Beaufort County Board of Commissioners
Agenda for Monday, June 7, 2021
Financial Services Building
136 W 2nd Street, Washington, NC 27889

A) Call to Order – Chairman Waters		5:30 PM
B) Invocation and Pledge		
C) Conflict of Interest Disclosure Statement	**3**	5:35 PM
D) Approval of Agenda – Chairman Waters		
E) Public Hearing		
1. Public Hearing – 21/22 Fiscal Year Budget – Brian Alligood, County Manager	**4**	5:40 PM
F) Public Comments	**6**	5:50 PM
G) American Rescue Plan Act Suggestions	**7**	6:00 PM
H) Legislative Updates for Elected Officials	**8**	6:10 PM
I) Items for Consent		6:20 PM
1. Budget Amendment, DSS – Kelly Smith, Social Services	**9**	
2. Budget Amendment, DSS – Kelly Smith, Social Services	**16**	
3. Budget Amendment, American Rescue Plan Act Funds – Anita Radcliffe, Chief Finance Officer	**23**	
4. Year End Budgetary Transfers – Anita Radcliffe, Chief Finance Officer	**25**	
5. Approval of 2020 Local Water Supply Plan – Christina Smith, Public Works Director	**28**	
6. Surplus, Tax Assessor Office – Lloyd Salter, Tax Assessor	**42**	
7. Tax Assessor Refunds – Lloyd Salter, Tax Assessor	**43**	
8. Tax Collector Refunds – Wyn Kinion, Tax Collector	**47**	
9. Resolution, Relocation of Graves – Katie Mosher, Clerk to the Board	**52**	
10. Approval of Minutes – Katie Mosher, Clerk to the Board	**57**	
J) Item for Presentation – Health Department		
1. Covid-19 Update – James Madson, Health Department	**365**	6:25 PM
K) Item for Presentation		
1. NCDOT Presentation – Jeff Cabaniss, NCDOT Division Project Development Engineer	**366**	6:35 PM
2. Broadband Discussion – Chairman Waters and Mark Boxer	**370**	6:45 PM
L) Item for Decision – Social Services		
1. Position Reclassification – Melanie Corprew, DSS Director	**377**	6:55 PM
BREAK		7:00 PM
M) Item for Decision – Board of Elections		
1. Voting Equipment Resolution and Acquisition – Thomas Payne III, Chairman, Board of Elections	**381**	7:15 PM
N) Item for Decision – Tax Assessor		
1. Appeal to Accept Application for Exemption – Lloyd Salter, Tax Assessor	**392**	7:20 PM
2. Negotiated Value Appeal – Lloyd Salter, Tax Assessor	**395**	7:25 PM

O) Item for Decision – Public Works

1.	Aurora Collection Site Lease Renewal – West Overman, Deputy Public Works Director	**401**	7:30 PM
2.	Adjust Collection Site Operating Schedule – West Overman, Deputy Public Works Director	**410**	7:35 PM
3.	Financial Services Roof Replacement Contract – Christina Smith, Public Works Director	**411**	7:40 PM

P) Items for Decision – Finance

1.	Finance Report – Anita Radcliffe, Chief Finance Officer	**415**	7:45 PM
2.	General Obligation Bonds, Cost of Reissuance – Anita Radcliffe, Chief Finance Officer	**416**	7:50 PM
3.	Limited Obligation Bonds, Cost of Reissuance – Anita Radcliffe, Chief Finance Officer	**419**	7:55 PM
4.	USDA Refunding, Cost of Reissuance – Anita Radcliffe, Chief Finance Officer	**423**	8:00 PM
5.	Approval of USDA Loan Refinancing – Anita Radcliffe, Chief Finance Officer	**425**	8:05 PM
6.	Implementation of GASB Statement 84 and 97 – Anita Radcliffe, Chief Finance Officer	**470**	8:10 PM

Q) Item for Decision – County Attorney

1.	Bid/Offer to Purchase Property – David Francisco, County Attorney	**488**	8:15 PM

R) Item for Decision – County Manager

1.	Board of Education Compensation Adjustment Request – Brian Alligood, County Manager	**491**	8:20 PM
2.	Tax Collector Appointment – Brian Alligood, County Manager	**495**	8:25 PM
3.	Tax Assessor Appointment – Brian Alligood, County Manager	**496**	8:30 PM

S) Item for Decision – Clerk to the Board

1.	2021 NCACC Voting Delegate – Katie Mosher, Clerk to the Board	**497**	8:35 PM

T) Item for Decision and Discussion – Commissioner Richardson

1.	Proposed Uses of American Rescue Plan Money – Commissioner Richardson	**499**	8:40 PM
2.	American Rescue Plan Funds Spending Parameters – Commissioner Richardson	**510**	8:45 PM
3.	Internet Alternatives – Commissioner Richardson	**511**	8:50 PM
4.	Brenda Hamilton Investigation – Commissioner Richardson	**512**	8:55 PM
5.	Jail Door Report – Commissioner Richardson	**525**	9:00 PM
6.	County Police Force Update – Commissioner Richardson	**527**	9:05 PM
7.	Board Operations Discussion – Commissioner Richardson	**528**	9:10 PM

U) Closed Session

1.	Closed Session, Attorney/Client Privilege – David Francisco, County Attorney	**529**	9:15 PM

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Conflict of Interest

Presenter: Katie Mosher, Clerk to the Board

Agenda Title: Conflict of Interest Disclosure Statement

Summary of Information: The Beaufort County Code of Ethics states that "the stability and proper operation of democratic representative government depends upon the continuing consent of the governed, upon the public confidence in the integrity of the government and upon responsible exercise of the trust conferred by the people." It further states that Commissioners should obey the law; should uphold the integrity and independence of their office; should avoid impropriety and the appearance of impropriety in all their activities; and should perform the duties of their office diligently.

In recognition of these goals and in keeping with the ethical standards of conduct for public officials, disclosure of interest in legislative action must be stated for the public record. Commissioners who have an interest in any official act or action before the Commission shall publicly disclose on the record the nature and extent of such interest and shall withdraw from any consideration of the matter if excused by the Commissioner pursuant to G.S. 153A-44.

Is there any Commissioner who wishes to make a disclosure regarding any matter that is before the Board?

Attachments:

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Public Hearing

Presenter: Brian Alligood, County Manager

Agenda Title: Public Hearing - Budget

Summary of Information: This is a public hearing to receive comments from the public regarding the Fiscal Year 2021-2022 Proposed Budget. NC General Statute 159-12(b) requires that "before adopting the budget ordinance, the Board shall hold a public hearing at which time any persons who wish to be heard on the budget may appear."

The Board of Commissioners has completed its budget workshops and has revised the Manager's Recommended Budget.

Submitter Recommendations/Motions: After receiving public comments, consider adopting the FY 20-21 budget ordinance at this meeting or at the special called meeting on June 10, 2021.

Attachments:

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PUBLIC NOTICE

PUBLIC HEARING

The Beaufort County Board of Commissioners will hold a public hearing on Monday, June 7, 2021 at or soon after 5:30 PM at 136 W. 2nd St. Washington, NC in the Commissioners Boardroom. The public hearing is for receiving comments on the 2021-22 proposed budget and is open to the public. A copy of the proposed budget can be viewed at the administrative office and also on the County website. Please contact Katie Mosher, Clerk to the Board, at 252-946-0079 with any questions.

Washington Daily News:
May 26, 2021
HEARING

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Public Comments

Presenter: Katie Mosher, Clerk to the Board

Agenda Title: Public Comments

Summary of Information:

Name	**Contact Information**

Submitter Recommendations/Motions: No motion necessary. Discussion only.

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Discussion

Presenter: Katie Mosher, Clerk to the Board

Agenda Title: American Rescue Plan Act Suggestions From the Public

Summary of Information: During the April 5, 2021 Board of Commissioners meeting the Board approved receiving recommendations from the public during the next three (3) regularly held meetings on how the American Rescue Plan Act money should be spent.

The Board agreed to receive the comments during the May, June, and July 2021 meetings.

Submitter Recommendations/Motions: Receive comments only.

Attachments:

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Discussion

Presenter: Katie Mosher, Clerk to the Board

Agenda Title: Legislative Updates for Elected Officials

Summary of Information: During the May 4, 2020 Board of Commissioners meeting, in a vote of 6 to 1, The Beaufort County Board of Commissioners approved allowing County Representatives 15 minutes to speak and receive questions during regular Board meetings each month.

Submitter Recommendations/Motions: N/A

Attachments:

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Consent

Presenter: Kelly Smith, Social Services

Agenda Title: Budget Amendment - DSS

Summary of Information: On May 7, 2020, a Dear County Director Letter was received that notified the Director of Social Services that an additional $64,854 was allocated to Beaufort County for Low Income Energy Assistance Program supplemental payments. This increase in funding is due to statewide reallocations from other counties where funding was not expended. These funds will be used for a one-time supplement payment for individuals that were approved for LIEAP during this fiscal year. We are requesting that the Social Services budget be amended to reflect an increase in the Low Income Energy Assistance Program line 105480.562004 and an increase the Energy Assistance revenue line 100222.493568. Please see the attached Funding Authorization.

There are no county dollars included in the increase of these funds.

Submitter Recommendations/Motions: Staff recommends approval of the Budget Amendment.

Attachments:
1. Signed Budget Amendment
2. Funding Authorizations

Beaufort County
Finance

Budget Amendment Request

Department: Social Services **Date of Request:** June 7, 2021

FY Budget: 2021

ACCOUNT NO.	TITLE OF ACCOUNT	INCREASE	DECREASE
100222.493568	Energy Assistance	$64,854	
105480.562004	Low Income Energy Assistance Program (LIEAP)	$64,854	

Department Justification:
On May 7, 2020, a Dear County Director Letter was received that notified the Director of Social Services that an additional $64,854 was allocated to Beaufort County for Low Income Energy Assistance Program supplemental payments. This increase in funding is due to statewide reallocations from other counties where funding was not expended. These funds will be used for a one-time supplement payment for individuals that were approved for LIEAP during this fiscal year. We are requesting that the Social Services budget be amended to reflect an increase in the Low Income Energy Assistance Program line 105480.562004 and an increase the Energy Assistance revenue line 100222.493568. Please see the attached Funding Authorization. There are no county dollars included in the increase of these funds.

If amendment deals with adding, deleting, or modifying a position, County Position No. (& State, if applicable) must be referenced.

County Position No. _____

State Position No. _____

APPROVAL	SIGNATURE	DATE
Department Head	Melanie Cooper	5/27/21
Finance Officer		
	This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.	
County Manager	Required for interdepartmental transfers.	
Board of Commissioners	Agenda Item No. _____ Reference No. _____	

14/15

DIVISION OF SOCIAL SERVICES

Low-Income Home Energy Assistance (LIEAP)

FUNDING SOURCE: Federal Low Income Home Energy Assistance Funds
EFFECTIVE DATE: 12/01/2020
AUTHORIZATION NUMBER: 8

ALLOCATION PERIOD
FROM DECEMBER 2020 THRU MAY 2021 SERVICE MONTHS
FROM JANUARY 2021 THRU JUNE 2021 PAYMENT MONTHS

		Initial (or Previous) Allocation Funding Authorization		Additional Allocation		Grand Total Allocation	
Co. No.	COUNTY	Federal	Total	Federal	Total	Federal	Total
01	ALAMANCE	640,979.00	640,979.00	23,620.67	23,620.67	664,599.67	664,599.67
02	ALEXANDER	123,944.54	123,944.54	22,255.28	22,255.28	146,199.82	146,199.82
03	ALLEGHANY	56,776.00	56,776.00	12,683.18	12,683.18	69,459.18	69,459.18
04	ANSON	260,581.00	260,581.00	55,359.10	55,359.10	315,940.10	315,940.10
05	ASHE	156,815.00	156,815.00	34,607.60	34,607.60	191,422.60	191,422.60
06	AVERY	64,871.00	64,871.00	17,529.73	17,529.73	82,400.73	82,400.73
07	BEAUFORT	269,801.00	269,801.00	64,854.97	64,854.97	334,655.97	334,655.97
08	BERTIE	164,292.00	164,292.00	42,619.02	42,619.02	206,911.02	206,911.02
09	BLADEN	247,662.00	247,662.00	10,259.13	10,259.13	257,921.13	257,921.13
10	BRUNSWICK	449,450.00	449,450.00	91,629.31	91,629.31	541,079.31	541,079.31
11	BUNCOMBE	861,528.00	861,528.00	78,326.33	78,326.33	939,854.33	939,854.33
12	BURKE	349,377.16	349,377.16	71,532.31	71,532.31	420,909.47	420,909.47
13	CABARRUS	482,053.00	482,053.00	(80,740.10)	-80,740.10	401,312.90	401,312.90
14	CALDWELL	389,956.00	389,956.00	72,982.10	72,982.10	462,938.10	462,938.10
15	CAMDEN	24,153.00	24,153.00	(4,334.68)	-4,334.68	19,818.32	19,818.32
16	CARTERET	203,817.00	203,817.00	8,100.88	8,100.88	211,917.88	211,917.88
17	CASWELL	121,954.00	121,954.00	29,944.84	29,944.84	151,898.84	151,898.84
18	CATAWBA	493,653.00	493,653.00	(154,668.98)	-154,668.98	338,984.02	338,984.02
19	CHATHAM	172,019.00	172,019.00	37,622.95	37,622.95	209,641.95	209,641.95
20	CHEROKEE	112,122.00	112,122.00	16,684.36	16,684.36	128,806.36	128,806.36
21	CHOWAN	76,677.00	76,677.00	20,579.60	20,579.60	97,256.60	97,256.60
22	CLAY	46,666.00	46,666.00	12,663.80	12,663.80	59,329.80	59,329.80
23	CLEVELAND	525,129.00	525,129.00	90,157.64	90,157.64	615,286.64	615,286.64
24	COLUMBUS	354,776.82	354,776.82	59,308.51	59,308.51	414,085.33	414,085.33
25	CRAVEN	403,814.00	403,814.00	(96,411.35)	-96,411.35	307,402.65	307,402.65
26	CUMBERLAND	1,744,849.07	1,744,849.07	(230,002.21)	-230,002.21	1,514,846.86	1,514,846.86
27	CURRITUCK	60,123.36	60,123.36	1,799.35	1,799.35	61,922.71	61,922.71
28	DARE	79,988.00	79,988.00	6,212.54	6,212.54	86,200.54	86,200.54
29	DAVIDSON	669,053.00	669,053.00	(198,052.83)	-198,052.83	471,000.17	471,000.17
30	DAVIE	126,730.00	126,730.00	(8,337.30)	-8,337.30	118,392.70	118,392.70
31	DUPLIN	290,841.00	290,841.00	8,812.76	8,812.76	299,653.76	299,653.76
32	DURHAM	1,116,990.51	1,116,990.51	(266,706.16)	-266,706.16	850,284.35	850,284.35
33	EDGECOMBE	411,301.20	411,301.20	90,560.71	90,560.71	501,861.91	501,861.91
34	FORSYTH	1,601,308.00	1,601,308.00	229,929.51	229,929.51	1,831,237.51	1,831,237.51
35	FRANKLIN	245,764.00	245,764.00	36,415.77	36,415.77	282,179.77	282,179.77
36	GASTON	912,035.00	912,035.00	(112,449.04)	-112,449.04	799,585.96	799,585.96
37	GATES	49,177.40	49,177.40	11,682.52	11,682.52	60,859.92	60,859.92
38	GRAHAM	41,352.00	41,352.00	9,931.61	9,931.61	51,283.61	51,283.61
39	GRANVILLE	207,572.29	207,572.29	(8,883.67)	-8,883.67	198,688.62	198,688.62
40	GREENE	119,662.00	119,662.00	23,439.24	23,439.24	143,101.24	143,101.24
41	GUILFORD	2,376,185.00	2,376,185.00	(351,871.63)	-351,871.63	2,024,313.37	2,024,313.37
42	HALIFAX	483,613.00	483,613.00	122,243.99	122,243.99	605,856.99	605,856.99
43	HARNETT	505,949.00	505,949.00	(24,602.74)	-24,602.74	481,346.26	481,346.26
44	HAYWOOD	238,010.00	238,010.00	7,325.49	7,325.49	245,335.49	245,335.49
45	HENDERSON	303,467.00	303,467.00	(22,616.73)	-22,616.73	280,850.27	280,850.27
46	HERTFORD	222,326.00	222,326.00	41,749.52	41,749.52	264,075.52	264,075.52
47	HOKE	272,095.00	272,095.00	(48,713.35)	-48,713.35	223,381.65	223,381.65

Low-Income Home Energy Assistance (LIEAP) **AUTHORIZATION NUMBER: 8**

		Initial (or Previous) Allocation Funding Authorization		Additional Allocation		Grand Total Allocation	
	COUNTY	Federal	Total	Federal	Total	Federal	Total
48	HYDE	42,415.00	42,415.00	9,962.39	9,962.39	52,377.39	52,377.39
49	IREDELL	409,155.00	409,155.00	(16,289.46)	-16,289.46	392,865.54	392,865.54
50	JACKSON	156,359.00	156,359.00	(55,541.26)	-55,541.26	100,817.74	100,817.74
51	JOHNSTON	686,453.00	686,453.00	(40,794.39)	-40,794.39	645,658.61	645,658.61
52	JONES	56,402.00	56,402.00	16,189.01	16,189.01	72,591.01	72,591.01
53	LEE	206,655.00	206,655.00	(33,177.85)	-33,177.85	173,477.15	173,477.15
54	LENOIR	378,958.00	378,958.00	15,808.46	15,808.46	394,766.46	394,766.46
55	LINCOLN	257,634.00	257,634.00	25,524.93	25,524.93	283,158.93	283,158.93
56	MACON	145,356.00	145,356.00	20,050.62	20,050.62	165,406.62	165,406.62
57	MADISON	92,874.00	92,874.00	11,134.45	11,134.45	104,008.45	104,008.45
58	MARTIN	140,946.00	140,946.00	28,371.71	28,371.71	169,317.71	169,317.71
59	MCDOWELL	219,415.00	219,415.00	47,983.36	47,983.36	267,398.36	267,398.36
60	MECKLENBURG	3,480,270.93	3,480,270.93	(473,548.68)	-473,548.68	3,006,722.25	3,006,722.25
61	MITCHELL	66,207.00	66,207.00	15,915.28	15,915.28	82,122.28	82,122.28
62	MONTGOMERY	120,203.00	120,203.00	24,977.72	24,977.72	145,180.72	145,180.72
63	MOORE	289,235.00	289,235.00	34,930.55	34,930.55	324,165.55	324,165.55
64	NASH	413,882.00	413,882.00	91,585.94	91,585.94	505,467.94	505,467.94
65	NEW HANOVER	794,811.00	794,811.00	151,771.19	151,771.19	946,582.19	946,582.19
66	NORTHAMPTON	213,101.00	213,101.00	(36,328.16)	-36,328.16	176,772.84	176,772.84
67	ONSLOW	668,981.00	668,981.00	(15,030.60)	-15,030.60	653,950.40	653,950.40
68	ORANGE	399,046.00	399,046.00	(30,003.02)	-30,003.02	369,042.98	369,042.98
69	PAMLICO	54,497.00	54,497.00	6,012.58	6,012.58	60,509.58	60,509.58
70	PASQUOTANK	207,957.00	207,957.00	42,320.83	42,320.83	250,277.83	250,277.83
71	PENDER	249,830.00	249,830.00	50,535.69	50,535.69	300,365.69	300,365.69
72	PERQUIMANS	62,579.00	62,579.00	16,372.66	16,372.66	78,951.66	78,951.66
73	PERSON	182,794.00	182,794.00	39,060.38	39,060.38	221,854.38	221,854.38
74	PITT	1,015,678.00	1,015,678.00	111,011.28	111,011.28	1,126,689.28	1,126,689.28
75	POLK	62,944.00	62,944.00	13,736.40	13,736.40	76,680.40	76,680.40
76	RANDOLPH	569,083.00	569,083.00	2,279.75	2,279.75	571,362.75	571,362.75
77	RICHMOND	321,891.00	321,891.00	72,648.71	72,648.71	394,539.71	394,539.71
78	ROBESON	1,000,594.00	1,000,594.00	(204,587.53)	-204,587.53	796,006.47	796,006.47
79	ROCKINGHAM	453,424.00	453,424.00	94,652.16	94,652.16	548,076.16	548,076.16
80	ROWAN	613,769.00	613,769.00	(46,717.91)	-46,717.91	567,051.09	567,051.09
81	RUTHERFORD	343,891.00	343,891.00	68,748.96	68,748.96	412,639.96	412,639.96
82	SAMPSON	552,449.72	552,449.72	(58,988.35)	-58,988.35	493,461.37	493,461.37
83	SCOTLAND	270,038.00	270,038.00	52,709.94	52,709.94	322,747.94	322,747.94
84	STANLY	245,832.00	245,832.00	34,781.73	34,781.73	280,613.73	280,613.73
85	STOKES	158,059.00	158,059.00	34,732.99	34,732.99	192,791.99	192,791.99
86	SURRY	335,893.00	335,893.00	69,976.88	69,976.88	405,869.88	405,869.88
87	SWAIN	58,381.00	58,381.00	(3,485.68)	-3,485.68	54,895.32	54,895.32
88	TRANSYLVANIA	118,166.00	118,166.00	17,661.98	17,661.98	135,827.98	135,827.98
89	TYRRELL	24,326.00	24,326.00	6,543.63	6,543.63	30,869.63	30,869.63
90	UNION	415,231.42	415,231.42	(68,717.69)	-68,717.69	346,513.73	346,513.73
91	VANCE	348,266.00	348,266.00	79,445.79	79,445.79	427,711.79	427,711.79
92	WAKE	2,063,589.14	2,063,589.14	(219,986.13)	-219,986.13	1,843,603.01	1,843,603.01
93	WARREN	134,868.20	134,868.20	33,760.72	33,760.72	168,628.92	168,628.92
94	WASHINGTON	151,581.00	151,581.00	(15,871.85)	-15,871.85	135,709.15	135,709.15
95	WATAUGA	142,422.00	142,422.00	(8,530.31)	-8,530.31	133,891.69	133,891.69
96	WAYNE	688,121.08	688,121.08	(21,077.44)	-21,077.44	667,043.64	667,043.64
97	WILKES	349,151.00	349,151.00	69,373.02	69,373.02	418,524.02	418,524.02
98	WILSON	423,542.00	423,542.00	99,526.56	99,526.56	523,068.56	523,068.56
99	YADKIN	131,684.00	131,684.00	(41,397.35)	-41,397.35	90,286.65	90,286.65
100	YANCEY	97,249.00	97,249.00	24,941.86	24,941.86	122,190.86	122,190.86
150	Jackson Indian	0.00	0.00	0.00	0.00	0.00	0.00
187	Swain Indian	0.00	0.00	0.00	0.00	0.00	0.00
	Total	$ 40,217,397.84	$ 40,217,397.84	$ 0.00	$ 0.00	$ 40,217,397.84	$ 40,217,397.84

Low-Income Home Energy Assistance (LIEAP) AUTHORIZATION NUMBER: 8

FUNDING SOURCE: Federal Low Income Home Energy Assistance Funds Block Grant
CFDA Number: 93.568
CFDA Name: Low-Income Home Energy Assistance
Award Name: Low-Income Home Energy Assistance
Award Number: G20B1NCLIEA & G21B1NCLIEA
Award Date: FFY 2020 & 2021
Federal Agency: DHHS/ACF

GRANT INFORMATION: This represents 100% federal dollars.

This allocation represents the entire amount as designated in Session Law.

These funds cannot be spent until after December 1, 2020.

XS411 Heading: LIHEAP
Tracked on XS411: Federal Share 100%

OBLIGATIONS INCURRED AND EXPENDITURES MADE UNDER THIS ADVICE WILL BE SUBJECT TO LIMITATIONS PUBLISHED BY FEDERAL AND STATE AGENCIES AS TO THE AVAILABILITY OF FUNDS

AUTHORIZED SIGNATURE

DATE: May 11, 2021

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
SUSAN OSBORNE • Assistant Secretary for County Operations for Human Services

May 7, 2021

Dear County Directors of Social Services

Attention: Energy Administrators, Managers & Supervisors

Subject: Low Income Energy Assistance Program (LIEAP) One-time Supplement

Priority: Information & Action

The purpose of this letter is to provide information regarding the one-time LIEAP supplement. The supplement will be calculated by a formula based on the household's previously approved LIEAP payment amount. NC FAST will send a system generated notice to the household informing them of the supplement and of the supplement amount. The **Energy One Time Supplement Report** will be available in NC FAST on **May 18, 2021.**

We know that does not leave a lot of time for the budgets to be approved and checks to be drafted and sent prior to the end of the month. Attached to this letter is a spreadsheet that identifies the total amount of money each county will be allocated. The report breaks the total amount down into the supplement amounts per category for each county. We are hoping that counties will be able to use this spreadsheet to amend your budgets. In addition, we are advising counties to use the **NFOMD023M - Energy Payment Request Detail Report** in NC FAST starting today to identify customers who have previously received a LIEAP payment so that you can proactively start the check writing process. **Once allocations are released in NC FAST on May 18th, counties can issue checks to the vendors for payment.**

To use the **NFOMD023M - Energy Payment Request Detail Report**:

- The **NFOMD023M - Energy Payment Request Detail Report** can be exported in an Excel sheet and printed out.
- This report contains information such Provider, Account Holder Name, Account Number, Benefit Amount, Fund Source, and Application Reference Number.
- **Note**: If a payment has not been created then the Payment Request Reference Number will **NOT** display on this report.
- Use the LIEAP amount the applicant was issued in comparison to these amounts below to determine the supplement amount the applicant will receive:
    - $300 benefit received = supplement will be $40.31
    - $400 benefit received = supplement will be $53.75
    - $500 benefit received = supplement will be $67.19

Attached is a screenshot of where to find the **NFOMD023M - Energy Payment Request Detail Report** in NC FAST.

On **May 18, 2021**, a new report in FAST Help titled **"Energy One Time Supplement Report"** will be available. The report will also be available in NC FAST under Energy Report titled "**NFOMD023P – Energy One Time Supplement Report**". This report can be used to compare information from the **NFOMD023M - Energy Payment Request Detail** to ensure correct payments. Both reports will list all households receiving the one time supplement.

If payments are not processed on your counties May service report, they will be deducted from your counties State Fiscal Year 2021-2022 allocations. Job aids regarding the one-time supplement are available in FAST Help titled Energy-Payment Requests and Check Recording Process.

If you have any questions, please contact Operational Support Team (OST) at DSS.Policy.Questions@dhhs.nc.gov

Sincerely,

Carla L. West, Senior Director for Economic Security
CLW/js

EFS-FNSEP-49-2021
Attachments (2)
NFOMD023M - Energy Payment Request Detail Report Screenshot
One Time Supplement Spreadsheet

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF SOCIAL SERVICES • ECONOMIC AND FAMILY SERVICES

LOCATION: 820 S. Boylan Avenue, McBryde Building, Raleigh, NC 27603
MAILING ADDRESS: 2420 Mail Service Center, Raleigh, NC 27699-2420
www.ncdhhs.gov • TEL: 919-527-6300 • FAX: 919-334-1265

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Consent

Presenter: Kelly Smith, Social Services

Agenda Title: Budget Amendment

Summary of Information: On May 6, 2021 and May 27, 2021, DSS received notification that additional funds have been allocated to Beaufort County for the Duke Progress Energy Assistance Program. Beaufort County received an additional $540 on May 6, 2021 and an additional $438 on May 27, 2021. We are requesting that the Social Services budget be amended to reflect an increase in the Duke Progress Energy Assistance Program line 105480.562002 and an increase in the Energy Assistance revenue line 100222.493568. Please see the attached Funding Authorizations.
There are no county dollars included in the increase of these funds.

Submitter Recommendations/Motions: Staff recommends approval of the Budget Amendment.

Attachments:
1. Signed Budget Amendment
2. Funding Authorization

Beaufort County
Finance

Budget Amendment Request

Department: Social Services **Date of Request:** June 7, 2021

FY Budget: 2020-2021

ACCOUNT NO.	TITLE OF ACCOUNT	INCREASE	DECREASE
100222.493568	Energy Assistance	$978	
105480.562002	Duke Progress Energy	$978	

Department Justification:
On May 6, 2021 and May 27, 2021, DSS received notification that additional funds have been allocated to Beaufort County for the Duke Progress Energy Assistance Program. Beaufort County received an additional $540 on May 6, 2021 and an additional $438 on May 27, 2021. We are requesting that the Social Services budget be amended to reflect an increase in the Duke Progress Energy Assistance Program line 105480.562002 and an increase in the Energy Assistance revenue line 100222.493568. Please see the attached Funding Authorizations.
There are no county dollars included in the increase of these funds.

If amendment deals with adding, deleting, or modifying a position, County Position No. (& State, if applicable) must be referenced.

County Position No. _____

State Position No. _____

APPROVAL	SIGNATURE	DATE
Department Head	Melanie Corprew	5/27/21
Finance Officer		
	This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.	
County Manager	Required for interdepartmental transfers.	
Board of Commissioners	Agenda Item No. _____ Reference No. _____	

14/15

FUNDING AUTHORIZATION
DIVISION OF SOCIAL SERVICES

FUNDING SOURCE: Duke Energy Progress-Energy Neighbor Fund
EFFECTIVE DATE: 07/01/2020
AUTHORIZATION NUMBER: 11

ALLOCATION PERIOD
FROM JUNE 2020 THRU MAY 2021 SERVICE MONTHS
FROM JULY 2020 THRU JUNE 2021 PAYMENT MONTHS

		Initial (or Previous) Allocation Funding Authorization		Additional Allocation		Grand Total Allocation	
Co. No.	COUNTY	State	Total	State	Total	State	Total
01	ALAMANCE	0.00	0.00	0.00	0.00	0.00	0.00
02	ALEXANDER	0.00	0.00	0.00	0.00	0.00	0.00
03	ALLEGHANY	0.00	0.00	0.00	0.00	0.00	0.00
04	ANSON	6,527.38	6,527.38	255.84	255.84	6,783.22	6,783.22
05	ASHE	0.00	0.00	0.00	0.00	0.00	0.00
06	AVERY	156.72	156.72	14.00	14.00	170.72	170.72
07	BEAUFORT	11,551.14	11,551.14	540.00	540.00	12,091.14	12,091.14
08	BERTIE	0.00	0.00	0.00	0.00	0.00	0.00
09	BLADEN	9,213.33	9,213.33	444.00	444.00	9,657.33	9,657.33
10	BRUNSWICK	18,770.93	18,770.93	1,254.26	1,254.26	20,025.19	20,025.19
11	BUNCOMBE	36,798.74	36,798.74	4,658.76	4,658.76	41,457.50	41,457.50
12	BURKE	0.00	0.00	0.00	0.00	0.00	0.00
13	CABARRUS	0.00	0.00	0.00	0.00	0.00	0.00
14	CALDWELL	0.00	0.00	0.00	0.00	0.00	0.00
15	CAMDEN	0.00	0.00	0.00	0.00	0.00	0.00
16	CARTERET	10,616.92	10,616.92	913.34	913.34	11,530.26	11,530.26
17	CASWELL	7,967.72	7,967.72	450.00	450.00	8,417.72	8,417.72
18	CATAWBA	0.00	0.00	0.00	0.00	0.00	0.00
19	CHATHAM	14,025.31	14,025.31	1,042.78	1,042.78	15,068.09	15,068.09
20	CHEROKEE	0.00	0.00	0.00	0.00	0.00	0.00
21	CHOWAN	0.00	0.00	0.00	0.00	0.00	0.00
22	CLAY	0.00	0.00	0.00	0.00	0.00	0.00
23	CLEVELAND	0.00	0.00	0.00	0.00	0.00	0.00
24	COLUMBUS	11,405.73	11,405.73	331.48	331.48	11,737.21	11,737.21
25	CRAVEN	6,726.36	6,726.36	322.00	322.00	7,048.36	7,048.36
26	CUMBERLAND	10,883.40	10,883.40	775.68	775.68	11,659.08	11,659.08
27	CURRITUCK	0.00	0.00	0.00	0.00	0.00	0.00
28	DARE	0.00	0.00	0.00	0.00	0.00	0.00
29	DAVIDSON	0.00	0.00	0.00	0.00	0.00	0.00
30	DAVIE	0.00	0.00	0.00	0.00	0.00	0.00
31	DUPLIN	6,105.20	6,105.20	288.00	288.00	6,393.20	6,393.20
32	DURHAM	3,192.79	3,192.79	70.00	70.00	3,262.79	3,262.79
33	EDGECOMBE	6,809.11	6,809.11	332.00	332.00	7,141.11	7,141.11
34	FORSYTH	63.36	63.36	0.00	0.00	63.36	63.36
35	FRANKLIN	8,815.22	8,815.22	574.40	574.40	9,389.62	9,389.62
36	GASTON	0.00	0.00	0.00	0.00	0.00	0.00
37	GATES	0.00	0.00	0.00	0.00	0.00	0.00
38	GRAHAM	0.00	0.00	0.00	0.00	0.00	0.00
39	GRANVILLE	7,215.90	7,215.90	426.00	426.00	7,641.90	7,641.90
40	GREENE	3,986.00	3,986.00	190.00	190.00	4,176.00	4,176.00
41	GUILFORD	0.00	0.00	0.00	0.00	0.00	0.00
42	HALIFAX	4,283.00	4,283.00	226.00	226.00	4,509.00	4,509.00
43	HARNETT	7,063.72	7,063.72	341.32	341.32	7,405.04	7,405.04
44	HAYWOOD	8,278.59	8,278.59	564.36	564.36	8,842.95	8,842.95
45	HENDERSON	5,613.66	5,613.66	286.00	286.00	5,899.66	5,899.66
46	HERTFORD	0.00	0.00	0.00	0.00	0.00	0.00
47	HOKE	4,362.86	4,362.86	226.00	226.00	4,588.86	4,588.86

FUNDING SOURCE: Duke Energy Progress-Energy Neighbor Fund

		Initial (or Previous) Allocation Funding Authorization		Additional Allocation		Grand Total Allocation	
	COUNTY	State	Total	State	Total	State	Total
48	HYDE	0.00	0.00	0.00	0.00	0.00	0.00
49	IREDELL	0.00	0.00	0.00	0.00	0.00	0.00
50	JACKSON	2,071.00	2,071.00	40.00	40.00	2,111.00	2,111.00
51	JOHNSTON	16,411.24	16,411.24	1,173.60	1,173.60	17,584.84	17,584.84
52	JONES	4,897.87	4,897.87	200.00	200.00	5,097.87	5,097.87
53	LEE	5,227.78	5,227.78	453.78	453.78	5,681.56	5,681.56
54	LENOIR	6,007.35	6,007.35	278.00	278.00	6,285.35	6,285.35
55	LINCOLN	0.00	0.00	0.00	0.00	0.00	0.00
56	MACON	0.00	0.00	0.00	0.00	0.00	0.00
57	MADISON	14,988.17	14,988.17	162.00	162.00	15,150.17	15,150.17
58	MARTIN	0.00	0.00	0.00	0.00	0.00	0.00
59	MCDOWELL	243.00	243.00	0.00	0.00	243.00	243.00
60	MECKLENBURG	0.00	0.00	0.00	0.00	0.00	0.00
61	MITCHELL	5,468.31	5,468.31	295.72	295.72	5,764.03	5,764.03
62	MONTGOMERY	5,233.66	5,233.66	270.52	270.52	5,504.18	5,504.18
63	MOORE	20,312.23	20,312.23	1,683.10	1,683.10	21,995.33	21,995.33
64	NASH	4,962.00	4,962.00	500.00	500.00	5,462.00	5,462.00
65	NEW HANOVER	33,581.47	33,581.47	2,254.22	2,254.22	35,835.69	35,835.69
66	NORTHAMPTON	0.00	0.00	0.00	0.00	0.00	0.00
67	ONSLOW	11,850.97	11,850.97	615.96	615.96	12,466.93	12,466.93
68	ORANGE	190.00	190.00	0.00	0.00	190.00	190.00
69	PAMLICO	6,540.03	6,540.03	312.00	312.00	6,852.03	6,852.03
70	PASQUOTANK	0.00	0.00	0.00	0.00	0.00	0.00
71	PENDER	5,999.74	5,999.74	328.00	328.00	6,327.74	6,327.74
72	PERQUIMANS	0.00	0.00	0.00	0.00	0.00	0.00
73	PERSON	14,952.70	14,952.70	830.72	830.72	15,783.42	15,783.42
74	PITT	3,533.00	3,533.00	156.00	156.00	3,689.00	3,689.00
75	POLK	0.00	0.00	0.00	0.00	0.00	0.00
76	RANDOLPH	6,836.62	6,836.62	460.68	460.68	7,297.30	7,297.30
77	RICHMOND	7,710.86	7,710.86	475.36	475.36	8,186.22	8,186.22
78	ROBESON	7,390.59	7,390.59	391.56	391.56	7,782.15	7,782.15
79	ROCKINGHAM	0.00	0.00	0.00	0.00	0.00	0.00
80	ROWAN	0.00	0.00	0.00	0.00	0.00	0.00
81	RUTHERFORD	0.00	0.00	0.00	0.00	0.00	0.00
82	SAMPSON	5,725.36	5,725.36	284.00	284.00	6,009.36	6,009.36
83	SCOTLAND	5,047.00	5,047.00	274.00	274.00	5,321.00	5,321.00
84	STANLY	3,988.25	3,988.25	2.00	2.00	3,990.25	3,990.25
85	STOKES	0.00	0.00	0.00	0.00	0.00	0.00
86	SURRY	0.00	0.00	0.00	0.00	0.00	0.00
87	SWAIN	0.00	0.00	0.00	0.00	0.00	0.00
88	TRANSYLVANIA	0.00	0.00	0.00	0.00	0.00	0.00
89	TYRRELL	0.00	0.00	0.00	0.00	0.00	0.00
90	UNION	0.00	0.00	0.00	0.00	0.00	0.00
91	VANCE	4,801.94	4,801.94	308.08	308.08	5,110.02	5,110.02
92	WAKE	155,357.23	155,357.23	11,899.16	11,899.16	167,256.39	167,256.39
93	WARREN	8,712.32	8,712.32	470.48	470.48	9,182.80	9,182.80
94	WASHINGTON	0.00	0.00	0.00	0.00	0.00	0.00
95	WATAUGA	0.00	0.00	0.00	0.00	0.00	0.00
96	WAYNE	10,768.05	10,768.05	932.00	932.00	11,700.05	11,700.05
97	WILKES	0.00	0.00	0.00	0.00	0.00	0.00
98	WILSON	7,544.80	7,544.80	178.88	178.88	7,723.68	7,723.68
99	YADKIN	0.00	0.00	0.00	0.00	0.00	0.00
100	YANCEY	1,493.00	1,493.00	4.00	4.00	1,497.00	1,497.00
150	Jackson Indian	0.00	0.00	0.00	0.00	0.00	0.00
187	Swain Indian	0.00	0.00	0.00	0.00	0.00	0.00
	Total	598,279.63	598,279.63	39,760.04	39,760.04	638,039.67	638,039.67

FUNDING SOURCE: Duke Energy Progress-Energy Neighbor Fund

FUNDING SOURCE: Progress Energy

GRANT INFORMATION:
This funding authorization represents 100% state funds.

XS411 Heading: Energy Neighbor
Tracked on XS411: State Share 100%

OBLIGATIONS INCURRED AND EXPENDITURES MADE UNDER THIS ADVICE WILL BE SUBJECT TO LIMITATIONS PUBLISHED BY FEDERAL AND STATE AGENCIES AS TO THE AVAILABILITY OF FUNDS

AUTHORIZED SIGNATURE **DATE:**

May 6, 2021

DIVISION OF SOCIAL SERVICES

FUNDING SOURCE: Duke Energy Progress-Energy Neighbor Fund
EFFECTIVE DATE: 07/01/2020
AUTHORIZATION NUMBER: 12

ALLOCATION PERIOD
FROM JUNE 2020 THRU MAY 2021 SERVICE MONTHS
FROM JULY 2020 THRU JUNE 2021 PAYMENT MONTHS

		Additional Allocation	
Co. No.	COUNTY	State	Total
01	ALAMANCE	0.00	0.00
02	ALEXANDER	0.00	0.00
03	ALLEGHANY	0.00	0.00
04	ANSON	227.84	227.84
05	ASHE	0.00	0.00
06	AVERY	14.00	14.00
07	BEAUFORT	438.00	438.00
08	BERTIE	0.00	0.00
09	BLADEN	434.00	434.00
10	BRUNSWICK	1,187.00	1,187.00
11	BUNCOMBE	3,082.42	3,082.42
12	BURKE	0.00	0.00
13	CABARRUS	0.00	0.00
14	CALDWELL	0.00	0.00
15	CAMDEN	0.00	0.00
16	CARTERET	759.30	759.30
17	CASWELL	450.00	450.00
18	CATAWBA	0.00	0.00
19	CHATHAM	1,063.72	1,063.72
20	CHEROKEE	0.00	0.00
21	CHOWAN	0.00	0.00
22	CLAY	0.00	0.00
23	CLEVELAND	0.00	0.00
24	COLUMBUS	256.16	256.16
25	CRAVEN	230.02	230.02
26	CUMBERLAND	797.00	797.00
27	CURRITUCK	0.00	0.00
28	DARE	0.00	0.00
29	DAVIDSON	0.00	0.00
30	DAVIE	0.00	0.00
31	DUPLIN	264.00	264.00
32	DURHAM	66.00	66.00
33	EDGECOMBE	328.00	328.00
34	FORSYTH	0.00	0.00
35	FRANKLIN	488.00	488.00
36	GASTON	0.00	0.00
37	GATES	0.00	0.00
38	GRAHAM	0.00	0.00
39	GRANVILLE	374.00	374.00
40	GREENE	180.00	180.00
41	GUILFORD	0.00	0.00
42	HALIFAX	226.00	226.00
43	HARNETT	323.32	323.32
44	HAYWOOD	592.56	592.56
45	HENDERSON	280.00	280.00
46	HERTFORD	0.00	0.00
47	HOKE	224.00	224.00

FUNDING SOURCE: Duke Energy Progress-Energy Neighbor Fund

		Additional Allocation	
	COUNTY	State	Total
48	HYDE	0.00	0.00
49	IREDELL	0.00	0.00
50	JACKSON	40.00	40.00
51	JOHNSTON	929.60	929.60
52	JONES	180.00	180.00
53	LEE	410.44	410.44
54	LENOIR	212.00	212.00
55	LINCOLN	0.00	0.00
56	MACON	0.00	0.00
57	MADISON	162.00	162.00
58	MARTIN	0.00	0.00
59	MCDOWELL	0.00	0.00
60	MECKLENBURG	0.00	0.00
61	MITCHELL	253.52	253.52
62	MONTGOMERY	294.52	294.52
63	MOORE	1,462.36	1,462.36
64	NASH	401.00	401.00
65	NEW HANOVER	1,905.48	1,905.48
66	NORTHAMPTON	0.00	0.00
67	ONSLOW	585.88	585.88
68	ORANGE	0.00	0.00
69	PAMLICO	269.96	269.96
70	PASQUOTANK	0.00	0.00
71	PENDER	240.00	240.00
72	PERQUIMANS	0.00	0.00
73	PERSON	860.64	860.64
74	PITT	156.00	156.00
75	POLK	0.00	0.00
76	RANDOLPH	434.68	434.68
77	RICHMOND	407.36	407.36
78	ROBESON	369.56	369.56
79	ROCKINGHAM	0.00	0.00
80	ROWAN	0.00	0.00
81	RUTHERFORD	0.00	0.00
82	SAMPSON	280.00	280.00
83	SCOTLAND	216.00	216.00
84	STANLY	2.00	2.00
85	STOKES	0.00	0.00
86	SURRY	0.00	0.00
87	SWAIN	0.00	0.00
88	TRANSYLVANIA	0.00	0.00
89	TYRRELL	0.00	0.00
90	UNION	0.00	0.00
91	VANCE	268.08	268.08
92	WAKE	11,522.14	11,522.14
93	WARREN	464.48	464.48
94	WASHINGTON	0.00	0.00
95	WATAUGA	0.00	0.00
96	WAYNE	814.00	814.00
97	WILKES	0.00	0.00
98	WILSON	191.00	191.00
99	YADKIN	0.00	0.00
100	YANCEY	2.00	2.00
150	Jackson Indian	0.00	0.00
187	Swain Indian	0.00	0.00
	Total	35,620.04	35,620.04

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Consent

Presenter: Anita Radcliffe, Finace Officer

Agenda Title: American Rescue Plan Act Funds

Summary of Information: On June 1, 2021, the County received a deposit in the amount of $4,564,017 representing 50% of our American Rescue Plan Act allocated funds. The receipt of these funds needs to be recognized and budgeted. Expenditure of these funds will be approved by the Board of Commissioners.

Submitter Recommendations/Motions: Approve the attached Budget Amendment recognizing receipt of $4,564,017 ARPA funds.

Attachments:

-Budget Amendment

Beaufort County
Finance

Budget Amendment Request

Department: General Fund **Date of Request:** 6-7-21

FY Budget: FY 20-21

ACCOUNT NO.	TITLE OF ACCOUNT	INCREASE	DECREASE
10-0223-433035	American Rescue Plan Revenue	4,564,017	
10-4135-526125	American Rescue Plan Expenses	4,564,017	

Department Justification:

To recognize $4,564,017 in grant revenue received from federal government to Beaufort County through American Rescue Plan Act.

If amendment deals with adding, deleting, or modifying a position, County Position No. (& State, if applicable) must be referenced.

County Position No. _____

State Position No. _____

APPROVAL	SIGNATURE	DATE
Department Head		
Finance Officer		
	This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.	
County Manager	Required for interdepartmental transfers.	
Board of Commissioners	Agenda Item No. _____ Reference No. _____	

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Agenda Title: Year End Budget Transfers

Presenter: Anita Radcliffe, CFO

Summary of Information: The attached Budget Amendment needs to be adopted to allocate funds among line items, recognize and appropriate federal and state revenues, and appropriate increased water sales revenue to cover water purchases from the City of Washington.

Submitter Recommendations/Motions: Adopt attached Budget Amendment Request.

Attachments:

-Budget Amendment

BOARD OF COMMISSIONERS
Frankie Waters, Chairman
Jerry E. Langley, Vice Chairman
Hood Richardson
Ed Booth
Randy Walker
Stan Deatherage
John Rebholz

COUNTY OFFICIALS
Brian M. Alligood, County Manager
Katie Mosher, Clerk to the Board
Anita Radcliffe, Finance Director
David Francisco, County Attorney

BEAUFORT COUNTY
NORTH CAROLINA

To: Chairman Frankie Waters & Members of the Board of Commissioners
From: Anita C. Radcliffe, Financial Officer
Date: June 7, 2021
Subject: Reporting of Inter-Departmental Reallocations and Approval of Appropriation of Water Revenues to Cover Water Purchases

Transfers of funds between the following departments within the General Fund have been completed without increasing the overall County budget. These reallocations were necessary to ensure budgetary compliance at year end.

Increase Tax Administration	$	41,000
Increase Tax Collector		20,000
Increase Economic Development		10,710
Increase Public Buildings		9,290
Increase Jail (Operations)		10,000
Increase Sheriff's Office (Operations)		24,000
Decrease Communications (Operations)		(34,000)
Increase Veterans		1,500
Increase Cooperative Extension		15,000
Decrease Fire Protection		(40,000)
Decrease Medical Examiner		(15,000)
Decrease EMS		(42,500)
Total		0

Beaufort County
Finance

Budget Amendment Request

Department: **Water Fund** **Date of Request:** **6-7-21**

FY Budget: FY 20-21

ACCOUNT NO.	TITLE OF ACCOUNT	INCREASE	DECREASE
60-3713-451000	Water Sales	250,000	
60-7130-572000	Water Purchases	250,000	

Department Justification:

To appropriate additional water revenue during Covid Pandemic to cover water purchases from City of Washington.

If amendment deals with adding, deleting, or modifying a position, County Position No. (& State, if applicable) must be referenced.

County Position No. _____

State Position No. _____

APPROVAL	SIGNATURE	DATE
Department Head		
Finance Officer		
	This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.	
County Manager	Required for interdepartmental transfers.	
Board of Commissioners	Agenda Item No. _____ Reference No. _____	

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Consent

Presenter: Christina Smith, Public Works Director

Agenda Title: Approval of 2020 Local Water Supply Plans

Summary of Information: A Local Water Supply Plan (LWSP) is an assessment of a water system's current and future water needs and its ability to meet those needs. North Carolina General Statute G.S. 143-355(l) requires all units of local government that provide or plan to provide public water service to prepare a Local Water Supply Plan.

North Carolina Administrative Code 15A NCAC 02E 0.0600 also requires systems subject to G.S. 143-355(l) to electronically submit an annual water use update based on their water use and system conditions by April 1st of every year for the period of January 1st to December 31st of the prior year.

BCWD has received notification form NCDEQ-Division of Water Resources that our submitted 2018 LWSP Update for the Northside System (PWSID# 04-07-035) and the Southside System (04-07-040) meets the criteria. Both updates must now be adopted by resolution.

Submitter Recommendations/Motions: Approve the 2020 Local Water Supply Plan for the Northside System (PWSID# 04-07-035) and the Southside System (04-07-040) via the attached resolutions.

Attachments:
1. Northside LWSP & Resolution
2. Southside LWSP & Resolution

ROY COOPER
Governor
DIONNE DELLI-GATTI
Secretary
S. DANIEL SMITH
Director

NORTH CAROLINA
Environmental Quality

May 20, 2021

Erick Jennings, Water Systems Manager
Beaufort Co (Northside)
111 West Second Street
Washington, NC 27889

Subject: LWSP Meets Minimum Criteria
Beaufort Co (Northside)
PWSID#: 04-07-035
Beaufort County

Dear Erick Jennings,

This letter is to notify you that our staff has reviewed the information contained in the 2020 Local Water Supply Plan (LWSP) update submitted by your office. Since all the required information is complete, the LWSP for the 04-07-035 system hereby meets the minimum criteria established in North Carolina General Statute 143-355 (l).

Your water system's 2020 LWSP is now viewable online from the LWSP website found at: **http://www.ncwater.org/WUDC/app/LWSP/search.php**. The plan has been made available after our best efforts to screen any errors. As a final check, please review and report any mistakes or omissions to the review engineer. Unless notified otherwise, the Division of Water Resources considers your 2020 LWSP complete.

The 2020 LWSP must next be adopted by your water system's governing board; a model LWSP resolution is available online on the right side of the page in the Forms and Docs section at: **https://www.ncwater.org/Water_Supply_Planning/Local_Water_Supply_Plan/learn.php**. A copy of the signed resolution must be submitted to Linwood Peele, Water Supply Planning Section Supervisor, at the address printed at the bottom of this letter. The LWSP cannot be considered compliant with the requirements of NCGS 143-355(l) until an adopted resolution is received.

Thank you very much for your efforts to provide your customers with a safe and reliable supply of drinking water. We look forward to continuing to work with you in these efforts. Please contact Klaus Albertin at klaus.albertin@ncdenr.gov or 919-707-9035 or Linwood Peele at linwood.peele@ncdenr.gov or (919) 707-9024 if we can be of further assistance.

Sincerely,

Linwood E. Peele, Supervisor
Division of Water Resources, NCDEQ

Beaufort Co (Northside)

2020

The Division of Water Resources (DWR) provides the data contained within this Local Water Supply Plan (LWSP) as a courtesy and service to our customers. DWR staff does not field verify data. Neither DWR, nor any other party involved in the preparation of this LWSP attests that the data is completely free of errors and omissions. Furthermore, data users are cautioned that LWSPs labeled **PROVISIONAL** have yet to be reviewed by DWR staff. Subsequent review may result in significant revision. Questions regarding the accuracy or limitations of usage of this data should be directed to the water system and/or DWR.

1. System Information

Contact Information

Complete

Water System Name:	Beaufort Co (Northside)	PWSID:	04-07-035
Mailing Address:	111 West Second Street Washington, NC 27889	Ownership:	County
Contact Person:	Erick Jennings	Title:	Water Systems Manager
Phone:	252-975-0720	Cell/Mobile:	--
Secondary Contact:	Christina Smith	Phone:	252-975-0720
Mailing Address:	111 West Second Street Washington, NC 27889	Cell/Mobile:	--

Distribution System

Line Type	Size Range (Inches)	Estimated % of lines
Ductile Iron	4-16	5.00 %
Polyvinyl Chloride	2-12	95.00 %

What are the estimated total miles of distribution system lines? 763 Miles

How many feet of distribution lines were replaced during 2020? 1,858 Feet

How many feet of new water mains were added during 2020? 0 Feet

How many meters were replaced in 2020? 114

How old are the oldest meters in this system? 26 Year(s)

How many meters for outdoor water use, such as irrigation, are not billed for sewer services? 0

What is this system's finished water storage capacity? 4.0500 Million Gallons

Has water pressure been inadequate in any part of the system since last update? *Line breaks that were repaired quickly should not be included.* No

Programs

Does this system have a program to work or flush hydrants? Yes, As Needed

Does this system have a valve exercise program? No

Does this system have a cross-connection program? Yes

Does this system have a program to replace meters? Yes

Does this system have a plumbing retrofit program? No

Does this system have an active water conservation public education program? Yes

Does this system have a leak detection program? Yes

Educational tips on water conservation are included in our annual Consumer Confidence Reports.
In-field leak detection is performed by Beaufort County personnel via visual inspection as well as services performed by NCRWA.
When a leak is discovered it is repaired by Beaufort County personnel or approved contractor.

Water Conservation

What type of rate structure is used? Flat/Fixed

How much reclaimed water does this system use? 0.0000 MGD For how many connections? 0

Does this system have an interconnection with another system capable of providing water in an emergency? Yes

2. Water Use Information

Service Area

Sub-Basin(s)	% of Service Population	County(s)	% of Service Population
Pamlico River & Sound (15-3)	80 %	Beaufort	100 %
Tar River (15-1)	15 %		
Roanoke River (14-1)	5 %		

What was the year-round population served in 2020? 21,451

Has this system acquired another system since last report? No

Water Use by Type

Type of Use	Metered Connections	Metered Average Use (MGD)	Non-Metered Connections	Non-Metered Estimated Use (MGD)
Residential	9,051	1.0246	0	0.0000
Commercial	46	0.0444	3	0.0000
Industrial	0	0.0000	0	0.0000
Institutional	0	0.0000	0	0.0000

How much water was used for system processes (backwash, line cleaning, flushing, etc.)? 0.2284 MGD

St. John Church of Crist has an unmetered connection for a fire sprinkler system at 2240 St. John Church Road.
Coastal Carolina Cotton Gin has an unmetered connection for a fire sprinkler system at 4851 Terra Ceia Road.
Hysucat Boat Company has an unmetered connection for a fire sprinkler system at 7013 NC Hwy 92 East.

