



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

December 16, 2024

## MINUTES

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### Roll Call

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

### CALL TO ORDER

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

### INVOCATION

*Chairman Smith provided an invocation and led the Board in the Pledge of Allegiance.*

### PLEDGE OF ALLEGIANCE

#### I. ADDITIONAL AGENDA

*Chairman Smith asked to add item II.I Telehealth Grant FY2026 to the Consent Agenda and to move item VI.A Trillium Health Resources Mid-Year Update to before the public hearings as item III.A. Commissioner Taylor Vorbeck asked to add a closed session per N.C. General Statute § 143-318.11(a)(4) to discuss matters relating to the location or expansion of business after Commissioners' Comments conclude.*

*Commissioner Robert Reives arrived at 6:03 p.m.*

**Motion: Motion to approve the Agenda as amended.**

Mover: Robert Reives

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

Motion Result: Passed

#### II. APPROVAL OF CONSENT AGENDA

**Motion: Motion to approve the Consent Agenda as amended.**

Mover: Taylor Vorbeck

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

Motion Result: Passed

**II.A Minutes from the November 18, 2024 Regular Meeting**

BOC Regular Meeting Minutes\_11-18-24\_final.pdf

**II.B November 18, 2024 Closed Session Minutes**

**II.C Minutes from the December 2, 2024 Regular Meeting**

BOC Regular Meeting Minutes\_12-2-24\_final.pdf

**II.D Budget Amendment #12/16/24/08**

Budget Amendment Packet 12-16-24-08.pdf

**II.E Refund and Release Report for November 2024**

Gen Statute 105.pdf

RELEASE CODES SPREADSHEET.pdf

November 2024 Personal Property Abatement Report.pdf

November 2024 Real Property Abatement Report.pdf

**II.F Technical Corrections to the November 7, 2024 Interlocal Committee Meeting Minutes**

BOC Interlocal Meeting\_11-7-24\_final.pdf

BOC Interlocal Meeting\_11-7-24\_updated.pdf

**II.G Lee County Historic Courthouse Repair - Contract Approval**

Lee County Historic Courthouse Repairs\_Notice of Award\_Harrod and Assoc.pdf 01\_Agreement - Harrod and Associates.pdf 02\_General Contract - WP.pdf

05\_Performance and Payment Bond - WP.pdf

04\_Exhibit A Dispute Resolution WP.pdf

03\_Addendum Federal Provisions 12.12.23\_Harrod and Associates.pdf

**II.H Policy Prohibiting Viewing of Pornography on Government Networks and Devices**

Non-viewing Policy 12.16.24.pdf

N.C. Gen. Stat. \_ 143-805.pdf

SOG Article.pdf

**II.I ADD ON - Telehealth Grant FY2026**

Department\_Grant\_Information\_Form-telehealth.pdf

Telehealth\_Infrastructure\_Grant\_Program\_\_Wave\_2\_\_\_\_NCDHHS.pdf

**III. PUBLIC HEARING**

### III.A Trillium Health Resources Mid-Year Update

*This item was moved from New Business to section III as item III.A.*

*Cecelia Peers, Southern Region VP, presented a mid-year update for Trillium Health Resources. A copy of her presentation is attached and incorporated into these minutes.*

### III.B Zoning Map Amendment Request

*Senior Planner Amy McNeill presented a zoning map amendment request from Wake Stone Property Company to rezone five adjoining tracts of land totaling 14.64 acres with frontage on and/or access from Deep River Road from Residential Agricultural (RA) to Light Industrial (LI). A copy of Ms. McNeill's presentation is attached and incorporated into these minutes. Chairman Smith read the conflict of interest statement and asked if the Board had any conflicts. None were identified.*

*Chairman Smith opened the public hearing at 6:40 p.m.*

*Those who spoke:*

- Bose Bratton, Wake Stone Property Company President (in favor)*
- Barbara Matthews Partridge, 393 Forest Oaks Drive (in opposition)*
- Carol Culverson Smith, 160 Log Cabin Lane (asked a clarification question)*

*Chairman Smith closed the public hearing at 6:47 p.m.*

*001-REZ@Deep River Rd-BINDER-v2.pdf*

### III.C UDO Text Amendment

*Zoning Administrator Thomas Mierisch presented a UDO text amendment request to amend Article 11 Sign Regulations, Section 11.9 Outdoor Advertising (Billboard) Signs, 11.9.2 Standards for Lee County. Chairman Smith asked the Board if there were any conflicts of interest. No conflicts were identified. A copy of Mr. Mierisch's presentation is attached and incorporated into these minutes. The applicants, Warren Stancil and David Stuckey of InterState Outdoor were present. Mr. Stancil indicated his company would like to expand their billboard reach in Lee County, but cannot do so based on the County's current UDO. Tax Administrator Michael Brown said the values of the billboards depend on various factors, including age and type of pole and therefore each billboard is valued differently.*

*Chairman Smith opened the public hearing at 7:09 p.m.*

*Those spoke in favor:*

- Warren Stancil of InterState Outdoor*

*No one spoke in opposition.*

*Chairman Smith closed the public hearing at 7:11 p.m. and excused the Planning Board to its meeting. The Chairman also called for a five-minute break.*

*002-(BINDER) Billboard Text Amendment=Amy.pdf*

## IV. PUBLIC COMMENTS

- Jim Womack, 1615 Boone Trail Road (opposition of economic development incentive at the Riverbirch site)*
- Bob Joyce, 313 West Port Place (in favor of economic development incentives for specific purposes)*

## V. OLD BUSINESS

V.A Consider request from Brick Capital Community Development Corporation to extend the \$200,000 loan from the Revolving Loan Fund for an additional three years. *Brick Capital Community Development Corporation (BCCDC) requested a loan in the amount of \$200,000 in 2021, in which the County granted with a three percent interest rate. BCCDC has requested an extension of the loan for an additional three years and the County has set a six percent interest rate to align with market interest rates. The County held a public hearing at its December 2, 2024 meeting, in which two people spoke in favor of the loan. BCCDC Executive Director Kerry Bashaw was present to answer questions. Mr. Bashaw said BCCDC used County funds to leverage other funds/grants for the project and will continue to do so if the extension is granted. BCCDC is current on their monthly interest payments.*

BCCDC Deed of Trust.pdf

BCCDC Loan Agreement.pdf

Promissory Note BCCDC

RLF.pdf

**Motion: Motion to approve request from Brick Capital Community Development Corporation (BCCDC) to extend the \$200,000 loan from the Revolving Loan Fund for an additional three years with a six percent interest rate and authorize the Chair to sign any and all documents necessary to formalize the loan request.**

Mover: Cameron Sharpe

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

Against: 1 - Samantha Martin

Motion Result: Passed

## VI. NEW BUSINESS

VI.A Trillium Health Resources Mid-Year Update

*This item was moved to section III as item III.A.*

VI.B FY 2024 Financial Statement Presentation

*Finance Director Candace Iceman presented the FY 2024 Financial Statements, along with Hunter Wiseman from the County's auditor Thompson, Price, Scott, Adams & Co, P.A. A copy of of their presentation is attached and incorporated into these minutes. SROs are not included in the education spending noted.*

## VII. MANAGERS' REPORTS

VII.A September 2024 Sales Tax Report

*Finance Director Candace Iceman provided the sales tax report for September 2024.*

September 2024 sales tax.pdf

VII.B County Manager's Monthly Report

*County Manager Lisa Minter presented her report for the month of December 2024, a copy of which is attached and incorporated into these minutes.*

County Managers Report - 12-16-2024.pdf

CHSAB Minutes 10-20-2024.pdf

Library\_Director\_Report\_2024\_November.pdf  
Parks and Rec Board\_12.09.2024 Agenda.pdf  
Parks and Rec Board\_10-28-24 minutes\_signed.pdf  
PERMIT ISSUANCE REPORT- NOVEMBER 2024.pdf  
Tax\_Monthly Managers Report November 2024.pdf  
TRC Agenda\_December 2024.pdf

## VIII. COMMISSIONERS' COMMENTS

## IX. CLOSED SESSION

**Motion: Motion to go into Closed Session per N.C. General Statute § 143-318.11(a) (4) to discuss matters relating to the location or expansion of business.**

**The Board went into Closed Session at 8:03 p.m.**

Mover: Taylor Vorbeck

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

Motion Result: Passed

*The Board resumed Open Session at 9:22 p.m.*

*Commissioner Reives left the meeting at 9:22 p.m.*

## ADJOURN

**Motion: Motion to adjourn. The Board adjourned at 9:23 p.m.**

Mover: Dr. Andre Knecht

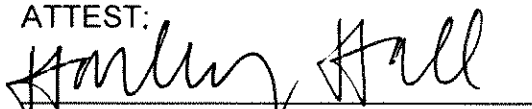
For: 6 - Dr. Andre Knecht, Cameron Sharpe, Kirk Smith, Samantha Martin, Mark Lovick, Taylor Vorbeck

Absent: 1 - Robert Reives

Motion Result: Passed

  
Kirk Smith, Chairman  
Lee County Board of Commissioners

ATTEST:

  
Hailey Hall, Clerk to the Board



MEMO TO: LEE COUNTY BOARD OF COMMISSIONERS  
 FROM: LISA MINTER, LEE COUNTY MANAGER  
 SUBJECT: BUDGET AMENDMENT:# 12/16/24/08  
 DATE: December 16, 2024

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

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
Library	1100-3611-35010	Nonrecurring State Aid	-	5,297	5,297
				<u>5,297</u>	

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

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
Library Grant	1100-6111-46400	Capital Outlay \$500 - \$4,999	14,252	5,297	19,549
<b>TOTAL CHANGES</b>				<u>5,297</u>	

SECTION III. THE FOLLOWING OT SLOAN ACCESSIBILITY PROJECT FUND (4846) EXPENSE INCREASES ARE HEREBY APPROVED:

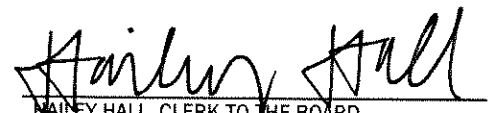
DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
OT Sloan Accessibility Park	4846-8100-46300	General Construction	102,860	42,612	145,472
<b>TOTAL CHANGES</b>				<u>42,612</u>	

SECTION IV. THE FOLLOWING OT SLOAN ACCESSIBILITY PROJECT FUNDS (4846) EXPENSE DECREASES ARE HEREBY APPROVED:

DEPARTMENT	ACCOUNT #	DESCRIPTION	CURRENT BUDGET	CHANGE	NEW BUDGET
OT Sloan Accessibility Park	4846-8100-46140	Architect & Engineering	83,250	18,313	64,937
OT Sloan Accessibility Park	4846-8100-46180	Other Expenses	12,199	8,399	3,800
OT Sloan Accessibility Park	4846-8100-46900	Contingency	19,800	15,900	3,900
<b>TOTAL CHANGES</b>				<u>42,612</u>	

  
 KIRK SMITH, CHAIR



  
 HAILEY HALL, CLERK TO THE BOARD

**Contract Agreement Between Harrod and Associates Constructors, Inc. and Lee County Government**

THIS AGREEMENT, made the sixteenth day of December 2024 by and between Harrod and Associates Constructors, Inc. (hereinafter referred to as the “Contractor”) and Lee County Government (hereinafter referred to as the “Owner”) agree as follows:

1. Scope of Work: The Contractor shall furnish and deliver all of the materials, and perform all of the work in the manner and form as provided by the enumerated plans, specifications and documents, which are attached hereto and made a part thereof as if fully contained herein: advertisement, Instructions to Bidders, General Conditions, Supplementary General Conditions, specifications, accepted proposals, contract, performance bond, payment bond, power of attorney, worker’s compensation, public liability, Exhibit A – Lee County Dispute Resolution Policy, any and all addendums, and all drawings.
2. The Contractor shall commence work to be performed under this agreement on a date to be specified in a written order of the Owner and shall fully complete all work hereunder within 180 consecutive calendar days from said date. For each day in excess thereof, liquidated damages shall be as stated in as \$1,000.00 per day. The Contractor, as one of the considerations for the awarding of this contract, shall furnish to the Owner a construction schedule setting forth the project broken down by various divisions of the work and by the calendar days, as described in the General Conditions.
3. The Owner agrees to pay to the Contractor for the faithful performance of this agreement, subject to additions and deductions as provided in the specifications or proposal, in lawful money in the amount of One Million, Two Hundred Twelve Thousand, One Hundred dollars and zero cents (\$1,212,100.00).

4. Alternates. Alternates, if any, included in the Contract Sum are as follows: Item

	<u>Price</u>
Alt. #G1-A: Brick Masonry Repairs/Repointing Below Cornice	\$ 66,500.00
Alt. #G2-A: Brownstone Lintel Repairs/Repointing Below Cornice	\$ 3,200.00
Alt. #G2-B: 2 <sup>nd</sup> Floor Brownstone Sill Repairs	\$ 4,400.00
Alt. #G2-C: 1 <sup>st</sup> Floor Brownstone Sill and Watertable Repairs	\$ 37,000.00

Alt. #G2-D;  
Brownstone Pilaster Capital Repairs \$ 16,000.00

Alt. #G2-E:  
Brownstone Door Surround Repairs \$ 11,000.00

5. Allowances. Allowances, if any, included in the Contract Sum are as follows:

Item	Price
No. 1 : Contingency Allowance	\$10,000
No. 2 : Construction Fence (200 LF)	\$12,000

6. Unit Prices. Unit prices, if any, are as follows:

Item	Units and limitations	Price per Unit
No. 1 Repointing of Brick	Per 10 SF	\$330.00
No. 2 Construction Fence	Per 10 LF	\$ 60.00
No. 3 Repair of Roof Deck	Per 10 SF	\$500.00

7. Liquidated Damages. Liquidated damages will be \$1,000.00 per day, after the date specified for substantial completion.

8. Binding Dispute Resolution. For any claim subject to, but not resolved by mediation, the method of binding dispute resolution shall be litigation in a court of competent jurisdiction.

9. The Owner's Representative is:

Lisa Minter, County Manager  
408 Summit Drive  
Sanford, NC 27330  
[lminter@leecountync.gov](mailto:lminter@leecountync.gov)

The Contractor's Representative is:

Ed Long  
6612 Fleetwood Drive  
Suite 100  
Raleigh, NC 27612

10. It is further mutually agreed between the Parties that if at any time after the execution of this agreement and the surety bonds hereto attached for its faithful performance, the Owner shall deem the surety or sureties upon such bonds to be unsatisfactory, or if, for any reason, such bonds cease to be adequate to cover the performance of the Work, the



Contractor, at its own expense, within five (5) days after the receipt of notice from the Owner so to do, furnish an additional bond or bonds in such form and amount, and with such surety or sureties as shall be satisfactory to the Owner. In such event, no further payment to the Contractor shall be deemed to be due under this agreement, until such new or additional security for the faithful performance of the Work shall be furnished in a manner and form satisfactory to the Owner.

11. **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.

12. **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.
13. **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.
14. **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.
15. **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.
16. This agreement becomes effective upon the last signature of both parties.

IN WITNESS WHEREOF, the Parties hereto have executed this agreement on this the 16th day of December, 2024.

Harrod and Assoc.  
Constructors, Inc. **CONTRACTOR / FIRM**

By: [Signature]  
Title: Vice President, R. Edward Long

Witness: [Signature]

Date: 12/16/24

**LEE COUNTY GOVERNMENT**

By: [Signature]  
Title: Chair, Lee County Board of Commissioners  
Date: 12/16/2024

Witness: [Signature]

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

[Signature]  
Finance Officer, Lee County

# GENERAL CONDITIONS OF THE CONTRACT FOR CONSTRUCTION

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- 1.10 Contract Price- the total monies payable to the Contractor under the Contract Documents.
- 1.11 Contract Time- the number of calendar days stated in, or computed from, the Contract Documents for the completion of the Work, or any portion thereof. Time of completion is of the essence. The time used and referred to on the Project will be that time which is observed in Sanford, Lee County, North Carolina, being Eastern Daylight Savings Time, Eastern Standard Time, or other as designated by the Designer.
- 1.12 Contractor- the Contractor shall be that party identified in the Agreement.
- 1.13 Days- unless otherwise indicated, the term “days” shall mean consecutive calendar days.
- 1.14 Daylight Hours- the hours or portion of hours between sunrise and sunset local time.
- 1.15 Designer- the person or firm designated as the Designer, in the Contract Documents, or their authorized representatives. The Designer(s), as referred to herein, shall mean architect, landscape architect, and/or engineer. They will be referred to hereinafter as if each were of the singular number, masculine gender.
- 1.16 Drawings- the drawings are the graphic and pictorial portions of the Contract Documents, wherever located and whenever issued, showing the design, location, and dimensions of the Work, and generally including plans, elevations, sections, details, schedules and diagrams. A list of the Drawings is contained in the Supplemental General Conditions.
- 1.17 Field Order- a written order issued by the Designer which clarifies or interprets the Contract Documents or orders minor changes in the Work in accordance with the Contract Documents.
- 1.18 Final Completion- the point at which the Contractor has, as determined by the Designer, completed the Work, with the exception of guaranty and warranty obligations, and becomes entitled, upon the recommendation of the Designer and determination by the Owner, to final payment.
- 1.19 Liquidated Damages- An amount, as stated in the Contract Agreement, reasonably estimated in advance to cover the consequential damages associated with the Owner’s economic loss in not being able to use the Project for its intended purposes at the end of the contract’s completion date as amended by change order, if any, by reason of failure of the contractor(s) to complete the work within the time specified.
- 1.20 Modification- a written amendment to the Contract Documents signed by the Owner and the Contractor and identified therein as such, or a Change Order, or a Construction Change Directive, or a Field Order.
- 1.21 Notice to Proceed- see Article 11.3.

payments theretofore received from the Owner on account of the Work have been applied by the Contractor to discharge in full all the Contractor's obligations incurred in connection with Work covered by all prior applications for payment.

- 1.30 Superintendent- that person designated by the Contractor who has day-to-day responsibility for the prosecution of the Work and the obtaining of proper materials and equipment, and adequate labor.
- 1.31 Schedule of Values- any breakdown of the Contract Price which may be required by the Contract Documents and designated as such.
- 1.32 Specifications- the portion of the Contract Documents consisting generally of the written requirements for materials, equipment, construction systems, standards, and workmanship for the Work and performance of related services.
- 1.33 Subcontractor- a person, firm, or corporation who has entered into a direct contract with the Contractor to perform any of the Work of the Project.
- 1.34 Submittal- shop drawings, product data, samples, and other documents required by the Contract Documents to be submitted by the Contractor to the Designer.
- 1.35 Substantial Completion- the point at which the Work, and Work by other Contractors on or in connection with the Project, as determined by the Designer, is sufficiently complete in accordance with the Contract Documents that it can be beneficially occupied by the Owner, and the Work can be utilized by the Owner for its intended use, and all necessary permits and permissions for Beneficial Occupancy and utilization having been obtained by the Contractor. All operations and maintenance manuals, Owner training, and as-built drawings must be submitted prior to Substantial Completion being achieved.
- 1.36 Work- the construction and services required by the Contract Documents, including all labor, materials, equipment, and services provided or to be provided by the Contractor to fulfill the Contractor's obligations.

## **ARTICLE 2. CORRELATION, INTERPRETATION AND INTENT OF CONTRACT DOCUMENTS**

- 2.1 It is the intent of the Specifications and Drawings and other Contract Documents to describe a complete Project in accordance with the Contract Documents.
- 2.2 The Contract Documents are complementary; what is called for by one is as binding as if called for by all. If the Contractor finds a conflict, error or discrepancy in the Contract Documents, the Contractor shall notify the Designer in writing before proceeding with the Work affected thereby. In resolving such conflicts, errors and discrepancies, the Contract Documents shall be given preference in the following order: Contract Agreement, Modifications, Addenda, Supplemental Conditions, General Conditions, Specifications, and Drawings. Figure dimensions on Drawings shall govern over scale dimensions, and detailed Drawings shall govern over

2.9 Contractor's requests for clarification or information shall clearly define the cause(s) of Contractor's request and, as appropriate, shall include Contractor's interpretation and Contractor's proposed solution.

### **ARTICLE 3. FAMILIARITY WITH WORK, CONDITIONS AND LAWS**

3.1 The Contractor has investigated prior to bidding and is satisfied with all conditions affecting the Work, including but not restricted to those bearing upon transportation, disposal, handling and storage of materials, availability of labor, water, electrical power, roads and uncertainties of weather, or similar physical conditions at the Project site, and the character of equipment and facilities needed prior to and during prosecution of the Work. The Contractor is satisfied as to the character, quality and quantity of surface and subsurface materials or obstacles to be encountered insofar as this information is reasonably ascertainable from inspection of the Project site, including all exploratory work done by the Owner, as well as from information presented by the Contract Documents, or any other information made available to the Contractor prior to receipt of bids. Any failure by the Contractor to become acquainted with the available information shall not relieve the Contractor from the responsibility for estimating properly the difficulty or cost of successfully performing the Work.

3.2 The Contractor shall be entitled to rely upon all information furnished to the Contractor in writing by the Owner with respect to the Project site and to make all inferences from it that would reasonably be made by a contractor having knowledge and experience with similar work; however, the Contractor shall not be entitled to infer from Owner-supplied information any fact or condition which would not be inferred by a contractor having knowledge and experience with similar work and, if the Owner-supplied information is inadequate or insufficient in any respect, the Contractor shall be required to obtain independently such other information as a knowledgeable and experienced contractor would prudently obtain in order to evaluate any such condition.

3.3 The Contractor specifically acknowledges familiarity with all Federal, State, and local laws, ordinances, rules and regulations which may in any manner affect those engaged or employed in the Work, or the materials or equipment in or about the Work, or in any way affect the conduct of the Work and agrees that the Contractor and the Contractor's employees, subcontractors, and suppliers will, at all times, comply with same. If the Contractor shall discover any provisions in the Contract Documents which are contrary to or inconsistent with any such law, ordinance, rule, or regulation, the Contractor shall immediately give notice thereof to the Designer and the Owner in writing, identifying any items of Work affected, and the Contractor shall not proceed until the Contractor has received written direction from the Designer with respect to these items. If the Contractor performs contrary to or inconsistently with any such law, ordinance, rule, or regulation without giving such notice, the Contractor shall bear all costs which are a consequence of such performance.

3.4 At times selected by the Designer after execution by the Contractor of the Construction Agreement, a pre-construction conference shall be scheduled and conducted for the benefit of the Project.

insurance within 7 days without a gap in coverage and file accordingly such notice with the Owner, and other interested parties. Failing immediate receipt of evidence of such replacement of insurance the Owner reserves the right to procure such insurance as the Owner considers desirable and the Contractor shall pay or reimburse the cost of the premium in respect thereof. It is expressly provided, however, that any action or inaction on the part of the Owner in this respect shall in no way change or reduce the Contractor's responsibilities and liabilities under this Agreement. Self-funded, policy fronting, or other non-risk transfer insurance mechanisms are not acceptable without prior written approval of the Owner. Full disclosure of such a program must be made prior to commencing mobilization to the Project site. Failure to make a full disclosure constitutes a material breach of the Agreement, justifying termination for default.

The Contractor shall name the Owner and Designer as additional insureds under all its insurance contracts (except workers' compensation) with respect to and including without limitation liability arising out of activities performed by or on behalf of the Contractor, products and completed operations of the Contractor, and automobiles owned, hired, leased, or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to additional insureds.

For any claims related to this Project, the Contractor's insurance or self-insurance shall be primary and noncontributory with respect to the Owner's insurance. Any insurance or self-insurance maintained by the Owner shall be excess and noncontributory with respect to the Contractor's insurance.

All policies of insurance shall contain a clause waiving rights of subrogation against the Owner, unless the Owner approves otherwise in writing.

Limits of coverage are not to be amended by deductible clauses of any nature without the express written consent of the Owner. The Contractor shall be solely responsible for any deductible assumptions that may exist in any insurance policies required under this Agreement. In addition, the Contractor shall be responsible and shall not be reimbursed for any losses arising from any risk or exposure not insured as required herein, or not covered as a result of a normal policy extension or that falls within the self insured retention, if Contractor is self insured.

