or reasonably should have known of such claim
13. The parties acknowledge that they are equal opportunity employers and agree that they do not and will not discriminate against, harass, or retaliate against any employee or job applicant on the basis of race, color, religion, sex, national origin, age, disability, veteran status, sexual orientation, gender identity, or any other status or condition protected by applicable federal, state or local laws. Client agrees that it will promptly investigate allegations of discrimination, harassment, and retaliation. Client further agrees that it will report to Agency any suspected discrimination, harassment and/or retaliation either by or against Assigned Employee immediately.
14. Provisions of this Agreement, which by their terms extend beyond the termination or nonrenewal of this Agreement, will remain effective after termination or nonrenewal.
15. No provision of this Agreement may be amended or waived unless agreed to in a writing signed by the parties.
16. Each provision of this Agreement will be considered severable, such that if any one provision or clause conflicts with existing or future applicable law or may not be given full effect because of such law, no other provision that can operate without the conflicting provision or clause will be affected.

17. This Agreement and the exhibits attached to it contain the entire understanding between the parties and supersede all prior agreements and understandings relating to the subject matter of the Agreement.
18. The provisions of this Agreement will inure to the benefit of and be binding on the parties and their respective representatives, successors, and assigns.
19. The failure of a party to enforce the provisions of this Agreement will not be a waiver of any provision or the right of such party thereafter to enforce each and every provision of this Agreement.
20. Client will not transfer or assign this Agreement without Agency's written consent.
21. All notices, demands, requests or other instruments which may be or are required to be given hereunder shall be in writing and sent to the addresses set forth below, by hand delivery, certified mail – return receipt requested, or via overnight courier, postage prepaid.

AGENCY: NC Alliance of Public Health Agencies, Inc.
222 N. Person Street, Ste. 208
Raleigh, NC 27601

CLIENT: Lee County Health Department
106 Hillcrest Drive
Sanford, NC 27330

The addresses provided herein are conclusively deemed to be valid, and notice given in compliance with this paragraph shall be conclusively presumed to be proper and adequate, unless a written change of address is provided to all Parties.


22. This Agreement will be governed by and construed in accordance with the laws of the State of North Carolina, without reference to any conflicts of law principles thereof.

[Signatures on next page]

Authorized representatives of the parties have executed this Staffing Agreement below to express the parties' agreement to its terms.

Lee County

North Carolina Alliance of Public Health Agencies, Inc.


Signature

By: _____
Signature

Kirk D. Smith
Printed Name

Printed Name

Chair, Board of Commissioners
Title

Title

6/17/24
Date

Date

THIS Agreement has been pre-audited in the manner required by the local Government Budget and Fiscal Control Act.

Client Finance Officer:



Candace Iceman
Printed Name

Finance Director
Title

6/19/24
Date

**EXHIBIT A
BENEFITS WAIVER FOR ASSIGNED EMPLOYEES**

AGREEMENT AND WAIVER

In consideration of my assignment to Client by NCAPHA, I agree that I am solely an employee of NCAPHA for benefits plan purposes and that I am eligible only for such benefits as NCAPHA may offer to me as its employee. I further understand and agree that I am not eligible for or entitled to participate in or make any claim upon any benefit plan, policy, or practice offered by Client, its parents, affiliates, subsidiaries, or successors to any of their direct employees, regardless of the length of my assignment to Client by NCAPHA and regardless of whether I am held to be a common-law employee of Client for any purpose; and therefore, with full knowledge and understanding, I hereby expressly waive any claim or right that I may have, nor or in the future, to such benefits and agree not to make any claim for such benefits.

EMPLOYEE

WITNESS

Signature

Signature

Printed Name

Printed Name

Date

Date

EXHIBIT B COMPENSATION

- A. SCHEDULE OF RATES. Hourly rates are as set forth below or as otherwise determined by Agency and Client in writing plus a 33% administrative fee. For Salaried Assigned Employee whose annual salary, excluding the administrative fee, is less than \$100,000, and works a fixed schedule and receives the same salary each pay period, an administrative fee of 24% will apply after 90 days of employment. For Salaried Assigned Employee whose annual salary, excluding the administrative fee, total more than \$100,000, an administrative fee of 19% will apply. Travel and work-related expenses will be based on the approved county travel reimbursement rate. Environmental Health professionals will be compensated for travel, meals and lodging at the approved county travel reimbursement rate. Travel and work-related expenses are exempt from the administrative fee.
- B. OVERTIME. This Paragraph is only applicable to Assigned Employee who are eligible to receive overtime compensation pursuant to applicable law. Agency will charge Client special rates for premium work time only when an Assigned Employee's work on assignment to Client, viewed by itself, would legally require premium pay and Client has authorized, directed, or allowed the Assigned Employee to work such premium work time. Client's special billing rate for premium hours will be the same multiple of the regular billing rate as Agency is required to apply to the Assigned Employee's regular pay rate. Client will be billed one and one-half (1.5) times the rate set by the Client for time worked by Assigned Employee for all hours worked more than forty (40) hours per week and in accordance with state and federal wage and hours laws. If, during the terms of this Agreement or at any time, any applicable law requires Agency to pay overtime to its Assigned Employee based on any standard other than 40 hours per week, Agency shall bill the overtime rate pursuant to the applicable law. Agency may comply with Client's policies regarding overtime when they follow state and/or federal wage and hours laws and are communicated at the time of the contract or communicated to Agency at least ninety (90) days prior to the effective date of such changes.
- C. EXPENSES. Travel and other expenses incurred by an Assigned Employee in providing services to Client under this Agreement may be included on the Assigned Employee's applicable time sheet and reimbursed to the Assigned Employee through the Assigned Employee's paycheck from, Agent at Client's expense.
- D. ACA COMPLIANCE. Agency shall comply with all provisions of the Patient Protection and Affordable Care Act ("ACA") applicable to Assigned Employees, including the employer shared responsibility provisions relating to the offer of "minimum essential coverage" to "full-time" employees (as those terms are defined in Code §4980H and related regulations) and the applicable employer information reporting provisions under Code §6055 and §6056 and related regulations applicable to Assigned Employee, including the employer shared responsibility provisions relating to the offer of "minimum essential coverage" to "full-time" employees (as those terms are defined in Code §4980H and related regulations) and the applicable employer information reporting provisions under Code §6055 and §6056 and related regulations. If the Assigned Employee does not report to work for illness or some other reason outside of Client's control, Client will not be billed for these hours except in the case of salaried Assigned Employee, with leave concession addressed at time of hire.

**EXHIBIT C
REQUIREMENT GUIDELINES**

<u>REQUIRED:</u>	Schedule	Interpretation
Hepatitis B	2 doses, 4 weeks apart; 3 rd dose, 5 months after 2 nd ; booster not necessary	Agency's policy follows CDC recommendations. Documentation of 3 doses of Hepatitis B vaccination (at appropriate intervals), serologic proof of immunity or declination of the series of vaccines signed by the healthcare worker.
MMR (Measles, Mumps, Rubella)	2 doses, 4 weeks apart	Agency's policy follows CDC recommendations for healthcare personnel (HCP) born in 1957 or later without serologic evidence of immunity or prior vaccination give 2 doses of MMR, 4 weeks apart. For HCP born prior to 1957, is considered acceptable evidence of measles, mumps and rubella immunity, however Agency follows CDC recommendation that a HCP get a titer but it is not required (unless a work site requirement.)
Varicella (chicken pox)	2 doses, 4 weeks apart	Agency follows CDC recommendation all HCP who have no serologic proof of immunity, prior vaccination, or history of varicella disease, give 2 doses of varicella vaccine, 4 weeks apart; all HCP be immune to varicella with proof of Titer.
<u>HIGHLY RECOMMENDED:</u>	<i>[Not Required]</i>	<u>Employee must obtain if required by their work site.</u>
COVID	Fully Vaccinated following CDC guidelines.	To be considered fully vaccinated, employee must have received two (2) doses of either the Moderna COVID-19 vaccine or the Pfizer COVID-19 vaccine; or have received one (1) does of the Johnson & Johnson COVID-19 vaccine; or all actual dosages of a COVID-19 vaccine authorized by the FDA for a clinical trial.
Influenza		
Tetanus, diphtheria, pertussis	Td booster every 10 years after one Tdap	Agency follows CDC recommendation all HCP get a Td booster does every 10 years, following the completion of the primary 3-dose series. Also, All HCP younger than 65 get a 1-time does of Tdap, if they have direct patient contact.
Tuberculosis Skin Test Screening	Upon Hire –Two step TST; Annual TB skin test for settings classified as medium risk for HCWs who have the potential for exposure to M.	Agency's policy for Tuberculosis screening follows CDC recommendations.

	Tuberculosis through air space shared with persons with TB disease	
State license, registration or certification (when required)	Per state board of nursing or other licensing agency	Agency contacts the State Board or other licensing agency prior to the Assigned Employee's start date to confirm that the license, registration or certification is active and in good standing. Agency will not knowingly employ a professional that has an action against their license.
BCLS (CPR)	Current Card	Agency accepts current BCLS certification from either AHA, Red Cross, or hospital issued cards as long as they are the standard requirements for Assigned Employee.
Criminal Background Check	Performed upon hire	Agency's policy is to conduct Criminal Background Checks upon hire on all Assigned Employee unless otherwise instructed by client. If there is a gap in employment or the Assigned Employee leaves the company for more than 6 months, a criminal background check will need to be updated prior to the start of the next assignment.
OIG Sanctions Check	Upon application	Agency has a check procedure in place. Each applicant is checked against the OIG database upon application.
I-9	Upon hire and if documents expire	Agency collects a completed I-9 and the appropriate INS required documentation on every Assigned Employee member prior to their start date.
<i>AGENCY participates in E-Verify (As required by law.)</i>	Upon hire	Agency will provide the Social Security Administration (SSA) and, if necessary, the Department of Homeland Security (DHS), with information from each new employee's Form I-9 to confirm work authorization. IMPORTANT: If the Government cannot confirm that a new hire is authorized to work, this employer is required to give new hires written instructions and an opportunity to contact DHS and/or the SSA before taking adverse action against you, including terminating their employment. Agency will not use E-Verify to pre-screen applicants and may not limit or influence the choice of documents new hires present for use on the Form I-9. To determine whether Form I-9 documentation is valid, Agency uses E-Verify's photo matching tool to match the photograph appearing on some permanent resident cards, employment authorization cards, and U.S. passports with the official U.S. government photograph. E-Verify also checks data from driver's licenses and identification cards issued by some states.



**RESOLUTION AWARDING THE SERVICE SIDE ARM OF Lt DANA ELLIOTT OF
THE LEE COUNTY SHERIFF'S DEPARTMENT UPON HIS RETIREMENT**

WHEREAS, Lt. Dana Elliott retired effective August 1, 2023 from the Lee County Sheriff's Department; and

WHEREAS, Lee County Sheriff Brian Estes has requested to present Lt. Elliott with his service side arm as part of his reward of service in law enforcement in recognition of a job well done in the protection and service to the communities of Lee County for more than 15 years; and

WHEREAS, N.C.G.S. § 17F-20 allows the Lee County Board of Commissioners, in their discretion, to award a retiring member of the Lee County Sheriff's Department with their service side arm; and

WHEREAS, Lt. Elliott is eligible to own, possess or receive a firearm under the provisions of State and/or federal law; and

NOW THEREFORE, BE IT RESOLVED by the Lee County Board of Commissioners that Lt. Dana Elliott is hereby awarded his service side arm, a Sig Sauer P320 9mm, serial number 58C254098, for his years of honorable service in protecting and serving the communities of Lee County.

Adopted this 17th day of June 2024.

Kirk D. Smith, Chair
Lee County Board of Commissioners

ATTEST:

Hailey Hall, Clerk to the Board



LEE COUNTY

CONTRACT COVERSHEET

(This information box is to be completed by Department when submitting a contract for review.)

Date Submitted: June 06, 2024

Department: Library Contact Person: BETH LIST

Telephone: 919-718-4665 E-mail Address: BLIST@LEECOUNTYNC.GOV

Vendor Name: NC Cardinal

Type of Contract: New Renewal Amendment Services Goods
 Consulting Construction Lease Other: _____

Description/Scope of Work: Renewal of contractual agreement with NC Cardinal at the State Library of NC.

Funding Source: County State Grant Federal Grant Local Grant
 To Be Financed Other: _____

Total Contract Amount: \$4,318.00 Contract Period: FY24-25

Fiscal Year	Amount to Encumber
FY2025	\$4,318.00
FY	
FY	
FY	

Required Forms Checklist
Iran Divestment/E-verify
Pre-Audit Certification/Signature
W-9 Tax Form for New Vendor

Local Signatures Required: County Attorney County Manager Department Head
 Board of Commissioners (Chair) Other: _____

Review Progress

(Please initial and date once reviewed.)

06-06-2024 Department Head
Comments: _____

County Attorney
Comments: _____

Cai 6/19 Finance

County Manager

Final Steps

(Once the contract has been reviewed/signed by all parties)

Return FULLY EXECUTED (signed by the vendor) copy of contract to:

Susan Mills (if the contract was signed by County Manager) _____

Jennifer Gamble (if the contract was signed by the Board of Commissioners) _____

eSigned via DocuSign.com
Beth List

ky: b294e0c0b05e4930241220677681700

**State of North Carolina
County of Wake**

**Department of Natural and Cultural Resources
State Library of North Carolina
NC Cardinal Memorandum of Agreement
Contract Number 3114**

This Agreement is hereby made between the North Carolina Department of Natural and Cultural Resources, State Library of North Carolina, 109 East Jones Street, Raleigh, NC (hereinafter referred to as "Department") and the Lee County Library System, 107 Hawkins Ave Sanford, NC 27330 (hereinafter referred to as "Library" and together, the "Parties").

WHEREAS, NC Cardinal is a project of the State Library of North Carolina conducted in partnership with North Carolina public libraries whereby North Carolina public libraries share an online catalog and integrated library system (ILS), and share resources with other member libraries;

WHEREAS, this collaboration leverages federal and local funds to achieve operational efficiencies and cost savings for public libraries and provide for more effective use of public resources;

WHEREAS, the use of a single, shared online catalog expands resource sharing and cooperative services among public libraries and delivers faster access to a greater number and variety of resources for library patrons;

NOW, THEREFORE, the Parties hereto, desiring to establish or renew their commitment to NC Cardinal upon the terms set forth below, do hereby agree as follows:

I. NC Cardinal Program Requirements

While the Library retains autonomy over its local operations, participation in NC Cardinal requires collaboration in developing common policies and shared decision making. For acceptance into and continuing participation in NC Cardinal, the Library agrees to abide by the NC Cardinal Bylaws (Attachment A) and any subsequent amendments thereto, and adhere to the following terms and conditions:

A. General Terms and Conditions

The Library shall:

- 1) Comply with NC Cardinal policies, procedures, and protocols, including regulations approved by the State Library and policies of the NC Cardinal Governance Committee;
- 2) Connect to the network exclusively with equipment that is compatible with NC Cardinal;
- 3) Support the development and implementation of electronic and physical delivery of NC Cardinal materials and services to other members of NC Cardinal;
- 4) Provide in-person services to patrons of all NC Cardinal libraries in the same manner as to the Library's own patrons and local residents;
- 5) Refrain from making internal policy changes that would adversely affect other NC Cardinal libraries;
- 6) Provide Library representation at NC Cardinal General Membership meetings;
- 7) Provide Library representation and service to committees, task forces, and forums sponsored by the NC Cardinal Governance Committee;
- 8) Ensure Library personnel participate in appropriate training and continuing education programs;

- 9) Allow use of the Library's name in NC Cardinal official documents and informational sites;
- 10) Agree to and adhere to the GNU General Public License (GNU GPL) for Evergreen software, a copyleft license which ensures free software rights are preserved when the work is distributed, a copy of which may be found at the following internet address: <https://git.evergreen-ils.org/?p=Evergreen.git;a=blob;f=LICENSE.txt;hb=HEAD>; and
- 11) Make no changes to the Evergreen software code other than alterations of bibliographic holdings data.

B. Data Terms and Conditions

The Library shall:

- 1) Input, maintain, and share bibliographic holdings with all NC Cardinal libraries;
- 2) Comply with the NC Cardinal cataloging best practices and procedures for item and patron records prior to migrating data into NC Cardinal;
- 3) Input newly acquired holdings according to the Best Practices standards developed by the NC Cardinal Cataloging Committee and approved by the NC Cardinal Governance Committee;
- 4) Input, maintain, share, and keep patron records confidential according to applicable federal and State laws, including G.S. § 125-19 of the North Carolina General Statutes;
- 5) Restrict the creation of data records and other cataloging-related activity in NC Cardinal to authorized and NC Cardinal certified personnel;
- 6) Enter accurate information for all NC Cardinal transactions and statistics; and
- 7) Adhere to the NC Cardinal membership policies as defined in Appendix A: Bylaws, Section 2, Membership.

C. Lending and Resource Sharing Terms and Conditions

The Library shall:

- 1) Follow the resource sharing policies and Best Practice standards defined in NC Cardinal's online documentation;
- 2) Lend Library materials to patrons of NC Cardinal libraries in the same manner as to the Library's own patrons and local residents. This does not preclude charging standard Interlibrary Loan (ILL) fees if the loan is transacted through ILL rather than in person; and
- 3) Begin sharing Library resources with other NC Cardinal libraries through the Resource Sharing within two (2) months of the Library's "Go-Live" date.

II. Governance Committee

- A. The Governance Committee provides guidance to the State Library of North Carolina in terms of communications, organizational structure, review of NC Cardinal Bylaws and Memoranda of Agreement, and the recommendation of cost sharing and common, consistent policies.
- B. The State Library has final decision-making authority for all matters pertaining to NC Cardinal and may override a recommendation of the Governance Committee that is determined to be:
 - 1) detrimental to the majority of NC Cardinal libraries;
 - 2) not cost-effective to implement;
 - 3) adversely impacting NC Cardinal project management and support operations; or
 - 4) negatively received by NC Cardinal's hosting vendor or the Evergreen Community at large.

III. Financial Responsibilities

- A. NC Cardinal is a project of the State Library of North Carolina, supported by grant funds from the Institute of Museum and Library Services under the provisions of the Federal Library Services and Technology Act ("LSTA"). As such, the Department retains final financial decision-making authority for all matters pertaining to the NC Cardinal Integrated Library System (ILS) and its users.

- B. The Department shall fund the migration costs associated with migrating from the Library's current Integrated Library System into the NC Cardinal Integrated Library System. The Department shall also fund Branch Costs and Shared ILS Costs associated with the Base Level Access, as defined in section III(C) below, for the Library's participation in NC Cardinal during the State Fiscal Year (July 1 – June 30) of the Library's migration and one (1) additional State Fiscal Year.
- C. Base Level Access shall mean access to and use of the NC Cardinal Integrated Library System (ILS) software, hardware maintenance, hardware administration, database administration, Standard Internet Protocol (SIP) services, software upgrades, second-level system support, integral components, and tools related to the statewide resource sharing distribution system.
- D. Additionally, the Department shall fund and manage the following aspects of NC Cardinal:
 - 1) project administration, including project oversight, project schedule development, vendor negotiations and contract administration, budget forecasting, migration management, development and maintenance of communications channels, and coordination of NC Cardinal Committees.
 - 2) first-line software support, including maintaining a help ticket system, providing remote or onsite assistance, training, and facilitating communications with second-level vendor support.
 - 3) resource sharing services, including delivery system administration, training, vendor communications, and problem resolution.
- E. Beginning in the third fiscal year of the Library's participation in NC Cardinal, the Library shall be required to pay annual Branch Costs and Shared ILS Costs ("Annual Costs") for Base Level Access to the NC Cardinal ILS. The Library's Annual Costs shall be calculated as described in Attachment B – NC Cardinal Annual Costs by Library.
- F. Non-optional third-party services may be required to support the NC Cardinal ILS and may incur additional annual costs to the Library. Non-optional third-party services must be agreed to by a two-thirds majority of all NC Cardinal libraries and approved by the State Library's NC Cardinal Program Manager. Written notification of the implementation of non-optional third-party services shall be given to all NC Cardinal libraries on or before December 31st. The new third-party service shall become effective July 1 of the following State Fiscal Year. The Library's annual third-party service costs shall be calculated based upon the following formula:

% of Active Items * Total Annual Service Cost.
- G. The Library shall pay the its Annual Costs and any third-party vendor service costs within 30 days of receipt of the Library's annual invoice, as detailed in Attachment B.
- H. Optional third-party services that do not directly support NC Cardinal ILS maintenance may be added in accordance with NC Cardinal's Third-Party Hardware and Software Policy. The Library shall not adopt optional third party services that may adversely affect other NC Cardinal libraries.
- I. The Library shall comply with the provisions of subscription agreements made by the Department on behalf of NC Cardinal libraries and shall accept responsibility only for the actions of the Library's own employees related to these agreements.

IV. Availability of Funds

All terms and conditions of this Agreement are dependent upon and subject to the allocation of funds for the purposes set forth and this Agreement may, in the Department's sole discretion, automatically terminate, if funds cease to be available.

V. Term and Termination of Agreement

A. This Agreement shall be effective for one State Fiscal Year (July 1 of the calendar year in which this Agreement was signed until June 30 of the next calendar year), unless sooner terminated as set forth herein. The Library and the Department may extend the term annually for each subsequent State Fiscal Year through a written agreement signed by the Parties.

B. Upon the expiration of the term of this Agreement or receipt of notice of termination, the Library shall immediately proceed with withdrawal from NC Cardinal as outlined herein. Upon completion of withdrawal, this Agreement shall terminate.

VI. Withdrawal from NC Cardinal

A. In accordance with Attachment A, the Library shall have the right to withdraw from NC Cardinal by giving written notice on or before December 31. The withdrawal shall be effective at the end of the Agreement's term, at which time, this Agreement shall terminate.

B. If 1) a branch library chooses to separate from a library that is a continuing member of NC Cardinal or 2) a county library chooses to separate from a regional library system that is a continuing member of NC Cardinal, the separating library may withdraw from participation in NC Cardinal by giving written notice to the Department and the library from which it is separating. Two months after written notice is provided, the separating library's first data extract will be provided. Five months after written notice is provided, the separating library's final data extract will be provided, completing withdrawal and effectuating termination of this Agreement.

C. In the event of withdrawal,

1) the Library shall:

- a. lose all rights and benefits to NC Cardinal service delivery and governance;
- b. have their patrons withdrawn from NC Cardinal resource sharing, delivery systems, and cooperative fine and fee processes;
- c. have sole responsibility for replacement of all services provided through NC Cardinal and the Department's subscription agreements;
- d. have sole responsibility for notifying third party software vendors of the Library's effective date of withdrawal from NC Cardinal;
- e. pay the cost to remove the Library's complete policy set, circulation rules, hold policies, library settings, staff accounts, item records, and patron records from NC Cardinal at the current rate of its hosting vendor;
- f. not be required to return LSTA grant monies so long as the Library is in full compliance of grant requirements; and
- g. not receive a refund for any portion of annual Branch Costs and Shared ILS Costs or third-party vendor costs paid by the Library.

2) the Department shall:

- a. discontinue NC Cardinal funding and services for the Library on the designated termination date; and
- b. provide up to two (2) data export files of the Library's bibliographic, item, patron, and circulation data at no cost to the Library prior to the designated termination date.

VII. Default

- A. A violation of any provision, policy, or requirement that is not corrected by the Library to the Department's satisfaction within sixty (60) days after written notice by the Department shall constitute default under the terms of this Agreement. If default occurs, the Department may, in its sole discretion, terminate the Library's participation in NC Cardinal by sending written notice of termination to the Library. The termination shall be effective at the end of this Agreement's term.
- B. Upon receiving notice of termination from the Department, the Library shall proceed with withdrawal from NC Cardinal as outlined herein.

VIII. Amendment

This Agreement may only be amended by a signed, written agreement of the Parties.

IX. Notices and Agreement Administrators

All notices permitted or required to be given by one Party to the other and all questions about the Agreement from one Party to the other shall be addressed and delivered to the other Party's Agreement Administrator. The name, post office address, street address, telephone number, fax number, and email address of the Parties' respective initial Agreement 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 Agreement Administrator by giving written notice to the other Party within 30 calendar days of such change. The Library's Agreement Administrator shall be available by phone, facsimile, or e-mail, upon 24-hours notice.

Agreement Administrator for the Library

For All Day-To-Day Activities	For All Other Agreement Issues
Name: Beth List Title: Library Director Address: 107 Hawkins Ave Sanford, NC 27330 Telephone: 919-718-4665 x5488 Facsimile: E-mail: blist@leecountync.gov	Name: Beth List Title: Library Director Address: 107 Hawkins Ave Sanford, NC 27330 Telephone: 919-718-4665 x5488 Facsimile: E-mail: blist@leecountync.gov

Agreement Administrators for the Department of Natural and Cultural Resources

For All Day-To-Day Activities	For All Other Agreement Issues

Benjamin Murphy Manager, NC Cardinal Program (USPS) 4640 Mail Service Center Raleigh, NC 27699-4600 (FedEx, UPS) 109 E. Jones Street Raleigh, NC 27601 Telephone: (919) 814-6797 Facsimile: (919) 733-8748 E-mail: benjamin.murphy@dncr.nc.gov	Cynthia Armes Director of Procurement and Contract Monitoring NC DNCR, Purchasing Office 109 E. Jones Street Raleigh NC 27601 Telephone: (919) 814-6728 Facsimile: (919) 733-6993 E-mail: cynthia.ames@dncr.nc.gov
---	--

X. Care of State Property

The Library agrees that it shall be responsible for the proper custody and care of any property furnished it for use in connection with the performance of this Agreement or purchased by it for this Agreement and will reimburse the State for loss of damage of such property. In the event of termination of this Agreement, the Library shall return all State property furnished to it in connection with the performance of this Agreement by the effective date of termination.

XI. Access to Persons and Records

The State Auditor, DNCR Internal Auditors, the joint Legislative Commission on Governmental Operations (as well as applicable legislative employees), and any other authorized State entity shall have access to persons and records as such access is required under North Carolina law (including but not limited to N.C.G.S. §§ 143-49 & 147-64.7).

XII. Assignment

None of the Library's duties and responsibilities included herein may be assigned or delegated to a third party without prior written consent of the Department.

XIII. Compliance with Laws

All Parties to this Agreement shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to its conduct and to the administration of this Agreement.

XIV. Severability

In the event that a court of competent jurisdiction holds that a provision or requirement of this Agreement 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 Agreement shall remain in full force and effect.

XV. Waiver

A failure of either party to insist upon strict enforcement of any term or provision or to exercise any right, option, or remedy of this Agreement, or to require, at any time, performance of any provision hereof, shall not be construed as a waiver of any such term or provision. No waiver by either Party of any term or provision hereof shall be binding unless made in writing and signed by the other, approving party.

XVI. Agreement Documents

This Agreement shall consist of the following documents in order of precedence:

- A. Amendments to this Agreement, if any;
- B. This Agreement;

C. Attachment A: NC Cardinal Bylaws

D. Attachment B: NC Cardinal Annual Costs by Library

In the event of a conflict between or among the terms of the Agreement Documents, Amendments to the Agreement, if any, shall have the highest precedence; the Agreement shall have the second highest precedence; and Attachments the third highest precedence.

XVII. Governing Law

This Agreement shall be governed by the laws of the State of North Carolina. The Parties agree that the proper venue of this Agreement, its 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 of this Agreement, shall be determined.

XVIII. Entire Agreement

This Agreement, any exhibits and attachments affixed hereto, and any documents specifically incorporated by reference represent the entire agreement between the Parties and supersede all prior oral or written statements or agreements as to the subject matter discussed herein. There are no promises, terms, conditions, or obligations other than those contained in this Agreement, and this Agreement shall supersede all previous communications, representations, or agreements between the Parties as to the subject matter discussed herein.

SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE

IN WITNESS WHEREOF, the Library and the Department have each executed this Agreement in duplicate originals.

Lee County Library System

Beth List
Library Director

Date

DocuSigned by:

Kirk Smith

6/23/2024

5B94FC23744A4A8

Kirk Smith
Chairman, Lee County Board of Commissioners

Date

State Library of North Carolina

DocuSigned by:

Michelle Underhill

6/23/2024

D52F9EA9DF58441...

Michelle Underhill
State Librarian

Date

North Carolina Department of Natural and Cultural Resources

DocuSigned by:

Staci Meyer

6/23/2024

38979D74180940E...

Staci T. Meyer
Chief Deputy Secretary

Date

Approved as to the Availability of Funds

Budget Code: 4600 / 105134/ 4600425

DocuSigned by:

Joshua Davis

6/23/2024

F04E8D97A3684A0...

Joshua Davis
Chief Financial Officer

Date

DocuSigned by:

Cynthia Armes

6/23/2024

8170D3994781411...

Cynthia Armes
Director of Procurement and Contract Monitoring

Date

Attachment A: NC Cardinal Bylaws

August 2019

Table of Contents

<u>Section 1: Name and Mission</u>	10
<u>Section 2: Membership</u>	10
<u>Section 2a: Application for Membership</u>	10
<u>Qualifications</u>	10
<u>Approval of Application</u>	10
<u>Section 2b: Membership Activation</u>	11
<u>Section 2c: Member Withdrawal</u>	11
<u>Section 2d: Effective Date of Withdrawal</u>	11
<u>Section 2e: Default</u>	11
<u>Section 2f: Electronic Balloting</u>	11
<u>Section 3: Governance Committee</u>	11
<u>Section 3a: Number and Composition</u>	11
<u>Section 3b: Nomination</u>	12
<u>Section 3c: Election</u>	12
<u>Section 3d: Terms</u>	12
<u>Section 3e: Vacancies</u>	12
<u>Section 3f: Meetings of Governance Committee</u>	12
<u>Section 3g: Attendance</u>	13
<u>Section 3h: Powers and Authority</u>	13
<u>Section 3i: Voting</u>	13
<u>Section 3j: Non-voting Members</u>	13
<u>Section 3k: Appeal Process</u>	13
<u>Section 3l: Removal</u>	14
<u>Section 4: Working Committees</u>	14
<u>Section 4a: Creation of Working Committees</u>	14
<u>Section 5: Amendment of Bylaws</u>	14
<u>Section 6: Definitions</u>	14

Section 1: Name and Mission

1. The name of this organization shall be NC Cardinal. NC stands for North Carolina.
2. The purpose of NC Cardinal is to provide North Carolina residents greater access to public resources.