Water Sales

Purchaser	PWSID	Average Daily Sold (MGD)	Days Used	Contract MGD	Contract Expiration	Recurring	Required to comply with water use restrictions?	Pipe Size(s) (Inches)	Use Type
Bath	04-07-030	0.0196	366	0.0000	2018	Yes	No	6	Regular
Belhaven	04-07-015	0.0000	0	0.0000	2020	Yes	Yes	6	Emergency
Hyde County	04-48-010	0.0000	0			Yes	Yes	6	Emergency

3. Water Supply Sources

Monthly Withdrawals & Purchases

	Average Daily Use (MGD)	Max Day Use (MGD)		Average Daily Use (MGD)	Max Day Use (MGD)		Average Daily Use (MGD)	Max Day Use (MGD)
Jan	1.2693		May	1.4906		Sep	1.5649	
Feb	1.2046		Jun	1.5405		Oct	1.5347	
Mar	1.1800		Jul	1.6474		Nov	1.3042	
Apr	1.4661		Aug	1.3994		Dec	1.4404	

☒

Water Purchases From Other Systems

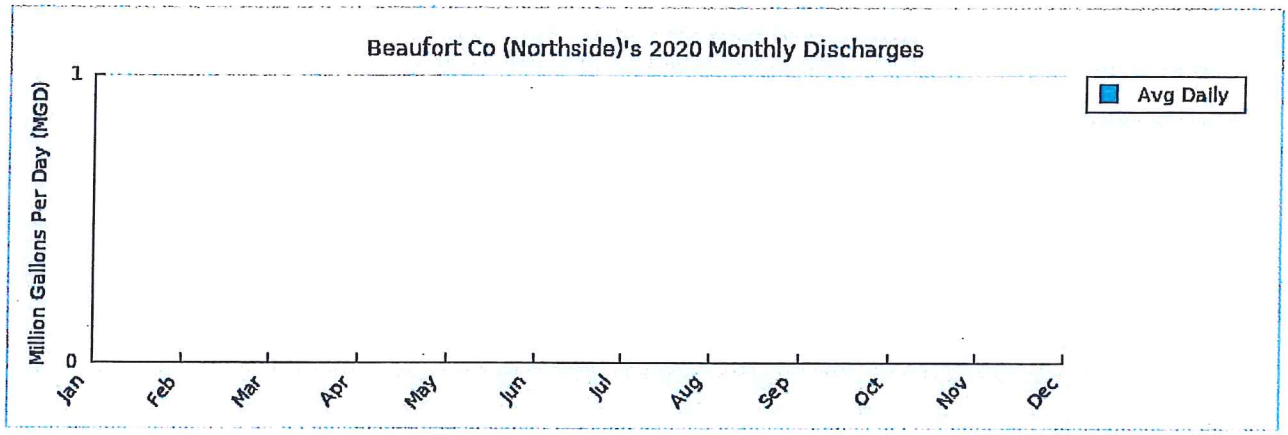
Seller	PWSID	Average Daily Purchased (MGD)	Days Used	Contract MGD	Contract Expiration	Recurring	Required to comply with water use restrictions?	Pipe Size (s) (Inches)	Use Type
Beaufort Co Southside	04-07-040	0.2982	218	0.9600		Yes	Yes	12	Regular
Belhaven	04-07-015	0.0000	0			Yes	Yes	6	Emergency
Hyde County	04-48-010	0.0000	0				No	6	Emergency

Washington	04-07-010	1.2432	366	1.6480	2038	Yes	Yes	16	Regular

4. Wastewater Information

Monthly Discharges

	Average Daily Discharge (MGD)		Average Daily Discharge (MGD)		Average Daily Discharge (MGD)
Jan	0.0000	May	0.0000	Sep	0.0000
Feb	0.0000	Jun	0.0000	Oct	0.0000
Mar	0.0000	Jul	0.0000	Nov	0.0000
Apr	0.0000	Aug	0.0000	Dec	0.0000



How many sewer connections does this system have? 0

How many water service connections with septic systems does this system have? 8,904

Are there plans to build or expand wastewater treatment facilities in the next 10 years? No

Beaufort County Northside provides water service to 190 active residences that have sewer services with the Town of Belhaven, and 3 active residences that have sewer service with the City of Washington.

5. Planning

Projections

	2020	2030	2040	2050	2060	2070
Year-Round Population	21,451	22,631	23,811	24,991	26,171	27,351
Seasonal Population	0	0	0	0	0	0
Residential	1.0246	1.0863	1.1429	1.1996	1.2562	1.3128
Commercial	0.0444	0.0500	0.0510	0.0520	0.0530	0.0540
Industrial	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Institutional	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
System Process	0.2284	0.2300	0.2350	0.2400	0.2450	0.2500
Unaccounted-for	0.1038	0.1093	0.1143	0.1193	0.1243	0.1294

Demand v/s Percent of Supply

	2020	2030	2040	2050	2060	2070
Surface Water Supply	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Ground Water Supply	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Purchases	2.6080	2.6080	2.6080	2.6080	2.6080	2.6080
Future Supplies		0.0000	0.0000	0.0000	0.0000	0.0000
Total Available Supply (MGD)	2.6080	2.6080	2.6080	2.6080	2.6080	2.6080
Service Area Demand	1.4012	1.4756	1.5432	1.6109	1.6785	1.7462

Sales	0.0196	0.0196	0.0196	0.0196	0.0196	0.0196
Future Sales		0.0000	0.0000	0.0000	0.0000	0.0000
Total Demand (MGD)	1.4208	1.4952	1.5628	1.6305	1.6981	1.7658
Demand as Percent of Supply	54%	57%	60%	63%	65%	68%

The purpose of the above chart is to show a general indication of how the long-term per capita water demand changes over time. The per capita water demand may actually be different than indicated due to seasonal populations and the accuracy of data submitted. Water systems that have calculated long-term per capita water demand based on a methodology that produces different results may submit their information in the notes field.

Your long-term water demand is 48 gallons per capita per day. What demand management practices do you plan to implement to reduce the per capita water demand (i.e. conduct regular water audits, implement a plumbing retrofit program, employ practices such as rainwater harvesting or reclaimed water)? If these practices are covered elsewhere in your plan, indicate where the practices are discussed here.

Are there other demand management practices you will implement to reduce your future supply needs?

What supplies other than the ones listed in future supplies are being considered to meet your future supply needs?

How does the water system intend to implement the demand management and supply planning components above?

Additional Information

Has this system participated in regional water supply or water use planning? No

What major water supply reports or studies were used for planning?

Please describe any other needs or issues regarding your water supply sources, any water system deficiencies or needed improvements (storage, treatment, etc.) or your ability to meet present and future water needs. Include both quantity and quality considerations, as well as financial, technical, managerial, permitting, and compliance issues:

The Division of Water Resources (DWR) provides the data contained within this Local Water Supply Plan (LWSP) as a courtesy and service to our customers. DWR staff does not field verify data. Neither DWR, nor any other party involved in the preparation of this LWSP attests that the data is completely free of errors and omissions. Furthermore, data users are cautioned that LWSPs labeled **PROVISIONAL** have yet to be reviewed by DWR staff. Subsequent review may result in significant revision. Questions regarding the accuracy or limitations of usage of this data should be directed to the water system and/or DWR.

RESOLUTION APPROVING LOCAL WATER SUPPLY PLAN FOR BEAUFORT COUNTY (NORTHSIDE) PWSID#04-07-035

WHEREAS, North Carolina General Statute 143-355 (l) requires that each unit of local government that provides public water service or that plans to provide public water service and each large community water system shall, either individually or together with other units of local government and large community water systems, prepare and submit a Local Water Supply Plan; and

WHEREAS, as required by the statute and in the interests of sound local planning, a Local Water Supply Plan for Beaufort County (Northside) – PWSID#: 04-07-035, has been developed and submitted to the Board of Commissioners of Beaufort County for approval; and

WHEREAS, the Board of Commissioners of Beaufort finds that the Local Water Supply Plan is in accordance with the provisions of North Carolina General Statute 143-355 (l) and that it will provide appropriate guidance for the future management of water supplies for Beaufort County (Northside) – PWSID#: 04-07-035, as well as useful information to the Department of Environmental Quality for the development of a state water supply plan as required by statute; and

WHEREAS, the Board of Commissioners of Beaufort County Water Districts I, II, III, IV, V, VI, and VII entered into an Interlocal Agreement for the Administration of the Beaufort County Water Districts with the Beaufort County Board of Commissioners on June 4, 2018;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Beaufort County of Beaufort County (Northside) – PWSID#: 04-07-035 that the Local Water Supply Plan entitled, Beaufort Co (Northside) dated 2020, is hereby approved and shall be submitted to the Department of Environmental Quality, Division of Water Resources; and

BE IT FURTHER RESOLVED that the Board of Commissioners of Beaufort County intends that this plan shall be revised to reflect changes in relevant data and projections at least once every five years or as otherwise requested by the Department, in accordance with the statute and sound planning practice.

This the 7th day of June 2021.

(SEAL)

_____
Frankie Waters, Chairman
Beaufort County Board of Commissioners

_____
Kathleen Mosher, CMC, NCCCC
Clerk to the Board

ROY COOPER
Governor
DIONNE DELLI-GATTI
Secretary
S. DANIEL SMITH
Director

NORTH CAROLINA
Environmental Quality

May 20, 2021

Erick Jennings, Water Systems Manager
Beaufort Co (Southside)
111 West Second Street
Washington, NC 27889

Subject: LWSP Meets Minimum Criteria
Beaufort Co (Southside)
PWSID#: 04-07-040
Beaufort County

Dear Erick Jennings,

This letter is to notify you that our staff has reviewed the information contained in the 2020 Local Water Supply Plan (LWSP) update submitted by your office. Since all the required information is complete, the LWSP for the 04-07-040 system hereby meets the minimum criteria established in North Carolina General Statute 143-355 (l).

Your water system's 2020 LWSP is now viewable online from the LWSP website found at: **http://www.ncwater.org/WUDC/app/LWSP/search.php**. The plan has been made available after our best efforts to screen any errors. As a final check, please review and report any mistakes or omissions to the review engineer. Unless notified otherwise, the Division of Water Resources considers your 2020 LWSP complete.

The 2020 LWSP must next be adopted by your water system's governing board; a model LWSP resolution is available online on the right side of the page in the Forms and Docs section at: **https://www.ncwater.org/Water_Supply_Planning/Local_Water_Supply_Plan/learn.php.** A copy of the signed resolution must be submitted to Linwood Peele, Water Supply Planning Section Supervisor, at the address printed at the bottom of this letter. The LWSP cannot be considered compliant with the requirements of NCGS 143-355(l) until an adopted resolution is received.

Thank you very much for your efforts to provide your customers with a safe and reliable supply of drinking water. We look forward to continuing to work with you in these efforts. Please contact Klaus Albertin at klaus.albertin@ncdenr.gov or 919-707-9035 or Linwood Peele at linwood.peele@ncdenr.gov or (919) 707-9024 if we can be of further assistance.

Sincerely,

Linwood E. Peele, Supervisor
Division of Water Resources, NCDEQ

Beaufort Co (Southside)

2020

The Division of Water Resources (DWR) provides the data contained within this Local Water Supply Plan (LWSP) as a courtesy and service to our customers. DWR staff does not field verify data. Neither DWR, nor any other party involved in the preparation of this LWSP attests that the data is completely free of errors and omissions. Furthermore, data users are cautioned that LWSPs labeled **PROVISIONAL** have yet to be reviewed by DWR staff. Subsequent review may result in significant revision. Questions regarding the accuracy or limitations of usage of this data should be directed to the water system and/or DWR.

1. System Information

Contact Information

Complete

Water System Name:	Beaufort Co (Southside)	PWSID:	04-07-040
Mailing Address:	111 West Second Street Washington, NC 27889	Ownership:	County
Contact Person:	Erick Jennings	Title:	Water Systems Manager
Phone:	252-975-0720	Cell/Mobile:	--
Secondary Contact:	Christina Smith	Phone:	252-975-0720
Mailing Address:	111 West Second Street Washington, NC 27889	Cell/Mobile:	--

Distribution System

Line Type	Size Range (Inches)	Estimated % of lines
Ductile Iron	4-16	5.00 %
Polyvinyl Chloride	2-12	95.00 %

What are the estimated total miles of distribution system lines? 363 Miles
How many feet of distribution lines were replaced during 2020? 685 Feet
How many feet of new water mains were added during 2020? 0 Feet
How many meters were replaced in 2020? 98
How old are the oldest meters in this system? 23 Year(s)
How many meters for outdoor water use, such as irrigation, are not billed for sewer services? 0
What is this system's finished water storage capacity? 2.0000 Million Gallons
Has water pressure been inadequate in any part of the system since last update? *Line breaks that were repaired quickly should not be included.* No

Programs

Does this system have a program to work or flush hydrants? Yes, As Needed
Does this system have a valve exercise program? No
Does this system have a cross-connection program? Yes
Does this system have a program to replace meters? Yes
Does this system have a plumbing retrofit program? No
Does this system have an active water conservation public education program? Yes
Does this system have a leak detection program? Yes

Educational tips on water conservation are included in our annual Consumer Confidence Reports.
In-field leak detection is performed by Beaufort County personnel via visual inspection as well as services performed by NCRWA.
When a leak is discovered it is repaired by Beaufort County personnel or approved contractor.

Water Conservation

What type of rate structure is used? Flat/Fixed

How much reclaimed water does this system use? 0.0000 MGD For how many connections? 0

Does this system have an interconnection with another system capable of providing water in an emergency? Yes

2. Water Use Information

Service Area

Sub-Basin(s)	% of Service Population	County(s)	% of Service Population
Pamlico River & Sound (15-3)	90 %	Beaufort	100 %
Neuse River (10-1)	7 %		
Tar River (15-1)	3 %		

What was the year-round population served in 2020? 9,106

Has this system acquired another system since last report? No

Water Use by Type

Type of Use	Metered Connections	Metered Average Use (MGD)	Non-Metered Connections	Non-Metered Estimated Use (MGD)
Residential	3,842	0.3973	0	0.0000
Commercial	13	0.0089	1	0.0000
Industrial	3	0.0274	0	0.0000
Institutional	0	0.0000	0	0.0000

How much water was used for system processes (backwash, line cleaning, flushing, etc.)? 0.1532 MGD

Bay City Crab Company has an unmetered connection for a fire sprinkler system at 6921 NC Hwy 306 South.

Water Sales

Purchaser	PWSID	Average Daily Sold (MGD)	Days Used	Contract MGD	Contract Expiration	Contract Recurring	Required to comply with water use restrictions?	Pipe Size(s) (Inches)	Use Type
Aurora	04-07-020	0.0853	87	0.0000		Yes	No	6	Emergency
Beaufort Co Northside	04-07-035	0.2982	218	0.9600		Yes	Yes	12	Regular
Chocowinity	04-07-025	0.0000	0			Yes	Yes	6	Emergency

3. Water Supply Sources

Monthly Withdrawals & Purchases

	Average Daily Use (MGD)	Max Day Use (MGD)		Average Daily Use (MGD)	Max Day Use (MGD)		Average Daily Use (MGD)	Max Day Use (MGD)
Jan	0.6575	1.0000	May	0.8438	1.1900	Sep	0.9500	2.0060
Feb	0.6344	1.2510	Jun	0.8564	1.3710	Oct	0.9294	1.5160
Mar	0.7149	1.1350	Jul	0.8435	1.2040	Nov	0.7537	1.1220
Apr	0.8533	1.3550	Aug	0.8156	1.5420	Dec	0.7873	

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Ground Water Sources

Name or Number	Average Daily Withdrawal (MGD)		Max Day Withdrawal (MGD)	12-Hour Supply (MGD)	CUA Reduction	Year Offline	Use Type
	MGD	Days Used					
1	0.1245	266	0.4020	0.5400	CUA0		Regular
2	0.1138	264	0.4010	0.5400	CUA0		Regular
61	0.1613	365	0.4770	0.4320	CUA0		Regular
62	0.1535	365	0.4370	0.2880	CUA0		Regular
63	0.1796	348	0.7230	0.4320	CUA0		Regular
64	0.1539	348	0.5460	0.2880	CUA0		Regular

Ground Water Sources (continued)

Name or Number	Well Depth (Feet)	Casing Depth (Feet)	Screen Depth (Feet)		Well Diameter (Inches)	Pump Intake Depth (Feet)	Metered?
			Top	Bottom			
1	244	199	199	239	12	184	Yes
2	247		202	242	12	183	Yes
61	184	139	139	179	12	127	Yes
62	323	288	288	318	12	279	Yes
63	168	121	121	163	12	113	Yes
64	276	241	241	271	12	234	Yes

Are ground water levels monitored? Yes, Monthly

Does this system have a wellhead protection program? Yes

Water Purchases From Other Systems

Seller	PWSID	Average Daily Purchased (MGD)	Days Used	MGD	Contract Expiration	Recurring	Required to comply with water use restrictions?	Pipe Size(s) (Inches)	Use Type
Aurora	04-07-020	0.0000	0	0.0000		Yes	No	6	Emergency
Chocowinity	04-07-025	0.0000	0			Yes	Yes	6	Emergency

Water Treatment Plants

Plant Name	Permitted Capacity (MGD)	Is Raw Water Metered?	Is Finished Water Ouput Metered?	Source
Beaufort Co District VII	0.7460	Yes	Yes	Ground
Southside WTP	1.1000	Yes	Yes	Ground

Did average daily water production exceed 80% of approved plant capacity for five consecutive days during 2020? No

If yes, was any water conservation implemented?

Did average daily water production exceed 90% of approved plant capacity for five consecutive days during 2020? No

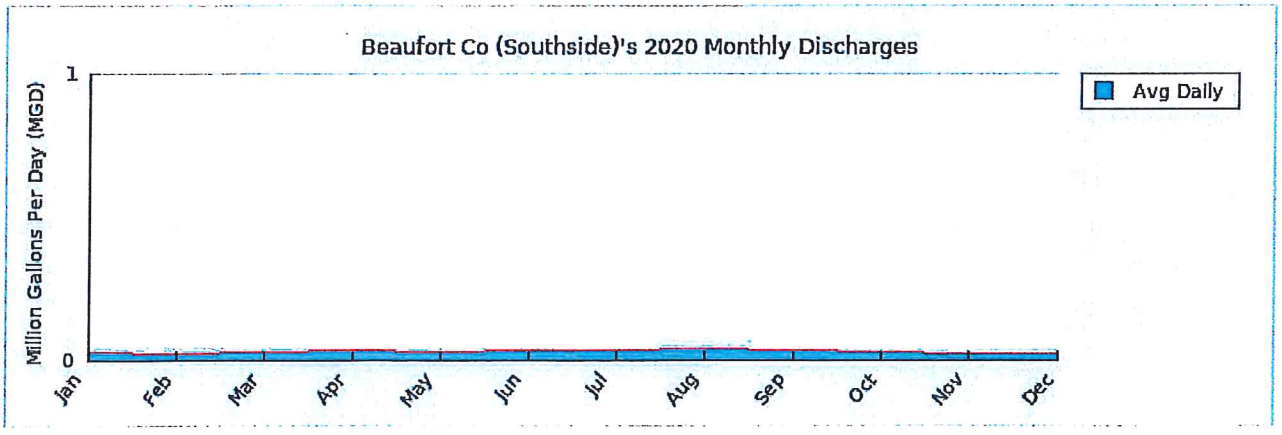
If yes, was any water conservation implemented?

Are peak day demands expected to exceed the water treatment plant capacity in the next 10 years? No

4. Wastewater Information

Monthly Discharges

	Average Daily Discharge (MGD)		Average Daily Discharge (MGD)		Average Daily Discharge (MGD)
Jan	0.0321	May	0.0291	Sep	0.0343
Feb	0.0208	Jun	0.0377	Oct	0.0280
Mar	0.0295	Jul	0.0337	Nov	0.0248
Apr	0.0358	Aug	0.0394	Dec	0.0256



How many sewer connections does this system have? 0

How many water service connections with septic systems does this system have? 3,848

Are there plans to build or expand wastewater treatment facilities in the next 10 years? No

Beaufort County Southside provides water to 10 customers that have sewer service with the Town of Chocowinity.
Beaufort County has accepted funding from the State Drinking Water Reserve to upgrade the Southside Water Treatment Plant.
This upgrade includes the construction of one new sludge drying bed for wastewater treatment. This project has been awarded and construction should begin later this year.

Wastewater Permits

Permit Number	Permitted Capacity (MGD)	Design Capacity (MGD)	Average Annual Daily Discharge (MGD)	Maximum Day Discharge (MGD)	Receiving Stream	Receiving Basin
NC0084808	0.0000	0.1440	0.0070		South Creek	Pamlico River & Sound (15-3)
NC0087491	0.0000	0.2880	0.0240		Pamlico River	Pamlico River & Sound (15-3)

5. Planning

Projections

	2020	2030	2040	2050	2060	2070
Year-Round Population	9,106	10,100	10,200	10,300	10,400	10,500
Seasonal Population	0	0	0	0	0	0
Residential	0.3973	0.4444	0.4488	0.4532	0.4576	0.4620
Commercial	0.0089	0.0100	0.0100	0.0100	0.0100	0.0100
Industrial	0.0274	0.0300	0.0310	0.0320	0.0330	0.0340
Institutional	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
System Process	0.1532	0.1700	0.1717	0.1734	0.1751	0.1769
Unaccounted-for	0.0189	0.0211	0.0213	0.0215	0.0218	0.0220

Future Supply Sources

Source Name	PWSID	Source Type	Additional Supply	Year Online	Year Offline	Type
Castle Haynes	04-07-040	Ground	0.4320	2021		Regular
Pee Dee	04-07-040	Ground	0.2880	2021		Regular

Beaufort County has accepted funding from the State Water Reserve by means of a 75% grant and 25% loan at 0% interest for 20 years in order to construct a 600 gallon per minute well in the Castle Haynes aquifer and a 400 gallon per minute well in the Pee Dee aquifer to supply the Southside Water Treatment Plant. One new iron filter and one new softening filter will also be added to the Southside Water Treatment Plant in order to process the additional water. The project has been awarded and construction should begin later this year.

Demand v/s Percent of Supply

	2020	2030	2040	2050	2060	2070
Surface Water Supply	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Ground Water Supply	3.2400	3.2400	3.2400	3.2400	3.2400	3.2400
Purchases	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Future Supplies		0.7200	0.7200	0.7200	0.7200	0.7200
Total Available Supply (MGD)	3.2400	3.9600	3.9600	3.9600	3.9600	3.9600
Service Area Demand	0.6057	0.6755	0.6828	0.6901	0.6975	0.7049
Sales	0.1979	0.9600	0.9600	0.9600	0.9600	0.9600
Future Sales		0.0000	0.0000	0.0000	0.0000	0.0000
Total Demand (MGD)	0.8036	1.6355	1.6428	1.6501	1.6575	1.6649
Demand as Percent of Supply	25%	41%	41%	42%	42%	42%

The purpose of the above chart is to show a general indication of how the long-term per capita water demand changes over time. The per capita water demand may actually be different than indicated due to seasonal populations and the accuracy of data submitted. Water systems that have calculated long-term per capita water demand based on a methodology that produces different results may submit their information in the notes field.

Your long-term water demand is 44 gallons per capita per day. What demand management practices do you plan to implement to reduce the per capita water demand (i.e. conduct regular water audits, implement a plumbing retrofit program, employ practices such as rainwater harvesting or reclaimed water)? If these practices are covered elsewhere in your plan, indicate where the practices are discussed here.

Are there other demand management practices you will implement to reduce your future supply needs?

What supplies other than the ones listed in future supplies are being considered to meet your future supply needs?

How does the water system intend to implement the demand management and supply planning components above?

Additional Information

Has this system participated in regional water supply or water use planning? No

What major water supply reports or studies were used for planning?

Please describe any other needs or issues regarding your water supply sources, any water system deficiencies or needed improvements (storage, treatment, etc.) or your ability to meet present and future water needs. Include both quantity and quality considerations, as well as financial, technical, managerial, permitting, and compliance issues:

The Division of Water Resources (DWR) provides the data contained within this Local Water Supply Plan (LWSP) as a courtesy and service to our customers. DWR staff does not field verify data. Neither DWR, nor any other party involved in the preparation of this LWSP attests that the data is completely free of errors and omissions. Furthermore, data users are cautioned that LWSPs labeled **PROVISIONAL** have yet to be reviewed by DWR staff. Subsequent review may result in significant revision. Questions regarding the accuracy or limitations of usage of this data should be directed to the water system and/or DWR.

RESOLUTION APPROVING LOCAL WATER SUPPLY PLAN FOR BEAUFORT COUNTY (SOUTHSIDE) PWSID#04-07-040

WHEREAS, North Carolina General Statute 143-355 (l) requires that each unit of local government that provides public water service or that plans to provide public water service and each large community water system shall, either individually or together with other units of local government and large community water systems, prepare and submit a Local Water Supply Plan; and

WHEREAS, as required by the statute and in the interests of sound local planning, a Local Water Supply Plan for Beaufort County (Southside) – PWSID#: 04-07-040, has been developed and submitted to the Board of Commissioners of Beaufort County for approval; and

WHEREAS, the Board of Commissioners of Beaufort finds that the Local Water Supply Plan is in accordance with the provisions of North Carolina General Statute 143-355 (l) and that it will provide appropriate guidance for the future management of water supplies for Beaufort County (Southside) – PWSID#: 04-07-040, as well as useful information to the Department of Environmental Quality for the development of a state water supply plan as required by statute; and

WHEREAS, the Board of Commissioners of Beaufort County Water Districts I, II, III, IV, V, VI, and VII entered into an Interlocal Agreement for the Administration of the Beaufort County Water Districts with the Beaufort County Board of Commissioners on June 4, 2018;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Beaufort County of Beaufort County (Southside) – PWSID#: 04-07-040 that the Local Water Supply Plan entitled, Beaufort Co (Southside) dated 2020, is hereby approved and shall be submitted to the Department of Environmental Quality, Division of Water Resources; and

BE IT FURTHER RESOLVED that the Board of Commissioners of Beaufort County intends that this plan shall be revised to reflect changes in relevant data and projections at least once every five years or as otherwise requested by the Department, in accordance with the statute and sound planning practice.

This the 7th day of June 2021.

(SEAL)

_____
Frankie Waters, Chairman
Beaufort County Board of Commissioners

_____
Kathleen Mosher, CMC, NCCCC
Clerk to the Board

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Consent

Presenter: Lloyd Salter, Tax Assessor

Agenda Title: Surplus – Tax Assessor

Summary of Information: The Tax Assessor has approximately 500 binder books used for property record cards that they would like to surplus. The books have been disassembled to take the information out. The front and back covers, binder rings and keys are prepared for removal from our office.

Submitter Recommendations/Motions: Staff recommends approving the surplus of the above items.

Attachments:

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Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Consent

Presenter: Lloyd Salter, Tax Assessor

Agenda Title: Tax Assessor Refunds

Summary of Information: The Tax Assessors office is asking the Board to approve the attached refunds that are over $100.00.

Submitter Recommendations/Motions: Staff recommends approving refunds as presented.

Attachments:

North Carolina Vehicle Tax System

NCVTS Pending Refund report

Report Date 5/27/2021 1:47:01 PM

Payee Name	Primary Owner	Secondary Owner	Address 1	Address 2	Address 3	Refund Type	Refund Description	Refund Reason	Create Date	Levy Type	Change	Interest Change	Total Change
ASPREY, PAUL LAWSON	ASPREY, PAUL LAWSON		303 N EDEN DR		WASHINGTON, NC 27889	Proration	Refund Generated due to proration on Bill #0058269853-2020-2020-0000-00	Vehicle Sold	04/27/2021	Tax	($52.83)	$0.00	($52.83)
										Tax	($44.10)	$0.00	($44.10)
										Vehicle Fee	($5.00)	$0.00	($5.00)
												Refund	$101.93
CLARK, DOUGLAS BRENTON	CLARK, DOUGLAS BRENTON	CLARK, CAROL SPARROW	4103 DAY BEACON DR		BELHAVEN, NC 27810	Proration	Refund Generated due to proration on Bill #0055741793-2020-[illegible]	Vehicle Sold	04/26/2021	Tax	($253.55)	$0.00	($253.55)
										Tax	($235.58)	$0.00	($235.58)
												Refund	$489.13
HARDISON, RONNIE FLOYD SR	HARDISON, RONNIE FLOYD SR		155 TELEPHONE LN		PINETOWN, NC 27865	Proration	Refund Generated due to proration on Bill #0052339061-2020-2020-0000-00	Vehicle Sold	04/29/2021	Tax	($181.58)	$0.00	($181.58)
										Tax	($11.72)	$0.00	($11.72)
										Tax	($10.01)	$0.00	($10.01)
												Refund	$203.31
JOHNSON, DUSTIN SHAWN	JOHNSON, DUSTIN SHAWN		116 WATERSIDE DR		BATH, NC 27808	Proration	Refund Generated due to proration on Bill #0056827809-2020-[illegible]	Vehicle Sold	04/28/2021	Tax	($182.17)	$0.00	($182.17)
										Tax	($68.85)	$0.00	($68.85)
												Refund	$251.02
												Refund Total	$2105.73

North Carolina Vehicle Tax System

NCVTS Pending Refund report

Report Date 5/27/2021 1:49:20 PM

Payee Name	Primary Owner	Secondary Owner	Address 1	Address 2	Address 3	Refund Type	Refund Description	Refund Reason	Create Date	Authorization Date	Tax Jurisdiction	Levy Type	Change	Interest Change	Total Change
MARIANI, KATHRYN ELAINE	MARIANI, KATHRYN ELAINE	MARIANI, RICHARD JAMES	119 PROVIDENCE PL		CHOCOWINITY, NC 27817	Proration	Refund Generated due to proration on Bill #0047387108-2020-2020-0000-00	Vehicle Sold	05/12/2021		G01	Tax	($152.97)	$0.00	($152.97)
											F60	Tax	($10.36)	$0.00	($10.36)
											E12	Tax	($12.05)	$0.00	($12.05)
														Refund	$175.38
ULRICHS, JACK	ULRICHS, JACK		102 FAIRVIEW LANE		CHOCOWINITY, NC 27817	Proration	Refund Generated due to proration on Bill #0058855926-2020-2020-0000-00	Vehicle Sold	05/17/2021		G01	Tax	($74.09)	$0.00	($74.09)
											C01	Tax	($61.83)	$0.00	($61.83)
											C01	Vehicle Fee	$0.00	$0.00	$0.00
														Refund	$135.92
WATERS, MICHAEL EARL	WATERS, MICHAEL EARL		480 BEAVER DAM RD		PINETOWN, NC 27865	Proration	Refund Generated due to proration on Bill #0058561630-2020-2020-0000-00	Vehicle Sold	05/17/2021		G01	Tax	($271.48)	$0.00	($271.48)
											F63	Tax	($17.53)	$0.00	($17.53)
											E05	Tax	($14.96)	$0.00	($14.96)
														Refund	$303.97
														Refund Total	$615.27

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Date run: 5/27/2021 10:44:44 AM

TR-406A Refund Detail Report

NCPTS V4

Report Parameters: Refund Status: **ONHOLD**

Default Sort-By: **Refund date, Refund Recipient Name, Refund Recipient Address**

Trans #	Refund Recipient Name	Refund Address	Refund Description	Opid	Transaction Finance sent Date	Refund(Authorized	Refund Amount ($)
835988	SHOE SHOW INC	DBA: SHOE SHOW #165 PO BOX 648 CONCORD, NC 28026	Refund on Bill # 0000020446-2019-2019-0000-00	DPCADJ	4/1/2021 7:00:07 PM		3,232.37
836305	PAUL FRANCIS BELANGER	1819 OLD PAMLICO BEACH RD EA BELHAVEN,NC 27810	Refund on Bill # 0009536506-2020-2020-0000-00	DPCADJ	4/8/2021 7:00:07 PM		358.82
837047	ANDREW LANE HOWARD	1025 SWAN POINT REEF RD WASHINGTON,NC 27889	Refund on Bill # 0009529178-2020-2020-0001-00	DPCADJ	4/27/2021 7:00:11 PM		156.53
							3,747.72

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Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Consent

Presenter: Wyn Kinion, Tax Collector

Agenda Title: Tax Collector Tax Refunds

Summary of Information: Attached are the refunds for the Tax Collectors Office over $100.00 requiring Board approval.

Submitter Recommendations/Motions: Approve Tax Collector refunds as presented.

Attachments:
1. Refunds

BLTPREG 838157	577521	05/27/2021	C9BEADH	0009541065-2020-2020-0000-00	IND	$210.75	$210.75

Overpayment Ind property BLTPREG

TOLER, JEFFREY LEE BEAUFORT CO TAX COLLECTOR PO BOX 633 WASHINGTON NC 27889

BLTPREG 837918	577472	05/20/2021	FPITTMAN	0000017111-2020-2020-0000-00	REI	$210.94	$111.00	

Overpayment p.i.n # 5668-72-9046 BLTPREG

SELECT PORTFOLIO SERVICING INC. 3217 SOTH DECKER LAKE DR SALT LAKE CITY UT 84119

BLTPREG 837570	577386	05/11/2021	C9BEADH	0000051289-2015-2015-0000-00	REI	$10 0.91	$10 0.91			

Overpayment p.i.n # 6688-78-0579 BLTPREG

BENSON, CONNIE C BEAUFORT COUNTY TAX COLLECTOR PO BOX 633 WASHINGTON BEAUFORT NC 27889

☐	true BLTPREG 837533	577383	05/10/2021	C9BEATB	0000033721-2020-2020-0000-00	REI	$485.94	$195.92			

Overpayment p.i.n # 760642-7745 BLTPREG

EDWARDS, LORETTA PO BOX 172 MOUNT OLIVE BEAUFORT NC 28365

837133	577270	04/30/2021	C9BEADH	0000012298-2020-2020-0000-00	REI	$350.00	$350.00			

Overpayment p.i.n # 6604-41-2175 BLTPREG

ROSS, LAURA BETH BEAUFORT COUNTY TAX COLLECTOR PO BOX 633 WASHINGTON BEAUFORT NC 27889

☐	true BLTPREG 837131	577270	04/30/2021	C9BEADH	0000025540-2020-2020-0000-00	REI	$539.00	$539.00			

Overpayment p.i.n # 5657-28-1658 BLTPREG

MASSIE, ERIN BOAHN BEAUFORT COUNTY TAX COLLECTOR PO BOX 633 WASHINGTON BEAUFORT NC 27889

577232	04/27/2021	C9BEADH	0000051289-2020-2020-0000-00	REI	$148.51	$148.51			

Overpayment p.i.n # 6688-78-0579 BLTPREG

BENSON, CONNIE C BEAUFORT COUNTY TAX COLLECTOR 2541 SWINDELL ROAD PANTEGO BEAUFORT NC 27860

☐	true BLTPREG 836887	577230	04/29/2021	WKINION	0009535118-2019-2019-0000-00	IND	$18 7.55	$12 6.23		

Overpayment p.i.n# Ind property BLTPREG

WARREN, MICHAEL STEPHEN 514 CHARLOTTE ST WASHINGTON NC 27889

830710	576539	02/02/2021	DP CREL	0000039037-2019-2019-0000-00	REI	$9,597.64	$2,628.90	

Overpayment p.i.n# 5685-81-1268 Adjustment made by Assessor's office BLTPREG

SLOAN, LEWIS S 215 AUSTIN POINT DR WASHINGTON BEAUFORT NC 27889

☐	true BLTPREG 837723	577416	05/13/2021	0000032649-2017-2017-0000-00	REI	$124.00	$124.00		

Overpayment p.i.n# 5683-90-3304 BLTPREG

HARVEY, CARNELL 234 GILEAD SHORES RD CHOCOWINITY NC 27817

☐	true BLTPREG 837722	577416	05/13/2021	0009534822-2017-2016-0000-00	IND	$11 2.51	$112.51		

Overpayment p.i.n# Ind property BLTPREG

REDDICK, BENJI D 200 WEST 16TH STREET WASHINGTON NC 27889

	true BLTPREG 837617	577387	HACKLIN	0000051505-2020-2020-0000-00	REI	$834.46	$234.46	

Overpayment p.i.n# 5650-95-3243 BLTPREG

MCLAWHORN, RONALD L 2315 CHANDLER ROAD VANCEBORO BEAUFORT NC 28586

☐	true BLTPREG 837573	577387	HACKLIN	0000032209-2020-2020-0000-00	IND	$436.44	$127.29		

Overpayment Ind Property BLTPREG

HAWKS, WILHELMAINE 653 ELM ST BELHAVEN, NC 27810

BLTPREG 837851	577447	FPITTMAN	0000050474-2020-2020-0000-00	REI	$2,207.79	$1,455.22	

Overpayment ~~$1000~~ p.i.n# 6695-60-6058 BLTPREG

SOUTHERN BANK 100 NORTH CENTER STREET MT OLIVE BEAUFORT NC 28365

⌜	true BLTPREG 838213	RHLDDAI DAILY	5773 88	05/28/2 021	WKINI ON	0009533765-2017- 2017-0000-00	IN D	$115 .00	$115 .00

BLTPREG

JETT, BENSON CURTIS SR 14818 NC HWY 32 NORTH PINETOWN NC 27865

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Consent

Presenter: Katie Mosher, Clerk to the Board

Agenda Title: Resolution - Relocation of Graves

Summary of Information: The NCDOT is requestion the Board of Commissioners confirm the necessity of the relocation of eighth (8) graves currently located at James L. Hodges, Jr. Property Cemetery to Oakdale Cemetery.

The graves are being moved to make way for the widening of US 17 from north of NC 171 to existing multi-lanes south of Williamston.

Submitter Recommendations/Motions: Staff recommends approval of the resolution as presented.

Attachments:

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Resolution Directing the Relocation of Graves

Whereas, the North Carolina Department of Transportation (NCDOT) is an agency of the State of North Carolina with the authority to effect the disinterment, removal, and reinterment of graves pursuant to N.C.G.S. § 65-106(a)(1); and

Whereas, NCDOT has advised the Board of Commissioners of the necessity for NCDOT to disinter eight (8) graves lying within the proposed right of way of US 17 from North of NC 171 to existing multi-lanes south of Williamston; and

Whereas, the eight (8) graves will be relocated from James L. Hodges, Jr. property cemetery to Oakdale Cemetery.

Be It Resolved, the Beaufort County Board of Commissioners finds it is necessary for the NCDOT to disinter, remove, and reinter these graves as described above.

Be It Further Resolved, that the Board of Commissioners directs that the disinterment, removal, and reinterment of this grave shall be done in accordance with all the requirements of N.C.G.S. § 65-106, with a copy of the recorded certificate of the removal facts to be provided to the Beaufort County Attorney.

Adopted this the 7th day of June, 2021.

Frankie Waters, Chairman
Beaufort County Board of Commissioner

Kathleen Mosher, CMC, NCCCC
Clerk to the Board

STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

J. ERIC BOYETTE
SECRETARY

Date: May 11, 2021

WBS: 35494.2.1
TIP: R-2511 072
COUNTY: Beaufort

DESCRIPTION: US 17 from north of NC 171 to existing multi-lanes south of Williamston

SUBJECT: Relocation of approximately (8) graves from James L. Hodges, Jr. Property Cemetery to Oakdale Cemetery

Beaufort County
Board of Commissioners
121 West 3rd Street
Washington, NC 27889

Members of the Board:

This is to confirm that it will be necessary to disinter approximately (8) graves from the above mentioned cemetery location in Beaufort County. These graves are located in the proposed right of way of the property owned or formerly owned by James L. Hodges, Jr., 8824 US Hwy 17 North.

Upon approval of the Beaufort County Board of Commissioners, regarding the necessity to disinter and re-inter the deceased with the mentioned site, please submit to this office a certified copy of the resolution in accordance with NC General Statute §65-106.

Should additional information be necessary, please contact me at 919-707-4395 kbreed@ncdot.gov or Nikki W. Cobb at nwcobb@ncdot.gov.

Sincerely,

Kandace B Reed

Kandace B. Reed
Real Property Management Specialist

Mailing Address:
NC DEPARTMENT OF TRANSPORTATION
RIGHT OF WAY UNIT
1546 MAIL SERVICE CENTER
RALEIGH, NC 27699-1546

Telephone: (919) 707-4395
Fax: (919)733-1390
Customer Service: 1-877-368-4968

Website: www.ncdot.gov

Location:
1 SOUTH WILMINGTON STREET
RALEIGH, NC 27601

Part 4. Removal of Graves.

§ 65-106. Removal of graves; who may disinter, move, and reinter; notice; certificate filed; reinterment expenses; due care required.

(a) The State of North Carolina and any of its agencies, public institutions, or political subdivisions, the United States of America or any agency thereof, any church, electric power or lighting company, or any person, firm, or corporation may effect the disinterment, removal, and reinterment of graves as follows:

(1) By the State of North Carolina or any of its agencies, public institutions, or political subdivisions, the United States of America or any agency thereof, when it shall determine and certify to the board of county commissioners in the county from which the bodies are to be disinterred that such removal is reasonably necessary to perform its governmental functions and the duties delegated to it by law.

(2) By any church authority in order to erect a new church, parish house, parsonage, or any other facility owned and operated exclusively by such church; in order to expand or enlarge an existing church facility; or better to care for and maintain graves not located in a regular cemetery for which such church has assumed responsibility of care and custody.

(3) By an electric power or lighting company when it owns land on which graves are located, and the land is to be used as a reservoir.

(4) By any person, firm, or corporation who owns land on which an abandoned cemetery is located after first securing the consent of the governing body of the municipality or county in which the abandoned cemetery is located.

(b) The party effecting the disinterment, removal, and reinterment of a grave containing a decedent's remains under the provisions of this Part shall, before disinterment, give 30 days' written notice of such intention to the next of kin of the decedent, if known or subject to being ascertained by reasonable search and inquiry, and shall cause notice of such disinterment, removal, and reinterment to be published at least once per week for four successive weeks in a newspaper of general circulation in the county where such grave is located, and the first publication shall be not less than 30 days before disinterment. Any remains disinterred and removed hereunder shall be reinterred in a suitable cemetery.

(c) The party removing or causing the removal of all such graves shall, within 30 days after completion of the removal and reinterment, file with the register of deeds of the county from which the graves were removed and with the register of deeds of the county in which reinterment is made, a written certificate of the removal facts. Such certificate shall contain the full name, if known or reasonably ascertainable, of each decedent whose grave is moved, a precise description of the site from which such grave was removed, a precise description of the site and specific location where the decedent's remains have been reinterred, the full and correct name of the party effecting the removal, and a brief description of the statutory basis or bases upon which such removal or reinterment was effected. If the full name of any decedent cannot reasonably be ascertained, the removing party shall set forth all additional reasonably ascertainable facts about the decedent including birth date, death date, and family name.

The fee for recording instruments in general, as provided in G.S. 161-10(a)(1), for registering a certificate of removal facts shall be paid to the register of deeds of each county in which such certificate is filed for registration.

(d) All expenses of disinterment, removal, and acquisition of the new burial site and reinterment shall be borne by the party effecting such disinterment, removal, and reinterment, including the actual reasonable expense of one of the next of kin incurred in attending the same, not to exceed the sum of two hundred dollars ($200.00).

(e) The Office of Vital Records of North Carolina shall promulgate regulations affecting the registration and indexing of the written certificate of the removal facts, including the form of that certificate.

(f) The party effecting the disinterment, removal, and reinterment of a decedent's remains under the provisions of this Part shall ensure that the site in which reinterment is accomplished shall be of such suitable dimensions to accommodate the remains of that decedent only and that such site shall be reasonably accessible to all relatives of that decedent, provided that the remains may be reinterred in a common grave where written consent is obtained from the next of kin. If under the authority of this Part, disinterment, removal, and reinterment are effected by the State of North Carolina or any of its agencies, public institutions, or political subdivisions, the United States of America or any agency thereof, any electric power or lighting company, then such disinterment, removal, and reinterment shall be performed by a funeral director duly licensed as a "funeral director" or a "funeral service licensee" under the provisions of Article 13A of Chapter 90 of the General Statutes.

(g) All disinterment, removal, and reinterment under the provisions of this Part shall be made under the supervision and direction of the county board of commissioners or other appropriate official, including the local health director, appointed by such board for the county where the disinterment, removal, and reinterment take place. If reinterment is effected in a county different from the county of disinterment with the consent of the next of kin of the deceased whose remains are disinterred, then the disinterment and removal shall be made under the supervision and direction of the county board of commissioners or other appropriate official, including the local health director, appointed by such board for the county of the disinterment, and the reinterment shall be made under the supervision and direction of the county board of commissioners or other appropriate official, including the local health director, appointed by such board for the county of reinterment.

Due care shall be taken to do said work in a proper and decent manner, and, if necessary, to furnish suitable coffins or boxes for reinterring such remains. Due care shall also be taken to remove, protect, and replace all tombstones or other markers, so as to leave such tombstones or other markers in as good condition as that prior to disinterment. Provided that in cases where the remains are to be moved to a perpetual care cemetery or other cemetery where upright tombstones are not permitted, a suitable replacement marker shall be provided.

(h) Nothing contained in this Part shall be construed to grant or confer the power or authority of eminent domain, or to impair the right of the next of kin of a decedent to remove or cause the removal, at his or their expense, of the remains or grave of such decedent. (1919, c. 245; C.S., ss. 5030, 5030(a); Ex. Sess. 1920, c. 46; 1927, c. 23, s. 1; c. 175, s. 1; 1937, c. 3; 1947, cc. 168, 576; 1961, c. 457; 1963, c. 915, s. 1; 1965, c. 71; 1971, c. 797, s. 1; 1977, c. 311, s. 1; 2001-390, s. 3; 2007-118, s. 1.)

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Consent

Presenter: Katie Mosher, Clerk to the Board

Agenda Title: Approval of Board of Commissioner Minutes

Summary of Information: Approve the May 3, 2021 Regular Session meeting minutes and the May 17, 2021 minutes, submitted by the Clerk to the Board.

Submitter Recommendations/Motions: Motion to approve minutes as submitted by the Clerk to the Board.

Attachments:

The Beaufort County Board of Commissioner met in regular session Monday, May 3, 2021 at 5:30 PM, in the Commissioners Boardroom located at 136 W. 2nd Street in Washington, NC with the following present:

Commissioners Present
Chairman Frankie Waters
Vice-Chairman Jerry Langley
Commissioner Ed Booth
Commissioner Stan Deatherage
Commissioner John Rebholz
Commissioner Hood Richardson
Commissioner Randy Walker

Staff Present
Brian Alligood, County Manager
David Francisco, County Attorney
Katie Mosher, Clerk to the Board
Anita Radcliffe, Chief Finance Officer

Chairman Waters welcomed everyone and called the meeting to order.

Vice-Chairman Langley offered the invocation and Commissioner Rebholz led the Pledge of Allegiance.

Conflict of Interest Statement

Chairman Waters asked if anyone had a conflict with this evening's agenda items.

No one spoke.

Approval of Agenda

Commissioner Walker said he has two possible things he would like to add to the agenda. He said I need your help with how to possibly compose this, but the Northside High School football team is advancing to the state championship this Saturday and I want to wish them well and also want to recognize the success that Washington High School had. He said they had a really good run so I would like to maybe make a motion at some point to agree to honor their abilities.

Chairman Waters said make a motion to add it to the agenda and we'll vote on it.

Motion: Commissioner Walker motioned that we add discussion on how to honor the Northside and Washington High School football teams. Chairman Waters seconded. The vote was unanimous.

Commissioner Walker said it's kind of the other night at the meeting we had here concerning Beaufort County law enforcement we asked that there be a little bit tighter shot be made instead of the wider shots and it seemed to work well. He said I absolutely recognize that we're not sitting in our usual seats and the shots might be hard to get but if we could start working towards that I think it would be a great help for those that are watching it. He said not only for the delay but also streaming live because it helps when you see somebody who's actually doing the talking.

Motion: Commissioner Walker motioned to add a discussion about tighter camera shots to the agenda. Commissioner Richardson seconded. The vote was unanimous.

Motion: Commissioner Booth motioned to approve the amended agenda. Commissioner Richardson seconded. The vote was unanimous.

Public Comments

Ms. Dawn Brinson Slann said she's a resident of Beaufort County, a small business owner and a taxpayer, born and raised in Beaufort County, moved away because of my career, and returned to live full-time in December 2019. She said I am active in the community and try to participate in issues that will try to grow our County into something where families will want to stay, and others will want to come and contribute to the positive growth in our County. She said I came to my first County Commissioners meeting on Monday, April 25, 2021 to try and understand your role in helping our County be successful. She said you were elected by the people of this County to act and make decisions on their behalf and are here because they believed you would follow through with the campaign promises you made, whatever they might have been. She said based on the exchange of conversation, dissertations length, explanations of how I and me think things should be and the power grab approach that I observed I am confused as to how you are contributing to Beaufort County's growth. She said I'll share some examples so you can understand. She said there was a request by a local mayor to use property donated to the County but currently underutilized to help boost the economy in his small town. She said instead of brainstorming to progress the request the focus was how to control the land, including extensive discussion amongst yourself about providing future access to the property for a community ferry use that is only in the early stages of a two-year study and naming the project of the land after the donor. She said this exchange was an eye opener into the unnecessary level of detail explored in the issues and the time that is wasted here. She said when presented an offer to purchase land in the industrial park you chatted amongst yourselves about what you would like to see but in the end you decided you would not accept the offer that represented a disposal of the land. She said I'm going to assume that none of you know Mr. Harry Smith, the gentlemen that made the offer, or how much money Mr. Smith puts into this County on a monthly basis. She said he could spend his money in other places, but he chooses the City of Washington and Beaufort County because he believes in positive growth. She said you floated the idea to counter the offer, but discussions were focused on how you could put qualifiers on the sale. She said I will remind you, as one of you clearly stated, it's not like there's a waiting list of companies or developers waiting to purchase or develop land in that industrial park. She said then airing personal disdain and historical axes to grind between the Sheriff's Department and the Board of Commissioners, I don't believe the taxpayers don't want to hear what's been asked, what's been told, and they probably don't care how many years it's been perpetuated. She said there's bad behavior on both sides. She said I believe they would prefer to stop the silliness and find a way to bring the groups together for the benefit of everyone in Beaufort County. She said finally, for the farmers that came to ask for consideration of using available Covid-19 funds to address the broadband problems, thank you for coming to speak and voices to be recorded in the minutes of the meeting. She said instead of hearing how the broadband project could help North Carolina move ahead of California as produce growers and understanding the potential to expand as farming equipment becomes integrated with electronic features that require broadband, you called for a jubilee, a time for others to bring ideas on how to spend the Covid money because you want to choose how the money is spent. She said once again driving personal agendas above the people you represent. She said I'm here tonight to ask that you put aside your desire for power and control and actually listen to what the people of Beaufort County, your bosses, really have to say. She said I'm also asking the people of Beaufort County to attend these meetings in person or virtually and hold each elected official accountable for helping our County grow.

Ms. Kathy Vazquez said I wanted to speak about this movement for a county police force. She said I just think it's a ridiculous waste of time. She said it's a vendetta driven by personal animosity and it's been going on for a long time. She said at some point all involved need to grow up, put on your big boy pants and make decisions that are best for the County. She said I hope you don't expect us taxpayers to pay for a new location, cars, uniforms, supplies, all that goes into a new county police force. She said if other counties have tried this and disband them and Gaston County is the only one out of 100 counties in this state that has one then there must be a good reason and it's financial, I would guess. She said out County doesn't need another bureaucracy run by the County Commissioners. She said there will definitely be conflict with two law enforcement divisions, there will definitely be conflict. She said there needs to be true reasons for such a drastic action, but I've not heard one yet. She said to me, what I've heard from all the folks that I've talked to and the things that I've read in various areas tell me that this is just a personal vendetta and I think it's a huge waste of our time and our money. She said I would hope the Commissioners would take that into consideration.

Commissioner Richardson said what is your full name.

Ms. Vazquez said excuse me.

Commissioner Richardson said what is your full name.

Ms. Vazquez said Kathleen Paulina Vazquez. She said do you ask that of all the people who do public comments.

Chairman Waters said our policy says that you're supposed to.

Ms. Vazquez said okay, well then enforce your policy.

American Rescue Plan Act Suggestions

Ms. Vazquez said our County needs for the entire population. She said it's ridiculous that some parents had to drive all over the place looking for parking lots with hotspots so their nine-year-old can sit and do their homework. She said it's also a business decision whether or not we have broadband. She said lack of access impacts both present and future businesses. She said I hope strongly you consider using the federal infrastructure money for a countywide system. She said it brings us up to date and positions us for the future. She said I know there are other competing interests for this money, but I think the broadband implementation would be the best use for all of the County members.

Mr. Craig Fullen said I'd like to ask you to use the CARES Act money for high-speed internet in the County. He said I'm a newer resident of Long Point Landing in Chocowinity. He said one of the biggest deterrents of me working from home has been the lack of high-speed internet access. He said I work in software engineering and I share pictures of the beautiful County and the river with other software professionals and friends all the time. He said they fall in love with the pics, and they ask me two questions, is any land and is there good internet. He said I could only answer yes to the first question. He said I have a good friend who would love to be here spending money at local businesses but as an NC State on-line professor he needs reliable high-speed internet access. He said I have a friend who is a teacher at the local community college and tells me stories of kids who come to the parking lot to do their homework because they have no high-speed internet access at home. He said my neighbor has told me how her girls have struggled with on-line learning in elementary school due to the lack, again, of internet access. He said internet is vital to all of our lives and providing high-speed access enables kids to learn remotely, professors to teach on-line, college students to learn from home and we grow our community with well-educated and financially stable citizens. He said so I would like to ask that you spend the money on high-speed internet access.

Legislative Updates for Elected Officials

Chairman Waters said I don't see Representative Kidwell here so we will go on to item H.