The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

The claim provisions in the Contractor's insurance policies must specifically state the insurance company or Contractor's Third Party Administrator, if self insured, has both the right and duty to adjust a claim and provide defense.

The policies shall not contain any provision or definition which would serve to exclude or eliminate from coverage third party claims, including exclusions of claims for bodily or other injury to shareholders, partners, officers, directors, or employees of the insured, the premises owner, real estate manager, or the insured's Subcontractor, or any family relative of such persons.



5.3 CONTRACTOR PROVIDED AUTOMOBILE LIABILITY INSURANCE

The Contractor shall procure and maintain automobile insurance against liability for bodily injury and property damage as described below, that may arise with respect to the Work being performed under the Agreement, and as will provide protection from claims which may arise out of or result from the Contractor's performance of the Work and the Contractor's other obligations under the Agreement, whether such performance of the Work is by the Contractor, by any representative or Subcontractor, by anyone, both officially and personally, directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable.

This policy of insurance shall carry the following minimum Limit of Liability:  
Combined Single Limit \$1,000,000

The policy of insurance shall contain or be endorsed to include the following:

- a) owned, hired, and non-owned automobile liability.
- b) If the policy contains a warranty stating that coverage is null and void (or words to that effect) if the transporter does not comply with the most stringent regulations governing the Work, it shall be modified so that coverage shall be afforded in all cases except for the transporter's willful or intentional noncompliance with applicable government regulations.

Any failure by any party to comply with reporting or other provisions of the policy including breach of warranties, shall not affect coverage provided to the Owner and its representatives, officials, and employees.

No subcontracting of waste hauling shall be permitted without prior, written approval of the Owner.

5.4 CONTRACTOR PROVIDED GENERAL LIABILITY

This policy must be written on an Occurrence basis, with the following minimum Limits of Liability:

General Aggregate per project	\$2,000,000.00
Products/Completed Operations Aggregate	\$2,000,000.00
Bodily Injury and Property Damage csl/each occurrence	\$1,000,000.00
Personal Injury and Advertising Injury	\$2,000,000.00

The policy of insurance shall contain or be endorsed to include the following:

- a) Blanket Contractual Liability covering Contractor's indemnification obligations under this Agreement, in accordance with ISO policy form CG 00 01. Modifications to the standard provision will not be acceptable if they serve to reduce coverage.

Should 30 days elapse after the claim or alleged claim has been received by the Contractor, and the Contractor is not able to report a settlement or rejection of the claim, it shall report to the Owner the steps being taken with respect to the claim.

Without limiting the foregoing, the Contractor shall notify in writing the County risk manager of any paid or incurred claims which may impair annual aggregate or general liability.

#### 5.7 CONTRACTOR'S DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and approved by the Owner. At the option of the Owner, either: the insurer shall reduce to a maximum of \$250,000 or eliminate such deductibles or self-insured retentions with respect to the Owner, or the Contractor shall provide evidence of collateral provided to insurers or procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses within the deductible or self-insured retention amount. Any self-insured retention or deductible amount on the policy shall not reduce the amount of collectible limits or liability.

#### 5.8 CONTRACTOR'S SUBCONTRACTORS

The Contractor shall include all Subcontractors as Insureds under its policies, or shall furnish separate certificates, policies, and endorsements for each Subcontractor the Contractor intends to use. If a Subcontractor does not take out insurance in his own name and the Contractor wishes to provide insurance protection for such Subcontractor and such Subcontractor's employees, the Contractor shall either (a) procure appropriate policies in the name of the Subcontractor, or (b) cause a rider or riders to be attached to the Contractor's policies which shall identify the Subcontractor thereby covered; provided, however, in the case of the latter option, such a rider need not be attached to the Contractor's workers' compensation policy if such policy by its terms is sufficiently broad to cover the employees of all Subcontractors performing Work under the Contract Documents. Except as otherwise approved by the Owner in writing, Limits of Liability and coverage scope must be at a minimum as stringent as required of the Contractor by the Contract Documents. All Work performed for the Contractor by any Subcontractor shall be pursuant to an appropriate agreement between the Contractor and the Subcontractor which shall contain provisions that waive all rights the contracting parties may have against one another for damages caused by fire or other perils covered by insurance as provided herein. Insurance monies received from any loss shall be divided as the respective interest of the parties affected shall appear.

#### 5.9 INDEMNIFICATION

To the fullest extent provided by law, the Contractor shall indemnify and hold harmless the owner, the designer and the agents, consultants and employees of the owner and designer, from and against all claims, damages, losses and expense, including, but not limited to, attorneys' fees, arising out of or resulting from the performance or failure of performance of the work, provided that any such claim, damage, loss or expense 1) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the work itself) including the loss of use resulting therefrom, and 2) is caused in whole or in part by any

Both the Project Manager and the Resident Superintendent shall have authority to act on behalf of the Contractor, and instructions, directions or notices given to either of them shall be as binding as if given to the Contractor.

7.3 The Contractor shall provide sufficient competent and suitably qualified personnel, equipment, and supplies to lay out the Work and perform construction as required by the Contract Documents. The Contractor will at all times maintain good discipline and order at the site, and will comply with all applicable OSHA standards.

Any person employed by the Contractor, any Subcontractor, or any sub-subcontractor who, in the opinion of the Designer or the Owner, does not perform his Work in a proper and skillful manner or is intemperate or disorderly shall, at the written request of the Owner or Designer, be removed forthwith by the Contractor, Subcontractor, or sub-subcontractor employing such person without cost to the Owner, and shall not be employed again in any portion of the Work without the written approval of the Owner or Designer.

Should the Contractor fail to remove such person or persons or fail to furnish suitable and sufficient personnel for the proper prosecution of the Work within three (3) days after written order, the Owner may withhold further payment by written notice until compliance with such order.

7.4 If, in the opinion of the Designer or the Owner, any Subcontractor on the Project is incompetent or otherwise unsatisfactory, he shall be replaced by the Contractor with no increase in the Contract Price if and when directed by the Designer or the Owner in writing.

7.5 The Contractor shall furnish all materials, equipment, labor, transportation, construction equipment and machinery, tools appliances, fuel, light, heat, and all other facilities and incidentals necessary for the execution, maintenance, initial operation, and completion of the Work, other than those specifically excluded by the Contract Documents and to be furnished by the Owner or others. When use or storage of hazardous materials or equipment or methods of more than ordinary risk are necessary in accomplishing the Work, the Contractor shall give the Owner and Designer reasonable advance notice.

All equipment which is proposed to be used in the Work shall be of sufficient size and in such mechanical condition as to meet the requirements of the Work and produce a satisfactory quality of work. Equipment used on any portion of the Work shall be such that no injury to previously completed Work, adjacent property, or existing facilities shall result from its use.

When the methods and equipment to be used by the Contractor accomplishing the Work are not prescribed in the Contract Documents, the Contractor shall be free to use any methods or equipment that will accomplish the Work in conformity with the requirements of the Contract Documents.

When the Contract Documents specify the use of certain methods and equipment, such methods and equipment shall be used unless others are authorized by the Designer. If the Contractor desires to use a method or type of equipment other than specified in the Contract Documents, the Contractor may request authority from the Designer to do so. The request shall be in writing and shall include a full description of the methods and equipment proposed and of

7.10 The Contractor agrees to bind specifically every Subcontractor to the terms and conditions of the Contract Documents for the benefit of the Owner and to furnish written evidence thereof to the Designer and the Owner.

7.11 The Contractor shall attend job progress conferences and all other meetings or conferences as directed by the Designer. The Contractor shall be represented at these job progress conferences by a representative having the authority of the Project Manager and by such other representatives as the Designer may direct. Job progress conferences shall be open to Subcontractors, suppliers and any others who may contribute beneficially toward maintaining required job progress, and such personnel shall be encouraged by the Contractor to attend. It shall be the principal purpose of job progress conferences to effect coordination, cooperation and assistance in every practical way toward the end of maintaining progress of the Project on schedule and to complete the Work and the Project by the specified Completion Dates. The Contractor shall be prepared to assess progress of the Work as required in the Contract Documents and to recommend remedial measures for correction of progress as may be appropriate. The Designer shall preside as chairman and arrange for minutes to be taken and circulated.

In the event that the prosecution of the Work is discontinued for any reason, the Contractor shall notify the Designer and the Owner at least forty-eight (48) hours in advance of resuming operations.

Should the terms of the Contract Documents require completion of one or more portions of the Work for the Beneficial Occupancy of the Owner prior to completion of the entire Work, the Contractor shall complete such portion(s) of the Work on or before the date specified. Such completion shall include the obtaining of all government or other permits, permission, and/or approvals necessary to occupancy. The Contractor shall independently estimate the difficulties involved in arranging the Work to permit such Beneficial Occupancy and shall not claim any additional compensation or time extension by reason of any delay or increased cost due to completing such portion(s) of the Work. The Owner's possession and use of such portion(s) of the Work shall not be deemed an acceptance of any Work not completed in accordance with the Contract Documents. The Owner shall be responsible for the security, maintenance, utilities, and insurance of all portions of the Work completed and beneficially occupied by the Owner.

7.12 The Contractor shall pay all license fees and royalties, and assume all costs incident to the use of any invention, design process, or device which is the subject of patent rights or copyrights held by others, except for inventions, design processes, or devices specified by the Designer in the Contract Documents. The Contractor shall indemnify and hold harmless the Owner, the Designer, and anyone directly employed by either of them, from and against all claims, damages, losses and expenses, including attorney's fees and costs of defense, arising out of any infringement or alleged infringement of such rights during or after completion of the Work, and shall defend all such claims in connection with any actual or alleged infringement of such rights.

7.13 The Contractor shall secure and pay for all permits, including without limitation construction permits and licenses, and will pay all governmental charges and inspection fees necessary for the prosecution of the Work.

All catch basins and storm drain lines in the vicinity of the Project site shall be protected at all times from entry of dirt, rubble and other debris. The residue from the cleaning of trucks, wheelbarrows, concrete buggies, etc. must be prevented from entering the drainage system, and if cleaning is done, the residue must be contained and removed from the Project site with other refuse.

7.18 No burning of refuse or debris shall be allowed inside or around the Project during the course of construction without written authority from authorities having jurisdiction and the Owner.

7.19 The Contractor shall provide for and maintain necessary safety measures and safety programs for the protection of all persons involved with the Work. Such measures and programs shall include the requirements of the most current edition of the CAGC Safety and Health Manual [or the AGC Accident Prevention Manual in Construction], or equivalent requirements, and shall fully comply with all Federal, State, and local laws, rules, regulations, and building code requirements relating to the prevention of accidents or injuries to persons on or about the location of the Work.

All trenches, excavations, or other hazards in the vicinity of the Work shall be well barricaded, and properly lighted at night. When Work requires closing of an area normally used by the Owner or the public, the Contractor shall furnish, erect, and maintain temporary barricades, and properly light the area. The Contractor shall comply with any directions and public authorities in this respect.

Any unforeseen hazards, including but not limited to environmental, biological, chemical, physical, geological, natural or man-made, that are discovered by the Contractor or any of its subcontractors, must immediately be disclosed to the Owner in writing within twenty-four hours.

7.20 The Contractor shall designate a responsible officer or employee as safety inspector, whose duties shall include accident prevention on the Project as well as implementation of the Contractor's safety measures and safety programs on the Project. The name of the safety inspector shall be made known to the Designer and the Owner at the pre-construction conference.

7.21 In emergencies affecting the safety of persons, the Work, or property at the Project site or adjacent thereto, the Contractor is obligated to act in the Contractor's discretion to prevent threatened damage, injury, or loss. As soon as practicable, the Contractor shall notify the Designer and Owner of such emergency. The Contractor shall give the Designer and the Owner prompt written notice of any significant changes in the Work or deviations from the Contract Documents caused by such emergency. If the Contractor believes that additional work done in an emergency entitles the Contractor to an increase in the Contract Price or an extension of the Contract Time, the Contractor may make a claim therefore as provided in Articles 14 and/or 15.

7.22 The Contractor shall at all times keep the premises free from accumulation of waste materials or rubbish caused by the Work. At least weekly and at the completion of the Work, the Contractor shall remove all waste materials and rubbish from and about the Project. At the completion of the Work, the Contractor shall remove all tools, construction equipment, machinery, and surplus materials. The Contractor shall leave the Work in condition for occupancy by the Owner such that no cleaning or other operations are required. Material cleared

rubbish, fails to satisfactorily clean-up weekly or at the completion of the Work, the Owner may do so and the costs thereof may be deducted from any amounts due the Contractor.

7.23 Utilities, temporary facilities, and signs shall be provided as described in the Contract Documents. Absent a contrary direction in the Supplementary Conditions, the Contractor shall pay all bills for water, electricity, or other public utility service to the Project site.

7.24 The Contractor shall indemnify and hold the Owner, the Designer, the Designer's consultants, and their officers, agents, and employees harmless against all costs, damages, and expenses, including attorney's fees and costs of defense, arising out of claims by any separate contractor or by any Subcontractor, sub-subcontractor, or supplier engaged by or employed by the Contractor or employed by any of the Subcontractors claiming through him, including without limitation damages, losses, and expenses arising out of or relating to any inconvenience, delay, interference, or other action or non-action of the Contractor or the Contractor's Subcontractors on the Project.

Nothing contained herein or appearing anywhere in the Contract Documents shall obligate or require the Owner to exercise any right or privilege, or to take any action or to refrain from taking any action under any contract it may have with any other prime contractor or party to the Project for the benefit of the Contractor or any Subcontractor, sub-Subcontractor, or supplier claiming through the Contractor.

7.25 Prior to completion of the Work and Final Payment of the Contract Price, excepting only those portions of the Work deemed accepted in accordance with the Contract Documents, the Contractor shall have charge and care of the Work, and shall take every precaution against injury or damage to any part due to the action of the elements or from any other cause, whether arising from the execution or from the non-execution of the Work. The Contractor shall as required by the Owner replace, rebuild, repair, restore, and make good all injury or damage to any portion of the Work occasioned by any of the above causes before Final Completion and shall bear the expenses thereof.

7.26 In the event that the Work, or any portion thereof, is suspended at any time pursuant to an order of the Owner, the Contractor shall obey all instructions of the Owner regarding storage of materials, drainage, protection of the Work, and erection of temporary structures during the suspension period.

7.27 If there is a Project Expediter assigned to the Project, that person shall be responsible for the coordination of the Work of itself and any other separate contractors, both as to space and time. The Project Expediter shall coordinate the implementation of the Contract Construction Schedule, all construction activities and close-out of the Project, including but not limited to all testing, inspection, certifications, and approvals required by public agencies. If there is not a Project Expediter, then the Construction Manager will be responsible for these duties.

The Contractor and the Project Expediter shall each be required to notify the Designer and the Owner promptly of any event or condition which could affect the conduct or progress of the Work and shall cooperate fully with all other contractors on the Project site.

7.34 The Contractor shall be responsible for permanently fixed service facilities and systems in use during progress of the Work and shall strictly adhere to the following procedures:

- a) Prior to acceptance of the Work by the Owner, the Contractor shall remove and replace any part of the permanent building systems damaged through use during construction.
- b) Temporary filters shall be installed in each of the heating and air conditioning units, return air grilles, and other locations to prevent intrusion of dust, dirt, and debris during construction. Temporary filters shall be removed and replaced with new filters immediately prior to Substantial Completion.
- c) Extra effort shall be maintained to keep the building clean and under no circumstances shall air systems be operated if finishing operations are creating dust in excess of what would be considered normal if the building were occupied.
- d) When the permanent lighting system is used during construction, lamps shall be replaced and shall be new on the date of Substantial Completion.

## **ARTICLE 8. OWNER**

8.1 The Owner shall issue communications and notices to the Contractor through the Designer to the extent contemplated by the Contract Documents.

8.2 In case of termination of the employment of the Designer, the Owner shall appoint as Designer a qualified person who shall have and assume all rights and duties held by the original Designer.

8.3 The Owner shall have the right to take possession of and use any portion of the Work notwithstanding the fact that the time for completion of such portion of the Work may not have expired, but such taking possession and use shall not be deemed an acceptance of any Work not completed in accordance with the Contract Documents.

8.4 A waiver on the part of the Owner of any breach of any part of the Contractor shall not be held to be a waiver of any other or subsequent breach.

8.5 The Owner shall pay all permanent acreage fees, governmental impact fees, and meter deposits for permanent utilities.

## **ARTICLE 9. CONSTRUCTION MANAGER**

9.1 The Owner may employ one or more Construction Managers for the purpose of assisting the Owner, Designer, and Contractor in developing and administering budgets and cost controls, in evaluating constructability and value engineering proposals, in establishing and maintaining a critical path method (CPM) schedule, in coordinating and/or expediting the Work with other projects being constructed by the Owner or others adjacent or near the Work, or for such other purposes as the Owner may deem appropriate. From time to time the Owner may identify such

Agreement. The Contract Time shall be measured from said specified commencement date. The commencement date stated in the Notice to Proceed shall not be earlier than three (3) days after the Notice to Proceed is served on the Contractor.

If, other than by mutual agreement, said specified commencement date is more than thirty (30) days after the date of execution and delivery of the Agreement from Owner to Contractor and the Contractor believes said delay justifies an increase in Contract Price and/or an extension of Contract Time, the Contractor may make a claim therefore as provided in Article 14 and/or Article 15.

No Work shall be done prior to the date specified in the Notice to Proceed.

A final Contract Construction Schedule shall be submitted for approval by the Contractor, Designer, and Owner no later than thirty (30) days after Notice to Proceed. No payments shall be due the Contractor until this schedule is approved by all parties.

11.4 The Contract Construction Schedule is a Contract Document. The Contractor represents that the Contract Construction Schedule has been reviewed in detail, that the Contractor participated in its preparation, that all of the activities which impact, limit, or otherwise affect the time of completion of the Work are shown in the Contract Construction Schedule and that all of the activities of others which impact, limit, or otherwise affect the start, duration, or completion of the Contractor's activities are also shown. The Contractor further represents that the Contractor can and will complete each activity within the time shown for that activity. Time is of the essence with respect to each such activity and Completion Date.

11.5 If the Contractor submits a construction schedule, progress report, or any other document that indicates or otherwise expresses an intention to achieve completion of the Work prior to any Completion Date required by the Contract Documents or prior to expiration of the Contract Time, no liability of the Owner to the Contractor for any failure of the Contractor to so complete the Work shall be created or implied.

11.6 If the Contractor, for reasons beyond the Contractor's control, is delayed in beginning any activity, the Contractor shall, nevertheless, have the same number of days as is shown in the Contract Construction Schedule for the activity, and the affected activity and any succeeding activity that is dependent upon that activity shall be adjusted accordingly; provided that at any time the Owner, by means of a Change Order, may require the Contractor to work overtime, to increase labor forces or to take any necessary or appropriate action to decrease the time required for any activity, and the Contractor shall be entitled to an adjustment in the Contract Price computed in accordance with Article 15 of these General Conditions.

11.7 At any time, the Owner may order the Contractor, on seven (7) days written notice, to begin any activity earlier than the starting date shown on the Contract Construction Schedule.

11.8 Should the Contractor fail to start any activity on the start date shown in the Contract Construction Schedule or as it may have been adjusted, or become delayed, the Contractor shall, without being entitled to any increase in the Contract Price or other compensation, work overtime, increase labor forces or take such other action as may be necessary or appropriate to complete the



11.14 On any day that the Contractor considers that the Project is delayed by adverse weather conditions, the Contractor shall identify in writing to the Designer and the Owner the adverse weather conditions affecting each activity, the specific nature of the activity affected, the number of hours lost, and the number of and identity (by responsibility or trade) of workers affected and shall obtain from the Designer written recognition of the delay. The time for performance of this Contract includes an allowance for a number of calendar days which may not be suitable for construction Work by reason of adverse weather. The Contract Time will be extended if the Owner and Designer agree with the adverse weather delay.

11.15 If the Contractor believes that the progress of the Work has been adversely affected by adverse weather recognized by the Designer during a particular month, the Contractor shall submit a written request for extension of time to the Designer. Such a request for time extension of the Contract Time shall be submitted in writing to the Designer, copies to the Owner, within twenty days following the cause for delay. In case of continuing cause for delay, the Contractor shall notify the Designer, with copies to the Owner, within twenty days of the beginning of the delay and only one claim is necessary. The request shall include, but is not limited to, the following information:

- a) Detailed description of weather's effect on scheduled activities and its net effect on the critical path of the Project, and
- b) Weather records from the official weather station nearest the Project site and records of actual observation as contained in daily reports, correspondence, or other documentation.

11.16 The Contractor specifically recognizes that a delay by the Contractor in achieving any Completion Date can have the effect of delaying the Substantial Completion of the Project, that such delay in Substantial Completion of the Project will necessarily cause damages, losses, and expenses to the Owner, including, but not limited to and by way of illustration only, increased capitalized costs and interests for the Project, increased and extended Project overhead, Designer's and Consultant's fees, increased costs of construction, increased and extended operation costs of other facilities, and inefficiency and loss of productivity, and that such damages, losses, and expenses may not be readily identifiable or ascertainable at the time they are incurred or at any time. Therefore, and in recognition of these factors and the likelihood that actual damages from his delay will not be readily ascertainable, the Contractor agrees to pay to the Owner \$1,000.00 one thousand dollars, as Liquidated Damages per Day, for each day by which the failure to meet any Completion Date shown in the Contract Construction Schedule, adjusted in accordance with this Article, delays the Substantial Completion of the Project.

11.17 The Contractor shall not be entitled to any adjustment in the Contract Price or other compensation from the Owner for any delay in the completion of or progress on the Work that is caused by a force majeure condition or is otherwise not caused by the sole and direct act or omission of the Owner and the Owner's employees or agents.

11.18 The sum for Liquidated Damages is the amount stipulated in the Contract Agreement per day as Liquidated Damages reasonably estimated in advance to cover the losses to be incurred by the Owner by reason of failure of said Contractor(s) to complete the Work within the time specified, such time being of the essence of this Contract Agreement and a material consideration thereof.

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If this requirement is exercised, the Change Orders shall require written consent of the Contractor's surety. At the time of signing a Change Order, the Contractor shall be required to certify as follows:

"I certify that all sureties have been notified that my contract has been altered by the amount of this Change Order, and that a copy of the approved Change Order will be mailed to all sureties upon its receipt by me."

If this requirement is exercised, no payment to the Contractor on account of any Change Order shall become due or payable until written evidence of the surety's consent to the Change Order has been furnished to the Designer and to the Owner, and the furnishing of such written consent is a condition precedent to such payment.

12.8 The Contractor shall support all requests for Change Orders with a detailed cost breakdown showing cost of materials, labor, equipment, transportation, other items, Contractor's overhead and profit, and total cost, in accordance with methods defined in this Article, and, if the request seeks an extension of the Contract Time, with a time-related diagram which demonstrates specifically why an increase in construction time is needed.

12.9 When a request for a Change Order involves a Subcontractor, the Contractor shall provide quotation from same on Subcontractor's letterhead. The Subcontractor's quote shall list materials, equipment, and labor separately, and show overhead and profit.

### **ARTICLE 13. CHANGE OF THE CONTRACT PRICE**

13.1 The Contract Price constitutes the total compensation payable to the Contractor for performing all Work under the Contract Documents. All duties, responsibilities, and obligations assigned to or undertaken by the Contractor shall be at his expense without change in the Contract Price. The Contract Price may only be changed by a Change Order.

13.2 Any claim for an adjustment in the Contract Price shall be in writing and written notice of any event, action, or non-action which may become the basis of a claim shall be delivered to the Owner and the Designer within three (3) days of the occurrence, or the beginning of the occurrence, of any such event, action or non-action giving rise to the claim. Such written notice is a condition precedent to the making of a claim, and such notice shall describe the basis of the potential claim with reasonable detail and clarity.