NC Cardinal is a partnership between the State Library of North Carolina and North Carolina public library systems. NC Cardinal uses an open-source integrated library system (ILS) to expand resource sharing and cooperative services development through a single, shared online catalog.

Section 2: Membership

Members are those eligible organizations that have submitted applications and been approved by the State Library. NC Cardinal is supported by the Library Services & Technology Act (LSTA) grant program which, in turn, supports the implementation of North Carolina's current LSTA Five-Year Plan. LSTA funds are awarded to the State Library of North Carolina by the Institute of Museum and Library Services (IMLS).

NC Cardinal Member Libraries must agree to:

1. participate in NC Cardinal and share their bibliographic and patron databases;
2. participate in NC Cardinal decision making and abide by Governance Committee decisions;
3. participate in resource sharing and provide in-person services to all patrons of NC Cardinal libraries in the same manner as to their own patrons; and
4. allow the use of the library name in NC Cardinal official documents and informational sites.

Section 2a: Application for Membership

Prospective members may join NC Cardinal by submitting an NC Cardinal Grant Application. Applicants should understand the annual State Library of North Carolina's LSTA General Information & Provisions and the Program-Specific Information & Guidelines.

Qualifications

To be eligible for participation in NC Cardinal, public libraries must:

1. qualify for grants from the Aid to Public Libraries Fund; and
2. meet basic hardware and network speed requirements.

Approval of Application

The State Library of North Carolina may review and approve membership based upon funding and resource capacity, may refuse an application for membership, or may postpone consideration of an application for membership.

Upon approval, the applicant library must execute the NC Cardinal Memorandum of Agreement and adopt the NC Cardinal Bylaws. Failure to do so will disqualify the applicant from participation in NC Cardinal. The State Library may provide funds for the library to migrate its automated system data into NC Cardinal, to receive training in using NC Cardinal, to access the NC Cardinal services subscription, and to make other expenditures determined by the State Library to be necessary for a successful migration.

In the event that funds or program capacity are not available to support all public libraries that apply, applicants will be selected based on the following criteria:

1. expiration date of the library's automated system contract;
2. scope and complexity of the library's migration requirements; and
3. other circumstances affecting the library as determined by the State Library.

Section 2b: Membership Activation

Membership is effective on the date the NC Cardinal Memorandum of Agreement is fully executed.

Section 2c: Member Withdrawal

Prior to terminating or taking action to withdraw from NC Cardinal, the Member Library shall discuss their intentions with authorized representatives of the State Library and the NC Cardinal Governance Committee. Critical issues that the Member Library believes justify such withdrawal must be presented in written form. If discussions with the State Library and the NC Cardinal Governance Committee do not resolve the issues to the Member's reasonable satisfaction, the Member Library shall have the right to discontinue participation in NC Cardinal by giving written notice on or before December 31 to the State Library, subject to the terms and conditions of the Memorandum of Agreement.

Section 2d: Effective Date of Withdrawal

The membership of a Member Library giving written notice on or before December 31 will cease on June 30 of the following year.

Section 2e: Default

A violation of any provision, policy, or requirement that is not corrected by the Member Library within sixty (60) days after written notice by the State Library will constitute default under the terms of their executed NC Cardinal Memorandum of Agreement and these Bylaws, subject to the terms and conditions of the Memorandum of Agreement.

Section 2f: Electronic Balloting

At the discretion of the State Library or by a consensus vote of the Governance Committee, electronic balloting may be employed for consortium-wide votes. Notice of issues for electronic ballot must be electronically emailed to each member of the Governance Committee no less than one (1) week prior to the designated "ballot start time." Electronic balloting may proceed after approval by the Governance Committee.

Section 3: Governance Committee

The Governance Committee provides guidance to the State Library of North Carolina in terms of communications, organizational structure, review of NC Cardinal Bylaws and Memorandum of Agreement, cost sharing policies, and the approval of common, consistent policies. Powers and Authority for this committee are outlined in Section 3h, Powers and Authority.

Section 3a: Number and Composition

The Governance Committee shall consist of five (5) members from participating NC Cardinal Libraries and two (2) members from the State Library: the NC Cardinal Program Manager and a representative from the Library Development Section. Governance Committee members must be selected from the Senior Management staff of Member Libraries.

NC Cardinal Member Library representation on the Governance Committee shall be composed of:

1. one (1) member from a Municipal library;
2. one (1) member from a County library;
3. one (1) member from a Regional library; and
4. two (2) members at large.

If the requirement for a member from at least one of each library type is unable to be filled, a temporary member could be added for a one year term, until the next election of members.

Section 3b: Nomination

At least sixty (60) days prior to the NC Cardinal General Membership Meeting, the Governance Committee must appoint a Nominations Committee of two (2) or more Members who are not seeking election. The Nominations Committee is required to receive and coordinate nominations for election to the Governance Committee.

Section 3c: Election

An election of Governance Committee members must be held at an NC Cardinal General Meeting to replace those members whose terms of office have expired or will expire at the end of the meeting.

Section 3d: Terms

A term of office shall be two (2) years, to commence at the beginning of the next Quarter after the election with the exception of the first year. Following the election, an announcement of the newly elected officers will be sent to the membership promptly. Committee members may serve two (2) consecutive terms with a two-thirds (2/3) majority vote of the membership. Committee appointments shall be staggered to promote consistency as well as to accommodate change.

Section 3e: Vacancies

Vacancies on the Governance Committee shall be filled by appointment by the Governance Committee until the next election of members. Appointments are for the remainder of the replaced member's term.

Section 3f: Meetings of Governance Committee

The Governance Committee shall hold at least two meetings per year, with other meetings scheduled as needed. At least thirty (30) days in advance, the General Membership shall be notified of Governance Committee meetings. Governance Committee meetings are closed, and attendance is limited to Governance Committee members, designated representatives of member library systems and invited guests.

Additional meetings may be scheduled:

1. at the request of the State Library;
2. at the request of two Governance Committee members; or
3. upon receipt of a written request signed by at least fifty (50) percent of the membership.

At least one (1) annual meeting will be held for the General Membership. Members will be notified at least thirty (30) days in advance of the annual meeting. Minutes of meetings shall be kept and distributed to the membership.

Section 3g: Attendance

It is expected that Governance Committee members will attend all meetings in person. If a Governance Committee member cannot attend a Committee meeting, the member may make advance arrangements with the NC Cardinal Program Manager and the hosting site to participate electronically, by conference call or other technology.

Governance Committee members will not send a representative to the meeting as a substitution.

If a Governance Committee member cannot actively participate in more than two (2) consecutive meetings, the member may be replaced for the duration of their term by appointment of the other members of the Governance Committee.

Section 3h: Powers and Authority

The Governance Committee shall provide counsel and support to the State Library of North Carolina and Member Libraries in the operation of NC Cardinal by:

1. recommending policy;
2. monitoring current research and trends to determine the best practices;
3. communicating to the entire membership; and
4. reviewing and discussing recommendations from other NC Cardinal Committees and providing a final recommendation.

Topics may cover a wide range of subjects, including information technology, vendor purchases, upgrades, enhancements, support, membership costs, and budget considerations.

NC Cardinal Member Libraries will act upon recommendations approved by the Governance Committee.

Section 3i: Voting

Only Governance Committee members may vote at a Governance Committee meeting. Each Governance Committee member has one (1) vote. This vote must be cast in person. Proxy representation and proxy voting are not allowed. If an elected member cannot attend a Committee meeting, the member has the option of making advance arrangements with the NC Cardinal Program Manager to participate via technology, or forfeit the right to vote at the meeting. A two-thirds (2/3) majority vote among Governance Committee members is required to pass a policy or recommendation.

Section 3j: Non-voting Members

The NC Cardinal Program Manager shall be a non-voting member.

Section 3k: Appeal Process

A Member Library(ies) may request reconsideration of a decision made by the NC Cardinal Governance Committee. A written request for reconsideration must be submitted within fourteen (14) days of the Committee decision. The appeal must include a justification for submitting the request for reconsideration, with supporting facts, and be signed by the submitting Member Library(ies). The Governance Committee will review the request for reconsideration within fourteen (14) days of submission. A written notice of action and/or decision will be distributed by the Governance Committee to the appealing Member Library(ies).

Section 3l: Removal

Should it become necessary to dissolve the Governance Committee, a two-thirds (2/3) majority vote of no-confidence from the NC Cardinal membership shall dissolve the Governance Committee. Should the Governance Committee be dissolved, a nominating committee selected from the membership shall propose new candidates.

Section 4: Working Committees

Category-specific NC Cardinal task forces/committees, for example Cataloging or User Experience, will submit recommendations for approval to the Governance Committee. These recommendations will be voted upon for implementation. Voting will adhere to the procedures as outlined Section 3i of these Bylaws.

Section 4a: Creation of Working Committees

Recommendations for new committees are submitted by NC Cardinal Member Libraries directly to NC Cardinal Program Staff or the NC Cardinal Governance Committee. Requests for project- or category-specific committees will be vetted and approved by the NC Cardinal Governance Committee. Committee member nominations will be solicited from Member Library Directors. Final member selections will be determined by NC Cardinal Program Staff according to the following composition:

1. at least one (1) member from a Municipal library;
2. at least one (1) member from a County library;
3. at least one (1) member from a Regional library; and
4. other members by level of expertise in the project- or category-specific area.

If the requirement for a member from at least one of each library type is unable to be filled, a temporary member could be added for a one year term, until the next election of members.

Section 5: Amendment of Bylaws

The NC Cardinal Bylaws may be amended at any time by a two-thirds (2/3) majority of vote of Member Libraries. Thirty (30) days prior written notice shall be given to Member Libraries of any proposed amendment. Proposed amendments may originate from the NC Cardinal membership with signatures from one-third (1/3) of the Member Libraries.

The Bylaws shall be reviewed every two (2) years by the NC Cardinal Governance Committee at the beginning of new Committee appointments. The Committee shall recommend any modifications and submit the Bylaws for review and renewal to the Member Libraries with thirty (30) days written notice for a vote to extend or rescind the agreement.

Section 6: Definitions

Library System The organization unit as defined by the Evergreen Software, to be distinguished from branches, book mobiles, etc.

Member Library A library system that participates in the NC Cardinal program.

**Attachment B – NC Cardinal Annual Costs by Library
State Fiscal Year 2024-2025**

Annual Cost Calculations

- A. During the State Fiscal Year (July 1 – June 30) of the Library’s migration (year one), the incoming Library shall incur no Branch Costs or Shared ILS Costs. The State Library of North Carolina shall cover the Library’s portion of Branch Costs and Shared ILS Costs for the first full fiscal year following migration (year two). The Library shall fund its portion of Branch Costs and Shared ILS Costs for Base Level Access to the NC Cardinal ILS beginning with year three of participation in NC Cardinal.
- B. Base Level Access includes access to and use of the NC Cardinal Integrated Library System (ILS) software, hardware maintenance, hardware administration, database administration, Standard Internet Protocol (SIP) services, software upgrades, second-level system support, integral components, and tools related to the statewide resource sharing distribution system.
- C. A member Library’s annual costs for membership in NC Cardinal shall be calculated based upon the following formula:

Consortial Shared Costs Calculations:

Total Branch Costs	=	50% of Total Consortial Shared Costs
Shared ILS Costs	=	50% of Total Consortial Shared Costs

Library System Costs Calculations:

Library’s Portion of Total Branch Costs	(described in section F)
+ Library’s Portion of Shared ILS Costs	(described in section G)
Total Library Costs	

- D. **Total Consortial Shared Costs** are the program costs shared among members to support and administer the shared ILS software and hardware. These fees provide for:
 - 1) maintenance for server administration;
 - 2) implementation of software upgrades;
 - 3) maintenance of database storage performance optimization;
 - 4) upgrade of server configuration; and
 - 5) support of software issues and problem resolution.
- E. **Total Consortial Shared Costs** are then divided into two equal parts:
 - 1) **Total Branch Costs** are divided equally among all qualifying library branches in the consortium.
 - 2) **Shared ILS Costs** are divided among member libraries according to the calculations described in Section G.
- F. The **Library’s Portion of Branch Costs** is composed of the Cost per Branch multiplied by the number Qualifying Branches in that Library System.

- 1) The **Cost per Branch** is the Total Branch Costs divided by the total number of Qualifying Branches throughout the consortium.
- 2) A **Qualifying Branch** meets the following criteria:
 - a. Is open more than 18 hours per week;
 - b. Stores and circulates items to the general public; and
 - c. Acts as a circulating branch as their primary responsibility.
- 3) Library outlets that are not qualifying branches will not incur the annual fee.

G. The Library's Portion of Shared ILS Costs is calculated using an income equalization factor in alignment with the formula used to allocate Aid to Public Libraries funds (State Aid). The Per Capita Income of the library's service area (C) is compared to the State's Per Capita Income (B) to generate a ratio of State PCI to service area PCI (D). That ratio is multiplied by the population of the library's service area (A), giving an Adjusted Population Size (E). The Adjusted Population Size of all Cardinal libraries are added up to find the Consortium Adjusted Population (F). The total Shared ILS Costs are divided up amongst the Consortium Adjusted Population, giving a Cost Per Population (H). That amount is then multiplied by the Adjusted Service Area Population for the library to calculate the Library's Portion of Shared ILS Costs (I). These calculations are based on the most recently available figures for population and PCI. Potential year to year increases in Library's Portion of Shared ILS Costs will be capped at 15%.

H. The Library will receive an Annual Invoice each fiscal year listing Total Library Costs. Payment is due within ninety (90) days from the date of the invoice. Please make checks payable to "NC Dept of Natural & Cultural Resources." Once prepared, please send the payment to one of the following addresses based on your preferred courier service:

<p>If using USPS: Dept. of Natural and Cultural Resources Attn: Benjamin Murphy 4640 Mail Service Center Raleigh, NC 27699-4600</p>	<p>If using FedEx or UPS: Dept. of Natural and Cultural Resources Attn: Benjamin Murphy 109 E. Jones Street Raleigh, NC 27601</p>
---	---

I. Total Library Costs FY 2024-2025 for Lee County Library System

Branch Fees

Cost Per Branch	\$1,187.50 (\$237,500/ 200 branches)
# of Qualifying Branches	1
Branches eligible for fee:	LEE_MAIN
Branches without fee:	BROADWAY
Branch Costs	\$1,187.50

Shared ILS Costs

A. 2022 Library Service Area Population	65648
B. 2021 NC PCI	\$34,209
C. 2021 Library Service Area PCI	\$27,488
D. Ratio Library to NC PCI (C / B)	80%
E. Adjusted Service Area Population (D * A)	52750.22
F. Consortium Adjusted Population	3,992,030
G. Consortium Shared Costs	\$237,500
H. Cost Per Population (F / G)	\$0.0594935
I. Library's Uncapped Portion of ILS Costs (H * E)	\$3,138.00
Last Year's Shared ILS Costs	\$2,722.00
This Year's Calculated Percent Change	15%
This Year's Shared ILS Costs Increase Capped at 15%	\$3,130.30
Capped Shared ILS Costs Percent Change	15%

Final Library Costs for FY 24-25

Branch Fees	\$1,187.50
Shared ILS Costs	\$3,130.30
Total Library Costs	\$4,317.80

Home and Community Care Block Grant for Older Adults
County Funding Plan

Identification of Agency or Office with Lead Responsibility for County Funding Plan

County Lee July 1, 2024 through June 30, 2025

The agency or office with lead responsibility for planning and coordinating the County Funding Plan recommends this funding plan to the Board of Commissioners as a coordinated means to utilize community-based resources in the delivery of comprehensive aging services to older adults and their families.

Lee County Senior Services
(Name of agency/office with lead responsibility)

 6/17/24
Authorized signature (date)

Kirk Smith, Chair, Lee Co. Board of Comm.
(Type name and title of signatory agent)

CENTRAL PINES
REGIONAL COUNCIL
AREA AGENCY ON AGING

CERTIFICATION OF REQUIRED MINIMUM LOCAL MATCH AVAILABILITY

Date: 6/7/24

Fiscal Year: 2025

Agency: Lee County Senior Services

Service: Home and Community Care Block Grant

Itemization of Commitment:

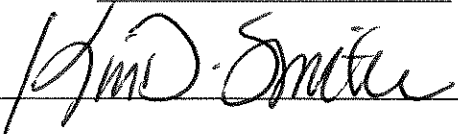
Required Local Match (total must agree to amount in the Funding Plan)

1. Cash of: \$51,622 provided by: _____
Cash of: _____ provided by: County of Lee
Cash of: _____ provided by: _____
Cash of: _____ provided by: _____

2. Total Local Match: \$51,622

It is understood that funds committed as required minimum local match will be used to match the Home and Community Care Block Grant appropriation and will not be used to match any other federal or state funds during the contractual period.

Print Name and Title: Kirk D. Smith Chair, Lee County Board of Commissioners

Signature: 

July 1, 2019 through June 30, 2020
Home and Community Care Block Grant for Older Adults
Community Service Provider
Standard Assurances

Community Service Provider Lee County Senior Services _____
agrees to provide services through the Home and Community Care Block Grant, as specified on the Provider Services Summary (DAAS-732) in accordance with the following:

1. Services shall be provided in accordance with requirements set forth in:
 - a. The County Funding Plan
 - b. The Division of Aging and Adult Services Home and Community Care Block Grant Procedures Manual for Community Service Providers
 - c. The Division of Aging and Adult services standards at <https://www.ncdhhs.gov/divisions/daas/monitoring>

Community service providers shall monitor any subcontracts with providers of Block Grant services and take appropriate measures to ensure that services are provided in accordance with the aforementioned documents.

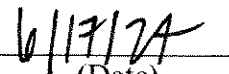
2. Priority shall be given to providing services to those older persons with the greatest economic or social needs. The service needs of low-income minority older adults will be addressed in the manner specified on the Outreach Methodology to Address Service Needs of Target Population (DAAS-733).
3. The following service authorization activities will be carried out in conjunction with all services provided through the Block Grant:
 - a. Eligibility determination
 - b. Client intake/registration
 - c. Client assessment/reassessments and quarterly visits, as appropriate
 - d. Determination of the amount of services to be received by the client
 - e. Review of consumer contributions policies with eligible clients
4. All licenses, permits, bonds, and insurance necessary for carrying out Block Grant Services will be maintained by the community service provider and any subcontracted providers.

5. As specified in 45 CFR 75, Subpart D-Post Federal Award Requirements, Procurement Standards, community service providers shall have procedures for settling all contractual and administrative issues arising out of procurement of services through the Block Grant. Community service providers shall have procedures governing the evaluation of bids for services and procedures through which bidders and subcontracted providers may appeal or dispute a decision made by the community service provider.
6. Applicant/client appeals shall be addressed as specified in Section 7 of the Division of Aging and Adult Services Home and Community Care Block Grant Manual for Community Service Providers.
7. Community service providers are responsible for providing or arranging for the provision of required local match, as specified on the Provider Services Summary, (DAAS-732). Local match shall be expended simultaneously with Block Grant funding.
8. Community service providers agree to comply with audit and fiscal reporting requirements as specified in the Agreement for the Provision of County-Based Aging Services (DAAS-735).
9. Compliance with Equal Employment Opportunity and Americans with Disabilities Act requirements, as specified in paragraph fourteen (14) of the Agreement for the Provision of County-Based Aging Services (DAAS-735) shall be maintained.
10. Providers of In-Home Aide, Home Health, Housing and Home Improvement, and Adult Day Care or Adult Day Health Care shall sign and return the attached assurance to the area agency on aging indicating that recipients of these services have been informed of their client rights, as required in Section 314 of the Older Americans Act (DAAS-734 Standard Assurances Regarding In-Home Client Rights).
11. Subcontracting – All HCCBG community service providers must assure that subcontractors (for-profit and non-profit entities only) meet the following requirements:
 - a. The subcontractor has not been suspended or debarred. (N.C.G.S. §143C-6-23, 09 NCAC 03M)
 - b. The subcontractor has not been barred from doing business at the federal level.
 - c. The subcontractor is able to produce a notarized “State Grant Certification of No Overdue Tax Debts.
 - d. All licenses, permits, bonds and insurance necessary for carrying out Home and Community Care Block Grant services will be maintained by both the community service provider and any subcontractors.

- e. The subcontractor is registered as a charitable, tax-exempt (501c3) organization with the Internal Revenue Service (non-profit subcontractors only).
12. Confidentiality and Security. Per the requirements in 10A NCAC 05J and Section 6 of the Home and Community Care Block Grant Procedures Manual, client information in any format and whether recorded or not shall be kept confidential and not disclosed in a form that identifies the person without the informed consent of the person or legal representative. Community service providers, including subcontractors and vendors, must adhere to all applicable federal, state and departmental requirements for protecting the security and confidentiality of client information including but not limited to appropriately restricting access, establishing procedures to reduce the risk of accidental disclosures from data processing systems, and developing a process by which the Division of Aging and Adult Services is notified of suspected or confirmed security incidents and data breaches.
13. Record Retention and Disposition. All community service providers are responsible for maintaining custody of records and documentation to support the allowable expenditure of funds, service provision, and the reimbursement of services. Service providers must adhere to the approved record retention and disposition schedules posted at <https://www.ncdhhs.gov/about/administrative-offices/office-controller/records-retention> by the NC Department of Health and Human Services Controller's Office, as well as the local government agency schedules posted at <https://archives.ncdcr.gov/government/local> by the NC Department of Natural and Cultural Resources.

Service providers are not authorized to destroy records related to the provision of services under this Agreement except in compliance with the approved DHHS retention and disposition schedule, which allows for the proper destruction of records based on a schedule by funding source and fiscal year. The agency agrees to comply with 07 NCAC 04M .0510 when deciding on a method of record destruction. Confidential records will be destroyed in such a manner that the records cannot be practically read or reconstructed.


(Authorized Signature)


(Date)

Home and Community Care Block Grant for Older Adults


County Funding Plan
Provider Services Summary


DAAS-732
 County: LEE
 Budget Period: July 2024 through June 2025
 Revision #: _____

LEE COUNTY SENIOR SERVICES
 1615 S. THIRD STREET
 SANFORD, NC 27330

Services	Serv. Delivery (Check One)		A				B	C	D	E	F	G	H	I							
	Direct	Purchase	Block Grant Funding			Required Local Match									Net Service Cost	NSIP Subsidy	Total Funding	Projected HCCBG Units	Projected Reimburse Rate	Projected HCCBG Clients	Projected Total Units
			Access	In-Home	Other																
Transportation (General)		X	\$ 57,000	\$ -	\$ -	\$ 57,000	\$ 6,333	\$ 63,333	\$ -	\$ 63,333	6,224	\$ 10.1752	70	9,000							
Transportation (Medical)		X	\$ 3,000	\$ -	\$ -	\$ 3,000	\$ 333	\$ 3,333	\$ -	\$ 3,333	92	\$ 36.4106	70	850							
Congregate Nutrition	X		\$ -	\$ -	\$ 74,000	\$ 74,000	\$ 8,222	\$ 82,222	\$ 9,928	\$ 92,150	4,844	\$ 16.9755	200	12,410							
Home Delivered Meals	X		\$ -	\$ 37,000	\$ -	\$ 37,000	\$ 4,111	\$ 41,111	\$ 8,000	\$ 49,111	2,461	\$ 16.7046	70	10,000							
Information & Case Assistance	X		\$ 50,000	\$ -	\$ -	\$ 50,000	\$ 5,556	\$ 55,556	\$ -	\$ 55,556	-	\$ -	-	-							
Senior Center Operation	X		\$ -	\$ -	\$ 215,605	\$ 215,605	\$ 23,956	\$ 239,561	\$ -	\$ 239,561	-	\$ -	-	-							
Housing & Home Improvement	X		\$ -	\$ -	\$ 28,000	\$ 28,000	\$ 3,111	\$ 31,111	\$ -	\$ 31,111	-	\$ -	-	-							
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-	-							
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-	-							
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-	-							
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-	-							
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-	-							
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-	-							
Total			\$ 110,000	\$ 37,000	\$ 317,605	\$ 464,605	\$ 51,622	\$ 516,227	\$ 17,928	\$ 534,155	13,620		410	32,260							

Certification of required minimum local match availability.
 Required local match will be expended simultaneously with Block Grant Funding.

 Candace Jensen 6/19/24
 Signature, County Finance Officer Date

 Delmar Rodriguez 6/17/24
 Authorized Signature, Title
 Community Service Provider Date

Signature, Chairman, Board of Commissioners Date

HEALTH SERVICES AGREEMENT

THIS AGREEMENT between Lee County, North Carolina (hereinafter referred to as "County"), and Southern Health Partners, Inc., a Delaware corporation, (hereinafter referred to as "SHP"), is entered into as of the 17th day of June, 2024. Services under this Agreement shall commence on June 1, 2024, and shall continue through May 31, 2025, in accordance with Section No. 6.1.

WITNESSETH:

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

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

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

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

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

ARTICLE I: HEALTH CARE SERVICES.

1.1 General Engagement. County acknowledges its non-delegable duty under applicable federal and state law to obtain and provide for reasonably necessary medical care for inmates or detainees of the Jail. County is contracting with SHP to provide reasonably necessary medical care for inmates or detainees of the Jail in accordance with the staffing plan as described in Section No. 2.1 of this Agreement.

County hereby contracts with SHP to provide for the delivery of medical, basic dental and basic mental health services to inmates of Jail to the extent set forth herein. This care is to be delivered to individuals under the custody and control of County at the Jail, and SHP enters into this Agreement according to the terms and provisions hereof. Basic dental services shall mean the starting point of dental services whereby SHP medical staff will triage patients based on signs/symptoms, provide pain relief medication if needed, and treat any infection prior to scheduling dental services with an outside provider. Basic mental health services shall mean the starting point of mental

health services whereby SHP medical staff will continue, to the extent practicable, any prior mental health treatment plan a now-incarcerated patient had in place, or, upon identification of a mental health service need by Jail staff or SHP, may have an on-site provider(s) prescribe a low-level mental health medication until patient can be scheduled and seen by an outside mental health professional, if needed. It is the responsibility of SHP to refer a patient to the Jail's contracted behavioral health professional services, Correctional Behavioral Health, immediately once SHP medical staff determines a referral is necessary. SHP shall assess any inmate for mental health crisis that it determines is necessary or that is referred to it by Jail staff. If SHP determines an individual is in a mental health crisis, it will work with the Jail to provide the necessary care for the inmate until the individual has been stabilized. If at any point it is necessary to call an emergency medical provider, SHP shall do so immediately. SHP nursing staff will work with Correctional Behavioral Staff to ensure that if mental health medications are prescribed to an inmate, SHP will fill and administer the medication according to doctor's orders. This is the same for legally prescribed mental health medications an inmate is taking with a valid prescription prior to entering the Jail.

1.2 Scope of General Services. The responsibility of SHP for care of an inmate commences no earlier than the booking and physical placement of said inmate into the Jail and notification to a member of the SHP medical staff of the same in accordance with the staffing plan as described in Section No. 2.1 of this Agreement. The health care services provided by SHP shall be for all persons committed to the custody of the Jail, except those identified in Section No. 1.7. SHP shall provide and/or arrange for professional medical, dental, mental health and related health care services for the inmates, regularly scheduled sick call, nursing care, regular physician care, medical specialty services, emergency medical care, emergency ambulance services when medically necessary, medical records management, pharmacy services management, administrative support services, continuation of MOUD treatment with a valid prescription in conjunction with Sanford Treatment Center, and other services, all as more specifically described herein. As more fully explained in Section No. 1.4 herein, none of the services to be provided by SHP as described herein shall alter or eliminate the duty and ability of the County, through its employees, to arrange for emergency medical care at any time.

SHP shall be financially responsible for the costs of SHP physician, mid-level provider and nurse staffing, clinical lab procedures (inside and outside the Jail), over-the-counter medications, medical supplies, medically-generated hazardous waste disposal, office supplies, and administrative services. SHP's financial responsibility for the costs of emergency kits and restocking of emergency kit supplies, necessary license and permit fees, prescription medications, biological products used to prevent, diagnose or treat diseases and medical conditions (including, but not limited to the costs of PPD solution for inmate Tuberculosis testing), renal dialysis and other major chronic care, x-ray procedures (inside and outside the Jail), dental services (inside and outside the

Jail), mental health services (inside and outside the Jail) and all medical services rendered outside the Jail shall be limited by the annual cost pool described in Section No. 1.5 of this Agreement. All pool costs in excess of the annual cost pool limit shall be the financial responsibility of the County, or shall not otherwise be the financial responsibility of SHP.

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

Should new legislation require substantial or new medical directives to SHP in the provision of services under this Agreement, SHP shall not be financially responsible for changes to its program, rather SHP would have the ability to seek from the County any additional monies to fund such directives. If this occurs, SHP must notify the County immediately once SHP is aware of the legislation and new directive and provide the County a quote for additional costs. The County will have thirty (30) days to examine the additional costs. If the County determines the additional costs are unduly burdensome, the County will have the option to terminate the Agreement or negotiate a new Agreement with SHP.

When an inmate has been placed into the Jail, Jail staff shall provide the medical questionnaire to SHP staff within twelve (12) hours of the inmate's booking. If an inmate discloses it takes a valid prescription of any kind, it will be the responsibility of SHP staff to ensure those prescriptions are valid. SHP must provide the validly prescribed medication, or an equal, generic, or therapeutic substitute prescription as recommended by the SHP pharmacist, and ensure it is prescribed and administered to the inmate according to the valid prescription.

1.3 Specialty Services. In addition to providing the general services described above, SHP by and through its licensed health care providers shall arrange and/or provide to inmates at the Jail specialty medical services to the extent such are determined to be medically necessary by SHP. In the event non-emergency specialty care is required and cannot be rendered at the Jail, SHP shall make arrangements with County for the transportation of the inmates in accordance with Section No. 1.9 of this Agreement. The County shall be responsible for the transportation and for any and all costs associated with the same.