Items for Consent

1. Budget Amendment, Health Dept
2. Surplus, Health Dept
3. Vehicle Surplus, Sheriff's Office
4. Surplus Vehicle to Old Ford Fire Department
5. Surplus. Tax Assessor
6. Surplus, DSS
7. Tax Collector Refunds
8. Tax Assessor Refunds
9. Juvenile Crime Prevention Council Certification
10. BCCC Board of Trustee Reappointment
11. Approval of Board of Commissioner Minutes

Commissioner Rebholz said I would like to pull number 1. He said if we could just move it down where Mr. Madson is here under item I.

Chairman Waters said all right.

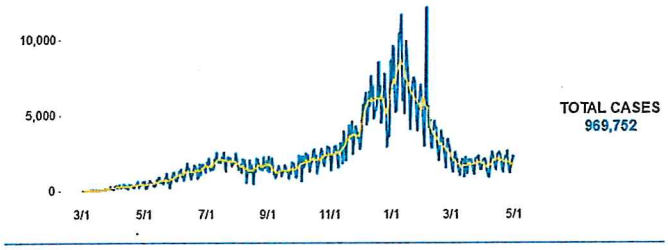
Motion: Commissioner Booth motioned to approve the amended Consent Agenda. Vice-Chairman Langley seconded.

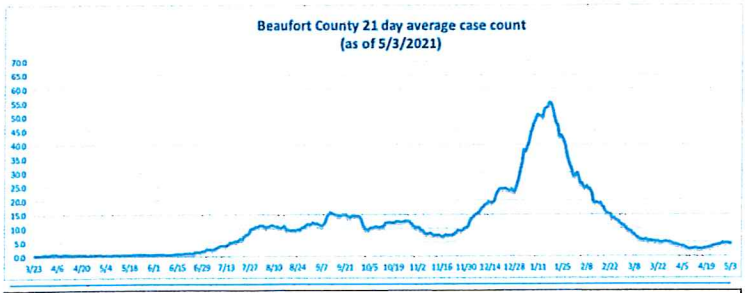
Yes Vote	**No Vote**
Chairman Waters	Commissioner Richardson
Vice-Chairman Langley	
Commissioner Booth	
Commissioner Deatherage	
Commissioner Rebholz	
Commissioner Walker	

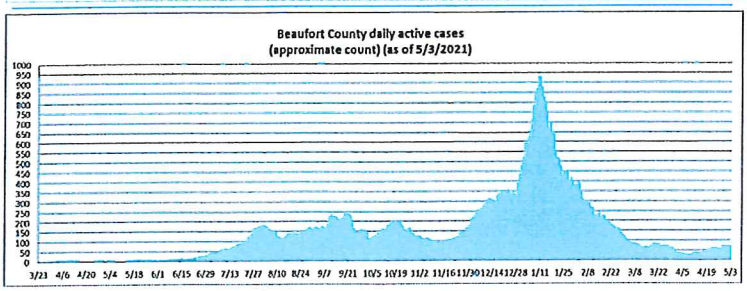
See Addendum 1

Covid Update

Mr. James Madson said gave the following presentation to the Board.





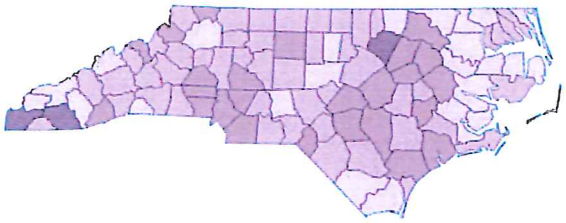


Monday, May 3, 2021		
Tests conducted on Beaufort county residents (to date)	41,764	
Total cases (tested positive)	4,516	
Total hospitalizations that have occurred	236	5.2%
Total Deaths*	93	2.1%
Average age of deaths (years)	78.4	
Known active cases currently in the county	71	
Currently hospitalized	3	4.2%
Currently on a ventilator	-	
Total cases recovered	4,352	96.4%
Outbreaks and Clusters		
Nursing Home	1	
Residential Care Facility	-	
School	-	
Childcare	-	
Deaths* from long term care facilities	43	46%

*Deaths reported through this website have been confirmed through a review of the death certificates. This validation process can sometimes take a long time when a resident passes in another County or State. Other sources may report presumptive totals and therefore will vary with those reported here.

Rates over the last 14 Days

Beaufort County = 15 per 10,000 (71 Cases)



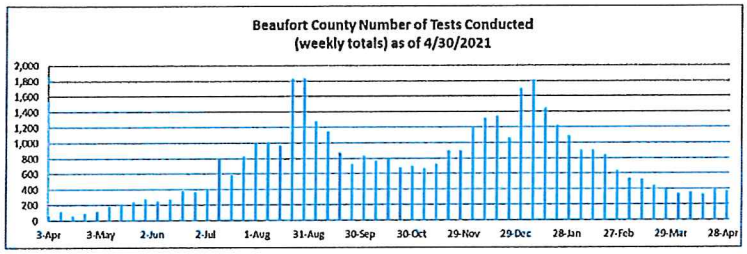
1-15
16-25
26-40
41-55

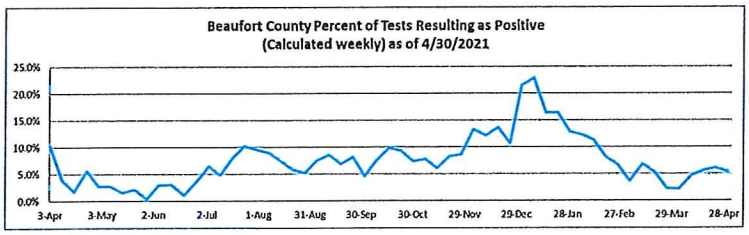
Per 10,000 population

Information

- Mask mandate removed for outdoor activities
- Mass Gathering
  - Indoors up to 100
  - Outdoors up to 200
- Johnson & Johnson pause lifted.

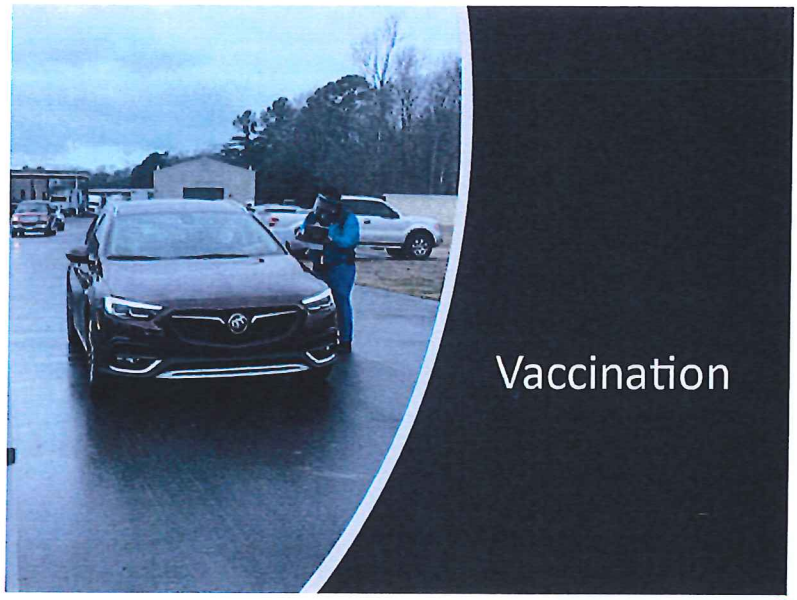
Testing

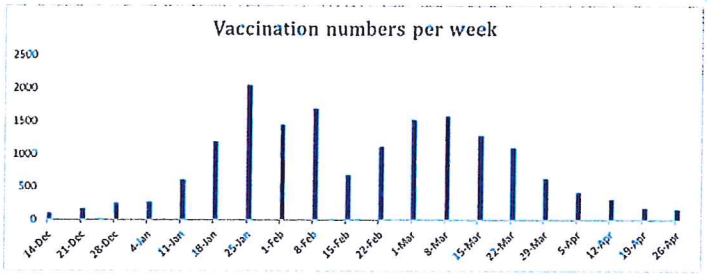




Test Sites

- Workdays – 8:30AM to 11:00AM at the Health Department
- Mondays – 11AM to 4PM at Fresh Anointing Church in Aurora
- Tuesdays - 9AM to 1PM at Cornerstone Church
- Wednesdays – 11PM to 5PM at the Wilkerson Center in Belhaven
- Thursdays – 9AM to 3PM at the Ruritan Club in Bath (starting May 13)
- Reminder that most medical clinics also offer testing





Commissioner Deatherage said one of the things I'm hearing from some of the holdouts is that the vaccine is rearranging genetic information within the body of the individual who is taking the vaccination. He said is there any truth to that.

Mr. Madson said no. He said it doesn't rearrange your bodies DNA. He said it does go into some cells. He said what it does is it causes the cell to respond, secreting these protein spikes. He said protein spikes that get into your lymphatic system and your body system, which causes your immune system to attack it and that's what builds up your immunity but it's not changing your whole DNA or anything.

Commissioner Deatherage said I stated it in a very inelegant way, but it was something to that affect and it sounded like it was bordering on they really believed it to conspiracy theory and I'm assuming that a lot of our success with reaching, almost reaching herd immunity has been the vaccination.

Mr. Madson said yes.

Commissioner Deatherage said although a lot of it has been we've had a lot of cases in Beaufort County, that's probably helped too but the vaccination, how much of the success would you attribute to the vaccination.

Mr. Madson said I'm trying to figure out how to answer that question and I've got a slide later that's going to show you some of that stuff. He said I think it's contributed quite a bit. He said if one out of every three cases we know of then I'm thinking maybe 20% of our population has been exposed to Covid and has generated some type of response. He said it feeds into that herd immunity so if we get to 70% of people that are immune then I would say if 50% of that is vaccine then the 20% would get us to herd immunity, if everything is like it is right now.

Commissioner Deatherage said so about a 2.7:1 ratio maybe.

Commissioner Walker said are you having a lot of second shot no-shows and are you trying to contact them.

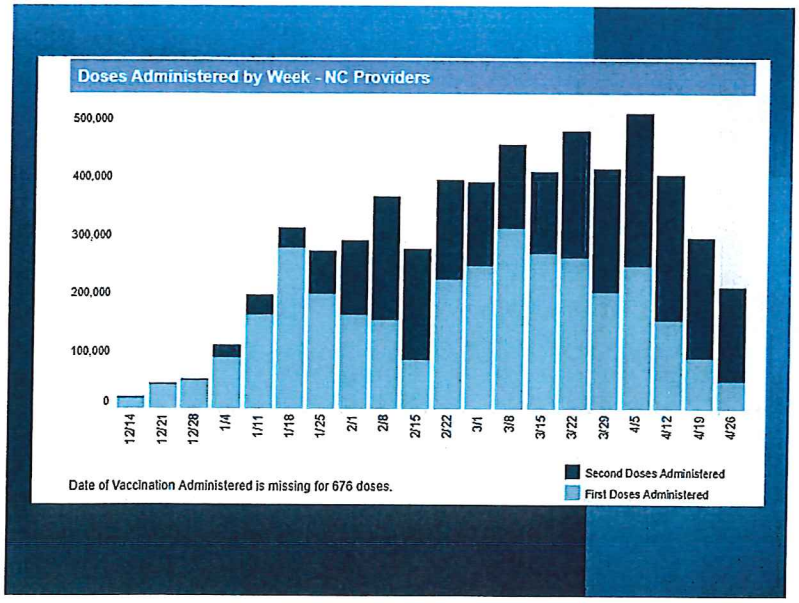
Mr. Madson said we do try to contact everybody. He said everybody who has an appointment, whether it's a first shot or a second we do try to get them in and make sure they're coming in and give them a reminder of their appointments. He said I think the number is probably around 10%. He said they're either not coming in or they're coming in late for their appointments. He said we want to get the second dose in within 45 days. He said but even if they're outside that 45-day window and they get the second shot they don't have to start over or anything like that. He said it's a booster so the way, every time you get exposed to it the better so that's what we're trying to strive for.

Commissioner Deatherage said mask wearing. He said the Governor is still crying wear a mask and we're hearing that from the highest people in his party. He said I'm seeing less and less people wearing masks now. He said I'm also thinking, because I've been exploring all these going along with Covid for about 16 months now. He said it seems like being exposed to Covid in small doses is probably good for the body, if you've been vaccinated or have already been exposed to the anti-body. He said this is where I'm wondering, we're going to become a lockdown generation, part 2. He said are we ever going to get out of this phase where we can't seem to be healthy people on our own. He said do you see where I'm going with this.

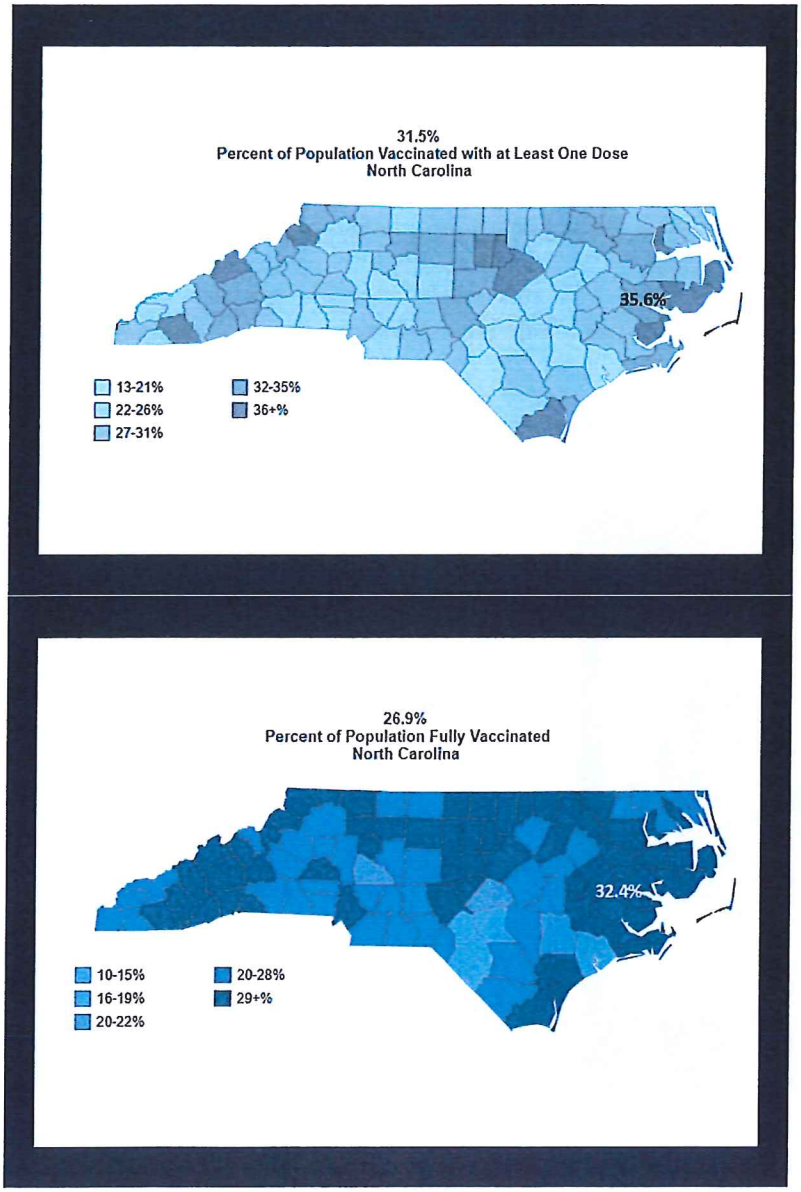
Mr. Madson said that's well above a local health directors' perspective on the mask use. He said I would love for us to get herd immunity so we can just stop using the masks all together.

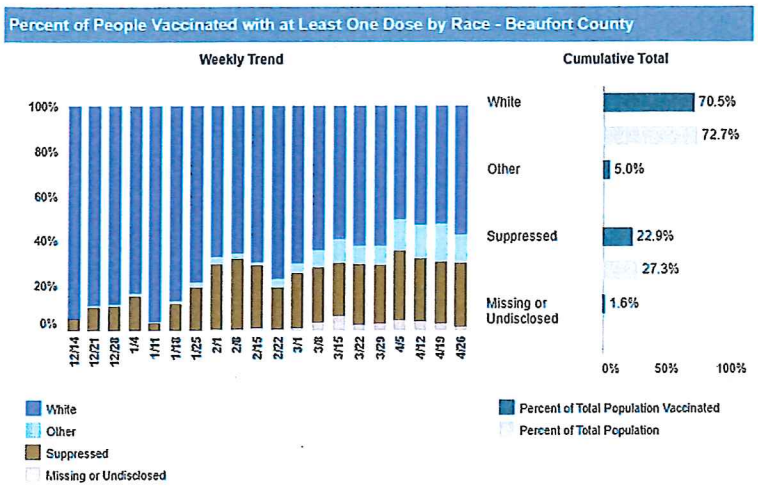
Commissioner Deatherage said don't you think it slows it down just a little bit, not wearing the mask and reaching herd immunity.

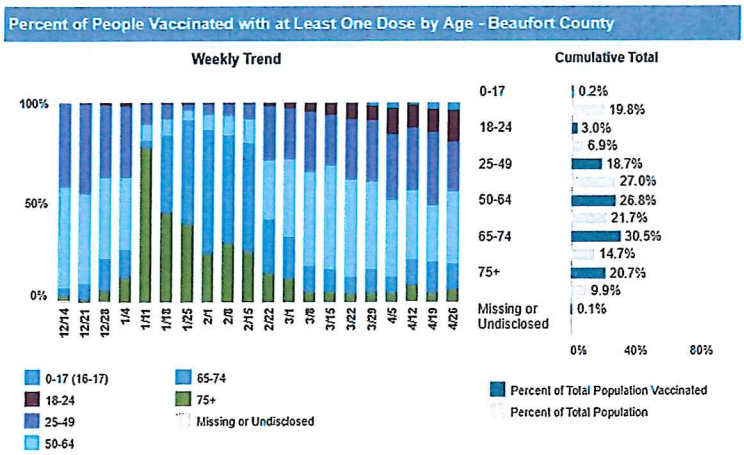
Mr. Madson said I don't know. He said I've not really studied the effects of masks

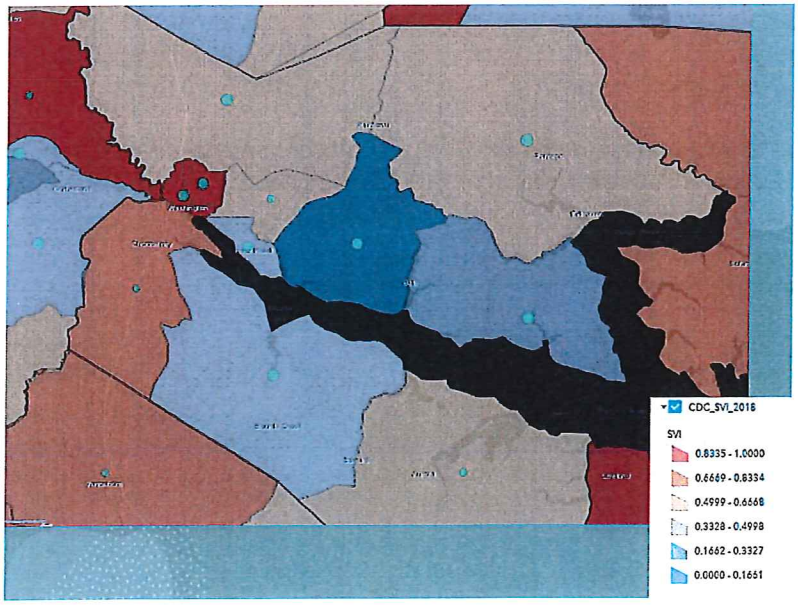


Monday, May 3, 2021	Local Program	Federal Program	Total	
Beaufort County Population (NCSCHS)			47,079	
Residents that are partially vaccinated against COVID-19	16,735	1,962	18,697	39.7%
Completed COVID-19 vaccine series (all vaccines)	15,208	1,578	16,786	35.7%
Total Doses administered			35,483	
Population over 65 years of age (NCSCHS)			11,281	
Over 65 that have received first dose of COVID-19 vaccine	8,568	557	9,125	80.9%
Over 65 that have completed series	8,152	488	8,640	76.6%
Adult Population (18 and older)			37,758	
Partially vaccinated			18,697	49.5%
Fully vaccinated			16,786	44.5%




Percent of People Vaccinated with at Least One Dose by Race - Beaufort County
Weekly Trend
Cumulative Total
100%
80%
60%
40%
20%
0%
12/14
12/21
12/28
1/4
1/11
1/18
1/25
2/1
2/8
2/15
2/22
3/1
3/8
3/15
3/22
3/29
4/5
4/12
4/19
4/26
White
Other
Suppressed
Missing or Undisclosed
White 70.5% 72.7%
Other 5.0%
Suppressed 22.9% 27.3%
Missing or Undisclosed 1.6%
0%
50%
100%
Percent of Total Population Vaccinated
Percent of Total Population


Percent of People Vaccinated with at Least One Dose by Age - Beaufort County
Weekly Trend
Cumulative Total
100%
50%
0%
12/14
12/21
12/28
1/4
1/11
1/18
1/25
2/1
2/8
2/15
2/22
3/1
3/8
3/15
3/22
3/29
4/5
4/12
4/19
4/26
0-17 (16-17)
18-24
25-49
50-64
65-74
75+
Missing or Undisclosed
0-17 0.2% 19.8%
18-24 3.0% 6.9%
25-49 18.7% 27.0%
50-64 26.8% 21.7%
65-74 30.5% 14.7%
75+ 20.7% 9.9%
Missing or Undisclosed 0.1%
0%
40%
80%
Percent of Total Population Vaccinated
Percent of Total Population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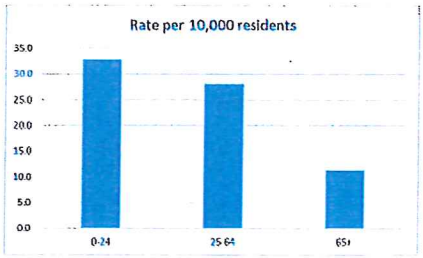
SVI
0.8335 - 1.0000
0.6669 - 0.8334
0.4999 - 0.6668
0.3328 - 0.4998
0.1662 - 0.3327
0.0000 - 0.1661

Beaufort County

April Case Rates by Age (N=113)

Age	Cases	Rate
0-24	42	32.8
25-64	54	28.0
65+	17	11.3



Other Vaccine Info

- State goal is 66.7% of adults vaccinated (Beaufort County is at 49.5%).
- Multiple vaccination options available for residents.
- J&J drive through at BCCC on May 11, 4:00 PM to 8:00 PM. While supply lasts.

Chairman Waters said in conversation with some of the people my age that have had the Covid, they're still undecided about when to get vaccinated. He said they've been told 90 days and some of them have been told, I think, longer than that. He said is the recommendation 90 days to how far out after you've had it.

Mr. Madson said actually you can have it after you've recovered. He said the CDC actually recommends it after you've recovered so after your 10-day window. He said so once you've had it for 10 days, you're recovered and you're feeling fine you can go ahead and get the vaccine at that point.

Chairman Waters said they're saying their personal doctor has advised them to wait 90 days.

Mr. Madson said there are some doctors that say you're covered for 90 days but that doesn't mean you can't get the vaccine; they're just saying you're covered for 90 days due to their own immune response to it. He said I just looked up this very question on Friday because somebody asked me, and the CDC is still saying when you're recovered you can get the vaccine. He said there are some exceptions. He said one of those being if you received the treatment including the IV infusion to fight the virus and the reason is because when they infused you with those antibodies then that's going to stay in your system for up to 90 days and therefore it will attack the vaccine before it gets in there.

Commissioner Deatherage said which version of the CDC is this, the political CDC, or the actual scientific CDC because we're getting both right now.

Mr. Madson said I'll have to check the website to see if it says political CDC or not.

Commissioner Deatherage said well they don't tell you that part.

Health Dept WIC Position Reclassification

Mr. Madson said this might end up sounding a little confusing to you all, it does with me when I try to get it right in my head so I'm going to say bottom line, right up front that what I'm asking for is a Processing Assistant III position. He said they taught me in the army to say it right up front so that's what I'm asking for. He said back in January we had a 32-hour nutritionist on site, but I couldn't get anybody hired on so when Hyde County came to me and said hey, we're looking for you to do our County, we'll give you, I think it was $16,000, I said okay. He said that means if I make it a full-time position, get their money, no cost to the County, it will make it easier to hire a nutritionist and you all agreed to that at that time. He said we had a little debate about the contract, and I said I'd bring you back the contract at that time. He said since then I still haven't been able to hire anybody, I haven't had anyone apply for this position. He said so now, in conversation with Hyde County about moving forward they had some things they wanted to try to do if we couldn't hire somebody so during that conversation we said why don't you go ahead and take your money and hire a nurse, because they wanted to hire a nurse with that money. He said so they did their business and since our contract was ending this month anyway it put me in a position where I am now still trying to hire a full-time nutritionist but I'm not going to get the money from Hyde County now, so I need to come back to you all because you approved it for a full-time. He said we need to make it back to a 32-hour like we had before, which I'm just trying to be transparent with you all on that position and that 32-hour nutritionist would cost $40,618 but I'm still not able to hire anybody and I don't know how long it would take to hire a full-time, much less a 32-hour position so what I would like to do is take the three nutritionist that I have now, take a lot of their responsibilities and put it into one full-time processing assistant person and it would be easier to hire for that position then redistribute the workload in that area. He said the cost for that position is $40,748 so it's less than $100 difference so that's what I'm asking for.

Commissioner Richardson said how many new bodies are going to come on the payroll if this is approved.

Mr. Madson said no new bodies. He said right now we're approved for the full-time nutritionist. He said I'm talking about reclassifying that nutritionist as a processing assistant.

Commissioner Richardson said the nutritionist that you're talking about now is already on the payroll.

Mr. Madson said yes.

Commissioner Richardson said and you have a vacant position.

Mr. Madson said when I said on the payroll I meant not hired. He said we have the position, but it's not been hired. He said it's a vacant position.

Commissioner Richardson said and you're proposing, I think I see what you're doing, you're not increasing the budget.

Mr. Madson said no. He said I'm decreasing the budget by the $17,000 something total because you all gave me permission to hire that position assuming I was going to get that $16,000 from Hyde. He said now I'm not so in order to compensate for that I'm decreasing.

Commissioner Richardson said you're saying you're decreasing by $16,000.

Mr. Madson said right, based off of not expecting that revenue.

Motion: Vice-Chairman Langley motioned to approve. Commissioner Walker seconded. The vote was unanimous.

Budget Amendment, Health Department

Commissioner Rebholz said $376,000 that you got additional revenue from the State for Covid. He said my only question is what are we spending this on.

Mr. Madson said most of this going into contract staffing and overtime for the staff that we have.

Commissioner Rebholz said which is now being paid how.

Mr. Madson said this is one of five different AA's that we received at the County so this is a difference that they gave and will be continued funding still moving forward.

Commissioner Rebholz said so we're covering that expense through prior funds.

Mr. Madson said everything that we've done so far has been covered, I shouldn't say everything but most of everything has been covered by these AA's that we're receiving, from the Health Department perspective. He said there's EM and other funds that are coming from other places than the County but from a Health Department operations, this is where most of the funding comes from for Covid going back to last March. He said just one last thing to add since we're talking about it, it should be carry forward type of money too. He said even though it's approved for this year's budget it will be carried forward for 21-22.

Motion: Commissioner Rebholz motioned to approve the budget amendment. Commissioner Walker seconded. The vote was unanimous.

Final Approval of Refinancing General Obligation School Refund Bonds, Series 2012, 2015, 2017

Ms. Anita Radcliffe said we're here tonight seeking final approval of the refinancing of the General Obligation School Refund Bonds, series 2021, 2015, and 2017. She said you should recall at last month's meeting you all voted to refinance the School Refunding Bonds, all three series, 12, 15 and 17, issuing taxable and tax-exempt general obligation refunding bonds to Key Government Finance, Inc., which was the bank who offered us the best proposal. She said you also considered what we call a Cinderella conversion and ultimately opted to accept that option where, at a future date any time after January 21, 2022, that we would exercise that Cinderella option, which would reduce our interest rate payable further, related to those taxable bond portions right now. She said further Board action is needed tonight to complete the refinancing and we're going to need you to adopt the resolution for the sale of the refunding bonds, the bond purchase agreement for the Cinderella conversion and the escrow agreement for the general obligation bonds. She said now I will tell you that at the time of publishing the agenda they were submitted; all three documents were submitted as substantially final, but the lenders legal council did come back with two updates of the resolution portion and you have both of those in front of you tonight. She said you have a final good copy of the resolution with two changes incorporated and then behind it you have a red-line version showing you what those changes are and just briefly I'll describe to you what the lender wanted to add. She said first they wanted to put in a statement that the County would provide each year financial statements to the bond holders so that's definitely a reasonable ask that we gladly will put in there and then also, they wanted to put in some language related to how interest calculations would be made in the event of a late payment by the County or a default and of course that's not going to be an issue because we're not going to let that happen. She said anyway that language needed to be added there. She said we're very happy tonight to have Bob Jessup's counterpart with us, his name is Sam Smotherman, and he is a public finance attorney with the firm that is serving as our bond counsel. She said the firm name is Sanford Holshouser, and he is here tonight to review these three legal documents with you and answer any questions you have about those documents.

Mr. Smotherman said I'm an attorney with Sanford, Holshouser and Carboro and we're acting as bond counsel to the County on this general obligation bond refinancing. He said she also mentioned, you approved the preliminary resolution for the funding at your April 5th meeting so tonight we're just asking the Board to pass what is called the final resolution. He said I'll give you a quick summary, which is basically to approve the Key Bank proposal and to complete the closing.

He said it's also to approve the documents Ms. Radcliffe mentioned, the escrow agreement, the bond purchase agreement, and the resolution itself and in that resolution it also authorizes County staff to complete the closing, which is expected to be on June 1st.

Chairman Waters said do we need to take them one at a time or can we do all three.

Mr. Smotherman said I'm glad you asked, no, we can actually do all three at once. He said the resolution encompasses the bond purchase agreement and the escrow agreement. He said I believe it's under #6 in that resolution so you're able to do it under one.

Chairman Waters said any questions of Mr. Smotherman regarding the three items. He said I think this is the third or the fourth month we've had discussions on it. He said if not I'll entertain a motion to approve the resolution for the sale of the refunded bond, the bond purchase Cinderella conversion, and the escrow agreement for the general obligation bonds.

Commissioner Rebholz said we need to make it clear to our constituents that we're doing this because we're going to have a $3.2 million savings in interest, right Ms. Radcliffe.

Ms. Radcliffe said actually the $3.2 million are related to the LOBS. She said the savings for the GO Bonds is about $400,000, which is still a significant savings to the taxpayers.

Commissioner Richardson said I don't think this is possible but I'm going to ask it anyway, if we decide to refinance again, can we.

Mr. Smotherman said I believe with this proposal, I'm not sure, I don't have the numbers in front of me. He said usually there is some short period where you are not able to do that, but I would have to look at that.

Chairman Waters said one of these had a pre-payment penalty within the first 12 months if I remember. He said is that do you remember that Ms. Radcliffe. He said that's basically saying we don't want you to go out and refinance it.

Ms. Radcliffe said I'm trying to look that up for you.

Mr. Smotherman said if you can do that in the first 12 months that's fantastic.

Commissioner Richardson said can you do a lock-out under North Carolina law. He said a lock-out where you can't refinance.

Mr. Smotherman said I'm trying to understand your question.

Commissioner Richardson said is it within the law that you loan money, and you cannot have a pre-payment of the whole amount. He said I think it's against the law in North Carolina.

Mr. Smotherman said there's usually some sort of, we call it a penalty but it's not really a penalty, you pay a little bit more in order to pre-pay. He said I'd have to look that up if there's a true, where you cannot pre-pay at all kind of provision but I don't think I've seen that at all.

Ms. Radcliffe said I would really prefer to confer with our financial advisor who is not here this evening. She said we didn't feel like there would be any questions for him this evening. She said we do know they're letting us come back in January 2022 and reduce our interest rates because there were a portions of our bonds that were not callable yet until January 2022, they're taxable at a slightly higher interest rate but as soon as those become callable we're going to let you refinance them under that Cinderella conversion and lower that.

Mr. Smotherman said so to tack on to Ms. Radcliffe, that's what the escrow agreement is for. He said it's to hold a portion of those funds in order to wait until January to be able to make that payment. He said that Cinderella is at 1.48% and then it will drop to like 1.17% so it saves you in the long run.

Motion: Vice-Chairman Langley motioned to approve the resolution, the bond purchase agreement or the Cinderella conversion and the escrow agreement for the general obligation bonds. Commissioner Rebholz seconded. The vote was unanimous.

See Addendum 2

Finance Report

Ms. Radcliffe said so moving to the finance presentation, I've not had a lot of time to put together a really nice PowerPoint presentation tonight for you but there are a couple of things I'd like to discuss with you. She said related to Commissioner Rebholz statement, I do want to show you a picture if I can bring it up, because they do say a picture is worth a thousand words and show you the savings that the County has realized from the Limited Obligation Bond refinancing.

SAVINGS

BEAUFORT COUNTY, NORTH CAROLINA
Taxable Limited Obligation Refunding Bonds, Series 2021
FINAL NUMBERS: 4-19-2020
** Verified **

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 05/06/2021 @ 2.3498913%
06/01/2021	1,994,150.00	1,994,150.00				(3,232.60)
06/01/2022	2,626,050.00		2,626,050.00	2,468,711.98	157,338.02	156,581.55
06/01/2023	2,601,300.00		2,601,300.00	2,441,255.00	160,045.00	155,654.31
06/01/2024	2,594,300.00		2,594,300.00	2,433,690.50	160,609.50	152,233.16
06/01/2025	2,559,050.00		2,559,050.00	2,400,960.00	158,090.00	146,092.94
06/01/2026	2,536,800.00		2,536,800.00	2,376,432.50	160,367.50	144,441.39
06/01/2027	2,486,800.00		2,486,800.00	2,328,318.50	158,481.50	139,179.39
06/01/2028	2,457,900.00		2,457,900.00	2,299,957.50	157,942.50	135,406.34
06/01/2029	2,431,337.50		2,431,337.50	2,272,647.50	158,690.00	132,805.05
06/01/2030	2,404,337.50		2,404,337.50	2,246,647.50	157,690.00	128,782.02
06/01/2031	2,380,737.50		2,380,737.50	2,222,913.50	157,824.00	125,775.53
06/01/2032	2,350,337.50		2,350,337.50	2,192,033.50	158,304.00	123,107.95
06/01/2033	2,318,337.50		2,318,337.50	2,158,911.00	159,426.50	120,983.98
06/01/2034	2,274,737.50		2,274,737.50	2,113,339.50	161,398.00	119,521.75
06/01/2035	1,874,937.50		1,874,937.50	1,715,923.00	159,014.50	114,930.24
06/01/2036	1,823,137.50		1,823,137.50	1,666,006.50	157,131.00	110,861.40
06/01/2037	1,680,937.50		1,680,937.50	1,519,872.00	161,065.50	110,919.49
06/01/2038	1,674,050.00		1,674,050.00	1,515,404.00	158,646.00	106,665.72
06/01/2039	965,287.50		965,287.50	803,520.00	161,767.50	106,184.26
06/01/2040	801,725.00		801,725.00	640,872.00	160,853.00	103,105.54
06/01/2041	752,987.50		752,987.50	592,480.00	160,507.50	100,470.50
	43,589,237.50	1,994,150.00	41,595,087.50	38,409,895.98	3,185,191.52	2,530,469.90

Savings Summary

PV of savings from cash flow	2,530,469.90
Plus: Refunding funds on hand	1,630.48
Net PV Savings	2,532,100.38

Apr 19, 2021 11:25 am Prepared by Robert W. Baird (mrf) (Finance 8.600 r:\...\north carolina\beaufort county\Beaufort County Marcy:FINAL-2021,2021) Page 7

Ms. Radcliffe said remember now, we're doing three different refinancing. She said we're doing the $32 million for the water related LOBS, which is this right here. She said we just took final action on the GO, the General Obligation School Bonds, which relates to the general fund and then next month we'll be doing the USDA loan relating to the Allied Health building at the college so what you're seeing here, and we're doing it in steps because it is a very arduous process and we wanted to do the LOBS first and then we did the GO bonds and then we'll do the USDA loan. She said we have final numbers here for you on the LOBS. She said we signed documents last Thursday, I think it was and the closing will be this Thursday on May the 6th. She said we have firm interest rates; we have firm numbers, and you can see there that our previous debt service before the refunding would be that third column. She said you take that first column of $43,589,000, you subtract the escrow account payment of $1,994,000, so that third column, that $41,595,087, that was our debt service

before the refinancing. She said the very next column over, the refunding debt service, after we do the closing, that $38,409,895, that's our annual debt service over the next 20 years and the difference between the two is that $3.185 million so we've saved the County, by doing the refinancing on these LOBS for the water system, $3,185,191 over the next 20 years. She said that has a net present value in today's dollars of $2,530,469. She said like I said, more savings to come. She said you may remember in our January budget retreat, those of you who were here, I told you I felt like we had the opportunity to save about $4 million by doing the refinancing. She said this is $3.1 million of that $4 million and I do think we'll make the $4 million when we get finished with the GO's and the USDA's. She said I think we're going to end up at $4.2 million in savings when it's all through, overall. She said I'm going to give you a quick update on sales tax.

Sales Tax

Dist. Month	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20
Collections Month	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Sales Month	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20

$ 453,361.05 Increase in Sales Tax from Prior Year

Article													Total	12 mo. Rolling	FY 19-20 Budget	Difference	Article
39	$ 408,935.00	$ 441,259.67	$ 420,000.05	$ 409,651.99	$ 393,426.03	$ 485,008.85	$ 413,919.33	$ 397,268.34	$ 486,787.41	$ 406,741.99	$ 494,344.72	$ 559,999.06	$ 5,316,352.24	$ 5,316,352.24	$ 4,042,096.00	$ 1,274,256.24	39
40	$ 290,389.52	$ 269,060.37	$ 258,060.85	$ 267,910.31	$ 265,620.69	$ 283,770.04	$ 229,642.16	$ 231,002.37	$ 264,315.27	$ 228,033.09	$ 262,945.81	$ 314,999.09	$ 3,146,138.57	$ 3,146,138.57	$ 2,990,709.00	$ 155,429.57	40
42	$ 193,930.55	$ 209,163.33	$ 188,633.07	$ 194,506.82	$ 185,553.83	$ 230,329.54	$ 195,819.99	$ 187,121.30	$ 228,124.59	$ 190,271.88	$ 233,299.78	$ 265,395.63	$ 2,512,060.37	$ 2,512,060.37	$ 2,325,377.00	$ 186,683.37	42
44 (GS 105-524)	$ 11,282.42	$ 11,297.69	$ 11,293.24	$ 11,298.31	$ 11,297.97	$ 11,298.48	$ 11,298.48	$ 11,298.48	$ 11,298.48	$ 11,298.48	$ 11,297.23	$ 11,712.51	$ 135,971.76	$ 135,971.76	$ 128,714.00	$ 7,257.76	44 (GS 105-524)
City Hill	$ (79,945.26)	$ (76,394.54)	$ (73,233.35)	$ (78,713.68)	$ (78,359.92)	$ (78,109.87)	$ (67,160.62)	$ (64,552.85)	$ (68,592.62)	$ (63,113.77)	$ (68,571.12)	$ (86,119.95)	$ (875,867.56)	$ (875,867.56)	$ -	$ (875,867.56)	City Hill
Total	$ 804,652.23	$ 854,426.57	$ 814,733.85	$ 804,653.75	$ 777,598.60	$ 930,297.04	$ 788,529.34	$ 764,137.44	$ 921,933.13	$ 776,230.67	$ 933,146.42	$ 1,062,286.33	$ 10,232,655.38	$ 10,232,655.38	$ 9,486,896.00	$ 745,759.38	

Dist. Month	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21
Collections Month	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21
Sales Month	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21

Article													Total	12 mo. Rolling	FY 20-21 Budget	Difference	Article
39	$ 507,502.91	$ 459,322.13	$ 468,558.37	$ 476,386.12	$ 493,769.98	$ 537,079.78	$ 486,795.61	$ 410,855.95					$ 3,840,270.85	$ 5,769,406.78	$ 3,593,397.89	$ 2,167,008.38	39
40	$ 296,194.33	$ 270,726.30	$ 286,806.04	$ 280,890.34	$ 293,555.17	$ 334,528.21	$ 282,341.77	$ 235,795.51					$ 2,280,867.67	$ 3,421,301.51	$ 2,658,721.47	$ 762,580.04	40
42	$ 241,312.70	$ 216,955.08	$ 220,929.09	$ 225,130.66	$ 232,966.20	$ 254,233.74	$ 229,566.20	$ 193,282.95					$ 1,814,776.82	$ 2,722,165.23	$ 2,067,245.51	$ 654,919.72	42
44 (GS 105-524)	$ 11,121.14	$ 11,755.14	$ 11,724.48	$ 11,716.21	$ 11,724.25	$ 11,794.98	$ 11,617.62	$ 11,724.25					$ 93,178.07	$ 139,767.11	$ 114,425.94	$ 25,341.17	44 (GS 105-524)
City Hill	$ (87,511.25)	$ (75,246.84)	$ (80,735.51)	$ (78,047.18)	$ (81,663.10)	$ (95,031.38)	$ (77,537.84)	$ (64,613.09)					$ (635,376.19)	$ (953,064.29)	$ -	$ (953,064.29)	City Hill
Total	$ 973,619.83	$ 883,512.81	$ 907,282.47	$ 916,076.35	$ 950,382.50	$ 1,042,615.33	$ 933,183.36	$ 787,045.57	$ -	$ -	$ -	$ -	$ 7,393,717.22	$ 11,090,575.81	$ 8,433,790.81	$ 2,656,785.02	

She said you have a handout. She said this number came in very late this afternoon. She said we do have, now, the February sales numbers that will be distributed to us later this month around the 15th of May because of that three-month lag in the sales tax. She said you can see that first yellow highlighter number at the bottom, that $787,045, that is the distribution we will be receiving next. She said you can see it fell off quite a bit, about $140,000 from last month but I would tell you this is normal because the February retail sales, February is cold, it's after Christmas, people don't have as much money. She said it's very typical that we would see a decrease in our sales tax distribution for the February sales. She said if you look at that pink number that's highlighted in pink, that $764,137, that would've been the sales for this time last year in February. She said so you can see we had about a 3% increase, which is good. She said the state overall increase for the distribution this month, when you compare it with last year, is about 2% so we have outperformed the state average every month, except for one, over the last 18 months so that's still a good sign there. She said if you look further over to the yellow highlighted numbers you can see in the first eight months of this fiscal year we've collected almost $7.4 million, the $7,393,000 is what we've collected for eight months. She said if you annualize that number for the full 12 months that's the $11,090,000 and then we budgeted the $8.433 million so that is a surplus if you subtract the budgeted number from what we're rolling at it's a surplus of $2.6 million. She said I don't think we're going to end up quite that high, I think we'll be closer to $2.2 million but it's still expecting a really nice surplus in our sales tax for this year. She said as I said last month, the challenge for the Manager and I is to figure out what that looks like moving forward. She said how much of this is related to Covid, how much of this is related to the stimulus payments people have received and how much of this is sustainable moving forward. She said we continue to work on those numbers. She said we'll have a budget for you two weeks from tonight so even though I'd like to take a couple weeks off after all these financings, we'll have a 400-page budget document coming to you in a couple weeks and hopefully we'll be able to adopt a good budget for next year with some solid numbers.

Accept Contracts and Adopt Project Budget Ordinance

Ms. Ann Williams said the Beaufort Soil and Water Conservation District has been awarded grant funds for contracts through the North Carolina Department of Agriculture and Consumer Services and the US Department of Natural Resources and Conservation Services. She said the funds will be used or the purchase and placement of a perpetual conservation easement on a working farm in the County. She said the contracts in cash match amounts, provided by the landowner total $49,960. She said both contracts and an ordinance for the project have been provided for your review. She said this project is 100% through grants and cash match amounts provided by the landowner. She said no County match is required. She said the Beaufort Soil and Water Conservation Districts Board of Supervisors has approved this project and the grant funds provided. She said the District Board requests the support of the Board of County Commissioners by approving contract #19-035-4028 and contract #554532202SO, along with the associated project ordinance.

Commissioner Richardson said I'm not going to vote for this. He said this is another one of those examples when really bad decisions are being made because what you're doing is you're paying people for the land. He said when you pay people for their rights then the tax assessor assesses the land less, so the County gets less tax revenue from this and you're also inhibiting the future use of the property. He said from the standpoint of economic development this is really bad stuff so I'm not going to vote for it.

Commissioner Deatherage said I have a question, is this for timber.

Ms. Williams said it's farmland, it's a working farm. She said there is some timber on the property.

Commissioner Deatherage said so we're giving this guy money to make sure he stays a farm for how many years.

Ms. Williams said perpetual.

Commissioner Deatherage said perpetual, forever so he's locking up all of his heirs and assignees as a farm.

Ms. Williams said yes sir and that was his decision.

Commissioner Deatherage said I understand.

Chairman Waters said that's the whole purpose of the North Carolina Farmland Preservation, to make sure it stays as farmland and timber.

Ms. Williams said that's correct. She said we're losing a lot of farmland to development and they're trying to protect the farmland.

Commissioner Deatherage said not in Beaufort County so much, am I right.

Ms. Williams said no, not so much yet.

Commissioner Deatherage said where is this land located.

Ms. Williams said it's in Chocowinity.

Commissioner Deatherage said what road is it on.

Ms. Williams said it's off of Hwy 17S. She said I can't remember the name.

Chairman Waters said there's an aerial map in your book.

Commissioner Richardson said who's the property owner.

Ms. Williams said am I allowed to say that.

Commissioner Richardson said its public money, yes, it's public information.

Ms. Williams said it's the Dixon family.

Chairman Waters said it's near Possum Track. He said if you look on page 487 you can see the aerial map. He said it's located on Carawan Road.

Commissioner Richardson said I just wanted to say the Board votes to have these solar farms and we just took like 1,500 acres of prime farmland out of production in Terra Ceia in the last couple of years, then we turn around and vote to put something into this and pay somebody to keep it as a farm. He said none of this makes a lick of sense and as far as the public good that it does, it just keeps spending taxpayer money for nothing.

Chairman Waters said correct the Terra Ceia number, that's 600 for the solar farm.

Commissioner Richardson said there was some more acreage up there though, so it wasn't the whole thing.

Chairman Waters said there's another one that's in the process that straddles both Beaufort and Washington County.

Commissioner Richardson said I won't dispute what you're saying. He said the point is you're sitting here voting to take prime farmland out of production one day and then you're voting to use taxpayer money the next day to guarantee that prime farmland remains. He said the two policies are diametrically opposed to each other and not in the publics best interest.

Motion: Commissioner Booth motioned to approve the contracts and adopt the project budget ordinance. Vice-Chairman Langley seconded.

Yes Vote	**No Vote**
Chairman Waters	Commissioner Deatherage
Vice-Chairman Langley	Commissioner Rebholz
Commissioner Booth	Commissioner Richardson
Commissioner Walker	

See Addendum 3

Receive NC Veterinary Medical Association Animal Shelter Grant

Mr. Carnie Hedgepeth said I have three things for you, two are for Animal Control. He said they're two separate grants that Chief Lassiter and his staff have worked closely with, and I want to use her name, Mary Cervini, who is an animal advocate for Beaufort County in gaining grants for use in the welfare of animals. He said you see one of those grants is from the North Carolina Veterinary Medical Association and Animal Shelter grant in the amount of $2,500. He said the second one is actually a $20,000 grant from Petco, the Petco Love Animal Shelter grant. He said Chief Lassiter and I have talked; we have been working on projects of trying to do something in the County that would both serve as a betterment for shelter animals but also be good for something the public would be able to utilize for pet exercise and we think we have an idea of where we can use those funds. He said I'll let Chief Lassiter talk about the plans for that and then answer any questions.

Chief Billy Lassiter said our plan is we have about an acre of land behind where the shelter is now and our plan is just to clear that lot and put a fence up so we'll have an area where animals can go out to and play.

Mr. Hedgepeth said thin the lot.

Chief Lassiter said thin the lot not clear everything, just thin.

Chairman Waters said the total of the two grants is $22,500, which is the total cost, I'm assuming.

Chief Lassiter said it's going to be pretty close.

Chairman Waters said they're in the books separately so we will need to motions.

Motion: Commissioner Rebholz motioned to approve accepting the $2,500 grant from the NC Veterinary Medical Association Animal Shelter. Commissioner Booth seconded. The vote was unanimous.

See Addendum 4

Receive Petco Love Animal Shelter Grant

Motion: Commissioner Rebholz motioned to approve accepting the $20,000 grant from the Petco Love Animal Shelter. Commissioner Booth seconded. The vote was unanimous.

See addendum 5

Hazard Mitigation State Centric Implementation

Mr. Hedgepeth said the third item I have for you is Hazard Mitigation State Centric implementation. He said I'm sure you've read the packet in front of you but in my own words of what's taking place here is the way that mitigation has worked in Beaufort County, we have a disaster that is declared, once it's declared our citizens are able to apply if they were affected from that disaster. He said the way that would work next is its pushed up through the state and federal government, the federal government awards monies, it comes to the state as an applicant and then Beaufort County becomes a sub-applicant. He said we've had to manage that in the past. He said we've done that through contract services and staff but when that money comes down the state has decided to put this plan together, it's the first in the nation where the state itself will handle the mitigation project. He said so there's still a local part that is done. He said when we have a disaster we would go out, help people get their applications filled out but once a disaster is declared or monies are given for that the state, if we opt in, would then handle those things such as setting the scope of work, doing the advertisement through us for contractors. He said they try to keep at least 50% of that back in the County itself, if we have that. He said then they would be paying those contractors directly instead of it having to go through us so we've been a party in this each time, and it ends up being a little bit of a hold-up of funds because we're applying to the state, the state is applying to the federal government so the purpose from the State is this should streamline the process for the actual residential homeowner. He said the reason there's an "opt in" for this, general statute currently doesn't allow them to do this without a local government asking for it. He said that's why it's got an opt in or opt out. He said they're currently trying to go forth and get that legislation changed so this will be a current program. He said so this specific is for three different storms, as you see in their letter, hazard mitigation grant program for Tropical Storm Michael, Hurricane Florence, and Hurricane Dorian. He said just to let you know, we have received preliminary word we expect next month to be told a final for sure, there are 19 acquisitions that have been approved and 36 elevations. He said of course all of that will come back before the Commissioners, but we do see that work being approved of about 86 applications that were sent to them.

Commissioner Richardson said does this mean we are not going to have to award bids for the improvements and we're not going to have to supervise contractors.

Mr. Hedgepeth said that is correct. He said our work would be with the citizen, making sure they know when the process is open, helping get the applications in. He said we currently do that with, through an MOU with the Mid-East Commission so that's our plan still, to use them locally, but as far as where we've had to do the bid process and go out and watch the management and contract services and push the invoices through for payment, we'll be taken completely out of that. He said I think one of the biggest advantages is the close-out. He said the state is going to handle the close-out. He said that

will be a wonderful thing for Ms. Radcliffe and I, for sure, so it's really a win-win, in my opinion, for the County with the state handling this process.

Commissioner Richardson said shifting gears on the acquisitions, I'm nervous about acquisitions simply because once FEMA acquires that property there's a restriction put on it that it can never be built on again so have we looked to see if any of those properties that the state wants to acquire are critical from a standpoint of stopping development or interfering with development of getting in the way of what we want to do.

Mr. Hedgepeth said again, all of those properties, we have not seen the final award that they're approved. He said we have been told preliminarily that they will be, but they'll all come back before you.

Commissioner Richardson said we're going to get a list, I want staff to go over that list from the standpoint that if it's going to harm us that we don't want to do it because I've seen situations where you have these restrictions on property and you can't build on it and we own it, the County ends up owning that property, so you end up in town having to pay somebody to mow lots. He said so how does this work, maybe the Manager can shed some light on it. He said I'm nervous about this.

Mr. Hedgepeth said I'll say this and then he can expand further, he has been very direct with us that if we go into acquisition that it would be under the understanding that the County would not be liable to do anything else on that property. He said it would return to what it was naturally, and the County would have no other cost in it. He said that would be a part of the program. He said I'll let the Manager expand on that.

Commissioner Richardson said are we going to get the deed or are they just buying the development rights.

Mr. Alligood said the way the program works is if it's acquired, and we have encouraged elevation, every opportunity we can we encourage elevation, and the property stays the way it is, and they just raise the structure. He said if it is acquired its typically because it's repetitive loss, it's a bad place and floods all the time. He said what we've been really clear with them is we used to combine projects, we would have projects for Belhaven, the City of Washington and we would combine those with County projects, and it would go in under the County's name and then if the project was awarded they would be acquired, and we would end up with the County's name on the deeds in the City of Washington and the Town of Belhaven. He said you're exactly right, in the past years we have cut grass and looked after properties in the municipalities so we made it clear, as we move forward, that if it is a project in a municipality that property will be deeded back to the municipality and if it's a property in unincorporated Beaufort County it's going to be a natural property. He said it's going to go back to nature. He said we're not going to look after them in the County.

Commissioner Richardson said I have another question. He said I understand where you are, and I think that's where we should be. He said if it's a county property and it's out somewhere and somebody wanted to buy it we sell it to them with the restrictions on it.

Mr. Alligood said my understanding is you can't sell it to them. He said you could rent it to them or lease it to them if they wanted to put a vegetable garden on it, if they wanted to use it as a buffer for their property you could lease it to them, you just can't sell it. He said the County holds that deed in perpetuity, but you could lease it to them. He said we did that with a piece of property in the City one time where the neighbor said I'd like to use that as a buffer and I'll tell you what, I'll cut the grass on it forever and we said great, and we wrote up a little agreement and that's the way we did it.

Commissioner Richardson said I have a problem with tying up land perpetually under these kinds of conditions so whatever we get in the County I think we should, and we can look at that through the County Attorney but I think it should go on the surplus property list for lease and we'll let anybody have it that wants it but I think we should still go back and ask these guys if there's any way we can avoid taking title to this because it comes off the tax rolls. He said it's not a good thing for the taxpayer.

Mr. Alligood said Commissioner Richardson, as you recall, I think it was two years ago because we didn't go to D.C. last year, we visited two years ago with our senators and representatives in D.C. and said you've got to help us with this, and they said we'll try but there's not a whole lot we can do. He said we will continue to have those conversations but it would take a change at the federal level under the FEMA program related to that but that has been voiced to them.