A claim shall be made in writing and shall be delivered to the Designer and the Owner no later than fourteen (14) days after such notice. The claim shall describe in detail the basis for the claim, with specific reference to any provisions of the Contract Documents, by paragraph, drawing number, or other specific identification, and shall state the amount claimed and how it is calculated. If the Contractor, at the time the claim is made, is unable to state the amount claimed with accuracy, the Contractor shall so state and provide the estimated amount and the basis on which the amount is to be calculated. At the earliest date practicable, but in no event more than thirty (30) days after Contractor's notice of claim, the Contractor shall supplement the claim with an accurate statement of the amount claimed and how it has been calculated. The Contractor shall provide, in writing, in support of the claim all such explanations, arguments, data, receipts, expert opinions, or other documents or information as the Contractor deems appropriate to be considered in support of the claim. A claim may properly be rejected by the Owner by reason of the Contractor's failure to submit adequate or accurate documentation or information, except that within seven (7) days after being given notice that the claim has been rejected on this basis, the Contractor may submit additional documentation or information. No claim for a change of the Contract Price shall be considered or granted (except solely at the discretion of the Owner) unless a claim is so made, nor shall the

the change. All other items of cost shall be considered as overhead and covered by the percentages allowed in sections A and B of this paragraph.

The Contractor shall provide worksheets or tabulations describing the method by which the direct net cost was calculated, and shall provide all data needed to support the calculation of the direct net cost, all in a form acceptable to the Owner.

13.5 Where the Contract Price is to be adjusted by negotiation, the Owner may authorize and designate the Designer to negotiate with the Contractor on behalf of the Owner; provided, however, any agreement reached between the Contractor and Designer shall be subject to approval by the Owner

#### **ARTICLE 14. UNFORESEEN CONDITIONS**

14.1 Should the Contractor encounter unforeseen conditions at the Project site materially differing from those shown on the Drawings or indicated in the Specifications or differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Agreement, the Contractor shall immediately, and in no event more than three days later, give notice to the Owner of such conditions before they are disturbed. The Owner and the Designer shall thereupon promptly investigate the conditions and if they find that they materially differ from those shown on the Drawings or indicated in the Specifications, they shall at once make such changes in the Drawings and/or Specifications as they may find necessary. Any increase or decrease in the Contract Price resulting from such changes shall be adjusted in the manner provided herein for adjustments as to extra and/or additional Work and changes. However, neither the Owner nor the Designer shall be liable or responsible for additional work, costs, or changes to the Work that could have been reasonably determined from any reports, surveys, and analyses made available for the Contractor's review or that could have been discovered by the Contractor through the performance of its obligations pursuant to the Contract Documents.

#### **ARTICLE 15. CORRECTION OF WORK BEFORE FINAL PAYMENT**

15.1 The Owner has the authority to stop or suspend work, and the Designer has the authority to order Work removed or to order corrections of defective Work or Work not in compliance with the Contract Documents where such action may be necessary to ensure successful completion of the Work.

Any work, materials, fabricated items, or other parts of the Work which have been found by the Designer to be defective or not in accordance with the Contract Documents shall be condemned and shall be removed from the Project by the Contractor, and immediately replaced by new Work in accordance with the Contract Documents at no additional cost to the Owner. Work or property of the Owner or others damaged or destroyed by virtue of such condemned Work shall be made good at the expense of the Contractor.

Correction of condemned Work described above shall be commenced by the Contractor within twenty-four (24) hours after receipt of notice from the Designer and shall make satisfactory progress, as determined by the Designer, until completed. Should contractor fail to proceed with required corrections, the owner may complete the work in accordance with Article 17.

Condemned Work removed shall be the property of the Contractor and shall be removed from the Project by him within ten (10) days after notice to remove it, and if not then removed, thereafter may be disposed of by the Owner without compensation to the Contractor and the cost of such disposal shall be deducted from amounts due or to become due to the Contractor.

16.4 In and before the expiration of the eleventh calendar month after the date of Substantial Completion, and at the request of the Owner, the Contractor, the Owner and the Designer shall make an inspection of the Work for the purpose of identifying defective workmanship and/or materials. If the Contractor, having been requested to do so by the Owner, fails to participate in such inspection, the Contractor shall be conclusively bound by any decision or ruling by the Designer as to any defective workmanship or material and as to the Contractor's responsibility for its repair or replacement.

**ARTICLE 17. OWNER'S RIGHT TO DO WORK**

17.1 If, during the progress of the Work or during any period of guarantee, the Contractor fails to prosecute the Work properly or to perform any provision of the Contract Documents, the Owner, after three (3) days written notice to the Contractor from the Designer, or from the Owner after Final Payment, may perform or have performed that portion of the Work and may deduct the cost thereof from any amounts due or to become due the Contractor. Notwithstanding any action by the Owner under this paragraph, all warranties and bonds given or to be given by the Contractor shall remain in effect or shall be given by the Contractor.

17.2 Should the cost of such action by the Owner exceed the amount due or to become due the Contractor, the Contractor and his sureties shall be liable for and shall pay to the Owner the amount of such excess.

**ARTICLE 18. PARTIAL PAYMENTS**

18.1 Within thirty (30) days after his initial receipt of the Construction Agreement for signatures, or on the date agreed to by mutual consent of both Parties, the Contractor shall submit to the Designer a Schedule of Values. The Schedule of Values shall indicate the value of the Work, including applicable overhead and profit, for each Division and section of the Project Specifications. The Designer and Owner shall be provided with the Contractor's estimate papers, Subcontractor agreements, supplier quotes, or other documents substantiating these values if so requested in writing by the Designer. The Contractor shall provide the requested documentation within seven (7) days after receipt of the Designer's written request. The Schedule of Values shall be subject to approval by the Owner, and if the Owner and the Contractor cannot agree upon the Schedule of Values, the Designer shall prepare it, and the Schedule of Values as prepared by the Designer shall be binding on the Owner and the Contractor. No Request for Payment shall be certified by the Designer until the Designer has issued approval of said Schedule of Values.

18.2 During the initial meeting between Owner, Designer and Contractor, a date will be provided to the Contractor by the Owner which will set forth the date each month a Request for Payment for Work done will be submitted. The Request for Payment for Work done will be provided to the Contractor by the Designer. The Request for Payment will show substantially the value of Work done (including the value of material delivered to the Project or stored by the Contractor at another site, subject to the conditions hereinafter set forth) during the previous calendar month, and shall sum up the financial status of the Work with the following information:

- a) Total Contract Price, including any adjustment thereto made pursuant to the Contract Documents.
- b) Value of Work completed and materials properly stored to date.
- c) Less amount retained.
- d) Less previous payments.

- g) Failure to furnish Submittal as required by the Contract Documents on a timely basis in accordance with the Submittal Register.
- h) Such other reason as to the Designer may appear prudent, proper, or equitable.

When grounds for withholding certification have been corrected, the Designer shall so certify to the Owner and the Owner shall make any payment due with respect to such certification as a part of his next payment after such certification.

18.6 No certificate issued or progress payment made shall constitute an acceptance of the Work or any part thereof.

18.7 The amount certified by the Designer for payment shall be ninety-five percent (95%) of the value of Work completed and materials stored since the Designer's last certification as shown on the Request for Payment, less any amounts not certified in accordance with paragraph 18.4, and this amount shall be paid by the Owner on or before the last business day of the month, but payment shall not be past due until not paid within fifteen (15) days thereafter.

18.8 After certification by the Designer that the Work is fifty percent (50%) complete, based on a determination that the Contractor's gross project invoices, excluding the value of materials stored off-site, equal or exceed fifty percent (50%) of the value of the Contract, (except the value of materials stored on-site shall not exceed twenty percent (20%) of the Contractor's gross project invoices for the purpose of determining whether the Project is fifty percent (50%) complete) and the Contractor has provided to the Owner the written consent of its sureties to the cessation of further percentage retention, the amount certified for payment with respect to subsequent Requests for Payment shall be one hundred percent (100%) of the value of Work completed and materials stored since the Designer's last certification as shown on the Request for Payment, less any amounts not certified; provided, however, that the aggregate of periodic payments shall not exceed ninety-seven and one half percent (97.5%) of the Contract Price. If the Owner determines that the Contractor's performance under the Contract is unsatisfactory, the Owner may resume withholding percentage retention from each subsequent periodic payment application up to the maximum amount of five percent (5%) of the Contract Price.

## **ARTICLE 19. FINAL PAYMENT**

19.2 Except as set forth in paragraph 19.1, within forty-five days after Substantial Completion of the Project, the remaining unpaid balance of the Contract Price shall be paid to the Contractor, less an amount equal to two and one-half times the value of punch list work or other work remaining to be completed or corrected, as reasonably estimated by the Owner.

19.3 Upon Substantial Completion, the Designer shall prepare and submit to the Contractor a deficiency list identifying all portions of the Work which are known by the Designer at that time to be incomplete or defective. Within thirty (30) days of receipt of this deficiency list, the Contractor shall complete and correct all items on that list along with all other Work required to achieve Final Completion of the Work. At any time prior to completion of the period of warranty, the Designer may submit to the Contractor a supplemental deficiency list, in which case the Contractor shall complete or correct any and all new items identified on the Supplemental deficiency list within the time period stipulated in Article 15.

19.4 Final Payment of any remaining balance of the Contract Price shall not be due to the Contractor until the Contractor achieves Final Completion of the Project.

19.5 The making and acceptance of Final Payment shall constitute a waiver of all claims by the Owner except:

Initial Here 

24.3 The Contractor shall enforce all of the Designer's instructions, including but not limited to, those regarding signs, advertisements, fires, and smoking.

## **ARTICLE 25. DISPUTE RESOLUTION**

25.1 The laws of the State of North Carolina shall apply to the interpretation and enforcement of this Agreement. Any and all suits or actions to enforce, interpret, or seek damages with respect to any provision of, or the performance or nonperformance of, this Agreement shall be brought in the General Court of Justice of North Carolina sitting in Lee County, North Carolina, and it is agreed by the parties that no other court shall have venue with respect to such suits or actions. Appendix A shall be a part of the Contract Documents. Prior to initiating an action under this Article, any party to this Agreement shall initiate the mediation process as provided in Appendix A to these General Conditions of the Contract for Construction.

25.2 Any person or firm that expressly or impliedly agrees to perform labor or services or to provide material, supplies, equipment, work, performance or payment bonds, insurance or indemnification for the construction of the Project or the Work shall be deemed a party to this Agreement solely for the purpose of this Article 25. The Contractor, by means of its subcontracts, shall specifically require its Subcontractors to be bound by this Article.

## **ARTICLE 26. TAXES**

26.1 The Contractor has included in the Contract Price and shall pay all taxes assessed by any authority on the Work or the labor and materials used therein. The Contractor shall maintain all tax records during the life of the Project and furnish the Owner with a complete listing of all taxes paid by taxing authority, invoice number, date, amount, etc. in a form acceptable to the Owner. The Contractor is required to maintain a file showing taxes paid on the Project for three (3) years after Final Payment or turn said documents over to the Owner for his files.

26.2 The following is a list of requirements to be followed by the Contractor in maintaining proper records and reporting the North Carolina Sales and Use Tax and Local Sales and Use Tax. The Contractor shall comply fully with the requirements outlined below, in order that the Owner may recover the amount of the tax permitted under the law.

- a) It shall be the Contractor's responsibility to furnish the Owner documentary evidence showing the materials used and sales and use tax paid by the Contractor and each of his Subcontractors. Such evidence shall be transmitted to the Owner with each pay request irregardless of whether taxes were paid in that period.
- b) The documentary evidence shall consist of a certified statement by the Contractor and each of the Contractor's Subcontractors individually, showing total purchases of materials from each separate vendor and total sales and use taxes paid to each vendor. Certified statements must show the invoice number, or numbers, covered, and inclusive dates of such invoices.
- c) Materials used from Contractor's or Subcontractor's warehouse stock shall be shown in a certified statement at warehouse stock prices.
- d) The Contractor shall not be required to certify the Subcontractor's statements.

Initial Here:      *RS*

be entitled to any claim or claim of lien against Owner for any additional compensation or damages in the event of such termination and payment.



Agreement Addendum Between Lee County Government and Harrod and Associates Constructors, Inc. Federal Contracting Provision

This Agreement Addendum Between Lee County Government and Harrod and Associates Constructors, Inc. (hereinafter referred to as Agreement) is entered into by and between Harrod and Associates Constructors, Inc. (hereinafter called "Contractor"), a NC corporation and Lee County Government (hereinafter called "Unit"), political subdivision of the State of North Carolina.

Recitals

WHEREAS, Unit has received, either as a Recipient or Subrecipient a payment from the US Department of Interior to the North Carolina Department of Natural and Cultural Resources Grant Program for funds from the Emergency Supplement Historic Preservation Fund from 2020 Hurricanes Florence and Michael National Park Service Subgrants (hereinafter referred to as "funds"); and

WHEREAS, Unit intends to pay, in part or in whole, for the cost of the Contract using monies received from the funds; and

WHEREAS, in using such funds, Unit must comply with the terms of Grant Contract between recipient State of North Carolina Department of Natural and Cultural Resources Office of Archives and History State Historic Preservation Office and subrecipient Lee County Government and must agree to the Federal terms found in this Agreement; and

WHEREAS, the grant contract between North Carolina and the County is attached to this addendum, and all terms and exhibits are incorporated hereto and Unit agrees to abide by all terms in the grant contract agreement; and

NOW THEREFORE, Contractor and Unit do mutually agree as follows:

Agreements

- I. Annual Appropriations and Funding: This agreement may be subject to the annual appropriation of funds by the Lee County Commissioners. Notwithstanding any provision herein to the contrary, in the event that funds are not appropriated for this Agreement, then the Unit shall be entitled to immediately terminate this Agreement, without penalty or liability, except the payment of all contract fees due under this Agreement up to and through the last day of service. Payment for services under contract by this solicitation will be paid with federal funding. Funding is contingent upon compliance with all terms and conditions of funding award. The selected Contractor shall comply with all applicable federal laws, regulations, executive orders, Emergency Supplement Historic Preservation Fund from 2020 Hurricanes Florence and Michael National Park Service requirements and the terms and conditions of the funding award.
  
- II. Termination  
*Termination Without Cause*. The Unit may immediately terminate this Agreement at any time without cause by giving written notice to the Contractor. As soon as practicable after receipt of a written notice of termination without cause, Contractor shall submit a statement

to the Unit showing in detail the work performed under this Agreement through the effective date of termination.

*Termination With Cause.* Either party may terminate this Agreement upon the occurrence of one or more of the following events:

1. The other party violates or fails to perform any covenant, obligation, term or condition contained in this Agreement, provided that, unless otherwise stated in this Agreement, such failure or violation shall not be cause for termination if the following conditions are satisfied: (i) such default is reasonably susceptible to cure; and (ii) the other party cures such default within thirty days of receipt of written notice of default from the non-defaulting party.
2. The other party attempts to assign, terminate or cancel this Agreement contrary to the terms hereof.
3. The other party ceases to do business as a going concern, makes an assignment for the benefit of creditors, admits in writing its inability to pay debts as they become due, files a petition in bankruptcy or has an involuntary bankruptcy petition filed against it.

III. Access to Records

- a. The Contractor agrees to provide Unit, the U.S. Department of Interior, the NC Department of Natural and Cultural Resources State Historic Preservation Office, and the Comptroller General of the United States, or any of their authorized representatives access to any records (electronic or otherwise) of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions, or any other investigation.
- b. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- c. The Contractor agrees to retain all records covered by this Section for five years.

IV. Procurement of Recovered Materials

In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired-

Competitive within a timeframe providing for compliance with the contract performance schedule;

Meeting contract performance requirements; or

At a reasonable price

Information about this required, along with the list of EPA designated items, is available at EPA's Comprehensive Procurement Guidelines webpage:

<https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

V. Domestic Preferences for Procurements

- a. As applicable, and to the extent consistent with law, the Contractor should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. This includes, but is not limited to iron, aluminum, steel, cement, and other manufactured products. Contractor shall cause any SubContractors to include the requirements of this Section XIII in any Subcontracts.
- b. For purposes of this Section XIII:
  - i. *Produced in the United States* means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
  - ii. *Manufactured products* means items and construction materials composed in whole or in part of non-ferrous materials such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

VI. Byrd Anti-Lobbying Amendment

- a. Contractor certifies to Unit, and Contractor shall cause each Tier below it to certify to the Tier directly above such Tier, that it has not used and will not use federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Contractor shall, and shall cause each Tier below it, to disclose any lobbying with non-federally appropriated funds that takes place in connection with obtaining any federal award. Such disclosures (to be set forth on Standard Form-LLL, contained in 31 C.F.R. Part 21, Appendix B) shall be forwarded from Tier to Tier up to the Unit, which will, in turn, forward the certification(s) to Treasury. Contractor shall cause the language of this Section VIII.A. to be included in all Subcontracts. This certification is a material representation of fact upon which Unit has relied when entering into this Contract, and all liability arising from an erroneous representation shall be borne solely by Contractor.
- b. Contractors that bid or apply for a contract exceeding \$100,000 (including this Contract, if applicable) also must file with Unit the certification in Attachment 1 to this Addendum, which is attached hereto and incorporated herein.
- c. Contractor also shall cause any Subcontractor with a Subcontract (at any Tier) exceeding \$100,000 to file with the Tier above it the certification in Attachment 1 to this Addendum, which is attached hereto and incorporated herein.

VII. Debarment and Suspension

- a. Contractor hereby certifies as of the date hereof that Contractor, Contractor's principals (defined at 2 C.F.R. § 180.995), and the affiliates (defined at 2 C.F.R. § 180.905) of both Contractor and Contractor's principals are not excluded (defined at 2 C.F.R. § 180.935) and are not disqualified (defined at 2 C.F.R. § 180.935). If any of the foregoing persons are excluded or disqualified and the Secretary of the Treasury has not granted an exception

pursuant to 31 C.F.R. § 19.120(a), (1) this Contract shall be void, (2) Unit shall not make any payments of federal financial assistance to Contractor, and (3) Unit shall have no obligations to Contractor under this Contract.

- b. Contractor must comply with 2 C.F.R. Part 180, Subpart C and 31 C.F.R. Part 19 and must include a requirement to comply with these regulations in any lower-Tier covered transaction into which it enters. This certification is a material representation of fact relied upon by Unit, and all liability arising from an erroneous representation shall be borne solely by Contractor.
- c. If it is later determined that Contractor did not comply with 2 C.F.R. Part 180, Subpart C and 31 C.F.R. Part 19, in addition to remedies available to Unit, the Government may pursue available remedies, including but not limited to suspension and/or debarment.

VIII. Compliance with Federal Law, Regulations, and Executive Orders

This is an acknowledgement that federal financial assistance will be used to fund all or a portion of the contract. The contractor will comply with all applicable federal law, regulations, executive orders, federal policies, procedures, and directives.

- a. *Federal Funding Accountability and Transparency Act* in accordance with 2 C.F.R 170.320. Please review Attachment 2 for questions related to this report.
- b. Unique Entity Identifier (UEI)-all entities that wish to do business with federal funding albeit through receiving funds directly from the federal government or through subaward must obtain a UEI. Please visit [SAM.gov](https://sam.gov) | [Entity Registrations](#) for instructions and registration.

IX. No Obligation by Federal Government

The federal government is not a party to this contract and is not subject to any obligations or liabilities to the non-federal entity, contractor, or any other party pertaining to any matter resulting from the contract.

X. Non-discrimination

- a. Contractor and any Subcontractor, or the successor, transferee, or assignee of Contractor or any Subcontractor, shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. §§ 2000d *et seq.*), as implemented by the Department of the Treasury's Title VI regulations, 31 C.F.R. Part 22, which are herein incorporated by reference and made a part of this Contract. Title VI also provides protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. §§ 2000d *et seq.*, as implemented by Treasury's Title VI regulations, 31 C.F.R. Part 22, and herein incorporated by reference and made a part of this Contract.

XI. Other Non-Discrimination Statutes

- a. Contractor acknowledges that Unit is bound by and agrees, to the extent applicable to Contractor, to abide by the provisions contained in the federal statutes enumerated below

and any other federal statutes and regulations that may be applicable to the expenditure of Fiscal Recovery Funds:

- i. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 *et seq.*), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
- ii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;
- iii. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 *et seq.*), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
- iv. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 *et seq.*), which prohibits discrimination on the basis of disability in programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

XII. Whistleblower Rights and Requirements for Contractor

- a. This contract and employees working on this contract, and any subcontract of contractor, will be subject to the whistleblower rights and remedies in the program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and Federal Acquisition Regulation (FAR) 3.908.
- b. The Contractor shall inform its employees in writing, in the predominate language of the workforce of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section FAR 3.908.
- c. The Contractor shall insert the substance of this clause, including this paragraph (c) in all subcontracts over the simplified acquisition threshold as defined in FAR 2.101 on the date of the subcontract award.

XIII. Affirmative Socioeconomic Steps

If subcontracts are to be let, the prime contractor is required to take all necessary steps identified in 2 C.F.R. 200.321(b)(1)-(5) to ensure that small and minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

XIV. Copyright

The Contractor grants to the Unit, a paid-up, royalty-free, nonexclusive, irrevocable, worldwide license in data first produced in the performance of this Agreement to reproduce, publish, or otherwise use, including prepare derivative works, distribute copies to the public, and perform publicly and display publicly such data. For data required by the Agreement but not first produced in the performance of this Agreement, the Contractor will identify such data and grant to the Unit or acquires on its behalf a license of the same scope as for data first produced in the performance of this Agreement. Data, as used herein, shall include any work subject to copyright under 17 U.S.C. 102, for example, any written reports or literary works,

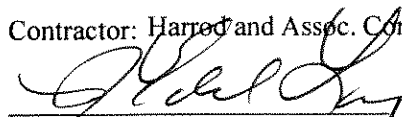
software and/or source code, music, choreography, pictures, or images, graphics, sculptures, videos, motion pictures or other audiovisual works, sound and/or vide recordings, and architectural works. Upon or before completion of this Agreement, the Contractor will deliver to the Unit data first produced in the performance of this Agreement and data required by the Agreement but not first produced in the performance of this Agreement in formats acceptable by Unit.

XV. Miscellaneous


- A. *Increasing Seat Belt Use in the United States.* Pursuant to Executive Order 13043, 62 Fed. Reg. 19,216 (Apr. 18, 1997), Unit encourages Contractor to adopt and enforce on-the-job seat belt policies and programs for its employees when operating company-owned, rented, or personally owned vehicles.
  
- B. *Reducing Text Messaging While Driving.* Pursuant to Executive Order 13513, 74 Fed. Reg. 51,225 (Oct. 6, 2009), Unit encourages Contractor to adopt and enforce policies that ban text messaging while driving.


Agreed to this the 16th day of December, 2024.

Contractor: ~~Harrod~~ and Assoc. Constructors, Inc.

  
Name  
R. Edward Long, Vice President  
Title

Unit:

  
~~Lisa Minter~~  
~~Manager, Lee County~~

  
Kirk D. Smith  
Chair, Lee County Board of Commissioners

ATTACHMENT 1

TO

ADDENDUM CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of the undersigned's knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31 of the U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, Harrod and Associates Constructors, Inc., certifies and affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chapter 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

  
\_\_\_\_\_  
Signature of Contractor's Authorized Official

R. Edward Long, Vice President  
\_\_\_\_\_  
Name and Title of Contractor's Authorized Official

12/16/24  
\_\_\_\_\_  
Date

ATTACHMENT 2

INSTRUCTIONS: Grantee must provide to Lee County the names and total compensation of the five most highly compensated officers of the entity if--

(i) the entity in the preceding fiscal year received--

(I) 80 percent or more of its annual gross revenues in Federal awards; and

(II) \$25,000,000 or more in annual gross revenues from Federal awards; and

(ii) the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.

If the Grantee does not meet the conditions listed above, then it must specifically affirm to Lee County that the requirements of this clause are inapplicable to the Grantee.