1.4 Emergency Services. When on-site, SHP staff shall be a resource for providing on-site emergency medical care, as medically necessary, to inmates, or for arranging for emergency ambulance transportation of inmates for off-site care. The costs of emergency ambulance transportation shall either be billed directly to County by

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

1.5 Limitations On Costs - Cost Pool. SHP shall, at its own cost, arrange for medical services for any inmate who, in the opinion of the Medical Director (hereinafter meaning a licensed SHP physician), requires such care. SHP's maximum liability for costs associated with emergency kits and restocking of emergency kit supplies, necessary license and permit fees, prescription medications, biological products used to prevent, diagnose or treat diseases and medical conditions (including, but not limited to the costs of PPD solution for inmate Tuberculosis testing), renal dialysis and other major chronic care, x-ray procedures (inside and outside the Jail), dental services (inside and outside the Jail), mental health services (inside and outside the Jail) and all medical services for inmates rendered outside of the Jail shall be limited by a pool established in the amount of \$50,000.00 in the aggregate for all inmates in each year (defined as a twelve-month contract period) of this Agreement. If the costs of all care as described in this Section No. 1.5 exceed the amount of \$50,000.00 in any year, SHP shall either pay for the additional services and submit itemized invoices supporting the payments to the County along with an SHP invoice for one hundred percent (100%) of the costs in excess of \$50,000.00, or in the alternative, shall refer all additional qualifying itemized invoices to County for payment directly to the provider of care. The date of service for any cost pool items shall be used to determine the calendar month in which the expenses are applied within the cost pool, unless otherwise advised by the County during reconciliation and/or cost pool billing purposes. For all invoices payable to SHP as reimbursement for pool excess costs, such amounts shall be payable by County within thirty (30) days of receipt of the invoice from SHP. SHP shall allow a grace period of up to sixty (60) days from the date the County received the invoice, and shall thereafter apply a late fee of two percent (2%) on the balance each month until SHP has been reimbursed in full. For purposes of this Section No. 1.5, the pool amount shall be prorated for any contract period of less or more than twelve months.

The intent of this Section No. 1.5 is to define SHP's maximum financial liability and limitation of costs for emergency kits and restocking of emergency kit supplies, necessary license and permit fees, prescription medications, biological products used to prevent, diagnose or treat diseases and medical conditions (including, but not limited to the costs of PPD solution for inmate Tuberculosis testing), renal dialysis and other

major chronic care, x-ray procedures (inside and outside the Jail), dental services (inside and outside the Jail), mental health services (inside and outside the Jail), hospitalizations and all other medical services rendered outside the Jail.

1.6 Injuries Incurred Prior to Incarceration; Pregnancy. SHP shall not be financially responsible for the cost of any medical treatment or health care services provided to any inmate prior to the inmate's formal booking and commitment into the Jail.

Furthermore, SHP shall not be financially responsible for the cost of medical treatment or health care services provided outside the Jail to medically stabilize any inmate presented at booking with a life-threatening injury or illness or in immediate need of emergency medical care.

Once an inmate has been medically stabilized and committed to the Jail, SHP shall, upon notification by Jail staff to a member of the SHP medical staff of a medical need and to the extent SHP medical staff is on-site, in accordance with the provisions of Section No. 1.2, provide or arrange for medical treatment and health care services regardless of the nature of the illness or injury or whether or not the illness or injury occurred prior or subsequent to the individual's incarceration at the Jail. An inmate shall be considered medically stabilized when the patient's medical condition no longer requires immediate emergency medical care or outside hospitalization so that the inmate can reasonably be housed inside the Jail. SHP's financial responsibility for such medical treatment and health care services shall be in accordance with, and as limited by, Section Nos. 1.2 and 1.5 of this Agreement.

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

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

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

The costs of medical services rendered to inmates who become ill or who are injured while on such temporary release or work-release shall not then become the financial responsibility of SHP after their return to the Jail. This relates solely to the costs associated with treatment of a particular illness or injury incurred by an inmate while on such temporary release. In all cases, SHP shall be responsible for providing medical care for any inmate who presents to medical staff on-site at the Jail to the extent such care can be reasonably provided on-site, or shall assist with arrangements to obtain outside medical care as necessary. The costs of medical services associated with a particular illness or injury incurred by an inmate while on temporary release or work-release may be the personal responsibility of the inmate, or covered by workers' compensation, medical insurance, accident insurance, or any other policy of insurance or source of payment for medical and hospital expenses. In the absence of adequate insurance coverage, or other source of payment for medical care expenses, such costs may, at the election of the County, be applied toward the annual cost pool described in Section No. 1.5. Such costs shall not otherwise be the financial responsibility of SHP.

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

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

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

ARTICLE II: PERSONNEL.

2.1 **Staffing.** County acknowledges that SHP shall provide an on-site staffing plan consisting of eighty-four (84) nursing hours per week, according to a regular schedule of twelve (12) hours per day, seven (7) days per week, with at least two (2) hours per week of Registered Nurse (RN) oversight. Staffing hours worked in excess of this contracted staffing plan, not to include SHP training hours, may be billed back to the County on a monthly basis, at the actual wage and benefit rate, for staffing services performed on-site at the facility. Staffing hours should not be worked in excess of this Agreement, without prior authorization from the County except in the event of a medical emergency or medical crisis.

- a. **Holidays.** County acknowledges that SHP shall provide limited flexible coverage of medical staff on the following SHP-designated holidays.
 1. New Year's Day
 2. Presidents' Day
 3. Good Friday
 4. Memorial Day
 5. July 4th/Independence Day
 6. Labor Day
 7. Thanksgiving Day
 8. Christmas Day

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

- c. **Medication Passes.** SHP staff shall prepare and pass out all inmate medications when on-site and help ensure drug diversion does not occur. Jail staff will be responsible for receiving and inventorying inmate medication if an arrestee comes in with his/her medication and the nurse is not on duty to accept it. That medication will then be turned over to SHP nurse as soon as he/she returns to duty, however County acknowledges that since SHP does not provide twenty-four

(24) hours per day, seven (7) days per week coverage of medical staff at the Jail, there may be times when an ER medication must be provided by Jail staff to an inmate. When administering MOUD medications, SHP shall follow all policies, procedures and training provided to its nursing staff to help ensure drug diversion does not take place. MOUD shall not be administered by Jail staff.

- d. Meal breaks. It is understood and agreed that SHP employees are entitled to unpaid meal breaks when working shifts of eight (8) hours or more. SHP employees shall be allowed to leave the facility during this time, or if a break is taken on-site, are to have uninterrupted time unless called to an emergency response. Such meal breaks are to be usual and customary, and not overly excessive.

It is understood the Professional Provider may be filled by a Physician, or Mid-Level Practitioner. Either shall be duly licensed to practice medicine in the State of North Carolina, and shall be available to SHP's nursing staff for resource, consultation and direction twenty-four (24) hours per day, seven (7) days per week. Provider visits shall not be scheduled on holidays. Provider and all staff must keep their credentials active and in good standing during the term of this Agreement. If a Provider or staff is suspended or loses its license during the term of this Agreement, SHP must immediately notify the County and replace the Provider or staff with an employee with valid credentials.

The scheduling of staff shifts may be flexible and adjusted by SHP in order to maintain stability of the program and consistency with staff. Any adjustments or changes to fixed schedules would be made after discussions with the Jail Administrator and other involved County officials. Professional Provider visit times and dates shall be coordinated with Jail Management, and may include the use of telehealth services. Telehealth services should only be utilized in rare circumstances, in a staffing emergency and when there is no other staff available onsite. Some of the Professional Provider time may be used for phone consults with medical staff and for other administrative duties.

SHP shall make reasonable efforts to supply the staffing levels contained in this section, however, failure to continuously supply all of the required staffing due to labor market demands or other factors outside the control of SHP, after such reasonable efforts have been made, shall not constitute a breach of this Agreement.

Should SHP experience increased staffing requirements or an increase of ten percent (10%) or more in total compensation expenses payable to its employees, independent contractors or staffing agencies providing services at the Jail, and such increases are beyond the reasonable control of SHP, SHP and County shall negotiate in

good faith an updated staffing matrix and/or a corresponding increased amount of compensation for the remainder of the then-current contract period that takes into account the additional personnel and/or additional compensation expenses incurred by SHP. Should SHP and County be unable to agree on a revised staffing matrix and/or an increased amount of compensation within thirty (30) days of SHP notifying County in writing of the need to modify the staffing matrix and/or increase compensation, either party may terminate this Agreement upon thirty (30) days' written notice to the other party.

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

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

2.2 Licensure, Certification and Registration of Personnel. All personnel provided or made available by SHP to render services hereunder shall be licensed, certified or registered, as appropriate, in their respective areas of expertise as required by applicable North Carolina law. SHP shall be responsible for verifying licensure requirements and qualifications, and County shall be responsible for timely background checks and clearance checks upon request by SHP.

2.3 County's Satisfaction with Health Care Personnel. SHP shall have the sole discretion and authority in all personnel hiring decisions. In no event shall the County or Sheriff retain the right to hire and fire SHP personnel. SHP shall retain control over and have the final authority concerning the staffing of its health care personnel. If County becomes dissatisfied with any health care personnel provided by SHP hereunder, or by any independent contractor, subcontractors or assignee, SHP, in recognition of the sensitive nature of correctional services, shall, following receipt of written notice from County of the grounds for such dissatisfaction and in consideration of the reasons therefor, exercise its best efforts to resolve the problem. If the problem is not resolved satisfactorily to County, SHP shall remove or shall cause any independent contractor, subcontractor, or assignee to remove the individual about whom County has expressed dissatisfaction. Should removal of an individual become necessary, SHP shall be allowed reasonable time, prior to removal, to find an acceptable replacement, without penalty or any prejudice to the interests of SHP.

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

2.5 Subcontracting and Delegation. In performing its obligations under the Agreement, it is understood that SHP is not licensed or otherwise authorized to engage in any activity that may be construed or deemed to constitute the practice of medicine, dentistry, or other professional healthcare service requiring licensure or other authorization under state law. To fulfill its contractual obligations, SHP may engage physicians or other clinicians as independent contractors, rather than employees, in order to supply the clinical services required under this Agreement. SHP shall engage contract professionals that meet the applicable professional licensing requirements and SHP shall exercise administrative supervision of such contract professionals as necessary to ensure the fulfillment of the obligations contained in this Agreement. Contract professionals shall provide clinical services under this Agreement in a manner reasonably consistent with the independent clinical judgment that the contract professional is required to exercise. For each agent and subcontractor, including all medical professionals, physicians, dentists and nurses performing duties as agents or independent contractors of SHP under this Agreement, SHP shall provide County proof that there is in effect a professional liability or medical malpractice insurance policy.

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

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

2.7 Training of Personnel. The duty to train the Jail staff is and always remains vested in the County. The County is solely responsible for the overall operation of the Jail, including medical care. The County maintains ultimate responsibility for training and supervising its correctional officers, according to the requirements of federal and/or state statute, regulation, and/or law, including but not limited to training and supervision related to intake screening, emergency procedures,

ensuring sick calls are passed along to the medical team in a timely manner, and proper distribution of medications (when appropriate).

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

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

ARTICLE III REPORTS AND RECORDS

3.1 Medical Records. County acknowledges that SHP's responsibility for all inmate medical records shall commence on the effective date of this Agreement. The responsibility for all inmate medical records prior to the effective date of this Agreement shall rest solely with the County with the exception of the inmate records currently held in SHP's system that were obtained under prior Agreements with the County for services in the Jail which are retained by SHP pursuant to required records retention law. It is mutually understood by both parties that, during the term of this Agreement, SHP shall serve as the Records Custodian in all medical record matters, in accordance with all applicable laws.

Commencing on the effective date of this Agreement, SHP shall cause and require to be maintained a complete and accurate medical record for each inmate who has received health care services. Each medical record shall be maintained in accordance with applicable laws and County's policies and procedures. The medical records shall be kept separate from the inmate's confinement record and no Jail staff or County staff shall have access to or knowledge of an inmate's medical information unless there is a medical necessity, and no SHP medical staff is available on-site. A complete legible copy of the applicable medical record shall be available, at all times, to County as custodian of the patient. Medical records shall be kept confidential. Subject to applicable law regarding confidentiality of such records, SHP shall comply with North Carolina law and County's policy with regard to access by inmates and Jail staff to medical records. No information contained in the medical records shall be released by

SHP except as provided by County's policy, by a court order, or otherwise in accordance with the applicable law. SHP shall, at its own cost, provide all medical records, forms, jackets, and other materials necessary to maintain the medical records. If the County receives a request for a copy of an inmate's medical file, the County will inform the requestor that it is not the custodian of the file and direct the requestor to seek the file from SHP. At no time during the term of this Agreement is the County considered the custodian of the medical files. At the termination of this Agreement, all medical records shall be delivered to the County in a form and manner readable and usable by the County and remain with County. However, County shall provide SHP with reasonable ongoing access to all medical records even after the termination of this Agreement for the purposes of defending litigation.

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

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

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

3.5 County Records Available to SHP with Limitations on Disclosure. During the term of this Agreement and for a reasonable time thereafter, County shall provide SHP, at SHP's request, County's records relating to the provision of health care

services to inmates as may be reasonably requested by SHP or as are pertinent to the investigation or defense of any claim related to SHP's conduct, if the County is the custodian of such record. Consistent with applicable law, County may make available to SHP such inmate medical records as are maintained by County, hospitals and other outside health care providers involved in the care or treatment of inmates (to the extent County has any control over those records) as SHP may reasonably request. Any such information provided by County to SHP that County considers confidential shall be kept confidential by SHP and shall not, except as may be required by law, be distributed to any third party without the prior written approval of County.

ARTICLE IV: SECURITY

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

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

County shall take all reasonable steps to provide sufficient security to enable SHP to safely and adequately provide the health care services described in this Agreement. It is expressly understood by County and SHP that the provision of security and safety for the SHP personnel is a continuing precondition of SHP's obligation to provide its services in a routine, timely, and proper fashion, to the extent that if, in SHP's sole discretion, the safety and security of SHP personnel are compromised, SHP may exercise its right to immediately terminate services, in accordance with the provisions of Section No. 6.2(b) of this Agreement.

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

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

SHP, exercise every effort to bring officer staffing levels back up to standard within a reasonable period of time.

ARTICLE V: OFFICE SPACE, EQUIPMENT, INVENTORY AND SUPPLIES

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

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

5.3 **Maintenance and Replenishment of Equipment.** Except for the equipment and instruments owned by County at the inception of this Agreement, any equipment or instruments required by SHP during the term of this Agreement shall be purchased by SHP at its own cost. At the end of this Agreement, or upon termination, County shall be entitled, but not required, to purchase SHP's equipment and instruments at an amount determined by SHP.

5.4 **Infection Control – Personal Protective Equipment (PPE).** SHP and County understand that adequate infection control PPE are essential and necessary for the health and safety of the agents, employees and subcontractors of SHP as well as for the health and safety of inmates and County's staff, consistent with the correctional setting. SHP shall be financially responsible for the reasonable costs associated with providing sufficient infection control PPE for its employees and/or subcontractors in compliance with regular County, State or Federal entity requirements or regulations. In the instance of any outbreak, pandemic, jail directive/instruction, or other unusual infection control situation, additional PPE supplies and/or cost increases above SHP's usual practice and procedure shall be assessed back to the County either through a contracted cost pool structure or direct billing back to the County for reimbursement to SHP. The County must be notified and agree in writing to this additional cost, prior to SHP incurring the cost, except if there should be a delay in care or safety protections due to the County's requirement, then such approval shall not be unduly limited or denied.

ARTICLE VI: TERM AND TERMINATION OF AGREEMENT

6.1 **Term.** This Agreement shall commence on June 1, 2024. The initial term

of this Agreement shall end on May 31, 2025, and this Agreement thereafter may be extended by written agreement signed by both parties for additional periods of twelve months each, beginning on June 1 of each year, subject to County funding availability, unless either party provides written notice to the other of its intent to terminate, or non-renew, in accordance with the provisions of Section No. 6.2 of this Agreement. Notwithstanding any provision herein to the contrary, in the event SHP receives notice or communication from the County or Sheriff, by and through its respective staff or personnel, either in writing or otherwise, of the County's intent to solicit bids for inmate health services, this Agreement shall automatically expire at the conclusion of the then-current period, except as may be mutually agreed to and acknowledged by express written agreement between the parties to extend or renew up through and including a specified period. In no event shall this Agreement continue for a period in excess of sixty (60) days following notice or communication by the County or Sheriff to SHP of the County's intent to solicit bids, except as may be mutually agreed to and acknowledged by express written agreement between the parties to continue services under this Agreement up through and including a specified period.

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

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

Cause shall not, however, include any actions or circumstances constituting Cause under (i) or (ii) above if County cures such actions or circumstances within a specified period following delivery

of written notice by SHP setting forth the actions or circumstances constituting Cause, during which period SHP may permit County, solely by express agreement, time to provide sufficient remedy to SHP's satisfaction. In all cases, this Agreement may be terminated immediately by SHP, without notice, if, in SHP's sole discretion, such immediate termination of services is necessary to preserve the safety and well-being of SHP personnel.

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

- (c) Termination or non-renewal by Cancellation. This Agreement may be canceled or non-renewed without cause by either party upon thirty (30) days prior written notice in accordance with Section No. 9.3 of this Agreement.
- (d) Annual Appropriations and Funding. This Agreement shall be subject to the annual appropriation of funds by the Lee County Board of Commissioners. Notwithstanding any provision herein to the contrary, in the event funds are not appropriated for this Agreement, County shall be entitled to immediately terminate this Agreement, without penalty or liability, except the payment of all contract fees due under this Agreement through and including the last day of service.

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

ARTICLE VII. COMPENSATION.

7.1 Base Compensation. County shall compensate SHP based on the twelve-month annualized price of \$321,844.08 during the initial term of this Agreement, payable in monthly installments. Monthly installments during the initial term of this Agreement shall be in the amount of \$26,820.34 each. SHP shall bill County approximately thirty days prior to the month in which services are to be rendered.

County agrees to pay SHP prior to the tenth day of the month in which services are rendered. In the event this Agreement should commence or terminate on a date other than the first or last day of any calendar month, compensation to SHP shall be prorated accordingly for the shortened month.

7.2 Increases in Inmate Population. County and SHP agree that the annual base price is calculated based upon an average daily inmate population of up to 125. If the average daily inmate population exceeds 125 inmates for any given month, the compensation payable to SHP by County shall be increased by a per diem rate of \$2.58 for each inmate over 125. The average daily inmate resident population shall be calculated by adding the population or head count totals taken at a consistent time each day and dividing by the number of counts taken. The excess over an average of 125, if any, shall be multiplied by the per diem rate and by the number of days in the month to arrive at the increase in compensation payable to SHP for that month. In all cases where adjustments become necessary, the invoice adjustment shall be made on the invoice for a subsequent month's services. For example, if there is an average population for any given month of 130 inmates, resulting in an excess of five (5) inmates, then SHP shall receive additional compensation of five (5) times the per diem rate times the number of days in that month. The resulting amount shall be an addition to the regular base fee and shall be billed on a subsequent monthly invoice.

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

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

7.4 Inmates From Other Jurisdictions. Medical care rendered within the Jail to inmates from jurisdictions outside Lee County, and housed in the Jail pursuant to written contracts between County and such other jurisdictions shall be the responsibility of SHP, but as limited by Section No. 1.7. Medical care that cannot be rendered within the Jail shall be arranged by SHP, but SHP shall have no financial responsibility for such services to those inmates. County shall be financially responsible for the cost of all inmate prescription medications, specialized medical equipment and supplies in the event of a refusal to pay on the part of the jurisdiction with which Lee County has entered into such contract.

7.5 Responsibility For Work Release Inmates. SHP and County agree that SHP shall be responsible for providing on-site medical services as reasonable and appropriate to County inmates assigned to work release and/or release for community service work for government or nonprofit agencies upon an inmate's presentation to SHP medical staff at the Jail. Notwithstanding any other provisions of this Agreement to the contrary, SHP and County agree that County inmates assigned to work release, including work for Lee County agencies, are themselves personally responsible for the costs of any medical services performed by providers other than SHP, when the illness or injury is caused by and results directly or indirectly from the work being performed, or when such illness or injury is treated while the inmate is on work release. The costs of medical services associated with a particular illness or injury incurred by an inmate while on work-release may be covered by workers' compensation, medical insurance, accident insurance, or any other policy of insurance or source of payment for medical and hospital expenses, but such costs shall not otherwise be the financial responsibility of SHP. In all cases, SHP shall be responsible for providing medical care for any inmate who presents to medical staff on-site at the Jail, including any inmate injured or infirmed while on work release or release for community service, to the extent such care can be reasonably provided on-site, or shall assist with arrangements to obtain outside medical care as necessary.

ARTICLE VIII: LIABILITY AND RISK MANAGEMENT.

8.1 Insurance. At all times during this Agreement, SHP shall maintain professional liability insurance covering SHP for its work at County, its employees and its officers in the minimum amount of at least one million dollars (\$1,000,000.00) per occurrence and five million dollars (\$5,000,000.00) in the aggregate. SHP shall provide County with a Certificate of Insurance evidencing such coverage and shall have County named as an additional insured. In the event of any expiration, termination or modification of coverage, SHP shall notify County in writing.

8.2 Lawsuits Against County. In the event that any lawsuit (whether frivolous or otherwise) is filed against County, its elected officials, employees and agents based on or containing any allegations concerning SHP's medical care of inmates and the performance of SHP's employees, agents, subcontractors or assignees, the parties

agree that SHP, its employees, agents, subcontractors, assignees or independent contractors, as the case may be, may be joined as parties defendant in any such lawsuit and shall be responsible for their own defense and any judgments rendered against them in a court of law.

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

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

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

ARTICLE IX: MISCELLANEOUS.

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

9.2 Assignment. Neither party may transfer, sell or assign its rights or obligations under this Agreement to any third party without the other party's express written consent, which consent shall not be unreasonably withheld; except that SHP

may transfer or assign its rights or obligations under this Agreement to any corporate affiliate of SHP, or in connection with the sale of all or substantially all of the stock assets of the business of SHP, without the express written consent of the other party.

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

- a. County: Lee County Board of Commissioners
408 Summit Drive
Attn: Lee County Manager
Sanford, NC 27330
Email: _____
- b. SHP: Southern Health Partners, Inc.
2030 Hamilton Place Boulevard, Suite 140
Chattanooga, TN 37421
Attn: President
Email: jennifer.hairsine@southernhealthpartners.com and
lacey.lafuze@southernhealthpartners.com

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

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

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

the respective parties hereto. All prior negotiations, agreements and understandings with respect to the subject matter of this Agreement are superseded hereby.

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

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

9.8 Other Contracts and Third-Party Beneficiaries. The parties acknowledge that SHP is neither bound by nor aware of any other existing contracts to which County is a party and which relate to the providing of medical care to inmates at the Jail. However, SHP does acknowledge that it is aware of the County's contract with Sanford Treatment Center for MOUD continuation treatment and SHP agrees to assist with prescription verification, safe keeping of MOUD medication, and safe administration of MOUD medication. The parties agree that they have not entered into this Agreement for the benefit of any third person or persons, and it is their express intention that the Agreement is intended to be for their respective benefit only and not for the benefit of others who might otherwise be deemed to constitute third-party beneficiaries hereof.

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

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

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

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

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

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

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

9.16 Non-solicitation. SHP takes pride in its staff and has a significant investment in the training and professional development of our employees and independent contractors; they are valued members of our business. As such, during the term of this Agreement or within one (1) year after this Agreement's termination, the County and its agents agree not to solicit any employee or independent contractor of SHP on behalf of the County or any other business enterprise, nor to induce any employee or independent contractor associated with SHP to terminate or breach an employment, contractual or other relationship with the SHP. The County hereby acknowledges (1) that SHP will suffer irreparable harm if the obligations under this Agreement are breached; and, (2) the County agrees to pay a professional replacement fee of Seven Thousand Five Hundred Dollars (\$7,500.00) per employee or independent contractor to compensate SHP for the estimated cost of replacing said employee or independent contractor. The foregoing shall not apply to any SHP employee or independent contractor who may have been employed by the County directly prior to this agreement start date.

9.17 Company acknowledges that Lee County is a governmental entity, and the contract validity is based upon the availability of public funding under the authority of its statutory mandate. In the event that public funds are unavailable and not appropriated for the performance of Lee County's obligations under this contract, then this contract shall automatically expire without penalty to Lee County thirty (30) days after written notice to Company of the unavailability and non-appropriation of public funds. It is expressly agreed that Lee County shall not activate this non-appropriation provision for its convenience or to circumvent the requirements of this contract, but only as an emergency fiscal measure during a substantial fiscal crisis, which affects generally its governmental operations. In the event of a change in the Lee County's statutory authority, mandate and mandated functions, by state and federal legislative or regulatory action, which adversely affects Lee County's authority to continue its obligations under this contract, then this contract shall automatically terminate without penalty to Lee County upon written notice to Company of such limitation or change in Lee County's legal authority.

9.18 The Company and any of its subcontractors must comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, if applicable, which requires certain employers to verify the work authorization of each newly hired employee through the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies.

9.19 Company certifies that (a) it is not identified on the Israel Boycott List or any other list created by the NC State Treasurer pursuant to N.C.G.S. 147—86.80 et al and (b) it will not take any action causing it to appear on any such list during the term of the contract agreement.

9.20 The Company certifies that the Company is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. 147-86.58 (the Final Divestment List) and the Company will not utilize any subcontractors performing work under this Contract which is listed on the Final Divestment List. The Final Divestment List can be found on the State Treasurer's website at the address and should be updated every 180 days.

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



LEE COUNTY, NC

BY:

[Handwritten signature]

Mark D. Smith

Chair, Board of Commissioners

Date: 6/17/24

ATTEST:

[Handwritten signature]

Date: 6/17/24

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

[Handwritten signature]

Finance Officer, Lee County

SOUTHERN HEALTH PARTNERS, INC.

BY:

[Handwritten signature]

Jennifer Hairsine, President and Chief Executive Officer

Date: 6/5/2024

CONTRACT ADDENDUM
FOR CONTRACTS WITH ANY DEPARTMENT OF
LEE COUNTY GOVERNMENT

CONTRACTOR: _____
COUNTY DEPARTMENT: _____
SUBJECT OF CONTRACT: _____
DATE/TERM OF CONTRACT: _____

Notwithstanding any provision contained in the above referenced Contract or Agreement which may be to the contrary, the following provisions are incorporated and shall apply, supplant and control:

Non-appropriation clause. Contractor acknowledges that Lee County is a governmental entity, and the contract validity is based upon the availability of public funding under the authority of its statutory mandate. In the event that public funds are unavailable and not appropriated for the performance of Lee County's obligations under this contract, then this contract shall automatically expire without penalty to Lee County thirty (30) days after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that Lee County shall not activate this non-appropriation provision for its convenience or to circumvent the requirements of this contract, but only as an emergency fiscal measure during a substantial fiscal crisis, which affects generally its governmental operations. In the event of a change in the Lee County's statutory authority, mandate and mandated functions, by state and federal legislative or regulatory action, which adversely affects Lee County's authority to continue its obligations under this contract, then this contract shall automatically terminate without penalty to Lee County upon written notice to Contractor of such limitation or change in Lee County's legal authority.

Dispute Resolution/Jurisdiction/Venue. Any dispute arising under this Agreement may be settled by mediation in the State of North Carolina in accord with such procedures as may be available to units of local government under state law. No other dispute resolution procedures shall apply. Jurisdiction for any legal proceedings concerning this contract or agreement shall be state or federal courts in the State of North Carolina. Venue for such proceedings shall be Lee County or the United States District Court for the Middle District of North Carolina.

No pledge of taxing authority. No deficiency judgment may be rendered against Lee County or any agency of Lee County in any action for breach of a contractual obligation under this contract. The taxing power of the Lee County is not pledged directly or indirectly to secure any monies due under this contract.

Conflict of Interest: If this is a contract for design, engineering, contract administration or similar services, the Contractor will not enter into contracts or agreements with third parties that may present a potential for conflict of interest between Lee County and the third parties regarding the subject matter of this Contract or Agreement.

Compliance with E-Verify requirements: The Contractor and any of its subcontractors must comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, if applicable, which requires


certain employers to verify the work authorization of each newly hired employee through the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies.

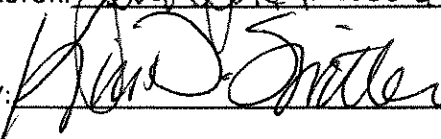
Divestment from companies that boycott Israel: Contractor certifies that (a) it is not identified on the Israel Boycott List or any other list created by the NC State Treasurer pursuant to N.C.G.S. 147—86.80 et al and (b) it will not take any action causing it to appear on any such list during the term of the contract agreement.

Iran Divestment Act Certification. The Contractor certifies that the Contractor is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. 147-86.58 (the Final Divestment List) and the Contractor will not utilize any subcontractors performing work under this Contract which is listed on the Final Divestment List. The Final Divestment List can be found on the State Treasurer’s website at the address www.nctreasurer.com/iran and should be updated every 180 days.

Non-Discrimination in Employment. The Contractor will not discriminate against any employee or applicant for employment because of age, sex, race, creed, national origin or disability. In the event Contractor is determined by the final order of an appropriate agency or court to be in violation of this provision or any non-discrimination provision of federal, state or local law, this Contract may be suspended or terminated, in whole or in part by the County. In addition, the Contractor may be declared ineligible for further contracts with the County.

Drug-Free Workplace. During the performance of this agreement, the Contractor agrees to (i) provide a drug-free workplace for its employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees of the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in its workplace and specifying the actions that will be taken against employees for violations of such prohibitions, (iii) state in all solicitations or advertisements for employees placed by or on its behalf that it maintains a drug-free workplace; (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000.00 so that the provisions will be binding upon each subcontractor or vendor.