Commissioner Rebholz said back to this agreement, is there any appeal process for decisions that you saw in this. He said in other words the state's not going to get the heat it's probably going to be the seven of us if something doesn't work right so is there an appeal process that we are able to go to and try to rectify a problem.

Mr. Alligood said I'm not sure what you mean when you say a problem. He said define what kind of problem.

Commissioner Rebholz said whatever it may be, construction, a dispute over elevation, whatever.

Mr. Alligood said the same way it works when we were doing them, the contractor is responsible, they follow back up with us. He said with the state, they will have state inspectors. He said it's my understanding they've hired a bunch of engineers and have their office ready to go. He said they would be responsible for watching that project and making sure they're doing what they're supposed to do and if there's a complaint it would run up through the state because the state is ultimately responsible.

Commissioner Rebholz said so we would just be telling them to call the state.

Mr. Alligood said that's correct.

Commissioner Richardson said this gets us out of it.

Commissioner Rebholz said also, I see that there is a clause in there that if you do not fulfill your out obligation you're automatically brought into the program. He said is there any reverse of that.

Mr. Hedgepeth said no sir. He said you can tell from their language they are heavily encouraging everyone to opt in. He said in fact if you don't opt in we have to put together a pretty stringent business plan, tell who and how we are going to do each thing and with that, if we fail to do it they can make a recommendation that it still goes to the state. He said I don't see another way in the plan.

Commissioner Rebholz said so given the fact that this is the first in the nation, there's no, nothing in here that allows us to say this is not working.

Mr. Hedgepeth said this is for these three storms specifically with a hope that it will be for future storms. He said so there's three storms, three hurricane disasters tied to this. He said we're getting monies, or potential monies from one of these disasters so once it starts it's in their hands on the monies that would be coming for Hurricane Florence. He said what it does not do is it does not guarantee u, if we have another hurricane, or when we have another hurricane and more monies come that we have to opt in. He said it just points us in that direction. He said is that how you read it Mr. Manager.

Mr. Alligood said as you recall, the state took a tremendous amount of heat over their ability to move projects, several years ago. He said we've been complaining about that for years that it takes three years, four years to get a project moving and the project you were approved for three years ago you've already been hit by two more hurricanes since then. He said my understanding is the impetus for all this was to try and push those projects faster and to do that they are eliminating one of the steps and we were one of the steps. He said like the director said, it used to come down from the feds, the state was the recipient, and we were the sub-recipient. He said we were doing the work, pushing it back up, the state was pushing it back down and then back up to FEMA. He said the state is going to manage it now and send it directly to FEMA. He said they're going to turn them faster, which will help overall.

Motion: Commissioner Richardson motioned to approve opting into the Hazard Mitigation State Centric program. Vice-Chairman Langley seconded. The vote was unanimous.

See Addendum 6

Chlorine Conversion Project

Ms. Christina Smith said the first item I bring before you today is a recommendation to award. She said it's two contracts. She said these are both capital projects for the Beaufort County Water Division. She said these are actually the final of seven capital projects that we started a couple of years ago. She said these last two are regarding the chlorine conversion projects where we are converting the gas to using a liquid form of chlorine, which would improve the safety of both the workers working at these sites as well as any first responders if we were to have any incidents regarding that. She said both

of these projects are being designed and managed by McDavid and Associates. She said both projects were put out to bid and bids were received a couple of weeks ago. She said bids for construction were received on April the 8th. She said low bid for both projects was Laughlin-Sutton Construction out of Goldsboro and back-up is provided in your budget books, which provides the bid tabs for both projects. She said that information is there. She said we have budget ordinances as well as recommendations to award these. She said because they are two individual projects awarding to two individual districts I would request a separate vote for each of those. She said my first recommendation is to approve the resolution awarding the construction contract for contract #19 for District VI for the chlorine conversion of the 2017 for the chlorine conversion project to Laughlin-Sutton Construction for the low bid amount of $816,200. She said this did come in under budget.

Motion: Vice-Chairman Langley motioned to approve awarding contract #19 to Laughlin-Sutton Construction for the amount of $816,200. Commissioner Rebholz seconded. The vote was unanimous.

Ms. Smith said I will tell you this project did come in under budget for once and that's a good thing. Probably the last one for a while as far as construction projects. She said the second recommendation to award is to approve the resolution awarding the construction contract for contract #20 for District VII chlorine conversion, 2017 chlorine conversion project to Laughlin-Sutton Construction for the low bid amount of $208,700. She said again this project did come in under the budgeted amount.

Motion: Vice-Chairman Langley motioned to approve awarding contract #20 to Laughlin-Sutton Construction for the amount of $816,200. Commissioner Rebholz seconded. The vote was unanimous.

See Addendum 7

Approval of Purchase Order

Ms. Smith said my next item is an approval of a purchase order. She said on April 13, 2021 a water main culvert crossing in the Pamlico Beach area ruptured. She said due to the urgency of the needed repair and the depth of water main and the extensive amount of surrounding water an outside contractor was brought in to make the repair. She said the contractor responded immediately with sufficient equipment and labor to make the repair, working through the night to make the outage length for the approximately 150 affected customers. She said staff requests that the Beaufort County Board of Commissioners approve the purchase order and reallocate $50,000 from the contingency line item. She said no additional funds are required. She said the balance will be paid from surplus of other line items.

Motion: Commissioner Langley motioned to approve the purchase order. Chairman Waters seconded. The vote was unanimous.

Ms. Smith said if I could I'd like to add one additional thing to that. She said I'd like to give a shout-out. She said again, this work was done throughout the middle of the night and Mr. Jason Lawless of T & J Welding of Pinetown, we had a hydraulic hose that ruptured, and he assisted us literally in the middle of the night, making a new hydraulic hose for the contractors so I'd like to thank Mr. Lawless for that.

See Addendum 8

Award Landfill Contract

Mr. West Overman said the first item for you tonight is request to award the contract for landfill operation and maintenance contract. He said this is actually the second time we sought proposals for this. He said the first time we only had one proposer and due to the purchasing policy we had to reissue the request. He said the second time we received four bids and as you can see attached is the bid tabulation. He said there's also a second tab that has the total annualized because we asked on the RFP document for quarterly totals and that's due to North Carolina reporting requirements that we have to report about the landfill. He said this contract is for operation and maintenance and it includes just the general maintenance of the site, mowing of the landfill cap, mowing around the scale trailer that's there, maintaining the driveway to the scrap tire facility and the yard waste facility, routine inspection of the landfill facility so we can stay in compliance of that, yard waste management, scrap tire management and also the operation of the scales and the waste-work software that we use to track that. He said also included in the request was to provide provisions for emergency operations when you have a natural

disaster or some other kind of things like that. He said the contract was advertised for a base of two years with an option to extend it for two additional one-year period. He said as you can see on your tabulation, Landscaping Unlimited of Washington, which is actually closer to Bath, had the lowest bid and we have met with Landscaping Unlimited to discuss the contract scope, their bid and performance requirement of the contract. He said another portion of this is we are recommending that based on the cost of operations and the usage of the site that we reduce the public operating hours of the landfill to Tuesday, Thursday, Saturday, which we don't currently have Saturday so we would be adding a weekend day from 8:00 AM to 4:00 PM. He said it would reduce the number of days open for the general public to come in, but we would still have the ability for Republic Services to come in as well as commercial contractors. He said so my recommendation is that we approve the award of the landfill operations and maintenance contract to Landscaping Unlimited for an annualized out of $265,000.

Commissioner Richardson said does this include the annual chipping fee.

Mr. Overman said no sir, that is a separate contract.

Commissioner Richardson said these people are going to provide insurance according to our requirements.

Mr. Overman said yes sir. He said I've received a certificate of insurance and it does appear to meet the guidelines.

Motion: Commissioner Rebholz motioned to approve awarding the contract to Landscaping Unlimited. Chairman Waters seconded. The vote was unanimous.

Chairman Waters said how are we going to advertise that to the public, the fact that we're not going to be open Monday through Friday but the three days. He said can we go put a sign at each one of the convenience sites.

Mr. Overman said we can certainly consider that. He said we need to update the signage at the landfill, it currently does not have any signage on it, so we'll update that, we'll publish it on the website. He said I can probably, I won't go the Facebook route on the Emergency Management page because that's the emergency side of things, but we'll definitely get it out there.

Ms. Radcliffe said before we move forward I think it's important for the Board to know that, and Ms. Smith correct me if I'm wrong here but the contractor that once provided the service elected to get out of the business and that contract was costing us about $60,000 annually so this is about a $200,000 increase for that contract and it is going to require us to go up on our annual fee to the citizens due to the increased cost in this contract. She said we're projecting probably $5.00 from the $165.00 to $170.00.

Ms. Smith said it is an increase and this goes back to when the Solid Waste Committee existed that the previous contractor operated an existing business out of that site and so their labor costs was greatly reduced because they had the operating business that was there. She said as we all know that existing business has relocated to a different location so now the new contract, Landscaping Unlimited, would not be operating a business out of the County facility. She said as we're, so therefore this contract is at a higher total cost and I think what we were looking at was approximately the total amount of $265, I think we were looking at approximately a $5.00 additional cost for the annual budget. She said we did include in our budget numbers when we met to go to review the budget that will be presented to you in a few months. She said we did have an increased number in it, but we did not have quite this amount, but we will be looking at approximately a $5.00 increase. She said but we think based upon where we stand with the solid waste, the entire solid waste we don't think it's in the best interest of the County to have another business operating at that operation since we're looking at redesigning that location into a mega-site so having that site cleaned up, if any of you have been down to that site in the last couple of years you know that there's a lot of equipment and things that need to be cleaned up and moved out so the other contractor is in the process of doing that. She said so this is kind of a whole process of getting that site cleaned up and prepped to move forward for solid waste.

Commissioner Booth said I may have misunderstood you; did you say the site was going to be open three days.

Ms. Smith said yes sir, for the general public.

Commissioner Booth said I wish this information would've come out before I voted.

Ms. Smith said okay.

Commissioner Booth said is there any way we can look at this thing again. He said I cannot vote for another tax increase on people and cutting the service. He said is there any way you all can bring this back up because I don't want to vote for this.

Ms. Smith said the portion, the majority of, I think if you look at the information in your book the majority of this contract is not the operations of the scales. She said the labor is a small portion. She said the majority is the loading of the tires.

Commissioner Booth said I understand that, but I also understand it's three days a week.

Ms. Smith said no, only a small portion of it is three days a week. She said only the person sitting in the scale house is three days a week, so the other part is a service contract that we have to do. She said the County is obligated through state statutes to receive scrap tires so the scrap tires have to be maintained and the disposal site has to be maintained and they have to be loaded into a facility so it doesn't matter, there are tire dealerships, used tire stores that are going to bring their tires to that landfill no matter what days they're open so if you're open Tuesday, Thursday and Saturday, they're going to bring all of their tires on Tuesday and Thursday. She said if you're open Monday through Friday they may scatter them out. She said the same tonnage of tires are going to come, it doesn't matter open Tuesday or Thursday, so your tonnages are going to stay the same and we have to do that so the equipment that they need to have to load the tires is the same whether it's open to the public two days a week or five days a week so that labor, that person sitting in the scale house is only a small portion of the contract.

Commissioner Booth said I understand, and it all sounds good. He said I'm not saying you've done anything shady.

Chairman Waters said it is in the book. He said it is in the book on page 561. He said it's got option one and option two highlighted in yellow.

Commissioner Booth said I understand but call it back again, let's call it back again and vote on it.

Chairman Waters said well no, we've already approved it.

Commissioner Booth said I figured you would say that.

Ms. Radcliffe said may I just say I'm not trying to sway the vote a different way because it was bid out properly, it was bid out twice and that's what the market says the contract costs. She said I just wanted, in full transparency, for you to know because we're working on the budget for next year that because of the increased cost of this contract we will need an increase in the revenue side, the fees to the citizens of $5.00 to cover it. She said it's not to try and sway a decision either way, I'm just trying to be fully transparent about that.

Commissioner Booth said I understand you weren't.

Commissioner Richardson said I'm just running this through my head, if you have a County employee down there five days a week, let's just take a high number and say it costs you $60,000. He said loading tires only happens two or three times a year. He said you can get a contractor to come down by the hour and load the tires, yes you can too.

Ms. Smith said it happens more than two or three times a year.

Commissioner Richardson said well you can still get a contractor to come down on an hourly basis and load the tires. He said if you need the roads graded or scrubbed up or whatever you can still get a local contractor to come and do that by simply making an agreement with him that he's going to come periodically and do this. He said I don't see but $100,000 in this, I think this is a rip-off and I make a motion that we reconsider.

Motion: Commissioner Richardson motioned to reconsider the prior vote to approve the contract. Commissioner Deatherage seconded.

Chairman Waters said question to our attorney, can we unwind what we've done. He said I see a couple of nods.

Mr. Francisco said you can reconsider, and the motion would be by someone who voted for it, am I correct.

Commissioner Booth said like I said, I'm not going to renege on the way that I voted because I voted the way I did and I'm still going to recon that I hate that we've done this but I'm going to stay with the vote that I cast.

Commissioner Richardson said let me present this, why don't we, as a part of this motion, request that the department come back to us with a list of tasks, and we can look at that list of tasks and we can decide whether we've done the right thing or not. He said that's the simplest thing to do. He said grading a road, you can get a contractor on retainer that will come and scrub things for you every once in a while, you can keep a contractor on retainer that will come and load these tires because it's not that many hours a week and if you're only going to have somebody down there three days a week you might be able to redo this thing and get the public more service by having someone there five days a week.

Mr. Overman said can I give a little more information. He said the process for loading tires happens about two to three times per week to keep it managed. He said yard waste has to be pushed up into piles to allow for access to the Republic trucks as well as the public. He said we feel that having someone there on site is the best way to accomplish getting the job done when it needs to be done versus contracting and the next thing you know the contractor can't get there for a week. He said we've also explored some very basic pricing, as far as making the County run. He said the numbers that I ran for renting the equipment, I came up, and I think this is a low estimate based on what we would expect these people to do, was $210,000 for a year.

Commissioner Richardson said I don't think we'd rent equipment. He said renting equipment is a very poor plan. He said we've rented a lot of equipment lately and I've seen it sitting around for five days a week and used two days a week and if I'd known that was going to happen I'd have been in the middle of that too because that was really bad judgement. He said I don't think we've looked at this properly, I don't think we've looked at it from the standpoint of a local small contractor, and there's several of these people around that can provide us with these services. He said let me ask you this, what size truck are we loading tires into.

Mr. Overman said it's a 53' open top tractor trailer, semi-trailer.

Commissioner Richardson said that's what it should be and how many truck loads are we having a week.

Mr. Overman said not truck loads, but they get loaded about two or three times a week because of the volume of tires that come into the site.

Commissioner Richardson said now look, I've been down to the site and that doesn't wash with me. He said that site can be expanded so tires can lay around a little more and you bring, you're not loading a full tractor trailer two or three times a week. He said somebodies coming with a high-cost operation to load a few tires into a truck that's not anywhere close to full.

Ms. Smith said there's a few requirements from DQ. She said tires are not supposed to sit on the ground so there are certain requirements that we have to do, and I would, as far as a list of requirements, as far as bringing you a list of requirements, the RFP that was issued to contractors was very specific with the list of requirements. She said if you want to see what the scope of work is, that RFP is very specific with what the scope of work is. She said as far as a smaller contractor for what it needs to be, a smaller contractor, it was open to anyone and they could've bid it and they did not. She said then, you stating that it was not sufficiently looked at, Mr. Overman has looked at it up one side and down the other and there just are not a lot of options. She said he and I, we sincerely wish it had come in with less money than it did, we met with the low bidder and talked with them and went through different options to see if there was some way in order to reduce the cost and there really wasn't. She said we're trying to figure it out but again, if you look at the bid tab, I mean, the highest bidder was almost $200,000 more than the low bidder and again, it's not something that, it's what the market price is. She said again, we looked at what it could be to have a full-time employee come in and do it but it's not a job a one full-time employee can do. She said you need multiple employees to do this. She said you can't have someone at the scale house and operating multiple pieces of equipment at one time. She said not to mention when you throw in other things it's a challenge. She said also, this is a bridge, we're looking at potentially developing the site into other types of operation so again, right now it's a two-year contract with an option to renew it for an additional year. She said if it had come in lower we would've all been ecstatic, but this is what the market is. She said we submitted, we advertised it for bid once and couldn't get multiple bidders. She said we contacted as many people as we could, we just had a difficult time getting multiple bidders.

Commissioner Richardson said I fail to understand, even if you keep it open three days a week why one County employee down there couldn't call the contractor and say you, you haven't broken it down, you're asking for Cadillac service. He said the RPO is for first class service. He said why couldn't a County employee, if we had a small contractor engaged say my roads need grading, come down and make the phone call, provide some management. He said what we're doing is

we're contracting out all the management and everything else and that gets to be very expensive. He said I'm talking about a County employee running the site and he doesn't have to operate equipment because you're going to rent equipment, not rent equipment because I'm against that, that's very expensive, he's going to call the contractor and the contractor is going to come down on an hourly basis and do what needs to be done. He said I just don't see this as being, I think we bid this for Cadillac service so everybody over there can go to sleep and not have to do any work.

Ms. Smith said everybody over where.

Commissioner Richardson said in your department. He said I think you've bid something that's very easy for your department to accomplish. He said a County employee that's calling the tire guy and saying look, I've got a full tractor trailer full of tires here, get your truck in here and then he calls the guy to load them, that can't be that expensive.

Ms. Smith said you have no control over contractors coming and contractors not coming.

Commissioner Richardson said you do if you contract with them under an agreement that they're going to provide you certain services within a certain time frame, and this is what you do. He said this is called management and its magic and it saves money. He said you hold bids to just make things easy on your department.

Commissioner Deatherage said $260,000, is that two years.

Ms. Smith said no.

Commissioner Deatherage said one year, okay, so in one year we could be doing something else.

Commissioner Rebholz said it's a two-year contract.

Commissioner Deatherage said so we've got to pay this for two years, $520,000.

Commissioner Richardson said I think we should look at this again and do it a different way.

Commissioner Deatherage said I have another question, how long, say we decide to go and do the mega-sites and decide to operate them ourselves, how long is that going to take. He said what I'm trying to do is avoid an overlapping situation. He said maybe, okay, maybe we should pay $260,000. He said it may be the only way we can do it but let's do it on a yearly basis.

Mr. Overman said that was one of the reasons for the contract being two years and the additional one-year periods because the Republic contract ends in 2025 so that was our overlap timeframe there.

Commissioner Deatherage said but what I'm seeing from what you're saying is Republic is somewhat driving this. He said what if we were able to do the mega-site in a year and half from now. He said what is going to be our major impediment.

Ms. Smith said the contract, the RFP has terms that we would be able to go in and give a notice of cancellation to the contractor.

Commissioner Deatherage said is there any cost.

Ms. Smith said there's always the right to negotiate any costs for cancelling the contract. She said the initial RFP that was issued had an initial term of one year because we said the same thing, that we didn't want to tie ourselves to a multi-year contract. She said the problem that we had from all of the bidder, that based upon the type of contract that there was too much capital investment in it, that they did not want to bid for a single-year contract.

Commissioner Richardson said so you're paying that capital in this contract, that's why we need to look at this again.

Ms. Smith said we did look at the other, as far as the rental equipment or owning the equipment and that has its pluses and minuses for owning the equipment too. She said the problem with the County owning the equipment is the County doesn't have mechanics on full-time and we do not have mechanics, nor do we have mechanic shops with mechanics equipment's in the shops and that kind of thing. She said so when the owned equipment breaks down you're limited with people, service technicians coming in and making repairs.

Chairman Waters said Ms. Mosher will you read the motion.

Ms. Mosher said the last one I have was a motion to reconsider and the department to come back with a list of tasks, but the original motion was a motion to reconsider.

Commissioner Richardson said the motion to reconsider, withing that motion to reconsider is, and I don't think these people have caught on yet that I'm talking about bidding this thing with a full-time employee of the County and then having contractual arrangements, so we don't have to own equipment, with a small contractor. He said that's all you need is a small contractor, you don't need a big contractor, and provide some management like you don't need to load part of a truck of tires. He said we wait until you've got a full truck and then you call the man to come and bring his loading machine and we load the tires and load a full truck at a time. He said it's management and if capital equipment has to be bought that capital equipment is in this $260,000 a year that we are paying for. He said I think we need to go back and restructure the RFP and see what we get.

Commissioner Deatherage said I was thinking it was for one year. He said right now, months ago, well first of all I didn't know you were going out on this bid but now that I know, we voted on it and we think, now that it's going to be two years instead of one year, and I think we may put ourselves in a box where there may be a great argument to not use any of the money coming down with the Covid relief stimulus, which is kind of crazy but the money is coming, I want to use some of that money for solid waste for our mega-sites and I want our sites to be able to do some pretty unique things, which is probably going to involve us spending enough money and setting up infrastructure where we need to have a well-run site and there will be County employees there running that site. He said so if we get tied in to a very expensive, which is going to cost us $5.00 per month, you say it's a service, I say it's a tax, to everybody annually, to everybody that has a residence in Beaufort County. He said this is kind of opening up what was once cloudy is now becoming clear to me now that we need to rethink this. He said $520,000 plus we've got the opportunity to think in a very cogent manner on how we spend this money that's coming down from Washington, D.C.. He said now, everybody is talking about how wonderful broadband is to put that backbone in.

Chairman Waters said please stop.

Commissioner Deatherage said I've got five minutes and you're interrupting me so I'm going to take that time as well. He said we're talking about spending money to put in the backbone to put in broadband, we've got farmers in here saying they're not going to be able to plow their fields and I'm still wondering how they're going to get broadband in their tractors from a backbone that sits in a pipe. He said do you understand that. He said it's inconceivable to me how that's going to happen when there's satellite service already available and that is the plan going forward, more than what's in the ground. He said so it's a very complicated issue and we need to think about what it's going to take Beaufort County forward. He said if we're going to get infrastructure money we need to use it wisely and well and if we put ourselves in a box right now, $520,000 over two years, we may offer a great excuse to the group, maybe it's the chamber of commerce, they're talking about broadband like it's the second coming and I'm telling you, for somebody who understands internet, it ain't the second coming.

Commissioner Booth said please forgive me.

Ms. Smith said I'm sorry, again it came in higher than either of us expected. She said when we put the RFP out we wrote the RFP, and we wrote the scope of work for what we felt was needed at the landfill in order for the landfill to run as it should to give it a level of service we feel the citizens deserve. She said we are at the end of the compliance period for the closed municipal landfill. She said we had leachate problems in the past, we paid $30,000 for leachate repairs two years ago. She said we include in the scope of work reviewing and walking the landfill to stop and alleviate leachate repairs earlier so they can be repaired on a smaller basis so we're not making those expensive repairs because again, we've got some issues right now that need to be addressed so I do disagree with you that it's a Cadillac RFP. She said I would say it's a Chevrolet, it's up from a Hugo so we do believe it will be an increase in service from what we've had. She said but again, it did come in higher than what we thought but based upon where we are in the solid waste transition it seems to be the best, we believe it's the best transition plan that we have for now and that's why we've made this presentation. She said but we are staff, and we will follow the recommendation of the Board, whatever it may be. She said if you want us to go back and look at it again, whatever your recommendation is that is what we will do.

Commissioner Richardson said let me be sure what we're voting on. He said we're just voting to undo what we did and reconsider. He said we're asking them to come back with some alternatives.

Motion Restated: Commissioner Richardson motioned to reverse the prior vote and reconsider. Commissioner Deatherage seconded.

Yes Vote	No Vote
Commissioner Deatherage	Chairman Waters
Commissioner Richardson	Vice-Chairman Langley
Commissioner Walker	Commissioner Booth
	Commissioner Rebholz

See Addendum 9

Buck Jones Lease

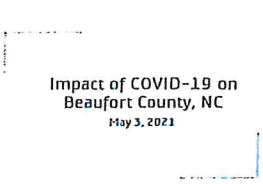
Mr. Overman said the second item I have for you tonight is the Buck Jones Solid Waste Site Lease renewal. He said we have been leasing property from Weyerhaeuser Company for property on Clay Bottom School Road in Blount's Creek for operation of the Buck Jones waste site. He said a proposed three-year lease agreement for the site is attached. He said everything is the same as the previous three years other than the lease rate is going up to $1,700 per year, which is a $50.00 increase per year. He said our recommendation is to approve the lease agreement with Weyerhaeuser Company for the operation of the Buck Jones Waste Site.

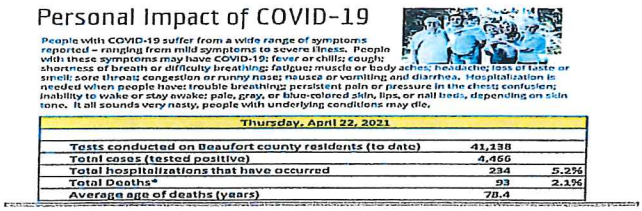
Motion: Commissioner Richardson motioned to approve the lease. Vice-Chairman Langley seconded. The vote was unanimous.

See Addendum 10

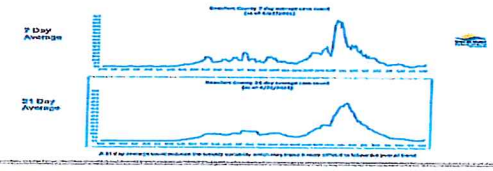
Economic Impact of Covid on Beaufort County

Mr. Martyn Johnson said Commissioner Deatherage asked me to give a presentation on the impact of Covid-19 in the last meeting and we made a lot of contact in terms of numerous people in the County, although I won't say this is a scientific study of what happened during Covid. He said the first thing I'd like to say is I don't want to just give numbers and Mr. Madson gave his report earlier for the impact on people involved so I just wanted to point that out that there has been a lot of impact on people both financially and physically. He then gave the following presentation to the Board.





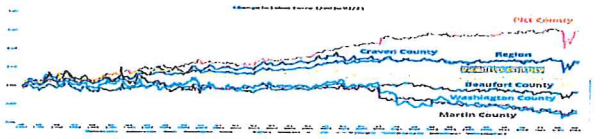
Personal Impact of COVID-19



COVID-19 Impact: Labor Force

Unadjusted Labor Force Statistics			
USA *000	03/20	03/21	^
Labor Force	164,235	160,008	-2.57%
Employed	153,017	149,527	-2.28%
Unemployed	6,218	10,480	68.54%
Unemp. Rate	3.8%	6.5%	71.05%
NC *000	03/20	03/21	^
Labor Force	5,112	5,004	-2.11%
Employed	4,938	4,673	-5.37%
Unemployed	174	332	90.80%
Unemp. Rate	3.40%	6.6%	94.12%
GWCSA	03/20	03/21	^
Labor Force	130,854	130,427	-0.33%
Employed	101,156	101,291	0.13%
Unemployed	3,028	6,336	53.84%
Unemp. Rate	3.2%	6.2%	93.56%
Beaufort County	03/20	03/21	^
Labor Force	19,968	19,956	-0.06%
Employed	18,175	18,751	-3.21%
Unemployed	793	1,205	51.94%
Unemp. Rate	4.00%	6.00%	49.99%

COVID 19 Impact: Labor Force



COVID-19 Impact BCED 2020 Interns Virtual

Governor's COVID-19 & BES Summer Interns
Web Site & Social Media Development

ECU RISE 29 Spring Interns - CANCELED due to COVID-19

ECU RISE 29 Summer Interns - Oswaldo Corona, Carrie Chalken and Grady Hillhouse - Client: Carolina Ave 76

ECU RISE 29 Fall Interns - Steven Hollingsworth, Tiffany Corey and Sma Almomani - Client: ALPHA LIFE Cannery Project

COVID 19 Impact on BCED
2020 Project Sources and Types (30 vs 46 2019)

Impact of COVID-19 on BC Community College

- Required 2/3 of courses and students to attend via video-conferencing platform to avoid transmission of virus and creating a hotspot on campus. Started in March 2020 and is still in place. Not as instructionally effective as in-person courses.
- Of the 1/3 of students who attended in-person labs, many were required to quarantine for 14 days after a classmate tested positive, thus missing critical lab time.
- Faculties staff placed at greater risk of contracting the virus due to the necessity to constantly clean classrooms and public spaces.
- Experienced approximately a 10% total decrease in enrollment in fall 2020, Spring 2021 after 7 consecutive semesters of enrollment growth. Equates to a loss of $850,000 in state FTE funding for FY 2022.
- Several faculty and students—including the President—suffered through COVID infection, resulting in significant hours of lost productivity and instruction.
- College buildings, including the library, have been closed to the general public unless the visit is related to enrollment since March 2020.
- College has stopped all public, face-to-face events, including graduation and MLK Celebration, thereby compromising its role as a gathering place for all community members.

Impact of COVID-19 on BC Schools

- Highlighted technology needs
- Lack of Broadband an issue even with hotspots because of lack of coverage in some areas.
- Purchased computer equipment because students did not have ability to connect for classes.
- Teachers teaching both face to face versus and online students currently.
- Scheduling and supplying meals difficult
- Personnel changes – retirements/accomodations/fearful of working face to face
- 300 (5%) students left school district in search of face to face instruction
- Mask mandate but back to face to face instruction in 8/21
- No Athletics instruction
- Large achievement gaps

Impact of COVID-19 on BC Schools

- Summer school – ahead of game – 6 weeks 150 hours planned – training teachers – mid-May – large attendance on ends of K-12, likely attendees seniors and juniors plus K – 3 grades plus those that need to be in summer school (500 to 600 summer school)
- Invitation retention letter – academically stranded – held back – not promoted or retained based on standard tests
- Progress non-instructional compliance – operation areas, food plus cleaning supplies and machines
- Mental health of teachers and particularly students late elementary and middle school (suicidal thoughts increased)
- No athletics leading to loss of scholarships
- Hourly employees lost income 9-10/20 – 9 weeks closed
- Closed at site kids home feeding 5-13 meal sites school, churches, other locations plus boxes for Saturday/Sunday
- Will be feeding food 7 days a week in summer
- Broadband access – $67,000 raised by The Hackney and Rotary provided 1,068 kids needed computers 13 left

Impact of COVID-19 on Communities

- Aurora:
  - Delayed Aurora Industrial Park Project – Corp & NCDEQ – local taxes raised
  - Canceled Fossil Festival – Museum closed – reduced donations & income
  - Community Center closed – no rental income
  - Water & Sewer Utility payments delayed
- Bath:
  - School not in session & restaurant closed impacted water & sewer receipts
  - 2 years cancelation of large and small celebrations
  - Social effect of school & recreational department being closed
- Belhaven:
  - Electric, Water & Sewer Utility payments delayed and loses
  - No business loses, closed during pandemic period
  - Hard to find help due to financial benefits
- Chocowinity:
  - Light impact, did not even file with FEMA but State did provide PPE
  - Water & Sewer Utility payments delayed -> payment plans

Impact of COVID-19 on Communities

- Pantego:
  - Business stayed open due to being essential
- Washington:
  - Lost charismatic Mayor Hodges – huge impact now and in the future
  - Closed City Hall making serving the public harder
  - Canceled many events both City and Non-Profit
  - Water & Sewer Utility payments online and drop box
  - Sales tax steady
  - City employees flex scheduling working from home
  - Decreases in occupancy tax and Civic center catering & event space rentals
  - Stores closed due to COVID-19:
    - Bath's House Thrift Store – elderly staff
    - Wardrobe Alterations – no need for alterations
    - Texas Parlor – health restrictions
    - Porter's Chest Interiors Antiques – reduced sales
- Washington Park:
  - No losers, small quiet community

Many retail stores closed due to COVID regulations but then reopened to stave of bankruptcy & are now hanging on as sales improve

Impact of COVID-19 - WBCCC Member Surveys

Small Business Survey Q2 2020

- 80% open 20% closed
- 70% no layoffs 25% temporary layoffs 5% permanent layoffs
- 30% received business assistance, 40% inprocess, 30% unaware
- Impacts: delays, inable of customers to pay bills, delayed opening, few new customers, increased expenses due to PPE, contracts canceled, no sales/no revenue, many customers computer illiterate, customers finding alternate ways, no social interaction, staff hours cut, supply chain disruptions, changes in the way business is done, convert to online and no events no business.
- Future impacts: sneeze shields are here to stay, more working from home, online sales, hope for a good summer, increased lodging expenses, decreased production, unpredictable project schedules, increased need for social services, increase home made products, 20-30% lose of revenue 2019/2020, lose of to be record year, diversify, will bounce back, configure operations & layoffs
- Ideas: communicate with customers/suppliers via phone, web, social media, zoom etc.; help employees to work remately; assist employees find childcare; seek grants for everything.

Impact of COVID-19 on Manufacturing Businesses

- Initiall chaos as company tried to understand rules and regulations
- Most companies found a way to be an exempt manufacturer
- Beaufort County Industries boat building, air filtration, medical, appliance & commercial interiors boomed
- Companies reorganized work processes using PPE, spacing and screens to protect workers
- PPE shortage was an issue but many started producing their own or sourced offshore
- Older workers were concerned about coming to work due to the elderly being more susceptible
- Low wage earners found and still find they can earn more staying at home rather than working
- Currently a major labor shortage due to lack of numbers but also mismatch of labor skills to needed job skills
- Raw material price increases due to demand and supply chain issues
- Unable to ship products due to lack of parts caused by supply chain issues
- Product redesigned to meet COVID regulations that will likely last into the future
- Product redesign reduced not only COVID but flu and pneumonia amongst employees
- Product redesigned focused on shortening supply chains
- Increase in apprenticeship programs to entice workers to work for and stay with companies

Impact of COVID-19 on Farmers

Farm businesses have experienced disruptions to production because of lowered availability of labor and other inputs, and reductions in output prices resulting from declines in demand for commodities in certain market segments. Additionally, farm households may be affected through loss of wages and benefits from off-farm labor that they use to fund farm production needs, household living expenses, investments, and payments on farm business.

Farm households have also been affected by the pandemic through loss of off-farm income or loss of employment-based health insurance benefits. Off-farm income sources vary by household debt. The majority (61 percent) comes from wages and salaries of operators and other household members, and the remainder comes from: transfer income (19 percent), non-farm business income (11 percent), interest and dividend income (4 percent), and other sources of income (6 percent).

Source: USDA ERS

Impact COVID-19 on Beaufort County Economy

Impact COVID-19 on Beaufort County Economy

Impact COVID-19 on Beaufort County Economy

Impact COVID-19 on Beaufort County Economy

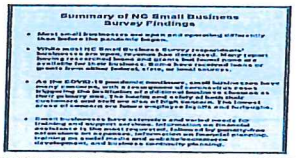
Average Weekly Wage Rate increased slightly from Q2 2019 to Q2 2020. (from $707 to $736 equals +4.1% per quarter)

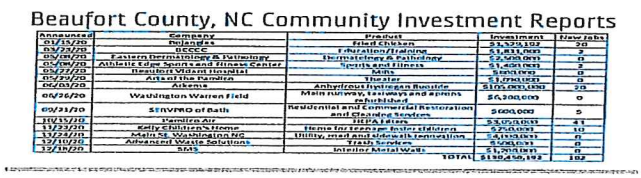
Average Weekly Wage Rate increased slightly from Q3 2019 to. Q3 2020. (from $742 to $761 equals +2.5% per quarter)

Total Wages Per Quarter decreased by $1,300,000 from Q2 2019 to Q2 2020 (from $143,800,000 in 2 Qtr. 2019 to $142,500,000 in 2 Qtr. 2020)

Total Wages Per Quarter increased by $4,100,000 from Q3 2019 to Q3 2020 (from $147,200,000 in 3 Qtr. 2019 to $151,300,000 in 3 Qtr. 2020)

2020 COVID-19 Impacts





Announced	Company	Product	Investment	New Jobs
05/15/20	Pelonis	Fried Chicken	$1,320,192	20
05/22/20	BBGC	Education/Training	$1,811,000	2
05/29/20	Eastern Dermatology & Pathology	Dermatology & Pathology	$2,500,000	0
05/08/20	Athletic Edge Sports and Fitness Center	Sports and Fitness	$1,400,000	2
05/27/20	Beaufort Memorial Hospital	MRI	$900,000	0
05/27/20	Arts of the Pamlico	Theater	$1,700,000	0
06/03/20	Arkema	Anhydrous Hydrogen Fluoride	$105,000,000	25
06/26/20	Washington Warren Field	Main runway, taxiways and aprons refurbished	$6,300,000	0
09/31/20	SERVPRO of Bath	Residential and Commercial Restoration and Cleaning Services	$600,000	5
10/15/20	Pamlico Air	HIPAA Rates	$3,000,000	41
11/23/20	Kelly Children's Home	Home for teens w foster children	$750,000	10
12/24/20	Main St. Washington NC	Utility, mail and sidewalk improvements	$4,100,000	0
12/10/20	Advanced Waste Solutions	Trash Services	$4,250,000	0
12/15/20	SMS	Interior Metal Walls	$1,200,000	0
		TOTAL	$130,450,192	102

Commissioner Deatherage said are you finding that people are having a hard time finding employees now with the incentives, or should I say disincentives to work.

Mr. Johnson said they are having a hard time partly because of that and partly because the skills that are available and the jobs that are available don't match. He said that's where all the training comes in and we're trying very hard to train people up. He said if we can train them up then those incentives become less, those payments become less valuable to them. He

said it's only a certain dollar per hour if we can get them skills that are higher than that. He said but if they don't take training and they don't skill up then that is correct.

Commissioner Deatherage said we recognize, we all recognize that the disincentive to work is an untenable project. He said it cannot be sustained on the backs of the taxpayers in the United States. He said I know I understand it's buying a new governing apparatus here and some people want that, and they'll do anything to achieve that however it is ruining the capitalist society that we've had for, I don't know, 200, 300, 350 years as a colony and then as a republic. He said so is there any advocacy in your group to ask the federal government to please stop giving away money, printing money.

Mr. Johnson said we're not an advocacy, that's you all but what we are trying to do, as I said, is try and increase the value of the labor force. He said if you can have one person do what two people do then you increase the value and hopefully people see that and they won't want to just receive government payments going forward, they'll see a career.

Commissioner Deatherage said that sounds good but there are going to be some sectors where it's going to be one-on-one. He said you can't make two waiters out of one, it's impossible.

Mr. Johnson said but you can improve the service of that waiter such that the waiter gets a larger tips for what they've done. He said that's what the Hackney found that they trained their waiters to be true waiters and not just somebody serving food, so I think that's, in some ways, the model that we need to follow, that we improve the quality of our labor so that they get paid more.

Commissioner Deatherage said you don't get a lot of Hackney's in eastern North Carolina, probably.

Mr. Johnson said no, there's a lot of those sort of restaurants and we're having a number of more restaurants come in.

Commissioner Deatherage said that only a few people can eat at. He said you see where I'm going with this. He said I'm trying to get to a point of reality and you using the Hackney as an example of that just throws it way off into an unreal perspective.

Mr. Johnson said I think what's going to happen is that, like McDonalds then, I think what is happening is automation is coming in for jobs that have no skills, where the people have no skills. He said that I think where people are going to be paid for in the future is where they have skills and they can provide a better service, operate a machine, repair a machine, whatever, so that they will be valuable. He said I would agree with you, we need to increase the value of our people so that they can earn good livings and have careers.

Commissioner Deatherage said we've got a lot of people who just don't work, that won't work, whole families that won't work, that's just their lifestyle.

Mr. Johnson said all I can say is, with the Made in Beaufort County marketing program, what we're trying to do is show people that there are careers and there are better things than sitting at home watching TV. He said that might be what they want to do but they need to be able to be shown that there are alternatives to that and if you get out of the house and do something, maybe you can earn $50,000, $60,000, $80,000 or $100,000. He said one of the big things that the school system and the community college are trying to talk about is Pathways. He said basically, starting in middle schools and effecting those individuals so that they see if they follow this pathway they could end up as a welder at Camfield making $100,000 a year.

Commissioner Deatherage said but how about all the people who are not going to ever be that. He said you can't have but so many welders, you can't have but so many people that code. He said you can only have so many. He said how about the people, when the money dries up, what are they going to do.

Mr. Johnson said when the money dries up.

Commissioner Deatherage said the money will dry up; it's going to dry up. He said everybody with a full working brain knows that. He said the money that's being printed right now will dry up. He said that's what, our entire economy is built on federal money, to the point of $4 trillion this year and possibly another $6 trillion in one year.

Mr. Johnson said I can't deal on those concepts.

Commissioner Deatherage said it's a concept that we're all going to have to deal with.

Mr. Johnson said I can only deal with population in Beaufort County and what I see and the industries that we have here right now and the shortage of labor skilled for those positions and if we try we might be able to get some of those people off their couches and into jobs that will give them a future.

Resolution for Land Sale Washington/Beaufort Industrial Park, Lot 1

Mr. Johnson said the next item is one from last time as well and that is the sale of the land to Harry Smith. He said he has upped his bid to $7,500 per acre and as, I think, I said earlier he is a longtime resident and businessman in the County. He said he is currently associated with many business ventures in the County and in the process of implementing many others. He said this arrangement would also entail us being the agent for the City of Washington through an agreement that basically we would offer it as the agent. He said currently the ownership is 55% for the County and 45% for the City so we would, on sale, we would divide the City as such and the process for the purchase will go through the upset bid process in order to meet the competitive requirement of North Carolina G.S. 45-21.27. He said staff would request the Beaufort County Board of Commissioners accept the bid from Harry Smith for lot 1 in the Beaufort County/Washington Industrial Park and associated upset bid documentation and agreement with the City.

Commissioner Deatherage said I assume, right now we've got $7,500 from $5,500 last time. He said we're still way under what we paid for it. He said was he going to build there, is he going to build a business.

Mr. Johnson said I believe so, yes.

Commissioner Deatherage said shouldn't we know that before we accept any bid. He said just because somebody is a big-time money investor I think we should be very careful about allocating property to people that Beaufort County paid for. He said we had an advocate here earlier tonight that said we should do whatever comes our way without thinking about it and I think we have to think about things like this.

Mr. Johnson said he is an owner and partner of Pamlico Air which is purchasing the Industry Ready building, which is next door to this property so making an assumption just on my own, he is purchasing the land for future expansion. He said the current site is only 5 acres and there's another site that backs up to the north side of that property. He said this is on the south side of the property, so I believe he is buying it for potential expansion.

Commissioner Deatherage said but we don't know that for sure.

Mr. Johnson said I believe that is what he's buying the property for.

Commissioner Deatherage said but we don't have an agreement, or anything written. He said let me propose this to you, what happens if we do the upset bid, and another investor comes along and says I'm going to pay whatever it is plus 10% and we get a little bid thing going and it gets up to $12,000 and Mr. Smith loses, and the other guy isn't going to do a thing with it.

Mr. Johnson said I can't play what ifs.

Commissioner Deatherage said but we have to play what if's, we're the governing body up here. He said we're not going to do everything we're told to do; we have to play what ifs.

Mr. Johnson said you are making a decision based on the fact that person has made a bid on this land, they are a substantial businessman in the community, they own a business that is on an adjacent site. He said I cannot call anybody to say yes, they're going to expand that business, that's not how it works, but my understanding would be that he's buying this land to expand this business.

Commissioner Deatherage said land prices are really up now and, we bought this to bring business to our area and we sell it to somebody on a maybe, kind of, who knows, wink and a nod, I'm not so sure we are doing our fiduciary to the people of Beaufort County, many of whom were not interested in all of this economic development that we spent millions of dollars on in the last couple years. He said if we change the rules of the road now I just don't see it.

Mr. Johnson said I don't understand what you mean, change the rules of the road.

Commissioner Deatherage said the rules of the road is we always made money on property or at least got our money back. He said this is, I don't think we've ever sold anything for $7,500.

Mr. Johnson said you sold another site in the industrial park for $7,000.

Commissioner Deatherage said how long ago was that.

Mr. Johnson said it would've been 2018 and it was, again, the same situation.

Commissioner Deatherage said that was before me then.

Mr. Johnson said two tracks.

Commissioner Rebholz said did they build or are they building on it.

Mr. Johnson said they haven't built yet, but it's anticipated. He said I don't have a crystal ball, I can't say what is going to happen on that site but given what is happening with Pamlico Air and it's just been bought by Mann and Hummel, I would extremely believe that the site will be built on in the next five years. He said to say something precise is going to happen, I can only say what the performance grant says and that is 43 jobs are going to be created in the industry ready building, but my understanding is that is just a start, but I don't have any documentation that says that. He said with the take-over and everything I think it is likely. He said it's a $4 billion company that took over the company so if I were to place my bets as to leaving that site vacant or selling it to Harry, I would say I would go with Harry, but I can't say precisely.

Motion: Commissioner Rebholz motioned to accept the bid in the amount of $7,500 per acre and to start the upset bid process. Commissioner Booth seconded.

Yes Vote	**No Vote**
Chairman Waters	Commissioner Deatherage
Vice-Chairman Langley	
Commissioner Booth	
Commissioner Rebholz	
Commissioner Richardson	
Commissioner Walker	

Mr. Johnson said thank you very much and I'll work very hard to put some jobs on that site. He said remember, now they're going to be paying taxes on that land.

See Addendum 11

Resolution to Transfer Property to Belhaven

Mr. David Francisco said at your last meeting you approved giving control of the Cooperage property in Belhaven to the Town of Belhaven so they could pursue grants to improve the property and utilize it as a regional boat ramp. He said the resolution that's attached to this presentation. He said a "Resolution to Option Real Property to the Town of Belhaven for Two Years" is necessary for Belhaven to pursue the grants that were discussed during the April 5th meeting. He said I'll read the option if you want me to, it's right there in your book but I'll read it. He then read the following:

Whereas, Beaufort County is the owner of certain tracts of land, generally known as the "Cooperage Tract" and which are located at the intersection of Highway 99 and old US 264 on Main Street, in Belhaven, North Carolina; and

Whereas, the Town of Belhaven has requested these tracts be transferred to the Town of Belhaven so it may seek grant funds for improvements to the said property; and

Whereas, the County wishes to support development of the Belhaven area and this particular property which has been described as the "gateway to Belhaven"; and

Whereas, the Town of Belhaven requires "site control" of the properties in order to seek grant funding opportunities.

Now, Therefore, Be it Resolved that Beaufort County will, pursuant to NCGS 160A-274, option the "Cooperage Tracts" consisting of REIDs 5497, 29439, 28999, and 17461 to the Town of Belhaven for a term of two years so that it can establish "site control" for grant funding opportunities.

Let a copy of this resolution be recorded in the Office of the Register of Deeds, Beaufort County, North Carolina.

Motion: Commissioner Booth motioned to approve the resolution. Vice-Chairman Langley seconded.

Yes Vote	**No Vote**
Chairman Waters	Commissioner Deatherage
Vice-Chairman Langley	Commissioner Richardson
Commissioner Booth	
Commissioner Rebholz	
Commissioner Walker	

See Addendum 12

Juvenile Crime Prevention FY 21-22 Local Match

Mr. Alligood said this item is the JCPC local match for FY 21-22. He said as you recall, normally, during non-Covid times you would've had your meeting with the JCPC board where they would've presented this, and you would've had discussions on this and would've presented it prior. He said since we're not doing that, this is the documentation. He said it has historically been done before the budget discussions, so we put it in place as well. He said as you recall this is where the State of North Carolina Department of Public Safety partners with local JCPS's to provide money to help reduce juvenile crime. He said this year, as there always is, there's a 10% match for the County. He said the proposal from DPS this year is $185,624 so that would require $18,562 in County cash match. He said you will see in the funding plan there is also a local "in kind" from the local mediation center of North Carolina. He said they received some money and provided an in-kind match. He said so the local impact is $18,562 with the local County match being included in the FY 21-22 budget and we'd recommend you approve that, as has been your standing before.

Motion: Vice-Chairman Langley motioned to approve the local County match. Commissioner Rebholz seconded. The vote was unanimous.

See Addendum 13

Renewal of Lease for Property Used by Hospital

Mr. Alligood said the next item is renewal of a lease on property that is leased from the County by the hospital. He said these are the two properties and you're very familiar with them. He said the first is known as the Tideland Mental Health building and the Silverthorne Crisis Center. He said the Tideland lease property is located at 1308 Highland Drive and

according to the lease it's approximately 6,663 square feet. He said the Silverthorne lease is at 1379 Cowell Farm Road, they're actually adjacent and per that existing lease agreement it's about 5,794 square feet. He said both of those lease agreements started September 1, 2011. He said they had a ten-year initial term. He said that term will end August 31st of this year. He said per the lease agreement, if you do not make a notice to them 90 days ahead of time they automatically renew for a 5-year period under the same conditions. He said we've had discussions with Vidant about this and they do wish to continue the lease agreements and they are agreeable to some negotiations on those lease agreements in order to address current operations and the needs of both parties. He said you see some recommendations that came from the County Attorney, I mean the County Engineer, revising the square footage to make sure that's more accurate, not allowing sub-leases, they would have to have County approval for sub-leases. He said removing janitorial services and supplies. He said we are doing that now and that should be something the tenants should do. He said removing snow and ice removal. He said Vidant has an in-house maintenance group that can look after their stuff, it's appropriate for them to do that for a facility that they have. He said we also want to clarify, essentially, now we're looking after every little thing that happens there and it's really not appropriate for us. He said we don't have the staff to do it. He said we shouldn't be changing lightbulbs in a facility we're leasing to someone; they should be looking after that so things like that. He said service calls for stopped up plumbing, they need to be taking care of those. He said they would also be responsible for hardware and key changing issues and they would be responsible for any damages to walls or doors. He said we would be responsible for the infrastructure of the building, the major infrastructure like we would do for any normal lease agreement and that the County would approve any alterations totaling more than $3,000 and of course no space heaters allowed in the building. He said that's just something in our risk management that we don't want to happen. He said under this you see several options. He said you could take no action on this matter and let the leases just renew for another five-year term. He said you could also give notice to not renew the leases. He said currently the fiscal impact on that is the Tideland building brings in $5,365 per month in rental rate and the Crisis Center brings in $4,663 and there is a CPI adjustment on those annually. He said so what we're asking you to do is to authorize staff to negotiate the renewal of those leases with some of the suggested modifications for both of those buildings and include that same CPI as we move forward.

Motion: Commissioner Booth motioned to approve allowing staff to negotiate new leases for the Tideland Building and the Crisis Center. Vice-Chairman Langley seconded. The vote was unanimous.

See Addendum 14

Update on Broadband Discussions

Mr. Alligood said I wanted to give you an update on some of the discussions we've had with Charter Communications and Century Link regarding broadband projects. He said so you've heard a lot recently about RDOF. He said that is the Rural Digital Opportunity Fund. He said he said as you can see on the slide it is an FCC initiative designed to inject billions of dollars into the construction and operation of rural broadband. He said it was a reverse auction so essentially what they said was we're going to look at census tracts and we're going to say to you how much is it going to cost to build broadband in those areas and then we're going to take it in reverse auction fashion. He said so everybody that's bidding on this says 100% of the money that it takes to do that and then the first cut is 80% and the next cut is 60% and the next cut is 40% and they start weeding people out so the bidders are essentially saying I can do it for less, I can do it for less. He said as they got to the point where they couldn't they dropped out. He said so that's where you see the majority of the big boys, the big players stayed in. He said phase I of the auction ended on November 25, 2020 and it awarded $9.2 billion in support to 180 bidders so that's 180 bidders across the entire United States. He said so you will recall the way this was essentially set up was they had to do a short form and you've heard that conversation previously with our partner under the MOU, RiverStreet. He said Greg Coltrain has spoken to you about that where you had to put in what's called a short form and that essentially it says here's how were going to do, here's how were going to deliver that service and then once they went through the bidding process now they are in the process, there was a quiet period in there where they couldn't talk about it and you will recall he talked about that as well. He said so now they're in the process where they've awarded these or they've tentatively awarded these and they're in the long form process where they've got to go through now and justify to the FCC exactly how they are going to do what they're going to do. He said so the RDOF winner in Beaufort County, and this is listed in the awards totals across the United States, CCO Holdings, which is Charter, they received $1.2 billion from the federal government to provide broadband in rural locations of a little over 1 million locations across 24 states. He said they are proposing to use fiber and cable to do that. He said then the other large win or, Charter was the largest winner in Beaufort County and then Starlink was the next big winner in Beaufort County. He said they received $885 million for

642,000 locations across 35 states and what they're using is low-earth orbit satellites. He said so if you look at this map you will see exactly where those rural tracts were that the FCC allowed them to bid on. He said you've seen this before, I'm sure. He said the green areas is where CCO Holdings, or Charter, won the bid. He said the red areas is where SpaceX won the bid that they're receiving money to provide service in those areas. He said for the RDOF winners, it's done by census block. He said they will receive 10 years of subsidy payments from the FCC. He said they are required to deploy broadband within six years. He said they must include broadband and voice service in that, and it's got to be a minimum of 25M and 3M up. He said they do face a fine for non-compliance for not doing what they said they were going to do and they're currently finishing what's called the long form documentation. He said according to the FCC document they face a fine for default of $3,000 per geographic unit subject to the bid and the language in that said the penalty "should not be unduly punitive and expect the forfeiture to be proportionate to the overall scope of the winning bidder's bid". He said so what they're saying is you may have won this but if you back out and default and say I'm not going to do this you can charge $3,000. He said the concern that we have with that, and we've said it before is this allows the big boys to come in and lock it up and then not do something. He said so this is about CCO Holdings, we had a conversation, in fact Commissioner Rebholz sat in on that conversation, he helped line that up, no I'm sorry, that was Century Link, let me back up. He said I had a conversation with the folks from CCO Holdings, that's Charter Communications. He said the gentleman from this area called me, he said based on theirs they intend to serve, based on the RDOF, about 1,600 homes that you saw previously in those areas. He said it will be a six-year project that will hopefully be sooner. He said they have hired a new vice president of construction in North Carolina for RDOF awards. He said they plan to use d a hybrid fiber model with gig service. He said what they anticipate is using the infrastructure they have coming up from Grantsboro to serve the south side of the County. He said and then, of course, they wanted to know was the Board interested in partnering with them in other areas using American Rescue Plan funds. He said SpaceX, Starlink, they're using low-earth orbit satellites. He said there are studies out there now, as they go through this long form process, their ability to meet the compliance. He said I read a couple of those and it's for the experts to debate if they can and we will just see, in time, whether it does work. He said if you're going to sign up for Starlink it's $499.00 for the equipment and it's $99.00 per month. He said currently they have no caps, that's what it says at this time. He said I can tell you I had a conversation with folks on the south side who have HughesNet and they say it does not work. He said the conversation we had with CenturyLink, Commissioner Rebholz, let me make sure I have it correct, Commissioner Rebholz helped on lining that up with the gentlemen, CenturyLink did not receive, they did receive some funding, but they didn't receive any funding in Beaufort County. He said so essentially what he said was they were staying out of the RDOF areas and the reason everybody was essentially staying out of the RDOF areas is because there was, in HB 196 that was signed I believe three or four weeks ago by the governor, there was language in there that was inserted at the last minute by a senator that said if you received RDOF funding in your areas then you are not eligible for Great Grant funding. He said now the Great Grant is the state broadband grant. He said so they essentially said they were going to look at areas in Old Ford, near the Community College and Belhaven. He said they're project is to run fiber to the home with gig speed, but they will not overbuild their system. He said the only areas they would run fiber to is in the areas that they were doing new build. He said essentially he said if they were to overbuild the system they would only get $15.00 extra for each customer if they so choose to upgrade to that speed so they were not looking to overbuild. He said they were looking to stay in existing areas and then just go into where they felt they could apply for a GREAT Grant. He said they did a quick look and said there were some areas, specifically they talked about Old Ford, south of the Community College and Belhaven, where they thought they could get a GREAT Grant and run 63 miles of fiber and get to 2777 homes, which he said was about $4.2 million. He said the GREAT Grant is currently a $2.8 million cap. He said if you could get a 70% grant then you would have a 10% local match but because they did not respond to our RFP they are not eligible to do that and our conversation with him about that and he did confirm that was his address that we sent the RFP to, that was his office address, they just didn't respond to it, or didn't see it and he said he hadn't been in his office in six months. He said so they're intent is to try and get the general assembly to change the language that you no longer need an RFP requirement to engage with counties for broadband for Great Grants. He said then, of course, they wanted to know what was the County's opportunity to partner with them on the American Rescue funds as well. He said so again, just to talk a little bit about your MOU partner, RiverStreet, they were the only ones who responded to the RFP, they are a local company, they provided you with a county wide engineering plan. He said they're eligible for a GREAT Grant, just like every other person is, everyone else who has an RFP with you and they're the only ones who do. He said they're proposing to run fiber to the home, which would be gig speed. He said they've offered a revenue sharing agreement at 20% for folks that do that. He said their fiber backbone, which they said would cost approximately $7.2 million would run 151 miles, passing 690 locations at 100% take rate. He said they also did, in the RFP that we put out, they gave us a design for fixed wireless and that would be using nine towers, serving 4,562 locations, using fixed wireless. He said that would be, roughly if you take 40% take rate, that would be 1892. He said they said they could do that using microwave backhaul for $2.1 million or if you ran fiber to each tower it would be about $5.6 but in their RFP they said they didn't

think that was the way to do it. He said they said if you spend that extra $3 million you ought to start running fiber to the home. He said that lays out there where they are in their fiber network, the backbone.