## Federal Funding Accountability and Transparency Act (FFATA)

Sub-awardee Information	
Name	
Address	
City	
State	
Zip+4	
DUNS #	
DUNS+4	

Sub-awardee Primary Project Location	
Address	Enter the physical address of the principal place of performance
City	Enter the city of the principal place of performance
State	Enter the principal place of performance two-digit State abbreviation
Zip+4	Enter the principal place of performance nine-digit Zip+4 (This field is used to identify the congressional District. If its not entered correctly the report will be rejected)
Instructions: Grantee must provide to Lee County the primary location of performance under the award, including the city, state, and zip code including 4-digit extension. If performance is to occur in multiple locations, then Grantee must list the location where the most amount of the grant award is to be expended pursuant to the grant agreement.	

Compensation of Officers		
Title	Name	Compensation amount
<input type="checkbox"/>	By marking the box Grantee affirms they do not meet the conditions for reporting highly compensated officials.	



**FORM OF PERFORMANCE BOND**

Date of Contract: December 16, 2024

Date of Execution: December 16, 2024

Name of Principal  
(Contractor) Harrod and Assoc. Constructors, Inc.

Name of Surety: Travelers Casualty and Surety Company of America  
One Tower Square , Hartford, CT 06183

Name of Contracting  
Body: Lee County Government

Amount of Bond: One Million Two Hundred Twelve Thousand One Hundred Dollars and 00/100 ( \$1,212,100.00 )

Project Lee County Historic Courthouse Repair

KNOW ALL MEN BY THESE PRESENTS, that we, the principal and surety above named, are held and firmly bound unto the above named contracting body, hereinafter called the contracting body, in the penal sum of the amount stated above for the payment of which sum well and truly to be made, we bind, ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the principal entered into a certain contract with the contracting body, identified as shown above and hereto attached:

NOW, THEREFORE, if the principal shall well and truly perform and fulfill all the undertakings, covenants, terms, conditions and agreements of said contract during the original term of said contract and any extensions thereof that may be granted by the contracting body, with or without notice to the surety, and during the life of any guaranty required under the contract, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions and agreements of any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the surety being hereby waived, then, this obligation to be void; otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals on the date indicated above, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Executed in \_\_\_\_\_ Four (4) \_\_\_\_\_ counterparts.

Witness:

Harrod and Assoc. Constructors, Inc.  
Contractor: (Trade or Corporate Name)

\_\_\_\_\_  
(Proprietorship or Partnership)

By: *[Signature]*

Attest: (Corporation)

Title: Keith R. Harrod, President  
(Owner, Partner, or Corp.  
Pres. or Vice Pres. only)

By: *[Signature]*

Title: R. Edward Long, Corp. Sec.  
(Corp. Sec. or Asst. Sec.. only)

(Corporate Seal)

Travelers Casualty and Surety Company of America  
(Surety Company)

Witness:

By: *[Signature]*

*[Signature]*  
Angela D. Ramsey

Title: Jennifer C. Hoehn Attorney-in-Fact  
(Attorney in Fact)

Countersigned:

*[Signature]*  
Jennifer C. Hoehn  
(N.C. Licensed Resident Agent)

(Surety Corporate Seal)

USI Holdings Corporation

6100 Fairview Rd., Charlotte, NC 28210  
Name and Address-Surety Agency



Travelers Casualty and Surety Company of America  
11440 Carmel Commons Blvd.  
Charlotte, NC 28226  
Surety Company Name and N.C.  
Regional or Branch Office Address

**FORM OF PAYMENT BOND**

Date of Contract: December 16, 2024

Date of Execution: December 16, 2024

Name of Principal  
(Contractor) Harrod and Assoc. Constructors, Inc.

Name of Surety: Travelers Casualty and Surety Company of America  
One Tower Square , Hartford, CT 06183

Name of Contracting  
Body: Lee County Government

Amount of Bond: One Million Two Hundred Twelve Thousand One Hundred Dollars and 00/100 ( \$1,212,100.00 )

Project Lee County Historic Courthouse Repair

KNOW ALL MEN BY THESE PRESENTS, that we, the principal and surety above named, are held and firmly bound unto the above named contracting body, hereinafter called the contracting body, in the penal sum of the amount stated above for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the principal entered into a certain contract with the contracting body identified as shown above and hereto attached:

NOW, THEREFORE, if the principal shall promptly make payment to all persons supplying labor/material in the prosecution of the work provided for in said contract, and any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the surety being hereby waived, then this obligation to be void; otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals on the date indicated above, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Executed in \_\_\_\_\_ Four (4) \_\_\_\_\_ counterparts.

Witness:

Harrod and Assoc. Constructors, Inc.

Contractor: (Trade or Corporate Name)

By: [Signature]

(Proprietorship or Partnership)

Attest: (Corporation)

Title: Keith R. Harrod, President  
(Owner, Partner, or Corp. Pres. or Vice Pres. only)

By: [Signature]

Title: R. Edward Long, Corp. Sec.  
(Corp. Sec. or Asst. Sec.. only)

(Corporate Seal)

Travelers Casualty and Surety Company of America

(Surety Company)

Witness:

By: [Signature]

[Signature]  
Angela D. Ramsey

Title: Jennifer C. Hoehn Attorney-in-Fact  
(Attorney in Fact)

Countersigned:

[Signature]  
Jennifer C. Hoehn  
(N.C. Licensed Resident Agent)

(Surety Corporate Seal)

USI Holdings Corporation

6100 Fairview Rd., Charlotte, NC 28210  
Name and Address-Surety Agency



Travelers Casualty and Surety Company of America  
11440 Carmel Commons Blvd.  
Charlotte, NC 28226  
Surety Company Name and N.C.  
Regional or Branch Office Address

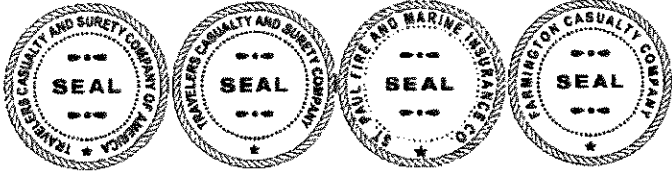


**Travelers Casualty and Surety Company of America  
 Travelers Casualty and Surety Company  
 St. Paul Fire and Marine Insurance Company  
 Farmington Casualty Company**

**POWER OF ATTORNEY**

Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, St. Paul Fire and Marine Insurance Company, and Farmington Casualty Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and the Companies do hereby make, constitute and appoint Jennifer C. Hoehn of Charlotte, NC their true and lawful Attorney(s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this 4th day of March, 2024.



State of Connecticut

By: *Bryce Grissom*  
 Bryce Grissom, Senior Vice President

City of Hartford ss.

On this the 4th day of March, 2024, before me personally appeared Bryce Grissom, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the 30th day of June, 2026



*Anna P. Nowik*  
 Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

**RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her, and it is

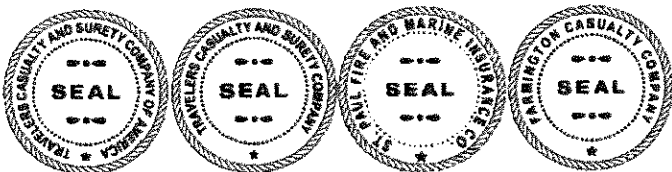
**FURTHER RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

**FURTHER RESOLVED**, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority, and it is

**FURTHER RESOLVED**, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kevin E. Hughes, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this December 16, 2024



*Kevin E. Hughes*  
 Kevin E. Hughes, Assistant Secretary

To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.  
 Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/16/2024

**THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.**

**IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).**

<b>PRODUCER</b> Pelnik Insurance 100 Ridgeview Drive Suite 100 Cary NC 27511		<b>CONTACT NAME:</b> Steven Stacy <b>PHONE (A/C, No, Ext):</b> (919) 459-8000 <b>E-MAIL ADDRESS:</b> Steve.Stacy@Pelnik.com <b>FAX (A/C, No):</b> (866) 714-3576	
<b>INSURED</b> HARROD AND ASSOC. CONSTRUCTORS, INC PO BOX 90713 RALEIGH NC 27675-0713		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Selective Ins Co of America NAIC # 12572 <b>INSURER B:</b> Builders Mutual Insurance Co 10844 <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	

**COVERAGES**      **CERTIFICATE NUMBER:** CL244825614      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

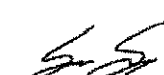
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER	Y	Y	S 2162882	04/15/2024	04/15/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	S 2162882	04/15/2024	04/15/2025	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$	Y	Y	S 2162882	04/15/2024	04/15/2025	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	Y	PWC1010418 09	04/15/2024	04/15/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Builders Risk			S 2162882	04/15/2024	04/15/2025	Limit 10,000,000 Deductible 1,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Project: Lee County Historic Courthouse Repair

Lee County, Hobbs Architecture and all other parties required by contract are additional insureds with respect to the General Liability policy for ongoing and completed operations, Auto Liability and Umbrella Liability when required by contract. Coverage is Primary and non-contributory. Waiver of Subrogation applies in favor of the attached insured with respect to the General Liability, Auto Liability, Workers' Compensation and Umbrella Liability policies when required by contract.

**CERTIFICATE HOLDER****CANCELLATION**

Lee County 1408 Horner Blvd Sanford NC 27330	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
--	--

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

**Table of Rules**

1. Initiating Mediated Settlement Conferences
  - A. Purpose of mandatory settlement conferences
  - B. Initiating the dispute resolution process
  
2. Selection of Mediator
  - A. Selection of certified mediator by agreement of the parties
  - B. Nomination and court approval of a non-certified mediator
  - C. Appointment of mediator by the County of Lee
  - D. Mediator information directory
  - E. Disqualification of Mediator
  
3. The Mediated Settlement Conference
  - A. Where conference is to be held
  - B. When conference is to be held
  - C. Request to extend deadline for completion
  - D. Recesses
  - E. The mediated settlement conference shall not be cause for the delay of the construction project, which is the focus of the dispute
  
4. Duties of Parties and Other Participants
  
5. Authority and Duties of Mediators
  - A. Authority of mediator
  - B. Duties of mediator
  
6. Compensation of the Mediator
  - A. By agreement
  - B. By appointment
  
7. Mediator Certification
  
8. Rule Amendments
  
9. Time Limits

**RULE 1. INITIATING MEDIATED SETTLEMENT CONFERENCES**

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



parties from engaging in settlement procedures voluntarily at any time to or during commencement of the dispute resolution process.

### **B. Initiating the Dispute Resolution Process**

1. The County reserves the right to require mediation as a precondition to litigation. The County also encourages all disputes to be resolved through good faith efforts of discussion by submitting a dispute to the Project Designer or Prime Contractor and working with the County before a party requests mediation.
2. Any party to a public building contract governed by Article 8, Chapter 143 of the NC General Statutes and identified in N.C.G.S. 143-128(f1) and (g) and who is a party to a dispute arising out of the building process in which the amount in controversy is at least \$15,000 may submit a written request to the County of Lee owner, notice to the Lee County Manager, for mediation of the dispute.
3. Prior to submission of a written request for mediation to the County of Lee owner, the parties requesting mediation:
  - a. If a prime contractor, must have first submitted its claim to the Project Designer for review. If the dispute is not resolved through the Project Designer's instructions, then the dispute is eligible for mediation in the Formal Dispute Resolution Process and the party may submit their written request for mediation to Lee County.
  - b. If the party requesting mediation is a subcontractor, it must first have submitted its claim for mediation to the prime contractor with whom it has a contract. If the dispute is not resolved through the Prime Contractor's involvement, then the dispute is eligible for mediation in the Formal Dispute Resolution Process, and the party may submit its written request for mediation to the County of Lee.
  - c. If the party requesting mediation is the Project Designer, then it must first submit its claim to the County of Lee to resolve. If the dispute is not resolved with the County of Lee's involvement, then the Project Designers' dispute is eligible for mediation in the Formal Dispute Resolution Process, and the Project Designer may submit its written request to the County of Lee for mediation.

## **RULE 2. SELECTION OF MEDIATOR**

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

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

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

of the mediator, state the rate of compensation of the mediator, and state that the mediator and opposing counsel have agreed upon the selection and rate of compensation.

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

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

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

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

### **RULE 3. THE MEDIATED SETTLEMENT CONFERENCE**

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

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

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

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

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

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

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

**A. Attendance.**

1. All parties to the dispute originally presented to the Designer or Prime Contractor for initial resolution must attend the mediation. Failure of a party to a construction contract to attend the mediation may result in Lee County's withholding of monthly payment to that party until such party attends the mediation.

2. Attendance shall constitute physical attendance, not by telephone or other electronic means. Any attendee on behalf of a party must have authority from that party to bind it to any agreement reached as a result of the mediation.

3. Attorneys on behalf of parties may attend the mediation but are not required to do so.

4. Sureties or insurance company representatives are not required to attend the mediation unless any monies paid or to be paid as a result of mediation require their presence or acquiescence. If such agreement or presence is required, then authorized representatives of the surety or insurance company must attend the mediation.

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

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

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

**RULE 5. AUTHORITY AND DUTIES OF MEDIATORS**

**A. Authority of Mediator.**

1. Control of Conference. The mediator shall at all times be in control of the conference and the procedures to be followed.

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

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

**B. Duties of Mediator.**

1. The mediator shall define and describe the following at the beginning of the conference:

- a. The process of mediation;
- b. The difference between mediation and other forms of conflict resolution;
- c. The costs of the mediated settlement conference;
- d. That the mediated settlement conference is not a trial, the mediator is not a judge, and the parties retain their legal rights if they do not reach settlement;

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

## **RULE 6. COMPENSATION OF THE MEDIATOR**

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

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

## **RULE 7. MEDIATOR CERTIFICATION**

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

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

## **RULE 8. RULE MAKING**

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

## **RULE 9. TIME LIMITS**

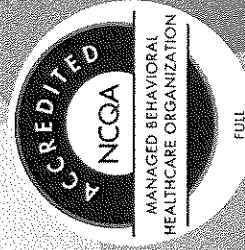
Any time limit provided for by these Rules may be waived or extended by the mediator it appoints for good cause shown. If the mediator has not yet been appointed, the Designer of Record shall decide all waivers or extensions of time for good cause shown.

Transforming Lives.  
Building Community Well-Being.

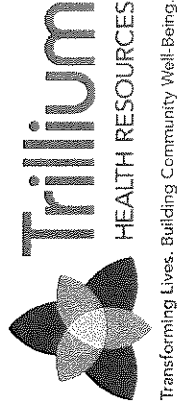


# Trillium Health Resources

Medicaid and Tailored Plan Launch

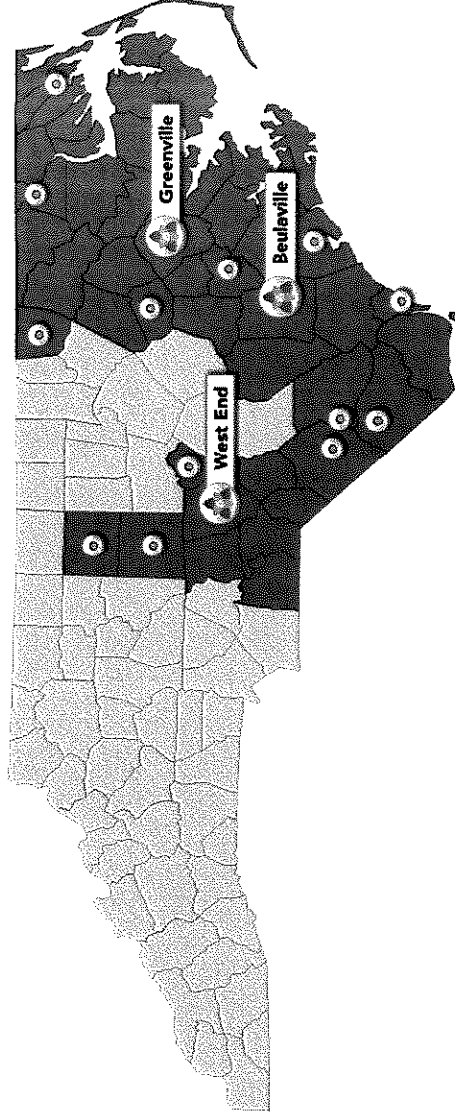


# Trillium Health Resources

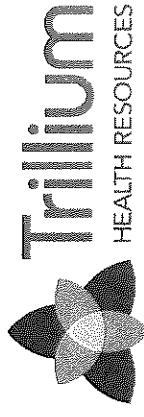


- ▲ Trillium Health Resources is an LME/MCO responsible for management of serious mental health, substance use, and intellectual/ developmental disability (or I/DD) services in eastern North Carolina.
- ▲ Trillium covers 46 counties in eastern North Carolina
- ▲ Member and Recipient Service Line:
  - 1-877-685-2415
  - Contact Trillium staff, like care managers
  - Find services and providers
  - Send complaints
  - Need information or some other type of help
- ▲ Visit our website at [TrilliumHealthResources.org](http://TrilliumHealthResources.org)

<b>LME</b>	local management entity
<b>MCO</b>	managed care organization



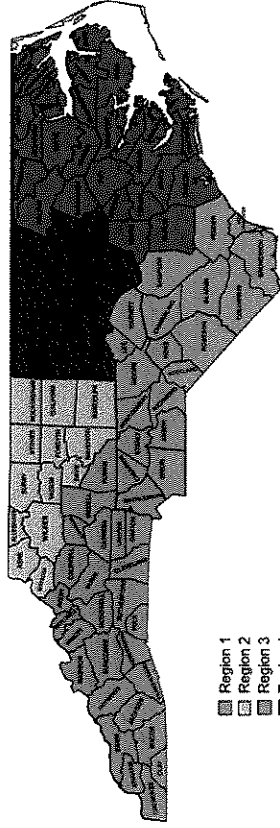
# Medicaid In NC



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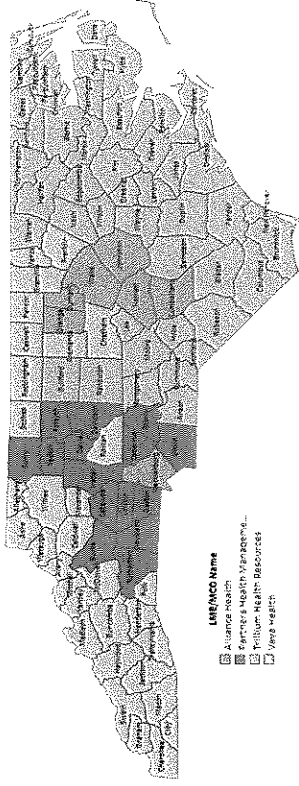
## Standard Plan Regions

- WellCare, UnitedHealthcare Community Plan, Healthy Blue and AmeriHealth Caritas are offered statewide.
- Carolina Complete Health is offered in regions 3, 4 and 5.



## Tailored Plan Regions

- Trillium covers 46 counties in Eastern and Central NC
- Alliance covers 7 counties, Partners covers 15 counties, and Vaya covers 32



- Standard Plans are commercial health plans that manage physical health and behavioral health benefits and services for those with mild to moderate behavioral health and intellectual/developmental disability needs.
- Tailored Plans are public health plans that manage physical health & behavioral health benefits and services for those with severe behavioral health and intellectual/developmental disability needs
- Medicaid Direct – LME/MCOs manage behavioral health benefits for those who are carved out of SP/TPs, such as Medicare/Medicaid dually enrolled individuals



# Behavioral Health Services



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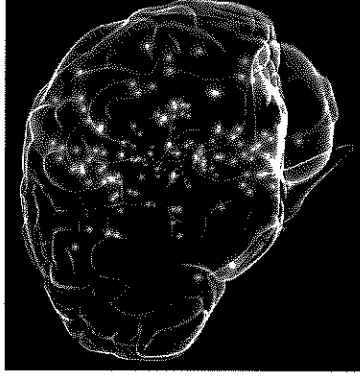
- ▲ **Basic Services (SP & TP)** - outpatient treatment and medication management, substance abuse intensive outpatient and comprehensive outpatient treatment, child first early intervention
- ▲ **Enhanced Services (TP Only)** - child/adolescent day treatment, Intensive In-Home, Multi-Systemic Therapy, Assertive Community Treatment, Psychosocial Rehabilitation, Ambulatory Detox
- ▲ **Residential Services (TP Only)** - Psychiatric Residential Treatment, Group Homes, Substance Abuse Medically Monitored Residential Treatment, Intermediate Care Facilities

# Tailored Plan Launch



Transforming Lives. Building Community Well-Being.

- ▲ Tailored Plans Launched July 1, 2024
  - Completed the NC Medicaid Transformation plan
  - Whole Person Care - coverage of both Physical and Behavioral Health/Intellectual and Developmental Disability Care
  - Other Benefits Covered
    - Non-Emergency Medical Transportation
    - Pharmacy
    - Durable Medical Equipment
    - Long Term Services and Supports

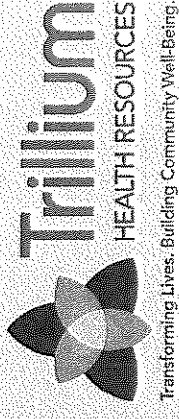


## Tailored Care Management



- ▲ Whole Person Care Management
- ▲ Provided by Health Plan (Trillium), Care Management Agency or Advanced Medical Home+
- ▲ Develop Member Centered Plan of Care
- ▲ Identify and connect with needed providers, services and social determinants of health resources
- ▲ Regularly assess progress of plan & adjust support accordingly
- ▲ Care team includes behavioral health and physical health expertise

## Tailored Plan Services



- ▲ Services/Benefits available exclusively through the Tailored Plans include:
  - Innovations waiver services
  - TBI waiver services
  - 1915i services
  - State funded behavioral health services
  - State funded I/DD services
  - State funded Traumatic Brain Injury Services

## Tailored Plan Eligibility



- ▲ Eligibility considers both an individual's diagnosis and use of services including:
  - Use of/need for a service covered exclusively by the Tailored Plan
  - Qualifying diagnosis and admission to a State Psychiatric Hospital or Alcohol & Drug Abuse Treatment Center (ADATC)
  - 2+ visits to an ED for a psychiatric need, psychiatric inpatient stay, or use of BH crisis services
  - Auto-enrollment determined by DHHS algorithm based on paid claims
  - Other beneficiaries not eligible for auto-enrollment were able to join via open enrollment prior to launch
  - Members encouraged to select Primary Care Physician & auto-assigned if no selection made



## Medicaid Members in Lee

As of July, there were 18,892 Medicaid Recipients in Lee County.

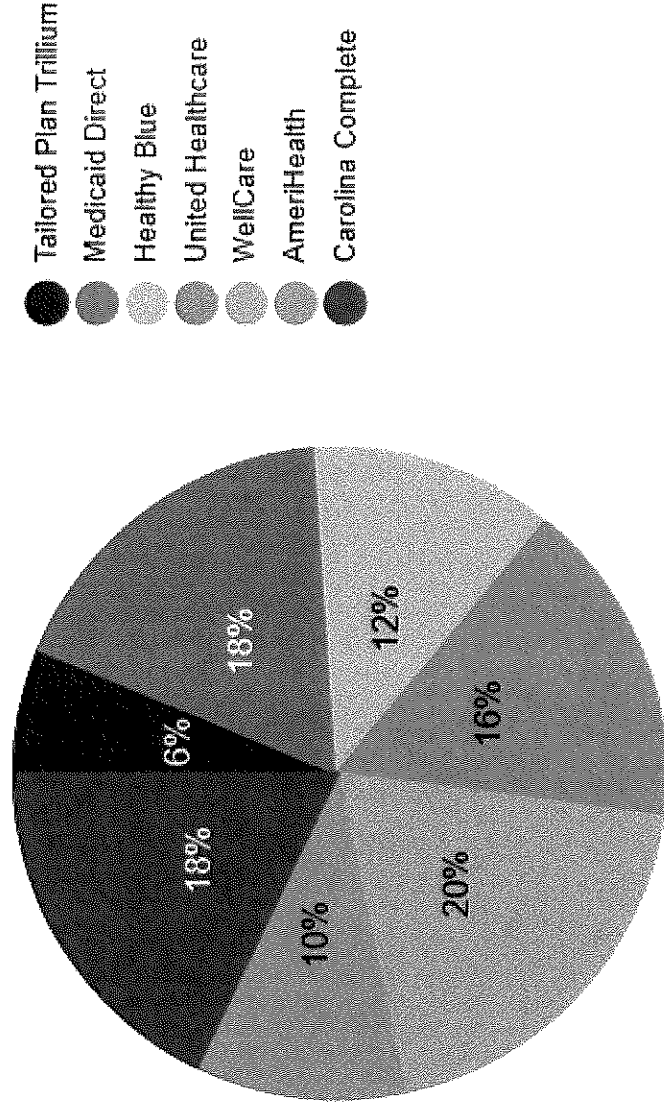
Trillium covers 24% of Medicaid recipients in Lee County

- 4,513 Trillium Medicaid Members
- 1,178 Tailored Plan Members
- 3,335 Medicaid Direct Members

Standard Plans cover 76% of Medicaid recipients in Lee County

- 14,379 Standard Plan Members

Lee Medicaid Enrollment Data - July 2024



## Initial Findings from Tailored Plan Launch



Transforming Lives. Building Community Well-Being.