For the CONTRACTOR:  Title: 6/5/2024

For LEE COUNTY:  Title: 6/17/24

**SECOND AMENDMENT
TO
PAYMENT PROCESSING AGREEMENT**

This Second Amendment to Payment Processing Agreement (the “**Amendment**”), is made by and between **CSG Forte Payments, Inc.**, a Delaware corporation (“**FORTE**”), and **County of Lee** (“**AGENCY**” or “**Party**”). **FORTE** and **AGENCY** entered into that certain Payment Processing Agreement, including all Appendices and the Pricing Fee Schedule effective as of September 17, 2018, as amended (the “**Agreement**”), and now desire to further amend the Agreement in accordance with the terms and conditions set forth in this Amendment. If the terms and conditions set forth in this Amendment shall be in conflict with the Agreement, the terms and conditions of this Amendment shall control. Any terms in initial capital letters or all capital letters used as a defined term but not defined in this Amendment shall have the meaning set forth in the Agreement. Upon execution of this Amendment by the Parties, any subsequent reference to the Agreement between the Parties shall mean the Agreement as amended by this Amendment. Except as amended by this Amendment, the terms and conditions set forth in the Agreement shall continue in full force and effect according to their terms. This Amendment shall become effective upon the date last signed below (the “**Amendment Effective Date**”).

WHEREAS, **FORTE** provides and **AGENCY** consumes Services pursuant to the Agreement; and

WHEREAS, pursuant to that First Amendment to the Agreement, the Parties agreed the Agreement is and shall continue in full force and effect, pursuant to Section 5.1 of the Agreement, through September 16, 2022; and

WHEREAS, the Parties desire to amend the Agreement to provide for a Renewal Term of the Agreement to commence as of September 17, 2022; and

WHEREAS, **FORTE** and Agency desire to amend certain terms of the Agreement accordingly.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, **FORTE** and **AGENCY** agree to the following as of the Amendment Effective Date.

1. Upon execution of this Amendment, the Parties acknowledge and agree the Agreement shall be amended such that it is understood and agreed by the Parties from and after September 16, 2022, the Agreement is and shall continue to be in full force and effect through September 16, 2023, and that thereafter, the Agreement will automatically renew for additional twelve (12) month periods unless either party provides thirty (30) days’ prior written notice of termination to the other Party.
2. All other terms of the Agreement shall be given full force and effect.
3. This Amendment may be executed in one or more counterparts, each of which shall be considered to be one and the same agreement, binding on the Parties hereto, notwithstanding that the Parties are not signatories to the same counterpart. The Parties agree that a fax or electronically transmitted valid and authorized original signature shall be deemed an original.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto enter into this Amendment as of the Amendment Effective Date.

COUNTY OF LEE

CSG FORTE PAYMENTS, INC.

By: Kirk D. Smith

By: _____

Name: Kirk D. Smith

Name: _____

Title: Chair, Board of Commissioners

Title: _____

Date: 6/17/21

Date: _____

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

Candace Premer

Finance Officer, Lee County

**FIRST AMENDMENT
TO
PAYMENT PROCESSING AGREEMENT**

This First Amendment to Payment Processing Agreement (the “**Amendment**”), is made by and between **CSG Forte Payments, Inc.**, a Delaware corporation (“**FORTE**”), and **County of Lee** (“**AGENCY**” or “**Party**”). **FORTE** and **AGENCY** entered into that certain Payment Processing Agreement, including all Appendices and the Pricing Fee Schedule effective as of September 17, 2018 (the “**Agreement**”), and now desire to amend the Agreement in accordance with the terms and conditions set forth in this Amendment. If the terms and conditions set forth in this Amendment shall be in conflict with the Agreement, the terms and conditions of this Amendment shall control. Any terms in initial capital letters or all capital letters used as a defined term but not defined in this Amendment shall have the meaning set forth in the Agreement. Upon execution of this Amendment by the Parties, any subsequent reference to the Agreement between the Parties shall mean the Agreement as amended by this Amendment. Except as amended by this Amendment, the terms and conditions set forth in the Agreement shall continue in full force and effect according to their terms. This Amendment shall become effective upon the date last signed below (the “**Amendment Effective Date**”).

WHEREAS, **FORTE** provides and **AGENCY** consumes Services pursuant to the Agreement; and

WHEREAS, currently, the Pricing Fee Schedule documents fees designated to be paid for Services are consumed by **AGENCY**’s Park and Recreation department; and

WHEREAS, **AGENCY** has requested and **FORTE** has agreed to provide Services to **AGENCY**’s Tax department utilizing a separate and different Pricing Fee Schedule; and

WHEREAS, following discussions, the Parties agree to amend the term of the Agreement, more particularly described in Section 5.1 of the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, **FORTE** and **AGENCY** agree to the following as of the Amendment Effective Date.

1. The Pricing Fee Schedule to the Agreement is amended to amend the title of the Pricing Fee Schedule as follows:

**“PRICING FEE SCHEDULE - I
(STANDARD COUNTY PRICING)”**

Except as amended by this Amendment, all other the terms and conditions set forth in the Pricing Fee Schedule shall continue in full force and effect according to their terms.

2. The Parties agree to add an additional Pricing Fee Schedule to the Agreement, attached hereto and incorporated herein by reference, entitled “Pricing Fee Schedule - II (County Tax Assessor/Collector),” by which the Services under the Agreement will be provided to **AGENCY**’s Tax Assessor/Collector.


3. Additionally, the Parties agree to amend Section 5.1, "Term," of the Agreement. As a result, Section 5.1 shall be deleted in its entirety and shall be replaced as follows:

"5.1 Term. This Agreement shall have an initial term of two (2) years. After the initial term, the Agreement may be renewed by agreement of the Parties. For purposes of clarification and pursuant to execution by the Parties of this First Amendment, the Parties acknowledge and agree the Agreement shall be amended such that it is understood and agreed by the Parties that from and after September 17, 2018, the Agreement is and shall continue to be in full force and effect through September 16, 2022, and may be renewed thereafter by agreement of the Parties."

IN WITNESS WHEREOF, the Parties hereto enter into this Amendment as of the Amendment Effective Date.

COUNTY OF LEE

CSG FORTE PAYMENTS, INC.

By: 
Name: KIRK D. SMITH
Title: CHAIRMAN
Date: 04/05/2021

By: _____
Name: _____
Title: _____
Date: _____

ATTACHMENT 1

PRICING FEE SCHEDULE II

(COUNTY TAX ASSESSOR/COLLECTOR)

1. Service Fee Pricing Option:

MasterCard, Visa, Discover and American Express cards

2.40% of the payment amount with a minimum fee of \$1.95 based on volume

Visa Debit Tax Program only

\$3.95 per transaction

Electronic check – online WEB payments (Includes Forte Verification for known accounts)

eCheck Transaction Tiers	Fees	Frequency
\$0.00 to \$50,000.00	\$1.50 w/Verification	Per Transaction
\$50,000.01 to \$75,000.00	\$3.00 w/Verification	Per Transaction
\$75,000.01 to \$100,000.00	\$6.00 w/Verification	Per Transaction
\$100,000.01 to \$150,000.00	\$10.00 w/Verification	Per Transaction
\$150,000.01 + \$250,000.00	\$15.00 w/Verification	Per Transaction

2. Absorbed Pricing Option:

Emerging Market and Public-Sector Rate Structure

Processing Costs:	Fees	Frequency
Visa, MasterCard, Discover	*Pass Thru pricing + \$0.15 + .30bpts*	Per Transaction
American Express	*Pass Thru pricing + \$0.12	Per Transaction
Forte Protect (End-2-End Encryption)	\$0.10	Per Transaction
Account Updater (Optional)	\$0.35	Per Transaction
Chargeback Fee	\$25.00	Per Chargeback
Batch Fee	\$0.00	No Charge - Waived
Gateway Fee	\$0.00	No Charge - Included
ACH Fee-debits/credits	\$0.50 with Forte Verify	Per Transaction
ACH Return Fee	\$2.00	Per Return


Statement Fee	\$5.00	Each Month per merchant account
---------------	--------	---------------------------------

* Pass Thru pricing includes the direct interchange dues, assessments and all other fees that are charged directly from Payment Associations. Interchange pass thru pricing is a form of credit card processing that allows the actual cost of the processing (*interchange fees & assessments) to be passed directly through to AGENCY's office and includes total transaction volume processed multiplied by basis points "bpts"; total number of transactions processed by per item fee.

3. Gateway Only Pricing Option:

<u>Fee Description</u>	<u>Fee</u>	<u>Frequency</u>
Forte Gateway Fee	\$0.15	Per Transaction
Monthly Gateway Fee	\$14.95	Per Merchant ID

4. Equipment and Service Pricing:

Standard Product and Optional Service Pricing	Description	Fees and Cost of Equipment
VeriFone Vx520 EMV Terminal		At no cost to AGENCY (\$00.00) per terminal for AGENCY's first three (3) terminals; each additional terminal will be assessed fees at the rate of \$299.00 per terminal plus shipping
VeriFone Vx520 Hybrid Cable Requirement	Used for Hybrid Load Terminals	\$24.95
MagTek eDynamo		\$155.00 per device plus shipping
On-line Reporting Tools	All Channels (INT, IVR, POS)	Unlimited Users \$0.00
Set-Up Fee	Configuration, Implementation, Training	Waived



PRICING FEE SCHEDULE

Forte Payment Systems is proud to provide a robust processing platform and flexible pricing strategies:

- **Service Fee Model** – in a service fee model approach, the citizen pays a service fee for processing their transaction. Your office absorbs no cost.
- **Absorbed Model** - credit card/debit card Merchant Services, Electronic Check Services and the Secure Gateway are absorbed by your office
- **Gateway Only Model** – in a gateway only model, Forte allows the option to process through your current merchant services provider such as Elavon, TSYS, First Data Nashville, Global Payments East, and Vantiv. Forte will provide the secure payment gateway for processing the transactions to the particular provider.

Service (Convenience) Fee Pricing Option:

MasterCard, Visa, Discover and American Express cards

2.50% of the payment amount with a minimum fee of \$1.95 based upon volume.

Electronic check

Includes Forte Verification for known accounts

Check Transaction Type	Fee	Frequency
\$0.00 to \$50,000.00	\$1.75 w/Verification	Per Transaction
\$50,000.01 to \$75,000.00	\$3.00 w/Verification	Per Transaction
\$75,000.01 to \$100,000.00	\$6.00 w/Verification	Per Transaction
\$100,000.01 to \$150,000.00	\$10.00 w/Verification	Per Transaction
\$150,000.01 + \$250,000.00	\$15.00 w/Verification	Per Transaction

Absorbed Pricing Option:

Emerging Market and Public-Sector Rate Structure

Processing Costs:	Fees	Frequency
Visa, MasterCard, Discover	*Pass Thru pricing + \$0.12 + .40bps*	Per Transaction
American Express	*Pass Thru pricing + \$0.12	Per Transaction
Forte Protect (End-2-End Encryption)	\$0.10	Per Transaction
Chargeback Fee	\$25.00	Per Chargeback
Batch Fee	\$0.00	No Charge - Waived
Gateway Fee	\$0.00	No Charge - Included
ACH Fee-debits/credits	\$0.25 w/o Forte Verify \$0.50 with Forte Verify	Per Transaction
ACH Return Fee	\$2.00	Per Return
Statement Fee	\$5.00	Each Month per merchant account

*Pass Thru pricing includes the direct interchange dues, assessments and all other fees that are charged directly from the associations. Forte Payment Systems believes in transparent pricing, meaning that we utilize a *Pass-Thru Plus* pricing model. Interchange pass thru pricing is a form of credit card processing that allows the actual cost of the processing (*interchange fees & assessments) to be passed directly through to your office. The advantage of this pricing strategy is that it is transparent and, in most instances, provides the lowest processing costs.


Forte's fees include: Total volume processed multiplied by bpts
 Total # of transactions processed by per item fee

Gateway Only Pricing Option:

Fee Description	Fee	Frequency
Forte Gateway Fee	\$0.15	Per Transaction
Minimum Gateway Fee	\$14.95	Each Month

Equipment and Service Pricing:

The following table reflects our Equipment and Service Offerings

Standard Product and Optional Service Pricing	Description	Fees and Cost of Equipment
VeriFone Vx520 EMV Terminal		\$299.00 per reader plus shipping Rental options available
VeriFone Vx520 Hybrid Cable Requirement	Used for Hybrid Load Terminals	\$24.95
On-line Reporting Tools	All Channels (INT, IVR, POS)	Unlimited Users \$0.00
Set-Up Fee	Configuration, Implementation, Training	WAIVED

Select pricing option desired: Absorbed Pricing Service Fee Pricing Gateway Only Pricing

*Required Merchant Signature: _____

[Handwritten Signature]

Date

September 20, 2010

**FIRST AMENDMENT
TO
PAYMENT PROCESSING AGREEMENT**

This First Amendment to Payment Processing Agreement (the “**Amendment**”), is made by and between **CSG Forte Payments, Inc.**, a Delaware corporation (“**FORTE**”), and **County of Lee** (“**AGENCY**” or “**Party**”). **FORTE** and **AGENCY** entered into that certain Payment Processing Agreement, including all Appendices and the Pricing Fee Schedule effective as of September 17, 2018 (the “**Agreement**”), and now desire to amend the Agreement in accordance with the terms and conditions set forth in this Amendment. If the terms and conditions set forth in this Amendment shall be in conflict with the Agreement, the terms and conditions of this Amendment shall control. Any terms in initial capital letters or all capital letters used as a defined term but not defined in this Amendment shall have the meaning set forth in the Agreement. Upon execution of this Amendment by the Parties, any subsequent reference to the Agreement between the Parties shall mean the Agreement as amended by this Amendment. Except as amended by this Amendment, the terms and conditions set forth in the Agreement shall continue in full force and effect according to their terms. This Amendment shall become effective upon the date last signed below (the “**Amendment Effective Date**”).

WHEREAS, **FORTE** provides and **AGENCY** consumes Services pursuant to the Agreement; and

WHEREAS, currently, the Pricing Fee Schedule documents fees designated to be paid for Services are consumed by **AGENCY**’s Park and Recreation department; and

WHEREAS, **AGENCY** has requested and **FORTE** has agreed to provide Services to **AGENCY**’s Tax department utilizing a separate and different Pricing Fee Schedule; and

WHEREAS, following discussions, the Parties agree to amend the term of the Agreement, more particularly described in Section 5.1 of the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, **FORTE** and **AGENCY** agree to the following as of the Amendment Effective Date.

1. The Pricing Fee Schedule to the Agreement is amended to amend the title of the Pricing Fee Schedule as follows:

**“PRICING FEE SCHEDULE - I
(STANDARD COUNTY PRICING)”**

Except as amended by this Amendment, all other the terms and conditions set forth in the Pricing Fee Schedule shall continue in full force and effect according to their terms.

2. The Parties agree to add an additional Pricing Fee Schedule to the Agreement, attached hereto and incorporated herein by reference, entitled “Pricing Fee Schedule - II (County Tax Assessor/Collector),” by which the Services under the Agreement will be provided to **AGENCY**’s Tax Assessor/Collector.

3. Additionally, the Parties agree to amend Section 5.1, "Term," of the Agreement. As a result, Section 5.1 shall be deleted in its entirety and shall be replaced as follows:

"5.1 Term. This Agreement shall have an initial term of two (2) years. After the initial term, the Agreement may be renewed by agreement of the Parties. For purposes of clarification and pursuant to execution by the Parties of this First Amendment, the Parties acknowledge and agree the Agreement shall be amended such that it is understood and agreed by the Parties that from and after September 17, 2018, the Agreement is and shall continue to be in full force and effect through September 16, 2022, and may be renewed thereafter by agreement of the Parties."

IN WITNESS WHEREOF, the Parties hereto enter into this Amendment as of the Amendment Effective Date.

COUNTY OF LEE

CSG FORTE PAYMENTS, INC.

By: *Kirk D. Smith*
Name: KIRK D. SMITH
Title: CHAIRMAN
Date: 04/05/2021

By: _____
Name: _____
Title: _____
Date: _____

ATTACHMENT I

PRICING FEE SCHEDULE II

(COUNTY TAX ASSESSOR/COLLECTOR)

1. Service Fee Pricing Option:

MasterCard, Visa, Discover and American Express cards

2.40% of the payment amount with a minimum fee of \$1.95 based on volume

Visa Debit Tax Program only

\$3.95 per transaction

Electronic check – online WEB payments (Includes Forte Verification for known accounts)

eCheck Transaction Tiers	Fees	Frequency
\$0.00 to \$50,000.00	\$1.50 w/Verification	Per Transaction
\$50,000.01 to \$75,000.00	\$3.00 w/Verification	Per Transaction
\$75,000.01 to \$100,000.00	\$6.00 w/Verification	Per Transaction
\$100,000.01 to \$150,000.00	\$10.00 w/Verification	Per Transaction
\$150,000.01 + \$250,000.00	\$15.00 w/Verification	Per Transaction

2. Absorbed Pricing Option:

Emerging Market and Public-Sector Rate Structure

Processing Costs:	Fees	Frequency
Visa, MasterCard, Discover	*Pass Thru pricing + \$0.15 + .30bpts*	Per Transaction
American Express	*Pass Thru pricing + \$0.12	Per Transaction
Forte Protect (End-2-End Encryption)	\$0.10	Per Transaction
Account Updater (Optional)	\$0.35	Per Transaction
Chargeback Fee	\$25.00	Per Chargeback
Batch Fee	\$0.00	No Charge - Waived
Gateway Fee	\$0.00	No Charge - Included
ACH Fee-debits/credits	\$0.50 with Forte Verify	Per Transaction
ACH Return Fee	\$2.00	Per Return


Statement Fee	\$5.00	Each Month per merchant account
----------------------	--------	---------------------------------

* Pass Thru pricing includes the direct interchange dues, assessments and all other fees that are charged directly from Payment Associations. Interchange pass thru pricing is a form of credit card processing that allows the actual cost of the processing (*interchange fees & assessments) to be passed directly through to AGENCY's office and includes total transaction volume processed multiplied by basis points "bpts"; total number of transactions processed by per item fee.

3. Gateway Only Pricing Option:

<u>Fee Description</u>	<u>Fee</u>	<u>Frequency</u>
Forte Gateway Fee	\$0.15	Per Transaction
Monthly Gateway Fee	\$14.95	Per Merchant ID

4. Equipment and Service Pricing:

Standard Product and Optional Service Pricing	Description	Fees and Cost of Equipment
VeriFone Vx520 EMV Terminal		At no cost to AGENCY (\$00.00) per terminal for AGENCY's first three (3) terminals; each additional terminal will be assessed fees at the rate of \$299.00 per terminal plus shipping
VeriFone Vx520 Hybrid Cable Requirement	Used for Hybrid Load Terminals	\$24.95
MagTek eDynamo		\$155.00 per device plus shipping
On-line Reporting Tools	All Channels (INT, IVR, POS)	Unlimited Users \$0.00
Set-Up Fee	Configuration, Implementation, Training	Waived

PAYMENT PROCESSING AGREEMENT

This Payment Processing Agreement ("Agreement"), including all applicable appendices and addendums hereto, is entered into as of September 17, 20__ (the "Effective Date") by and between Forte Payment Systems, Inc. ("FORTE" or "Party") a California corporation and Lee County ("AGENCY" or "Party").

FORTE and its affiliates provide payment processing and related services including but not limited to Automated Clearing House ("ACH"), Credit and Debit Card processing, account verification and customer identification (collectively and individually, as applicable, the "Services") to AGENCY who provides services to, or otherwise has a business relationship with, individuals and other entities ("Constituents").

1. GENERAL

The Agreement shall consist of these terms and conditions, each of the Appendices attached hereto if applicable, and all modifications and amendments thereto. Under the terms of the Agreement, AGENCY will be furnished with the products and services described in the Agreement and attached Appendices, which are selected by Agency and approved by FORTE. For any terms herein that are specifically applicable to any particular product or service offered by FORTE, only the terms and conditions that apply to the specific Service(s) requested by Agency at any given time shall apply.

2. USAGE

2.1 Subject to the terms and conditions of this Agreement, FORTE hereby grants to AGENCY a non-exclusive and non-transferable license to access and use FORTE's products and services contracted for and AGENCY hereby accepts such license and agrees to utilize and access the Services in accordance with the practices and procedures established by FORTE. AGENCY may use the Services (a) for its own internal business purposes and operations, and/or (b) as a service provided to its Constituents, unless otherwise notified by FORTE. No license or right to use, reproduce, translate, rearrange, modify, enhance, display, sell, lease, sublicense or otherwise distribute, transfer or dispose of any of FORTE's Proprietary Property, as defined in Section 3 below, in whole or in part, is granted except as expressly provided by this Agreement. Neither AGENCY nor any of its affiliates shall reverse engineer, decompile or disassemble the Proprietary Property. Additionally, nothing in this Agreement shall be construed to provide AGENCY with a license of any third-party proprietary information or property.

2.2 AGENCY shall ensure that its Users comply with all applicable requirements of this Agreement. AGENCY is responsible for protecting the confidentiality of any and all passwords and credentials provided to AGENCY by FORTE for the purpose of utilizing the Services or other forms of access to AGENCY's accounts with FORTE. AGENCY is responsible for the security of its systems, locations and equipment used in processing transactions under this Agreement and for developing security procedures and training its employees on the procedures. AGENCY expressly assumes responsibility for the acts or omissions of all Users on its account(s) with FORTE, and for User access to FORTE's systems either directly or through software.

3. OWNERSHIP

All computer programs, trademarks, service marks, patents, copyrights, trade secrets, know-how, and other proprietary rights in or related to FORTE's products and services (the "Proprietary Property"), are and will remain the sole and exclusive property of FORTE, whether or not specifically recognized or perfected under applicable law. FORTE shall own all rights, title and interest, including all intellectual property rights, in and to any improvements to the existing FORTE products or services and/or any new programs, upgrades, modifications or enhancements developed by FORTE in connection with rendering any services to AGENCY (or any of its affiliates), even when refinements and improvements result from AGENCY's request. To the extent, if any, that ownership in such refinements and improvements does not automatically vest in FORTE by virtue of this Agreement or otherwise, AGENCY hereby expressly transfers and assigns (and, if applicable, shall cause its affiliates to transfer and assign) to FORTE all rights, title, and interest which AGENCY or any of its affiliates

may have in and to such refinements and improvements. All reference to any of FORTE's service marks, trademarks, patents or copyrights, or those of FORTE's partners or vendors, shall be made in compliance with the requirements, including periodic updates thereto, as provided at <http://www.forte.net/trademark>.

4. CONFIDENTIALITY

The Parties acknowledge that, by virtue of this Agreement, each has been and will continue to be entrusted with certain Confidential Information (as defined in Appendix A) pertaining to the other's business, including but not limited to proprietary information developed by, acquired by, or licensed to each Party. Each Party agrees that, except to the extent and in the manner necessary to perform its duties hereunder, and to the extent permitted by North Carolina law, it will not disclose to others or use for its own benefit any Confidential Information of the other Party and it will hold all Proprietary Property as defined herein confidential in perpetuity.

Additionally, in the course of providing and receiving the Services, each Party acknowledges that it may receive or have access to information which can be used to identify an individual consumer (including, without limitation, names, signatures, addresses, telephone numbers, e-mail addresses, payment history, and other unique identifiers) ("Personal Information"). As such, each Party shall: (i) keep all Personal Information in strict confidence, with the degree of care necessary to avoid unauthorized access, use or disclosure; (ii) use Personal Information solely and exclusively for the purposes provided in this Agreement; (iii) implement administrative, physical and technical safeguards to protect Personal Information that are at least as rigorous as accepted industry practices; (iv) as applicable, have in place a program that complies with applicable legal requirements regarding Personal Information.

Except with respect to Personal Information, this section will not apply to Confidential Information that (i) was already available to the public at the time of disclosure, (ii) becomes generally known to the public after disclosure to the other party, through no fault of the other party, (iii) is disclosed under force of law, governmental regulation or court order, (iv) is required to be disclosed by a banking partner, an Acquirer or an applicable Payment Association.

5. TERM AND TERMINATION

5.1 **Term.** This Agreement shall have an initial term of two (2) years. After the initial term, the Agreement may be renewed by agreement of both parties.

5.2 INTENTIONALLY DELETED.

5.3 **Termination.** In the event of a material breach of this Agreement by one Party and failure to cure within thirty (30) days of receipt of written notice of the breach, the other Party may terminate immediately by providing written notice of termination. Additionally, FORTE may immediately terminate this Agreement without prior notice in the event that (i) there is a material adverse change to AGENCY or its financial condition; or (ii) AGENCY experiences excessive chargebacks; or (iii) AGENCY experiences an actual or suspected data security breach; or (iv) AGENCY violates any applicable Law, Rule or Regulation; or (v) if FORTE is instructed to terminate by Financial Institution, Acquirer or Payment Association.

5.4 **Termination without cause.** Either party shall have the right to terminate without cause, giving the other party a thirty (30) day written notice of such termination.

5.5 **Obligations upon expiration or termination.** Upon expiration or termination of this Agreement, FORTE shall promptly (a) return to the AGENCY all files, documentation, data, media, related material and any other material and equipment that is owned by the AGENCY, not including any transaction data that is retained by FORTE as a legal or regulatory requirement; (b) allow the Agency access to the systems, software, infrastructure or processes of FORTE during its transition to a new Service Provider.

5.6 **Transition Services Upon Termination.** Upon termination or expiration of this Agreement, FORTE shall cooperate with the AGENCY to assist with the orderly transfer of the Services provided by FORTE to the AGENCY. Upon receiving thirty (30) days' notice of termination pursuant to the terms herein, or upon expiration of this Agreement, FORTE agrees to perform certain transition services for a reasonable time not to exceed sixty (60) days from date of notice or expiration, necessary to shift the services of FORTE to another provider or to the AGENCY itself as described below (the "Transition Services"). Transition Services may include but shall not be

limited to the following:

- a) Working with the AGENCY to jointly develop a mutually agreed upon Transition Services Plan to facilitate the termination of the Services;
- b) Notifying all affected Service Providers and subcontractors of FORTE;
- c) Performing the Transition Service Plan activities;
- d) Answering questions regarding the Services on an as-needed basis; and
- e) Providing such other reasonable services needed to effectuate an orderly transition to a new Service Provider.

6. TRANSACTION PROCESSING

6.1 **Accepting Transactions.** FORTE shall process Credit Card, Debit Card and ACH Transactions on the AGENCY's behalf on a 24-hour basis. Transactions which are received before the daily designated cut-off time will be originated for settlement through the corresponding Payment Network. Transactions which are received after the designated cut-off time will be included in the next business day's settlement processing.

6.1.1 **Sale Transactions.** If a Transaction is sent to FORTE as a sale of goods or services, it will automatically be captured for settlement in time for the next designated cut-off time.

6.1.2 **Auth/Capture Transactions.** If a Transaction is sent to FORTE for authorization only or for delayed processing, then it will be the responsibility of AGENCY to submit a corresponding "capture" Transaction within 48 hours of the authorization in order to complete the Transaction process for settlement. Transactions which are not captured within 48 hours of Authorization are untimely and may be rejected by FORTE.

6.2 **Transaction Format.** FORTE is responsible only for processing Transactions which are received and approved by FORTE in the proper format, as established by FORTE.

6.2.1 **Card Not Present Transactions.** For card-based transactions in which the card is not present, AGENCY must obtain and include as part of the authorization request the 3 or 4 digit Validation Code and cardholder's billing address information.

6.3 **AGENCY Account.** In order to provide transaction processing services, FORTE may need to establish one or more service accounts on AGENCY's behalf or require AGENCY to establish a service account with a third-party provider sub-contracting with FORTE.

6.4 **Limited-Acceptance Agency.** If appropriately indicated on AGENCY's application attached hereto, AGENCY may be a Limited-Acceptance Agency, which means that AGENCY has elected to accept only certain Visa and MasterCard card types (i.e., consumer credit, consumer debit, and commercial cards) and must display appropriate signage to indicate the same. FORTE and its associated credit card acquirer have no obligation other than those expressly provided under the Payment Association Operating Regulations and applicable law as they may relate to limited acceptance. AGENCY, and not FORTE or Acquirer, will be solely responsible for the implementation of its decision for limited acceptance, including but not limited to policing the card type(s) accepted at the point of sale.

6.5 **Bona Fide Sales.** AGENCY shall only complete sales transactions produced as the direct result of bona fide sales made by AGENCY to cardholders, and is expressly prohibited from processing, factoring, laundering, offering, and/or presenting sales transactions which are produced as a result of sales made by any person or entity other than AGENCY, or for purposes related to financing terrorist activities.

6.6 **Setting Limits on Transaction Amount.** AGENCY may set a minimum transaction amount to accept a card that provides access to a credit account, under the following conditions: i) the minimum transaction amount does not differentiate between card issuers; ii) the minimum transaction amount does not differentiate between MasterCard, Visa, or any other acceptance brand; and iii) the minimum transaction amount does not exceed ten dollars (or any higher amount established by the Federal Reserve). AGENCY may set a maximum transaction amount to accept a card that provides access to a credit account, under the following conditions: AGENCY is a i) department, agency or instrumentality of the U.S. government; ii) corporation owned or controlled by the U.S. government; or iii) agency whose primary business is reflected by one of the following MCCs: 8220, 8244, 8249 –Schools, Trade or Vocational; and the maximum transaction amount does not differentiate between MasterCard, Visa, or any other acceptance brand.

6.7 Modifying Transactions. AGENCY shall regularly and promptly review all Transactions and shall immediately notify FORTE upon discovery of any and all discrepancies between the records of AGENCY compared with those provided by FORTE or AGENCY's bank, or with respect to any Transaction that AGENCY believes was made erroneously or without proper authorization. At AGENCY's request, FORTE will make commercially reasonable efforts to reverse, modify, void or delete a Transaction after it has been submitted for settlement. All requests must be made in writing (electronic mail will be deemed as "in writing" for these purposes), signed or sent by an individual pre-authorized by AGENCY to make such requests, and delivered to FORTE. AGENCY agrees that FORTE will not be held responsible for any losses, directly or indirectly, incurred by AGENCY or other third parties as a result of FORTE's failure to accomplish the request before the Transaction has been processed through the applicable Payment Network.

6.8 Delay or Rejection of Transactions. FORTE may delay or reject any Transaction without prior notification to AGENCY which is improperly formatted, is untimely, is missing information, which may cause it to downgrade or if FORTE has reason to believe such Transaction is fraudulent or improperly authorized or for any reason permitted or required under the Rules or Regulations. FORTE shall have no liability to AGENCY by reason of the rejection of any such Transaction.

6.9 Returned Items. FORTE shall make available to AGENCY details related to the receipt of any Transaction that is returned unpaid or Transaction which is charged back and shall credit or charge such returned item to AGENCY's Settlement Account.