Commissioner Deatherage said are the towers designed to get wi-fi to almost all of the County.

Mr. Alligood said it was to run fixed wireless to the area that they could provide. He said that they could stand up nine towers and it would serve 4,562 locations and they just assumed a 40% take rate. He said according to the RFP proposals it was $2.1 million if they used backhaul to do that so that's doing a fixed wireless solution to try to get things up quickly and then slowly build out with fiber as you go.

Commissioner Deatherage said so get the towers set up and then, get the towers set up with fiber going to the towers.

Mr. Alligood said no, they actually did not propose, I mean, in the RFP it shows the cost to run fiber to each tower would be about $5.6 million. He said they didn't propose that, they said that's what it would cost. He said their proposal was to say microwave backhaul aught to do it.

Commissioner Deatherage said what is microwave backhaul.

Mr. Alligood said instead of using fiber they're using microwave link.

Commissioner Deatherage said is that like a copper.

Mr. Alligood said no, it's over the air, it's like a dish.

Commissioner Deatherage said they can project that to the towers and that will work.

Mr. Alligood said yes, we do that. He said we actually use that for our system. He said we use that for our radios, we have a microwave for the radio system. He said it microwaves from Cherry Run to the tower at the landfill so we didn't have to run fiber between the two, we have a microwave that runs it back and forth so there is that proposal. He said so that's where you are with that. He said I guess where I'm going to leave you with is that graph right there. He said that is Beaufort County's population. He said in 2010 it was a little over 47,800. He said in 2020 you see where we are and you see where the North Carolina Office of Management is projecting we will be. He said that's what our goal is, how do we stem that downward slide in population. He said our older folks are dying and our younger folks are leaving and they're not coming back. He said we've got to do something to keep our folks here, to build our industry, to do the things that move us into a new economy and that is internet, that is broadband. He said you've been a part of the discussions that were held with the Association of County Commissioners, it's been their #1 project for years to try and do that. He said I understand there's lots of things you want to look at, I would urge you to continue to look at broadband as part of that money. He said if you don't use that to try to build for your future we are always going to find ourselves, the County is always going to find itself behind the eight ball. He said we're always going to be at the back of the line, we're always going to be trying to catch up. He said this is an opportunity to use federal money, that if you don't spend it you've got to send it back so somebody is going to use it. He said you might not like grant money at all, I understand that very clearly but somebody is going to get that grant money and it is our job, as staff, to find you as much of it as we can and to let you use as much of it as you can because if you don't it's going back and somebody is going to use it. He said it's like nuclear weapons, everybody is going to have them and they're not going to do away with them so our job is to find as much of it as we can and the opportunity, you've heard from the public, you've heard from other people. He said if you were on the call with NACo, the National Association of Counties, that they've had, the North Carolina Association of County Commissioners, what they've said is with on your American rescue Act money is please use that money to invest in your future. He said don't just spend it, invest in your future. He said I can't tell you what that money can completely be used for. He said I got a note, you may have seen it, from NACo saying they are anticipating guidance coming from treasury but treasury is still writing the guidance on what those funds can be used for. He said I don't know what they can all be used for. He said I do know the plain language that's written on the back, that's what has come out in what you can and water, sewer and broadband are those so I would ask you to keep that in your mind because we've got to turn the tide in losing population in Beaufort County. He said if it continues to go down we're a sinking boat.

Commissioner Rebholz said are you saying there's no way now to consider someone other than RiverStreet because they're the only one that responded.

Mr. Alligood said what I'm saying is on the GREAT grant funding, well, back up, according to state statute, in order to partner with a broadband provider you have to put out and RFP. He said we did that last November, we held it out there, by statute you have to hold it out there for, I think, 30 days and we had it out there for about 45 days. He said you had to send it to every known provider you could find, we did that. He said in fact we got notice from one saying yup, that's my address. He said in order for you to partner with them an provide them grant funding to put in broadband infrastructure, it doesn't let you get into the broadband business it just helps them do it, you have to go through that process, there has to be an RFP so, right now, nobody else responded to that, RiverStreet is the only one that did. He said so, by the law, in order for you to deal with someone else and give them money to put in infrastructure you've got to go through an RFP process again. He said I think it would be a little bit disingenuous now that folks want our American Rescue Plan money now we're going to do an RFP because they didn't want anything to do with you when they didn't think you had money.

Commissioner Rebholz said I don't think that's true because CenturyLink is partnered with Pamlico and with Pitt and that was brought me towards asking the question if we're in between why would they not. He said they explained that they explained why they would choose, or in their case, they claimed they never even got it. He said my question is if you have a solution that is going to cost significantly less and be much quicker to roll out, whether it's, whoever it is, should we not find a way to consider them.

Mr. Alligood said I think that the process that you have to go through, by law, is issue an RFP and I think this Board has done that. He said now, if you want to say issue another one and wait another 30 days, then that is certainly the prerogative of this Board. He said I think, I would tend to not agree that we were a high place on telecommunicators agenda. He said I don't think we were. He said they didn't respond, they didn't ask a question, it was sent to them, it was put out. He said you had one local company who said we're here to help you. He said if you do that then you would certainly have to do that. He said you would have to put out another RFP in order to get money or grant money to another entity. He said now if you want to sit back and let whatever come what may than you can do that. He said the problem is, in my opinion, we've done that for to long. He said nobody is going to look after us if we don't try to look after ourselves.

Commissioner Rebholz said we know RiverStreet won't do that either without our support. He said they're not going to expand. He said we're paying to build a backbone from Beaufort Community College for them, all the way down to Aurora, if we follow their proposal.

Mr. Alligood said that's part of it, yes.

Commissioner Rebholz said of which they're going to hook up to 600 some off homes as part of that process but they're going to be able to sell their services to anybody along that backbone.

Mr. Alligood said and you'll get a 20% revenue share from that.

Commissioner Rebholz said versus the possibility that there is something out there that already has got 50% of the market provided and has the backbone for what is already there.

Mr. Alligood said you have what they've submitted to you. He said they've gone through the process, they've given you an engineering study, you don't have to take that. He said but I think if you want to be in the drives seat and you want to have a local partner then I think you aught to consider at least letting us start negotiations with them. He said at the last meeting, you know, we were told to hold. He said so I think we're missing an opportunity if we don't at least explore and say what can you do and at least make a commitment to set aside some portion of that money to say we're going to do something because otherwise no one is going to do something.

Commissioner Rebholz said but are you willing to do that with the other companies too.

Mr. Alligood said what other companies. He said you would have to issue a new RFP and ask them how they would provide service, just like RiverStreet has already done.

Commissioner Booth said Mr. Manager, I believe I missed this but the partner, or future partner that Commissioner Rebholz is talking about didn't say a darned thing about the south side, am I correct.

Mr. Alligood said RDOF winner, CCO Holdings, which is Charter, won money to provide service in the areas on the south side that the federal government said are not currently receiving at least 25 and 3 service. He said they potentially won money to provide that service and they have to provide it within six years, but we've got to get to at least, I think, July before they finish the long form to say whether they're going to do it or not. He said now, they said they are but whether you sit and wait on them or not that's where you are.

Commissioner Booth said the way I feel, that's a very poor excuse, saying I hadn't been in my office in six months. He said that tells me more that you're not interested in me, period. He said now you see the money is here you want to come and jump on board. He said another thing that I think is the place that they are talking about covering, it's not the best of service but we want to look at the whole County. He said I don't want to leave no section out, especially the south side. He said those areas, and the numbers show it, the decline in the population has been declining for the last 10 years. He said but if we don't try to do something to make the younger folks wanna come back here, give the younger folks an option, you said it very plainly, we got us a dying off and young folks are moving off so what are our options to try and bring them back in. He said I wish, and I think it's very unfair that somebody waited to dance with you and then you left them after you got there. He said I think we should, and I know we can't bring it back up, but I think we should stay with RiverStreet.

Commissioner Richardson said I'm going to say a couple of negative things and something positive. He said number one, the reason these companies aren't coming here is there's a whole lot of other places they could make money at. He said we're playing in a game with industry that provides services to make money and all of a sudden the government is trying to get into this and I'm completely, I think we ought to leave it alone as far as I'm concerned but the positive thing is this, we've got a lot of things the County can do with that money that's listed that we're going to talk about in a little bit. He said we're going to have trouble spending this $7 million so I don't have a problem spending what's left over on whatever we decide we need, or we can do that whatever is left over goes into broadband. He said that's better than giving it back so I don't have a problem with that, but I think we've got a lot of primary needs that are ahead of broadband. He said I'm not a fan, broadband is not going to save the world. He said when you've got a demographic that's going in a certain direction it's going to keep right on going in that direction because you've got to provide jobs here before you're going to reverse this thing at all before that's going to happen. He said plus, I'm going to say another negative, all the broadband stuff came out of the Obama administration. He said they want a computer in every household, you need to ask yourself why.

Commissioner Deatherage said mostly this is going to be questions. He said there's going to be more money, more broadband money, we know that. He said I'm not saying the infrastructure bill is going to pass, I'm hoping it won't pass, to much money, although the State of North Carolina is looking to find money to produce money for areas like ours. He said what I'm thinking is maybe broadband is something we should do. He said I agree with Commissioner Richardson, it should come after other things that we need to do more. He said for me solid waste is paramount but why not look at what is our priorities, secondly, commit to broadband and look for as much money as we can find. He said there's a lot of moving pieces right now. He said I don't know if it's just that this money is available, and people are coming out of the woodwork but there's a lot of moving pieces. He said I think we've got a little bit of time to analyze how to play that board while keeping RiverStreet just as an option.

Mr. Alligood said just in response to that, what I will tell you is that, and I have no connection with RiverStreet, before someone has something to say about that, I have no connection with them but in my conversation with them they are a local company and they do it well. He said they've proven that they do it well. He said but they have a lot of folks, a lot of counties of folks who are saying to them we're ready to go so they have been very gracious in holding up and waiting to see where Beaufort County is going to land because it is their home county but it's going to get to a point where they're going to say we're sorry but we're going to move on and unfortunately that's not where we want to be, that's not where I'd like to be where Beaufort County is. He said we don't want to be last in line, always waiting and hoping where you're in a leaking boat, always bailing water and you continue to hope someone comes and rescues you. He said we need to step out ahead and be a leader in the process and let it increase economic development, jobs, health care and the things that make a good quality of life that will bring people here, businesses here and I'm going to let you all debate that.

Vice-Chairman Langley said my thoughts are this, broadband is probably the only use of those funds where everybody can have a piece of that pie. He said everything else you come up with is going to be for different pockets of people. He said but with broadband, whether you're a millionaire or you're living paycheck to paycheck, it's the same opportunity for everybody. He said everybody gets a piece of the pie and I think you heard someone in public comments this evening also put in a plug for broadband and that's the way I think we should spend that money and I think it's what's best for all the citizens of Beaufort County.

Commissioner Walker said you're going to have to talk me out of the broadband option. He said I'm for it, I'm looking for the fourth vote, I'm ready to go with it. He said I absolutely agree with you, I think we're going to be left behind. He said w had a chance to have East Carolina University here years ago and everybody tripped and fell and didn't do it so what a difference that would've made. He said I don't want to compare that to this, but I just think this is the way to go but, you know, we didn't have people knocking the doors down tonight talking about the other things that we have. He said so far the tally I have is three for broadband and zero for the other. He said I believe the other will come when the broadband comes and I'm adding the third is this letter that we got from Beaufort Community College and as you might have guessed it's also pro-broadband, but I think this one paragraph is worth reading. He then read the following: *If we intend to survive as a viable culture in eastern North Carolina, one where our residents can make a living locally and stay close to home, without moving to Charlotte or Raleigh, a fiber-based network is absolutely necessary. A fiber backbone is the key to developing new small businesses, connecting to corporations in metropolitan areas and educating citizens to succeed in both activities. We have a rare chance to determine our own fate by funding a broadband fiber network backbone. Only then can we safeguard our rich heritage and simultaneously create the jobs needed to strengthen this foundation.* He said I think this says a lot and I just can't imagine what a trash dump is going to do better than broadband.

Commissioner Richardson said I can sit and debate this thing all night if you guys want to, but this broadband thing is not the answers to our problems. He said we've got a lot of things that people in this County need and most of the people that want broadband have already got it. He said you're only talking about 600 new customers across the whole County. He said please get this in perspective. He said let the companies that are making the money off of this pay for it, not on the backs of the taxpayers. He said I don't mind giving the surplus to broadband, but I think you owe us to at least listen, which it hasn't come up on the agenda yet, to listen to these suggestions, which we agreed to take 90 days to build a list on.

Chairman Waters said one of the things I'll add, I did not have an opportunity to sit down on NACo's conference call, which you did but I did sit in on the statewide and one of the things they said, and Mr. Alligood has already said it, was make sure we invest this money wisely. He said because it is supposed to be for infrastructure. He said you can stretch that as far as you want to go but infrastructure, to me, is electricity, water, sewer and now it's broadband. He said we can talk about, you know, it's not for us. He said I disagree with that. He said we're competing with other counties who are willing to float $30 to $40 million worth of bonds to put in broadband all over their county so that's what our competition is so you either find a way to compete or you find a way to die. He said it is part of the way we're going to do business in the future. He said we heard tonight from a young person who moved to this County. He said I told you at the last meeting about a couple that's in Bridgewater North, moved here, a young couple, and the only reason they're here is because of broadband and once they got here they found out it's not as fast as maybe they thought it was but that's young people moving into the County and they're working out of their homes. He said it's not an industry, it's not a plant that has 300 people in it. He said but just imagine if you have 500 or 600 homes where you have a husband and a wife both working out of their home, that's where we're going.

Jail Door Report

Commissioner Richardson said I just wanted to make sure does anybody know of any problems with the jail doors or in the jail.

Mr. Alligood said I'm not aware of any problems that have been reported to us since the last meeting, which the County Engineer had said they were resolved.

Commissioner Richardson said all locks, and everything has been resolved, there's nothing else on the punch list.

Mr. Alligood said that is my understanding, yes sir.

Commissioner Richardson said I wanted to make sure of that because I got the email from the Sheriff saying he's not talking to us, so we have to ask these questions, so we know what we're doing.

Chairman Waters said there is an email in your book from Montgomery. He said I don't know if you saw that.

Commissioner Richardson said where is that.

Chairman Waters said it's right behind item.

Commissioner Richardson said I see the one that says locking system upgrade.

Chairman Waters said it says all systems are installed per the contract.

Brenda Hamilton Investigation

Commissioner Richardson said the report is not complete, Mr. Manager, unless you've got something.

Mr. Alligood said I've not heard anything from her except for the one time I reached out to her so I must not be in that loop.

Commissioner Richardson said let me bring you up to date on the last thing she said. He said she said she has not finished the report. He said she promised she would finish the report this weekend or at the latest today, so I think she's still struggling with the report and frankly, my understanding is she doesn't have a lot to work with and I think that's slowed her down a lot so I'm waiting on the final report before I make any comments. He said so that's where we are with Brenda Hamilton.

Filming of the Budget Workshops

Motion: Commissioner Richardson motioned to the budget workshops be filmed. Commissioner Walker seconded.

Yes Vote	**No Vote**
Commissioner Deatherage	Chairman Waters
Commissioner Rebholz	Vice-Chairman Langley
Commissioner Richardson	Commissioner Booth
Commissioner Walker	

Discussion of Way Commissioners are Elected

Commissioner Richardson said I don't know what you guys know about this, but I don't have a problem with it and I'm going to tell you where I am politically right up front because everybody wants to accuse me of protecting my office by being against this. He said I am for changing the way we elect Commissioners provided that all the parties that are involved in this can be satisfied and also provided that we elect the chairman and vice-chairman at large so it doesn't matter what you hear somebody else say, I'm not against this. He said I am against some of the techniques and some of the practices going on with secret meetings and people deciding things in back rooms and certain political parties that you go to their executive meetings nothing is said and three days later their leadership is at a secret meeting somewhere. He said this is going on, the public needs to be aware of it and I would admonish the public to be careful of what you believe and what you sign in this process because you may be signing for something that you don't think you're getting. He said so does anyone else, this is open for discussion.

Commissioner Booth said I totally disagree with you. He said I don't want to see the way we elect commissioners change at all. He said it might not be the best system we have but I don't believe in changing a system just to get rid of you. He said I really mean that, and I have no problem at all, and if I'm in order I'd like to make a motion when I'm finished saying what I'm saying. He said I have no problem at all with our elected officials, our legislatures going to Raleigh and trying to get a local bill passed. He said evidently he doesn't have to ask us because it's already up there, but I would make a motion

to ask this body the right for us to write a letter to the speaker of the house and the president pro tem and let them know we don't have a problem with what they're doing but we want them to pick up the tab when this goes to Richmond.

Motion: Commissioner Booth motioned to write a letter to the Speaker of the House and the President Pro Tem asking them to fund any lawsuits stemming from changing how Beaufort County Commissioners are elected. Commissioner Deatherage seconded.

Commissioner Booth said Richmond is where you've got to go settle this case, federal court in Richmond.

Mr. Alligood said that's true, there would have to be approval by the federal judge who issued the initial settlement because it says in the order it says he retained jurisdiction over that matter so it's my understanding, and I think the election director had that conversation with several of you that yes, you can try to push something forward but it's still got to be signed off by the federal judge to say it's okay.

Commissioner Booth said believe me, you, you're going to Richmond. He said that's not a threat, that's a fact.

Commissioner Deatherage said you're just concerned with the payment for it.

Commissioner Booth said yes, the paying for it.

Commissioner Richardson said our problem is the people trying to move this simply will not accept the fact that all the parties have to be satisfied. He said that includes the black community, the white community and anybody else that's out there. He said plus the people that are saying how we elect commissioners by districts or whatever, there's a lot of moving parts here, they have never been willing to accept what you just said, that you've got to go to federal court with this. He said they have never been willing to accept this and they're misinforming people by saying all we need is 4,000 signatures and this is a done deal. He said no, that's not the way it works and you better be careful of what you sign because what you're signing for is the way you're going to elect commissioners. He said that's got to be embodied by the state law in order to make this thing go forward so there's a lot of moving parts here, it's a complex thing and these guys apparently can't handle two-part problems.

Commissioner Booth said if I'm not mistaken it was way up in the thousands of dollars 20 years ago.

Commissioner Deatherage said I'm in favor of changing the way we elect commissioners, provided we find a better plan and right now, not consulting with the commissioners that we already have and not consulting with other people that have been in this position before, and there's a number of us but we've been here a while. He said did anyone say anything to you guys. He said we're the longest serving commissioners up here and we weren't even consulted so to do this heavy handed, without even talking to us, it makes me feel a little queasy so I agree with Commissioner Booth 100% on that piece but the other piece is we're being left out of the process and I think at some point we need to send a letter to the President Pro Tem and the Speaker of the House and say hey, we got left out of the process. He said be careful of what you approve of up there because first, we want you to pick up the tab, secondly, know that we were left out of the process locally so what's going on here. He said it sounds like a game to me.

Vice-Chairman Langley said I'm happy with the system the way that it is, but I won't go against what everybody wants. He said I just want people to understand and remember, under the current system that we have, if you go to districts you will only vote for one commissioner. He said right now you have a say in two commissioners. He said you actually get to vote for two commissioners. He said if you go to another system you're going to vote for one.

Commissioner Deatherage said I'd like to add to what Vice-Chairman Langley is saying. He said what he is saying is a hallmark of representation. He said the more votes you can get for the people in a certain time period is the best representation and we're not even talking about districts. He said with a district you can easily focus money towards somebody and you can get a puppet. He said we all see what puppets are like here in America today.

Commissioner Richardson said I'd just like to say I'd like each of us to get a copy of this letter once it's drafted and sent. He said please send a copy to each of the commissioners. He said it's possible, and he is correct in what Vice-Chairman Langley is talking about and what is being proposed as I understand it from the people I'm talking to, you will only have one vote and it's quite possible won't have one vote that's countywide, it's possible you will only have one vote in the district. He said he said we don't know what's being proposed. He said that's a whole lot less than you have now but if

you go to a system where you elect a chairman and a vice-chairman at large and then you elect another one, now you've got three votes and if you can do that and satisfy all the parties, I'm for it. He said otherwise, I'm not for it.

Motion Restated: Commissioner Booth motioned to write a letter to the Speaker of the House and the President Pro Tem asking them to fund any lawsuits stemming from changing how Beaufort County Commissioners are elected. Commissioner Deatherage seconded.

Yes Vote	No Vote
Vice-Chairman Langley	Chairman Waters
Commissioner Booth	
Commissioner Deatherage	
Commissioner Rebholz	
Commissioner Richardson	
Commissioner Walker	

See Addendum 15

Resolution to Not Accept Illegal Immigrants

Commissioner Richardson said the key word here is illegal. He said legal immigrants are a different thing. He then read the following: *Be it resolved that Beaufort County refuses to accept settlement of illegal aliens in our County, and hat this decision be communicated to the state and federal government.* He said that is to our representative and whoever we can find. He said I'm not against legal immigrants, I'm not against people on work visa, I'm against illegal immigrants and if the thing keeps growing on the border to the south, they're looking for places to put these people and you're going to wind up, if you're not careful, with a whole bunch of them imported into Beaufort County. He said we don't need this. He said it's going to disrupt what's already a tenuous situation with labor and we don't need to support illegal activities in any form.

Chairman Waters said do you want to make a motion since it's your resolution.

Commissioner Deatherage said this is part and parcel of what I'm going to be bringing up later. He said bringing people into this country under the guise of politics is what we're seeing right now. He said on one hand you're creating a one-party system. He said on the other hand you're bringing people in to compete for services that are already going to be drastically shrunk once we figure out you can't keep printing money. He said so you can't have anywhere from 11 to 35 million illegals here now and say okay, we're going to just keep bringing them in because we've got plenty of places to pack them and force these people upon us without us having to suffer at the local level. He said you're talking about taking America from a first-rate republic to a second-class dystopia, or third-class dystopia. He said you're on the right road now.

Motion: Commissioner Richardson motioned to approve the following resolution: *Be it resolved that Beaufort County refuses to accept settlement of illegal aliens in our County, and hat this decision be communicated to the state and federal government.* Commissioner Deatherage seconded.

County Police Force Update

Commissioner Richardson said we met about a week or so ago. He said the meeting was filmed. He said we had about four or five people show up to speak from the public. He said we heard a lot of things; there's a lot of misinformation being circulated. He said one of the things is people seem to think we're going to try and have a Sheriff's Department and a police department at the same time. He said no, we're not. He said you're still going to have a Sheriff; he's going to do part of the duties that he's doing now but law enforcement would be done by the police department itself. He said as far as how much money it's going to cost we're hearing you're going to double the cost, no, you're going to use the same money you're using right now, it's not going to cost any more money. He said matter of fact, it will probably cost less money because we will have much better management than we have now. He said the committee is not going to meet again until the first couple weeks in June.

Commissioner Deatherage said later in June, like the third week in June.

Commissioner Richardson said we're not going to meet until later in June. He said we have postponed the meeting, the trip to Gaston County and the reason we postponed it is the members of the committee are busy with various things, we're in the budget season, on and on it goes so we won't be doing very much on this particular project, so I'll be glad to answer any questions anybody has.

Board Operations Discussion

Commissioner Richardson said well, Board operations, one of the things we have to remember is we are a Board. He said we function as one, all seven of us and meetings and making agreements with people and people thinking one or two people are in charge, that doesn't work. He said when the seven people vote is what counts and what we need to be pulling towards. He said back room deals, keep making them and keep getting burnt.

Invite the Sheriff to Appear Before the Board

Commissioner Richardson said we received, I received an email that was sent to part of the members of the Board, again, from the Sheriff on our last invitation inviting him to be present before the Board and speak with us about Sheriff events and the budget and he flat out refuses in that email to do that, but I will make a motion that we have a, that the Sheriff has a standing invitation to appear before the Commissioners.

Chairman Waters said I'm going to read the email. He then read the following:

Thank you for the open invitation to appear before the commissioners and "address any issues concerning the Beaufort County Sheriff's Office". Which are many. After personally reviewing the last 6 months of televised meetings online I have decided not to subject the integrity of myself or my Office to such a hostile narcissistic environment. Commissioner Richardson continues his monthly slander of my Office with many unsubstantiated terms such as: corrupt, mismanagement, and cowards just to name a few. This is extremely unprofessional and not the way to run county business. I will continue to abide by State Law. I have assigned Chief Deputy Charlie Rose and the Director of Administrative Services, Callie Harris to assemble and present our budget to the County Manager. Chief Rose will attend the budget workshops to advocate for the Office of Sheriff and I will use whatever resources that are allocated to my Office to continue to protect the citizens of the County with or without your financial support as I am mandated to do by The State Constitution and State Law.

Commissioner Rebholz said was that an open invitation that we sent in, so we've already extended an open invitation.

Commissioner Richardson said well, the invitation was to appear, as I recall, at this meeting to meet with us.

Chairman Waters said this is in response to the Clerk sending a request, The Board of Commissioners would like to extend an invitation for you to appear during their Monday, May 3, 2021 meeting being held at 5:30 PM, so, that was, we approved that at the last meeting.

Commissioner Richardson said I would just like to make that a standing invitation.

Motion: Commissioner Richardson motioned to extend a standing invitation to the Sheriff to appear before the Commissioners. Commissioner Deatherage seconded.

Yes Vote	**No Vote**
Chairman Waters	Commissioner Booth
Vice-Chairman Langley	
Commissioner Deatherage	
Commissioner Rebholz	
Commissioner Richardson	
Commissioner Walker	

Public Comments Discussion

Commissioner Richardson said this is nothing negative on public comments. He said I think we're doing something we shouldn't be doing that gives certain people an unusual advantage when making public comments. He said that is when, the Clerk has been caught in this trap, the Chairman has been caught in this trap, people have tried to catch me in this trap but when someone says I can't be there, would you read this for me. He said when the Chairman reads it or the Clerk reads it or an official of the County reads it, it has a lot more standing or impact than it does when that person as an individual citizen reads it. He said I don't think those of us who are elected and are employees of the County should be reading statements for other people. He said what I've always said to people when they've tried to get me to do this is can't you find a friend or somebody that will come and read this for you because when I read it I become the advocate for what I am reading. He said when the Chairman reads it he becomes an advocate for what he's reading. He said when the Clerk reads it she becomes an advocate for what she's reading. He said I just think there should be a policy that we don't do that.

Chairman Waters said the time that I've done it, and I think it's been one time, I was asked to, and I felt it was my part as an elected official so, it's up to the Board. He said I've been reminded that it takes a vote so if we want to change the policy we just need to take a vote on it. He said otherwise our policy stands.

Commissioner Richardson said I'm not saying anyone has done anything wrong because we didn't have a policy and it's just normal when somebody asks you to do it that you're going to do it. He said why would you refuse, but I think when you come into the open meeting and that official reads it then it has a lot more bearing and standing and support than it does if the individual in public makes his own presentation.

Chairman Waters said would you agree if they sent the email and it was given to everybody, I mean everybody's got a copy of it.

Commissioner Richardson said I still don't think anybody should read it. He said it's a communication.

Chairman Waters said I mean present it in the record.

Commissioner Richardson said we can put it in the record but if somebody reads it then he becomes and advocate for whatever that is, whether he wants to or not.

Commissioner Booth said I agree whole heartedly with what you're saying Commissioner Richardson but if somebody asks me to read something I'm going to tell them no, but I don't feel like I want to hinder him if he wants to do it. He said I'm not going to do it. He said if it's important enough that you want to be heard then you should come and do it yourself.

Commissioner Richardson said I don't think that I should take somebody else's thing and make a presentation for them. He said I can make my own presentation if I support it but you're representing that individual. He said that individual should come on his own or he can get a friend to come and do it.

Commissioner Walker said I think if you read it you're probably an advocate for it anyway. He said I read the Community College thing tonight and I'm for that.

Chairman Waters said unless you change the policy I will tell you, if somebody asks Frankie, I'm going to read it unless we change the policy.

Commissioner Richardson said the problem is are you willing to say I don't support this when you read it because you become an advocate for it when you read it and that's why I think the policy needs to be changed. He said I think if you advocate for them you can say yes, so-and-so asked me to read this and you're showing support for that.

Chairman Waters said why don't you make a motion and solve it once and for all.

Motion: Commissioner Richardson motioned that Commissioners and staff not read public comments from the public to the entire the Board. Chairman Waters seconded.

Yes Vote	No Vote
Chairman Waters	Vice-Chairman Langley
Commissioner Deatherage	Commissioner Booth
Commissioner Rebholz	
Commissioner Richardson	
Commissioner Walker	

American Rescue Plan Act Money Recommendations

Commissioner Richardson said this is Commissioner Deatherage and I together.

Commissioner Deatherage said we talked a lot about broadband tonight, which I'm not adverse to. He said I think it's important but it's a lot of money. He said we're going to get a certain amount of money and I think there's some items that are more important than broadband for me. He said Vice-Chairman Langley was talking about how broadband was going to affect every household, maybe not. He said I do know solid waste does affect every household and we can make some changes here in Beaufort County, some substantial changes that are going to cost a whole lot less than broadband. He said the mega-sites need to be very innovative in handling recyclable materials. He said what I found when I went to Dare County is they are handling, still, recyclable materials and they are doing it as effectively as they can while there are other counties like Dare that are handling recyclables in an affective manner, we might be able to come together and do what is known as an MRF. He said that's part of this decision to use money for solid waste here in Beaufort County but that could be the future. He said counties coming together to distribute recyclable materials to take care of them on a joint basis and try to not only save from spending so much money to keep items out of landfills but maybe one day make money. He said in other words, be part of controlling the market on recyclable materials. He said for instance, they have a glass crusher up there in Dare County and they get glass and rather than throw it in a landfill they crush it. He said what can you do with crushed glass, a whole lot of things. He said it makes a wonderful road, it makes a great sidewalk, it mixes very well with marrel and becomes very hard. He said sometimes roads like that may get a little dusty but they're easy to fix and that may be the wave of the future for private roads. He said they also have; they chip every piece of wood. He said every piece of wood they get is chipped. He said they also have some innovative things like when buildings get torn down, if they have a need for them they have people contract in bringing in the buildings and other people come and pick up and use the materials wherever they can, like grinding bricks or grinding blocks and using that as part of the roadbed. He said we just want to get it on the list. He said I would like for us to spend around $2.9 million for solid waste to just have the admirable resources on the north and south side of the river where people can make that happen.

Commissioner Richardson said this is under the list for the 90-days that we're going to keep a list and then evaluate the list. He said again, I don't have a problem with whatever is left over going to broadband, I don't have a problem with that but the solid waste thing does impact everybody in the County and it's for infrastructure so why can't we use this for our mega-sites and go ahead and get these things rolling in a big hurry. He said we need that on the list for consideration when we consider the list at the end of the 90 days. He said there's another item here, it's sort of out of order. He said the basement of the jail, about 1/3 of it is sort of walled off in a crude way with offices, etcetera, etcetera. He said this is a good opportunity to use that money and take a look at finishing out the basement of the jail. He said we may have to tear out some of it and improving the size of the jail at very little expense. He said plus, where you get into trouble with this is there's a basement under the Clerk of Court and a basement under the Register of Deeds. He said well the Register of Deeds has been complaining for some time that she needs more space so we would use the space that's under the Clerks office. He said they'd have to find him some storage space somewhere but if we use the space that's under the Register of Deeds, she would like to move to another location so why not, as a part of building up the basement for the jail, that we consider moving the Register of Deeds somewhere. He said I don't know if that's going to fly under the plan or not but the fact that she's being displaced may give us a hook into getting her some new digs and some more space that she needs. He said so that's, I'd like to add that, building out the basement in the courthouse and the whole Register of Deeds situation and solving her problem so she may become, if you will, a casualty of the jail and that may qualify her. He said one thing that I'll mention is the airport. He said things like the airport. He said what happens if we get better electronics at the airport, they can bring in bigger planes that might stay here that we can tax. He said that's another item. He said the Belhaven and Aurora sewer systems. He said well, I saw today that Aurora got a grant for their sewer system so Belhaven,

I don't know their situation, so I threw it in the list because I was looking for things. He said the Belhaven tidal flooding, this is nothing but the Jacks Creek dyke all over again. He said that's all it is in Belhaven. He said it would do wonders for the Town of Belhaven and you can say let Belhaven take care of themselves, they're getting their own money. He said I don't have a problem; I'd just like to put it on the list for consideration. He said finally there's something that hasn't come up for some time and every time it has come up it's been a quagmire. He said you talk about people coming to Beaufort County, or wanting to come to Beaufort County and young people moving here is because of the library. He said we don't have a county library. He said the City and us have talked several times over the years about partnering on a library and maybe this is something that we can take some of this money and improve our library situation. He said you've got two libraries in town. He said neither one of them is really first class and we've talked about merging those two, so we have a much better library situation and things like that so we're putting all of those things on the list today so that, for consideration when the time comes, and the 90 days are up, and we have to vote on these things. He said up or down, do we want to do these things or not. He said you will notice you can do all of this stuff for much less than $7 million. He said there's still going to be money left over for broadband and I don't mind the surplus money going to broadband but if you want to help the people of Beaufort County, I'll read it because my microphone is on again and I'll go quickly, solid waste needs to be on there, the Register of Deeds situation needs to be on there, building out the basement in the courthouse to improve the jail needs to be on there, the airport is a possibility, there may be nothing there. He said the Belhaven and Aurora sewer is what I have listed here and then the Belhaven tidal flood dike and a County library. He said if you want people to come to Beaufort County give them a good library.

Commissioner Rebholz said I think in April we agreed to whatever the public said. He said I sent out two emails to you all asking if you would support us going out to the various sections of the community and getting feedback there because in many sections in this community we're 30 minutes one way to almost an hour to get here at a time when many people are just getting off work and we saw tonight the turnout, two people. He said we're not getting feedback from the people that you all said you wanted to have so what I'm proposing again is, maybe these will all come out and maybe it won't but if you want to accomplish what you set out to do then we need to go to them. He said so I propose we hold a meeting in Aurora and a meeting in Belhaven and maybe two meetings here.

Commissioner Booth said I want one at Acres Station.

Commissioner Rebholz said fine, Acres Station. He said I mean that's all open to negotiations, how many places we go.

Commissioner Booth said let's be real about this thing, if everything on Commissioner Richardson's list is approved that's already several million dollars already spent. He said every place that you have called except Acres Station, Terra Ceia, Pantego, they don't get, they're not an incorporated municipality. He said every incorporated municipality, correct me if I'm wrong Mr. Manager, gets some CARES or reinvest money, every municipality. He said yes, we're going to go here and do this but what about the people who don't get no money. He said what about those. He said trash is a good thing, don't get me wrong, trash is a good thing but when you start talking about going from town to town go to the places where people are not getting anything. He said they need a library in Pinetown.

Chairman Waters said they're getting a Family Dollar.

Commissioner Rebholz said if you can get meeting locations set up that's fine.

Commissioner Booth said let's go to those places that aren't getting any money.

Chairman Waters said Blount's Creek, the fire department, I mean they're not getting any money. He said we can go to Pinetown to the fire station.

Commissioner Rebholz said my point being we need to not just rely on sitting here for two people to show up to give their opinion.

Commissioner Richardson said I don't have a problem with that. He said we can get out into the County and go to the Blount's Creek fire station and the Pinetown fire station. He said I don't have a problem; we can go to several of the fire stations in the County and accomplish this.

Commissioner Rebholz said so far we've gotten two recommendations from the public, which is internet. He said then we've got seven from Commissioners. He said I don't think that's achieving what we set out to do.

Commissioner Deatherage said I think we can get a lot more people here for solid waste. He said the internet, broadband is being promoted. He said we're seeing the same people, it's being promoted. He said it's a Chamber of Commerce type thing and it's being promoted but the ramifications of solid waste, solid waste is not sexy. He said I'm telling you; it is not economic development; I'm telling you it is, but it is not a sexy item for people. He said a lot of politicians love broadband. He said they don't know much about it, but they love it because it's something that sounds good when it rolls off your lips.

Commissioner Rebholz said put me in that group.

Commissioner Deatherage said what, you like broadband, okay.

Commissioner Walker said if we go on tour and we only hear broadband can we cut the 90 days and just call it a day next month.

Commissioner Richardson said no. He said there are people out there that want this other stuff. He said I talk to people about what's on this list and I haven't had anybody say no. He said just because you guys are trying to power this thing through, you're giving money to a private company.

Chairman Waters said can we agree to go to two locations in addition.

Commissioner Booth said we can go to as many as you want. He said I don't care where you go but the thing that I was saying is you're forgetting the people who don't live in a municipality and I'm so grateful my colleague brought up the airport. He said Greenville Airport cutting flights and stuff and I'm so glad he brought the airport up, but you can go anywhere you want to go. He said I'm not saying you can't but to me, go to the people that need it the most, the people that aren't getting anything. He said they're citizens of this County. He said I think he said 47,000 in this County. He said it's a stall tactic, what you've got here.

Chairman Waters said what you find in Pinetown and Acres Station is they have fiber; they already have fiber.

Commissioner Booth said and why do they have it.

Chairman Waters said because of RiverStreet.

Commissioner Walker said help me out with the airport thing. He said I was at the meeting many years ago when we got rid of the airport to the City. He said how do we have anything to do with the airport.

Chairman Waters said well, it will be interesting to see if the City of Washington decides to spend their money on it. He said they got $3 million.

Commissioner Deatherage said I think Commissioner Richardson developed his list before the money started trickling in, possibly, to the municipalities.

Chairman Waters said no, we've known that all along, we just didn't know the amount. He said it's in the book.

Commissioner Deatherage said I'm going to speak my book, just for a moment, since we're speaking about books. He said solid waste is what we do, it's one of the things we do, it's one of the things we have to do, and it will effect every household.

Chairman Waters said and it's a real shame that you dissolved the committee that we had going.

Commissioner Richardson said nobody knows what's going on, you all had a secret committee out there.

Commissioner Deatherage said we're all here where everybody can see it. He said we're all talking about it; we could act on it tonight.

Chairman Waters said does anybody want to make a motion to go to two locations.

Commissioner Richardson said the two location's you're talking about are where.

Chairman Waters said we threw out Pinetown and Blount's Creek, to stay away from municipalities.

Commissioner Richardson said I think we need a third one.

Chairman Waters said everything else is municipalities.

Chairman Rebholz said let's go to Old Ford, Old Ford Fire Department.

Chairman Waters said yeah, we could.

Commissioner Richardson said you could make it three, Pinetown, Old Ford and Blount's Creek. He said I don't have a problem with that.

Chairman Waters said are we going to leave it up to Ms. Mosher to send out some possible dates.

Ms. Mosher said do you want to do it in May or June.

Commissioner Booth said June because we've got our budget meetings.

Commissioner Walker said let's try to do it sooner because that way we may have some takers on the garbage thing.

Commissioner Rebholz said my suggestion was that we use a third party to conduct them, so they don't end up being silly town halls, okay, which means I think my suggestion was asking someone from the Mid-East Commission or something like that.

Commissioner Booth said they do it for us.

Commissioner Rebholz said yes.

Commissioner Booth said okay, that means we don't have to be there.

Commissioner Richardson said no, I'm going to be there.

Commissioner Rebholz said I have no problem with that.

Commissioner Richardson said I have an issue right now where I thought they did something that I'm going to have to talk to you guys about that needs to be fixed. He said the wording on it turned out totally wrong.

Commissioner Rebholz said I don't have a problem with that.

Motion: Commissioner Rebholz motioned to hold three meetings, Old Ford, Pinetown, and Blount's Creek, to get public input on how to spend the American Rescue Plan Act money. Commissioner Walker seconded. The vote was unanimous.

Chairman Waters said we'll let the staff come up with the dates.

Commissioner Richardson said I don't mind a third-party person as long as we're there. He said you don't want to turn it over completely; I can tell you that.

Chairman Waters said I think it's important for us to be there to listen, not to talk about an agenda. He said it's not to talk about broadband or anything, it's just to listen.

Commissioner Booth said that's right.

Commissioner Deatherage said we should also answer questions.

Chairman Waters said as long as it's short and sweet.

Commissioner Richardson said we could open the meeting by simply saying we're not going to have an exchange back and forth, if you have a question for a Commissioner seek him out and ask him after the meeting.

Vice-Chairman Langley said you said the magic word, at the end of the meeting.

Resolution in Defense of Our United States Sovereignty, and Our Immediate Desistance as an Accessory to Human Trafficking at the Southern Border

Commissioner Deatherage said what's happening at the boarder is a terrible thing and it's not being reported in America. He said there's a news blackout down there and that only happens in some war zones when we don't want our enemies to know what we're doing. He said right now, this administration doesn't want the people to know what's happening at the southern border. He said the only way tapes are getting out is through people who are there that are taking videos in an anonymous manner. He said so I'm telling you, and I said it earlier tonight, all of this is going to come home to roost here in Beaufort County at some point. He said we're going to be spending a lot of money and we're going to have to deal with an impossible situation. He said I don't know exactly what that situation is going to be, but I know it's going to cost a lot of money. He said it could cost a lot of money to educate these children and constitutionally we have to do it, there's no way around it, but eventually we're not going to have enough money to take care of another county's people and that's what's happening right now, they're coming across the border. He said the green light has been given. He said during the process of the campaign, during the election of this presidency.

Chairman Waters said are you going to read the resolution.

Commissioner Deatherage said yeah.

Chairman Waters said you want to read that.

Commissioner Deatherage said I will in just a minute but let me finish. He said it's also part of the process of dealing, you interrupted me, and I lost my train of thought. He said we're in a general situation and with that I'll just read what I wrote. He said if all politics, and I will add for us here at Beaufort County governing, is local, we Beaufort County Commissioners must make a formidable stand against the Biden/Harris open boarders and resettlement project, or forever be resigned that we are, and will be losing our republic. He said considering the immutable fact that the Biden/Harris open borders resettlement project, they're expressed policy has hypocritically been releasing covid infected illegals, at the rate of about 10% infected, into our sovereign nation without quarantining those infected. He said our border protection has unwittingly become an accessory to the widespread human trafficking of unaccompanied minors that's become the core of this spurious asylum bait and switch farce, which is mostly conducted by the evil drug cartels. He said that's how they get them in the country and that's how they make a lot of money, money that our taxpayers are paying by the way. He said money is going through our open border policy from taxpayers to drug cartels. He said this is an untenable situation for our people to continue as a democratic republic where our democracy is only sustained by a minimum two-party rule guaranteeing that all citizens get a real voice in the self-government of our people. He said okay, so I'm going to read the resolution now. He then read the following:

Whereas, *no nation, including the United States of America, can continue to exist if it does not protect its borders from that which would do the People of this Constitutional Republic irreputable harm, and;*

Whereas, *it is the professed intent of the Leftist wing of the Democratic Socialist party to remake OUR Republic into a Socialist nation of one-party rule, where our economy, our society, and our liberties are destroyed in increments to weaken our people, and force them to become more dependent upon the State, and;*

Whereas, *Presidential Candidate Biden pronounced he would "be the most progressive president in American history", and then sent signals to his new Leftist supporters, and interested disparate peoples from across the World that he would NOT respect the sovereignty of our borders, welcoming all, especially at OUR Southern Border, and;*

Whereas, *Joe Biden, as the titular head of the Leftist political duo of Biden /Harris, is currently managed by the Socialist Leftists in control of the executive branch, and congress, to the extent that his Open Southern Border policy engineered by Executive Orders ratified only hours within the first day(s) since his official occupancy of the office, were designed to completely undue President Trump's purposeful work to control the Southern Border; in some cases to defy the Rule of Law, and set their expectant stage for the "Browning of America", which is Leftist speak for remaking our Republic into a Socialist, possibly Marxist one party state, and;*

Whereas, *the explosion of the unaccompanied minors parallel was engendered by an executive order to re-unite hundreds of families, in OUR Republic illegally, has, in accompaniment with the Biden /Harris Executive Order to end the congressionally legislated immigration law requiring Asylum Seekers to apply for Asylum in the first nearest country to their nation of origin, and the re-institution of the Obama /Biden "Catch and Release" immigration plan, has created a catastrophe not a "challenge" at OUR Southern Border with Mexico, and;*

Whereas, *the Democratic Socialists' initiatives to achieve their concept of the "Browning of America" by employing these aforementioned executive orders, some unconstitutional in nature, Human Trafficking of children has exploded to the point that OUR Southern Border is inundated by Illegals, unaccompanied minors and otherwise, existing in intolerable conditions, which has necessitated the hyper "progressive" Biden /Harris administration to impose and enforce a News Blackout in Detention Camps - completely in defiance of the First Amendment - to maintain their propagandist approach, in colluded coordination with the corrupt Democratic Socialist Propagandist Media, of messaging their unabated lies to the American People; lies born of a grand hypocrisy, not least of which is that nearly 10% of all Illegals released, unrestricted, into our nation of a "coronavirus-locked-down-people" are infected with Covid, and;*

Whereas, *the Mexican Drug Cartels have seized upon the Democratic Socialists' nefarious initiatives, in effect using the Biden /Harris administration as a willing Accessory to their Evil of creating a burgeoning industry of transporting unaccompanied minors; all of which are in constant danger, many of whom are purchased as unaccompanied slaves, and are no relation to any Illegals - the infamous and integral component of the Democratic Socialists' "Browning of America" - therefore in full commitment;*

Therefore, Let it be Resolved, *that the Beaufort County Commissioners recognize these Leftists' unrelenting directive to remake this Constitutional Republic into a Socialist society of one-party rule by their destroying the sovereignty of OUR Representative Republic by their "Browning of America" initiative, whereby these Beaufort County Commissioners pledge to relentlessly advocate that our federal government be forced to govern in a constitutional manner, and;*

Furthermore, Let it be Resolved, *that these Beaufort County Commissioners recognize that "All politics are local", which constitutes the proposition that most governing is local, and therefore the cost of Leftists importing Illegals into our communities to achieve their abhorrent unconstitutional objective of remaking America into a Socialist or Marxist state, where one party rule would keep this Republic an abomination without promise, which would be an undue burden of despair upon our People, whereby, as our constituents forgo their liberties, would ultimately fund an untenantable, unpatriotic transition, whence these Beaufort County Commissioners are now sworn to correct by whatever means necessary.*

Chairman Waters said do you want to make a motion.

Commissioner Booth said I'd just like to ask him a question, I don't want to discuss nothing with him.

Commissioner Deatherage said well you could get a discussion going.

Commissioner Booth said why is it just brown America.

Commissioner Deatherage said because that's what they're calling it.

Commissioner Booth said let me ask you something, is it all right if some illegal people come from Italy or some other place like that, is that all right.

Commissioner Deatherage said no, no it isn't. He said did you see the quotations around browning of America. He said that's what they're using. He said that's what the democratic socialist party is calling it, the browning of America.

Commissioner Booth said I'm just wondering because you used it so many times in your resolution, that's all.

Commissioner Deatherage said I don't understand it either, it's a racist term but why has the democratic socialist party become so racist, do you ever think about that.

Motion: Commissioner Deatherage motioned to approve the resolution as presented. Commissioner Richardson seconded.

Yes Vote	**No Vote**
Commissioner Deatherage	Chairman Waters
Commissioner Richardson	Vice-Chairman Langley
Commissioner Walker	Commissioner Booth
	Commissioner Rebholz

Commissioner Deatherage said it's kind of an important issue.

Chairman Waters said well, I agree with maybe a paragraph in there but the problem I have is you write this as an editorial and you're asking a corporate body to approve it.

Commissioner Deatherage said we're not a corporate body.

Chairman Waters said it's an editorial that you would have for your website, that's really all it is.

Commissioner Deatherage said no, wrong.

Chairman Waters said yes it is.

Commissioner Walker said I'm okay with Ms. Mosher writing something recognizing Washington High School and Northside. He said my only request is she not talk to Commissioner Deatherage about it.

Motion: Commissioner Walker motioned to approve the Clerk writing a resolution in honor of Washington High School Footballs successful season and Northside High School Football's successful season. Commissioner Booth seconded. The vote was unanimous.

Chairman Waters said we're down to your second item.

Commissioner Walker said what was the second item.

Chairman Waters said the zooming in.

Commissioner Walker said I think she was doing it.

Commissioner Richardson said we need to vote on it.

Commissioner Walker said okay then we'll vote on it.

Motion: Commissioner Walker motioned that we continue zooming in at the active speaker at our meetings. Commissioner Booth seconded. The vote was unanimous.

Motion: Commissioner Booth motioned to adjourn. Commissioner Rebholz seconded. The Vote was unanimous.

Adjourned at 9:49 PM

Respectfully submitted to you by:

Kathleen Mosher, CMC, NCCC
Clerk to the Board of County Commissioners

Addendum 1

Items for Consent

1. Budget Amendment, Health Dept
2. Surplus, Health Dept
3. Vehicle Surplus, Sheriff's Office
4. Surplus Vehicle to Old Ford Fire Department
5. Surplus. Tax Assessor
6. Surplus, DSS
7. Tax Collector Refunds
8. Tax Assessor Refunds
9. Juvenile Crime Prevention Council Certification
10. BCCC Board of Trustee Reappointment
11. Approval of Board of Commissioner Minutes

Beaufort County
Finance

Budget Amendment Request

Department: Health **Date of Request:** 5/3/21

FY Budget: 20/21 #42

ACCOUNT NO.	TITLE OF ACCOUNT	INCREASE	DECREASE
100211-445197	COVID AA 543 Funding	$376,379	
105120-540003	COVID-19 Equipment	$376,379	

Department Justification:

- Budget amendment AA 543 Revision #2

If amendment deals with adding, deleting, or modifying a position, County Position No. (& State, if applicable) must be referenced.

County Position No. N/A

State Position No. N/A

APPROVAL	SIGNATURE	DATE
Department Head	James Madson James Madson (Apr 19, 2021 14:29 EDT)	Apr 19, 2021
Finance Officer		
	This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.	
County Manager	Required for interdepartmental transfers.	
Board of Commissioners	Agenda Item No. _____ Reference No. _____	

14/15

CUSTOMER #: 9467111

132370

INVOICE

PAGE 1

Washington
CHRYSLER • DODGE • JEEP • RAM
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252-644-3344
www.washingtonchrysler.com

BEAUFORT COUNTY SHERIFFS OF
210 N Market St
WASHINGTON NC 278898995
HOME:252-945-8431 CONT:252-945-8431
BUS: 252-945-8431 CELL:

SERVICE ADVISOR: 6340 JENNIFER WRIGHT

COLOR	YEAR	MAKE/MODEL	VIN	LICENSE	MILEAGE IN/OUT	TAG
BLACK	12	DODGE CHARGER	2C3CDXAT2CH153969	42023V	179720/179720	T234

DEL DATE	PROD. DATE	WARR EXP.	PROMISED	PO NO.	RATE	PAYMENT	INV. DATE
10JAN12 DL	09NOV11		16:45 04AUG20			CASH	10AUG20

R.O. OPENED	READY	OPTIONS:
11:12 04AUG20	13:21 10AUG20	ENG:5.7_Liter

LINE OPCODE TECH TYPE HOURS	LIST	NET	TOTAL
A Engine Mechanical Concern [Customer States there is a ticking noise in the engine]			
305W VERIFIED CUSTOMERS CONCERN, FOUND METAL SHAVINGS THROUGH OUT ENGINE BLOCK, RECOMMEND COMPLETE ENGINE.			
3720 C		74.95	74.95
PARTS: 0.00 LABOR: 74.95 OTHER: 0.00 TOTAL LINE A:			74.95
ESTIMATE: FACTORY REMAIN #R8154340AA ENGINE $4,787.50, FLUIDS $100.00 LABOR $1,939.70, TAX $460.84 FOR AT TOTAL OF $7288.04			
**********			
B Multi-point inspection (according to maintenance interval)			
23PT Multi-point inspection (according to maintenance interval)			
3720 C		0.00	0.00
PARTS: 0.00 LABOR: 0.00 OTHER: 0.00 TOTAL LINE B:			0.00
**********			

EST: 74.95 04AUG20 11:12 SA: 6340
CONTACT:
****

THANK YOU FOR YOUR BUSINESS

TERMS: STRICTLY CASH UNLESS ARRANGEMENTS MADE

I hereby authorize the repair work hereinafter set forth to be done along with the necessary material, and agree that you are not responsible for loss or damage to vehicle or articles left in vehicle in case of fire, theft or any other cause beyond your control or for any delay caused by unavailability of parts or delays in parts shipments by the supplier or transporter. I hereby grant you and/or your employees permission to operate the vehicle herein described on streets, highways or elsewhere for purposes of testing and/or inspection. An express mechanic's lien is hereby acknowledged on above vehicle to secure the amount of repairs thereto.