- ▲ Here are some initial impacts from Trilliums Tailored Plan Launch:
  - Increased call volume - June = 9,426 calls, July 17,031 calls
  - Increased claims - June = 265,364, July 284,605\*
  - Transportation - some members experiencing disruption to regular transportation schedule
  - Pharmacy - \$82 Million in claims through mid-October
  
- ▲ Here are some performance measures related to launch changes:
  - 72.8% calls answered within 30 seconds, 4.15% abandonment rate
  - 100% Medicaid and State claims paid within 30 days
  - The week prior to TP launch, Trillium staff contacted 900 members who received at least weekly trips that had not been scheduled for the following week

# Addressing Unmet Health Related Resource Needs



- ▲ Approximately 80% of health is related to non-medical needs:
  - Housing, Transportation, Food Access, Interpersonal Safety, Education/Employment, Social Integration
- ▲ Trillium connects members to resources
  - Neighborhood Connections - Trillium team that assists Medicaid recipients in connecting with community resources
  - Trillium Advantage - value added services help with employability, housing and other stabilizing resources
    - GED vouchers, Transportation, Recovery App, One Time Move-In Assistance, care management participation incentive

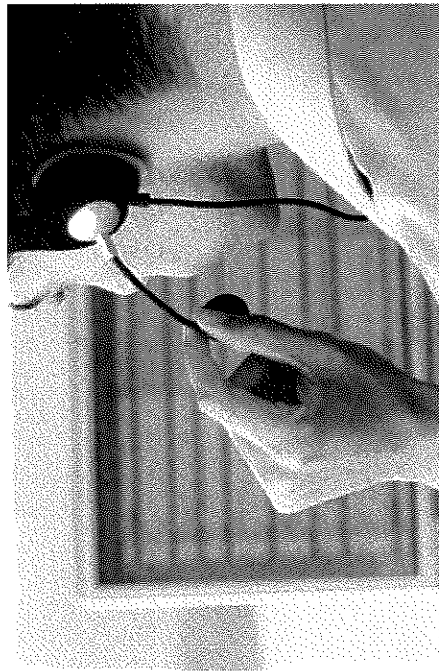


# How Do I get Information



HEALTH RESOURCES

Transforming Lives. Building Community Well-Being.



#### Non-English Speakers

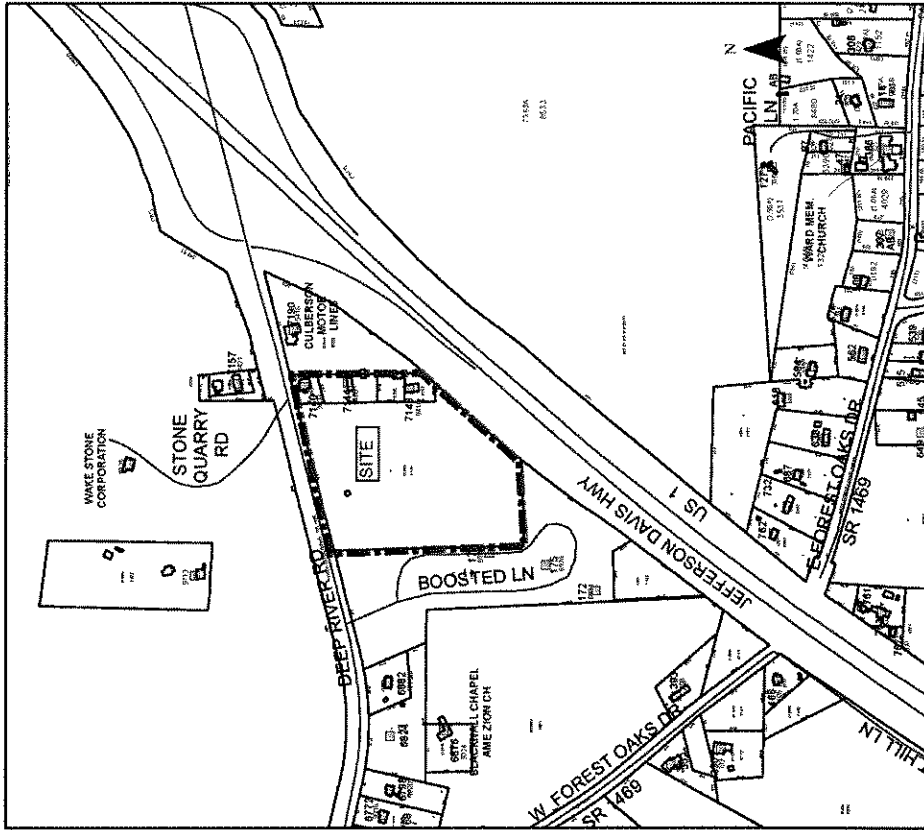
If you do not speak English, we will connect you with an interpreter service. This is a free service for you, available on any call. Providers in the Trillium network are required to offer interpreter services as well.

#### Personas que no hablan inglés

Si usted no habla inglés, lo conectaremos con un servicio de intérprete. Este es un servicio gratuito para usted, disponible en cualquier llamada. También, a los proveedores de la red de Trillium se les requiere a ofrecer los servicios de intérprete.

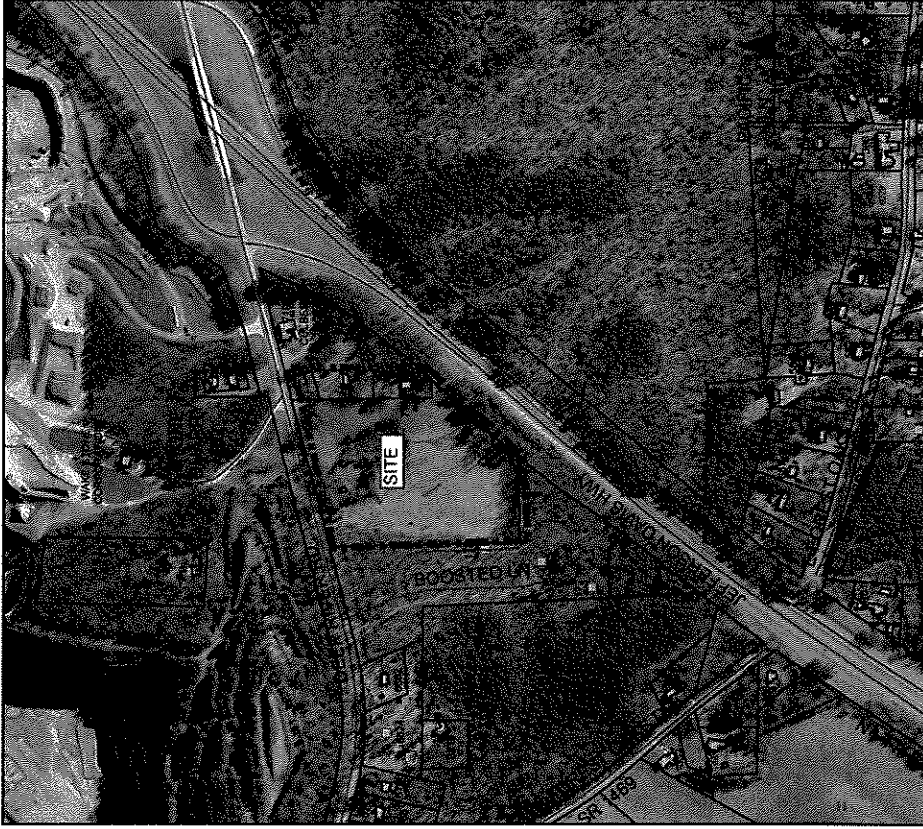
Large print materials can be requested by calling 1-866-998-2597.

- **The Member and Recipient Service Line**  
1-877-685-2415 for services, treatment options, or behavioral health crises. Access to this line is M-S 7AM-6PM.
- **Behavioral Health Crisis Line**  
1-888-302-0738 Available 24/7 for those who are experiencing a behavioral health crisis and need to be connected to care immediately
- **The Administrative and Business Line**  
1-866-998-2597 Monday - Friday, 8:30 a.m. - 5:00 p.m.  
Closed on Holidays.  
Can be used for general questions, business matters, to register a complaint/compliment, or to request a printed copy of materials.
- **Trillium Website <https://www.trilliumhealthresources.org>**  
Provider information, member information/handbook, member services, news, events, training opportunities, and provider recruitment can be located on the Trillium website.



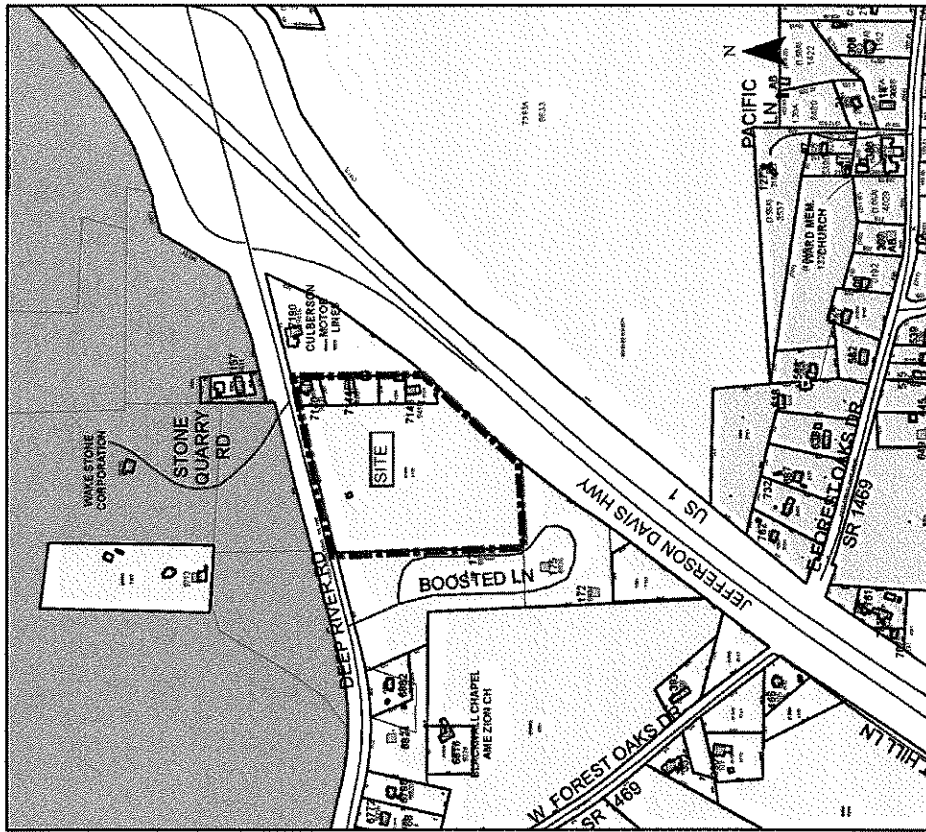
**REZONING APPLICATION**  
**Rezone 14.6 acres with frontage on Deep River Road**  
**from RA to LI.**

This is a graphic illustration and not a legal document.  
 All information is comprised of layers of data that may or may not align correctly.



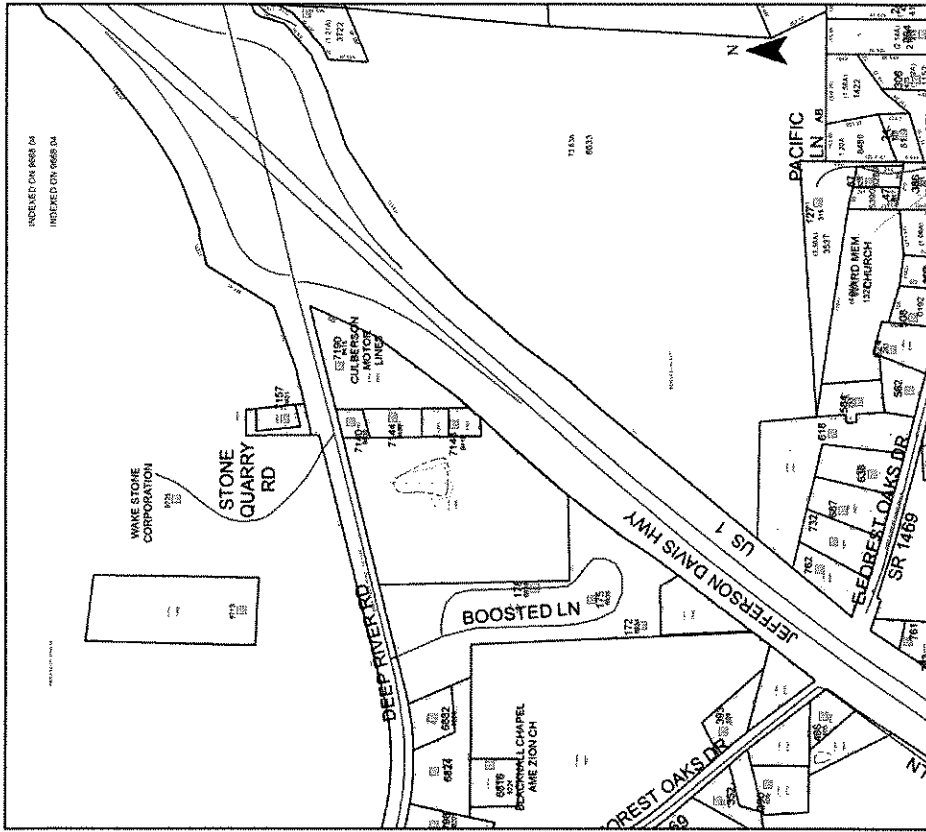
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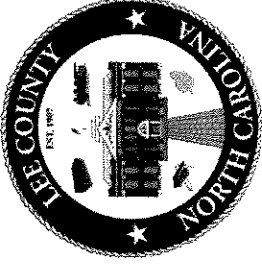
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**REZONING APPLICATION**  
**Rezone 14.6 acres with frontage on Deep River Road**  
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 All information is comprised of layers of data that may or may not align correctly.



**LEE COUNTY  
PLANNING BOARD  
BOARD OF COMMISSIONERS**

DECEMBER 16, 2024

JOINT PUBLIC HEARING FOR PROPOSED TEXT AMENDMENT

*§11.9.2 Outdoor Advertising (Billboard) Standards for Lee County*

The proposed text of UDO §11.9.2 would read as follows:  
(Proposed changes are highlighted in red text)

**11.9.2 STANDARDS FOR LEE COUNTY**

**11.9.2.1** Outdoor advertising signs (off-premise signs) are permitted only in the following zoning districts: HC, LI, and HI.

~~11.9.2.2~~ Where erected, outdoor advertising signs shall not be located within one hundred (100) feet of any residential zoning district.

**11.9.2.3** There shall be a minimum radius between any two- (2) outdoor advertising signs of one thousand (1,000) linear feet which shall be measured along the same route.

**11.9.2.4** Dimensions of outdoor advertising signs shall not exceed three hundred (300) square feet per sign area and thirty-five (35) feet in height.

**11.9.2.5** No sign structure shall support more than one (1) sign, as defined in Appendix A.

**11.9.2.6** Changeable copy shall be allowed on new outdoor advertising signs so long as they use what the outdoor advertising industry calls "Siteline LightDirect" which is technology that limits the amount of light that is transmitted outside of the main traveled way in which the outdoor advertising is intended to be read from.

**11.9.2.7** All new outdoor advertising signs must be of steel monopole design.

The current text of UDO §11.9.2 reads as follows:

**11.9.2 STANDARDS FOR LEE COUNTY**

**11.9.2.1** Outdoor advertising signs (off-premise signs) are permitted only in the following zoning districts: HC, LI, and HI.

**11.9.2.2** Where erected, outdoor advertising signs shall not be located within one hundred (100) feet of any residential zoning district.

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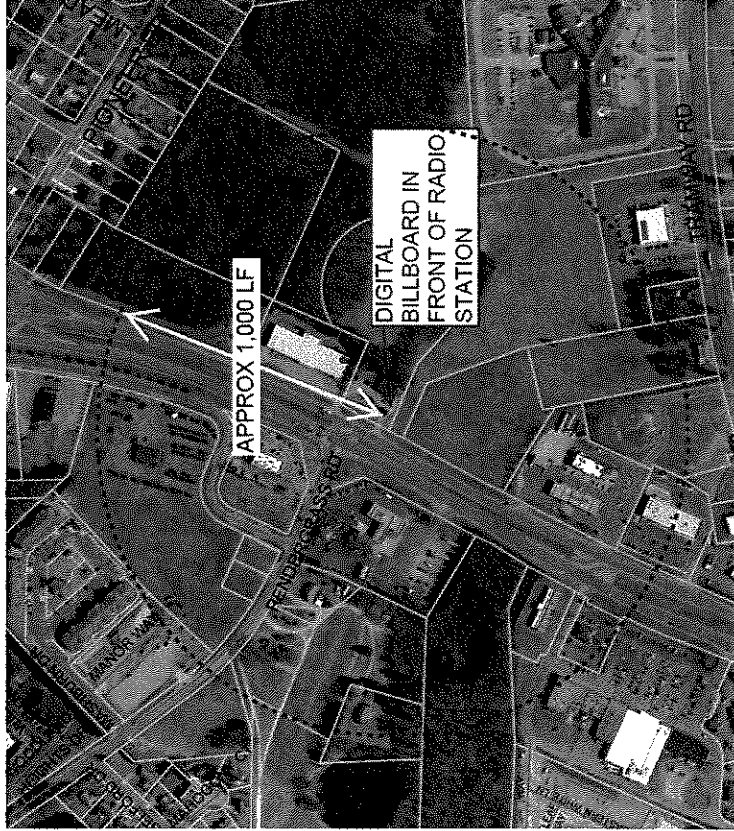
# Summary of Proposed Amendments to Current Billboard Standards

- **Remove** §11.9.2.2, which requires at least a 100ft distance between a billboard and any residentially-zoned property
- **Revise** §11.9.2.3 to change how distance separation between billboards is interpreted
  - From “1,000ft radius” between any two billboards to “1,000ft between billboards **along the same route**”
- **Includes** new language that reads:  
*“Changeable copy shall be allowed on new outdoor advertising signs so long as they use what the outdoor advertising industry calls “Siteline Light Direct” which is technology that limits the amount of light that is transmitted outside of the main traveled way in which the outdoor advertising is intended to be read from.”*
- **Includes** requirement that all new billboards have steel monopole design.

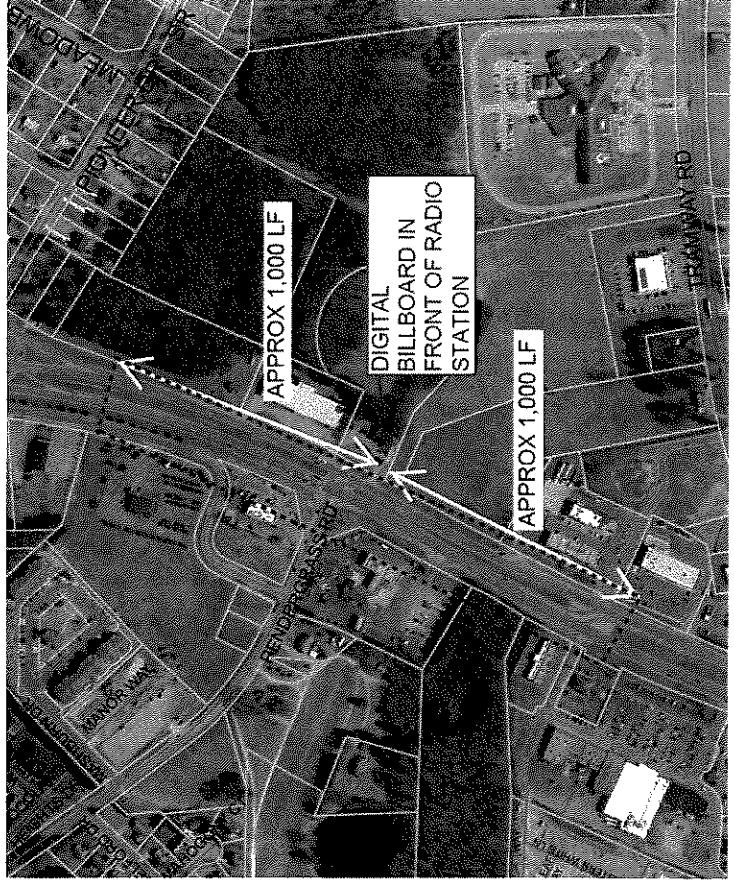


# Consideration for Proposed Change to §11.9.2.2

HOW DISTANCES BETWEEN BILLBOARDS ARE CURRENTLY MEASURED:



HOW DISTANCES BETWEEN BILLBOARDS ARE PROPOSED TO BE MEASURED:



# Fiscal Year 2024 Financial Update

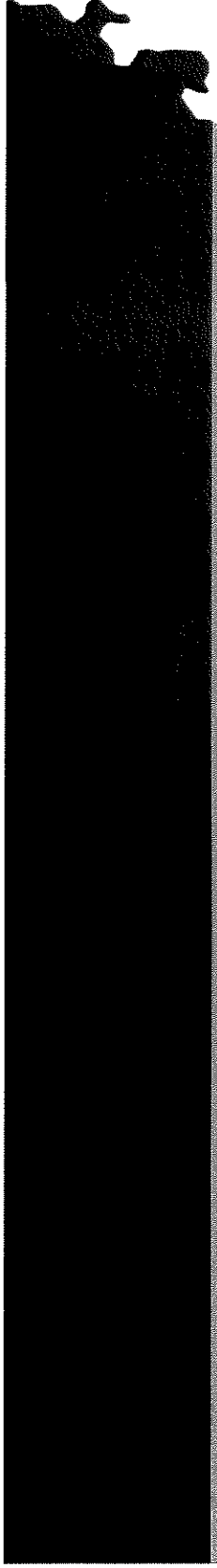
**Candace Iceman**

*Board of Commissioners Meeting*

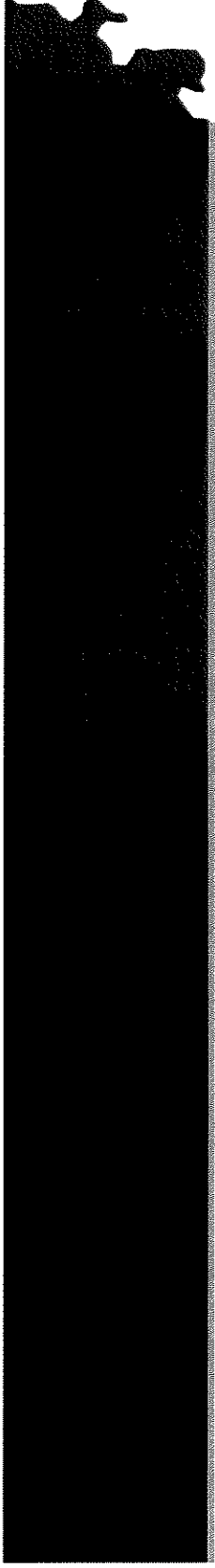
December 16, 2024



**LEE COUNTY GOVERNMENT**

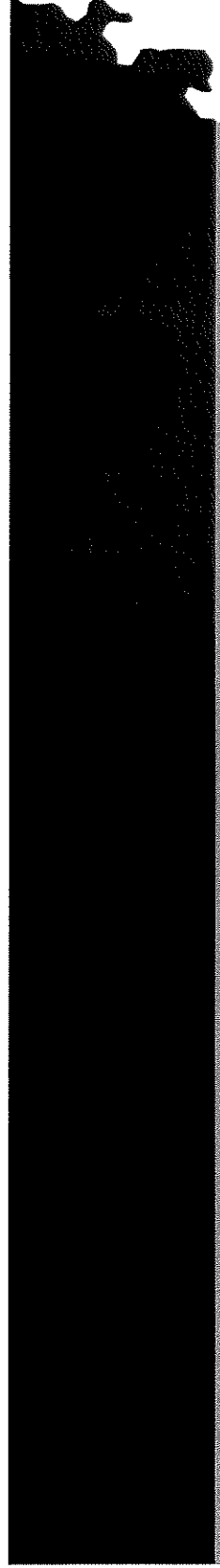


- *Audit Comments –*
  - Hunter Wiseman
    - Thompson, Price, Scott, Adams & Co, P.A.