6.10 Chargebacks. AGENCY acknowledges and agrees that it is bound by the Rules and Regulations of the Payment Associations with respect to any Chargeback. AGENCY understands that obtaining an authorization for any sale shall not constitute a guarantee of payment, and such sales can be returned or charged back to AGENCY like any other item hereunder. In the event a Transaction is charged back, for any reason, the amount of such Transaction will be deducted from AGENCY's designated Settlement Account or any payment due to AGENCY.

6.11 Excessive Chargebacks. Using limits established by Associations as a standard for review, FORTE reserves the right to suspend and/or terminate AGENCY's access to the Services should AGENCY's chargeback ratio exceed allowable limits in any given period. FORTE will make reasonable efforts to provide AGENCY with notice and a time to cure its excessive chargebacks prior to suspending or terminating AGENCY's access to the Services. AGENCY acknowledges and expressly authorizes FORTE, in compliance with Payment Association Rules and Regulations, to provide to the Payment Associations and applicable regulatory bodies, AGENCY's name and contact information as well as transaction details should AGENCY's chargeback ratio exceed the allowable limits in any given period.

6.12 Resubmitting Transactions. AGENCY shall not re-submit any Transaction unless it is returned as (i) Insufficient funds (R01); or (ii) Uncollected funds (R09); or unless a new authorization is obtained from Constituent.

6.13 Settlement. Settlement of AGENCY's funds for Transactions, less any Chargebacks or Returns, to AGENCY's designated Settlement Account will occur within 72 hours of origination excluding weekends and US federal banking holidays. Settlement of Transactions will occur via electronic funds transfer over the ACH Network. Upon receipt of Agency's sales data for card transactions through FORTE's Services, Acquirer will process AGENCY's sales data to facilitate the funds transfer between the various Payment Associations and AGENCY. After Acquirer receives credit for such sales data, Acquirer will fund AGENCY, either directly to the AGENCY-Owned Designated Account or through FORTE to an account designated by FORTE ("FORTE Designated Account"), at Acquirer's sole option, for such card transactions. AGENCY agrees that the deposit of funds to the FORTE Designated Account shall discharge Acquirer of its settlement obligation to AGENCY, and that any dispute regarding the receipt or amount of settlement shall be between FORTE and AGENCY. Acquirer will debit the FORTE Designated Account for funds owed to Acquirer as a result of the Services provided hereunder, unless an Agency-owned account is otherwise designated by AGENCY. Further, if a cardholder disputes a Transaction, if a Transaction is charged back for any reason, or if FORTE or Acquirer reasonably believe a Transaction is unauthorized or otherwise unacceptable, the amount of such Transaction may be charged back and debited from AGENCY if settled to an Agency-owned account or debited from the FORTE Designated Account if settled to that account.

6.14 Provisional and Final Payment. AGENCY, AGENCY's third party senders (if applicable), and/or

AGENCY's agent(s) understand and agree that Entries may be transmitted through the ACH Network, that payment of an Entry by the RDFI to the Receiver is provisional until receipt by the RDFI of final settlement for such Entry, and that if such settlement is not received, then the RDFI will be entitled to a refund from the Receiver of the amount credited and AGENCY will not be deemed to have paid the Receiver the amount of the Entry. The rights and obligations of AGENCY concerning the Entry are governed by and construed in accordance with the laws of the state in which the processing ODFI is located, unless AGENCY and FORTE have agreed that the laws of another jurisdiction govern their rights and obligations.

6.15 **Reporting.** FORTE will make daily origination and deposit reports available to AGENCY on a 24/7 basis through the Internet-based FORTE platform.

7. TRANSACTION AUTHORIZATION

7.1 **Constituent Authorization.** AGENCY shall obtain authorization from Constituent prior to requesting a Transaction to or from Constituent's account.

7.2 **Retention.** AGENCY shall retain proof of Constituent's authorization for a period of not less than two (2) years for standard Transactions and for a period of five (5) years for health-related Transactions from the authorization date or revocation of authorization date and shall provide such proof of authorization to FORTE upon request within five (5) business days of the request.

7.3 **Revoked Authorization.** AGENCY shall cease initiating Transactions to or from a Constituent's account immediately upon receipt of any actual or constructive notice of that Constituent's termination or revocation of authorization. AGENCY may re-initiate Transactions to or from a Constituent's account only upon receiving new authorization from the Constituent.

8. AGENCY PROHIBITIONS

AGENCY must not i) require a cardholder to complete a postcard or similar device that includes the cardholder's account number, card expiration date, signature, or any other card account data in plain view when mailed, ii) add any tax to Transactions, unless applicable law expressly requires that AGENCY impose a tax (any tax amount, if allowed, must be included in the Transaction amount and not collected separately), iii) request or use an account number for any purpose other than as payment for its goods or services, iv) disburse funds in the form of travelers checks if the sole purpose is to allow the cardholder to make a cash purchase of goods or services from AGENCY, v) disburse funds in the form of cash unless AGENCY is dispensing funds in the form of travelers checks, TravelMoney cards, or foreign currency (in such case, the Transaction amount is limited to the value of the travelers checks, TravelMoney cards, or foreign currency, plus any commission or fee charged by AGENCY), or AGENCY is participating in a cash back service, vi) submit any Transaction receipt for a Transaction that was previously charged back to the Acquirer and subsequently returned to AGENCY, irrespective of cardholder approval, vii) accept a Visa consumer credit card or commercial Visa product issued by a U.S. issuer to collect or refinance an existing debt that has been deemed uncollectable by AGENCY, or ix) submit a Transaction that represents collection of a dishonored check. AGENCY further agrees that, under no circumstance, will AGENCY store cardholder data in violation of the Laws or the operating regulations of any Payment Association including but not limited to the storage of track-2 data. Neither AGENCY nor its agent shall retain or store magnetic-stripe data subsequent to the authorization of a sales Transaction.

9. AUTHORIZATION

9.1 **ACH Authorization.** AGENCY authorizes FORTE to electronically debit and credit AGENCY's designated bank account(s) for any amounts owed to or by AGENCY in accordance with the terms of this Agreement.

9.2 **Third Party Service Provider.** If AGENCY uses the Services through or in conjunction with a third party service provider that is not a party to this Agreement, AGENCY authorizes FORTE to provide _____ ("Partner") with its FORTE merchant account information and credentials. If applicable, AGENCY authorizes Partner to originate Transactions and receive the corresponding results on its behalf.

10. CONSTITUENT DISPUTES

All disputes between AGENCY and its Constituent (s) relating to any Transaction processed under this Agreement will be settled by and between AGENCY and Constituent. AGENCY agrees that FORTE bears no responsibility or involvement in any such dispute, except that FORTE will be liable for their own acts and omissions related to a breach of this Agreement.

11. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

In performing its duties under this Agreement, each Party agrees to comply with all applicable Rules, Regulations and Laws, including but not limited to all confidentiality and security requirements of the USA Patriot Act (or similar law, rule or regulation), all Rules of any applicable Payment Associations, all requirements under the Payment Card Industry Data Security Standard (or similar applicable data security law, rule or regulation) including but not limited to the VISA Cardholder Information Security Program, the MasterCard Site Data Protection Program, and any other program or requirement that may be published and/or mandated by the Associations. Each Party agrees to cooperate and provide information reasonably requested by the other to facilitate its compliance with any applicable Law, Rule or Regulation. Additionally, should a Payment Association or regulatory body impose a fee or fine on AGENCY for any violation of the Rules or Laws by AGENCY, such fee or fine may be charged to FORTE as a pass-through to AGENCY. If any such fee or fine is charged to FORTE, AGENCY shall reimburse FORTE for any such fees or fines.

12. PRICING AND PAYMENT

12.1 FORTE will provide the Services in accordance with the Pricing Fee Schedule(s) attached hereto or any amendments thereto. Pricing schedules which utilize an Absorbed Fee Model will be billed to the AGENCY monthly in arrears and will automatically be debited from AGENCY's designated account via ACH Debit. Pricing schedules which utilize a Service Fee Model will result in a processing fee being charged to the Constituent in the form of a non-refundable service fee which is either (i) added to; or (ii) charged as a separate transaction to the Constituent at the time of payment.

12.2 Pricing schedules which utilize a flat service fee model are calculated based on historical or estimated transactional amount activity by AGENCY. In the event that experiential transaction activity varies significantly from the historical or estimated amounts, FORTE shall have the right to adjust the service fee in accordance to the experiential transaction activity.

12.3 FORTE's pricing is subject to the underlying fees established by the Payment Associations and its service providers. As such, in the event FORTE experiences an increase in cost for any processing services utilized by AGENCY during any term of this Agreement, FORTE will pass through the increases with no additional markup to AGENCY. FORTE will provide AGENCY a minimum of thirty (30) days' notice of any change or adjustment in fees.

13. LIMITS OF LIABILITY

13.1 Neither Party shall be liable to the other Party or to any third party for any special, consequential, incidental or punitive damages of any kind or nature incurred in relation to this Agreement. The amount of damages recoverable by either Party from the other will not exceed that Party's actual, direct damages and will be limited to the amount of the average monthly fees and charges paid by AGENCY for the Service for the immediate three (3) month period prior to the event giving rise to the applicable claim. Neither Party will be liable for failure to perform any of its obligations under this Agreement if such performance would result in it being in breach of any Law, Rule or requirement of any governmental authority. The provisions of this section will survive the termination of this Agreement.

14. REPRESENTATIONS AND WARRANTIES.

14.1 **FORTE's Representations and Warranties.** FORTE makes no representations or warranties concerning its services except as may be specifically authorized, in writing, or set out herein.

14.1.1 FORTE hereby warrants that its software solutions and services will perform in accordance with their published specifications in all material respects.

14.1.2 FORTE further warrants that in performing its obligations hereunder, it shall exercise due care and reasonable efforts to ensure that information originated by AGENCY is transmitted accurately.

14.2 AGENCY's Representations and Warranties. AGENCY represents and warrants to FORTE that:

14.2.1 If applicable, with respect to all Transactions originated by FORTE on behalf of AGENCY that (i) each Transaction in all respects has been properly authorized by Receiver; (ii) each Transaction is for an amount agreed to by the Receiver and; (iii) AGENCY shall provide proof of authorization in compliance with applicable Rules for any Transaction to FORTE upon request within five (5) Business Banking Days.

14.2.2 AGENCY agrees to adhere to the warranties within the applicable Rules for each Transaction FORTE processes on AGENCY's behalf.

14.3 Mutual Representations and Warranties. Each Party represents and warrants to the other that:

14.3.1 The execution of this Agreement does not violate any applicable international, federal, state, or local law, Payment Network rule or contract to which such Party is subject.

14.3.2 There are no actions, suits or proceedings existing or pending against or affecting it before any judicial or regulatory authority which would have a material adverse effect on its ability to perform its obligations hereunder.

14.3.3 When executed and delivered, this Agreement will constitute a legal, valid, and binding obligation, enforceable in accordance with its terms.

15. FORTE SERVICE POLICY.

FORTE makes no representations or warranties concerning its services except as may be specifically authorized, in writing, or set out herein. AGENCY acknowledges and understands that FORTE does not warrant that the Services will be uninterrupted or error free and that FORTE may occasionally experience delays or outages due to disruptions that are not within FORTE's control. Any such interruption shall not be considered a breach of the Agreement by FORTE. FORTE shall use its best efforts to remedy any such interruption in service as quickly as possible.

16. FORCE MAJEURE

Neither Party shall be liable for, or be considered in breach of or default under the Agreement on account of any delay or failure to perform its obligations hereunder as a result of any causes or conditions that are beyond such Party's reasonable control and that such Party is unable to overcome through the exercise of commercially reasonable diligence. If any force majeure event occurs, the affected Party shall give prompt written notice to the other Party and shall use all commercially reasonable efforts to minimize the impact of the event. FORTE shall not be held responsible for errors, acts or failures to act of others, including, and among other entities, banks, other processors, communications carriers or clearing houses through which Transactions may be originated or through which FORTE may receive or transmit information, and no such entity shall be deemed an agent of FORTE.

17. ASSIGNMENT

The rights granted under this Agreement shall not be assigned by either Party without the prior written consent of the other Party, which shall not be unreasonably withheld.

18. CHOICE OF LAW

This Agreement shall be governed by and construed in accordance with the internal laws of the State of North Carolina, with jurisdiction in Lee County. Merchant hereby agrees that claims applicable to American Express may be resolved through arbitration as further described in the American Express Merchant Operating Guide, see Appendix C, Section 4 herein.

19. AMENDMENT

Except as otherwise provided for herein, the terms and conditions of this Agreement shall not be modified or amended except in writing, signed by the parties hereto and specifically referring to this Agreement.

20. PUBLICITY

Neither Party shall use the other Party's name, logo or service marks in conjunction with a press release or advertisement without first obtaining written approval.

21. NOTICE

Any notice required to be given by either Party hereunder, shall be in writing and delivered personally to the other designated Party, or sent by any commercially reasonable means of receipted delivery, addressed, to that Party at the address most recently provided in writing. Either Party may change the address to which notice is to be sent by written notice to the other under any provision of this paragraph.

Notices to FORTE:

Forte Payment Systems, Inc.
500 W. Bethany Drive
Suite #200
Allen, TX 75013
Attn: General Counsel

Notices to AGENCY:

Lee County Government
P.O. Box 19608
Sanford, NC 27331
Attn: Parks and Recreation

22. HEADINGS

The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning of any provision of this Agreement.

23. SEVERABILITY

Should any term, clause or provision herein be found invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or operation of any other term, clause or provision and such invalid term, clause or provision shall be construed to most closely reflect the original intent of the parties.

24. ENTIRE AGREEMENT; WAIVER; COUNTERPARTS

This Agreement constitute the entire understanding of the Parties, and revoke and supersede all prior agreements between the Parties and are intended as a final expression of their agreement. Either Party's waiver of any breach of any provision of this Agreement shall not be deemed a waiver of any subsequent breach of same or other provision. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective organizations, have executed this Agreement as of the date set forth below.

FORTE:

By: _____

Name: _____

Title: _____

AGENCY:

By: Amy M. Dalrymple

Name: Amy M. Dalrymple

Title: Chair, Lee County Board of Commissioners

APPENDIX A DEFINITIONS

ACH Network – Automated Clearing House Network is a batch processing, store-and-forward system that accumulates and distributes ACH transactions that are received from ODFI (defined below) and are forwarded to the specified RDFI (defined below) according to the specific schedules established by the participants.

Acquirer – A sponsoring financial institution or payment processor that enters into an agreement which enables merchants or their Agent(s) to submit Transactions to a payment network.

Affiliate – A business entity effectively controlling or controlled by another or associated with others under common ownership or control.

Agent Any director, officer, employee, representative, affiliate, third-party vendor or any other person acting on behalf of the Merchant with the actual, implied or apparent authority of Merchant.

Business Banking Day – Monday through Friday excluding banking holidays.

Chargeback – A Transaction that is rejected by the owner of the account debited or charged because a dispute exists between the Originator of the Transaction (typically a Merchant) and the account owner.

Confidential Information - Confidential Information may include information regarding all of the computer software and technologies, systems, structures, architectures, processes, formulae, compositions, improvements, devices, know-how, inventions, discoveries, concepts, ideas, designs, methods, and information and databases developed, acquired, owned, produced or practiced at any time by a Party or any affiliate thereof, including software programs and documentation licensed by third parties to the disclosing Party, any business or financial information directly or indirectly related to the disclosing Party's company(s) or investments or

its internal administrative, billing and accounting systems, customer and vendor lists and information, employee personnel information and policies and procedures, information regarding the disclosing Party's products and services that is not generally available to the public.

Credit Entry (or "Entry") – An ACH/EFT Transaction that is intended to deposit funds into a Receiver's (defined below) account which has been withdrawn from Merchant's Settlement Account (defined below).

Debit Entry (or "Entry") – An ACH/EFT Transaction that is intended to withdraw funds from a Receiver's account for deposit into Merchant's Settlement Account (defined below).

Laws – All international, national, regional and local regulations or laws which are applicable to the services provided herein.

NACHA – National Automated Clearing House Association responsible for establishing, revising and enforcing the Operating Rules for the US ACH Network.

ODFI – Originating Depository Financial Institution is the financial institution that receives ACH Transactions from Merchant through FORTE and then forwards these Transactions (defined below) to the ACH Network.

Originator – A Merchant who has contracted with FORTE to initiate ACH entries, on their behalf, to the ACH Network.

Payment Association – Any entity governing a payment network, including but not limited to VISA, M/C, Discover, American Express, NACHA, CPA.

PCI-DSS – System security measures established by the various credit card companies, known as the Payment Card Industry Data Security Standards.

RDFI – Receiving Depository Financial Institution is the financial institution that receives the ACH Transactions from the ODFI through the ACH Network and posts these Transactions to the accounts of Receivers (defined below).

Receiver – An entity or individual consumer that has an established account with a card issuer or financial institution upon which a Transaction is or may be acted upon.

Reserve – A specific amount of money that is held in your Merchant account to be used by FORTE to offset amounts owed to FORTE for Services provided, such as returned items, chargebacks, fees/fines, billing or other Merchant obligations to FORTE that FORTE is unable to collect from Merchant.

Returned Entries – Any Transaction that is not able to be completed successfully and is returned/rejected back to the Originator.

Rules – The operational rules, policies and procedures established by each applicable Payment Association to govern all transactions and parties that participate in the associated payment network.

Settlement Account – An account established and maintained by Merchant with a financial institution through which the following may occur: (a) deposit of funds for Debit Entries, (b) the extractions of funds for Credit Entries, reserve funds or fee obligations unless otherwise agreed to by the parties.

Settlement Entry – A Debit or Credit Entry to Merchant's Settlement Account which corresponds to the net amount owed Merchant by FORTE at the end of each Business Banking Day.

Transactions – Any transfer of data or information to FORTE in a format pre-approved by FORTE, including but not limited to payment, verification and authentication items.

Users - All individuals who access a FORTE website or utilize any portion of the FORTE Services on behalf of Merchant directly or through software that accesses the FORTE systems through Merchant's systems, by using Merchant's access credentials or any other access reasonably presumed to be on behalf of Merchant.

APPENDIX B
ACCOUNT VERIFICATION AND AUTHENTICATION SERVICES

1. Representation by Agency. Each request for data through the verification and authentication services shall constitute a representation, warranty and certification by Agency that the data (i) shall be used and disclosed only in accordance with the terms of the Agreement, and in accordance with any applicable Rules or Laws; and (ii) shall be used solely for the intended use as stated by Agency on the application and that use is in compliance with the permissible uses under the Fair Credit Reporting Act ("FCRA") as provided in the FCRA Requirements Addendum located at <http://www.forte.net/fair-credit-reporting-act>; (iii) Agency will follow proper procedures for adverse action notification to its Constituents, as provided by the FCRA Requirements Addendum; and (iv) Agency acknowledges it has implemented security measures to prohibit the unauthorized access to the information provided.

2. Use of Services.

2.1 AGENCY SHALL USE THE VERIFICATION SERVICES ONLY IN CONNECTION WITH PAYMENTS PRESENTED TO AGENCY BY ITS CONSTITUENTS IN EXCHANGE FOR GOODS OR SERVICES. AGENCY SHALL NOT RESELL THE VERIFICATION DATA OR SERVICES TO ANY THIRD PARTIES.

2.2 Agency understands and agrees that it cannot decline services to a consumer or customer after receiving an approval result from FORTE on a verification inquiry unless Agency is declining based on other grounds and/or information. Further, if Agency does decline services to a FORTE approved consumer or customer based on alternate information, Agency shall not provide FORTE's contact information as recourse for the consumer to pursue a dispute of the result under FCRA Adverse Action requirements.

2.3 Agency shall provide to FORTE, as part of a verification inquiry, the accurate amount for each transaction Agency wants to verify.

3. Retention of Data. Agency acknowledges and agrees that it shall not retain, store, compile or aggregate the results of verification or authentication inquiries received from FORTE except as required by applicable law or to perform its obligations under this Agreement.

APPENDIX C
ACCOUNT UPDATER SERVICES

1. **Description of Services.** Participating Visa/MasterCard Issuers submit their account changes to the Account Updater Database. On a monthly basis, FORTE will compare all of AGENCY's recurring tokenized transactions against the Account Updater Database. FORTE will then update the tokenized card information on file with updated account information.
2. **Agency Requirements for Account Updater Participation.**
 - a. AGENCY must be properly established and registered in the United States.
 - b. AGENCY must not have been disqualified from participating in the Visa, MasterCard, American Express, or Discover programs.
 - c. AGENCY must be in compliance with all Card Association Operating Regulations.
 - d. AGENCY must submit inquiries only for those accounts with which the merchant has an ongoing customer relationship and customer's authority to submit such payments.
 - e. AGENCY may not request authorization on accounts that have returned "Contact Cardholder" or "Closed."
 - f. AGENCY must not submit inquiries on behalf of any other entity.
 - g. AGENCY assumes all risk associated with the use of the Account Updater Service. FORTE shall have no liability whatsoever to AGENCY for any liability associated with the Account Updater Service, including but not limited to the accuracy or completeness of the information provided via the Account Updater Service.

APPENDIX D
AMERICAN EXPRESS CARD ACCEPTANCE

1. Merchant hereby acknowledges and agrees that for purposes of acceptance of American Express, the American Express Merchant Operating Guide and any amendments thereto (the "Operating Guide") is hereby incorporated by reference into this Agreement and can be found at www.americanexpress.com/merchantopguide.

All capitalized terms found in this section shall have the attributed meaning from the Operating Guide.

2. Merchant hereby authorizes FORTE and/or Acquirer to submit American Express transactions to, and receive settlement from, American Express on behalf of Merchant. Merchant must accept the American Express card as payment for goods and services (other than those goods and services prohibited under the Operating Guide) sold, or (if applicable) for charitable contributions made, at all of its establishments, except as expressly permitted by applicable Law. Merchant is jointly and severally liable for the obligations of Merchant's establishments under the Agreement. For the avoidance of doubt, "cardholder" as used in this Agreement shall include Cardmembers as defined in the Operating Guide.

3. Merchant hereby acknowledges and agrees that (i) FORTE or Acquirer may disclose American Express Transaction Data (which for purposes of this section shall have the same definition as "Transaction Data" in the Operating Guide), Merchant Data (as defined below), and other information about Merchant to American Express, (ii) American Express may use such information to perform its responsibilities in connection with the American Express Program, promote the American Express Network, perform analytics and create reports, and for any other lawful business purpose, including marketing purposes, and (iii) American Express may use the information obtained in this application at the time of setup to screen and/or monitor Merchant in connection with American Express Card (the "Card") marketing and administrative purposes. If Merchant has provided a wireless phone number in connection with this Agreement, Merchant hereby agrees that it may be contacted at that number and the communications sent may include autodialed text messages or automated prerecorded calls. If Merchant has provided a fax number, Merchant hereby agrees that it may be sent fax communications. To opt out of American Express-related marketing communications, Merchant may contact FORTE customer service as described in this Agreement. For purposes of this section, "Merchant Data" means names, postal and email addresses, tax ID numbers, names and social security numbers of the authorized signer of Merchant and similar identifying information about Merchant. For clarification, Merchant Data does not include American Express Transaction Data.

4. Merchant will adhere to the following website information display guidelines in the event Merchant has a website and/or operates an e-commerce business. Merchant's website must display the following:

- An accurate description of the goods/services offered, including the currency type for the Transaction (e.g., U.S. Dollars). Note: Transaction currency must be in U.S. Dollars.
- Merchant's physical address in the U.S.
- An email address or telephone number for customer service disputes.
- Return/refund policy.
- A description of Merchant's delivery policy (e.g., no overnight delivery).
- A description of Merchant's security practices (e.g., information highlighting security practices Merchant uses to secure Transactions on its systems, including Transactions conducted on the Internet).
- A statement of known export restrictions, tariffs, and any other regulations.

- A privacy statement regarding the type of personal information collected and how the information is used. Additionally, Merchant must provide to customers the option to decline being included in marketing campaigns or having their personal information included on lists sold to third parties.

5. Merchant hereby agrees that, in the event that Merchant becomes a High Charge Volume Merchant (as defined below), Merchant will be converted from the American Express Program to a direct American Express Card acceptance relationship with American Express, and upon such conversion, (i) Merchant will be bound by American Express' then-current card acceptance agreement, and (ii) American Express will set pricing and other fees payable by Merchant for American Express Card acceptance. "High Charge Volume Merchant" for purposes of this section means an American Express Program Merchant with either (i) greater than \$1,000,000 in American Express charge volume in a rolling twelve (12) month period or (ii) greater than \$100,000 in American Express charge volume in any three (3) consecutive months. For clarification, if Merchant has multiple establishments, the American Express charge volume from all establishments shall be summed together when determining whether Merchant has exceeded the thresholds above.

6. Except as expressly permitted by applicable Law, Merchant must not: (a) indicate or imply that Merchant prefers, directly or indirectly, any Other Payment Products over the Card, (b) try to dissuade Cardmembers from using the Card, (c) criticize or mischaracterize the Card or any of American Express' services or programs, (d) try to persuade or prompt Cardmembers to use any Other Payment Products or any other method of payment (e.g., payment by check), (e) impose any restrictions, conditions, disadvantages, or fees when the Card is accepted that are not imposed equally on all other payment products, except for electronic funds transfer, cash or check, (f) suggest or require Cardmembers to waive their right to dispute any Transaction, (g) engage in activities that harm American Express' business or the American Express Brand (or both), (h) promote any Other Payment Products (except, if applicable, Merchant's own private label card that it issues for use solely at its Establishments) more actively than Merchant promotes the Card, or (i) convert the currency of the original sale Transaction to another currency when requesting Authorization or submitting Transactions (or both).

7. Merchant may offer discounts or in-kind incentives from its regular prices for payments in cash, ACH funds transfer, check, debit card, or credit/charge card, provided that (to the extent required by applicable Law): (i) Merchant clearly and conspicuously discloses the terms of the discount or in-kind incentive to its customers, (ii) the discount or in-kind incentive is offered to all of Merchant's prospective customers, and (iii) the discount or in-kind incentive does not differentiate on the basis of the Issuer or, except as expressly permitted by applicable state statute, payment card network (e.g., Visa, MasterCard, Discover, JCB, American Express). The offering of discounts or in-kind incentives in compliance with the terms of this paragraph will not constitute a violation of the provisions set forth Section 3.2 of the Operating Guide.

8. Whenever payment methods are communicated to customers, or when customers ask what payments are accepted, Merchant must indicate its acceptance of the Card and display American Express' Marks (including any Card application forms provided to Merchant) as prominently and in the same manner as any Other Payment Products. Merchant must not use American Express' Marks in any way that injures or diminishes the goodwill associated with the American Express Mark, nor in any way (without American Express' prior written consent) indicate that American Express endorses Merchant's goods or services. Merchant shall use the American Express brand and marks in accordance with the requirements set forth in the Operating Guide and shall remove the American Express brand and marks from Merchant's website and wherever else they are displayed upon termination Merchant's acceptance of American Express cards.

9. Any and all Cardmember Information is confidential and the sole property of the Issuer, American

Express or its Affiliates. Except as otherwise specified, Merchant must not disclose Cardmember Information, nor use nor store it, other than to facilitate Transactions in accordance with this Agreement. For more information, refer to the Operating Guide, Section 4.2, "Completing a Transaction at the Point of Sale" and Chapter 8, "Protecting Cardmember Information".

10. Merchant shall not assign to any third party any American Express-related payments due to it under this Agreement, and all indebtedness arising from American Express Charges (as defined below) will be for bona fide sales of goods and services (or both) at its establishments (as defined below) and free of liens, claims, and encumbrances other than ordinary sales taxes; provided, however, that Merchant may sell and assign future American Express transaction receivables to FORTE, its affiliated entities and/or any other cash advance funding source that partners with FORTE or its affiliated entities, without consent of American Express.

11. Merchant hereby agrees that American Express shall have third party beneficiary rights, but not obligations, to enforce this Agreement as against Merchant to the extent applicable to American Express processing. Merchant understands and agrees that it shall have no third party beneficiary rights under any agreement between FORTE and American Express and/or Acquirer. Merchant shall maintain refund policies for purchases on the American Express card that are at least as favorable as its refund policy for purchases on any other payment product. Merchant will disclose any such refund policy to Cardmembers at the time of purchase and in compliance with the Operating Guide and all applicable Laws. Merchant's termination of American Express Card acceptance shall have no direct or indirect effect on Merchant's rights to accept other card brands. To terminate American Express acceptance, Merchant may contact FORTE customer service as described in this Agreement.

12. Without limiting any other rights provided herein, FORTE and/or Acquirer shall have the right to immediately terminate Merchant's acceptance of American Express cards upon request of American Express. Merchant may not bill or collect from any Cardmember for any purchase or payment on the Card unless a chargeback has been exercised, Merchant has fully paid for such charge, and it otherwise has the right to do so. Merchant will comply with all procedural requirements relating to chargebacks, as provided in the Operating Guide, Chapter 11.

TAX MANAGEMENT ASSOCIATES, INCORPORATED

AND

LEE COUNTY, NORTH CAROLINA

BUSINESS PERSONAL PROPERTY AUDIT SERVICES CONTRACT ADDENDUM

This Contract Addendum is made and entered into this 17th day of June, 2024, by and between LEE COUNTY, a political subdivision of the State of North Carolina, hereinafter referred to as "COUNTY" and TAX MANAGEMENT ASSOCIATES, INC., a corporation authorized to conduct business in North Carolina, hereinafter referred to as "TMA".

WITNESSETH:

WHEREAS, COUNTY and TMA have previously entered into an agreement dated September 23, 1996, and an addendum dated August 19, 2013, for Business Personal Property Audit Services and

WHEREAS, COUNTY and TMA desire to amend the agreement by this written Contract Addendum while keeping in effect all terms and conditions of the previous agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements made herein, the parties agree as follows:

AGREEMENT

1. By eliminating from the original agreement of September 23rd, 1996, under GENERAL PROVISIONS paragraph 3. CANCELLATION, and from the amendment of August 19th, 2013, ELIMINATIONS AND INSERTIONS, paragraph 4, and inserting therein in its place a new paragraph 3 to read as follows:
 3. This Agreement shall become effective from July 1, 2024, until June 30, 2025, and shall renew thereafter on an annual basis. This agreement shall be cancellable by either party upon thirty (30) days written notice.