Any warranties on the item/items sold hereby are those made by the manufacturer. The Seller, WASHINGTON CHRYSLER, hereby expressly disclaims all warranties, either express or implied, including any implied warranty of merchantability or fitness for a particular purpose, and WASHINGTON CHRYSLER neither assumes nor authorizes any other person to assume for it any liability in connection with the sale of this item/items.

X

DESCRIPTION	TOTALS
LABOR AMOUNT	74.95
PARTS AMOUNT	0.00
GAS, OIL, LUBE	0.00
SUBLET AMOUNT	0.00
MISC. CHARGES	0.00
TOTAL CHARGES	74.95
LESS INSURANCE	0.00
SALES TAX	5.06
PLEASE PAY THIS AMOUNT	80.01

CUSTOMER COPY

March 19, 2021

Sheriff Coleman and Chairman Waters,

Old Ford Volunteer Fire Department is formally requesting assistance of Beaufort County with the supply of a surplus vehicle for our department. The request for this vehicle is due to OFVFD's participation in the Beaufort County EMS System Plan as first responder agency.

Our department has made a commitment to our community in providing this service to the best of our abilities. Although all our department members have gone through minimal first aid training, numerous members have also undergone specialized medical training with 20 members of our department obtaining North Carolina Office of Emergency Medical Services certification's.

As you know, OFVFD is a volunteer non-profit agency and we are constantly looking for ways we can provide service to the community efficiently and economically. We need a vehicle which can be used for our first responder response. Currently, we are responding fire units which are costly to operate. Obtaining a smaller vehicle for this purpose would lead to a more efficient operation.

Through coordination with Beaufort County Emergency Services, the Beaufort County Office of the Sheriff has assisted us with providing a possible surplus vehicle (2008 Dodge Charger, VIN #2B3KA43T59H586613) which we believe would meet our current need. We formally request that the Beaufort County Office of the Sheriff and the Beaufort County Board of Commissioner's approve a transfer of this surplus vehicle from the County to Old Ford Volunteer Fire Department. We thank you for considering this transfer and for all you do in supporting the volunteer fire and EMS service in our county.

Sincerely,

Joshua Boyd
Chief
Old Ford Volunteer Fire Department
252-402-7113

Resolution Approving Conveyance of Personal Property to A Nonprofit Organization Pursuant to G.S. 160A-280

WHEREAS, the County of Beaufort owns a 2009 Dodge Charger vehicle (VIN: 2B3KA43T59H586613), listed as Vehicle #3190 in the Sheriff's Office; and,

WHEREAS, North Carolina General Statute § 160A-280 authorizes a city or county to convey personal property for nonmonetary consideration to a nonprofit corporation if the governing board deems the property to be surplus, obsolete, or unused; and,

WHEREAS, the County of Beaufort has determined that the personal property described above is surplus, obsolete, or unused; and,

WHEREAS, the County of Beaufort finds that the public will benefit from the conveyance of the property described above by its use as a first responder vehicle.

NOW THEREFORE, THE BEAUFORT COUNTY BOARD OF COMMISSIONERS RESOLVES THAT:

1. The County Manager of Beaufort County is authorized to execute all documents necessary to convey title of a 2009 Dodge Charger vehicle (VIN: 2B3KA43T59H586613), listed as Vehicle #3190 in the Sheriff's Office to the Old Ford Volunteer Fire Department.

2. The consideration for the conveyance is the public benefit obtained by its use as a first responder vehicle.

3. In accordance with the notice requirements of N.C.G.S. § 160A-280, public notice of this resolution was given by posting on the Beaufort County website on April 27, 2021, which is at least 5 days prior to the Board meeting at which this resolution will be considered.

Adopted this the third day of May, 2021.

[Seal]

_____
Frankie Waters, Chairman

_____
Katie Mosher, Clerk to the Board

APC Backup Battery Packs, batteries removed. (Replacement battery costs exceeds value.)

(6) Model BE650G1 (Serial Numbers: 4B1213P05964, 4B1213P04540, 4B1616P18584, 4B1213P04503, 4B1213P04558, 4B1213P04665)

(9) Model BE550G (Serial Numbers: 4B1408P49883, 4B1325P20588, 4B1408P49645, 4B1408P49885, 4B1329P25102, 4B1325P21252, 4B1325P20477, 4B1408P46107, 4B1301P32567)

(3) HP Mice, roller ball broken, 1-left side sticks & 2-roller ball broken.
(1) Lenovo Mouse, roller ball broken. (1) Logitech mouse, broken.

(1) HP LaserJet Ink, Model 49X. Kept one extra for Director/Attorney/Deputy Director until we switched printers to have them covered in a maintenance contract.

(1) Lexmark Toner Cartridge, Extra High Yield, Model CTGT644 replaces 64435XA & X644X21A (County purchased that via contract provisions for Young Williams.)

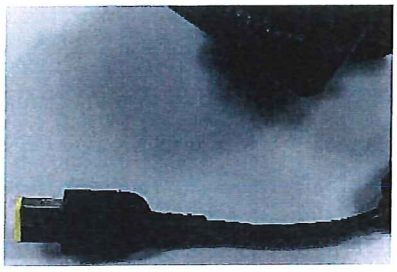
(1) Lexmark Toner Cartridge, Model 64015HA, For T640, T642 & T644 Printers. (County purchased that via contract provisions for Young Williams.)

(2) HP LaserJet Printers, Model 1320, ink removed. (Serial Numbers: CNFC53F0PY, CNFC53F0PW) – End of Useful life.

(6) Brother Printers, Ink removed. (Serial Numbers: U6144E7J995778, U6144J6J630632, U6144J6J630629, U6144E7J995770, U6144E7J995732, U6144J6J630575) – End of Useful Life.

(1) Plantronics M22 Vista Amplifier (Serial Number: 43596-64)

(4) Lenovo Laptop Chargers



(3) Lenovo Laptop Chargers

(1) Lenovo Lenovo THINKPAD T440 Laptop, (Model 20AN006MUS. Serial Number: PB02J96M - End of Useful life.)

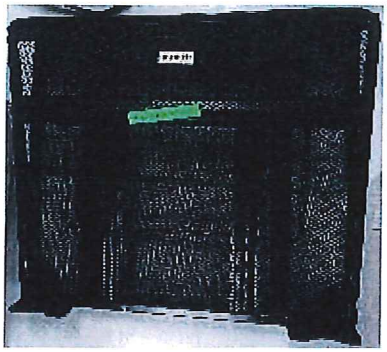
(1) Acer Desktop Tower – End of useful life - harddrive & RAM removed.

(1) HP LaserJet 4250/4350 RM1-1082-000CN Fuser Assembly with rollers, (Had 1 in stock due to these being the main printer.)

(8) HP Keyboards - 1-Shift sticks, 1-Tab sticks, 1-Water damage, 2-Backspace sticks, 1-doesn't work, 2-feet broken

(8) HP Keyboards with PS/2 connectors
(3) Acer Keyboards with PS/2 connectors

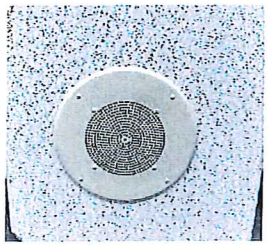
(2) iPad Case Keyboards, chargers broken.



(1) Amazon Laptop Stand, right hinge broken.

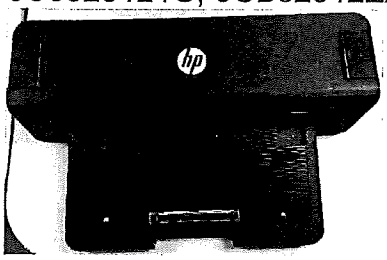
(1) HP Monitor, Model LA1956X, Bad Display (Serial Number: 3CQ3250TWG, marked SURPLUS in DB (End of useful life.)

(1) InFocus Projector, Model: IN1110a, (Serial Number: BMUJ33300372, fan broken, no adapters/cords or mobile carrying case.

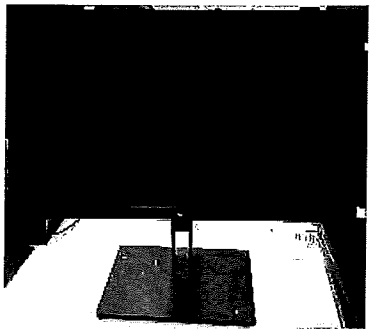


(1) Ceiling Speaker – speaker busted – replaced

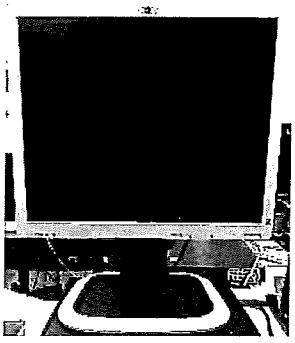
(5) HP Elitebook 8570p Laptops, hard drive & RAM removed. End of useful life. (Serial Numbers: 5C8325121G, 5CB32512ZX, 5CB3251223, 5CB325121V, 5CB325122D) – End of useful life.



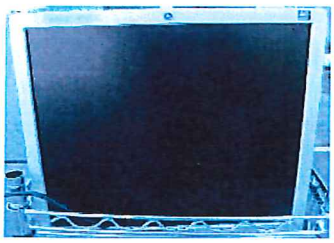
(5) Docks for HP Elitebook 8570p (Serial Numbers: CNU250ZBBP, 5CG518W120, 5CG518W11Y, 5CG522ZQTP 5CG503ZTX2 – End of useful life.)



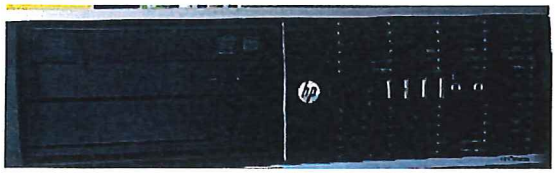
(2) Hp 22ZN Monitors, cracked screens.
6CM8152K3W, 6CM9241B6C



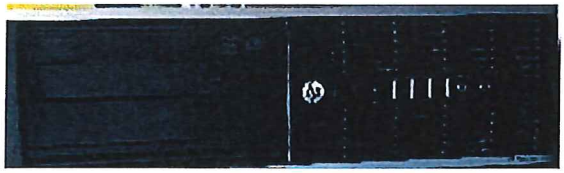
<u>(14) HP LA1951G Monitors: (end of useful life)</u>
3CQ2232G7P, 3CQ23217HJ, 3CQ23217HY, 3CQ23217HZ, 3CQ23217JD, 3CQ23217JG, 3CQ232189M, 3CQ23302LJ, 3CQ23302S0, 3CQ23303QW, 3CQ2332CQF, 3CQ2332CR6, 3CQ2332CRF, 3CQ2332CRK



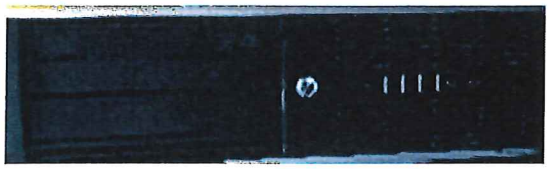
(4) HP L1750 Monitors: (end of useful life)
3CQ9131K11, CNC832QLD7, CNC936NY04, CNC936NY13



(4) HP 8300 Elite Desk: (end of useful life)
MXL239049R, MXL23904CY, MXL316256T, MXL316256R



(1) HP 800 G2 Desktop: (End of useful life.) 2UA6111GXL



(6) HP 800 G1 Desktop: (End of useful life.)
MXL41616CP, 2UA5281PLW, MXL41616CH, 2UA53014GZ, MXL41616BS, 2UA5281PPK

(1) Lexmark Printer/Fax: (County purchased through Child Support provisions – end of useful life)3300003287

(1) OptiQuest Monitor – End of Useful life. Q7B-3, Model VS11147: Q4AO75082533

Box of Used Telephone Cords – New telephone system goes through network cable and not traditional telephone (RJ11) cables.

Two wooden desks

Six filing cabinets

BLTPREG 836883	577221	04/22/2021	WKINION	0000003371-2014-2014-0000-00	REI	$237.59	$198.29		
Overpayment p.# 6537-24-8761									BLTPREG
MICHAEL, HERMAN E 126 MAIN STREET EDWARD , NC 27821									
836419	577084	04/12/2021	C9BEADH	0000023025-2020-2020-0000-00	REI	$142.81	$142.81		
Overpayment p.# 7701-41-3176									BLTPREG
WHITNEY, SHARON S BEAUFORT COUNTY TAX COLLECTOR PO BOX 633 WASHINGTON BEAUFORT NC 27889									
☐	true BLTPREG 836416	577084	04/12/2021	C9BEADH	0000009176-2020-2020-0000-00	REI	$375.05	$375.05	
Overpayment p.# 6652-80-2864									BLTPREG
HARRIS, SCOTT S BEAUFORT COUNTY TAX COLLECTOR PO BOX 633 WASHINGTON BEAUFORT NC 27889									
☐	true BLTPREG 836394	577084	04/12/2021	C9BEADH	0000045182-2020-2020-0000-00	REI	$377.12	$377.12	
Overpayment p.# 5686-02-2340									BLTPREG
FLOYD, ELAINE C BEAUFORT COUNTY TAX COLLECTOR PO BOX 633 WASHINGTON BEAUFORT NC 27889									
☐	true BLTPREG 836365	577084	04/12/2021	C9BEADH	0009539727-2020-2020-0000-00	REI	$118.96	$118.96	
Overpayment p.# 6652-91-0651									BLTPREG
CARAWAN, GENEVA S BEAUFORT COUNTY TAX COLLECTOR PO BOX 633 BATH BEAUFORT NC 27808									

	true BLTPREG 836120	577039	04/05/2021	C9BEADH	0000014859-2020-2020-0000-00	REI	$237.42	$237.42		
Overpayment p.v# 5687-93-7624.001										BLTPREG
BEDDARD, RAY ANTHONY BEAUFORT CO TAX COLLECTOR PO BOX 633 WASHINGTON BEAUFORT NC 27889										
☐	true BLTPREG 836011	577039	04/05/2021	C9BEADH	0000050545-2020-2020-0000-00	REI	$141.26	$141.26		
Overpayment p.v# 7602-49-9732										BLTPREG
SPENCER, KIMBERLY LASHAN BEAUFORT COUNTY TAX COLLECTOR PO BOX 633 WASHINGTON BEAUFORT NC 27889										
BLTPREG 835921		576767	03/30/2021	WKINION	0000026534-2020-2020-0000-00	IND	$996.84	$996.84		
Overpayment p.v# N/a Ind Property										BLTPREG
MCKENZIE, BENJAMIN 909 MONTICELLO STREET GREENSBORO, NC 27410										
true BLTPREG 836794		577196	04/20/2021	0000024342-2017-2017-0000-00	IND	$184.09	$184.09			
Overpayment personal property										BLTPREG
WADE, JOHN POPE II 336 MANSFIELD RD WASHINGTON NC 27889										
BLTPREG 836777		577195	04/20/2021	0009523569-2017-2017-0000-00	IND	$137.00	$137.00			
Overpayment personal property										BLTPREG
PAMA, TRANQUILINA 114 JUNIPER DR WASHINGTON NC 27889										
☐	true BLTPREG 834521	576851	03/09/2021	0009532504-2017-2017-0000-00	IND	$192.64	$192.64			

North Carolina Vehicle Tax System

NCVTS Pending Refund report

Report Date 4/26/2021 8:32:49 AM

Payee Name	Primary Owner	Secondary Owner	Address 1	Address 2	Address 3	Refund Type	Bill #	Plate Number	Status	Transaction #	Refund Description	Refund Reason	Create Date	Authorization Date	Tax Jurisdiction	Levy Type	Change	Interest Change	Total Change
GARDENKEEPERS LANDSCAPE & DESIGN INC	GARDENKEEPERS LANDSCAPE & DESIGN INC		320 GOOSE LNDG ROAD		CHOCOWINITY, NC 27817	Adjustment >= $100	0060368610	ELJ6563	PENDING	360343920	Refund Generated due to adjustment on Bill #0060368610-2020-2020-0000	Situs error	04/21/2021		G01	Tax	$0.00	$0.00	$0.00
															C01	Tax	($233.52)	($11.68)	($245.20)
															C01	Vehicle Fee	($5.00)	$0.00	($5.00)
															F60	Tax	$18.95	$0.95	$19.90
															E12	Tax	$22.03	$1.10	$23.13
																		Refund	$207.17
HUGHES, ELSIE LEWIS	HUGHES, ELSIE LEWIS	LEWIS, WILLIAM TED	205 WILLOWS CT		WASHINGTON, NC 27889	Proration	0040850941	FBZ3693	PENDING	216100206	Refund Generated due to proration on Bill #0040850941-2020-2020-0000-00	Vehicle Sold	04/20/2021		G01	Tax	($54.77)	$0.00	($54.77)
															C01	Tax	($45.71)	$0.00	($45.71)
															C01	Vehicle Fee	$0.00	$0.00	$0.00
																		Refund	$100.48
LEONARD, KIMLEY WARREN	LEONARD, KIMLEY WARREN		102 CYPRESS BAY		WASHINGTON, NC 27889	Adjustment >= $100	0060070128	72805	PENDING	357585870	Refund Generated due to adjustment on Bill #0060070128-2020-2020-0000	Situs error	04/01/2021		G01	Tax	($218.75)	($10.94)	($229.69)
															C01	Tax	($185.24)	($9.26)	($194.50)
															C01	Vehicle Fee	($5.00)	$0.00	($5.00)
															F63	Tax	$0.21	$0.01	$0.22
															E05	Tax	$0.18	$0.01	$0.19
																		Refund	$428.78
STILWELL, CLAIRE SCHWENNKER	STILWELL, CLAIRE SCHWENNKER		4633 FREEDOM WAY		CENTER VALLEY, PA 18034	Proration	0035145498	JAA3809	PENDING	215021484	Refund Generated due to proration on Bill #0035145498-2020-2020-0000-00	Reg . Out of state	04/07/2021		G01	Tax	($95.69)	$0.00	($95.69)
															F60	Tax	($6.48)	$0.00	($6.48)
															E12	Tax	($7.53)	$0.00	($7.53)
																		Refund	$109.70
TYER, EDWARD JUNIOR II	TYER, EDWARD JUNIOR II		2779 MOUTH OF THE CREEK R		BLOUNTS CREEK, NC 27814	Proration	0051840584	CDE1069	PENDING	215406774	Refund Generated due to proration on Bill #0051840584-2020-2020-0000-00	Vehicle Sold	04/12/2021		G01	Tax	($186.85)	$0.00	($186.85)
															F60	Tax	($12.65)	$0.00	($12.65)
															E12	Tax	($14.71)	$0.00	($14.71)
																		Refund	$214.21
																		Refund Total	$1060.34

JUVENILE CRIME PREVENTION COUNCIL CERTIFICATION STANDARDS

G.S. 143B-853 allows for a 2-year funding cycle for programs that meet the requirements of the statute and have been awarded funds in a prior funding cycle. Indicate below if the JCPC plans to allow for a 1-year or 2-year funding cycle.

1-Year Funding: FY 2021-2022

Membership

A. Have the members of the Juvenile Crime Prevention Council been appointed by county commissioners? Yes

B. Are members appointed for two-year terms and are those terms staggered? Yes

C. Is membership reflective of social-economic and racial diversity of the community? Yes

D. Does the membership of the Juvenile Crime Prevention Council reflect the required positions as provided by N.C.G.S. §143B-846? Yes

If not, which positions are vacant and why?

Working to fill person under age of 21 or 1 person of the public with experience with at-risk juveniles and families. All vacancies will be subject to recommendation/approval by Beaufort BOC. The JCPC seeks to fill vacant positions on the council as available.

Organization

A. Does the JCPC have written Bylaws? Yes

B. Bylaws are On file

C. Bylaws contain Conflict of Interest section per JCPC policy and procedure. Yes

D. Does the JCPC have written policies and procedures for funding and review? Yes

E. These policies and procedures On file

F. Does the JCPC have officers and are they elected annually? Yes

Meetings

A. JCPC meetings are considered open and public notice of meetings is provided. Yes

B. Is a quorum defined as the majority of membership and required to be present in order to conduct business at JCPC meetings? Yes

C. Does the JCPC meet six (6) times a year at a minimum? Yes

D. Are minutes taken at all official meetings? Yes

E. Are minutes distributed prior to or during subsequent meetings? Yes

Planning

A. Does the JCPC conduct a biennial planning process which includes a needs assessment, monitoring of programs and funding allocation process? Yes

B. Is this Biennial Plan presented to the Board of County Commissioners and to DPS? Yes

C. Is the Funding Plan approved by the full council and submitted to Commissioners for their approval? Yes

Public Awareness

A. Does the JCPC communicate the availability of funds to all public and private non-profit agencies which serve children or their families and to other interested community members? Yes

☑ RFP, Distribution List, and Advertisement attached

B. Does the JCPC complete a biennial needs assessment and make that information available to agencies which serve children or their families, and to interested community members? Yes

No Overdue Tax Debt

A. As recipient of the county DPS JCPC allocation, does the County certify that it has no overdue tax debts, as Yes

defined by N.C.G.S. §105-243.1, at the Federal, State, or local level?

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

No areas of standards non-compliance except working to fill all membership positions.

JUVENILE CRIME PREVENTION COUNCIL CERTIFICATION STANDARDS

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

Specified Members	Name	Title	Designee	Race	Gender
1) School Superintendent or designee	Matthew Cheeseman	Superintendent		White	Male
2) Chief of Police or designee	Stacey Drakeford	Chief		Black or African-American	Male
3) Local Sheriff or designee	Ernie Coleman	Sheriff		White	Male
4) District Attorney or designee	Seth Edwards	District Attorney		White	Male
5) Chief Court Counselor or designee	James Ward	Chief Court Counselor		White	Male
6) Director, Local Management Entity/ Managed Care Organization (LME/MCO), or designee	Susan Hall	SOC Coordinator	☑	White	Female
7) Director DSS or designee	Abby Williams	Social Worker	☑	White	Female
8) County Manager or designee	Brian Alligood	County Manager		White	Male
9) Substance Abuse Professional	Anthony Tyre	Counselor		Black or African-American	Male
10) Member of Faith Community	James McIntyre	Bishop		Black or African-American	Male
11) County Commissioner	John Rebholz	County Commissioner		White	Male
12) A Person Under the Age of 21	Mary Emma Holscher	Student		White	Female
13) A Person Under the Age of 21, or a member of the public representing the interests of families of at-risk juveniles					
14) Juvenile Defense Attorney	Franz Holscher	Attorney		White	Male
15) Chief District Judge or designee	Regina Parker	Chief District Court Judge		Black or African-American	Female
16) Member of Business Community	Robin McKeithan	Chamber of Commerce		White	Female
17) Local Health Director or designee	Kim Hough	Health Department	☑	White	Female
18) Rep. United Way/other non-profit	Sally Love	United Way Director		White	Female
19) Representative/Parks and Rec	Teresa Hamliton	Parks and Recreation Assistant	☑	White	Female
20) County Commissioner appointee	Charnita Ricks	Court Counselor		Black or African-American	Female
21) County Commissioner appointee	Dixon Davis	Court Counselor		White	Male
22) County Commissioner appointee	Donna Radcliff-Rowe	Parent		White	Female
23) County Commissioner appointee	Ed Henry	Citizen		White	Male
24) County Commissioner appointee	Gil Davis	Citizen		White	Male
25) County Commissioner appointee	Joe Stringer	Citizen		White	Male

JUVENILE CRIME PREVENTION COUNCIL CERTIFICATION STANDARDS

Specified Members	Name	Title	Designee	Race	Gender
26) County Commissioner appointee	Stephen Braddy	Court Counselor		White	Male

BEAUFORT
COUNTY COMMUNITY COLLEGE

April 8, 2021

Mr. Frankie Waters
Chairman
Beaufort County Board of Commissioners
121 West 3rd Street
Washington, NC 27889

Dear Chairman Waters:

I respectfully request that the Beaufort County Board of Commissioners give its most serious consideration to the reappointment of Ms. Teresa Canady to the Board of Trustees of Beaufort County Community College for a full four-year term, beginning on July 1, 2021.

Ms. Canady has served as an outstanding member of the Board of Trustees, and has worked hard to use her knowledge of the County, its people, and their needs to enhance the decisions of the Board. In four years, she has missed only one meeting, and always serves as a leader in helping the College to implement new, important initiatives, such as our Agriculture Task Force and the annual Martin Luther King Day celebration. And, as an alumna of the College, Ms. Canady provides a very important link to our graduates, both in terms of fundraising and serving as an exemplar of a successful graduate.

Thank you for considering my request. If I can provide any further assistance to the commisioners' deliberations on this matter, please contact me directly at 252-940-6201 or at dave.loope@beaufortccc.edu.

Sincerely,

David R. Loope, Ed.D.
President

C: Mr. Brian Alligood
Rev. Dr. Robert Cayton

Addendum 2

Final Approval of Refinancing General Obligation School Refund Bonds, Series 2012, 2015, 2017

s☆h draft of April 25

Resolution for the Sale of Refunding Bonds

WHEREAS –

The Board of Commissioners of Beaufort County has previously approved the issuance of taxable and tax-exempt general obligation refunding bonds (collectively, the "Bonds") to refinance all or a portion of the County's General Obligation Bonds originally issued in 2012, 2015, and 2017 (the "Prior Bonds").

The County has solicited competitive proposals from banks and other financial institutions to purchase the Bonds, and Key Government Finance, Inc. (the "Purchaser") has submitted the best proposal.

BE IT RESOLVED by the Board of Commissioners of Beaufort County, North Carolina, as follows:

1. ***Determination To Sell Bonds to the Purchaser*** – The County will issue and sell the Bonds and use the proceeds to pay all or a portion of the outstanding balance of the Prior Bonds, along with related financing costs.

The County accepts the Purchaser's proposals, dated March 23, 2021, for the purchase of the Bonds. The County asks the North Carolina Local Government Commission (the "LGC") to sell the Bonds to the Purchaser at a private sale, substantially in accordance with the Purchaser's proposals and this resolution.

2. ***Bond Payment Provisions*** – The Board directs the Finance Officer to determine the final aggregate principal amount of Bonds to be issued, the division between the taxable and tax-exempt issues, the principal and interest payment schedule for the Bonds, and the prepayment terms of the Bonds. The Finance Officer will execute a certificate prior to the initial delivery of the Bonds determining those matters, and this certificate will be conclusive evidence of the Finance Officer's approval and determination of those matters.

The Bonds in final form, however, must provide (a) for the aggregate principal amount of the Bonds to be not more than $9,875,000, (b) for the Bonds to bear interest at an annual interest rate not to exceed 1.48% for the taxable bonds and 1.23% for the tax-exempt bonds, in the absence of default or a change in tax status, and (c) for the final maturity of the Bonds not to extend beyond the final maturity dates of the Prior Bonds that are refunded.

Principal and interest on the Bonds will be payable in lawful money of the United States of America sent to the Bondholder on the payable date by federal reserve wire transfer (or other

transfer of immediately available funds). Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

3. ***Rate Adjustments*** – (a) Upon the occurrence and during the continuation of an event of default, all amounts due with respect to the Bonds will accrue at the Purchaser's "Base Rate," as in effect from time to time, plus 3.00% (300 basis points). The Purchaser's Base Rate equals the greater of (i) the Purchaser's prime rate (as designated by the Purchaser and as in effect from time to time) or (ii) the Federal Funds Open Rate, as shown from time to time in Federal Reserve Release H.15, or its successor, plus 0.5%.

(b) Upon any Rate Adjustment Event, as defined below, (i) the unpaid principal portion of the tax-exempt bonds shall continue to be payable on dates and in amounts as originally set forth in the bonds, but (ii) the interest components of the County's payments shall be recalculated, at an interest rate equal to an annual rate of 1.557% to the date (retroactively, if need be) determined pursuant to the Rate Adjustment Event to be the date interest became includable in the gross income for federal income tax purposes of any bondholder. The County shall additionally pay to all affected bondholders any interest, penalties or other charges assessed against or payable by such bondholder and attributable to a Rate Adjustment Event, notwithstanding the prior repayment of the entire principal amount of the tax-exempt bonds or any transfer of a tax-exempt bond to another bondholder.

(c) "Rate Adjustment Event" means any action by the Internal Revenue Service (including the delivery of a deficiency notice) or any other federal court or administrative body determining that the interest component on the tax-exempt bonds, or any portion thereof, is includable in any bondholder's gross income for federal income tax purposes in any case as a result of any misrepresentation by the County or as a result of any action the County takes or fails to take.

4. ***Form of Bonds*** – The Bonds will be issued in separate series for the taxable and the tax-exempt bonds. Each series will take the form of a single fully registered bond. The taxable bonds will be designated "Taxable General Obligation Refunding Bond, Series 2021A" (the "2021A Bond") and numbered RA-1 for identification. The tax-exempt bonds will be designated "General Obligation Tax-Exempt Refunding Bond, Series 2021B" (the "2021B Bond") and numbered RB-1 for identification.

Each Bond will be dated the date of its initial delivery to the Purchaser. Each Bond will be fully registered as to payment of principal and interest, and will be registered initially in the name of the Purchaser or its designee.

The 2021B Bond will be substantially in the form set out in Exhibit A, with such changes as the officers signing the Bond may approve. The 2021A Bond will be in substantially the same form as the 2021B Bond, with appropriate changes to reflect its different series designation, interest payment provisions and tax-status, along with such other changes as the signing officers may approve. The delivery of a Bond to the Purchaser will be conclusive evidence of the approval of the final form of that Bond by the signing officers.

Each Bond must be signed by the manual or facsimile signature of the Chairman of the Board of Commissioners or the County Manager. The County's seal must be affixed to the Bond (or a facsimile of the seal printed on the Bonds) and attested by the manual or facsimile signature of the Clerk to this Board of Commissioners. No Bond will be valid unless at least one signature appearing on the Bond is manually applied; the manual signature may be the signature of an LGC official that is required by law to appear on the Bond.

*5. **Pledge of Faith, Credit and Taxing Power*** – The County's full faith and credit are hereby irrevocably pledged for the payment of the principal of and interest on the Bonds. Unless other funds are lawfully available and appropriated for timely payment of the Bonds, the County will levy and collect an annual ad valorem tax, without restriction as to rate or amount, on all locally taxable property in the County sufficient to pay the principal of and interest on the Bonds as the same become due.

*6. **Approval of Agreements; Direction To Execute Agreements*** -- The Board approves the forms of the following agreements submitted to this meeting as drafts dated April 25, 2021:

(a) Escrow Agreement, providing for the custody of a portion of the taxable bond funds until those funds can be applied to the payment of certain of the Prior Bonds

(b) Bond Purchase Agreement, providing for the Purchaser's purchase of the Bonds and agreement to reduce the rate on the 2021A Bond under certain circumstance.

The Board authorizes the Board's Chairman and the County Manager, or either of them, to execute and deliver the agreements in their final forms. The agreements in their respective final forms must be in substantially the forms presented, with such changes as the Chairman or the County Manager may approve. The execution and delivery of any agreement by an authorized County officer will be conclusive evidence of that officer's approval of any changes. The agreements in final form, however, must be consistent with the financing plan described in this resolution.

In addition, the Board authorizes and directs the County Manager and all other County officers to take all appropriate steps to carry out the rate reduction contemplated by the Bond Purchase Agreement.

*7. **Disbursement of Bond Proceeds*** – The Board directs the Finance Officer to determine, in consultation with the LGC and the County's financial adviser, the procedures for the disbursement of the proceeds of the Bonds for the payment of the Prior Bonds and other costs.

*8. **Finance Officer as Registrar; Payments to Registered Owners*** – (a) The Board appoints the Finance Officer as Registrar for the Bond. As Registrar, the Finance Officer must maintain appropriate books and records of the ownership of the Bonds.

(b) The County will treat the registered owner of each Bond as the person exclusively entitled to payment of principal and interest and the exercise of all rights and powers of the owner, except that the County will make all payments to the person shown as owner on the registration

books at the end of the calendar day on the 15th day (whether or not a business day) of the month preceding the payment date.

(c) The Registrar must not, however, register the transfer of any portion of any Bond to any person or entity other than a bank, an insurance company or a similar financial institution unless the LGC has previously approved the transfer.

9. County Officers To Complete Bond Closing – The Board authorizes the County Manager, the Finance Officer and all other County officers and employees to take all proper steps to have the Bonds prepared and executed in accordance with their terms, to deliver the Bond to the Purchaser upon payment for the Bonds, and to take all other proper steps to complete the issuance of the Bonds.

The Board authorizes the Finance Officer to hold the executed Bonds, and any other documents authorized or permitted by this resolution, in escrow on the County's behalf until the conditions for the delivery of the Bonds and other documents have been completed to the Finance Officer's satisfaction, and then to release the executed Bond and other documents for delivery to the appropriate persons or organizations.

Without limiting the generality of the foregoing, this authorization is specifically extended to authorize the Finance Officer and the County Manager (a) to approve and enter into agreements to carry out the refunding contemplated by this resolution, including agreements for appropriate professional services, and (b) to approve changes to any documents or closing certifications previously signed by County officers or employees, provided that the Bonds must be in substantially the form approved by this resolution and that any changes must not substantially alter the intent of any document from that expressed in the form originally executed. An authorized officer's authorization of the release of any document for delivery will constitute conclusive evidence of that officer's approval of any changes.

In addition, the Board authorizes the Finance Officer to take all appropriate steps for the efficient and convenient carrying out of the County's on-going responsibilities with respect to the Bonds. This authorization includes, without limitation, contracting with third parties for reports and calculations that may be required under the Bonds, this resolution, or otherwise with respect to the Bonds.

10. Covenants as to Tax Matters – With respect to the 2021B Bond, the County will not take or omit to take any action the taking or omission of which will cause that Bond to be an "arbitrage bond," within the meaning of Section 148 of the "Code" (as defined below), or a "private activity bond" within the meaning of Code Section 141, or otherwise cause interest on the Bond to be includable in gross income for federal income tax purposes. Without limiting the generality of the foregoing, the County will comply with any Code provision that may require the County at any time to pay to the United States any part of the earnings derived from the investment of the proceeds of the Bond, and the County will pay any such required rebate from its general funds. For the purposes of this resolution, "Code" means the United States Internal Revenue Code of 1986, as amended, including applicable Treasury regulations.

11. Call of 2012, 2015, & 2017 Bonds for Redemption – The Board directs the Finance Officer to make, on the County's behalf, an irrevocable call for redemption of such of Prior Bonds as the Finance Officer (after consultation with the LGC) deems beneficial to the County. The Finance Officer will make this call for redemption by the execution and delivery of an appropriate certificate in connection with the original delivery of the Bond.

12. Finding as to Useful Life and Term of the Bond – The Board finds and determines that the term of the Bonds will be the shortest period in which the debt to be refunded can be finally paid without making it unduly burdensome on the County's taxpayers, and will be within the remaining period of usefulness of the projects financed with the proceeds of the Prior Bonds.

13. Additional Provisions – The Board authorizes all County officers and employees to take all further action as they may consider desirable in furtherance of the purposes of this resolution. The Board ratifies all prior actions of County representatives in this regard. Upon the absence, unavailability or refusal to act of the Chairman of the Board of Commissioners, the County Manager, or the Finance Officer, any other of those officers may assume any responsibility or carry out any function assigned in this resolution. In addition, the Vice Chairman or any Deputy or Assistant Clerk may assume any responsibility or carry out any function assigned to the Chairman or the Clerk, respectively, in this resolution. All other Board proceedings, or parts thereof, in conflict with this resolution are repealed, to the extent of the conflict. This resolution takes effect immediately.

Exhibit A – Form of Tax-Exempt Refunding Bond

REGISTERED BOND NUMBER RA-1

May 19, 2021 **$2,745,000**

UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA

Beaufort County

General Obligation Tax-Exempt Refunding Bond, Series 2021B

BEAUFORT COUNTY, NORTH CAROLINA (the "County"), for value received, promises to pay to

Key Government Finance, Inc.

its successors and registered assigns (the "Bondholder"), the principal sum of

TWO MILLION SEVEN HUNDRED FORTY-FIVE THOUSAND DOLLARS ($2,745,000)

together with interest on the unpaid principal from the date of this Bond until payment of the entire principal sum at the annual rate of 1.23%, in installments of principal and interest on dates and in amounts as described on Schedule I, subject to prepayment and adjustment as provided below.

Interest will be calculated based on a 360-day year consisting of twelve 30-day months. Principal and interest are payable in lawful money of the United States of America sent to the Bondholder on the payment date by federal reserve wire transfer (or other transfer of immediately available funds).

Upon the occurrence and during the continuation of an event of default, all amounts due with respect to this Bond will accrue at the "Base Rate," as in effect from time to time, plus 3.00% (300 basis points). The Base Rate equals the greater of (i) the prime rate designated by Key Bank and as in effect from time to time, whether or not Key Bank or any affiliate is at any time the Bondholder, or (ii) the Federal Funds Open Rate, as shown from time to time in Federal Reserve Release H.15, or its successor, plus 0.5%.

Upon any Rate Adjustment Event, as defined below, (i) the unpaid principal portion of this shall continue to be payable on dates and in amounts as set forth in Schedule I, but (ii) the interest components of the County's payments shall be recalculated, at an interest rate equal to an annual rate of 1.557% to the date (retroactively, if need be) determined pursuant to the Rate Adjustment Event to be the date interest became includable in the gross income for federal income tax purposes of any bondholder. The County shall additionally pay to all affected bondholders any interest, penalties or other charges assessed against or payable by such bondholder and attributable to a Rate Adjustment Event, notwithstanding the prior repayment of the entire principal amount of the tax-exempt bonds or any transfer of a tax-exempt bond to another bondholder.

"Rate Adjustment Event" means any action by the Internal Revenue Service (including the delivery of a deficiency notice) or any other federal court or administrative body determining that the interest on this Bond, or any portion thereof, is includable in any Bondholder's gross income for federal income tax purposes in any case as a result of any misrepresentation by the County or as a result of any action the County takes or fails to take.

The County may prepay the principal of this Bond, in whole or in part at any time, upon payment to the Bondholder of the principal amount to be prepaid plus interest accrued to the prepayment date, together with a prepayment premium equal to 1.00% of the amount prepaid if the prepayment is on or before May 18, 2022. No prepayment is required for prepayments after May 18, 2022. Any partial prepayment will be applied to installments of principal in inverse order of maturity. No prepayment otherwise affects the County's obligation to make payments as shown on Schedule I.

In all events, and notwithstanding any other provisions of this Bond, (1) all payments on this Bond will be applied first to interest accrued and unpaid to the

payment date and then to principal, and (2) if not sooner paid, the entire principal of and interest on this Bond will be due and payable on November 1, 2026.

This Bond is issued pursuant to a Bond Order adopted by the County's governing Board of Commissioners on April 5, 2021 and a Bond Resolution adopted by that Board on May 3, 2021 and the Constitution and laws of the State of North Carolina, including the Local Government Bond Act. This Bond constitutes the entire issue of tax-exempt refunding bonds authorized by that Bond Resolution.

The County's full faith and credit are pledged for the payment of principal of and interest on this Bond.

This Bond is fully registered as to both principal and interest. Transfer of this Bond may be registered upon books maintained for that purpose by the County's Finance Officer, who has been appointed Registrar, at 132 West 2d Street, Washington, NC 27889, or any successor office as the Registrar may designate in writing to the Bondholder. The Registrar will not, however, register the transfer of any portion of the Bond to any person or entity other than a bank, an insurance company or a similar financial institution unless the North Carolina Local Government Commission has previously approved the transfer.

The Registrar will treat the registered owner of this Bond as the person exclusively entitled to payment of principal of and interest on this Bond and the exercise of all other rights and powers of the owner, except that the County will make payments to the person shown as the registered owner at the end of the calendar day on the 15th day (whether or not a business day) of the month preceding the payment date.

The County intends that North Carolina law will govern this Bond and the interpretation of its terms.

All acts, conditions and things required by the Constitution and laws of the State of North Carolina to happen, exist or be performed precedent to and in the issuance of this Bond have happened, exist and have been performed, and the issue of Bonds of which this Bond is one, together will all other indebtedness of the County, is within every debt and other limit prescribed by the Constitution and laws of the State of North Carolina.

IN WITNESS WHEREOF, the County has caused this Bond to be signed by its County Manager, its seal to be affixed hereto and attested by the Clerk to its Board of Commissioners, and this Bond to be dated May 19, 2021.

(SEAL)

ATTEST:

Beaufort County, North Carolina

[sample only - do not sign]
Katie Mosher
Clerk, Board of Commissioners
Beaufort County, North Carolina

By: *[sample only - do not sign]*
Brian Alligood
County Manager
Beaufort County, North Carolina

Certificate of Local Government Commission

This Bond has been approved by the North Carolina Local Government Commission in accordance with the Local Government Bond Act.

_____
Sharon G. Edmundson
Secretary, Local Government Commission

[Beaufort County, North Carolina
$2,745,000 General Obligation Tax-Exempt Refunding Bond, Series 2021B]

Schedule I – Principal and Interest Payment Schedule

Principal is payable annually on each November 1 in years and amounts as shown below, subject to prepayment as provided in this bond. Interest is payable on each May 1 and November 1, beginning November 1, 2021, at the annual rate of 1.23% until paid. The schedule below shows the expected interest payment amounts. The interest rate is subject to adjustment as provided in this bond.

Payment Date	Principal Amount ($)	Interest Amount ($)	Total ($)
[Payment schedule to be determined]			

[Beaufort County, North Carolina
$2,745,000 General Obligation Tax-Exempt Refunding Bond, Series 2021B]

ASSIGNMENT

(Transfer of this Bond may be registered by the registered owner or its duly authorized attorney upon presentation to the Registrar.)

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

_____

(Please print or type transferee's name and address, including zip code)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OR TRANSFEREE:

the within bond and all rights thereunder, hereby irrevocably constituting and appointing _____, Attorney, to transfer said bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed: _____ NOTICE: Signature(s) must be guaranteed by a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program	_____ (Signature of Registered Owner) NOTICE: The signature above must correspond with the name of the registered owner as it appears on the front of this bond in every particular without alteration or enlargement or any change whatsoever.

[Beaufort County, North Carolina
$2,745,000 General Obligation Tax-Exempt Refunding Bond, Series 2021B]

s☆h draft of April 25

BOND PURCHASE AGREEMENT

Concerning

Rate Adjustment and Bond Exchange for Beaufort County's

$7,085,000 (original principal amount)
Taxable General Obligation Refunding Bond
Series 2021 (the "2021 Bond")

May 19, 2021

This Bond Purchase Agreement (this "Agreement") is dated as of May 19, 2021, and is by and among Beaufort County, North Carolina (the "County"), the North Carolina Local Government Commission (the "LGC") and Key Government Finance, Inc. (the "Lender").

Introduction

The Lender is purchasing the 2021 Bond from the County today. The Lender has promised that upon compliance with terms set out in this Agreement, the Lender will reduce the interest rate payable on the 2021 Bond. That rate reduction will be carried out through the exchange of the 2021 Bond for a new bond.

The parties agree as follows:

THE EXCHANGE

1. **Exchange for 2022 Bond.** Upon the terms and conditions set out in this Agreement, the Lender hereby agrees to exchange the 2021 Bond for the "2022 Bond," as described below, on any date on or after January 1, 2022. The 2022 Bond need not be issued or exchanged in calendar year 2022.

The exchange of the 2022 Bond for the 2021 Bond is called the "Exchange" in this Agreement.

2. **Form of 2022 Bond.** The 2022 Bond shall be in substantially the form attached as Exhibit A, with such changes as the County and the Lender may agree

upon. Unless the parties otherwise agree, however, the following terms will be part of the 2022 Bond

a) The principal amount of the 2022 Bond will be equal to the unpaid principal amount of the 2021 Bond.

b) The principal and interest payment dates, the principal installment amounts, and the prepayment terms will not change between the 2021 Bond and the 2022 Bond.

c) The annual interest rate on the 2021 Bond will be 1.170%, subject to adjustment as described in Exhibit A.

d) The 2022 Bond must carry an appropriate certification from the LGC as required by the Local Government Bond Act.

3. **Conditions to the Exchange.** The Lender is not obligated to carry out the exchange unless and until the Lender receives the following items, in all cases reasonably acceptable to the Lender in form and substance.

a) Written notice signed by the County Manager, or the County's finance officer, requesting the Exchange and designating a date for the Exchange to be effective (the effective date for the Exchange is called the "Exchange Date" in this Agreement).

b) The original, signed 2022 Bond

c) A certificate, signed by an appropriate County official and dated the Exchange Date, to the effect that the resolution adopted by the County's governing Board of Commissioners on May 3, 2021 (the "Resolution"), providing for the issuance of the 2021 Bond and authorizing the execution and delivery of this Agreement, has not been repealed, revoked, rescinded or amended, and remains in full effect as of the Exchange Date.

d) A certificate signed by the County Manager and the County's finance officer, dated the Exchange Date, to the effect that as of the Exchange Date,

i) There is no litigation or any proceeding before any court or other governmental authority pending or, to the best of their knowledge after reasonable investigation, threatened against the County (or any official thereof in an official capacity) (a) seeking to restrain or enjoin the issuance or delivery of the 2022 Bond, or the levy or collection of taxes to pay the principal of and interest on the 2021 Bond or the 2022 Bond, or (b) in any manner questioning the proceedings and authority under which the 2022 Bond is issued, or (c) challenging (i) the County's organization or existence, (ii) the County's issuance of the 2022 Bond, (iii) the Board's adoption of the Resolution, or (iv) the title to office of any Board member or other County officer.

ii) To the best of their knowledge, there is no litigation pending or threatened against the County or any other person or entity in any manner challenging the issuance of the 2022 Bond.

e) An opinion of bond counsel selected by the County but reasonably acceptable to the Lender, dated the Exchange Date, in substantially the form of the opinion delivered by Sanford Holshouser LLP in connection with the original issuance of the County's $_____ General Obligation Tax-Exempt Refunding Bond, Series 2021B (the "2021B Bond") on May 19, 2021, to the following effect, subject to customary terms and conditions:

i) The 2022 Bond is a valid and binding obligation of the County, enforceable against the County in accordance with its terms. The County's faith and credit are pledged for the payment of principal of and interest on the 2022 Bond, and the County is authorized to levy and collect ad valorem taxes, without restriction as to rate or amount, on all locally taxable property to pay the principal of and interest on the 2022 Bond.

ii) Interest on the 2022 Bond paid by the County (a) is not included in gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum income tax imposed on individuals and corporations.

iii) Interest on the 2022 Bond is exempt from existing State of North Carolina income taxes.

f) such additional certificates (including appropriate incumbency, signature and no-litigation certificates), instruments, opinions or other documents as the Lender may reasonably request.

When the Lender has received the items enumerated above, the Lender will accept delivery of the 2022 Bond, will deliver an investment representation in substantially the Form of Exhibit X, and will (within 30 days of the Exchange Date) return the 2021 Bond, marked "Paid" or with similar notation, to the County, at the address provided the North Carolina Local Government Bond Act.

DEFAULTS AND REMEDIES

4. **Default by County**. Each of the following shall constitute a "Default" under this Agreement: (i) failure of the County to observe or perform a covenant, restriction or agreement herein; or (ii) any representation, warranty, certification or statement made or deemed made by the County in this Agreement or any certificate delivered in connection with the performance of its obligations hereunder shall prove to have been incorrect in any material respect when made. The Lender need not complete the Exchange while a County Default is continuing.

5. **Default by the Lender.** If the Lender fails (other than for a reason permitted under this Agreement) to carry out the Exchange as requested by the County, the County and the LGC may sue to protect and enforce any and all rights existing under the laws of the State of North Carolina, of the United States of America, or granted and contained in this Agreement, and to enforce and compel the performance of all duties required by this Agreement or by any applicable laws to be performed by the Lender, or for its actual direct and consequential damages, which may include loss of anticipated debt service savings and any other damages, as determined by a court of competent jurisdiction.

ADDITIONAL PROVISIONS

6. **County financial information.** In partial consideration of the Lender's purchase of the 2021 Bond and the 2021B Bond, and the Lender's agreement to carry out this Exchange, the County promises the Lender that the County will send to

the Lender (a) a copy of the County's audited financial statements for each of the County's fiscal years promptly upon the County's acceptance of the financial statements, but in any event within 270 days after the end of each fiscal year, and (b) all other financial information (including, without limitation, the County's annual budget as submitted or approved) as any Bondholder may reasonably request from time to time.

7. **Each side bears costs**. No fees or costs are payable by the County to the Lender in connection with the Exchange. Each party will bear its own expenses of this Agreement and of the Exchange.

8. **Waivers.** Notwithstanding any provision of this Agreement to the contrary, the Lender (in its sole discretion) may waive performance of any and all of the County's obligations under this Agreement, as well as the performance of any and all conditions contained in this Agreement for the Lender's benefit.

9. **Limitation of Liability of the LGC.** The members, officers and employees of the LGC shall not be personally liable under this Agreement.

10. **Notices.**

(a) Any communication provided for in this Agreement or the 2022 Bond must be in writing (not to include facsimile transmission or electronic mail).

(b) Any communication under this Agreement will be deemed given when delivered by hand or on the date shown on a United States Postal Service certified mail receipt, or a delivery receipt (or similar evidence) from a national commercial package delivery service, if addressed as follows:

(i) if to the County, to Beaufort County, Attn: County Manager, Re: Notice under 2021 Cinderella Agreement, 121 West 3rd Street, Washington, NC 27889

(ii) if to the Lender, to _____

(iii) if to the LGC, to North Carolina Local Government Commission, Attention: Secretary, Re: Notice under 2021 Beaufort County Cinderella Agreement, 3200 Atlantic Avenue, Longleaf Building, Raleigh NC 27604

(c) Any addressee may designate additional or different addresses for communications by notice given under this Section to each of the others.

(d) Whenever this Agreement requires the giving of a notice, the person entitled to receive the notice may waive the notice, in writing. The giving or receipt of the notice will then not be a condition to the validity of any action taken in reliance upon the waiver.

11. **Governing Law; Jurisdiction.** This parties intend that North Carolina will govern this Agreement and all matters of its interpretation. The Lender consents to personal jurisdiction in the State of North Carolina.

12. **Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

13. **Successors and Assigns.** This Agreement will inure to the benefit of and be binding upon the parties and their respective successors and assigns. Neither this Agreement nor any interest or obligation in or under this Agreement may be transferred by any party without the prior written consent of the other parties, except in connection with the Lender's right to sell, assign and transfer the Bond or fractional interests in the Bond as allowed by law.

14. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[The remainder of this page has been left blank intentionally.]

IN WITNESS WHEREOF, the parties have caused this instrument to be signed, sealed and delivered by duly authorized representatives, as of May 19, 2021.

(SEAL)

ATTEST:

BEAUFORT COUNTY, NORTH CAROLINA

_____
Katie Mosher
Clerk, Board of Commissioners

By: _____
Brian Alligood
County Manager

North Carolina Local Government Commission

By Sharon G. Edmundson
Secretary, North Carolina
Local Government Commission

By _____
[Sharon G. Edmundson
Or Designated Assistant]

Key Government Finance, Inc.

_____

Printed name: _____

Title: _____

Exhibit A – Form of 2022 Bond

REGISTERED BOND NUMBER RA-1

_____, 2022 **$7,085,000**

UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA

Beaufort County

General Obligation Tax-Exempt Refunding Bond, Series 2022

BEAUFORT COUNTY, NORTH CAROLINA (the "County"), for value received, promises to pay to

Key Government Finance, Inc.

its successors and registered assigns (the "Bondholder"), the principal sum of

SEVEN MILLION EIGHTY-FIVE THOUSAND DOLLARS ($7,085,000)

together with interest on the unpaid principal from the date of this Bond until payment of the entire principal sum at the annual rate of 1.17%, in installments of principal and interest on dates and in amounts as described on Schedule I, subject to prepayment and adjustment as provided below.

Interest will be calculated based on a 360-day year consisting of twelve 30-day months. Principal and interest are payable in lawful money of the United States

of America sent to the Bondholder on the payment date by federal reserve wire transfer (or other transfer of immediately available funds).

Upon the occurrence and during the continuation of an event of default, all amounts due with respect to this Bond will accrue at the "Base Rate," as in effect from time to time, plus 3.00% (300 basis points). The Base Rate equals the greater of (i) the prime rate designated by Key Bank and as in effect from time to time, whether or not Key Bank or any affiliate is at any time the Bondholder, or (ii) the Federal Funds Open Rate, as shown from time to time in Federal Reserve Release H.15, or its successor, plus 0.5%.

Upon any Rate Adjustment Event, as defined below, (i) the unpaid principal portion of this shall continue to be payable on dates and in amounts as set forth in Schedule I, but (ii) the interest components of the County's payments shall be recalculated, at an interest rate equal to an annual rate of 1.48% to the date (retroactively, if need be) determined pursuant to the Rate Adjustment Event to be the date interest became includable in the gross income for federal income tax purposes of any bondholder. The County shall additionally pay to all affected bondholders any interest, penalties or other charges assessed against or payable by such bondholder and attributable to a Rate Adjustment Event, notwithstanding the prior repayment of the entire principal amount of the tax-exempt bonds or any transfer of a tax-exempt bond to another bondholder.

"Rate Adjustment Event" means any action by the Internal Revenue Service (including the delivery of a deficiency notice) or any other federal court or administrative body determining that the interest on this Bond, or any portion thereof, is includable in any Bondholder's gross income for federal income tax purposes in any case as a result of any misrepresentation by the County or as a result of any action the County takes or fails to take.