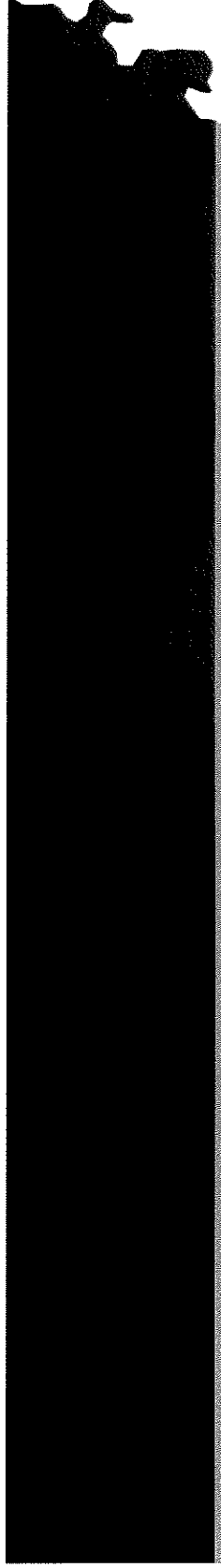


LEE COUNTY GOVT  
NORTH CAROLINA

- Unmodified Opinion (“clean report”)
- New Accounting Pronouncements adopted – GASB 100 “Accounting Changes and Error Corrections”
- No Difficulties Encountered in Performing the Audit
- No Uncorrected Misstatements or Disagreements with Management

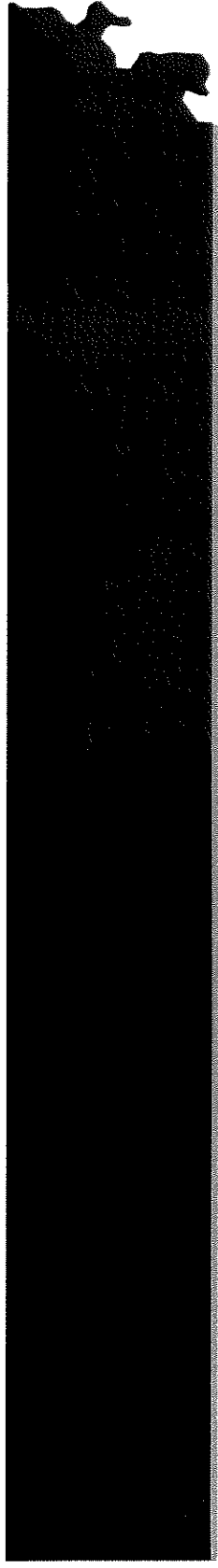


- We were provided with a representation letter dated December 5, 2024.
- Changes in the LGC Review Process
  - No Unit Letters issued
  - Automatically required to respond to FPIC's identified on Data Input worksheet provided by the LGC



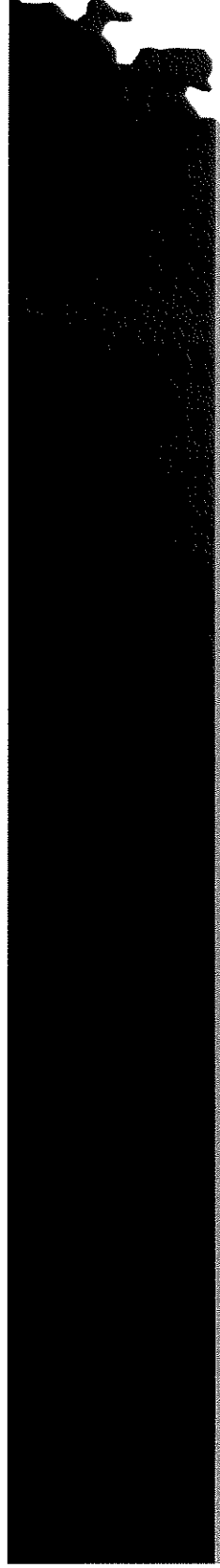
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- FPIC Indicators that Require Response to the LGC
  - Budget Violation – Expenses Exceeded Budget for Debt Service (GASB 96 reclassification of Debt Service from Departmental Budget)



•FPIC Indicators that Require Response to the LGC

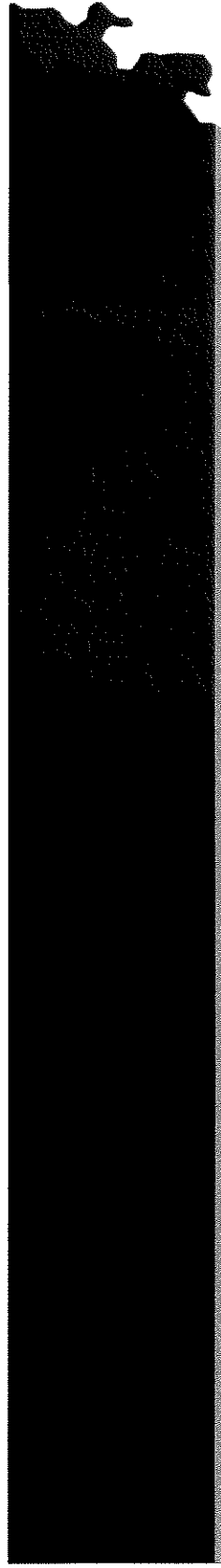
- Correction of an Error in Previously Issued Financials – Associated with Leases and Subscriptions that were terminated or changed in prior years that had to be adjusted



- **Compliance Findings**

- There were technical errors noted in our Medicaid testing
  - Technical errors are basically documentation errors
  - No eligibility errors noted
- You are not required to respond to the LGC concerning the Compliance Findings. Additional descriptions of the errors noted are in the audit report Schedule of Findings.

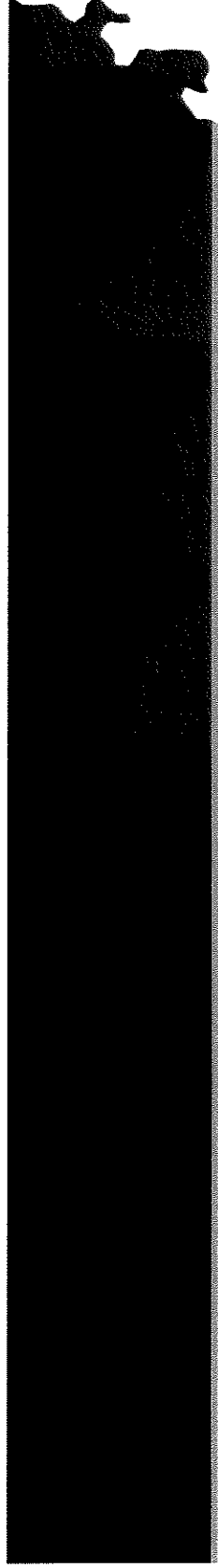




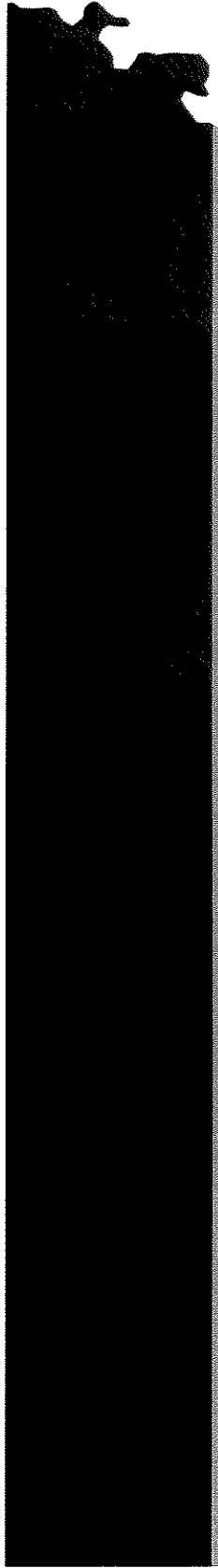
- **Upcoming Changes**

- **GASB 101 – Compensated Absences**

- Statements in 2025 will reflect a portion of sick leave as a liability
- Efforts should be made before year end to make sure reports are available to establish beginning balances as of 7/1/24 for this change

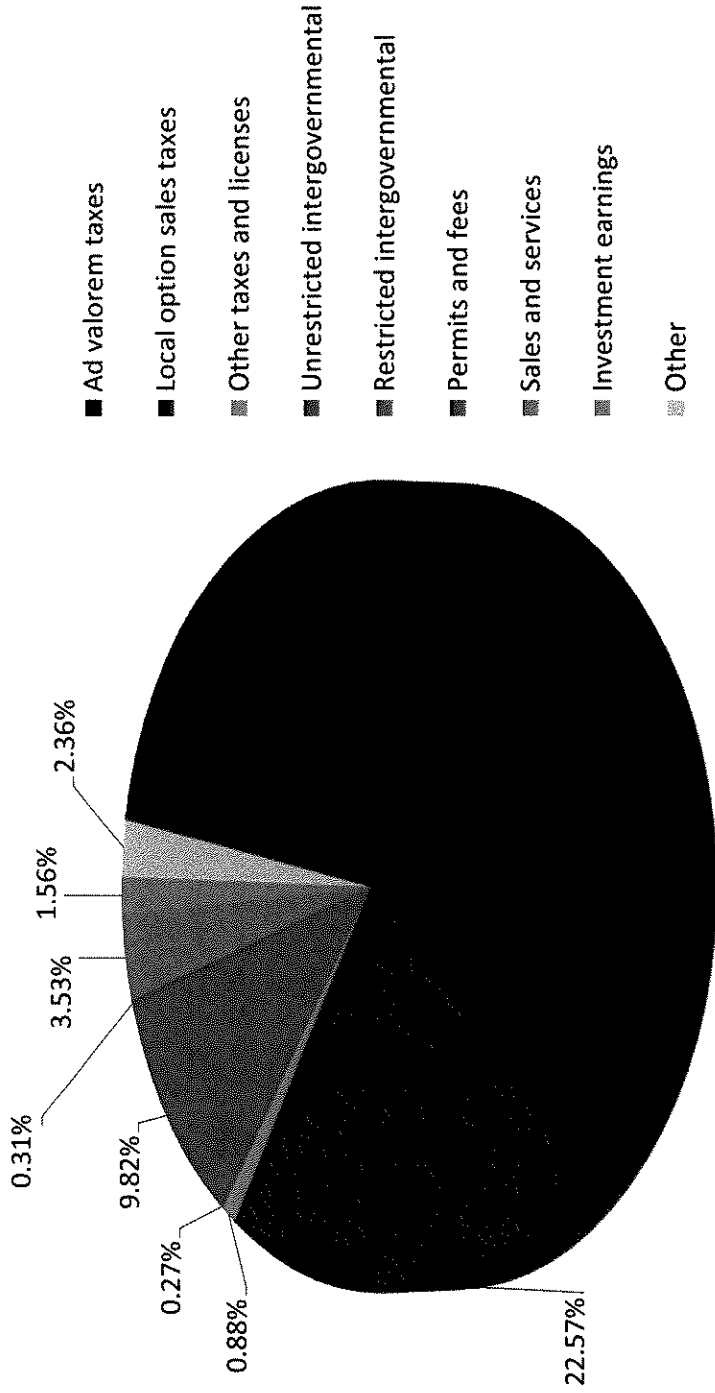


- General Fund Activity
- Fund Balance Position (General Fund)
- Debt Position
- Capital Projects
- Questions

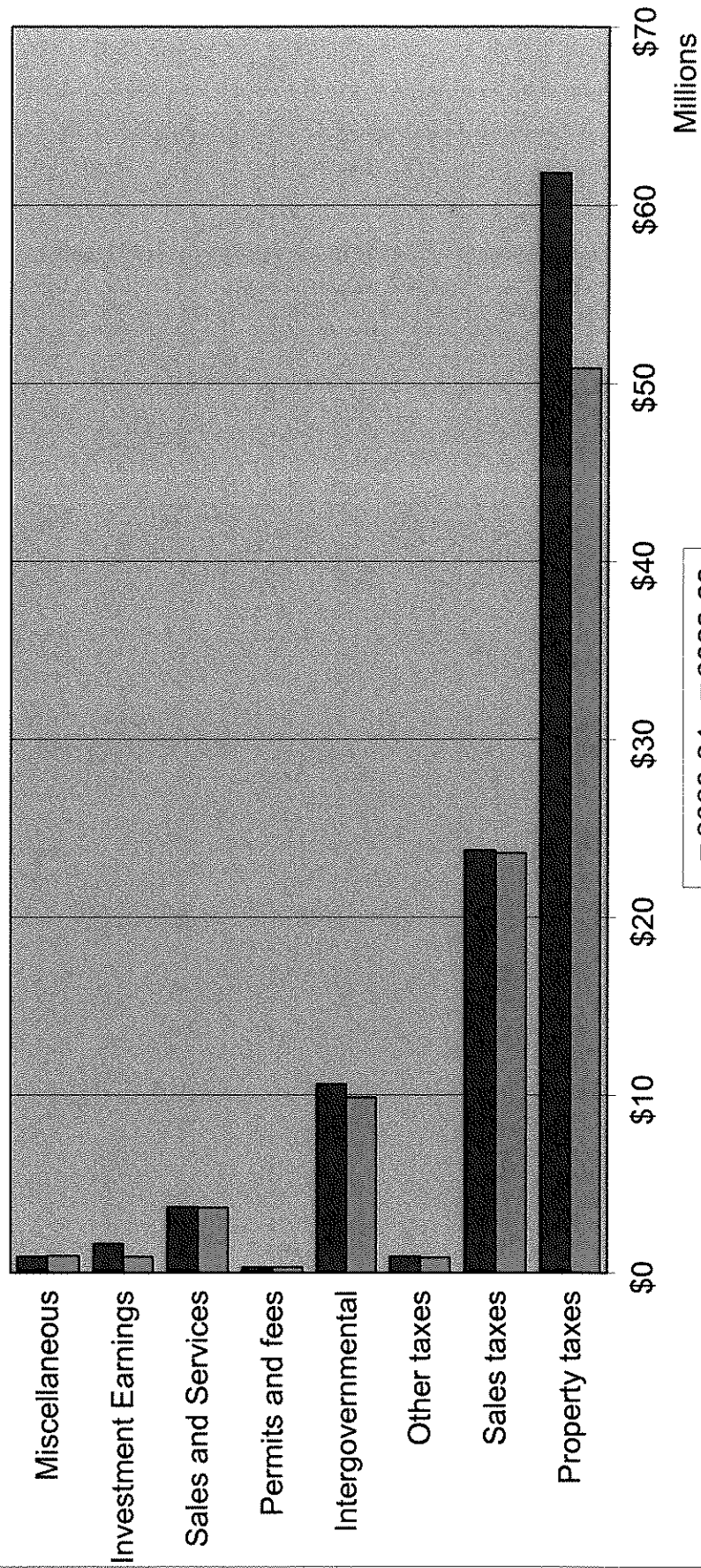


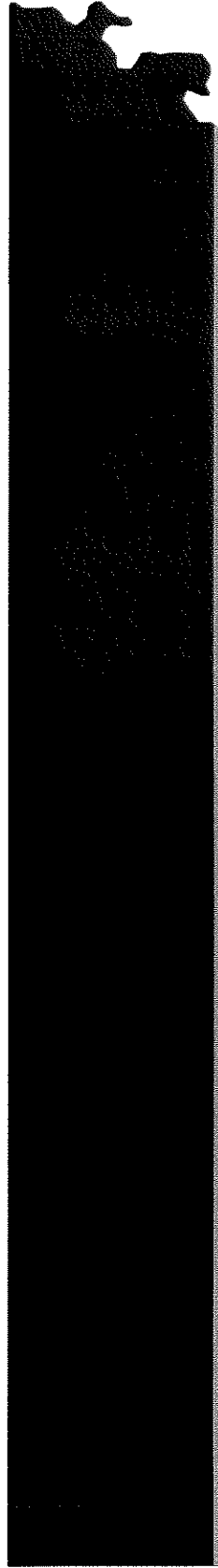
- Revenues and transfers total \$105,333,322
- Increase of 15.24% or \$13,925,599 more than FY 2023

# FY 2024 General Fund Revenues



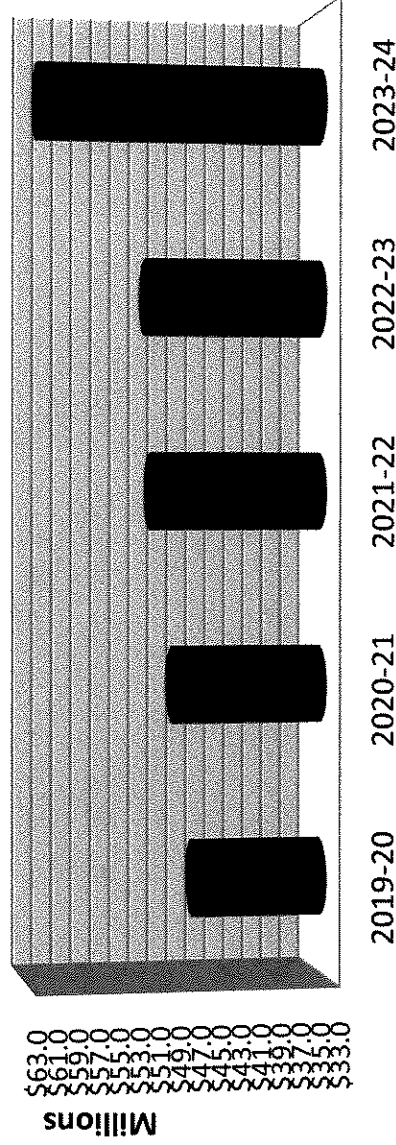
## Revenue Comparison

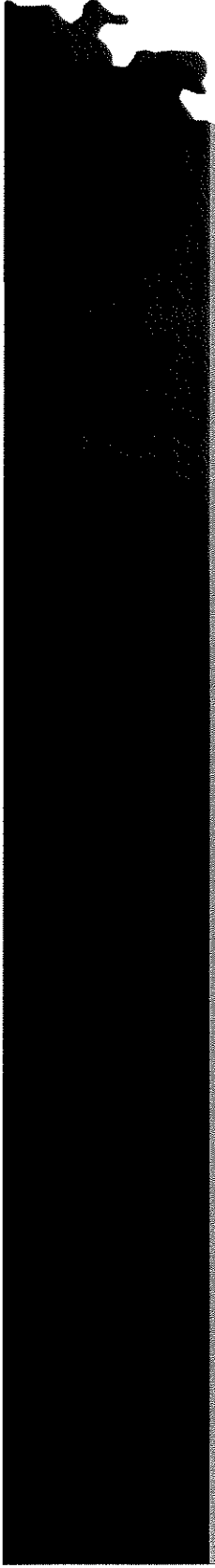




- Property tax revenues = \$61,827,536, a 21.6% increase above FY 2023

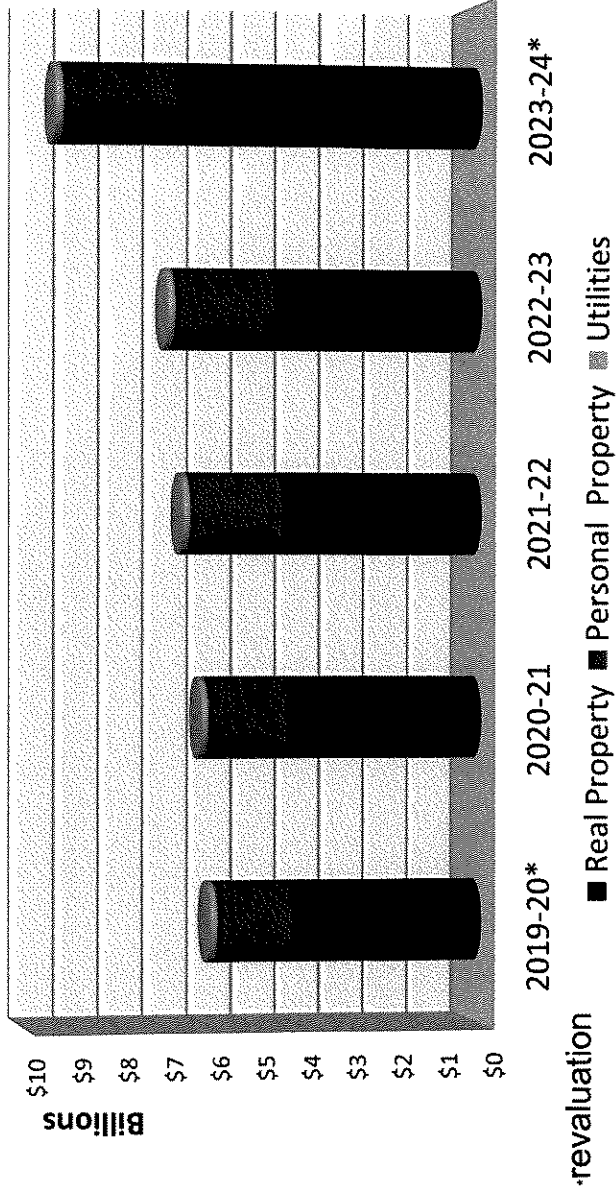
### Property Tax Revenues

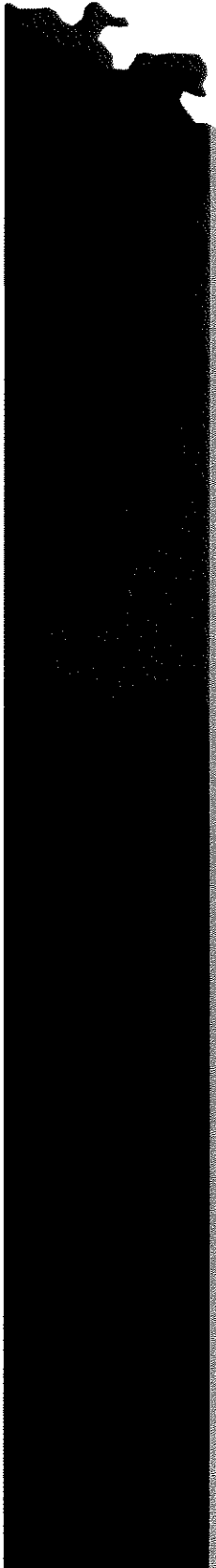




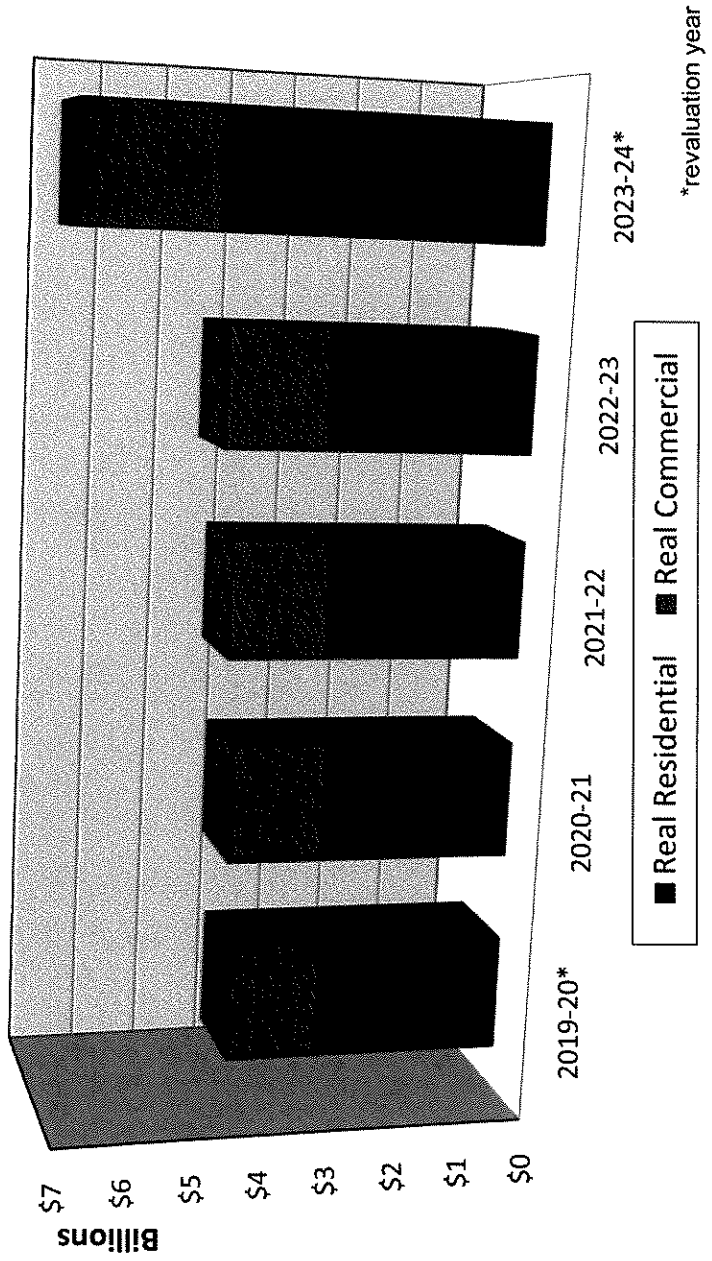
• Assessed value = \$9,391,582,296 an increase of 35.59% from FY 2023