The parties have expressed their agreement to these terms by causing this Contract Addendum to be executed by their duly authorized officer or agent. This Agreement shall be effective as of the date herein.

COUNTY:

By: Jim Donnell

Title: Chair, Board of Commissioners

Date: 6/17/24

TMA:

By: MA Oney

Title: CEO

Date: 6/4/24

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

Chandace Herman

Finance Officer, Lee County

CONTRACT ADDENDUM
FOR CONTRACTS WITH ANY DEPARTMENT OF
LEE COUNTY GOVERNMENT

CONTRACTOR: Tax Management Associates, Inc

COUNTY DEPARTMENT: Tax Department

SUBJECT OF CONTRACT: Business Personal Property Audit Services

DATE/TERM OF CONTRACT: July 1, 2024 to June 30, 2025

Notwithstanding any provision contained in the above referenced Contract or Agreement which may be to the contrary, the following provisions are incorporated and shall apply, supplant and control:

Non-appropriation clause. Contractor acknowledges that Lee County is a governmental entity, and the contract validity is based upon the availability of public funding under the authority of its statutory mandate. In the event that public funds are unavailable and not appropriated for the performance of Lee County's obligations under this contract, then this contract shall automatically expire without penalty to Lee County thirty (30) days after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that Lee County shall not activate this non-appropriation provision for its convenience or to circumvent the requirements of this contract, but only as an emergency fiscal measure during a substantial fiscal crisis, which affects generally its governmental operations. In the event of a change in the Lee County's statutory authority, mandate and mandated functions, by state and federal legislative or regulatory action, which adversely affects Lee County's authority to continue its obligations under this contract, then this contract shall automatically terminate without penalty to Lee County upon written notice to Contractor of such limitation or change in Lee County's legal authority.

Dispute Resolution/Jurisdiction/Venue. Any dispute arising under this Agreement may be settled by mediation in the State of North Carolina in accord with such procedures as may be available to units of local government under state law. No other dispute resolution procedures shall apply. Jurisdiction for any legal proceedings concerning this contract or agreement shall be in the state courts in the State of North Carolina. Venue for such proceedings shall be Lee County.

No pledge of taxing authority. No deficiency judgment may be rendered against Lee County or any agency of Lee County in any action for breach of a contractual obligation under this contract. The taxing power of the Lee County is not pledged directly or indirectly to secure any monies due under this contract.

Conflict of Interest: If this is a contract for design, engineering, contract administration or similar services, the Contractor will not enter into contracts or agreements with third parties that may present a potential for conflict of interest between Lee County and the third parties regarding the subject matter of this Contract or Agreement.

Compliance with E-Verify requirements: The Contractor and any of its subcontractors must comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, if applicable, which requires certain employers to verify the work authorization of each newly hired employee through the federal

E-Verify program operated by the United States Department of Homeland Security and other federal agencies.

Divestment from companies that boycott Israel: Contractor certifies that (a) it is not identified on the Israel Boycott List or any other list created by the NC State Treasurer pursuant to N.C.G.S. 147—86.80 et al and (b) it will not take any action causing it to appear on any such list during the term of the contract agreement.


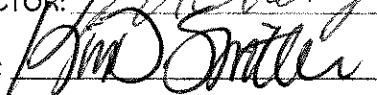
Iran Divestment Act Certification. The Contractor certifies that the Contractor is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. 147-86.58 (the Final Divestment List) and the Contractor will not utilize any subcontractors performing work under this Contract which is listed on the Final Divestment List. The Final Divestment List can be found on the State Treasurer’s website at the address and should be updated every 180 days.

Non-Discrimination in Employment. The Contractor will not discriminate again any employee or applicant for employment because of age, sex, race, creed, national origin or disability. In the event Contractor is determined by the final order of an appropriate agency or court to be in violation of this provision or any non-discrimination provision of federal, state or local law, this Contract may be suspended or terminated, in whole or in part by the County. In addition, the Contractor may be declared ineligible for further contracts with the County.

Indemnification: The Contractor agrees, to the fullest extent permitted by law, to indemnify and hold harmless the County, its officers, directors and employees (collective, County) against all damages, liabilities, or costs, including reasonable attorneys’ fees and defense costs, to the extent caused by Contractor’s negligent performance of services under this Agreement and that of its subcontractors or anyone for whom the Contractor is legally liable.

Drug-Free Workplace. During the performance of this agreement, the Contractor agrees to (i) provide a drug-free workplace for its employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees of the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in its workplace and specifying the actions that will be taken against employees for violations of such prohibitions, (iii) state in all solicitations or advertisements for employees placed by or on its behalf that it maintains a drug-free workplace; (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000.00 so that the provisions will be binding upon each subcontractor or vendor.

Gov Ops. Contractor acknowledges that by contracting with Lee County and receiving public funds, they may be subject to potential examination, evaluation and investigation, including access to buildings and documents and compelled testimony, by the Joint Legislative Commission on Governmental Operations under Section 27.10(b) of North Carolina S.L. 2023-134. Contractor acknowledges that Lee County has no control over the Commission and its activities.

For the CONTRACTOR:  Title: CEO
For LEE COUNTY:  Title: Chair

Tax Management Associates, Incorporated
Business Personal Property Audit Services Contract
Contract Number 96-71-053

This contract made and entered into this 23rd day of September, 1996, by and between LEE COUNTY, a political subdivision of the State of North Carolina, hereinafter called the COUNTY and TAX MANAGEMENT ASSOCIATES, INC., a corporation authorized to conduct business in North Carolina, hereinafter called TMA, to assist the COUNTY ASSESSOR in the performance of audits to verify the accuracy of business taxpayers' listings of personal property for advalorem taxation.

Contractual services may begin on October 1, 1996, or upon full execution of this contract, whichever is the later date.

SPECIAL PROVISIONS

WITNESSETH:

WHEREAS, the COUNTY desires to obtain audit services on the County's business personal property taxpayers as authorized by the North Carolina General Statutes; and

WHEREAS, TMA agrees to provide said audit services for the COUNTY pursuant to the charges, terms and conditions of this Agreement; and

NOW, THEREFORE, in consideration of the promises mutually exchanged, the parties agree as follows:

1. SERVICES

A. In accordance with the charges, terms and conditions contained in this Agreement, TMA agrees to furnish business personal property audit services to verify the accuracy of business taxpayers business personal property tax listing filed with the LEE County Assessor.

B. The services provided by TMA will be performed in accordance with the terms and conditions provided by this Agreement and in compliance with all applicable North Carolina Property Tax Statutes. TMA agrees to perform audits in accordance with professionally accepted auditing and accounting standards.

C. Audits to be performed by TMA to verify the accuracy in taxpayers listings shall be selected and assigned by the county as may hereafter be deemed appropriate. It is agreed to by the County that a minimum three-hundred thirty-four (334) listings will be assigned to TMA for audit during an thirty-six (36) month period beginning from the date of execution of this agreement.

D. It is expressly agreed by the parties that all work performed by TMA shall be under the direct supervision and control of the County Assessor. All correspondence in connection with audits will be signed by the County Assessor or by his authorized designee.

E. In order to assist in the scheduling of taxpayers' listings selected by the County for audit, the county agrees to make available to TMA copies of the personal property listings for the years for which audits are to be performed.

F. TMA agrees to audit all listings assigned for audit for the most current year and applicable prior years up to five (5) years as provided by North Carolina General Statute 105-312 which provides for Discovery Procedures and Limitations.

G. It is expressly understood by TMA that under the provisions of North Carolina General Statute 105-299, it and its employees are subject to the State Confidentiality Statutes (General Statute 105-289(I) and General Statute 105-259) and the penalties contained therein and TMA agrees to abide by the North Carolina Statutes concerning confidentiality of taxpayer records and shall hold the County harmless from any liability which may result from an action involving TMA or its employees or agents regarding confidentiality of taxpayer records.

H. TMA agrees to provide training to designated employees of the County as to all aspects of the audit services provided pursuant to this agreement. Any appropriate designee of the County may accompany TMA on any audit, provided the county shall be responsible for the travel related expenses of such county employee.

I. TMA agrees that no employee of the company will consult with or answer questions regarding any aspect of an audit being performed, except with authorized county officials and the taxpayer being audited, unless otherwise directed to do so by the County Assessor.

J. If through any cause, TMA or the County fails to fulfill its obligations as provided by this Agreement, or materially violates any of the covenants or stipulations within this agreement, and such failure or violation continues for thirty (30) days after written notice thereof by a party, either party shall thereupon have the right to terminate this agreement immediately upon giving written notice to the other party. Said notice shall be delivered to the party personally or mailed by certified mail to the mailing address as specified herein. In the event of termination all audits assigned to TMA shall be completed by TMA

and all fees for completed audits shall be payable in accordance with the terms as provided by this Agreement.

K. It is expressly understood and agreed to by TMA and the County that the audit services performed under this agreement represents an examination of data and materials, as might be contained in a taxpayers accounting records or other documents, for the purpose of verifying the accuracy of listings, reports or statements filed with the County in connection with a taxpayers listing of property and that such services is not an appraisal service except that information obtained in an audit performed by TMA may be used by the County Assessor to form an opinion or estimate of value as in an appraisal.

2. COST AND PAYMENT FOR AUDIT SERVICES:

A. The County shall pay to TMA for services furnished under this Agreement an amount equal to thirty percent (30%) of the taxes collected for discoveries resulting from each audit performed by TMA. Taxes shall include all taxes levied by the County, including listing penalties and interest.

B. All expenses incurred by TMA in performing audits under this Agreement including, but not limited to, travel, food, lodging, mileage, salaries, etc. shall be the responsibility of TMA. The County will be responsible for the cost of postage for handling audit correspondence and the cost of providing TMA copies of County tax records associated with an individual audit.

C. To facilitate TMA's billing for audit fees, the County agrees to provide TMA a copy of paid tax receipts issued to taxpayers following the payment of taxes generated from an audit performed by TMA, within ten (10) days following receipt of payment.

D. TMA shall invoice the County for applicable audit fees on a monthly basis. Invoiced fees will be due and payable within ten (10) days following billing date. If payment is not received by TMA within thirty (30) days from billing date, unpaid balance of fees will be subject to additional fees in the amount of one and one-half percent (1 1/2%) per month until payment is received.

E. All legal cost involving appeals resulting from an audit shall be the responsibility of the County. TMA shall be responsible for defending its audit findings throughout any appeals process without additional cost to the County. Defense of audit findings shall include personal appearances at meetings with taxpayers or their representatives, and providing testimony and evidence at all hearings before the County Assessor, Board of County Commissioners, and at any other appeal level concerning information identified in an audit.

GENERAL PROVISIONS

1. **AUTHORITY TO CONTRACT:** The COUNTY'S authority to contract for the service herein is authorized by North Carolina General Statute 105-299.

2. **AUDIT:** All invoices shall be submitted by the CONTRACTOR to the COUNTY ASSESSOR with sufficient detail for a proper pre-audit or post-audit.

3. **CANCELLATION:** This agreement shall become effective from the date entered above and shall remain in effect for an initial term of thirty-six months and shall continue in effect thereafter on a month-to-month basis. This agreement may be terminated by either party without cause following the initial term upon thirty (30) days written notice.

4. **COLLATERAL ASSIGNMENT:** The COUNTY acknowledges and agrees that payment due TAX MANAGEMENT ASSOCIATES, INC. under this Agreement and all other agreements with the government authority (the "Agreement") have been collaterally assigned to Branch Banking and Trust Company (a North Carolina banking corporation, whose address is 6869 Fairview Road, Charlotte, North Carolina 28210-3384). All payments due TAX MANAGEMENT ASSOCIATES, INC. under this the Agreement will be sent, UPON REQUEST, to the Bank at that address pursuant to a financing and cash management arrangement. The Bank is authorized to receive information relating to this agreement and payments due under the Agreement and all amendments or modifications to the Agreement from LEE COUNTY (the government authority). The Bank is authorized to rely upon the terms of the Agreement. The government authority agrees to give notice to the Bank thirty (30) days prior to termination of this Agreement.

5. **INDEMNIFICATION:** To the fullest extent permitted by laws and regulations, the CONTRACTOR shall indemnify and hold harmless the COUNTY and its officials, agents and employees from and against all claims, damages, losses and expenses, direct, indirect or consequential (including, but not limited to, fees and charges of engineers or architects, attorneys and other professionals and costs related to court action or arbitration) arising out of or resulting from the performance of this contract or the actions of the CONTRACTOR or its officials, employees or contractors under this Contract or under the Contracts entered into by the CONTRACTOR in connection with this contract. This indemnification shall survive the termination of this Agreement.

6. **NON-DISCRIMINATION:** The CONTRACTOR shall not discriminate against any person on the grounds of race, color, national origin, sex, age or disability in the administration of this contract. Nor shall any person be excluded from participation in, or be denied the benefits of this contract on the grounds of race, color, national origin, sex, age or disability.

7. **LAW CONTROLLING:** The laws of the state of North Carolina shall control and govern this contract.

8. **NON-ASSIGNMENT:** This Agreement is not assignable by either party, by operation of law or otherwise.

9. **MODIFICATION:** This contract may be modified only by a written agreement executed by both parties hereto.

10. **ENTIRE AGREEMENT:** This contract constitutes the entire agreement of the parties and no other agreement or modification to this contract, expressed or implied, shall be binding on either party unless same shall be in writing and signed by both parties. This Agreement may not be orally modified. Any modifications must be in writing, expressly titled a modification or addendum to this contract, attached to this contract, and signed by both parties.

11. **SEVERABILITY:** Should any provision, portion or application thereof of this Agreement be determined by a court of competent jurisdiction to be illegal, unenforceable or in conflict with any applicable law or constitutional provision, the Parties shall negotiate an equitable adjustment in the affected provisions of this Agreement with a view toward effecting the purpose of this Agreement, and the validity and enforceability of the remaining provisions, portions or applications thereof, shall not be impaired.

12. **HEADINGS:** The subject headings of the paragraphs are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions. This Agreement shall be deemed to have been drafted by both parties, and no purposes of interpretation shall be made to the contrary.

13. **NOTICES:** Any notices to be given or submitted by either party to the other pursuant to this Agreement shall be made in writing and sent by first class mail, postage paid or by hand delivery to:

COUNTY:
LEE COUNTY
Post Office Box 1968
Sanford, NC 27331
ATTN: Roger Kelly

CONSULTANT:
TAX MANAGEMENT ASSOCIATES
Post Office Box 17128
Charlotte, NC 28227-7712
ATTN: Richard H. Cooke, President

Executed and entered into by the parties hereto.

ACCEPTED:

LEE COUNTY
BOARD OF COMMISSIONERS
COUNTY COURTHOUSE
SANFORD, NC 27331

AUTHORIZED SIGNATURE:

F. Hubert Garner
F. Hubert Garner

TITLE: Chairman

DATE: 9/16/96

ATTEST BY:

Gaynell M. Beal
Gaynell M. Beal

COUNTY CLERK (SEAL)

APPROVED:

AUTHORIZED SIGNATURE:

NAME: _____

TITLE: _____

DATE: _____

ACCEPTED:

TAX MANAGEMENT ASSOCIATES, INC.
2225 CORONATION BLVD
POST OFFICE BOX 17128
CHARLOTTE, NC 28270-0099

AUTHORIZED SIGNATURE:

Richard H. Cooke
RICHARD H. COOKE

TITLE: PRESIDENT

DATE: 9/23/96

ATTEST BY:

Corporate Assistant
TITLE: Corporate Assistant

APPROVED:

AUTHORIZED SIGNATURE:

NAME: _____

TITLE: _____

DATE: _____

THIS CONTRACT HAS BEEN APPROVED AS TO LEGAL FORM BY THE LEE COUNTY ATTORNEY'S OFFICE ON _____, 1996.

SIGNATURE: *K. R. Hoyle*
TITLE: County Attorney

This instrument has been preaudited in the manner required by the local government budget and fiscal control act. FINANCE OFFICER: *Ana D. M...*

TAX MANAGEMENT ASSOCIATES, INCORPORATED

AND

LEE COUNTY, NORTH CAROLINA

BUSINESS PERSONAL PROPERTY SERVICES CONTRACT ADDENDUM

This Contract Addendum is made and entered into this 18th day of April, 2011 by and between LEE COUNTY, a political subdivision of the State of North Carolina, hereinafter referred to as "COUNTY" and TAX MANAGEMENT ASSOCIATES, INC., a corporation authorized to conduct business in North Carolina, hereinafter referred to as "TMA".

WITNESSETH:

WHEREAS, COUNTY and CONTRACTOR have previously entered into an agreement dated October 1st, 1996 for Business Personal Property Audits; and

WHEREAS, COUNTY and TMA desire to amend that agreement by this written Contract Addendum while keeping in effect all terms and conditions of the original agreement.

THEREFORE, for and in consideration of the mutual covenants and agreements made herein, the parties agree as follows:

1. ADDITIONAL SERVICES

In accordance to the terms and conditions of this Agreement, TMA agrees to provide business personal property Discovery Services. Discovery Services shall generally mean the discovery of taxpayer business personal property which was not subject to assessment and taxation as required under North Carolina law due the taxpayer's failure to file a Return or Returns within the COUNTY. Pursuant to the aforementioned, both parties shall agree to the following:

A. **Services:** "Discovery Services" will locate and record all businesses within the COUNTY statutorily required to file a Business Personal Property Tax Listing Form ("Listing Form") but are not presently doing so. All businesses identified by COUNTY will be verified by COUNTY before they are added to the COUNTY roll. Any business found to be operating in the COUNTY, but not filing the Listing Form is known as a "Discovered Business" and refers to a single physical location.

1. **Collect electronic information from the COUNTY:** COUNTY shall provide TMA electronic copies of Listing Forms and commercial and industrial real parcel information for the tax year under review. This information will include, for each business currently filing a Listing Form in the jurisdiction, the business name, owner name, "doing business as" information, property address, mailing address, parcel identification number, and other like information which may help TMA identify unique business establishments and their locations. The electronic information provided to TMA will be considered a full and final list, and all businesses discovered by TMA through the Discovery Services which are not represented on this list will be considered Final Product as defined in Section 1.6.

2. **Contact with list of potential businesses by mail:** TMA will use internal resources and research methodology to identify business locations within the COUNTY which do not appear on the COUNTY's tax roll. TMA shall generate correspondence to be sent to each business location outlining the statutory responsibility to file a Listing Form and indicating the COUNTY's intent to assess the business for personal property situated at a particular location. The correspondence shall also include a copy of COUNTY's Listing Form and instructions, a return envelope addressed to TMA's contact center, and contact information for TMA. Such correspondence shall be signed by the Assessor or by his/her authorized designee.
3. **TMA Contact Center:** TMA shall make available to the COUNTY for the purpose of Discovery Services a contact center owned and managed by TMA and located in Charlotte, N.C. The contact center will house staff responsible for the collection and processing of mail, email, fax materials, and phone calls with taxpayers. Through the contact center, TMA will manage the printing and mailing of all materials which go to identified accounts.
4. **Canvass Methods:** TMA shall use throughout the program all methods available and pertinent to a thorough review of business locations in the county. These methods may include phone calls to business locations, site visits and/or physical canvassing, or continued use of internet, mapping, or other resources to which TMA maintains access.
5. **Application of values from internal CAVS process:** TMA may use its Cost Analysis Valuation System ("CAVS") to determine an estimated taxable business personal property value associated with a particular business entity type. CAVS may be applied to any business entity determined to be actively operating in the jurisdiction but which failed to respond to requests for information by TMA and/or COUNTY personnel. CAVS values shall be considered an estimate of value based on best information, and shall be provided to the COUNTY as a guide and recommendation. All final values shall be the responsibility of the Assessor and/or designated COUNTY staff.
 - a. **CAVS Training:** TMA shall give access to and train designated COUNTY personnel how to use CAVS to determine an estimated value for business entities. An estimated value is based on average conditions and property density or capital investment based on like kind business entities. CAVS shall in no way be construed as an appraisal tool. CAVS is a proprietary, in-house application which shall be maintained by TMA. COUNTY may, upon termination of this Agreement, utilize the CAVS on a subscription basis pursuant to the terms of a separately negotiated written agreement.
6. **Final Product:** TMA will deliver to the COUNTY one file per Discovered Business which contains information related to the business location discovered through these services. This information will include the name, location, contact history, and other information to allow the Assessor to make an assessment of the business and location. Each file per Discovered Business is referred to herein as "Final Product."
 - a. **Estimated Accounts:** The Final Product for "Estimated Accounts" will contain the information described in the above Section 6 and also an estimate of the Cumulative Account Value, as defined in Section 2.A, based on CAVS modeling and best knowledge of TMA staff. Estimates are not appraisals, limited appraisals, or audits, but instead are models based on like kind businesses of similar type and practice as they are built in the CAVS system. Documentation from CAVS describing the derivation of value will be included in each Final Product for Estimated Accounts. These values are provided as a professional service and estimate of Cumulative Account Value in TMA's opinion, and should be altered by the Assessor and COUNTY staff as appropriate.

- b. **File Processed Accounts:** When TMA through Discovery Services receives a completed and signed Listing Form, the Listing Form will be processed to include values for previous years based on date of acquisition and proper depreciation as a Final Product and defined as a "File Processed Account."
7. **Training:** If requested by COUNTY, TMA will provide training to designated County personnel on TMA's Discovery Services methodology.
8. **Management Reporting:** TMA shall provide to COUNTY a Project Manager. The Project Manager will be responsible for reporting progress, program results, problems and resolutions, and other general reporting functions to a designated COUNTY representative. TMA shall make the Project Manager available on a regular basis to provide such reporting as necessary to allow the COUNTY to realize all program progress and provide status reports.

2. COST AND PAYMENT FOR DISCOVERY SERVICES

All expenses incurred by TMA in performing Discovery Services pursuant to this Agreement including, but not limited to, travel, food, lodging, mileage, and salaries shall be the responsibility of TMA. COUNTY will be responsible for providing TMA with letterhead, envelopes, and other office materials stamped with the COUNTY logo to complete correspondence on all accounts for Discovery services.

- A. **Discovery Fee:** The COUNTY shall pay to TMA, for the services furnished under this Agreement, a "Fee" for each business location discovered and processed by TMA, defined as the Final Product and described in Subsection 6-6a. The Fee for Final Product shall be forty-five percent (45%) of COUNTY taxes, penalties, interest and fees billed to the Discovered Business when the "Cumulative Account Value," defined as the reported or estimated true cash value of all taxable personal property owned by a Discovered Business, summed for all taxable years discovered, is equal to or greater than the Lower Threshold, as described below in Subsection c.
 - a. **Cumulative Account Value Adjustments:** The Cumulative Account Value may be adjusted on Estimated Accounts at the discretion of the COUNTY. TMA has no authority and expressly denies any right to place a value or to make an assessment on any property within the COUNTY. Cumulative Account Value Adjustments on File Processed Accounts may likewise be made at the discretion of the COUNTY, including the option not to include previous years. However, TMA will charge a Fee on File Processed Account Final Product based on the Cumulative Account Value originally reported by TMA to the COUNTY. Errors which are the fault of TMA processing, keystroke errors, or other miscellaneous errors which are not reflective of fact will be corrected and all Fees adjusted accordingly.
 - b. **New Accounts:** The COUNTY will be responsible for supplying TMA with an electronic file containing all personal property accounts currently on the COUNTY's tax roll. From the date of transmission forward all additional accounts added to the rolls will be billable by TMA to COUNTY until the Discovery Services cease.
 - c. **Lower Threshold:** TMA agrees to allow the COUNTY to select a lower threshold of personal property value as the Cumulative Account Value to be equal to or less than [\$_____00]. Any account with a reported, estimated, or assumed value below this threshold will not be processed by TMA, and will not be a billable account. TMA will return information on accounts meeting the definition of this section in a tabular format to the COUNTY, but will not process the account or attempt to collect more information about these locations or business operations.

- d. Revenue Neutral: TMA will not bill the COUNTY for any files that are deemed to be uncollectable due to business closure or a mistake of fact related to TMA's Discovery Services resulting in incorrect situs information or duration of business activity. The total of TMA's invoices for Discovery Services under this contract will also not exceed the total billable amount in taxes which result from the same Discovery Services. The intent of this section is to insure that the COUNTY does not pay more for these Discovery Services than they generate in revenue to the COUNTY. This section does not apply to Final Product that the COUNTY chooses not to bill or to collect delinquent tax amounts.
- C. To facilitate TMA's billing for audit and discovery fees the County agrees to provide TMA a copy of paid tax receipts issued to taxpayers following the payment of taxes generated from an audit and discovery performed by TMA, within ten (10) days following receipt of payment.
- D. TMA shall invoice the County for applicable audit and discovery fees on a monthly basis. Invoiced fees will be due and payable within ten (10) days following billing date. If payment is not received by TMA within thirty (30) days from billing date, unpaid balance of fees will be subject to additional fees in the amount of one and one-half percent (1 1/2%) per month until payment is received.
- E. All legal costs involving appeals resulting from audits and discovery shall be the responsibility of the County. TMA shall be responsible for defending its audit and discovery findings throughout any appeals process without additional cost to the County. Defense of audit and discovery findings shall include personal appearances at meetings with taxpayers or their representatives, and providing testimony and evidence at all hearings before the County Tax Assessor, Board of Equalization and Review, Board of County Commissioners, and at any other appeal level concerning information associated with the audit and discovery of the business in question.

GENERAL PROVISIONS

1. **AUTHORITY TO CONTRACT:** The COUNTY'S authority to contract for the service herein is authorized by North Carolina General Statute 105-299.
2. **INVOICES:** All invoices shall be submitted by TMA to the COUNTY TAX ASSESSOR with sufficient detail.
3. **CANCELLATION:** This Agreement shall become effective from the date entered above and shall remain in effect for twenty-four (24) months unless otherwise extended by a written addendum signed by both parties for a period of an additional year.
4. **COLLATERAL ASSIGNMENT:** The COUNTY acknowledges and agrees that payment due TAX MANAGEMENT ASSOCIATES, INC. under this Agreement and all other agreements with the government authority (the "Agreement") have been collaterally assigned to Branch Banking and Trust Company (a North Carolina banking corporation, whose address is 6869 Fairview Road, Charlotte, North Carolina 28210-3384). All payments due TAX MANAGEMENT ASSOCIATES, INC. under this the Agreement will be sent, UPON REQUEST, to the Bank at that address pursuant to a financing and cash management arrangement. The Bank is authorized to receive information relating to this Agreement and payments due under the Agreement and all amendments or modifications to the Agreement from LEE COUNTY (the government authority). The Bank is authorized to rely upon the terms of the Agreement. The government authority agrees to give notice to the Bank thirty (30) days prior to termination of this Agreement.
5. **INDEMNIFICATION:** To the fullest extent permitted by laws and regulations, TMA shall indemnify and hold harmless the COUNTY and its officials, agents, and employees from and against all claims, damages, losses and expenses, direct, indirect or consequential (including, but not limited to, fees and charges of engineers or architects, attorneys and other professionals and costs related to court action or arbitration) arising out of or resulting from the performance of this contract or the actions of TMA or its officials, employees, or contractors under this Contract or under the Contracts entered into by TMA in connection with this contract. This indemnification shall survive the termination of this Agreement.
6. **NON-DISCRIMINATION:** TMA shall not discriminate against any person on the grounds of race, color, national origin, sex, age or disability in the administration of this contract. Nor shall any person be excluded from participation in, or be denied the benefits of this contract on the grounds of race, color, national origin, sex, age or disability.
7. **LAW CONTROLLING:** The laws of the state of North Carolina shall control and govern this contract.
8. **NON-ASSIGNMENT:** This Agreement is not assignable by either party, by operation of law or otherwise.
9. **MODIFICATION:** This contract may be modified only by a written agreement executed by both parties hereto.
10. **ENTIRE AGREEMENT:** This contract constitutes the entire agreement of the parties and no other agreement or modification to this contract, expressed or implied, shall be binding on either party unless same shall be in writing and signed by both parties. This Agreement may not be orally modified. Any modifications must be in writing, expressly titled a modification or addendum to this contract, attached to this contract, and signed by both parties.

11. **SEVERABILITY**: Should any provision, portion, or application thereof of this Agreement be determined by a court of competent jurisdiction to be illegal, unenforceable, or in conflict with any applicable law or constitutional provision, the Parties shall negotiate an equitable adjustment in the affected provisions of this Agreement with a view toward effecting the purpose of this Agreement, and the validity and enforceability of the remaining provisions, portions, or applications thereof, shall not be impaired.
12. **HEADINGS**: The subject headings of the paragraphs are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions. This Agreement shall be deemed to have been drafted by both parties, and no purposes of interpretation shall be made to the contrary.
13. **NOTICES**: Any notices to be given or submitted by either party to the other pursuant to this Agreement shall be made in writing and sent by first class mail, postage paid or by hand delivery to:

COUNTY:
LEE COUNTY
106 Hillcrest Drive
Sanford, NC 27331
ATTN: T. Dwane Brinson, Tax Director

CONSULTANT:
TAX MANAGEMENT ASSOCIATES, INC.
2225 Coronation Blvd.
Charlotte, NC 28227
ATTN: Richard H. Cooke, Sr., President

Executed and entered into by the parties hereto.

ACCEPTED:

LEE COUNTY
BOARD OF COMMISSIONERS
106 HILLCREST DRIVE
SANFORD, NC 27331

ACCEPTED:

TAX MANAGEMENT ASSOCIATES, INC.
2225 CORONATION BLVD
CHARLOTTE, NC 28227

AUTHORIZED SIGNATURE:

Wanda A. Shook
Wanda A. Shook

TITLE: Chairman

DATE: 4-18-11

AUTHORIZED SIGNATURE:

Richard H. Cooke, Sr.

RICHARD H. COOKE, SR.

TITLE: PRESIDENT

DATE: 5-6-11

ATTEST BY:

Gaynell M. Lee
Gaynell M. Lee

TITLE: Clerk to the Board

COUNTY CLERK (SEAL)

ATTEST BY:

Loree Y...