The County may prepay the principal of this Bond, in whole or in part at any time, upon payment to the Bondholder of the principal amount to be prepaid plus interest accrued to the prepayment date, together with a prepayment premium equal to 1.00% of the amount prepaid if the prepayment is on or before May 18, 2022. No prepayment is required for prepayments after May 18, 2022. Any partial prepayment will be applied to installments of principal in inverse order of maturity.

No prepayment otherwise affects the County's obligation to make payments as shown on Schedule I.

In all events, and notwithstanding any other provisions of this Bond, (1) all payments on this Bond will be applied first to interest accrued and unpaid to the payment date and then to principal, and (2) if not sooner paid, the entire principal of and interest on this Bond will be due and payable on November 1, 2026.

This Bond is issued pursuant to a Bond Order adopted by the County's governing Board of Commissioners on April 5, 2021, a Bond Resolution adopted by that Board on May 3, 2021 and a Bond Purchase Agreement dated as of May 18, 2021, and the Constitution and laws of the State of North Carolina, including the Local Government Bond Act.

The County's full faith and credit are pledged for the payment of principal of and interest on this Bond.

This Bond is fully registered as to both principal and interest. Transfer of this Bond may be registered upon books maintained for that purpose by the County's Finance Officer, who has been appointed Registrar, at 132 West 2d Street, Washington, NC 27889, or any successor office as the Registrar may designate in writing to the Bondholder. The Registrar will not, however, register the transfer of any portion of the Bond to any person or entity other than a bank, an insurance company or a similar financial institution unless the North Carolina Local Government Commission has previously approved the transfer.

The Registrar will treat the registered owner of this Bond as the person exclusively entitled to payment of principal of and interest on this Bond and the exercise of all other rights and powers of the owner, except that the County will make payments to the person shown as the registered owner at the end of the calendar day on the 15th day (whether or not a business day) of the month preceding the payment date.

The County intends that North Carolina law will govern this Bond and the interpretation of its terms.

All acts, conditions and things required by the Constitution and laws of the State of North Carolina to happen, exist or be performed precedent to and in the issuance of this Bond have happened, exist and have been performed, and the issue of Bonds of which this Bond is one, together will all other indebtedness of the County, is within every debt and other limit prescribed by the Constitution and laws of the State of North Carolina.

IN WITNESS WHEREOF, the County has caused this Bond to be signed by its County Manager, its seal to be affixed hereto and attested by the Clerk to its Board of Commissioners, and this Bond to be dated _____, 2022.

(SEAL)

ATTEST:

Beaufort County, North Carolina

[sample only - do not sign]
Katie Mosher
Clerk, Board of Commissioners
Beaufort County, North Carolina

By: *[sample only - do not sign]*
Brian Alligood
County Manager
Beaufort County, North Carolina

Certificate of Local Government Commission

This Bond has been approved by the North Carolina Local Government Commission in accordance with the Local Government Bond Act.

_____
Sharon G. Edmundson
Secretary, Local Government Commission

Schedule I – Principal and Interest Payment Schedule

Principal is payable annually on each November 1 in years and amounts as shown below, subject to prepayment as provided in this bond. Interest is payable on each May 1 and November 1, beginning _____, at the annual rate of 1.17% until paid. The schedule below shows the expected interest payment amounts. The interest rate is subject to adjustment as provided in this bond.

Payment Date	Principal Amount ($)	Interest Amount ($)	Total ($)
[Payment schedule to be determined]			

[Beaufort County, North Carolina
$7,085,000 General Obligation Tax-Exempt Refunding Bond, Series 2022]

ASSIGNMENT

(Transfer of this Bond may be registered by the registered owner or its duly authorized attorney upon presentation to the Registrar.)

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

_____

(Please print or type transferee's name and address, including zip code)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OR TRANSFEREE:

the within bond and all rights thereunder, hereby irrevocably constituting and appointing _____, Attorney, to transfer said bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed: _____ NOTICE: Signature(s) must be guaranteed by a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program	_____ (Signature of Registered Owner) NOTICE: The signature above must correspond with the name of the registered owner as it appears on the front of this bond in every particular without alteration or enlargement or any change whatsoever.

[Beaufort County, North Carolina
$7,085,000 General Obligation Tax-Exempt Refunding Bond, Series 2022]

Exhibit B – Form Lender's investment representation at Exchange

Lender's Certificate as to Investment Intent

Key Government Finance, Inc. makes the following statements for the benefit of Beaufort County, North Carolina (the "County") and the North Carolina Local Government Commission, in partial consideration for the County's issuance to us today of the "Bond," as defined below.

1. We are today receiving the County's $7,045,000 General Obligation Tax-Exempt Refunding Bond, Series 2022 (the "Bond"). We have exchanged this Bond with the County for the County's $7,085,000 (original principal amount) Taxable General Obligation Refunding Bond, Series 2021 (the "2021 Bond"). We have owned the 2021 Bond until this exchange. Neither we nor the County are paying any additional amounts to one another in consideration of the exchange.

2. In this connection, we acknowledge and represent as follows: (a) we are familiar with the County; (b) we have been furnished financial information about the County; (c) the County has made available to us the opportunity to obtain additional information to verify the accuracy of the information supplied and to evaluate the merits and risks of purchasing the Bond; (d) we have had the opportunity to ask questions of and receive answers from County representatives, including officers, attorneys and accountants, concerning the terms and conditions of the Bond, the information supplied to us and the County's condition, financial and otherwise; and (e) the County has responded to our requests in a manner satisfactory to us.

3. We further acknowledge that we are capable of evaluating the merits and risks of purchasing the Bond and that we have agreed to purchase the Bond although no formal offering material has been provided to us in connection with this transaction. We have no present intention of reselling or disposing of any interest in the Bond in any transaction constituting a "distribution" thereof, as that term is used in the United States Securities Act of 1933, as amended, and the regulations of the Securities and Exchange Commission thereunder.

4. We have undertaken to discuss and investigate the form and substance of the Bond and the related transactions with such persons as we have deemed appropriate, including our counsel.

5. We understand that we may need to bear the risks of this investment for an indefinite period of time, because any sale or assignment of the Bond may not be possible or, if possible, may be at a price below that which we have paid for the Bond.

6. We have undertaken to verify the accuracy, completeness and truth of any statements made concerning any of the material facts relating to this transaction, including information regarding the County's financial condition. We have conducted our own investigation to the extent we have deemed necessary. On this basis, we acknowledge that we are not relying on any party or person other than the County to furnish or verify information relating to this transaction.

7. We further acknowledge that Sanford Holshouser LLP has served as counsel to the County, and not as our counsel.

Dated [Exchange Date], 2022.

Key Government Finance, Inc.

_____

Printed name: _____

Title: _____

S☆H draft of April 25

ESCROW AGREEMENT

This Escrow Agreement (the "Agreement") is dated as of May 19, 2021, and is between Beaufort County, North Carolina (the "County"), and Regions Bank (the "Escrow Agent").

RECITALS:

The County has previously provided for the issuance of the "Prior Bonds," as described on Exhibit A. The County is now providing for the redemption and refunding of some of the outstanding Prior Bonds. Exhibit A specifies the Prior Bonds that are being defeased and refunded (the "Refunded Bonds").

The County will provide for a portion of the proceeds of its $7,745,000 General Obligation Taxable Refunding Bond, Series 2021A (the "2021A Bond"), to be used for this refunding. The Escrow Agent will hold funds pursuant to this Agreement and the provisions of a resolution adopted by the County's governing Board of Commissioners on May 3, 2021 (the "2021 Resolution").

Now, therefore, in consideration of the foregoing and of the mutual covenants in this Agreement, the County and the Escrow Agent agree as follows:

SECTION 1. There is established with the Escrow Agent a special and irrevocable trust fund designated as the "Beaufort County 2021 General Obligation Refunding Escrow Fund" (the "Escrow Fund"). The Escrow Agent will hold the Escrow Fund as a trust fund separate and apart from all other funds of the County or of the Escrow Agent. The Escrow Agent must use the funds on deposit in the Escrow Fund solely for the payment and redemption of the Refunded Bonds and for the other purposes provided for in this Agreement.

SECTION 2. To secure the payment of the principal of and interest on the Refunded Bonds, the County pledges and sets over to the Escrow Agent the amounts specified in Section 3 for deposit in the Escrow Fund, in trust for the benefit and security of the owners of the Refunded Bonds, subject to the terms and conditions of this Agreement.

SECTION 3. (a) The Escrow Agent acknowledges receipt of the following funds:

From the County, from the proceeds of the 2021A Bond	$
From other County funds	
For a total of	**$**

(b) The County directs the Escrow Agent to apply the funds described in paragraph (a) as shown in the following table, and the Escrow Agent agrees to make this application:

To purchase the securities shown on Exhibit B (the "Escrow Investments")	$
Held in cash uninvested	
For a total of	**$**

The Escrow Agent will hold the Escrow Investments and other funds described above in the Escrow Fund.

SECTION 4. The County represents and warrants that the Escrow Investments will earn interest and mature in such amounts and at such times as will

be sufficient, together with other funds held in the Escrow Fund, to pay the remaining debt service on the Refunded Bonds through the redemption date specified in Exhibit A.

Exhibit C shows (a) the schedule of expected receipts from the Escrow Investments and (b) the disbursements from the Escrow Fund required to pay the Refunded Bonds on each remaining payment date. The County consents to the Escrow Agent's reliance on the dates and amounts set forth in Exhibit C.

If the moneys in the Escrow Fund are insufficient for the purposes of this Agreement, the County is responsible for the timely deposit to the credit of the Escrow Fund of such additional amounts as may be required to cure the deficiency. The Escrow Agent will notify the County of any insufficiency as soon as it knows of the deficiency, but the Escrow Agent is not responsible for the County's failure to make any deposits. The Escrow Agent will make neither investments nor distributions unless and until the Escrow Agent has collected funds.

SECTION 5. No substitution of the Escrow Investments is permitted.

SECTION 6. The Escrow Agent will collect payments of the principal of and interest on the Escrow Investments on the respective due dates. On each payment date for the Refunded Bonds, the Escrow Agent will transfer sufficient moneys from the amounts available in the Escrow Fund for the payment of the principal and interest due on the Refunded Bonds on that date. The Escrow Agent will make these payments as specified on Exhibit C.

If the County converts the 2012 School Bonds, as defined in Exhibit A, to certificated form, the County agrees that not later than thirty days prior to the next ensuing interest payment date for the 2012 School Bonds, it will appoint a paying agent for the 2012 School Bonds and give the Escrow Agent written notice of this appointment. In that case, the Escrow Agent will make payments to the County's designated paying agent.

The Escrow Agent will make the payments required in this Section without regard to whether the owners have presented any of the Refunded Bonds to the County or otherwise.

SECTION 7.The Escrow Investments, moneys representing principal of and interest earned on Escrow Investments and any other funds on deposit in the Escrow Fund from time to time are hereby made subject to an express lien and trust for the benefit of the owners of the Refunded Bonds until used and applied in accordance with this Agreement.

SECTION 8.The Escrow Agent acknowledges receipt of a certified copy of the 2021 Resolution calling the Refunded Bonds for redemption, and of a copy of the Finance Officer's certificate contemplated by the 2021 Resolution related to the final call for redemption. The County confirms that it has specifically and irrevocably elected to defease and redeem all of the Refunded Bonds as described on Exhibit A.

The County irrevocably directs the Escrow Agent to, and the Escrow Agent agrees that it will, promptly after the original execution and delivery of this Escrow Agreement, provide for a notice in substantially the form of Exhibit D to be posted with the EMMA continuing disclosure system of the Municipal Securities Rulemaking Board (the "MSRB") with respect to the Refunded Bonds.

The County irrevocably directs the Escrow Agent to, and the Escrow Agent agrees that it will, promptly after the original execution and delivery of this Escrow Agreement, provide for a notice in substantially the form of Exhibit E to be sent to Pinnacle Public Finance, Inc., at the address shown I Exhibit E.

The County irrevocably directs the Escrow Agent to, and the Escrow Agent agrees that it will, at least thirty days but not more than sixty days before June 1, 2022, cause a notice substantially in the form of Exhibit F (a) to be sent to The Depository Trust Company both (i) by registered or certified mail, postage prepaid, to Supervisor, Call Notification Department, The Depository Trust Company, 55 Water St., 50th Floor, New York NY 10041-0004, and (ii) by electronic mail to redemptionnotification@dtcc.com, and (b) to be posted with the MSRB's EMMA continuing disclosure system with respect to the Refunded Bonds.

SECTION 9.The Escrow Agent's liability to make the payments required by this Agreement with respect to the Refunded Bonds is limited to the principal of and interest received on the Escrow Investments and the other funds on deposit in the Escrow Fund. The Escrow Agent is not liable for any loss resulting from any investment made pursuant to this Agreement in compliance with the provisions of this Agreement.

This Agreement is between the County and the Escrow Agent only. The Escrow Agent's duties under this Agreement are only to the County and the owners of the Refunded Bonds.

The Escrow Agent has no responsibility to the County or any other person in connection with this Agreement except for those responsibilities specifically provided in this Agreement. The Escrow Agent is not responsible for anything done or omitted to be done by it except with regard to its own gross negligence, willful misconduct or default in the performance of any obligation imposed on it under this Agreement. The Escrow Agent, except as specifically provided for in this Agreement, is not a party to, nor is it bound by or need it consider the terms or provisions of, any other agreement or undertaking between the County and any other person. The Escrow Agent assents to and is to give consideration only to the terms and provisions of this Agreement. Unless specifically provided in this Agreement, the Escrow Agent has no duty to determine or inquire into the happening or occurrence of any event or contingency or the County's performance or failure of performance with respect to agreements with others. The Escrow Agent's sole duty under this Agreement is to safeguard the Escrow Fund and to dispose of and deliver the same in accordance with this Agreement, as this Agreement constitutes the complete agreement and understanding by all parties to this Escrow Agreement.

The Escrow Agent may act upon any written notice, request, waiver, consent, certificate, receipt, authorization, power of attorney, or other instrument or document which the Escrow Agent in good faith believes to be genuine and to be what it purports to be.

If, however, the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any event or contingency, the Escrow Agent is obligated to exercise reasonable care and diligence in making the determination. In the event of error in making such a determination, the Escrow Agent will be liable for its own gross negligence or willful misconduct. In determining the occurrence of any event or contingency, the Escrow Agent may request from the County or any other person reasonable additional evidence as the Escrow Agent in its reasonable discretion may deem appropriate to determine any fact relating to the event or contingency, and in this connection may inquire and consult with the County, among others, at any time, and will be protected in relying on inquiry and consultation with the County. The Escrow Agent may consult with legal counsel (including in-house

counsel), and the opinion of counsel as to any legal matters will be full and complete authority and protection to the Escrow Agent as to any action taken or omitted by it in good faith and in accordance with that opinion.

The Escrow Agent has the right to petition any court of competent jurisdiction to resolve any dispute arising under this Agreement.

If the Escrow Agent fails to account for any of the investments or funds held under this Agreement, those investments or funds will be and remain the property of the Escrow Fund in trust for the owners of the Refunded Bonds as provided in this Agreement.

The funds and securities received by the Escrow Agent under this Agreement are not a banking deposit by the County. The County has no right or title with respect to these funds and securities. The funds and securities received by the Escrow Agent under this Agreement are not subject to checks or drafts drawn by the County or claims against the County by any creditor of the County, other than the owners of the Refunded Bonds.

SECTION 10.The trust created under this Agreement is irrevocable. This Agreement will terminate when the Escrow Agent has made all payments as contemplated by Section 6 and the Escrow Agent has made the final report and disbursement contemplated by Section 13. The Escrow Agent will thereupon be released and discharged from this Agreement, and the owners of the Refunded Bonds may then look only to the County for the payment of the Refunded Bonds.

SECTION 11. The County will pay all necessary and proper fees, compensation and expenses of the Escrow Agent under this Agreement. The County agrees, to the extent permitted by law, to indemnify the Escrow Agent and hold it harmless against any liability it may incur while acting in good faith in its capacity as Escrow Agent under this Agreement, including, but not limited to, payment of any court costs and reasonable legal fees, costs and expenses. The County will pay, or provide for the payment of, these costs, from sources other than the Escrow Fund. In no None of these costs, charges, expenses will have any claim against the Escrow Fund. The Escrow Agent will assert no lien against the Escrow Fund in connection with any payment owed to it.

SECTION 12. The Escrow Agent agrees to perform all the duties and obligations imposed upon it by this Agreement.

The Escrow Agent may resign and thereby become discharged from the duties and obligations created by this Agreement by giving written notice to the County. This resignation will take effect only upon the County's appointment of a new escrow agent.

If the County fails to appoint a successor Escrow Agent within 45 days of notice from the departing Escrow Agent, the departing Escrow Agent may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. The court may thereupon appoint a successor Escrow Agent after such notice, if any, as the court may deem proper.

The Escrow Agent may be removed at any time by an instrument, or concurrent instruments, in writing, executed by the owners of not less than 51% in aggregate principal amount of the unpaid Refunded Bonds, such instruments to be filed with the County, and notice in writing given by such owners to the County and (unless all of the owners of the unpaid Refunded Bonds have consented to the removal) sent not less than 60 days before the removal is to take effect.

The Escrow Agent may also be removed at any time for any material breach of trust or for acting or proceeding in material violation of, or for failing to act or proceed in accordance with, any provisions of this Agreement, by any court of competent jurisdiction upon the application of the County or the owners of not less than 10% in aggregate principal amount of the unpaid Refunded Bonds.

Upon the appointment of any successor escrow agent, the departing Escrow Agent will execute any agreements, assignments and other documents as may be necessary to vest in the successor escrow agent all the title, rights, duties and obligations of the Escrow Agent under this Agreement and in the Escrow Investments and other funds deposited or to be deposited or received by the Escrow Agent under this Agreement, as the County may reasonably request. Upon acceptance by the successor escrow agent of the responsibilities under this Agreement, all further title, rights, duties and obligations of the departing Escrow Agent under this Agreement cease and are discharged, except for rights or liabilities accrued to or by the County or the Escrow Agent.

Any company or national banking association into which the Escrow Agent may be merged or converted, or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which the Escrow Agent may be a party, or any company to which the Escrow Agent may sell or transfer all or substantially all of its municipal corporate trust business, will be the successor to the Escrow Agent without the execution or filing of any paper or further act by the successor Escrow Agent.

Upon the taking of office of any successor Escrow Agent, the new Escrow Agent must promptly cause notice of its appointment and contact information (identifying this Agreement) to be posted with the MSRB's EMMA continuing disclosure system with respect to the Refunded Bonds.

SECTION 13. (a) On or before August 1, 2021, the Escrow Agent must deliver to the County (i) a report of each transaction relating to the Escrow Fund for the prior fiscal year ended June 30, and (ii) a schedule of the assets of the Escrow Fund as of the preceding July 1. In lieu of these reports, the Escrow Agent may provide monthly statements providing substantially equivalent information.

(b) Then, or before July 15, 2022, the Escrow Agent must send to the County a complete statement of all transactions concerning the Escrow Fund through the final disbursement of funds from the Escrow Fund as provided for in Section 6. At that same time, if any amounts remain in the Escrow Fund, the Escrow Agent will disburse the remaining amounts as the County may at that time direct.

(c) The County will promptly send a copy of each report received under this Section to the North Carolina Local Government Commission.

SECTION 14. This Agreement may be amended to (a) correct language or to cure any ambiguity or defective provisions, omission, mistake or manifest error contained in this Agreement, or (b) to provide for the deposit of additional cash or securities in the Escrow Fund. All amendments must be in writing signed by all parties to this Agreement, but no consent of any owners of Refunded Bonds is required.

SECTION 15. (a) The parties intend that North Carolina law will govern this Agreement and all matters of its interpretation.

(b) This Agreement may be executed in several counterparts, all or any of such may be regarded for all purposes as one original and which will constitute and be but one and the same instrument.

(c) All of the County's representations, covenants and indemnifications in this Agreement will survive this Agreement's termination.

(d) This Agreement will inure to the benefit of and be binding upon the parties and their respective successors and assigns.

(e) Any notice, authorization, request, or demand required or permitted to be given to the County or the Escrow Agent under this Agreement must be in writing (not including electronic mail or facsimile transmission) and will be deemed delivered on the date shown on a certified mail receipt, or a delivery receipt (or similar evidence) from a national commercial package delivery service, if addressed as follows:

to the County, to

Beaufort County, North Carolina
Attention: Finance Officer
Re: Notice under 2021 escrow agreement for general obligation refunding bonds
121 West Third St.
Washington, NC 27889

to the Escrow Agent, to

Regions Bank --
Corporate Trust
Regarding: Notice under 2021 General Obligation Refunding Bond Escrow Agreement For Beaufort County, North Carolina
1180 West Peachtree St., STE 1200
Atlanta, GA 30309

Either party may change its addresses for notices by written notice of the change given under this Agreement.

(f) Whenever under the terms of this Agreement the performance date of any act to be done under this Agreement falls on a day which is not a legal banking day in the State of North Carolina, and upon which the Escrow Agent is not open for business, the performance of that act on the next succeeding business day of the Escrow Agent will be in full compliance with this Agreement. Whenever time is referred to in this Agreement it will be the time recognized by the Escrow Agent (at the office specified in subsection (e) above) in the ordinary conduct of its normal business transactions.

[The remainder of this page has been left blank intentionally.]

IN WITNESS WHEREOF, the parties have each caused this Agreement to be executed by duly authorized officers as of the date first above written.

Beaufort County, North Carolina

By: _____
Anita Radcliffe
Finance Director

Regions Bank,
as Escrow Agent

By: _____

Name: _____

Title: _____

[Escrow Agreement dated as of May 19, 2021]

EXHIBIT A
BONDS BEING REDEEMED AND REFUNDED

The Prior Bonds are as follows:

General Obligation Refunding School Bonds, Series 2012, of which all the bonds maturing on April 1 in the years 2023 through 2028 are being refunded on April 1, 2022 (the "2012 School Bonds").

General Obligation Refunding School Bond, Series 2017, of which all the principal installments maturing on February 1 in the years 2023 through 2028 are being refunded on February 1, 2022.

EXHIBIT B
INITIAL ESCROW SECURITIES

Security Description*	Par Amount ($)	Interest Rate (%)	Maturity Date
[To come.]			

* All are United States Treasury Securities – State and Local Series.

EXHIBIT C
OPERATION OF THE ESCROW FUND

Date	Available Cash	Receipts from Escrow Investment	Total Funds Available	Escrow Requirement	Balance after Payment
xxxx*	xxx**				xxx**
	xxx				
				xxxx***	
				xxxxx****	

* Closing date

**Initial cash deposit at closing

*** Includes $_____ in redeemed principal

**** Includes $_____ in redeemed principal

Payments on the 2012 School Bonds are to be made to The Depository Trust Company or otherwise as provided in this Agreement.

Payments on the other Refunded Bonds are to be made as follows: [Pinnacle Public Finance payment instructions to come.]

EXHIBIT D

REFUNDING NOTICE

Beaufort County, North Carolina

General Obligation Refunding School Bonds
Series 2012

[dated August 8, 2012; original principal amount $10,545,000]

TAKE NOTICE that Beaufort County, North Carolina (the "County"), has elected to redeem and will redeem on April 1, 2022, all of the outstanding Bonds that mature on and after April 1, 2023. These Bonds will be redeemed at a redemption price equal to the principal amount thereof.

The CUSIP numbers and other details of the Bonds to be redeemed are as follows:

CUSIP	Maturity Date (4/1)	Principal Amount ($)	Redemption Price*	Interest Rate (%)
[To come]				

*As a percentage of par

The CUSIP numbers listed above are included solely for the convenience of the Bondowners. Neither the County nor the Escrow Agent (as identified below) is responsible for the use of the CUSIP numbers, and no representation is made as to their correctness on the securities or as indicated on any redemption notice.

Interest on the Bonds being redeemed prior to their stated maturity dates will cease to accrue from and after April 1, 2022.

Payment of the redemption price for all Bonds will be made on presentation and surrender of the Bonds through The Depository Trust Company.

The County has deposited with the Escrow Agent United States Treasury Obligations sufficient to pay all remaining payments in a timely manner.

Additional notice of redemption will be provided to registered owners of the Bonds to be redeemed prior to their stated maturity dates not less than 30 days prior to the redemption date.

Persons seeking additional information may contact the undersigned Escrow Agent at 404-581-3742.

Regions Bank,
as Escrow Agent
Atlanta, Georgia

EXHIBIT D

[Refunding notice to Pinnacle, to come]

EXHIBIT E

REDEMPTION NOTICE

Beaufort County, North Carolina

General Obligation Refunding School Bonds
Series 2012

[dated August 8, 2012; original principal amount $10,545,000]

TAKE NOTICE that Beaufort County, North Carolina (the "County"), has elected to redeem and will redeem on April 1, 2022, all of the outstanding Bonds that mature on and after April 1, 2023. These Bonds will be redeemed at a redemption price equal to the principal amount thereof.

The CUSIP numbers and other details of the Bonds to be redeemed are as follows:

CUSIP	Maturity Date (4/1)	Principal Amount ($)	Redemption Price*	Interest Rate (%)
[To come.]				

*As a percentage of par

The CUSIP numbers listed above are included solely for the convenience of the Bondowners. Neither the County nor the Escrow Agent (as identified below) is responsible for the use of the CUSIP numbers, and no representation is made as to their correctness on the securities or as indicated on any redemption notice.

Interest on the Bonds will cease to accrue from and after April 1, 2022.

Payment of the redemption price for the Bonds will be made on presentation and surrender of the Bonds through The Depository Trust Company.

The County has deposited with the Escrow Agent United States Treasury Obligations sufficient to pay the redemption price in a timely manner.

All owners submitting their Bonds must also submit Internal Revenue Service Form W-9. Failure to provide a completed Form W-9 will result in 31% backup withholding to bondowners pursuant to the Interest and Dividend Tax Compliance Act of 1983. Form W-9 may be obtained from the Internal Revenue Service.

Persons seeking additional information may contact the undersigned Escrow Agent at 404-581-3742.

Regions Bank,
as Escrow Agent
Atlanta, Georgia

Addendum 3

Accept Contracts and Adopt Project Budget Ordinance

Agricultural Conservation Easement Program –

Agricultural Land Easement (ACEP-ALE)

PARCEL COST-SHARE CONTRACT

Lead ELIGIBLE ENTITY (Participant): COUNTY OF BEAUFORT	**ACEP-ALE Program Agreement Number:** 544532202RZ
State: NC	**Parcel Contract Number:** 544532202S0
This parcel contract is effective on the date signed by the Natural Resources Conservation Service (NRCS) obligating official and extends through **March 31, 2023**, or to March 31 of a subsequent fiscal year in accordance with the terms of the above-reference ACEP-ALE program agreement and as agreed to by all parties through the execution of a valid modification to this parcel contract as described herein.	

1. The undersigned eligible entities (participants) enter into this ACEP-ALE Parcel Cost-Share Contract (Parcel Contract) with the Natural Resources Conservation Service (NRCS) to acquire an agricultural land easement, as set forth in the above-referenced ACEP-ALE Program Agreement on the Parcel identified in the documents that comprise this Parcel Contract, including the proposed Parcel boundary map. The term "Parties" as used herein refers collectively to NRCS and the undersigned participants.

2. This Parcel Contract is comprised of this Form NRCS-CPA-1265, "ACEP-ALE Parcel Cost-Share Contract," and the Form NRCS-CPA-1265-Appendix and the Form NRCS-CPA-1266, "Schedule of Acquisition for Easements," which are hereby fully incorporated into this document and are binding upon the participants. The Form NRCS-CPA-1266 may be modified through the execution of Form NRCS-CPA-1267, "Modification of the Schedule of Acquisition for Easements," by both NRCS and the participant and becomes a part of the Parcel Contract when the parties have agreed to and signed Form NRCS-CPA-1267.

3. NRCS issuance of payment of the Federal share to the participants in the amount identified on Form NRCS-CPA-1266, or approved modifications thereto on Form NRCS-CPA-1267, will be based on a determination by NRCS that the participants have satisfied the terms and conditions of this Parcel Contract and above-referenced Program Agreement.

4. The participants agree to—

   A) Identify on this Form NRCS-CPA-1265, all eligible entities (participants) under this Parcel Contract, and to identify one of the listed eligible entities as a "Lead Eligible Entity" to serve as the primary point of contact to NRCS for the purposes of administering this Parcel Contract and whose signature is required on all forms associated with this Parcel Contract.

   B) Identify on this Form NRCS-CPA-1265, the other eligible entities (participants) whose signatures are required on the Form NRCS-CPA-1266, and any associated modification thereto on Form NRCS-CPA-1267, and the on the submission of Form NRCS-CPA-1268, "Conservation Activity Approval and Payment Application for Acquisition of Easements," to request payment of the Federal share associated with this Parcel Contract.

   C) Obtain all required signatures on the Parcel Contract documents as identified on this Form NRCS-CPA-1265 and Form NRCS-CPA-1265-Appendix.

   D) Comply with the terms and conditions of this Parcel Contract and the above-referenced ACEP-ALE Program Agreement, including providing to NRCS all required items identified therein.

5. **PARCEL CONTRACT PARTICIPANTS**
   (May only be an Eligible Entity that is Party to the ACEP-ALE Program Agreement to which this Parcel Contract is associated; Payment Shares identified below must total 100 percent)

   A) Lead ELIGIBLE ENTITY (Participant)

Lead Eligible Entity Name COUNTY OF BEAUFORT	**TAX ID** *****1521	
Eligible Entity Address, Telephone, e-mail 121 W 3RD ST WASHINGTON NC 27889 (252) 946-0079	**DUNS** 616168266	
	Payment Shares *(enter percent)*	100.00 %
Signature of Authorized Representative Susan Albright	**Date** 9/28/20	

ACEP-ALE PARCEL COST-SHARE CONTRACT

B) Additional ELIGIBLE ENTITIES (Participants)
(Attach additional pages as needed)

Eligible Entity Name BEAUFORT SOIL AND WATER CONSERVATION DISTRICT			**TAX ID** *****5414		
Eligible Entity Address, Telephone, e-mail 155C AIRPORT RD WASHINGTON NC 27889 (252) 946-4989			**DUNS** 117140353 **Payment Shares** *(enter percent)*		0.00 %
Signature of Authorized Representative			**Date** 9-28-20		
Signature required for modifications (Form NRCS-CPA-1267) *(NOTE: This delegation is not applicable for change in payment shares made on the Form NRCS-CPA-1267)*	✓ Yes	☐ No	**Signature required for payment requests (Form NRCS-CPA-1268)**	✓ Yes	☐ No

6. NRCS APPROVING OFFICIAL

NRCS State Conservationist Signature TIMOTHY BEARD Digitally signed by TIMOTHY BEARD Date: 2020.09.29 13:01:37 -04'00'	**Date:**

ACEP-ALE PARCEL COST-SHARE CONTRACT

PRIVACY ACT

The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 522a). Furnishing this information is voluntary; however, failure to furnish correct, complete information will result in the withholding or withdrawal of such technical or financial assistance. The information may be furnished to other USDA agencies, the Internal Revenue Service, the Department of Justice, or other State or Federal law enforcement agencies, or in response to orders of a court, magistrate, or administrative tribunal.

This information collection is exempted from the Paperwork Reduction Act under 16 U.S.C. 3801 note and 16 U.S.C. 3846.

NON-DISCRIMINATION STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.
USDA is an equal opportunity provider, employer, and lender.

U.S. Department of Agriculture
Natural Resources Conservation Service (NRCS)
On behalf of the
Commodity Credit Corporation (CCC)

Agricultural Conservation Easement Program –
Agricultural Land Easements (ACEP-ALE)

Appendix to Form NRCS-CPA-1265
ACEP-ALE Parcel Cost-Share Contract

Pursuant to the terms of ACEP-ALE PROGRAM AGREEMENT 544532202RZ the terms of which are incorporated by reference into this ACEP-ALE Parcel Cost-Share Contract (Parcel Contract), the Commodity Credit Corporation (CCC) by and through the Natural Resources Conservation Service (NRCS) and COUNTY OF BEAUFORT, BEAUFORT SOIL AND WATER CONSERVATION DISTRICT (hereinafter, whether singular or plural, **ENTITY**) enter this Parcel Contract to provide funds for the acquisition of an agricultural land easement by **ENTITY** on the NRCS-approved Parcel (Parcel) identified on Form NRCS-CPA-1266, "Schedule of Acquisition for Easements," or any modification thereto on Form NRCS-CPA-1267, "Modifications of the Schedule of Acquisition for Easements." Each eligible entity identified on Form NRCS-CPA-1265, "ACEP-ALE Parcel Cost-Share Contract," and in this appendix, must be identified as an **ENTITY** in the PROGRAM AGREEMENT, must be signatory to both the PROGRAM AGREEMENT and this Parcel Contract, must be a holder of the agricultural land easement deed, and is considered a participant in ACEP-ALE.

1. DEFINITIONS

The following definitions are applicable to the Parcel Contract and the associated PROGRAM AGREEMENT. All other words and phrases, unless the context of subject matter otherwise requires, shall have the meanings assigned to them in the PROGRAM AGREEMENT or the regulations governing ACEP at 7 CFR Section 1468.3.

1. Participant.—Is defined as an eligible entity who has entered into this Parcel Contract and is party to and responsible for implementing the terms and conditions of such Parcel Contract and associated PROGRAM AGREEMENT and who may receive payment of the ACEP-ALE cost-share assistance funds provided by NRCS as the Federal share.
2. Lead Eligible Entity.—As designated on the Form NRCS-CPA-1265, is one of the above-listed eligible entities who will serve as the primary point of contact to NRCS for the administration of this Parcel Contract; the lead eligible entity may serve as the primary signatory for executing specific documents associated with this Parcel Contract in accordance with designations made on the Form NRCS-CPA-1265.
3. Co-holder.—Is a legal entity that is identified in and signatory to the PROGRAM AGREEMENT and this Parcel Contract and will be identified as a co-holder (grantee) on the individual conservation easement deed to be held by **ENTITY** on the Parcel identified in this Parcel Contract.
4. Third-party Right Holder.—Is a legal entity identified in this Parcel Contract and that will be identified as a holder of a third-party right or other interest (not a grantee) on the individual conservation easement deed to be held by **ENTITY** on the Parcel identified in this Parcel Contract.
5. Landowner.—Is a person, legal entity, or Indian Tribe, having current legal ownership of eligible land and those who may be buying eligible land under a purchase agreement and as further specified in 7 CFR Section 1468.3.

2. PROGRAM ELIGIBILITY REQUIREMENTS

A. NRCS is responsible to complete eligibility determinations for the land, landowner, and **ENTITY**. To remain in compliance with the terms of this Parcel Contract, **ENTITY** must provide NRCS sufficient and timely access, information, and documentation to complete these determinations.

B. **ENTITY** acknowledges that NRCS requires all current landowners of record, including required members of landowner-legal entities to:
   i. Complete and file Form AD-1026, "Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification," or any successor form, and meet the requirements set forth therein, in accordance with title XII of the Food Security Act of 1985, as amended.
   ii. Meet the requirements of, complete, and file Form CCC-941, "Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information," or any successor form.
   iii. Complete and file Form CCC-901, "Member's Information," or its equivalent, if the landowner is a business classified as a legal entity or joint operation by USDA under 7 CFR Part 1400.
   iv. Maintain updated information with the Farm Service Agency as provided in 7 CFR Part 1400.

C. **ENTITY** and co-holders identified in this Parcel Contract, must maintain current registration in the Dun and Bradstreet Data Universal Numbering System (DUNS) and meet the System for Award Management (SAM) registration requirements or successor registry for the duration of this Parcel Contract.

3. ACEP-ALE PARCEL COST-SHARE CONTRACT

A. The term "Parcel Contract," as used in this appendix, means the program documents, including Form NRCS-CPA-1265, this NRCS-CPA-1265-Appendix, the associated Form NRCS-CPA-1266, and as applicable any Form NRCS-CPA-1267. Such Parcel Contract sets forth the terms and conditions additional to the associated PROGRAM AGREEMENT for the acquisition of an agricultural land easement on an individual Parcel and receipt of ACEP-ALE cost-share assistance for such acquisition.

B. Execution of the Parcel Contract represents agreement by **ENTITY** to acquire an agricultural land easement on the identified Parcel or an agreed-to substitute Parcel under the terms specified in this Parcel Contract and the associated PROGRAM AGREEMENT.

C. This Parcel Contract must be executed by an authorized representative of **ENTITY**, NRCS, and all identified co-holders.

4. AGREEMENT

ENTITY agrees to—

1. Comply with all terms and conditions, complete all activities, and submit all required documents to NRCS in accordance with the timelines outlined in this Parcel Contract and the associated PROGRAM AGREEMENT.
2. Provide NRCS the information necessary to complete the Form NRCS-CPA-1266 and as applicable, any modifications or changes thereto, on the Form NRCS-CPA-1267.
3. Notify NRCS as soon as possible, generally within 60 days, of any changes in landownership, provide NRCS the most current evidence of ownership documentation, and execute a modification on Form NRCS-CPA-1267 as needed to reflect the updated current ownership.
4. Share responsibility for ensuring the information on Form NRCS-CPA-1266 and modifications thereto on Form NRCS-CPA-1267 is accurate and complete. NRCS may be prohibited from

providing ACEP-ALE cost-share assistance if it is determined that the Parcel Contract information is not accurately reflected at the time of Parcel Contract execution and changes necessary to reflect the correct information are outside of the scope of the original Parcel Contract.

5. Not undertake any action on the Parcel which tends to defeat the purposes of this Parcel Contract, as determined by NRCS.
6. Allow NRCS representative or their agent access to the land under Parcel Contract for the purposes of conducting onsite visits needed to determine eligibility, conduct pre-acquisition due diligence activities, or complete any required planning activities.
7. Supply records and information, as required by NRCS, to determine compliance with the Parcel Contract and requirements of the program within 30 days of request.
8. Designate on Form NRCS-CPA-1266, or modification thereto on Form NRCS-CPA-1267, based on the status of the eligible entities that are party to this individual Parcel Contract, whether **ENTITY** will acquire the agricultural land easement subject to the "noncertified eligible entity" provisions or "certified eligible entity" provisions set forth in the PROGRAM AGREEMENT and this Parcel Contract. **ENTITY** may only elect to operate under the certified eligible entity provisions, if an eligible entity that is party to this Parcel Contract and the associated PROGRAM AGREEMENT has been certified by NRCS based on the certification requirements in 7 CFR 1468.26.
9. The agricultural land easement deed for the Parcel identified in this Parcel Contract must satisfy the requirements as described in section VI(A)(5), and the applicable paragraph VI(A)(6) for noncertified eligible entities or VI(A)(7) for certified eligible entities. **ENTITY** must identify the selected option to be used to address such deed requirements on Form NRCS-CPA-1266, or modification thereto using Form NRCS-CPA-1267, and:
   a. For noncertified eligible entities, the agricultural land easement deed must contain the "Minimum Terms for the Protection of Agricultural Use," (ALE minimum deed terms) and based on the option selected to address this requirement **ENTITY** must attach as an exhibit to this Parcel Contract either—
      - "Attach" Option Selected.—The version of the "ALE Minimum Deed Terms Addendum" that will be attached to the conservation easement deed,
      - "Incorporate" Option Selected.—The draft, unexecuted, NRCS NHQ-approved conservation easement deed with the ALE minimum deed terms incorporated, or
      - "Template" Option Selected.—The draft, unexecuted, NRCS NHQ-approved template deed that will be used for the Parcel.
   b. For certified eligible entities, **ENTITY** may select the "Certified Eligible Entity Deed" option or may, with prior-NRCS approval only, select the "Other" option. A copy of the final conservation easement deed must be submitted to NRCS with the payment request package and as identified in the PROGRAM AGREEMENT.

5. AGRICULTURAL LAND EASEMENT PLAN

A. **ENTITY** acknowledges that if the Parcel contains highly erodible cropland, a highly erodible land (HEL) conservation plan that meets the requirements of 7 CFR Part 12 must be developed by NRCS or an NRCS-certified planner, approved by NRCS prior to closing, and provided to **ENTITY** and landowner. The HEL conservation plan must be identified on Form NRCS-CPA-1266, or modification thereto on Form NRCS-CPA-1267 and may comprise the entirety of the agricultural land easement plan.

B. If **ENTITY** has otherwise agreed to develop and maintain an agricultural land easement plan as described in the PROGRAM AGREEMENT and identified on the Form NRCS-CPA-1266, or modification thereto on Form NRCS-CPA-1267, ENTITY must ensure that the agricultural land easement plan is completed and signed by the **ENTITY** and landowner prior to closing.

C. The agricultural land easement is not required to be subject to an agricultural land easement plan, however **ENTITY** must ensure that for agricultural land easement plans developed as agreed-to or required, that the agricultural land easement deed includes provisions related to such plans as set forth in the PROGRAM AGREEMENT.

6. PAYMENTS

A. Based on a determination by NRCS that **ENTITY** has satisfied the terms and conditions of this Parcel Contract and the associated PROGRAM AGREEMENT and provided the items identified therein, NRCS may provide the Federal share for the purchase of the agricultural land easement acquired by the **ENTITY**.

B. **ENTITY** may request payment of the Federal share as reimbursement after closing or as an advance payment prior to closing of an agricultural land easement on the identified Parcel.

C. To obtain reimbursement or an advance payment of the Federal share, **ENTITY** must submit a payment request package, which includes Form NRCS-CPA-1268, "Conservation Activity Approval and Payment Application for Easements," and the accompanying information and documentation required by the form and as identified in the PROGRAM AGREEMENT and this Parcel Contract.

D. **ENTITY** may submit the payment request package—
   1. Sixty (60) days prior to the planned closing date when a payment is to be issued at closing (advance payment); or
   2. After the agricultural land easement has been recorded and the landowners have been paid (reimbursement).

E. Payment of the Federal share for the purchase of an agricultural land easement on a Parcel owned by a legal entity, general partnership, or joint venture will be reduced by an amount commensurate with the direct or indirect ownership interest in the legal entity, general partnership, or joint venture of each person or legal entity determined to be subject to such reduction based on the average adjusted gross income provisions of 7 CFR Part 1400.

F. Prior to disbursement of funds, the NRCS State Conservationist will verify that **ENTITY** has provided all documentation, certifications, and information required by the terms of this Parcel Contract and the associated PROGRAM AGREEMENT. NRCS will conduct an internal review of the payment request package in accordance with NRCS easement acquisition internal controls policy. The NRCS State office will submit a copy of the payment request package for national review and approval for all payments that require national-level review. For advance payments, complete payment request packages for national review must be submitted by NRCS at the State level to NRCS NHQ no less than 30 days before the planned closing date.

G. NRCS will disburse payment following receipt of a fully complete and correct payment request package from **ENTITY** within 30 days if the Federal share for the individual easement is less than $250,000 and within 60 days if the Federal share for the individual easement is $250,000 or greater.

H. If NRCS provides an advance payment, **ENTITY** must obtain a receipt for the Federal funds from the closing agent and provide it to NRCS prior to closing. **ENTITY** must ensure the closing agent does not hold the Federal funds in escrow for more than 30 calendar days. If closing does not occur within 30 calendar days of receipt of the advance payment, **ENTITY** must ensure the Federal funds and any interest earned on those funds while in escrow are returned to NRCS by the 31st calendar day unless otherwise mutually agreed to by the parties. **ENTITY** must ensure that the Federal funds are fully insured while held in escrow.

I. All payments received as part of this Parcel Contract are reported to the United States Internal Revenue Service (IRS). For information related to tax liabilities, it is recommended that **ENTITY** consult with a tax professional as needed.

J. Any **ENTITY** that will receive any share of a payment made for the implementation of this Parcel

Contract must be a signatory on the Parcel Contract and eligible for such payment. Payments will occur in accordance with the shares to which the parties have agreed as set forth on Form NRCS-CPA-1265 or in a fully executed modification on Form NRCS-CPA-1267, signed by all eligible entities. The Lead Eligible Entity on the Parcel Contract may sign the easement payment application, Form NRCS-CPA-1268, unless such signature authority is specifically not granted or assigned.

7. PROVISIONS RELATING TO TENANTS AND LANDLORDS

No payment will be approved if NRCS determines that any of the following conditions exist:

1. The landowner or operator has tenants who have an interest in land with a lease that has not been properly terminated or modified, and would interfere with **ENTITY**'s ability to implement the terms of this Parcel Contract or associated PROGRAM AGREEMENT.
2. **ENTITY** or landowner has adopted any other scheme or device for the purpose of depriving any tenant of any benefits to which such tenant would otherwise be entitled. If any such conditions occur or are discovered after payments have been made, all or any part of the payments, as determined by NRCS, must be refunded according to paragraph 10(B) of this appendix, and no further payments will be made.

8. PARCEL CONTRACT MODIFICATION, CORRECTION, AND CANCELLATION

A. **ENTITY** and NRCS may modify this Parcel Contract by mutual agreement through the execution of a Form NRCS-CPA-1267 when—
   1. Both the **ENTITY** and the NRCS State Conservationist agree to the modification;
   2. NRCS had determined the modification is consistent with the purposes of the program; and
   3. **ENTITY** has provided all information needed for the modification and NRCS had completed all associated eligibility and programmatic determinations.

B. All modifications must be approved in writing by the authorized NRCS official and **ENTITY** . The Lead Eligible Entity may approve modifications to the Parcel Contract on behalf of others signatory to the Parcel Contract unless such signature authority is specifically denied on the Form NRCS-CPA-1265.

C. NRCS may unilaterally cancel this Parcel Contract when the easement acquisition would cause adverse impacts to significant cultural or environmental resources without mitigation action unless NRCS and **ENTITY** modify this Parcel Contract to address such impacts.

D. NRCS reserves the right to correct all errors in entering data or the results of computations in this Parcel Contract. If **ENTITY** does not agree to such corrections, NRCS will terminate the Parcel Contract.

9. PARCEL CONTRACT TERMINATION

A. If **ENTITY** fails to carry out the terms and conditions of this Parcel Contract, NRCS may terminate this Parcel Contract. NRCS may require ENTITY to refund payments received under this Parcel Contract. Refunds will be subject to the provisions in paragraph 10(B) of this appendix.

B. The NRCS may terminate this Parcel Contract, in whole or in part, without liability, if NRCS determines that continued operation of this Parcel Contract will result in the violation of a Federal statute or regulation, if NRCS determines that certain actions undermine the ability of the land to accomplish the purposes of ACEP-ALE, or if NRCS determines that termination would be in the public interest. In the event this Parcel Contract is terminated for any reason, the obligations of the parties will be as set forth in 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."

C. The Parcel Contract terminates upon dissolution of the **ENTITY.**
D. NRCS may determine **ENTITY** is not in violation of this Parcel Contract for failure to comply with the Parcel Contract if the circumstances for failing to comply were beyond the control of the **ENTITY**, including a disaster or related condition, as determined by the NRCS.
E. Upon death of a landowner, this Parcel Contract will be terminated with no penalty to the parties to this Parcel Contract unless the landowner, court of appropriate jurisdiction, or operation of State law, appointed an executor or other estate representative to act on the landowner's behalf and such executor or estate representative is determined eligible by NRCS and identified on the Form NRCS-CPS-1267 or an NRCS-approved substitute parcel is identified.
F. Nothing in this Parcel Contract will be construed as to limit or condition any right acquired by the United States under any associated ACEP-ALE easement.

10. RECOVERY OF COST

A. The parties agree that NRCS will incur costs in administering this Parcel Contract. The parties further agree that in the event **ENTITY** violates the terms of this Parcel Contract, **ENTITY** voluntarily terminates this Parcel Contract before any contractual payments have been made, or this Parcel Contract is terminated with cause by NRCS, the NRCS is entitled to be reimbursed for these costs.
B. Collection of amounts due from **ENTITY** for contract violation, improper payment, or any other reason will follow procedures of 7 CFR Part 1403. NRCS will notify **ENTITY** and provide the reason for the collection and the amount owed. Unpaid debts accrue interest due to the NRCS beginning 30 days after the billing date at the current value of funds rate published in the Federal Register by the United States Department of Treasury.

11. PERIOD OF PERFORMANCE

Within the timeframes established by NRCS, the documents that comprise this Parcel Contract must be signed, as identified therein, by an authorized representative of each eligible entity that is party to this Parcel Contract, and this NRCS-CPA-1265-Appendix must be signed by an authorized representative of each identified co-holder. This Parcel Contract is effective when signed by **ENTITY** and then executed by an authorized representative of NRCS. The contract term begins on the date NRCS executes the Parcel Contract as indicated on the Form NRCS-CPA-1265. The period of performance must be indicated on the Form NRCS-CPA-1266 or any modification thereto, on the Form NRCS-CPA-1267. This Parcel Contract remains valid until such time as the Parcel Contract expiration date is reached unless otherwise cancelled or terminated by the parties to the Parcel Contract pursuant to the terms and conditions of this Parcel Contract or the associated PROGRAM AGREEMENT. In the event that a statute is enacted during the period of this Parcel Contract which would materially change the terms and conditions of this Parcel Contract, the NRCS may require **ENTITY** to either modify this Parcel Contract consistent with the provisions of such statute or agree to Parcel Contract termination.

12. GENERAL TERMS

A. The regulations in 7 CFR Part 1468 for ACEP-ALE are incorporated, by reference, herein. In the event of a conflict between these regulations and the terms of this appendix, the provisions of the regulations will prevail.
B. This Parcel Contract must be carried out in accordance with all applicable Federal statutes and regulations. Any ambiguities in this Parcel Contract and questions as to the validity of any of its specific provisions will be resolved in favor of NRCS so as to give maximum effect to the conservation purposes of this Parcel Contract.

C. NRCS is administering this Parcel Contract on behalf of CCC. Therefore, where this Parcel Contract refers to "NRCS," NRCS is acting on CCC's behalf for the purposes of administering this Parcel Contract. When the term "**ENTITY**" is used in this Parcel Contract, it will be construed to mean all eligible entities identified in this Parcel Contract.
D. This Parcel Contract is a financial assistance agreement, not a procurement contract. As such, it is not subject to 5 CFR Part 1315, the Prompt Payment Act, and is governed by the terms set forth herein.

13. CERTIFICATION AND ASSURANCES REGARDING COMPLIANCE WITH PROVISIONS APPLICABLE TO FINANCIAL ASSISTANCE (see generally 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards")

As a condition of this Parcel Contract entered into pursuant to the associated PROGRAM AGREEMENT, **ENTITY** certifies and assures that they are in compliance with and will comply in the course of this Parcel Contract and the associated PROGRAM AGREEMENT with all applicable laws, regulations, Executive orders, and other generally applicable requirements, including those set out in 2 CFR Part 200, applicable to nonprofit institutions, which are hereby incorporated into this Parcel Contract by reference, and such other regulatory and statutory provisions as are specifically set forth in the associated PROGRAM AGREEMENT and herein.

14. RIGHTS TO APPEAL AND REQUEST EQUITABLE RELIEF

A. **ENTITY** may appeal an adverse decision under this Parcel Contract in accordance with the appeal procedures set forth in 7 CFR Part 11, Subpart A, and Part 614. Pending the resolution of an appeal, no payments will be made under this Parcel Contract. Before an **ENTITY** seeks judicial review, **ENTITY** must exhaust all appeal rights granted within these regulations.
B. **ENTITY** may also request equitable relief, as provided under 7 U.S.C. Section 7996, and 7 CFR Part 635, with the requirements of that provision.

15. DRUG-FREE WORKPLACE (2 CFR Part 182 and 2 CFR Part 421)

By signing this Parcel Contract, **ENTITY** certifies that **ENTITY** will comply with the requirements of 2 CFR Part 182 and 2 CFR Part 421. If it is later determined that **ENTITY** knowingly rendered a false certification or otherwise violated the requirements of the Drug-Free Workplace Act, NRCS, in addition to any other remedies available to NRCS under this Parcel Contract or associated PROGRAM AGREEMENT or in general to the United States, may take action authorized under the Drug-Free Workplace Act.

The following ELIGIBLE ENTITIES and Co-Holders, by entering their signatures, acknowledge receipt of this Form NRCS-CPA-1265-Appendix and agree to its terms and conditions thereof.

By signing this document, you acknowledge and agree that all the information provided is true and accurate on your behalf. Any false certifications made by signing this Appendix may subject the signatory to criminal and civil fraud statutes. You further acknowledge that you have read and accept all terms and conditions provided in this appendix.

ELIGIBLE ENTITY – SIGNATURE OF AUTHORIZED REPRESENTATIVE
(All signatory Eligible Entities must be party to the associated Program Agreement and must be identified on the Form NRCS-CPA-1266, "Schedule of Acquisition for Easements" and any subsequent Form NRCS-CPA-1267, "Modification of the Schedule of Acquisition for Easements," for this Parcel Contract)

_____ Date 9-28-20

_____ Date 9-28-20

_____ Date _____

_____ Date _____

CO-HOLDERS – SIGNATURE OF AUTHORIZED REPRESENTATIVE
(All signatory Co-Holders must be signatory to the associated Program Agreement and must be identified on the Form NRCS-CPA-1266, "Schedule of Acquisition for Easements" form and any subsequent Form NRCS-CPA-1267, "Modification of the Schedule of Acquisition for Easements," for this Parcel Contract)

_____ Date _____

_____ Date _____

_____ Date _____

_____ Date _____

THIRD-PARTY RIGHT HOLDERS – SIGNATURE OF AUTHORIZED REPRESENTATIVE
*(Optional, only required if **ENTITY** requires Third-Party Right Holders to Sign this appendix) (All signatory Third-Party Right holders may be identified on the associated Program Agreement and must be identified on the Form NRCS-CPA-1266, "Schedule of Acquisition for Easements" and any subsequent Form NRCS-CPA-1267, "Modification of the Schedule of Acquisition for Easements," for this Parcel Contract)*

_____ Date _____

_____ Date _____

_____ Date _____

_____ Date _____

PRIVACY ACT

The following statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 522a). Furnishing this information is voluntary; however, failure to furnish correct, complete information will result in the withholding or withdrawal of such technical or financial assistance. The information may be furnished to other USDA agencies, the Internal Revenue Service, the Department of Justice, or other State or Federal law enforcement agencies, or in response to orders of a court, magistrate, or administrative tribunal.

This information collection is exempted from the Paperwork Reduction Act under 16 U.S.C. 3801 note and 16 U.S.C. 3846.

NON-DISCRIMINATION STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.
USDA is an equal opportunity provider, employer, and lender.