**Assessed Value**

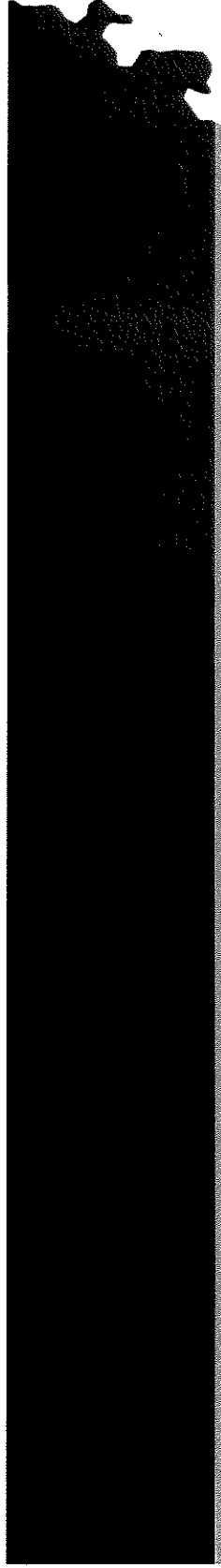




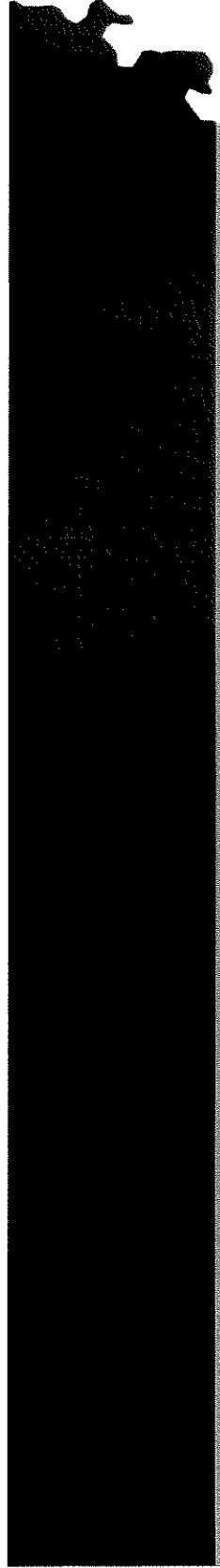
### Residential/Commercial Base





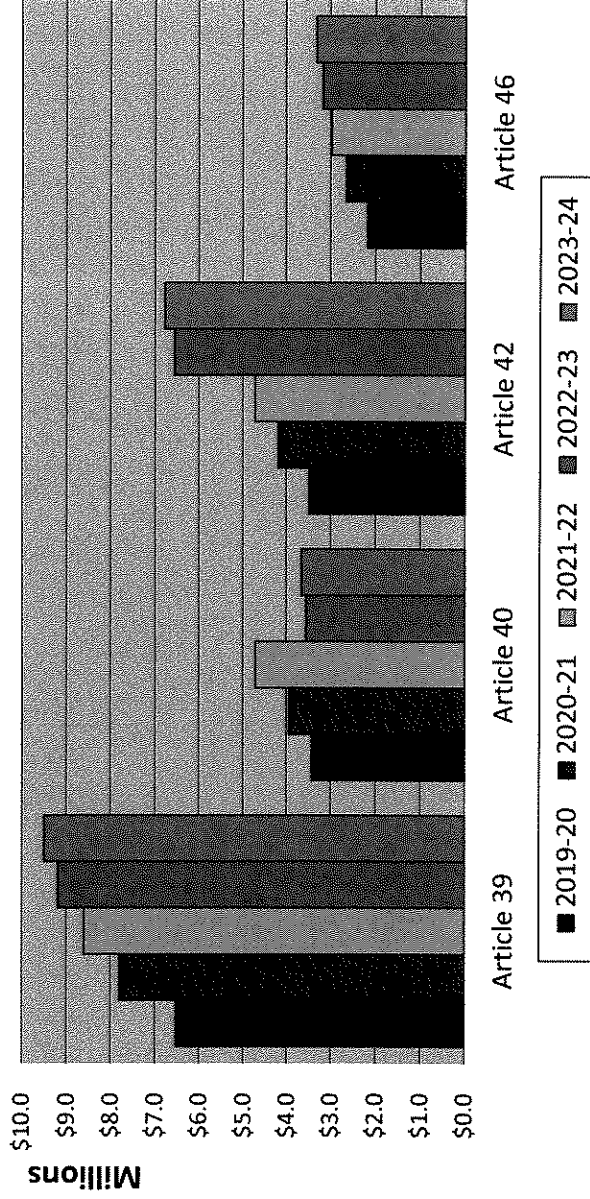


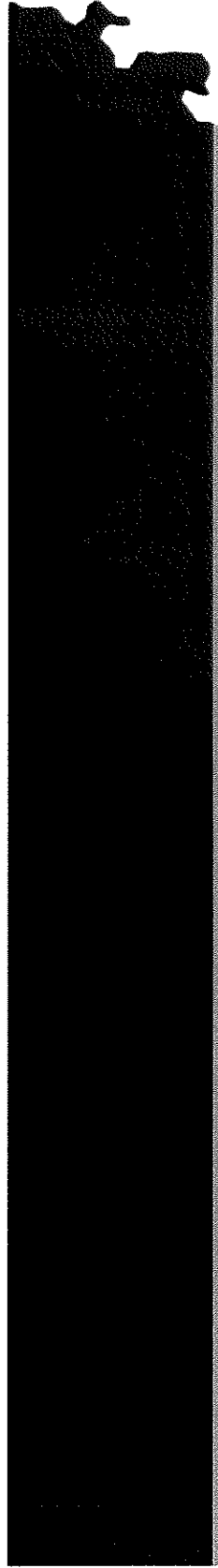
- 99.42% of levy collected
  - 99.36% - excluding motor vehicles
  - 100.00% - motor vehicles
- Collections exceeded budget by \$4,217,299.



- Sales tax revenue totaled \$23,252,822 a \$753,872 increase of 3.35% over FY 2023

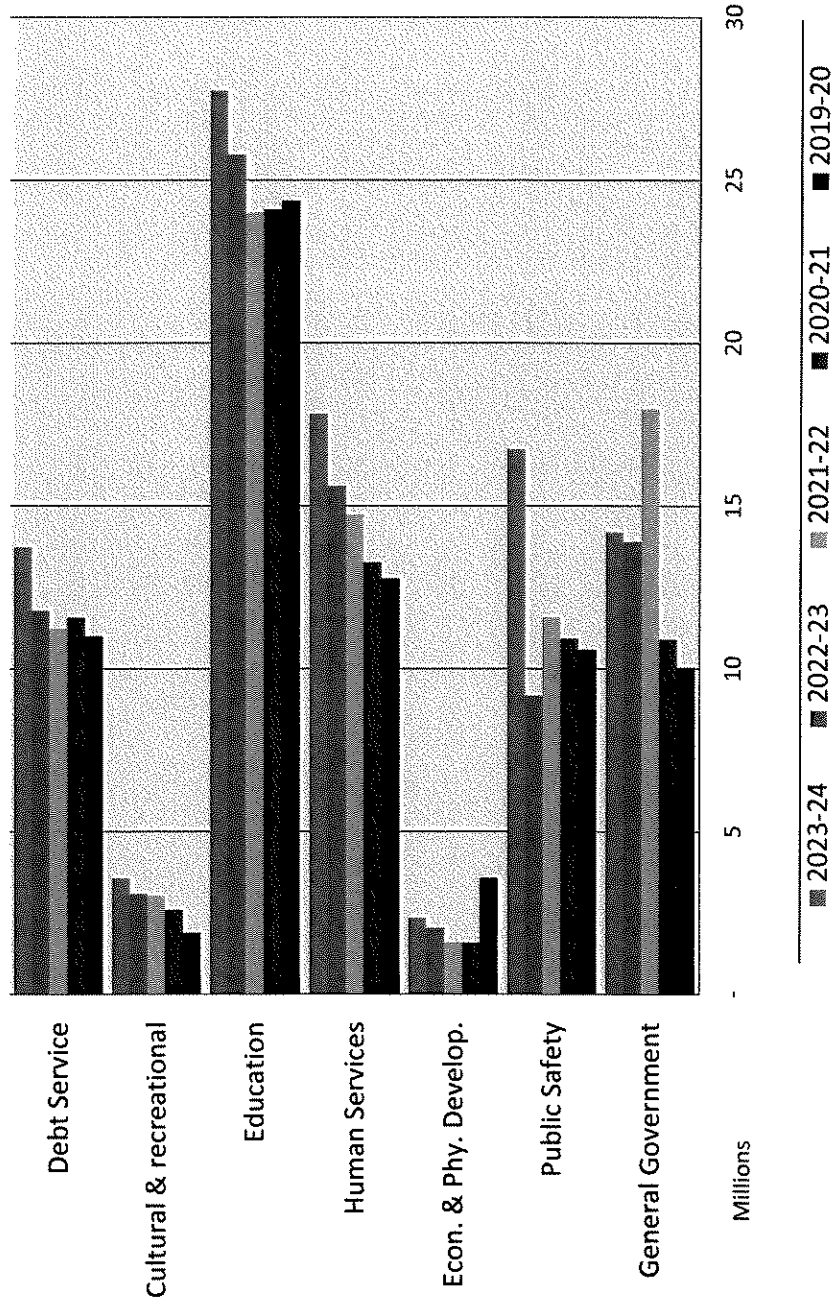
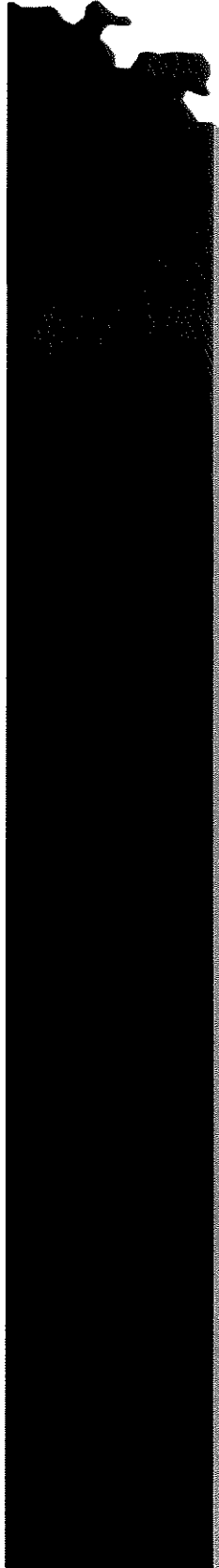
### Sales Taxes

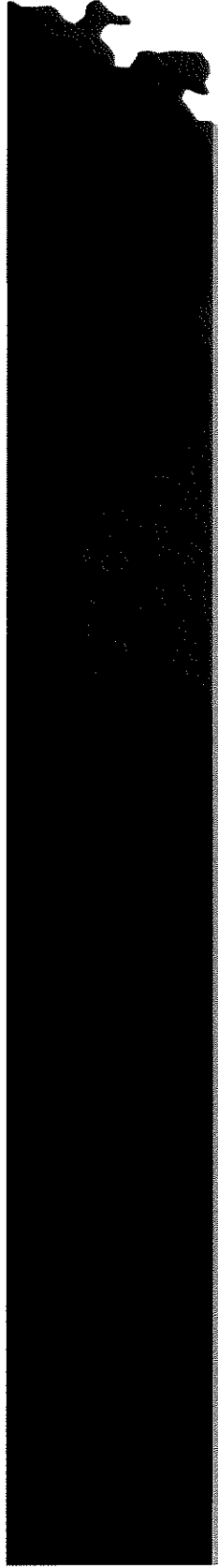




LEE COUNTY GOVT  
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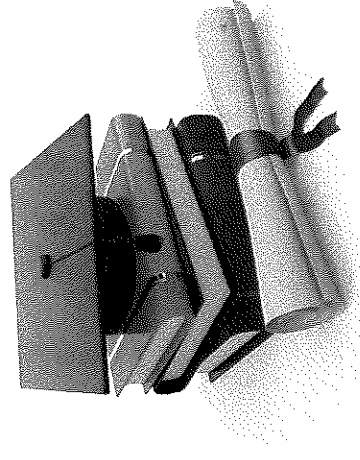
- Expenditures and transfers total - \$98,785,654
- Increase of \$11,646,522 or 13.37% from FY 2023
- Human Services, General Government and Education account for the majority of the County's expenditures.

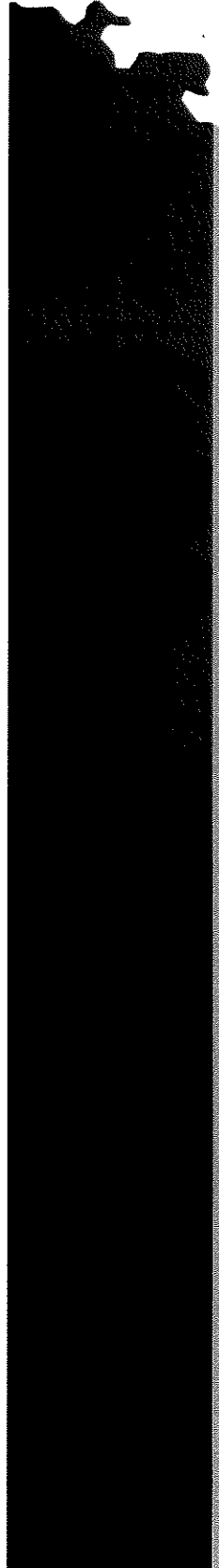




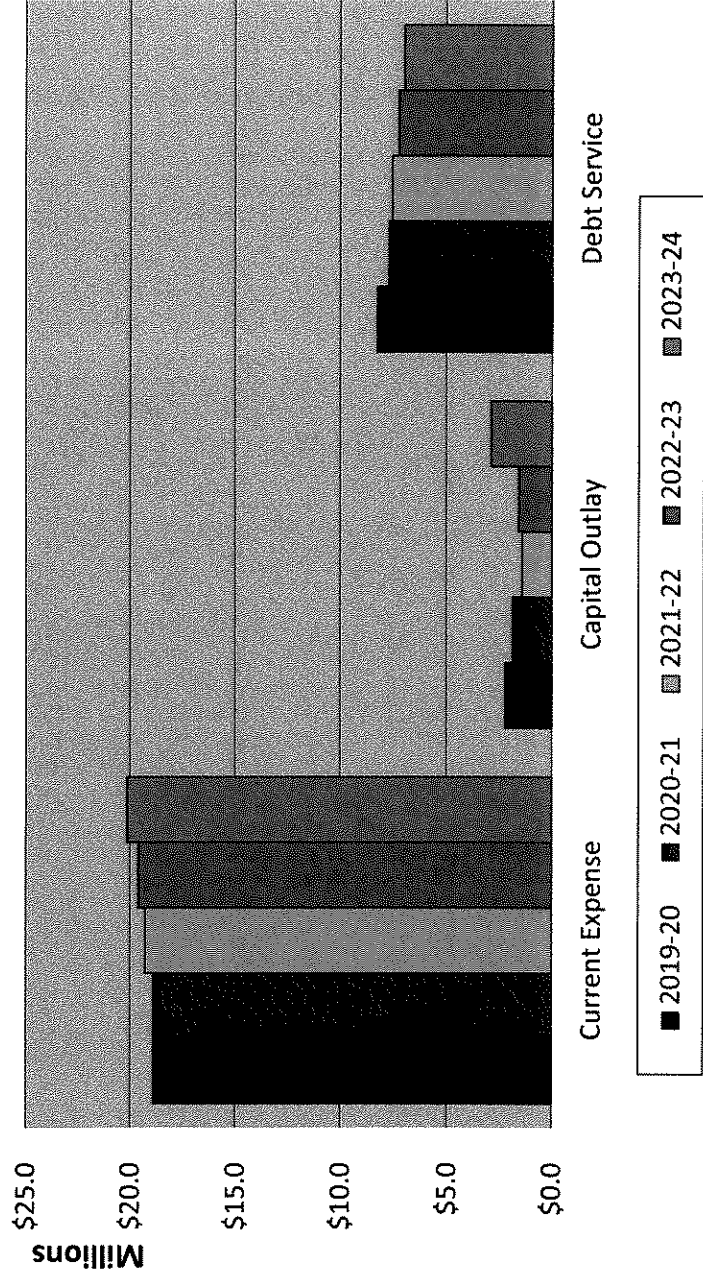
## **LCBOE**

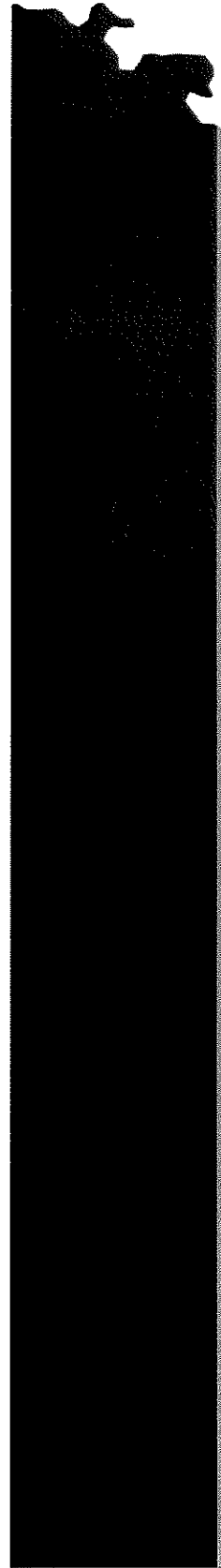
- 30.38% of General Fund (including debt service)
- Current Expense - \$20,134,024
- Capital Outlay - \$2,872,386
- Debt Service - \$7,001,415
- Total expenditures - \$30,007,825





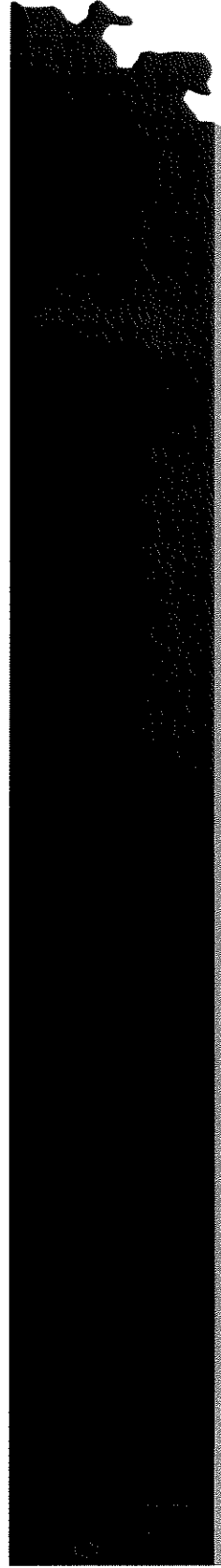
### Lee County BOE Funding





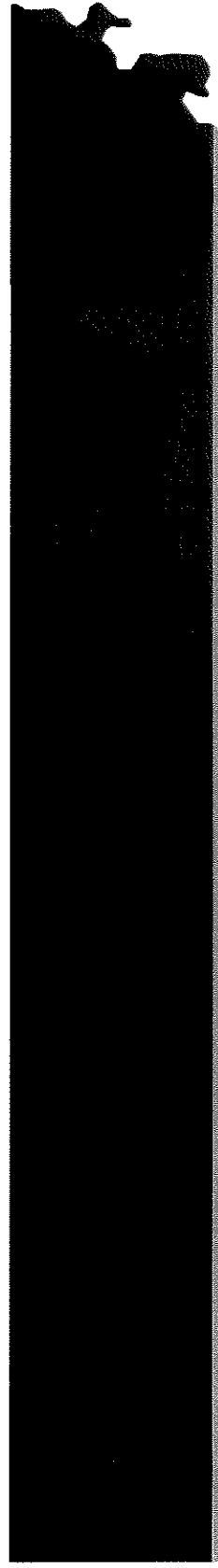
# CCCC

- Current Expense \$3,512,305
- Civic Center \$64,930
- Special Appropriation \$126,587
- Capital Outlay \$110,000
- Moore Center \$920,000
- Debt Service \$2,748,816
- Total \$7,482,638
- 7.57% of General Fund expenditures

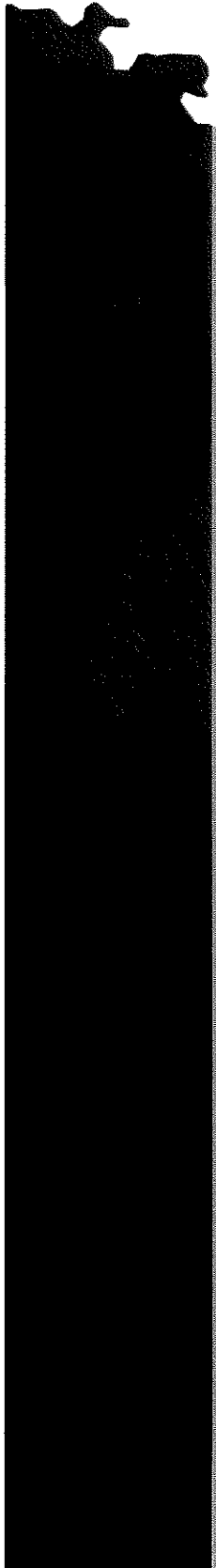


▪ Total revenues and transfers	\$ 105,333,322
▪ IT Subscription agreements	\$ 156,065
▪ Lease liabilities issued	\$ 17,840
▪ Total expenditures and transfers	\$ <u>(98,785,654)</u>
▪ Net change in fund balance	\$ <u><u>6,721,583</u></u>