APPROVED: (If necessary)

AUTHORIZED SIGNATURE:

NAME: _____

TITLE: _____

DATE: _____

APPROVED: (If necessary)

AUTHORIZED SIGNATURE:

NAME: _____

TITLE: _____

DATE: _____

THIS CONTRACT HAS BEEN APPROVED AS TO LEGAL FORM BY THE LEE COUNTY ATTORNEY'S OFFICE ON 4-18, 2011

SIGNATURE: R. R. Hightower

TITLE: County Attorney

This instrument has been pre-audited in the manner required by the local government budget and fiscal control act.

FINANCE OFFICER: Lisa D. Me...

Tax Management Associates, Inc.
Business Personal Property Audit and Consulting Services
Contract Addendum

This Contract Addendum is made and entered into this 19th day of August, 2013 by and between LEE COUNTY, a political subdivision of the State of North Carolina, hereinafter referred to as "COUNTY" and TAX MANAGEMENT ASSOCIATES, INC., a corporation authorized to conduct business in North Carolina, hereinafter referred to as "TMA".

WITNESSETH:

WHEREAS, COUNTY and TMA have previously entered into an agreement dated September 23rd, 1996 and addendum dated April 18th, 2011, for Business Personal Property Audit Services; and

WHEREAS, the North Carolina General Assembly 2011 has passed House Bill 462 and subsequently amended General Statute 105-299 to prohibit the use of contingency based payments for the services found in the original agreement; and

WHEREAS, COUNTY and TMA desire to amend that agreement by this written Contract Addendum while keeping in effect all terms and conditions of the original agreement and associated addendums.

NOW, THEREFORE, for in consideration of the mutual covenants and agreements made herein, the parties agree as follows:

AGREEMENT

The Original Agreement of September 23rd, 1996 and addendum dated April 18th, 2011 is still agreed upon in their entirety with the following exceptions:

ELIMINATIONS AND INSERTIONS

1. By eliminating from the original agreement dated September 23rd, 1996 the complete paragraph identified under SERVICES paragraph C., and inserting a new paragraph C. to read as follows:
 - C. Audits to be performed by TMA to verify the accuracy in Taxpayers' listings shall be selected and assigned by the County as may hereafter be deemed appropriate. It is agreed to by the County that approximately sixty-eight (68) audits be assigned to TMA for audit each year during a sixty (60) month period beginning from the date of execution of this Agreement.
2. By eliminating from the original agreement of September 23rd, 1996 under COST AND PAYMENT FOR AUDIT SERVICE, paragraph A. and inserting a new paragraph A. to read as follows:

- A. The County shall pay to TMA for services furnished under this Agreement the sum of seven hundred thirty-five dollars (\$735.00) per taxpayer location assigned for audit by the County according to the below charts.

FY 2013		
Class Size	Personal Property Assessed Value Range	No of Accounts
A	\$50,000 - \$399,999	56
B	\$400,000 - \$999,999	6
C	\$1,000,000 - \$4,999,999	3
D	\$5,000,000 - \$19,999,999	2
D3	\$20,000,000 and greater	1
Total Number of Accounts Assigned		68
Total Cost		\$49,980

3. By eliminating from the original agreement of September 23rd, 1996 under COST AND PAYMENT FOR AUDIT SERVICE, paragraph D. & E. and inserting therein in its place a new paragraph D. & E. to read as follows:
- D. TMA agrees to bill the County on a monthly basis; however, no billing shall include charges for services rendered on an audit unless and until the audit has been completed and the taxpayer's appeal rights exhausted or time barred by applicable statutes of limitations, unless otherwise agreed by the County Assessor.
- E. Not Contingency Fee – It is expressly understood by the County and TMA this contract and/or contract addendum(s) are not subject to contingency fees on the results of any or all audit(s) assigned by county to TMA and performed by TMA. Fees for said audits, regardless of the outcome or results of said audits, will be invoiced by TMA to the County after said audits have been completed and the taxpayer's appeal rights exhausted or time barred by applicable statutes of limitations, unless otherwise agreed by the County Assessor.
4. By eliminating from the original agreement of September 23rd, 1996 under GENERAL PROVISIONS paragraph 3. CANCELLATION, and inserting therein in its place a new paragraph 3 to read as follows:
3. This Agreement shall become effective from the date entered above and shall remain in effect for an initial term of sixty (60) months, and shall continue in effect thereafter on a month-to-month basis. This agreement shall be cancellable by either party upon thirty (30) days written notice.

In WITNESS WHEREOF, the parties have duly executed this Contract Addendum as of the date first above written.

Tax Management Associates, Inc.

Attest:

Richard H. Cooke, Jr., CEO

Brian H. Loher, CFO

Date

Date

Lee County

Attest

✓ Charles T. Parks
Charles T. Parks, Chairman
Lee County Board of Commissioners

Gaynell M. Lee
Gaynell M. Lee
Clerk to the Board

8-19-13
Date

8-19-13
Date

TAX MANAGEMENT ASSOCIATES, INCORPORATED

AND

LEE COUNTY, NORTH CAROLINA

BUSINESS PERSONAL PROPERTY AUDIT SERVICES CONTRACT ADDENDUM

This Contract Addendum is made and entered into this 25th day of July, 2023, by and between LEE COUNTY, a political subdivision of the State of North Carolina, hereinafter referred to as "COUNTY" and TAX MANAGEMENT ASSOCIATES, INC., a corporation authorized to conduct business in North Carolina, hereinafter referred to as "TMA".

WITNESSETH:

WHEREAS, COUNTY and TMA have previously entered into an agreement dated September 23, 1996, and an addendum dated August 19, 2013, for Business Personal Property Audit Services and

WHEREAS, COUNTY and TMA desire to amend the agreement by this written Contract Addendum while keeping in effect all terms and conditions of the previous agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements made herein, the parties agree as follows:

AGREEMENT

1. By eliminating from the original agreement of September 23rd, 1996, under GENERAL PROVISIONS paragraph 3. CANCELLATION, and from the amendment of August 19th, 2013, ELIMINATIONS AND INSERTIONS, paragraph 4, and inserting therein in its place a new paragraph 3 to read as follows:
 3. This Agreement shall become effective from July 1, 2023, until June 30, 2024, and shall renew thereafter on an annual basis. This agreement shall be cancellable by either party upon thirty (30) days written notice.

The parties have expressed their agreement to these terms by causing this Contract Addendum to be executed by their duly authorized officer or agent. This Agreement shall be effective as of the date herein.

COUNTY:

By: Kirk D. Smith

Title: CHAIRMAN

Date: 25 July 2023

TMA:

By: GA Con J.

Title: CEO

Date: 7-11-2023

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

Amelia Jeman
Finance Officer, Lee County

CONTRACT ADDENDUM
FOR CONTRACTS WITH ANY DEPARTMENT OF
LEE COUNTY GOVERNMENT

CONTRACTOR: Tax Management Associates Inc.

COUNTY DEPARTMENT: Tax Office

SUBJECT OF CONTRACT: Business Personal Property Audit

DATE/TERM OF CONTRACT: July 1, 2023-June 30, 2024

Notwithstanding any provision contained in the above referenced Contract or Agreement which may be to the contrary, the following provisions are incorporated and shall apply, supplant and control:

Non-appropriation clause. Contractor acknowledges that Lee County is a governmental entity, and the contract validity is based upon the availability of public funding under the authority of its statutory mandate. In the event that public funds are unavailable and not appropriated for the performance of Lee County's obligations under this contract, then this contract shall automatically expire without penalty to Lee County thirty (30) days after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that Lee County shall not activate this non-appropriation provision for its convenience or to circumvent the requirements of this contract, but only as an emergency fiscal measure during a substantial fiscal crisis, which affects generally its governmental operations. In the event of a change in the Lee County's statutory authority, mandate and mandated functions, by state and federal legislative or regulatory action, which adversely affects Lee County's authority to continue its obligations under this contract, then this contract shall automatically terminate without penalty to Lee County upon written notice to Contractor of such limitation or change in Lee County's legal authority.

Dispute Resolution/Jurisdiction/Venue. Any dispute arising under this Agreement may be settled by mediation in the State of North Carolina in accord with such procedures as may be available to units of local government under state law. No other dispute resolution procedures shall apply. Jurisdiction for any legal proceedings concerning this contract or agreement shall be state courts in the State of North Carolina. Venue for such proceedings shall be Lee County.

No pledge of taxing authority. No deficiency judgment may be rendered against Lee County or any agency of Lee County in any action for breach of a contractual obligation under this contract. The taxing power of the Lee County is not pledged directly or indirectly to secure any monies due under this contract.

Conflict of Interest: If this is a contract for design, engineering, contract administration or similar services, the Contractor will not enter into contracts or agreements with third parties that may present a potential for conflict of interest between Lee County and the third parties regarding the subject matter of this Contract or Agreement.

Compliance with E-Verify requirements: The Contractor and any of its subcontractors must comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, if applicable, which requires certain employers to verify the work authorization of each newly hired employee through the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies.

Divestment from companies that boycott Israel: Contractor certifies that (a) it is not identified on the Israel Boycott List or any other list created by the NC State Treasurer pursuant to N.C.G.S. 147-86.80 et al and (b) It will not take any action causing it to appear on any such list during the term of the contract agreement.

Iran Divestment Act Certification. The Contractor certifies that the Contractor is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. 147-86.58 (the Final Divestment List) and the Contractor will not utilize any subcontractors performing work under this Contract which is listed on the Final Divestment List. The Final Divestment List can be found on the State Treasurer's website at the address and should be updated every 180 days.

Non-Discrimination in Employment. The Contractor will not discriminate again any employee or applicant for employment because of age, sex, race, creed, national origin or disability. In the event Contractor is determined by the final order of an appropriate agency or court to be in violation of this provision or any non-discrimination provision of federal, state or local law, this Contract may be suspended or terminated, in whole or in part by the County. In addition, the Contractor may be declared ineligible for further contracts with the County.

Indemnification: The Contractor agrees, to the fullest extent permitted by law, to indemnify and hold harmless the County, its officers, directors and employees (collective, County) against all damages, liabilities, or costs, including reasonable attorneys' fees and defense costs, to the extent caused by Contractor's negligent performance of services under this Agreement and that of its subcontractors or anyone for whom the Contractor is legally liable.

Drug-Free Workplace. During the performance of this agreement, the Contractor agrees to (i) provide a drug-free workplace for its employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees of the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in its workplace and specifying the actions that will be taken against employees for violations of such prohibitions, (iii) state in all solicitations or advertisements for employees placed by or on its behalf that it maintains a drug-free workplace; (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000.00 so that the provisions will be binding upon each subcontractor or vendor.

For the CONTRACTOR:



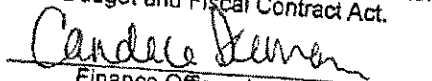
Title: CEO

For LEE COUNTY:



Title: CHAIRMAN

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


Finance Officer, Lee County

This CONTRACT made and entered into this the 17th day of June, 2024, by and between the County of Lee, one of the 100 counties of the State of North Carolina and a body politic and corporate, hereinafter referred to as COUNTY, and the Sanford-Lee County Partnership for Prosperity, doing business as Sanford Area Growth Alliance, a non-profit corporation organized and existing under the laws of the State of North Carolina, hereinafter referred to as SAGA.

WITNESSETH

WHEREAS, Chapter 158 of the North Carolina General Statutes authorizes counties to engage in economic development activities; and,

WHEREAS, North Carolina General Statute §153A-449 authorizes counties to contract with and appropriate money to a corporation to carry out any public purpose that a county is authorized by law to perform; and,

WHEREAS, it is the desire of the Lee County Board of Commissioners that the County should engage in economic development activities and that SAGA should be employed to undertake such activities on behalf of the County; and,

WHEREAS, SAGA, by action of its Board of Directors, has indicated its willingness to perform such activities on behalf of the County; and,

WHEREAS, both parties desire a written memorandum of their agreement.

NOW, THEREFORE, in consideration of the premises, the sums to be paid, and the mutual promises herein set out, the parties have mutually agreed as follows:

1. County hereby engages SAGA to carry out a program of economic development in keeping with the authority granted to it by Chapter 158 of the North Carolina General Statutes and SAGA accepts such engagement and promises to perform and carry out such a program.
2. County agrees to make an annual budgetary appropriation to pay for the services provided by SAGA to include the recruitment of new industry, business retention and expansion, marketing of Lee County and business/industrial sites and any other activity, which is considered typical for an economic development agency to provide to a County.
3. In consideration for making the annual budgetary appropriation, the County will appoint three members to the SAGA Board of Directors at their sole discretion and consistent with County Policy on Board Appointments. Based on the County's level of funding, the Board of Commissioners will review this on an annual basis.
4. One of the Board members appointed to the Board of Directors shall be an elected County Commissioner. The Board of Commissioners can also elect an alternate Commissioner to serve on the SAGA Board of Directors. The alternate Commissioner can attend all meetings of the Board of Directors but shall not vote on any matters, unless the appointed Commissioner is absent.

5. The other members appointed to the SAGA Board of Directors by the Board of Commissioners shall be private citizens.
6. Lee County and SAGA agree to participate and plan an annual meeting that will include the City of Sanford and the Town of Broadway. At this meeting, SAGA will deliver a report to all three boards detailing the activities of SAGA. SAGA or any of the three local governments may propose additional meetings as needed. In addition, on an annual basis, SAGA will include an annual economic outlook report as well as a review of the successes achieved by SAGA. SAGA will also provide a monthly written report to the Lee County Board of Commissioners as an update on the activities of SAGA. The SAGA Director and/or the Economic Development Director will appear before the County Commissioners to give updates and seek support for projects in the County as needed.
7. Continue to operate a joint community and economic development office in the Old Buggy Factory in downtown Sanford in order to foster cooperation amongst Lee County, the City of Sanford and the Town of Broadway. The Old Buggy Factory will continue to be a "one stop shop" for the economic development growth of the community, as long as all parties agree to the continued relationship.
8. SAGA agrees to the following:
 - a. To select, supervise and evaluate the performance of the SAGA staff to ensure that the delivery of an effective Economic Development Program. SAGA will provide an updated list of staff to the Clerk to the Board of Commissioners annually or anytime there is a change in staff.
 - b. To direct the Economic Development staff to develop and implement an effective economic development program. The SAGA Board of Directors will monitor the results of the program and develop action plans to help develop job growth and investment in Lee County. Addendum A includes a list of current SAGA Board of Directors.
 - c. To follow the County's Economic Development Investment Guidelines in dealing with incentives to industry and businesses. The Executive Director will take the project before the SAGA Board of Directors or Executive Board for a recommendation. All recommendations, favorable or unfavorable, will be forwarded to the Lee County Board of Commissioners for their consideration, once recommended by the SAGA Economic Development Committee and/or the SAGA Executive Board of Directors and/or the SAGA Board of Directors. The recommendation of the SAGA Executive Committee will be provided in writing to the Lee County Board of Commissioners before the public hearing is held on a potential project.
 - d. To cooperate fully with all agencies located in Lee County whose goal is to grow the Town of Broadway, City of Sanford, and Lee County. These groups include, but are not limited to, the Sanford Area Chamber of Commerce, Lee County Board of Education, City of Sanford Downtown Development Corp., and Central Carolina Community College.
 - e. To keep accurate, thorough, and detailed records of the expenditure of funds appropriated by the County for economic development. Annually, SAGA will provide an

annual budget request to the County Manager. The annual budget request will be the financial plan that addresses SAGA's efforts to recruit new industry and retain existing industry. The budget is due to the County Manager by March 15th of each year.

- f. SAGA will provide an audit every other year to the Board of Commissioners. The years an audit is not provided, their auditor will conduct a financial review and a copy will be provided to the Commissioners. For fiscal years in odd numbered years, a financial review will be conducted, for fiscal years in even numbered years an audit will be conducted. Either the financial report or the audit will be due to the Commissioners by December 31st of each year.
 - g. SAGA will establish an audit committee that will work with SAGA's auditor to complete the annual audit. The audit committee currently consists of the treasurer of SAGA Board of Directors, the Lee County Manager, the Town of Broadway Manager and the City of Sanford Manager.
 - h. SAGA may submit an annual Capital Improvements Plan to the Board of Commissioners which outlines the infrastructure needs of the County for economic development purposes over the next five (5) year period. Any capital improvement item over \$500,000.00 which the SAGA Board of Directors wants the Board of Commissioners to consider must go through the CIP process. Any capital funding less than \$500,000.00 will be included in SAGA's annual budget request submitted to the Board of Commissioners. SAGA can, during the fiscal year, come and request additional capital funding if projects present themselves that will stimulate economic development and growth in the County.
 - i. To apprise the Board of Commissioners and the County's Clerk of all job announcements before media is contacted for the purpose of a public announcement.
 - j. To cooperate fully with the County's auditors in their annual examination of county expenditures.
 - k. To abide by the North Carolina Non-Profit Corporation Act, Chapter 55A of the North Carolina General Statutes.
9. The annual appropriation to SAGA in FY 2023-2024 will be \$355,970. The appropriation of funds by the County for subsequent fiscal years and the acceptance of the same by SAGA shall renew or extend this agreement for such fiscal year. As required by the Local Government Budget Fiscal Control Act, this agreement is subject to the annual appropriation clause of the Act.
10. This agreement becomes effective July 1, 2024.

IN WITNESS WHEREOF, County has caused this instrument to be executed in its name by the Chairman of the Board of Commissioners for said County and attested by the Clerk of said board, and its County seal to be affixed, all by authority of its Board of Commissioners, first duly given; and SAGA has caused this instrument to be executed in its name by its President for said County and attested by its Secretary, and its corporate seal to be affixed, all by authority of its Board of Directors, first duly given, both effective as of the 17th day of June, 2024.



LEE COUNTY BOARD OF COMMISSIONERS

By: *David D. Miller*

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

Candace Deeman
Finance Officer, Lee County

Hailey Hall
Hailey Hall
Clerk to the Board

SANFORD AREA GROWTH ALLIANCE

By: _____

ATTEST:

Secretary

Addendum A

The 2022-2023 SAGA Board of Directors currently consists of:

1. Jody Albright, Central Electric Membership Corporation
2. Donald Andrews, Mayor, Town of Broadway
3. Todd Baker, Carter Bank & Trust
4. David Bernard, Lee County Board of Commissioners Appointee
5. Kirk Bradley, Lee-Moore Capital Company
6. Sandra Holden, Caterpillar, Inc.
7. Dr. Chris Dossenbach, Lee County Schools
8. Byron Buckles, Sanford City Council
9. Bill Carver, Lee County Commissioners
10. Dr. Lisa Chapman, Central Carolina Community College
11. Joe Clancy, Express Employment Professionals
12. Tom Darden, Cherokee Land Company
13. Alan Dossenbach, Dossenbach's Finer Furniture
14. Ray Trapp, Duke Energy
15. Dave Santoemma, Central Carolina Hospital
16. Dr. Jim Foster, Farm Bureau
17. John Godfrey, Town of Broadway
18. Tina Gross, Gross Farms
19. Scott Hadley, Lee & Associates Commercial Real Estate Services
20. Hal Hegwer, City of Sanford
21. Bob Heuts, Raleigh Executive Jetport
22. Jimmy Keen, Truist
23. Carter Keller, Carolina Commercial Contractors
24. Steve Malloy, Adcock & Associates
25. Chet Mann, CMG Financials
26. Joni Martin, Progressive Contracting Company, Inc.
27. Charles Mellette, Christian Provision Ministries
28. Lisa Minter, Lee County Government
29. April Montgomery, REAP HOLDINGS LLC
30. Ryan Murphy, Rodeco Company
31. Donnie Oldham, Sanford Contractors
32. Richard Oldham, Sanford Contractors
33. Ella Pantaleon, Multitech Mechanical
34. Jerry Pedley, Mertek Solutions, Inc.
35. Julian Philpott, Central Carolina Community College
36. Jay Rapp, Helix Ventures
37. Rebecca Salmon, Mayor, City of Sanford
38. Kirk Smith, Lee County Board of Commissioners
39. Dr. Bill Stone, NC Cooperative Extension-Lee County Center
40. Rich Trogdon, First Bank
41. Charlie Welborn, DMJPS
42. Bill Wilson, Wilson, Reives, Silverman & Doran, PLLC
43. Eric Davidson, Lee County Board of Education



LEE COUNTY GOVERNMENT

NORTH CAROLINA

June 17, 2024

North Carolina Attorney General Josh Stein
114 West Edenton Street
Raleigh, NC 27603

Dear Attorney General Stein,

The Lee County Government experienced a significant cost increase from some of our Information Technology vendors, one in particular, during this budget year. Like many local governments, Lee County has faced significant hurdles this fiscal year, trying to provide enhanced services to our constituents and funding the local school system and community college, all while addressing increased inflation costs for all County departments. Unfortunately, we have discovered, in Information Technology particularly, that many vendors are aware they can significantly increase maintenance costs to the counties and when the county reviews the increase, it is cost prohibitive to change companies. It appears that many vendors, especially those offering specialty services or those in which there are few competitors, know they can charge significant increases, and counties do not have much recourse. Lee County Government cannot be the only local government experiencing this same issue, and we would be surprised if the State of North Carolina hasn't also felt this pressure. The Board of Commissioners is writing a letter to ensure the State of North Carolina is aware of this local governmental issue, and asks that the Attorney General's Office review this issue to see if they can help remedy this pricing in any way.

Please do not hesitate to contact us if you have any questions. I would be happy to discuss this issue specifically with you or any of your designees. Thank you for your time.

Sincerely,

A handwritten signature in black ink that reads "Kirk D. Smith".

Kirk D. Smith
Lee County Board of Commissioners, Chair

MEMORANDUM



DATE: 6/18/2024
TO: Karyl Fuller
Principal Planner, Central Pines Council of Governments
FROM: Kirk D. Smith
Chairman, Lee County Board of Commissioners
RE: Lee County Transportation Committee Projects List

Dear Ms. Fuller,

The Lee County Transportation Committee met on May 10, 2024 with Lee County, the City of Sanford, Broadway township, the Raleigh Executive Jet Port, and the Sanford Area Growth Alliance represented. The Committee chose the top 10 projects for Prioritization 7.0 covering aviation, bike/pedestrian, roads, and railroad projects they would like to see funded. The Lee County Board of Commissioners approved the following list as presented at their June 17, 2024 regular Board meeting.

Projects include:

- Number 1: SPOT ID #H185128 SR 1415 Colon Road Widening Project from US1 to Deep River Road extend new road from Deep River to U.S.-15/501 \$168,900,000
- Number 2: SPOT ID ##A192996 Aviation Project North Terminal Development corporate hanger apron expansion \$15,000,000
- Number 3: SPOT ID #B192484 Bragg Street road diet bike/pedestrian sidewalks \$1,605,000
- Number 4: SPOT ID #B192478 Seventh Street bike: install median refuge islands at six intersections and construct sidewalks \$1,810,200
- Number 5: SPOT ID #H184278 NC 87 Frank Wicker Road/Traceway intersection Road project - Superstreet \$7,332,000
- Number 6: SPOT ID #H170750 new route from Commerce Drive Extension to Lee Avenue \$9,900,000
- Number 7: SPOT ID#A1929993 Aviation Project Wildlife fence \$2,085,000
- Number 8: SPOT ID #B231353 Little Buffalo Greenway bike/pedestrian \$1,166,600
- Number 9: SPOT ID#H150159 Tramway Road from Lemon Springs Road to U.S. Route 1 widening project \$122,060,000
- Number 10: SPOT ID # R192794 CSX S-Line Sanford to Franklinton - \$102,800,000

Please accept this list on behalf of the Lee County Commissioners and Lee County Transportation Committee for consideration.

Sincerely,

A handwritten signature in black ink that reads "Kirk D. Smith".

Kirk D. Smith
Chairman
Lee County Board of Commissioners

MEMO TO: LEE COUNTY BOARD OF COMMISSIONERS
 FROM: LISA MINTER, LEE COUNTY MANAGER
 SUBJECT: BUDGET AMENDMENT:# 6/17/24/17
 DATE: June 17, 2024

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

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
Recreation	1100-3612-38200	Rent	28,000	17,000	45,000
Other Revenues	1100-3930-38105	Interest Revenue 87	-	1,860	1,860
Other Revenues	1100-3930-38205	Lease Revenue 87	-	248,775	248,775
Other Revenues	1100-3930-38565	Lease Proceeds	-	105,943	105,943
Other Revenues	1100-3930-38566	Subscription Proceeds	-	171,929	171,929
Fund Balance Appropriated	1100-3990-39900	Fund Balance	6,410,907	60,000	6,470,907
TOTAL CHANGES				605,507	

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

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
Other Revenues	1100-3930-38200	Rent	93,772	78,001	15,771
Other Revenues	1100-3930-38210	Buggy Factory	172,635	172,635	-
TOTAL CHANGES				250,636	

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

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
GIS	1100-4143-46700	Capital Outlay-Subscriptions	-	156,065	156,065
Elections	1100-4172-46700	Capital Outlay-Subscriptions	-	105,943	105,943
Jail	1100-4320-43100	Professional Services	67,500	40,000	107,500
Jail	1100-4320-43961	Contracted Services Medical	377,050	20,000	397,050
Recreation	1100-6120-41200	Salaries and Wages	612,922	10,000	622,922
Recreation	1100-6120-41300	Temporary Salaries	233,624	7,000	240,624
Recreation	1100-6120-46700	Capital Outlay-Subscriptions	-	15,864	15,864
Debt Service	1100-9100-45103	Interest - Leases	-	4,319	4,319
Debt Service	1100-9100-45104	Interest - Subscriptions	-	33,928	33,928
Debt Service	1100-9100-45203	Principal - Leases	-	103,690	103,690
Debt Service	1100-9100-45204	Principal - Subscriptions	-	608,019	608,019
TOTAL CHANGES				1,104,829	

SECTION IV. THE FOLLOWING GENERAL FUND (1100) EXPENSE DECREASES ARE HEREBY APPROVED:

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
Commissioners	1100-4110-43960	Contracted Services	10,000	9,340	660
Administration	1100-4120-43380	Maintenance-Technology	7,000	905	6,095
Human Resources	1100-4125-44100	Office/Department Supplies	10,000	306	9,694
Finance	1100-4130-43380	Maintenance-Technology	1,126	917	209
Finance	1100-4130-43550	Dues & Subscriptions	8,487	7,500	987

SECTION IV. THE FOLLOWING GENERAL FUND (1100) *EXPENSE DECREASES* ARE HEREBY APPROVED (continued):

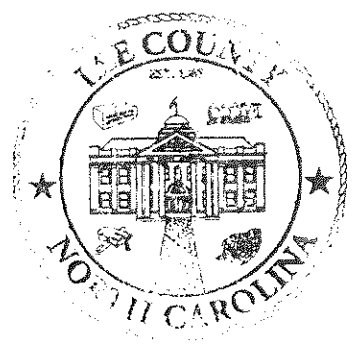
DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
GIS	1100-4143-43300	Maintenance-Equipment	37,165	35,945	1,220
GIS	1100-4143-44100	Office/Department Supplies	1,771	407	1,364
Internal Services	1100-4131-43230	Copier Expense	77,000	64,761	12,239
Internal Services	1100-4131-43520	Postage	4,000	1,944	2,056
Tax Appraisal	1100-4144-43380	Maintenance-Technology	133,975	130,945	3,030
Tax Appraisal	1100-4144-43960	Contracted Services	95,740	12,750	82,990
Tax Listing	1100-4146-43100	Professional Services	54,710	2,995	51,715
Tax Listing	1100-4146-43960	Contracted Services	20,500	1,255	19,245
Elections	1100-4172-43220	Rent Equipment	3,810	3,810	-
Elections	1100-4172-43380	Maintenance-Technology	14,467	11,304	3,163
Register of Deeds	1100-4180-43220	Rent Equipment	1,250	982	268
IT	1100-4210-43380	Maintenance-Technology	615,223	331,567	283,656
IT-Peg Channel	1100-4212-43100	Professional Services	13,920	13,510	410
General Services	1100-4262-43380	Maintenance-Technology	5,000	509	4,491
Sheriff	1100-4310-43380	Maintenance-Technology	120,497	22,777	97,720
Sheriff	1100-4310-43520	Postage	8,400	910	7,490
Jail	1100-4320-43380	Maintenance-Technology	31,185	21,000	10,185
Emergency Management	1100-4371-43380	Maintenance-Technology	16,170	10,806	5,364
Fire Marshal	1100-4372-43550	Dues & Subscriptions	3,564	306	3,258
Cooperative Extension	1100-4950-44200	EDP Supplies	3,194	3,194	-
Soil	1100-4960-44100	Office/Department Supplies	1,000	102	898
Health	1100-5100-43380	Maintenance-Technology	29,790	13,324	16,466
DSS	1100-5312-43220	Rent Equipment	4,655	4,655	-
DSS	1100-5312-43230	Copier Expense	27,755	27,755	-
DSS	1100-5312-43380	Maintenance-Technology	182,164	5,498	176,666
Library	1100-6110-43550	Dues & Subscriptions	7,363	204	7,159
Library	1100-6110-43380	Maintenance-Technology	14,983	1,943	13,040
Recreation	1100-6120-43380	Maintenance-Technology	6,837	5,834	1,003
TOTAL CHANGES				749,958	

Kirk Smith

 KIRK SMITH, CHAIR

Hailey Hall

 HAILEY HALL, CLERK TO THE BOARD



**LEE COUNTY, NORTH CAROLINA
FIRE DISTRICT BUDGET ORDINANCE
FISCAL YEAR 2024-2025**

BE IT ORDAINED by the Board of Commissioners of Lee County, North Carolina:

SECTION 1. The following amounts are hereby appropriated to the Carolina Trace Fire Department for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Carolina Trace Fire Department	\$ 818,576
Fire Marshal	62,563
TOTAL	\$ 881,139

SECTION 2. It is estimated that the following revenues will be available to the Carolina Trace Fire Department during the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Carolina Trace District Taxes	\$ 856,139
Fund Balance Appropriated	25,000
TOTAL	\$ 881,139

SECTION 3. The following amounts are hereby appropriated to the Northview Fire Department for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Northview Fire Department	\$ 1,201,236
Fire Marshal	125,267
TOTAL	\$ 1,326,503

SECTION 4. It is estimated that the following revenues will be available to the Northview Fire Department during the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Northview District Taxes	\$ 1,205,503
Fund Balance Appropriated	121,000
TOTAL	\$ 1,326,503

SECTION 5. The following amounts are hereby appropriated to the Cape Fear Fire Department for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Cape Fear Fire Department	\$ 752,947
Fire Marshal	55,099
TOTAL	\$ 808,046

SECTION 6. It is estimated that the following revenues will be available to the Cape Fear Fire Department during the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Cape Fear District Taxes	\$ 738,546
Fund Balance Appropriated	69,500
TOTAL	\$ 808,046

SECTION 7. The following amounts are hereby appropriated to the Northwest Pocket Fire Department for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Northwest Pocket Fire Department	\$ 469,884
Fire Marshal	29,617
TOTAL	\$ 499,501

SECTION 8. It is estimated that the following revenues will be available to the Northwest Pocket Fire Department during the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Northwest Pocket District Taxes	\$ 468,501
Fund Balance Appropriated	31,000
TOTAL	\$ 499,501

SECTION 9. The following amounts are hereby appropriated to the Lemon Springs Fire Department for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Lemon Springs Fire Department	\$ 718,600
Fire Marshal	58,214
TOTAL	\$ 776.814

SECTION 10. It is estimated that the following revenues will be available to the Lemon Springs Fire Department during the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Lemon Springs District Taxes	\$ 626,814
Fund Balance Appropriated	150,000
TOTAL	\$ 776,814

SECTION 11. The following amounts are hereby appropriated to the Tramway Fire Department for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Tramway Fire Department	\$ 698,679
Fire Marshal	74,947
TOTAL	\$ 773,626

SECTION 12. It is estimated that the following revenues will be available to the Tramway Fire Department during the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Tramway District Taxes	\$ 649,626
Fund Balance Appropriated	124,000
TOTAL	\$ 773,626

SECTION 13. The following amounts are hereby appropriated to the Deep River Fire Department for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Deep River Fire Department	\$ 597,507
Fire Marshal	49,933
TOTAL	\$ 647,440

SECTION 14. It is estimated that the following revenues will be available to the Deep River Fire Department during the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Deep River District Taxes	\$ 572,440
Fund Balance Appropriated	75,000
TOTAL	\$ 647,440

SECTION 15. The following amounts are hereby appropriated to the Clearwater Fire Service District for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Clearwater Fire Service District	\$ 63,750
Fire Marshal	4,638
TOTAL	\$ 68,388

SECTION 16. It is estimated that the following revenues will be available to the Clearwater Fire Service District during the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Clearwater Fire Service District	\$ 62,888
Fund Balance Appropriated	5,500
TOTAL	\$ 68,388

SECTION 17. There is hereby levied a tax at the rate of TWELVE AND EIGHT TENTHS (12.8) cents per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2024, located within the Carolina Trace Fire District for the raising of revenue for said district.