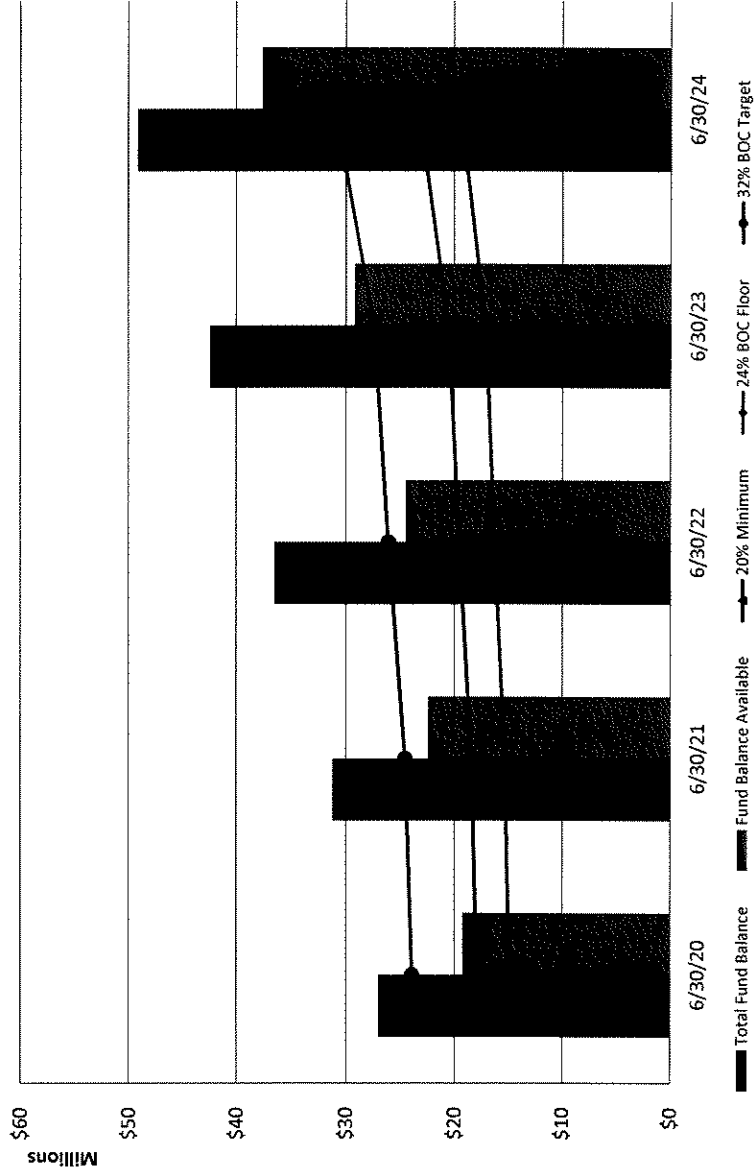


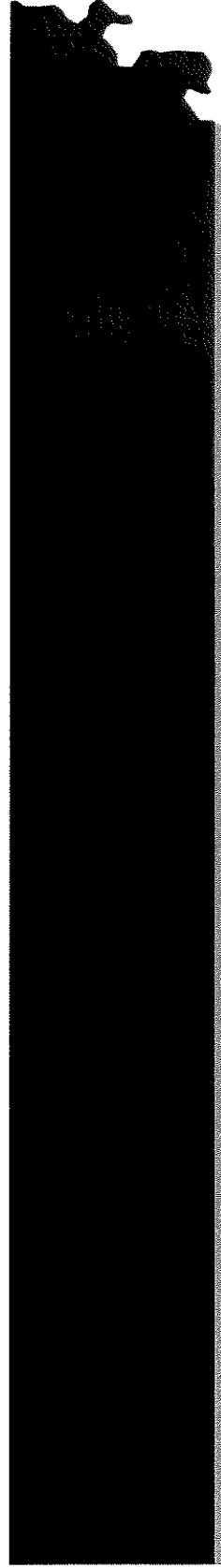


- **\$37,655,374 Available Fund Balance at 6/30/2024**
- **Increase of \$8,482,880 from FY 2023**
- **How do we compare?**
  - **Our minimum is 24% of General Fund Expenditures.**
  - **The median for our group was 46.54% or \$44,176,786 based on data availability.**
  - **At 38.80%, we have exceeded the Board's goal of 32%.**

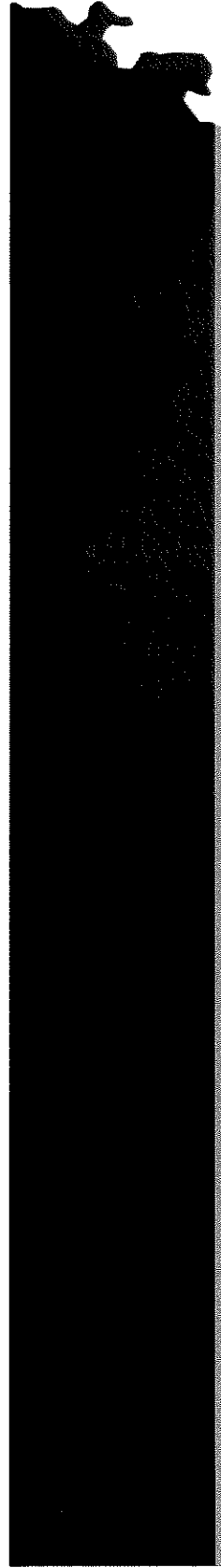


### Fund Balance History

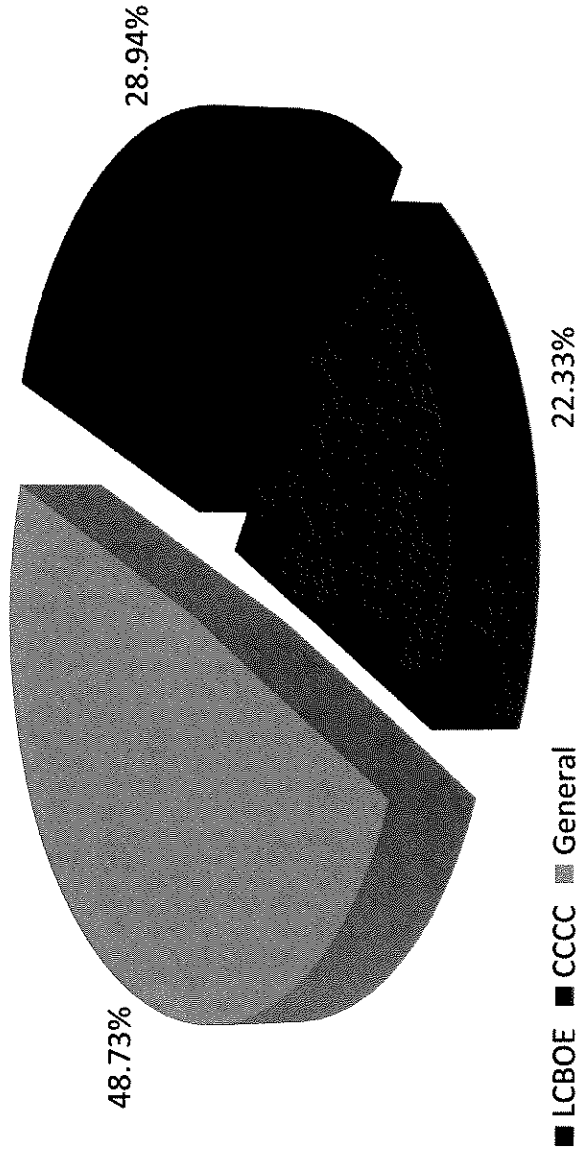




- Outstanding debt @ 6/30/2024 - \$102,817,564
- Debt evidenced by:
  - COPs/LOBs \$53,828,000
  - Installment Notes \$ 9,039,564
  - General Obligation Bonds \$39,950,000

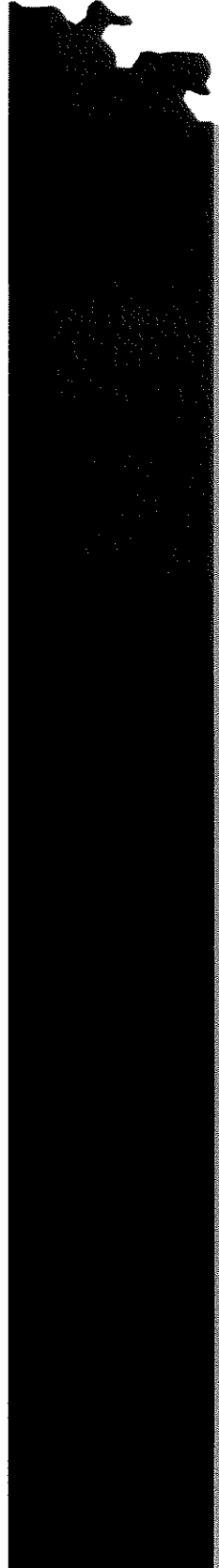


### Outstanding County Debt - 2024





- Actual debt service payments = 13.90% of General Fund Expenditures for FY 2024 (15.0% financial policy maximum)
- Outstanding debt = 1.15% of total assessed value for FY 2024 (2.0% financial policy maximum)



- Grant funds managed \$171,903,950
- Funds received by the County \$ 10,702,540
- Direct Vendor Payments \$161,201,410
- Programs Audited
  - Medical Assistance Program
  - Coronavirus State and Local Fiscal Recovery Fund
  - Supplemental Nutrition Assistance Program
  - Public School Building Capital Fund – Lottery Proceeds
  - Office of State Budget & Management – Special Appropriation

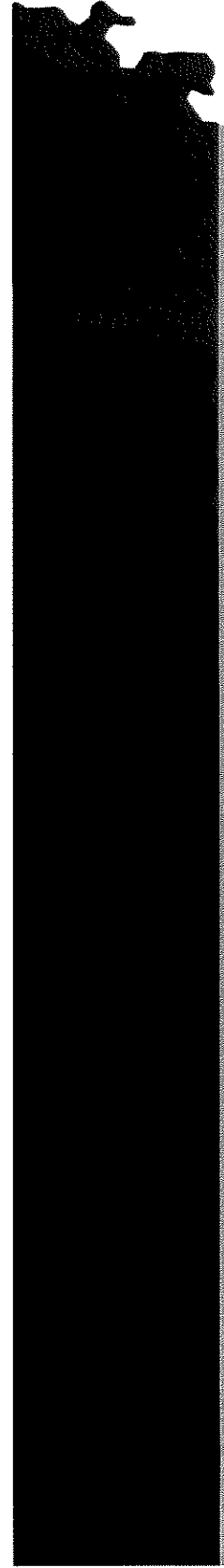


▪ Courthouse Complex Renovations

- Revenues and other financing sources \$5,773,526
- Expenditures & other financing uses 4,900,284
- Funds remaining \$ 873,242

▪ Park Improvements

- Revenues and other financing sources \$4,216,059
- Expenditures & other financing uses 4,205,047
- Funds remaining \$ 11,012



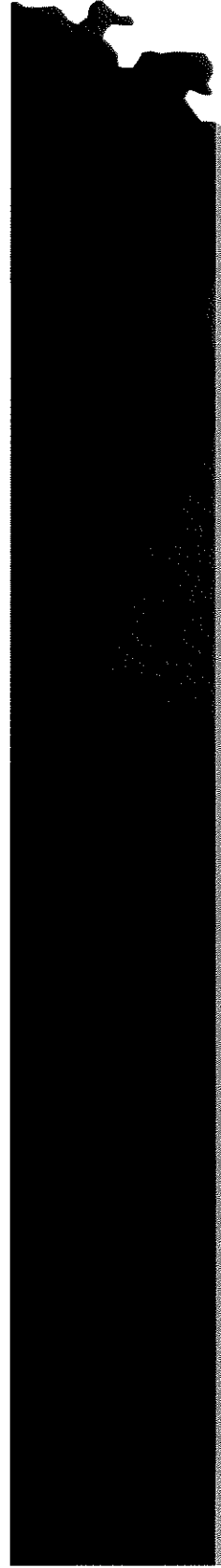
▪ LCGC Renovations

- Revenues and other financing sources \$5,347,470
- Expenditures 5,143,087
- Funds remaining \$ 204,383

▪ E. Eugene Moore Center

- Revenues and other financing sources \$7,997,834
- Expenditures 8,749,114
- Funds remaining \$ (751,280)



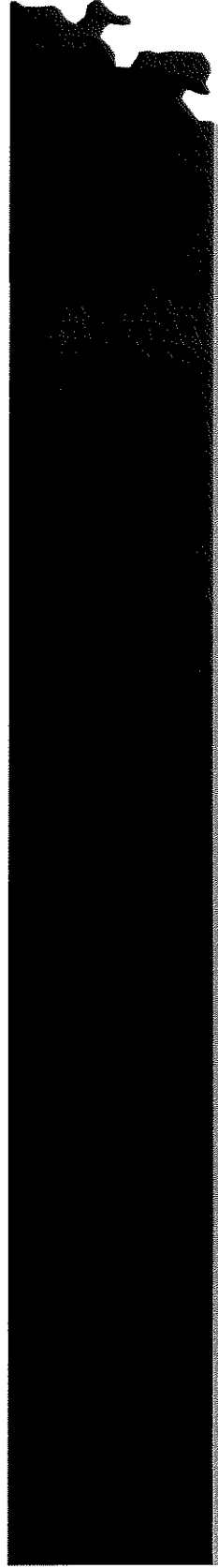


▪ Lee County Government Library Fund

- Revenues and other financing sources \$2,047,059
- Expenditures & other financing uses \$1,447,415
- Funds remaining \$ 599,644

▪ Bob Hales Recreation Center Fund

- Revenues and other financing sources \$ 673,230
- Expenditures 523,644
- Funds remaining \$ 149,586

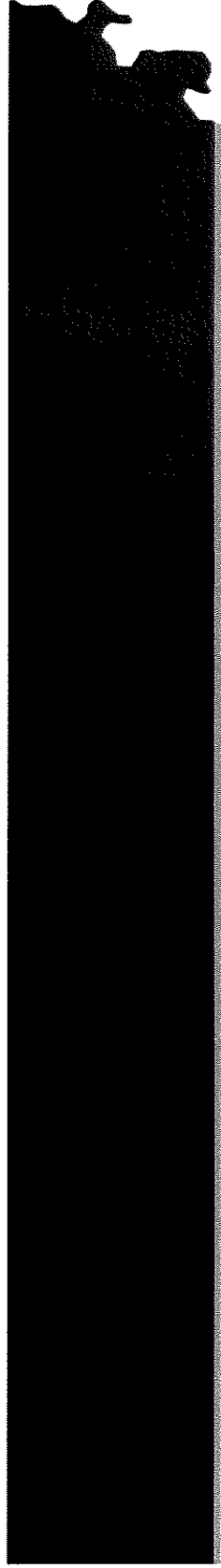


▪ **Historic Courthouse Repairs Fund**

- Revenues and other financing sources \$ 681,147
- Expenditures 76,853
- Funds remaining \$ 604,294

▪ **Multi-Sport Complex Project**

- Revenues and other financing sources \$43,621,679
- Expenditures 17,059,508
- Funds remaining \$26,562,171

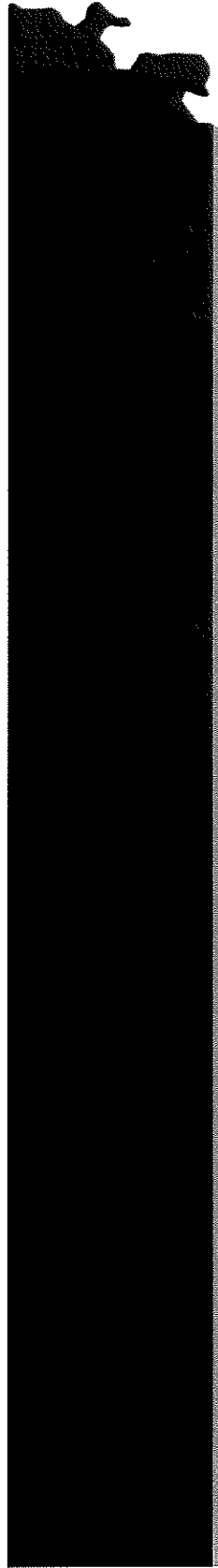


▪ **Kiwanis Children’s Park Renovation Fund**

▪ Revenues and other financing sources	\$ 361,367
▪ Expenditures	<u>202,169</u>
▪ Funds remaining	<u>\$ 159,198</u>

▪ **Temple Park Phase II Fund**

▪ Revenues and other financing sources	\$ 323,080
▪ Expenditures	<u>304,367</u>
▪ Funds remaining	<u>\$ 18,713</u>

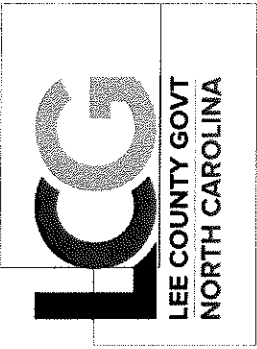
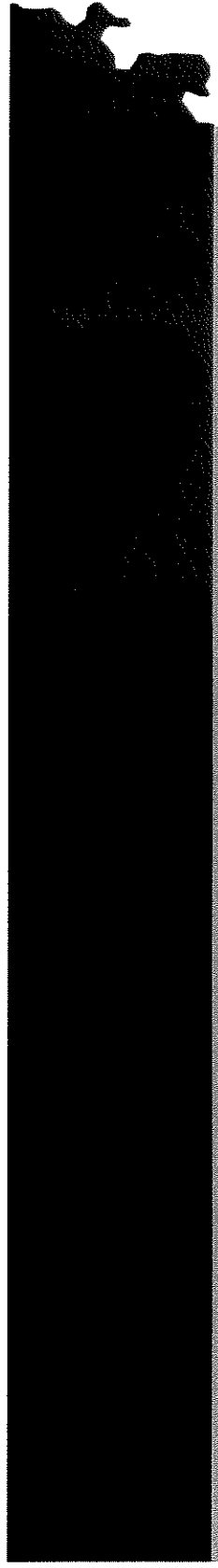


▪ OT Sloan Accessibility Park Fund

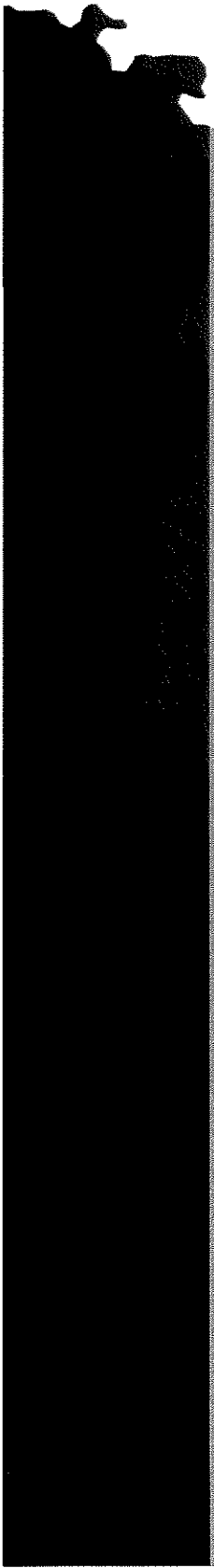
▪ Revenues and other financing sources	\$ -
▪ Expenditures	<u>64,600</u>
▪ Funds remaining	<u>\$ (64,600)</u>

▪ Horton Park Improvements Phase II Fund

▪ Revenues and other financing sources	\$ 346,519
▪ Expenditures	<u>22,320</u>
▪ Funds remaining	<u>\$ 324,199</u>



- Thompson, Price, Scott, Adams & Co, P.A.
- County Departments
- Lisa Minter and the Board of Commissioners
- Finance Staff



LEE COUNTY GOVT  
NORTH CAROLINA



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## County Manager's Report – December 16, 2024

### Ongoing Projects

#### Lee County Athletic Park

**Building Construction:** Work continues on the interior drywall, exterior finishes, along with mechanical, electrical, and plumbing continues at all five buildings on site.

**Field Construction:** The turf builder is working on soccer/multipurpose field construction and finalizing base stone installation. The diamond fields are installed and stabilized until sod can be installed in spring of 2025. Fencing and field borders, including backstops, batting cages, and dugouts are being installed. All field lighting has been installed.

**Site Construction:** Construction focus is on the street and walkway light installation. Playground delivery with installation is anticipated to occur in February 2025.

#### Phase I & II Parks Projects

**Kiwanis Children's Park** – Construction is complete, which included sidewalk expansion (with anticipated future connection to Kiwanis Family Park), shelter installation, a playground for younger kids (2-5 years), and bathroom renovations. The PARTF grant is to be closed out by January 2025. Parks and Recreation is working with the Lee County Library to install a story walk along the new sidewalks throughout the park. Picnic tables have been ordered for the park as well.

**OT Sloan Park Accessibility Project** – This project includes the installation of sidewalk, parking improvements, and construction of a playground with a pad surface. The bid for construction was approved by the Board at the October 21, 2024 meeting. The contract has been signed and a preconstruction meeting was held on December 6, 2024. Staff is working with the contractor (Sanford Contractors) to establish a start date and construction schedule.

**Library Building Project** – This is a CMR (Construction Manager at Risk) project facilitated by SAMET Corporation/Sanford Contractors for the construction of the new Lee County Library. A groundbreaking ceremony was held on Friday, November 22, 2024. Construction continues with the focus on erosion control (erosion ponds) installation and grading work for the concrete foundation pad.

**Historic Courthouse** – The Historic Courthouse renovation project currently focuses on roof replacement with alternates for masonry and brownstone repairs. The bid from Harrod and Associates Constructors, Incorporated was approved at the December 2, 2024 BoC meeting. Approval of the contract with Harrod and Associates is to be included on the December 16, 2024 BoC agenda. This project is predominately funded under the Emergency Supplemental Historic Preservation Fund (ESHPPF) grant (\$873,749). Additional funding (\$185,000) and a deadline extension (December 2026) was provided for the ESHPPF grant in September 2024. Total grant funding = \$1,058,749.

**Horton Park Parking Lot Improvements** – At the December 2023 Board of Commissioners retreat, the Commissioners requested improved parking options for Horton Park and Pool. The current design adds a smaller drive through the parking lot just below the pool area and bathhouse, adding 17 designated parking spots and eliminating unsafe parking conditions occurring along Washington Avenue. The add alternates include additional sidewalk from the

existing parking lot to the new parking lot, additional sidewalk installation along Washington Avenue toward the community garden (located at the adjacent property), and underground conduit installation for parking lot lighting to be installed by Duke Energy. The bid from Compendium Contracting LLC was approved by BOC on November 18, 2024. The contract has been executed. ARPA funds have been obligated in compliance with the December 31, 2024 deadline. Staff is working to schedule a preconstruction meeting to establish a project schedule.

**Community Support Services Update** – The Community Support Services Department has hired for the behavioral health clinician position and is excited to welcome Rolanda Jones to the CSS Department. Ms. Jones was previously a Lee County employee and recently rejoined the team. She holds a dual license as a clinical mental health counselor and clinical addiction specialist.

### Reports

**Tax** – The Tax Department Collections report for November 2024 is attached.

**Building Inspections** – Attached is the monthly inspections report for November 2024.

**TRC** – The TRC Agenda for December 2024 is attached.

**Library Board of Trustees** – The Library Services Director's report for November 2024 is attached.

**Parks and Recreation** – The agenda for the December 12, 2024 meeting and signed minutes from the October 28, 2024 meeting are attached.

**Consolidated Human Services Agency** – The next CHSAB meeting is scheduled for December 18, 2024. Attached are the signed minutes from the October 20, 2024 meeting.

### Upcoming Meetings/Events:

December 24 – 26, 2024 – County Offices closed.

January 1, 2025 – County Offices closed.

January 6, 2025 – Lee County Board of Commissioners Meeting – McSwain Center – 6:00 p.m.

January 9, 10, and 31, 2025 - Lee County Board of Commissioners Retreat

- 1/9 - 5:30 p.m., Civic Center – Conference Section
- 1/10 - 8:30 a.m., Civic Center – Conference Section
- 1/31 - 8:30 a.m., San-Lee Park Nature Center

January 20, 2025 – County Offices closed.

January 22, 2025 – Lee County Board of Commissioners Meeting – Civic Center – 6:00 p.m.

**NORTH CAROLINA, LEE COUNTY**  
Presented for registration on this 16<sup>th</sup> day  
of Jan 20, 25 at 12:00 AM PM  
recorded in Book 1 Page 18  
Pamela G. Britt, Register of Deeds