This rate is based on an estimated total valuation of \$672,514,000 for purposes of taxation and an estimated collection rate of 99.38%.

SECTION 18. There is hereby levied a tax at the rate of NINE AND ZERO TENTHS (9.0) cents per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2024, located within the Northview Fire District for the raising of revenue for said district.

This rate is based on an estimated total valuation of \$1,346,549,000 for purposes of taxation and an estimated collection rate of 99.85%.

SECTION 19. There is hereby levied a tax at the rate of TWELVE AND SEVEN TENTHS (12.7) cents per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2024, located within the Cape Fear Fire District for the raising of revenue for said district.

This rate is based on an estimated total valuation of \$592,276,000 for purposes of taxation and an estimated collection rate of 98.18%.

SECTION 20. There is hereby levied a tax at the rate of FIFTEEN AND ZERO TENTHS (15.0) cents per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2024, located within the Northwest Pocket Fire District for the raising of revenue for said district.

This rate is based on an estimated total valuation of \$318,362,000 for purposes of taxation and an estimated collection rate of 98.02%.

SECTION 21. There is hereby levied a tax at the rate of TEN AND TWO TENTHS (10.2) cents per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2024, located within the Lemon Springs Fire District for the raising of revenue for said district.

This rate is based on an estimated total valuation of \$625,770,000 for purposes of taxation and an estimated collection rate of 97.87%.

SECTION 22. There is hereby levied a tax at the rate of EIGHT AND TWO TENTHS (8.2) cents per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2024, located within the Tramway Fire District for the raising of revenue for said district.

This rate is based on an estimated total valuation of \$805,640,000 for purposes of taxation and an estimated collection rate of 98.90%.

SECTION 23. There is hereby levied a tax at the rate of TEN AND EIGHT TENTHS (10.8) cents per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2024, located within the Deep River Fire District for the raising of revenue for said district.

This rate is based on an estimated total valuation of \$536,748,000 for purposes of taxation and an estimated collection rate of 98.67%.

SECTION 24. There is hereby levied a tax at the rate of TWELVE AND SEVEN TENTHS (12.7) cents per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2024, located within the Clearwater Fire Service District for the raising of revenue for said district.

This rate is based on an estimated total valuation of \$49,851,000 for purposes of taxation and an estimated collection rate of 99.14%.


SECTION 25. Copies of the Fire District Budget Ordinance shall be furnished to the Budget Officer, the Finance Officer, and the Tax Administrator for direction in carrying out their duties.

Commissioner Lovick moved to approve the Fire District Budget Ordinance, and upon a vote, the results were as follows:

Aye: Carver, Knecht, Lovick, Reives, Sharpe, Smith, Vorbeck
Nay:

The Chair ruled the Fire District Budget Ordinance _____.


Kirk D. Smith, Chairman


Hailey Hall, Clerk to the Board



quarterly installments.. The County and City will use the budget estimate for the upcoming fiscal year to determine suggested funding of the Department for the coming year. Parties agree that the division of funding for the County will remain at 45 percent for the term of this Agreement, subject to agreed upon adjustments.

3. **SERVICES.** The City agrees to provide to the County comprehensive planning services including zoning administration and enforcement, subdivision administration, watershed administration, long-range planning, transportation planning, airport hazard ordinance administration, flood plain ordinance administration, and land use planning. The City will also provide housing rehabilitation program administration, including administration of funds received through the North Carolina Division of Community Assistance, Small Cities Community Development Block Grant Program, and N.C. Housing Finance Agency "HOME" Program. City employees will act as planning and zoning staff, will provide proper reports on a monthly basis to the Board of Commissioners, County Planning Board, and County Board of Adjustment, and will coordinate services with other City and County departments. City will provide day-to-day management of all Department operations by the Community Development Director (hereinafter "Department Director"), under the direction of the City Manager. Any person having a complaint concerning planning services may direct it to the City Manager. County agrees to follow departmental protocol for all citizen complaints. Any complaints regarding the unincorporated areas of the County shall be communicated to the County manager.
4. **AUTHORIZATION.** County agrees that the City of Sanford Community Development Department employees shall be authorized to enforce all County zoning, subdivision and other pertinent ordinances and regulations in the County in connection with providing the services listed above. The County agrees to promptly provide to the Department a copy of all properly adopted regulations and ordinances pertaining to the services listed above.
5. **COMPENSATION.** The County agrees to compensate the City for services performed pursuant to this Agreement by paying the amount agreed upon in quarterly installments on July 15, October 15, January 15 and April 15.
6. **FISCAL ACCOUNTABILITY.** The City agrees to present the County with a budget that reflects the projected cost of operating the Department and will provide annual year to date expenditure upon request.
7. **FEES.** Planning fees established by ordinance shall be collected by the Department and deposited with the City Finance Department in a timely manner. Fee schedules will be

reviewed annually by the Department Director for recommendation to the Board of Commissioners. Fees charged by the Department to the Town of Broadway will go towards the total cost of operations of the Department.

8. ASSETS ACQUIRED IN THE FUTURE. From and after July 1, 2013, all capital assets which are acquired for use by the Department will be approved during the budget process and appropriated by the City Council. These assets will be under the sole ownership of the City, and City will pay 100 percent of the cost of the assets. Access to any software and related databases that are developed will be given to the County in the event this contract is not renewed. County shall pay all license fees or costs necessary and in accordance with law or contract to access this information.
9. TERMINATION. In addition to the method of termination provided in paragraph 1, either party may terminate this agreement upon six (6) months' written notice to the other party.

Notice shall be given:

as to the City of Sanford: City Manager
P.O. Box 3729
Sanford, NC 27331-3729

as to the County of Lee: County Manager
P.O. Box 1968
Sanford, NC 27331-1968

10. EFFECTIVE DATE. This agreement shall be effective upon its adoption by the majority vote of the members of the governing board of the County and City and its due execution by the proper officials of each unit of government. The minutes of each unit of government shall record the action taken in accordance herewith.
11. RETENTION OF POWERS. This is a contract for planning services only and each governmental unit retains its appointive and decision making powers within their respective jurisdiction.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed in their respective names by their proper officials all by authority of a resolution duly adopted by the governing body of each of the governmental units.

County of Lee



Kirk D. Smith
Chair, Board of Commissioners

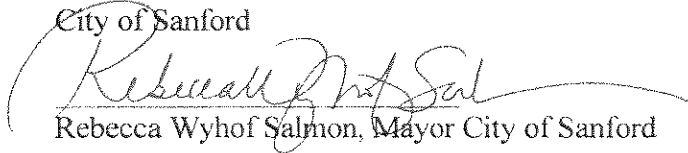


Attest:



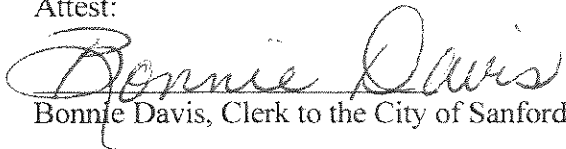
Hailey Hall, Clerk to the Board of Commissioners

City of Sanford

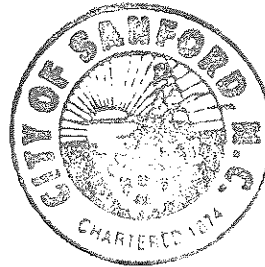


Rebecca Wyhof Salmon, Mayor City of Sanford

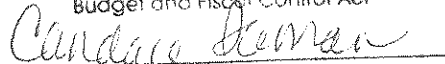
Attest:



Bonnie Davis, Clerk to the City of Sanford Council



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



Candace Keman
Finance Officer, Lee County



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

BE IT ORDAINED by the Board of Commissioners of Lee County, North Carolina:

SECTION 1. There is hereby appropriated in the General Fund the following amounts for the purpose of operating the County of Lee during the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025, in accordance with the chart of accounts heretofore established for this county:

Commissioners	\$ 258,164
Administration	1,092,460
Human Resources	962,690
Finance	814,841
Internal Services	700,266
Strategic Services	710,922
Tax-Appraisal	854,682
Tax-Collections	941,065
Tax-Listing	526,192
County Attorney	689,873
Court Facilities	13,952
Elections	832,345
Register of Deeds	567,627
Information Technology	2,239,788
Information Technology – PEG Channel	28,612
Buildings and Grounds	7,066,968
Buggy Factory	398,777
Sheriff	8,973,493
Animal Control Enforcement	639,350
School Resource Officers	2,269,610
Sheriff-Communications	627,018
Jail	3,926,899
911 Communications	532,891
State Forestry	129,497
Medical Examiner	90,000
Juvenile Justice	1,200
Juvenile Detention	210,000
Emergency Medical Services	1,042,256
Emergency Services	639,653
Fire Marshal	499,564
Planning & Zoning	746,592
Economic Development	1,896,180
Agriculture Extension	499,749
Soil Conservation	168,965

Health Department – Administration	1,134,216
Health Department - Programs	
Maternal Health	300,570
Child Health	260,743
Primary Care	249,295
Promotion	91,528
WIC – Client Services	194,352
Family Planning	407,391
Animal Control	308,182
Environmental Health	977,052
AIDS Control	49,055
Bioterrorism	42,586
WIC – Breast Feeding	47,673
Child Service Coordinator	200,483
Communicable Disease	445,972
Breast/Cervical Cancer Control	31,567
Immunizations	159,090
Infant Mortality Reduction	196,350
Pregnancy Care Management	208,734
WIC – General Administration	30,913
WIC – Nutrition Education	89,631
Mental Health Contribution	240,000
Community Support Services	498,453
DSS Administration	10,317,880
DSS Programs	933,225
Human Services Nonprofits	45,000
Senior Services-Transportation	1,942,407
Senior Services-General	1,580,383
JCPC	205,084
Lee County School System	
<i>Current Expense</i>	21,507,824
<i>Capital Expense</i>	1,994,200
<i>Lottery Projects</i>	685,000
Central Carolina Community College	
<i>Current Expense</i>	3,800,000
<i>Special Appropriation</i>	250,000
<i>Special Appropriation – Moore Center</i>	718,745
<i>Capital Expense</i>	150,000
<i>Civic Center Expense</i>	64,930
Library	1,361,750
Parks & Recreation	2,460,038
Cultural & Recreational Nonprofits	10,000
Debt Service	15,649,895
Reserve for Unemployment Tax	25,000
Reserve for Worker's Compensation	20,000
Transfer to Solid Waste Management Fund	500,000
Transfer to Capital Reserve Fund	950,000
TOTAL APPROPRIATIONS	\$ 112,927,338

SECTION 2. It is estimated that the following revenues will be available for use by the County of Lee to fund the operations appropriated - Section 1 during the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Ad Valorem Taxes	
Current Year Tax Levy	\$ 60,974,265
Prior Years Taxes	527,700
Local Option Sales Tax	24,412,516
Other Taxes and Licenses	768,800
Unrestricted Intergovernmental Revenues	186,645
Restricted Intergovernmental Revenues	10,929,731
Permits and Fees	373,132
Sales and Services	4,707,946
Investment Earnings	1,250,000
Miscellaneous	305,080
Transfers from Other Funds	1,787,315
Fund Balance Appropriated	6,704,208
TOTAL REVENUES	\$ 112,927,338

SECTION 3. All funds received, which are committed to be spent by law or contract, are ordered spent for those purposes. Additional funds appropriated for those purposes are ordered to come from General County Revenues to the extent necessary. The one-half cent sales taxes designated for School Capital Outlay are ordered to be used to retire existing School Debt Service.

SECTION 4. The following amounts are hereby appropriated in the Room Occupancy Tax Fund for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025:

Central Carolina Community College	
Civic Center – Current Expense	\$ 290,000

SECTION 5. It is estimated that the following revenues will be available to the Room Occupancy Tax Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Room Occupancy Tax Revenue	\$ 290,000
----------------------------	------------

SECTION 6. The following amounts are hereby appropriated to the Solid Waste Management Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Solid Waste Management	\$ 301,300
Waste Collections	2,443,768
TOTAL APPROPRIATIONS	\$ 2,745,068

SECTION 7. It is estimated that the following revenues will be available to the Solid Waste Management Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Other Revenues	\$ 50,000
1% Surcharge on Tires	100,000
White Goods Disposal Fee	30,000
Interest Income	10,000
Landfill Tipping Fee	159,674
Transfers from General Fund	500,000
Rural Household Disposal/Collection Fees	1,701,600
Fund Balance Appropriated	193,794
TOTAL REVENUES	\$ 2,745,068

SECTION 8. SOLID WASTE RULES AND DISPOSAL FEES: The charges and rules for solid waste disposal in Lee County shall be as follows:

- a. There will be a solid waste disposal fee of one hundred fifty dollars (\$150.00) annually for each club, church, residential based commercial enterprise, and each County residence located outside the corporate limits of the City of Sanford and of the Town of Broadway. Exemptions for vacancies at mobile home parks can be requested by the owner and will be provided upon proof the vacancies exist. Households subject to fees are those in existence on January 1, 2024. New households will be added upon completion as verified by the County building permit.
- b. The rural household disposal and recycling center fee shall be billed with the ad valorem taxes and shall be payable at the same time and in the same manner as taxes. The first moneys paid shall be applied to the solid waste fee. Interest on delinquent fees shall be assessed in the same manner as though the fee were ad valorem taxes. The annual fee shall become a lien upon the real property as though it were ad valorem taxes.
- c. The entry into any convenience center, the landfill site or transfer station of any vehicle signifies the consent of the owner and driver of the vehicle for it to be searched so that it can be ensured that no hazardous or prohibited substance is brought into the Convenience Center, landfill or transfer station.
- d. All haulers who must pay the per ton disposal fee shall pay at the time the solid waste or recyclables are delivered to the landfill site or transfer station unless arrangements have been made for periodic billing.
- e. Solid waste collections from institutional facilities through the Solid Waste Division will be done at the rate of two dollars and seventy cents (\$2.70) per cubic yard for solid waste and at the rate of one dollar and fifty-eight cents (\$1.58) per cubic yard for cardboard. Fee charged is based on the container size, not the amount of contents.
- f. Private haulers collecting rural (outside municipality) household waste will be required to furnish the County Tax Assessor a list of all his rural clients in Lee County. This list must be delivered to the Tax Assessor prior to March 1, 2024. The Tax Assessor will use this list to exempt the clients from the seventy-five dollar (\$75.00) annual disposal fee charged on the tax bill. The private haulers will also be required to furnish a monthly client cancellation list to the Tax Assessor who in turn will bill these clients for the remaining annual disposal fee.

- g. All solid waste or recyclables entering the landfill site or transfer station, except tires, shall be weighed.
- h. Yard waste and land clearing debris may be deposited at the specially designated area at the Lee County landfill site for a fee of forty-three dollars (\$43.00) per ton.
- i. Scrap tires may be disposed of without charge at the Lee County Landfill Road Convenience Center only provided such tires meet criteria established under the Scrap Tire Policy for Lee County, NC. A fee of seventy-five dollars (\$75.00) per ton will be charged for:
 - 1. Five or more tires not accompanied by a completed scrap tire certification form.
 - 2. Manufacturer's reject tires for which advance disposal fees have not been paid.
 - 3. Tires mounted on rims.
 - 4. Tires generated outside the state of North Carolina.

SECTION 9. The following amounts are hereby appropriated in the Emergency Telephone System Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

E-911 Communications	\$ 509,711
----------------------	------------

SECTION 10. It is estimated that the following revenue will be available to the Emergency Telephone System Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Fund Balance Appropriated	\$ 509,711
---------------------------	------------

SECTION 11. The following amounts are hereby appropriated in the Airport Tax Revenue Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Airport Operations	\$ 150,000
--------------------	------------

SECTION 12. It is estimated that the following revenue will be available to the Airport Tax Revenue Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Ad Valorem Taxes	\$ 150,000
------------------	------------

SECTION 13. The following amounts are hereby appropriated in the Representative Payee Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Representative Payee Expenses	\$ 250,000
-------------------------------	------------

SECTION 14. It is estimated that the following revenue will be available to the Representative Payee Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Representative Payee Benefits	\$ 250,000
-------------------------------	------------

SECTION 15. The following amounts are hereby appropriated in the Fines and Forfeitures Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Lee County School System	\$ 150,000
--------------------------	------------

SECTION 16. It is estimated that the following revenue will be available to the Fines and Forfeitures Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Fines and Forfeitures	\$ 150,000
-----------------------	------------

SECTION 17. The following amounts are hereby appropriated in the Health Insurance Internal Service Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Health Insurance Expense	\$ 5,281,000
--------------------------	--------------

SECTION 18. It is estimated that the following revenue will be available to the Health Insurance Internal Service Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Retiree Contributions	\$ 6,000
County Contributions for Retiree	275,000
Employee/County Contributions	5,000,000

TOTAL REVENUES	\$ 5,281,000
-----------------------	---------------------

SECTION 19. The following amounts are hereby appropriated in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Transfers Out	\$ 1,338,824
---------------	--------------

SECTION 20. It is estimated that the following revenue will be available to the Capital Reserve Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Transfers In	\$ 950,000
Fund Balance Appropriated	388,824

TOTAL REVENUES	\$ 1,338,824
-----------------------	---------------------

SECTION 21. The following amounts are hereby appropriated in the Opioid Settlement Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Community Support Services Operations	\$ 172,486
---------------------------------------	------------

SECTION 22. It is estimated that the following revenue will be available to the Opioid Settlement Fund for the Fiscal Year beginning July 1, 2024, and ending on June 30, 2025:

Opioid Settlement Funds	\$ 172,486
-------------------------	------------

SECTION 23.

- (A) The use of facsimile signatures is approved for county vouchers.
- (B) Usage of personal vehicles will be reimbursed at the maximum rate allowed by Federal Tax Laws.
- (C) County officials authorized to travel to State, National and/or Legislative Goals meetings will be paid \$150 per day for expenses. The County will pay for transportation, motel accommodations (single or double rate) and advance registration.
- (D) The Lee County Assignment of Classes to Salary and Grades and Ranges incorporated as part of this ordinance by reference and attached hereto are hereby adopted.

SECTION 24. There is hereby levied a tax of 65.0 cents per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2024, for the purpose of raising the revenue listed as "Current Year Property Tax" in the General Fund in Section 2 of this ordinance.

This rate is based on an estimated total valuation of real property, business personal property, and utilities for purpose of taxation of \$8,743,087,000 and an estimated collection rate of 99%, and an estimated total valuation of vehicles for purpose of taxation of \$725,000,000 and an estimated collection rate of 100%.

SECTION 25. The Budget Officer is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

- (A) The Budget Officer may transfer amounts between objects of expenditures within a department without limitation.
- (B) The Budget Officer may transfer amounts up to \$5,000.00 between departments of the same fund.
- (C) The Budget Officer may not transfer any amounts between funds or from any Contingency appropriation within any fund.

SECTION 26. The County Manager and the Clerk to the Board are hereby authorized to execute the necessary agreements within funds included in the Budget Ordinance for the following purposes:

- (A) Form grant agreements to public and non-profit organizations;

(B) Leases of normal and routine business equipment where the annual rental of each is not more than \$30,000; consultant, professional or maintenance service agreements where the annual compensation is not more than \$30,000;

(C) Purchase of apparatus, supplies, materials, or equipment where the purchase price does not exceed \$30,000;

(D) Agreements for acceptance of State, Federal, public, and non-profit organization grant funds, and funds from other governmental units for services to be rendered;

(E) Construction or repair work where the amount does not exceed \$30,000;

(F) Liability, health, disability, casualty, property or other insurance or retention and faithful performance bonds (other than for the Sheriff and Register of Deeds).

SECTION 27. The following schedules of fees and charges are incorporated as part of this ordinance and are hereby adopted:

(A) 2024-2025 County of Lee Schedules of Fees & Charges

(B) Building Construction/Planning and Development Fee Schedules

SECTION 28. Copies of the Budget Ordinance shall be furnished to the Budget Officer, the Finance Officer, and the Tax Administrator for direction in carrying out their duties.


Commissioner Reives moved to approve the Budget Ordinance, and upon a vote, the results were as follows:

Aye: Carver, Knecht, Lovick, Reives, Sharpe, Smith, Vorbeck

Nay:

The Chair ruled the Budget Ordinance had been adopted.


Kirk D. Smith, Chairman


Hailey Hall, Clerk to the Board





**RESOLUTION
ADOPTING THE LEE COUNTY
CAPITAL IMPROVEMENT PLAN (CIP)
FOR FISCAL YEARS 2024/2025 THROUGH 2028/2029**

WHEREAS, the Board of Commissioners and staff desire to produce a practical document in aspirations of providing an instrument to realistically guide taxpayer investment while minimizing long-term financial impact; and

WHEREAS, a deliberate process has been applied to the Capital Improvement Plan for Fiscal Years 2024/2025 through 2028/2029 that includes a detailed evaluation of financial capacity and impacts; and

WHEREAS, the Board of County Commissioners adopted financial policies in 2005 to guide decisions related to capital financing, debt capacity and capital reserve appropriation; and

WHEREAS, the projects included in the Capital Improvement Plan will enhance the services delivered to all Lee County citizens now and in the future;

NOW, THEREFORE BE IT RESOLVED, that the Lee County Board of Commissioners does hereby adopt the attached Capital Improvement Plan schedule for Fiscal Years 2024/2025 through 2028/2029; and

BE IT FURTHER RESOLVED that the Board of Commissioners directs County staff to use the adopted document as a guide for proceeding with the implementation of projects detailed in each fiscal year of the CIP.

Adopted this 17th day of June, 2024.

Kirk D. Smith, Chairman

ATTEST:

Hailey Hall, Clerk to the Board



County Manager's Report – June 17, 2024

Ongoing Projects

Lee County Athletic Park – Work continues at the site with mass grading nearing completion. Paving is in progress with the first phase completed, including the driveway through the first parking lot. Sanford Contractors is now prepping for paving on phase two (area around baseball fields to maintenance shop). Electrical infrastructure continues to be installed on site. Vertical construction is beginning with footers completed on three of the five buildings on site. Progress expected in the next 30 days includes field (diamond and rectangle) construction, foundation excavation, construction on the remaining two buildings, and paving on the second phase.

Phase I & II Parks Projects – Kiwanis Children's Park and Temple Park –

Temple: Construction is complete. Some drainage issues have been noticed near the shelter after heavy rains. Staff is currently working with the contractor to construct a drainage swale directing water away from shelter. Gutters have been installed onto the restroom/shelter to help direct water away from the building.

Kiwanis Children's Park: The project includes new sidewalk installation for future connection to Kiwanis Family Park, new playground for children ages 2-5 years, restroom renovations, and shelter installation. Marks Construction has started the construction work, which includes grading for sidewalks, playground, and shelter. About 50% of sidewalks are completed, along with the grading for the playground installation. The contractor for the bathroom renovation and shelter installation (Churchich) has been onsite to meet with Marks Construction and coordinate work and order materials.

OT Sloan Park Accessibility Project: The purchase order for the playground equipment from Barrs Recreation has been placed. All bids came in above budget for this project, with the lowest base bid (for construction) exceeding the project budget by ~\$125,000. A modified scope of work reflecting a reduction in the scope to keep the project within the available grant and County funds for the project is being reviewed by NC State Parks and Recreation, which has been utilized as a grant support resource. The grant will require a work scope amendment to show detailed work/items removed and associated estimated cost. Once Recreation Resource Services (RRS) grant support reviews and provides feedback, Lee County will submit an amended scope to the AFP Grant Council for review and request approval to move forward. The risk is reducing or eliminating the bathroom renovations to update for ADA accessibility, which can possibly impact the grant approvals. Staff is currently awaiting feedback on the scope of work reduction. More information will be provided as soon as it becomes available.

Library Building Project – The project is currently out for bid with a closing date of June 20, 2024 at 10:00 a.m. Staff are preparing for the financing process to occur once the guaranteed maximum price (GMP) is established in July, which will be provided to support the debt application to the Local Government Commission (LGC) in August. Our financial advisor, Davenport & Company, has scheduled the financing approval with the LGC to occur in September. Construction for the Library is anticipated to begin in early October. Moffat Pipe Inc. is completing work on the outside sewer connection for the Library property to support the new Lee County Library. The sewer is installed, but Moffat Pipe Inc. needs to complete one final test required thirty days after installation (scheduled for June 14, 2024). After testing is completed and passes, Moffat will repair the pavement on the property and close out the project.

Historic Courthouse – Hobbs Architects provided bid documents to Lee County and to NCSHPO (North Carolina State Historic Preservation Office) for review. After NCSHPO and Lee County approve, the bid process will begin on renovations for the Historic Courthouse. Currently, work will focus on roof replacement with add alternates for masonry repairs and storm water management. The NCSHPO Hurricane Grants Manager (Dan Becker) has confirmed a program extension will be available from the National Park Service to accommodate additional time needed. The extension request will be initiated once bids have been received, and construction timelines are estimated to allow for one extension request to cover the project to completion. Also, Lee County is trying to initiate a separate project to repair several brownstone lintels that are separating from the building and in need of immediate repair. Lee County did not receive any bids at the first or second bid posting of this project. Staff will regroup and determine a path on how to proceed.

Lee County Jail Feasibility Study – The Jail Feasibility Study has been completed and presented to the Commissioners at a budget workshop on May 31, 2024. Based on a population study and statistics compiled by Moseley, a 300+ bed facility will be needed to service Lee County through 2045. Moseley presented three options for expansion, including expanding on the current site, building new jail on a new site, and building a new public safety center (detention center and Sheriff's Office) on a new site. Lee County staff is currently putting together additional information related to the conditions and needs of the current jail/courthouse facility, which will be provided to the Board of Commissioners for consideration in conjunction with the options presented for guidance on future planning.

Comprehensive Fire Services Study and Long-Range Plan – NC Fire Chief Consulting, the consultant for the Fire Services Study, has completed the study and is working on finalizing the comprehensive report. The firm will be presenting an executive level summary of the findings from the report to the Fire Advisory Board on June 10, 2024, to the Fire Chiefs Board on June 12, 2024, and to the Board of Commissioners at the July 15, 2024 meeting. The report will be provided to the Commissioners at the July 15th meeting and will be made available to the public following the completion of the executive level presentations. The findings from the report will provide guidance for future budgeting and decision making.

Soil and Water – Lee County welcomes a new Soil Conservation Supervisor to the Soil and Water Department. Shannon Briles began her new role on June 5, 2024. She will carry on the duties of the position including responding to resident requests, working in partnership with other agencies like the USDA, facilitating cost share project initiatives, and working closely with the Board of Supervisors of the Lee Soil and Water Conservation District.

Reports

Tax – The Tax Department Collections report for May 2024 is attached.

Building Inspections – Attached is the monthly inspections report for May 2024.

TRC – The TRC Agenda for June 2024 is attached.

Library Board of Trustees – The Director's Report for May 2024 is attached, along with the June Level Up summarizing programming opportunities.

Parks and Recreation – The signed March meeting minutes and May meeting agenda are attached.

Consolidated Human Services Agency – The May meeting agenda, as well as the signed April meeting minutes are attached.

Upcoming Meetings/Events:

July 4, 2024 – Lee County Government Offices closed for Independence Day

July 15, 2024 – Lee County Board of Commissioners Meeting – Civic Center – 6:00 p.m.
(summer schedule in effect)

August 19 2024 – Lee County Board of Commissioners Meeting – Civic Center – 6:00 p.m.
(summer schedule in effect)

NORTH CAROLINA, LEE COUNTY
Presented for registration on this 22nd day
of July 20, 24 at 2:10 AM PM
recorded in Book 38 Page 86
Pamela G. Britt, Register of Deeds