SCHEDULE OF ACQUISITION FOR EASEMENTS

Lead ELIGIBLE ENTITY (Participant)	STATE	PARCEL CONTRACT EXPIRATION DATE
COUNTY OF BEAUFORT	NC	March 31, 2023

ACEP-ALE PROGRAM AGREEMENT NUMBER	RCPP 2014 FARM BILL AGREEMENT NUMBER *(Complete ONLY if Parcel Associated with RCPP Agreement)*
544532202RZ	

Enrollment Type *(Check One)*:		Transaction Type *(Check One)*:		Designation of Program Agreement and Parcel Contract Provisions Based on Eligible Entity Status *(Check One)*:	
✓	General ALE	✓	Standard Transaction	✓	Non-Certified Eligible Entity Provisions
☐	ALE – Grassland of Special Environmental Significance (GSS)	☐	Pre-closing Buy-Protect-Sell Transaction	☐	Certified Eligible Entity Provisions[1/]
		☐	Post-closing Buy-Protect-Sell Transaction		

INSTRUCTION: COMPLETE EACH SECTION

SECTION 1: Parcel Contract and Location Information *(A copy of the proposed Parcel boundary map must be attached to this Form NRCS-CPA-1266)*

PARCEL CONTRACT NUMBER	TOTAL EASEMENT ACRES	LAND UNITS OR LEGAL DESCRIPTION	SERVICE CENTER AND COUNTY
54453220S0	48.3	County of Beaufort Bood 309 page 682	BEAUFORT PROGRAM DELIVERY POINT,BEAUFORT

SECTION 2: Conservation Easement Deed Language *(Check one and follow applicable Instructions)*

☐	**Attach Option.**—ALE Minimum Deed Terms will be attached as an Addendum to the Conservation Easement Deed (The version of the ALE Minimum Deed Terms Addendum that will be attached to the conservation easement deed must be attached to this Form NRCS-CPA-1266).
☐	**Incorporate Option Incorporate Option.**—ALE Minimum Deed Terms will be incorporated into the Conservation Easement Deed (A copy of the unexecuted, NRCS NHQ-approved conservation easement deed must be attached to this Form NRCS-CPA-1266 or through a modification using Form NRCS-CPA-1267).
✓	**Template Option Template Option.**—ALE Minimum Deed Terms addressed in an NRCS NHQ-Approved Template Deed (A copy of the NRCS NHQ-approved template conservation easement deed must be attached to Form NRCS-CPA-1266 or through a modification using Form NRCS-CPA-1267).
☐	**Certified Eligible Entities ONLY.**—Certified Eligible Entity Conservation Easement Deed (A copy of the final conservation easement deed must be submitted to NRCS in as part of the payment request package as identified on Form NRCS-CPA-1268, "Conservation Activity Approval and Payment Application for Easements").
☐	**Other .**—Include Explanation *(selection of this option requires prior NRCS approval).*

SECTION 3: Agricultural Land Easement Plan Components[2/] *(Check all that apply)*

☐	Highly Erodible Land (HEL) Conservation Plan
☐	Comprehensive Agricultural Land Easement Plan
☐	Grasslands Management Plan
☐	Forest Management Plan
☐	None

SECTION 4: Easement Cost Information

A. Estimated Fair Market Value of Agricultural Land Easement	$98,034.00
B. Requested Federal Share for the ALE • **General ALE:** *Federal Share cannot exceed 50% of Item A* • **ACEP-ALE-GSS:** *Federal Share cannot exceed 75% of Item A*	$15,340.00
C. Total Estimated Non-Federal Share[3/] *(The amount shown here is the total of—* • *All entity cash contributions for payment of easement compensation to the landowner.* • *All landowner donations toward easement value.* • *Only the amounts of eligible procured costs that may be relied upon to meet the minimum non-Federal share requirements.* • *Only the amounts of Stewardship funds contributed by the eligible entity that may be relied upon to meet the minimum non- Federal share requirement, limited to 2% of Item (A) above).*	$82,694.00

SECTION 5: Eligible Entity *(attach additional sheets as necessary)*

A. Name of Eligible Entity - List all Eligible Entities that are party to this Parcel Contract	B. Role of Eligible Entity - Independent - Dependent	C. Certified Eligible Entity[1/] - Yes - No	D. Payment Shares (Percentage) -Enter percentage from Form NRCSCPA-1265 -Total must equal 100%	E. Distribution: Estimated Amount of Federal Share to be paid to Eligible Entity -Federal share may only be paid to an Eligible Entity -Total must equal section 4, Item (B) above
COUNTY OF BEAUFORT	Independent	No	100.00%	$15,340.00
BEAUFORT SOIL AND WATER CONSERVATION DISTRICT	Independent	No	0.00%	$0.00
		Totals	100.00%	$15,340.00

SECTION 6: Other Interest Holder Information *(attach additional sheets as necessary)*	
A. Name of Legal Entity - List all co-holders or third-party right holders that will be identified in the Conservation Easement Deed for this Parcel	B. Role of Legal Entity - Co-holder - Third-Party Right Holder

SECTION 7: Parcel Landowner Information *(attach additional sheets as necessary) (Only one landowner may be identified as the decisionmaker in column B below)*

A. Landowner Name[4]	B. Decision Maker (Yes/No)	C. Ownership Share (%) of Parcel	D. Adjusted Gross Income (AGI) Waiver Approved [5] (Yes/No)	E. Commensurate Reduction (%) applied at payment [6]
CHARLIE MAYHUE DIXON JR	✓	50.00%	☐	0%
JEAN A DIXON	☐	50.00%	☐	0%
Total Ownership Shares (Must Equal 100%):		100.00%		

NOTES:

[1] Acquisition of the agricultural land easement on the identified Parcel may occur in accordance with the certified eligible entity provisions of the above-referenced Program Agreement and this Parcel Contract only if at least one eligible entity identified in section 5 above has been certified by NRCS and if the designation to proceed subject to the certified eligible entity provisions has been made on this Form NRCS-CPA-1266.
[2] In accordance with the provisions of the above-referenced Program Agreement and this Parcel Contract, an eligible entity may elect to develop on its own, a comprehensive agricultural land easement plan, a grassland management plan, or a forest management plan, however, if the Parcel contains highly erodible cropland, the associated HEL conservation plan must be developed by NRCS or an NRCS-certified planner.
[3] The specific breakdown of the final amounts and sources that comprise the non-Federal share must be provided in the "Statement to Confirm Matching Funds," (Form NRCS-CPA-230, or successor form) submitted to NRCS.
[4] NRCS must be notified of any changes in landownership prior to closing in accordance with the terms of this Parcel Contract. If prior to closing, the parcel ownership is different than reflected on this document, the landowners must be eligible, as determined by NRCS and a Form NRCS-CPA-1267, "Modification of the Schedule of Acquisition for Easements," must be executed to reflect current ownership.
[5] Prior the execution of Form NRCS-CPA-1266, all landowners must be determined compliant with the AGI provisions as set forth in 7 CFR Part 1400, and such determination remains in effect for the duration of the Parcel Contract unless a change is made that affects the existing AGI determination, including the applicability of any AGI waivers granted by NRCS. Before Form NRCS-CPA-1267 may be executed to modify the Parcel Contract to reflect such changes, the landowners must be determined compliant with the AGI provisions.
[6] NRCS must determine whether payment of the Federal share must be commensurately reduced in accordance with 7 CFR Part 1400 and as described in Form NRCSCPA- 1265-Appendix. The amount shown is the anticipated percent by which payment of the total Federal Share will be reduced. The amount of the actual payment of the Federal share provided by NRCS will reflect the final commensurate reduction determinations made prior to issuing such payment.

Certification of Participants			
Lead Eligible Entity – Authorized Representative Signature	Date	Eligible Entity – Authorized Representative Signature	Date
[signature]	9-28-20	[signature]	9-29-20

Signature of NRCS Approving Official	
NRCS State Conservationist Signature TIMOTHY BEARD Digitally signed by TIMOTHY BEARD Date: 2020.09.29 13:02:52 -04'00'	Date

PRIVACY ACT

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USDA is an equal opportunity provider, employer, and lender.

AN ORDINANCE TO ESTABLISH A GRANT PROJECT FUND
ADFPTF-CONTRACT NUMBER 19-035-4028
USDA- CONTRACT NUMBER 544532202SO
BEAUFORT COUNTY, N.C.
FOR FISCAL YEAR 2020-2021

BE IT ORDAINED, by the County Commissioners of Beaufort County, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project is hereby established:

Section 1. The Grant Project Fund is for the placement of a perpetual conservation easement onto a working farm in Chocowinity, NC containing 48 +/- acres.

Section 2. The Board of Commissioners of Beaufort County adopts this grant project ordinance with the following estimated revenues and expenses:

REVENUES:

151-3451-426200	ADFPTF REVENUE	$ 22,750
151-3451-426250	USDA REVENUE	15,340
151-3451-426260	LAND OWNER CONTRIBUTION	11,870
	TOTAL	$ 49,960

EXPENSES:

151-4430-519801	PROFESSIONAL SERVICES	$ 19,340
151-4430-519150	EASEMENT PURCHASE	30,620
	TOTAL	$ 49,960

Section 3. The officers of this unit are hereby directed to proceed with the project.

Section 4. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records.

Section 5. Copies of this grant project ordinance shall be furnished to the County Clerk, Budget Officer, and to the Finance Officer for direction in carrying out this project.

Section 6. This ordinance shall become effective upon its adoption.

This the 3nd day of May, 2021.

_____

Chairman

Attest:

_____

Clerk

Steve Troxler
Commissioner

North Carolina Department of Agriculture and Consumer Services

N. David Smith
Chief Deputy Commissioner

November 19, 2019

Ann Williams, Office Manager
Beaufort Soil and Water Conservation District
Agriculture Center, 155C Airport Road
Washington, NC 27889

ACCEPTANCE OF AWARD NOTIFICATION

Dear Ms. Williams:

On behalf of Commissioner Steve Troxler and the N.C. Department of Agriculture and Consumer Services, we are pleased that you have accepted the Department's offer of $22,750.00.

By accepting our offer of financial assistance, you have agreed to the specific stipulations, terms and conditions, and reporting requirements contained in the contract that you signed. Enclosed is a fully executed contract for your records.

The forms listed below are used to fulfill the departmental reporting requirements of the North Carolina Agricultural Development and Farmland Preservation Trust Fund. They may also be downloaded from our website at www.ncadfp.org.

1. **General Instructions**
2. **Initial Request for Payment / Request for Reimbursement**
3. **Progress and Budget Report**
4. **Equipment Inventory / In-Kind Summary**
5. **Initial Payment Documentation**

If you have any questions regarding the contract, please feel to contact Veronica Jamison at 919-707-3071 or by email at veronica.jamison@ncagr.gov.

I would like to take this opportunity to thank you for your participation in the ADFP Trust Fund.

Sincerely,

N. David Smith
Chief Deputy Commissioner

Enclosures
CC: Melissa Madrid, Grants & Contracts Manager

Email: David.Smith@ncagr.gov
1001 Mail Service Center, Raleigh, North Carolina, 27699-1001
(919) 707-3033 ● Fax (919) 715-0026
An Equal Opportunity Affirmative Action Employer

Contract Tracking (Funding from the Department)
This form should always be the first page of an offer or award package submitted to Grants & Contracts Section for review and processing. The Grants & Contracts Section will issue the Contract numbers. The Division will add the NCGrants ID# and notify G&C of the ID# or directly enter it into WebGT. Attach this page to Page 1A, and/or Page 2 when amending or revising a current Contract, as applicable.

CONTRACT TRACKING FORM

Contract # : 19-035-4028 **NCGrants ID #:** N/A

1. Division: Farmland Preservation - ADFP Trust Fund
2. Parent Record: 20-008-FP — Is the Grantee New? ☐
3. Grantee Name: Beaufort Soil and Water Conservation District
4. Grantee Tax ID: 566001521 — Grantee DUNS: 616168266
5. Grantee Type: ☐ Nonprofit ■ Government ☐ For Profit ☐ Individual
6. Address PO/Street: Agriculture Center, 155C Airport Road
7. City/State/Zip: Washington, NC 27889
8. Grantee County: Beaufort
9. Grantee Fiscal Year End: June 30
10. Payee Name (if applicable): n/a
11. Payee Tax ID (if applicable): n/a
12. Record Type (check): Grant: ■ Cost Share: ☐ Other: ☐
13. Staff Contact: Veronica Jamison — Phone: 919-707-3071
14. CRIS Program Name: Agricultural Development and Farmland Preservation
15. Division Contract # (optional): ADM-ADFP-19-003
16. Project Title: Dixon Farm +/- 48 Acres Perpetual Conservation Easement
17. Project County (list one county; if multiple counties, enter "Regional" and list counties on NC Openbook Supplemental form; or list as "Statewide"):
Beaufort
18. Region: n/a
19. District #: n/a
20. Project Start Date: July 1, 2019 — 21. Project End Date: June 30, 2021

If funding is from multiple sources, list each amount, cost center, and account.

22. Grant Amount: $ 22,750.00	Grant Amount: $	Grant Amount: $
23. Cost Center: 2108-6208-2109	Cost Center:	Cost Center:
24. Account: 536406	Account:	Account:

25. Source: Federal: ☐ State: ■ Fed/State: ■ Other: ☐

26. Match Required: ■ Yes Amount: $ 6,825.00(minimum required match) ☐ No
Record information on Tracking Form 1A *match as listed by grantee
27. Are Indirect Costs Allowable? ☐ Yes % Rate: ■ No
28. Cooperative Agreement/FAIN #: n/a CFDA#: n/a
29. Grantee Contact and Title: Ann Williams, Office Manager
30. Grantee Email: ann.williams@co.beaufort.nc Phone: 252-946-4989
31. Offer to Division: June 27, 2019
32. Award to Division:

33. Retainage 20 % of Total Contract Award Withheld: 4,550.00 ☐ No
34. Equipment in the Amount of $5,000 and Over to be purchased ☐ Yes ■ No
35. Tax Exempt Status Verified at Guidestar.org or IRS.gov - Initial & Date: n/a
36. Federal Debarment Status Verified at SAM.gov – Initial & Date: LB 6/25/2019

(Grants & Contracts Section)

Offer: ☑ Award: ☐ Is the Grantee on the State's "Suspension of Funding List?" ☐ Yes ■ No ☐ n/a
Tax Exempt Status Verified at Guidestar.org or IRS.gov - Initial & Date: jmc 7/3/19
Federal Debarment Status Verified at SAM.gov – Initial & Date:

Eff: 7/07; Rev: 7/14;1/17

CONTRACT TRACKING (Award FROM Department) - **Continuation**

CONTRACT #: 19-035-4028

NCGRANT ID #: N/A

SALARY AND FRINGE INFORMATION

Total amount awarded for salaries & fringe benefits and/or wages: $ _____

POSITION TITLE	NUMBER OF WORK HRS EXPECTED	SALARY OR HOURLY RATE OF PAY WAGE	FRINGE BENEFITS	TOTAL
Example: Consultant	60	$100 p/h	N/A	$ 6,000.00
GRAND TOTAL OF EACH COLUMN:				

26. LIST OF MATCH REQUIREMENTS

CATEGORY	IN-KIND MATCH AMOUNT	CASH MATCH AMOUNT
Example: Travel	$ 1,000.00	
Travel	$1,300.00	
Personnel and Administrative	$3,600.00	
Stewardship Endowment		$230.00
Appraisal		$4,000.00
Easement Purchase	$7,640.00	$15,340.00
*$32,010.00 is the match listed by the grantee.		
$6,825.00 is the minimum required match for the grantee.		
GRAND TOTALS OF EACH COLUMN:	$12,440.00	$19,570.00

EXPLAIN METHOD FOR TRACKING REQUIRED MATCH

- ☐ Individual Time Sheets
- ☐ Salary Registers
- ☒ Copies of Invoices
- ☐ Match Certification Statement from Grantee's Chief Financial Officer w/appropriate documentation attached
- ☐ Bank Deposits (Use of Cash Match Only)
- ☐ Travel Reimbursement Requests
- ☐ Other (Itemize Below)
  1.
  2.
  3.
  4.
  5.

34. LIST OF EQUIPMENT TO BE PURCHASED

PRIOR APPROVAL OBTAINED ($5,000 & OVER)				ITEM	COST
YES	NO	PENDING	DATE		

LIST EQUIPMENT TO BE RETURNED TO DEPARTMENT

ITEM	ID # NUMBER	CONDITION	DATE RECEIVED

Page 1A – Supplemental

Rev. 07/14;1/17

FFATA n/a
mmaine
11/20/19

NORTH CAROLINA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

Steven W. Troxler, Commissioner

Contract Check Off List for Grantee (Government/University)

INSTRUCTIONS: Check the "Yes" boxes in the left column for the document titles that are being returned with the two signed, dated and witnessed copies of the contract, with signatures in blue ink. Be sure to include all the other documents specified in your contract package. If "No" has been checked off for you, that document is not required for this grant program or project.

GRANTEE ORGANIZATION NAME: Beaufort Soil and Water Conservation District

PROJECT TITLE/NAME: Dixon Farm +/- 48 Acres Perpetual Conservation Easement

CONTRACT #: 19-035-4028

GO Entities Only Check One Box				*Document Title*	*Department Use – Documents Attached or On File*				*Grants and Contracts- Documents Attached or On File*			
✓	Yes		No	Contractual "Check Off List for Grantee		Yes		No	✓	Yes		No
✓	Yes		No	Contract Cover (To be signed, dated & witnessed)		Yes		No	✓	Yes		No
✓	Yes		No	Attachment A – General Terms and Conditions – Government/University		Yes		No	✓	Yes		No
✓	Yes		No	Attachment B – Scope of Work (includes Timeline and Line Item Budget)		Yes		No	✓	Yes		No
✓	Yes		No	Attachment C – Certifications and Assurances Section		Yes		No	✓	Yes		No
✓	Yes		No	Attachment D – NC OpenBook Supplemental Information		Yes		No	✓	Yes		No
✓	Yes		No	Attachment E – Signature Card		Yes		No	✓	Yes		No
✓	Yes		No	Attachment F – W-9 Tax Information		Yes		No	✓	Yes		No
✓	Yes		No	Attachment G – Vendor Electronic Payment Form		Yes		No	✓	Yes		No
	Yes		No	Attachment H – FFATA Data Reporting Requirements (if applicable)		Yes		No		Yes	✓	No
	Yes		No	Attachment I – Federal Regulations (if applicable)		Yes		No		Yes	✓	No

Rev. 6/17

11/20/19
JMC

199

Departmental Use Only

CENTER:2108-6208-2109
ACCOUNT:536406
AMOUNT: $22,750.00

STATE OF NORTH CAROLINA
COUNTY OF WAKE

North Carolina Department of Agriculture and Consumer Services
Farmland Preservation Division

ADFP Trust Fund – Government

CONTRACT # 19-035-4028 **NCGRANTS ID #** N/A

This Contract is hereby entered into by and between the **North Carolina Department of Agriculture and Consumer Services, Farmland Preservation Division** (the "Agency") and **Beaufort Soil and Water Conservation District** ("Grantee") and referred to collectively as the "Parties". The Grantee's federal tax identification number is 566001521 and is physically located in Beaufort County, and is further located at Agriculture Center, 155C Airport Road, Washington, NC 27889.

The purpose of this Contract is to encourage the preservation of qualifying farmland and to foster the growth, development, and sustainability of family farms. The Grantee's project title is Dixon Farm +/- 48 Acres Perpetual Conservation Easement. This Contract is funded by State appropriations. Funds awarded under this Contract must be used for the purposes for which they are intended.

The Grantee's fiscal year ends 06/30.

Contract Documents:

This Contract consists of the Grant Contract and its attachments, all of which are identified by name as follows:

1. This Contract
2. General Terms and Conditions (Attachment A)
3. Scope of Work, including Timeline, Line Item Budget and Budget Narrative (Attachment B)
4. Certifications and Assurances Section (Attachment C)
5. NC Openbook Supplemental Information (Attachment D)
6. Signature Card (Attachment E)
7. W-9 Tax Information (Attachment F)
8. Vendor Electronic Payment Form (Attachment G)

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

I. **Precedence Among Contract Documents:**

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

II. **Effective Period:**

This Contract shall be effective on July 1, 2019 and shall terminate on June 30, 2021 with the option to extend, if mutually agreed upon, through a written amendment as provided for in the General Terms and Conditions as described in Attachment A.

III. **Grantee's Duties:**

The Grantee shall provide the services as described in Attachment B, Scope of Work.

IV. **Agency's Duties:**

The Agency shall pay the Grantee in the manner and in the amounts specified in the Contract Documents. The total amount paid by the Agency to the Grantee under this Contract shall not exceed $22,750.00.

This amount consists of $ 22,750.00 in State funds.

[ ] a. There are no matching requirements from the Grantee.

[ ] b. There are no matching requirements from the Grantee; however, the Grantee has committed the following match to this project:

	In Kind	$
	Cash	$
	Other/Specify:	$

[X] c. The Grantee's matching requirement is $6,825.00, which consists of:

	In Kind	$
	Cash	$
	Other/Specify: Cash and In Kind	$6,825.00

[X] d. The Grantee has committed to an additional $25,185.00 to complete the project as described in Attachment B.

The total Contract amount with matching funds is $54,760.00.

V. **Conflict of Interest Policy:**

The Agency has determined that the Grantee is a government agency and is not subject to N.C.G.S. § 143C-6-23(b). Therefore, the Grantee is not required to file a Conflict of Interest Policy with the Agency prior to disbursement of funds.

VI. **Statement of No Overdue Tax Debts:**

The Agency has determined that Grantee is a government agency and is not subject to N.C.G.S. § 143C-6-23(c). Therefore, the Grantee is not required to file a Statement of No Overdue Tax Debts with the Agency prior to disbursement of funds.

VII. **Reversion of Unexpended Funds:**

Any unexpended grant funds shall revert to the Agency upon termination of this Contract.

VIII. **Reporting Requirements:**

(1) Agency:

The Grantee shall provide the services as described in Attachment B, Scope of Work.

IX. **Payment Provisions:**

Upon execution of this Contract the Grantee shall submit to the Agency Contract Administrator a completed Request for Payment form, to be provided by the Agency. All Request for Payment forms should be received no more than monthly, with a certified invoice showing expenditures and matching funds, if applicable, for the current period and cumulatively for the entire project. Upon approval by the Agency, payment shall be made within 30 days. Twenty percent (20%) of the total funds awarded under this Contract shall be retained by the Agency until both the final performance and financial reports are submitted by the Grantee and approved by the Agency. All payments are subject to the availability of funds.

The Grantee shall expend funds in accordance with G.S. 143C-6-23 (f1)(f2)(j). The Grantee shall account for any income earned, which may result from any funds awarded under this Contract, on the Agency "Request for Reimbursement" form. Eligible uses of income earned are:

a) Expanding the project or program;
b) Continuing the project or program after grant ends; or
c) Supporting other projects or programs that further the broad objectives of the grant program.

If this Contract is terminated prior to the original end date, the Grantee may submit a final Request for Payment form. All unexpended funds shall be returned by the Grantee to the Agency within 60 days of the Contract termination date with a complete final financial report, accompanied by either a final invoice or a refund of any funds received but not expended. The Agency shall have no obligation to honor requests for payment based on expenditure reports submitted later than 60 days after termination or expiration of the Contract period.

Reimbursement requests shall be completed on a "Request for Reimbursement" form furnished to the Grantee by the Agency. All reimbursement forms must include support documentation, including but not limited to: copies of invoices, individual time sheets and travel logs that have been signed by the employee and supervisor, salary registers or payrolls that include fringe benefits, hourly rates of pay, and signature of the Grantee's responsible financial person, cancelled checks and lease agreements.

Eligible expenditures for payment must be within the effective period noted in the Contract. Reimbursement may not be considered prior to the submission and final execution of the Contract.

All travel reimbursement shall be made in accordance with the current State rates, at the time of the expenditure, and shall be made in accordance with the "State Budget Manual".

All matching funds, including in-kind and cash, must be spent concurrently with funds provided by the Contract. Both types of matching funds expended shall be accounted for on the monthly certified invoices.

Indirect costs are not allowable expenditures under this Contract.

X. **Contract Administrators:**

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

For the Agency:

IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS
Veronica Jamison, Office Manager 1001 Mail Service Center, Raleigh, NC 27699-1001 Telephone: 919-707-3071 Fax: 919-716-0105 Email: veronica.jamison@ncagr.gov	Veronica Jamison, Office Manager 2 W. Edenton St., Raleigh, NC 27601

For the Grantee:

Grantee Contract Administrator- Mailing Address	Grantee Principal Investigator or Key Personnel
Name: Ann Williams Title: Office Manager Company Name: Beaufort Soil and Water Conservation District Post Office Address: Agriculture Center 155C Airport Road City: Washington State: NC Zip: 27889 Telephone: 252-946-4989 Fax: n/a Email: ann.williams@co.beaufort.nc.us	Name: Nathaniel Woolard Title: District Resource Specialist Company Name: Beaufort Soil and Water Conservation District Post Office Address: Agriculture Center 155C Airport Road City: Washington State: NC Zip: 27889 Telephone: 252-946-4989 Fax: n/a Email: nathaniel.woolard@co.beaufort.nc.us

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

The Grantee assures that funds received pursuant to this Contract shall be used only to supplement, not to supplant, the total amount of federal, State and local public funds that the Grantee otherwise expends for activities involved with specialty services and related programs. Funds received under this Contract shall be used to provide additional public funding for such services. The funds shall not be used to reduce the Grantee's total expenditure of other public funds for such services.

XII. **Disbursements:**

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

a. Will implement or already have implemented adequate internal controls over disbursements;
b. Pre-audit all invoices presented for payment to determine:
    - Validity and accuracy of payment
    - Payment due date
    - Adequacy of documentation supporting payment
    - Legality of disbursement
c. Assure adequate control of signature stamps/plates;
d. Assure adequate control of negotiable instruments; and
e. Have procedures in place to ensure that account balance is solvent and to reconcile the account monthly.

XIII. **Outsourcing:**

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

XIV. **N.C.G.S. § 133-32 and Executive Order 24:**

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

XV. **Signature Warranty:**

The undersigned represent and warrant that they are authorized to bind their principals to the terms of this Contract.

IN WITNESS WHEREOF, the Grantee and the Agency execute this Contract in **two (2)** originals, one (1) of which is retained by the Grantee and one (1) which is retained by the Agency.

Grantee: Beaufort Soil and Water Conservation District

Signature of Authorized Representative	9/23/19 Date
James Allen Printed Name	Chairman Title

Witness:

Signature	9/23/19 Date
Ann Williams Printed Name	Office Manager Title

North Carolina Department of Agriculture and Consumer Services

Signature of Authorized Representative	11.27.19 Date

N. David Smith, Chief Deputy Commissioner

General Terms and Conditions

DEFINITIONS

Unless indicated otherwise from the context, the following terms shall have the following meanings in this Contract. All definitions are from 9 NCAC 3M.0102 unless otherwise noted. If the rule or statute that is the source of the definition is changed by the adopting authority, the change shall be incorporated herein:

(1) "Agency" (as used in the context of the definitions below) shall mean and include every public office, public officer or official (State or local, elected or appointed), institution, board, commission, bureau, council, department, authority or other unit of government of the State or of any county, unit, special district or other political subagency of government. For other purposes in this Contract, "Agency" shall mean the entity identified as one of the parties hereto.

(2) "Audit" means an examination of records or financial accounts to verify their accuracy.

(3) "Certification of Compliance" means a report provided by the Agency to the Office of the State Auditor that states that the Grantee has met the reporting requirements established by this Subchapter and included a statement of certification by the Agency and copies of the submitted grantee reporting package.

(4) "Compliance Supplement" refers to the North Carolina State Compliance Supplement, maintained by the State and Local Government Finance Agency within the North Carolina Department of State Treasurer that has been developed in cooperation with agencies to assist the local auditor in identifying program compliance requirements and audit procedures for testing those requirements.

(5) "Contract" means a legal instrument that is used to reflect a relationship between the agency, grantee, and subgrantee.

(6) "Fiscal Year" means the annual operating year of the non-State entity.

(7) "Financial Assistance" means assistance that non-State entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance. Financial assistance does not include amounts received as reimbursement for services rendered to individuals for Medicare and Medicaid patient services.

(8) "Financial Statement" means a report providing financial statistics relative to a given part of an organization's operations or status.

(9) "Grant" means financial assistance provided by an agency, grantee, or subgrantee to carry out activities whereby the grantor anticipates no programmatic involvement with the grantee or subgrantee during the performance of the grant.

(10) "Grantee" has the meaning in G.S. 143C-6-23(a)(2): a non-State entity that receives a grant of State funds from a State agency, department, or institution but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission. For other purposes in this Contract, "Grantee" shall mean the entity identified as one of the parties hereto.

(11) "Grantor" means an entity that provides resources, generally financial, to another entity in order to achieve a specified goal or objective.

(12) "Non-State Entity" has the meaning in N.C.G.S. 143C-1-1(d)(18): Any of the following that is not a State agency: an individual, a firm, a partnership, an association, a county, a corporation, or any other organization acting as a unit. The term includes a unit of local government and public authority.

(13) "Public Authority" has the meaning in N.C.G.S. 143C-1-1(d)(22): A municipal corporation that is not a unit of local government or a local governmental authority, board, commission, council, or agency that (i) is not a municipal corporation and (ii) operates on an area, regional, or multiunit basis, and the budgeting and accounting systems of which are not fully a part of the budgeting and accounting systems of a unit of local government.

(14) "Single Audit" means an audit that includes an examination of an organization's financial statements, internal controls, and compliance with the requirements of federal or State awards.

(15) "Special Appropriation" means a legislative act authorizing the expenditure of a designated amount of public funds for a specific purpose.

(16) "State Funds" means any funds appropriated by the North Carolina General Assembly or collected by the State of North Carolina. State funds include federal

financial assistance received by the State and transferred or disbursed to non-State entities. Both federal and State funds maintain their identity as they are subgranted to other organizations. Pursuant to N.C.G.S. 143C-6-23(a)(1), the terms "State grant funds" and "State grants" do not include any payment made by the Medicaid program, the Teachers' and State Employees' Comprehensive Major Medical Plan, or other similar medical programs.

(17) "Subgrantee" has the meaning in G.S. 143C-6-23(a)(3): a non-State entity that receives a grant of State funds from a grantee or from another subgrantee but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission.

(18) "Unit of Local Government has the meaning in G.S. 143C-1-1(d)(29): A municipal corporation that has the power to levy taxes, including a consolidated city-county as defined by G.S. 160B-2(1), and all boards, agencies, commissions, authorities, and institutions thereof that are not municipal corporations.

Relationships of the Parties

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

Subcontracting: The Grantee shall not subcontract any of the work contemplated under this Contract without prior written approval from the Agency. Any approved subcontract shall be subject to all conditions of this Contract. Only the subcontractors or subgrantees specified in the Contract documents are to be considered approved upon award of the Contract. The Agency shall not be obligated to pay for any work performed by any unapproved subcontractor or subgrantee. The Grantee shall be responsible for the performance of all of its subgrantees and shall not be relieved of any of the duties and responsibilities of this Contract.

Subgrantees: The Grantee has the responsibility to ensure that all subgrantees, if any, provide all information necessary to permit the Grantee to comply with the standards set forth in this Contract.

Assignment: No assignment of the Grantee's obligations or the Grantee's right to receive payment hereunder shall be permitted. However, upon written request approved by the issuing purchasing authority, the State may:

(a) Forward the Grantee's payment check(s) directly to any person or entity designated by the Grantee, or
(b) Include any person or entity designated by Grantee as a joint payee on the Grantee's payment check(s).

In no event shall such approval and action obligate the State to anyone other than the Grantee and the Grantee shall remain responsible for fulfillment of all Contract obligations.

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

Indemnity

Indemnification: The Grantee agrees to indemnify and hold harmless the Agency, including any of its Divisions, and any of its officers, agents and employees, from liability of any kind, and from any claims of third parties arising out of any act or omission of the Contractor in connection with the performance of this Contract to the extent permitted by law.

Default and Termination

Termination by Mutual Consent: The Parties may terminate this Contract by mutual consent with 60 days notice to the other party, or as otherwise provided by law.

Termination for Cause: If, through any cause, the Grantee shall fail to fulfill its obligations under this Contract in a timely and proper manner, the Agency shall have the right to terminate this Contract by giving written notice to the Grantee and specifying the effective date thereof.
In that event, all finished or unfinished deliverable items prepared by the Grantee under this Contract

shall, at the option of the Agency, become its property and the Grantee shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials, minus any payment or compensation previously made.

Notwithstanding the foregoing provision, the Grantee shall not be relieved of liability to the Agency for damages sustained by the Agency by virtue of the Grantee's breach of this agreement, and the Agency may withhold any payment due the Grantee for the purpose of setoff until such time as the exact amount of damages due the Agency from such breach can be determined. The filing of a petition for bankruptcy by the Grantee shall be an act of default under this Contract.

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

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

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

Survival of Promises: All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the Contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable federal or State statutes of limitation.

Intellectual Property Rights

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

Compliance with Applicable Laws

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

Equal Employment Opportunity: The Grantee shall take affirmative action in complying with all federal and State statutes and all applicable requirements concerning fair employment of people with disabilities, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin or disability. For additional information see Title VI of the Civil Rights Act of 1964 (42 U.S.C., 2000d, 2000e-16), Title XI of the Education amendments of 1972, as amended (20 U.S.C. 1681-1683 and 1685-1686), and section 504 of the Rehabilitation Act of 1973 as amended (29 U.S.C. 794).

Executive Order 24: In accordance with Executive Order 24, issued by Governor Perdue, and N.C.G.S.§ 133-32, a vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, vendor, or grantee), is prohibited from making gifts or giving favors to any employee of the Agency of Agriculture and Consumer Services. This prohibition covers those vendors, contractors, and/or grantees who:

(a) have a Contract with a governmental Agency; or
(b) have performed under such a Contract within the past year; or
(c) anticipate bidding on such a Contract in the future.

For additional information regarding the specific requirements and exemptions, vendors, contractors, and/or grantees are encouraged to review Executive Order 24 and N.C.G.S. § 133-32.

Confidentiality

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

Oversight

Access to Persons and Records: The State Auditor and the using agency's internal auditors shall have

access to persons and records as a result of all Contracts or grants entered into by State agencies or political subdivisions in accordance with General Statute 147-64.7 and Session Law 2010-194, Section 21 (i.e., the State Auditors and internal auditors may audit the records of the contractor during the term of the Contract to verify accounts and data affecting fees or performance).

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

Miscellaneous

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

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

Time of the Essence: Time is of the essence in the performance of this Contract.

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

Amendment: This Contract may not be amended orally or by performance. Any amendment must be made in written form and executed by duly authorized representatives of the Agency and the Grantee.

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

Travel Expenses: Reimbursement to the Grantee for travel mileage, meals, lodging and other travel expenses incurred in the performance of this Contract shall be reasonable and supported by documentation. State rates shall be used. International travel shall not be reimbursed under this Contract.

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

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

Indirect Costs Policy: The Agency has adopted a "Zero" policy that indirect costs are unallowable expenditures in all State funded grant applications and/or grant guidance, informational or directional documents.

Allowable Uses of State Funds: Expenditures of State funds by any grantee shall be in accordance with the Cost Principles outlined in the Office of Management and Budget (OMB) CFR Title 2, Part 200 Uniform Administrative Requirements, as applicable. If the grant funding includes federal sources, the grantee shall ensure adherence to the cost principles established by the Federal Office of Management and Budget. [09 NCAC 03M.020]

Contents of Attachment B:

Scope of Work

ADFP Trust Fund Conservation Easement Contract Grantee Duties and Reporting Requirements

Line Item Budget with Narrative and Project Timeline

The Conservation Easement Content

ADFP Trust Fund Monitoring Policies

Option to Purchase an ADFP Trust Fund Agricultural Easement

Scope of Work

The purpose of this contract is to place a perpetual agricultural conservation easement on +/- 48 acres of the Dixon Farm in Beaufort County.

Landowner name(s): Charlie M Dixon, Jr. and Vera Jean Dixon

Physical address:
669 CC Road
Vanceboro, NC 28586

Latitude and Longitude: 35.393316, -77.132048

Parcel Identification Number (PIN): 5662240407

Attached is a map of the proposed conservation easement:

USDA United States Department of Agriculture

Beaufort County, North Carolina

Farm 8402
Tract 337
2019 Program Year

CLU	Acres	HEL	Crop
1	7.89	NHEL	
2	11.6	NHEL	
3	5.87	NHEL	
4	11.86	NHEL	Noncropland
5	0.85	NHEL	Noncropland

Page Cropland Total: 25.36 acres

Map Created October 16, 2018

Base Image Layer flown in 2016

Common Land Unit
- Cropland
- Non-Cropland
- Tract Boundary

Wetland Determination Identifiers
- Restricted Use
- Limited Restrictions
- Exempt from Conservation Compliance Provisions

USDA FSA maps are for FSA Program administration only. This map does not represent a legal survey or reflect actual ownership; rather it depicts the information provided directly from the producer and/or the NAIP imagery. The producer accepts the data 'as is' and assumes all risks associated with its use. The USDA Farm Service Agency assumes no responsibility for actual or consequential damage incurred as a result of any user's reliance on this data outside FSA Programs. Wetland identifiers do not represent the size, shape, or specific determination of the area. Refer to your original determination (CPA-026 and attached maps) for exact boundaries and determinations or contact NRCS.

ADFP Trust Fund Conservation Easement Contract Grantee Duties and Reporting Requirements

1. The Grantee agrees to the following timeline in the securing and recording the conservation easement:

Deliverables (Documents)	Completion Date for Documents Provided to Agency by Grantee
Preliminary Metes & Bounds Survey	Within 180 days of beginning date of grant contract
Draft Easement Language	Within 180 days of beginning date of grant contract
Preliminary Baseline	Within 180 days of beginning date of grant contract
Applicable Conservation Plan	Within 180 days of beginning date of grant contract
Applicable Forestry Plan	Within 180 days of beginning date of grant contract
Environmental Audit including Hazardous Checklist	Within 180 days of beginning date of grant contract
Preliminary Title Opinion	Within 180 days of beginning date of grant contract
Preliminary Title Policy	Within 180 days of beginning date of grant contract
Certified Development Rights Appraisal	Within 240 days of beginning date of grant contract
Set target date for easement closing	Within 270 days of beginning date of grant contract
Request ADFPTF grant funding for easement closing	15 working days prior (21 calendar days) prior to set easement closing date
Preliminary HUD – Closing Statement	15 working days prior (21 calendar days) prior to set easement closing date
Recorded Easement	10 working days (14 calendar days) following closing and recording date of the conservation easement
Recorded Survey	10 working days (14 calendar days) following closing and recording date of the conservation easement
Final Title Opinion	10 working days (14 calendar days) following closing and recording date of the conservation easement
Final Title Policy	20 working days (28 calendar days) following closing and recording date of the conservation easement
Final Grant Payment Request with Required Financial and Programmatic Reports	20 working days (28 calendar days) following closing and recording date of the conservation easement

2. The Grantee shall provide the Agency with progress reports, both financial and programmatic. The following is based upon the Agency contract with the Grantee being two years in time.

For grant awards of less than $250,000, reports are due semi-annually. Refer to the table below for the reporting period and due dates for progress and budget reports:

Contract Year	Reporting Period	Report Due Dates
Year 1	October 1 – March 31	April 10
Year 1	April 1 – September 30	October 10
Year 2	October 1 – March 31	April 10
Year 2	April 1 – September 30	October 10

For grant awards of $250,000 or more, reports are due quarterly. Refer to the table below for the reporting period and due dates for progress and budget reports:

Contract Year	Reporting Period	Report Due Dates
Year 1	October 1 – December 31	January 10
Year 1	January 1 – March 31	April 10
Year 1	April 1 – June 30	July 10
Year 1	July 1 – September 30	October 10
Year 2	October 1 – December 31	January 10
Year 2	January 1 – March 31	April 10
Year 2	April 1 – June 30	July 10
Year 2	July 1 – September 30	October 10

In-kind and cash match shall be a part of the required financial reports, and documentation of the reported match shall be included with the reports. Documents shall be in the form of individual time sheets that have been signed by the individual employee and approved by the appropriate supervisor, travel logs and invoices for in-kind match; copies of checks, bank deposits and fund transfers for cash match. Other types of documents may be acceptable with the approval of the Agency Manager.

This grant contract is for the below marked amount:

- ✓ Less than $250,000
- ☐ $250,000 or more

3. The Grantee will use the selected easement template unless the exception category has been designated and approved by the Agency. Selection of appropriate template is based upon partnership funding used to secure the conservation easement. Unless clearly delineated in the proposed conservation easement map, the landowner waives the rights of creation of no more than three lots pursuant to N.C.G.S. 106-744(b)(1), therefore no lots shall be created in the easement area. The easement templates are downloadable at www.ncadfp.org
   - ☐ ADFPTF-USDA-USAF Template Easement
   - ☐ ADFPTF-USDA-MCIEAST Template Easement
   - ☐ ADFPTF-USDA-Army Template Easement
   - ✓ ADFPTF-USDA Template Easement

- ☐ ADFPTF-USAF Template Easement
- ☐ ADFPTF-MCIEAST Template Easement
- ☐ ADFPTF-Army Template Easement
- ☐ ADFPTF Perpetual Template Easement
- ☐ ADFPTF Term Template Easement
- ☐ Exception, including the creation of no more than three lots pursuant to N.C.G.S. 106-744(b)(1). (Copy of the revised conservation easement language must be attached hereto as an amendment to the NCDA&CS ADFPTF contract at time of approval)

The Agency legal counsel and Farmland Preservation Director must approve additions, omissions, or modifications of said template. The final "Conservation Easement" must meet with Agency approval to remain eligible for funding.

4. The Grantee shall provide the Agency with the appropriate reimbursement request (downloadable at www.ncadp.org) and required documentation of performance and expenditures for associated grant reimbursement. The Agency shall make payments to the Grantee on the following guidance:
    a. No more than $25,000 if the grant award is $31,250 or greater and up to 80% of the grant if the grant award is less than $31,250 prior to the recording of the "Conservation Easement."
    b. All payment requests must have documented purpose of use of grant funds and be within the approved amounts designated in the contract grant budget.
    c. At the time of a properly recorded "Conservation Easement," the Agency shall pay to the Grantee no more than 80% of the awarded grant amount.
    d. The Agency shall decrease the contract award amount based on current conservation easement appraisal, if applicable.
    e. The Grantee shall ensure that **48** acres are placed under an agricultural easement with no more than a 5% variance in recorded easement acreage without prior written approval of the Agency.
    f. The division of the funds used to purchase the agricultural easement from matching resources and Agency resources must be maintained as noted in the grant contract budget. The Grantee may request the Agency for an exception to the division of funds if the Agency is the only entity providing easement funding.
    g. The Agency easement purchase shall not exceed 50% of the easement value. If the Agency is the only grantor of funds used to secure the conservation easement recording, the Grantee may request in writing with sound reasoning for the Agency payment to exceed 50% of the easement purchase value.
    h. At no time shall the total payment of grant funding exceed the grant contract value.
    i. All grantee payments must have receipts of expenditures to verify use of funding per contracted purposes.

5. The Grantee shall also submit a final grant report. Included in the final report, the Grantee shall provide an accounting of final match claimed by the Grantee to fulfill the match requirement mandated under N.C.G.S. 106-744(c1)(1). The Agency will retain 20% of the awarded grant amount until the final report, including cash match and in-kind documentation and a copy of a properly recorded easement, is received and approved by the Agency. The final report and all invoices are due by the 10th of the month following the ending date of the contract or within 20 working days (28 calendar days) following closing and recording date of the conservation easement if less in time. The Agency shall make the payment within 60 days of any grant reimbursement request by the Grantee with approved documentation. If the Grantee fails to provide final report and required supporting documentation within the required documentation period, the Grantee may not receive reimbursement and shall be considered ineligible for reimbursement.

6. The Grantee may request an extension of time of the grant contract period. The request must be in writing and submitted to the Farmland Preservation Director for review no later than 60 calendar days of the contract end date. Request must provide sound reason for such a request such as documented hardship and uncontrollable hindering issues.

7. After recording the "Conservation Easement" in the Register of Deeds Office, the Grantee shall annually notify the landowner and conduct a monitoring visit to the property to ensure that the easement agreement is being upheld. If structures are permitted under the easement, the Grantee shall review plans and monitor construction for compliance with the plans. Grantee monitoring shall be completed in accordance with the Agency "Conservation Easement Monitoring Policy and Guidelines" and amendments thereto. The Grantee shall complete and submit to the Agency the "Grantee Monitoring Checklist – Perpetual or Term Easement" to report its annual monitoring findings. The first "Grantee Monitoring Checklist – Perpetual or Term Easement" is due by December 31 of the following calendar year after the "Conservation Easement" recording, and annually thereafter.

8. The Grantee shall complete all reports in a prescribed format, which shall be provided by the Agency. Reports and required documentation must be up-to-date for the Grantee to receive payments.

9. All publicity and printed material regarding projects or activities supported in whole or in part by this shall contain the following language: "The project received support from the NCDA&CS ADFP Trust Fund." The NCDA&CS ADFP Trust Fund logo (digital versions of which can be downloaded from the Agency website at www.ncadfp.org) shall be displayed in all the Grantee's publicity and printed materials relating to this grant.

10. The Grantee will submit all reports and requested documents electronically unless instructed differently by Agency staff. Reports and documents may be submitted by

email to: ncadfp@ncagr.gov.

11. Non-compliance of grantee duties will result in an immediate suspension of existing Agency grant funding, and the Grantee shall be ineligible for further Agency grants until the noncompliance is corrected and the Agency has acknowledged the correction and the Grantee is in good standing. The Agency shall use the following guidance in placing a Grantee in non-compliance:

ADFP Trust Fund Grantee Eligibility Classification

ADFP grantees are classified by the following guidance.

Classification	Grant Contract / Monitoring Status	Eligibility Status
Green	All budget, progress and monitoring reports on file and up to date with no incidents noted on the SOFL or other Department grant tracking forms.	No restrictions.
Yellow	Having a late budget, progress or monitoring report in the previous reporting period and with no incidents noted on the SOFL or other Department grant tracking forms.	All grant payments and proposed grant contracts frozen until reports filed and approved. Review of proposed grant requests (RFPs) may continue but no grant contract may be offered.
Red	Having late budget, progress or monitoring reports for two reporting periods and with no incidents noted on the SOFL or other Department grant tracking forms.	All grant payments and proposed grant contracts frozen until reports filed and approved. Review of proposed grant requests (RFPs) discontinued and no grant contract may be offered.
Black	Having a late budget, progress or monitoring reports for three or more reporting periods or found listed as being incompliant on the SOFL or other Department grant tracking forms.	All grant payments frozen. Grantee is not eligible for an ADFP Trust Fund grant application or contract.

Note: A grantee RFP with a yellow classification will be given lower selection rank in comparison to green classifications of equivalent evaluation. A grantee RFP with a red classification will be classified as not eligible if the red classification status continues for 30 days or more after submitting the RFP. Please see NCDA&CS ADFP grant contracts for required reports and schedule to submit.

12. The grant contract budget and project timeline are as attached:

Dixon Farm Conservation Easement Budget Worksheet

ADM-ADFP-19-003

Expenditure Categories	ADFP Trust Fund Grant Funds	Secured Match (Written Letter of Commitment from matching funds source)	Unsecured Match (excluding potential USDA ALE funding) (All match will be considered unsecured unless accompanied by Letter of Commitment)	Potential USDA ALE Funding (Considered unsecured at this time)	Total Matching Funds	All Totals	Grant Contract Notes
204 Travel (applicable state rates)		$ 1,300.00			$ 1,300.00	$ 1,300.00	Beaufort SWCD in-kind match
207 Personnel and Administrative		$ 3,500.00			$ 3,500.00	$ 3,500.00	Beaufort SWCD in-kind match
211 Stewardship Endowment	$ 230.00	$ 230.00			$ 230.00	$ 460.00	Landowner cash match
212 Survey	$ 4,800.00	-			$ -	$ 4,800.00	
213 Appraisal		$ 4,000.00			$ 4,000.00	$ 4,000.00	Landowner cash match
214 Baseline Documentation Report	$ 3,000.00				$ -	$ 3,000.00	
215 Environmental Assessment/Audit	$ 2,500.00				$ -	$ 2,500.00	
216 Legal Fees	$ 3,500.00				$ -	$ 3,500.00	
217 Closing Costs	$ 1,080.00				$ -	$ 1,080.00	
220 Easement Purchase	$ 7,640.00	$ 7,640.00		$ 15,340.00	$ 22,980.00	$ 30,620.00	48.29 acres; 50% landowner donation
Total Project Budget	$ 22,750.00	$ 16,670.00	$ -	$ 15,340.00	$ 32,010.00	$ 54,760.00	

Signature of Grantee _____ 7-26-19

Signature of ADFP Director _____ 7-23-19

Signature of ADFP Budget Officer _____

Project Timeline

Quarter (Grant Year 1)	Tasks/Goals	Grant Funding to be Used	Matching Funds (cash or in-kind) to be Used	Total Funding to be Used
July 1, 2019 - September 30, 2019	Personnel and Administrative Duties		$ 4,800.00	
October 1, 2019 - December 31, 2019	Survey, Draft Easement Language, Baseline, Applicable Conservation and Forestry Plans, Environmental Audit, Preliminary Title Opinion and Policy	$ 10,300.00		
January 1, 2020- March 31, 2020	Certified Appraisal, Set target date for easement closing		$ 4,000.00	
April 1, 2020 - June 30, 2020	Request Funds for closing, Preliminary HUD, Record Easement, Record Survey, Final Title Opinion and Policy, Final Payment Request, Legal Fees,	$ 12,450.00	$ 23,210.00	
Grant Year 1 Subtotals		$ 22,750.00	$ 32,010.00	$ 54,760.00

Quarter (Grant Year 2)	Tasks/Goals	Grant Funding to be Used	Matching Funds (cash or in-kind) to be Used	Total Funding to be Used
July 1, 2020 - September 30, 2020				$ -
October 1, 2020 - December 31, 2020				$ -
January 1, 2021- March 31, 2021				$ -
April 1, 2021 - June 30, 2021				$ -
Grant Year 2 Subtotals		$	$	$
Entire Grant Period Totals		$ 22,750.00	$ 32,010.00	$ 54,760.00

This instrument prepared by and return to:
Enter name

ADFP Tracking #
ADM-ADFP-

STATE OF NORTH CAROLINA
COUNTY OF Enter county name

Parcel ID (PIN) #
Enter PIN

WARRANTY
DEED OF AGRICULTURAL LAND EASEMENT

This Deed of Agricultural Land Easement ("ALE") is granted on this Enter day with numerals and letter suffixes day of January , 2018, by Enter landowner name(s) having an address of Enter landowner mailing address (collectively "Grantor"), to Enter easement holding entity having an address of Enter entity mailing address ("Grantee"), the North Carolina Department of Agriculture and Consumer Services (NCDA&CS) acting by and through the North Carolina Agriculture Development and Farmland Preservation Trust Fund ("NCDA&CS" or "ADFP Trust Fund") and with a right of enforcement to the United States of America ("the United States") acting by and through the United States Department of Agriculture, Natural Resources Conservation Service ("NRCS"), on behalf of the Commodity Credit Corporation (CCC) as its interest appears herein, for the purpose of forever conserving the agricultural productivity of the Protected Property and its value for resource preservation and as open space. The Grantor, Grantee, NCDA&CS, and the United States are collectively referred to as "the Parties".

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successor and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

The United States is providing $Enter amount toward the purchase of this Agricultural Land Easement; which amount represents Enter percentage% of the appraised fair market value of the rights conveyed by this Agricultural Land Easement ("Easement Value"). Grantor is donating Enter percentage% of the Easement Value $Enter amount, and the remaining Enter percentage% of the Easement Value is provided by the Grantee through the ADFP Trust Fund in the amount of $Enter amount; for a total cash consideration of $Enter total amount from US, grantor, and grantee cash contributions.

RECITALS

WHEREAS, Grantor is the sole owner in fee simple, of a certain farm property identified in Exhibit Enter exhibit letter or number located in Enter township name Township, Enter county name County, North Carolina and identified on the plat of property entitled "Plat Showing Boundary Survey & Conservation Easement" prepared by Enter surveyor which plat is recorded at Plat Book Enter book number Page Enter page number, Enter county name County Registry with such farm property totaling Enter number of acres acres covered by this Agricultural Land Easement (the "Protected Property").

WHEREAS, the Protected Property consists primarily of productive agricultural land. The Protected Property also contains within its boundary buildings and/or improvements as shown on Exhibit Enter exhibit letter or number attached hereto and incorporated herein. The majority of the soils on the Protected Property have been classified as "prime" or "statewide important" soils by the NRCS), United States Department of Agriculture ("USDA," also referred to as "United States"). It is the primary purpose of this Agricultural Land Easement to protect the agricultural soils and agricultural viability and productivity by limiting non-agricultural uses of the Protected Property.

WHEREAS, the Protected Property also includes outstanding woodland and riparian habitats for a variety of wildlife species of importance to the Grantor, the people of Enter county name County and the people of North Carolina.

WHEREAS, the Protected Property contains numerous tributaries that flow into the Enter creek name Creek which flows into Enter river name River. It is a secondary purpose of this Agricultural Land Easement to protect these natural wildlife habitat, historical, and scenic resources. The agricultural, natural, wildlife habitat and scenic resources of the Protected Property are collectively referred to as the "Conservation Values" of the Protected Property.

WHEREAS, the specific Conservation Values of the Protected Property and its current use and state of improvement are described in a Baseline Documentation Report ("Report") prepared by the Grantee with the cooperation of the Grantor, and acknowledged by both parties to be accurate as of the date of this Agricultural Land Easement. This Report may be used by the Grantee to document any future changes in the use or character of the Protected Property in order to ensure the terms and condition of the Agricultural Land Easement are fulfilled. This Report, however, is not intended to preclude the use of other evidence to establish the present condition of the Protected Property if there is a controversy over its use. The Grantor and Grantee have copies of this Report, and this Report will remain on file at the office of the Grantee.

WHEREAS, the Grantor and Grantee agree that the current agricultural use of, and improvements to, the Protected Property are consistent with the conservation purposes of this Agricultural Land Easement.

WHEREAS, the Grantor intends that the Conservation Values of the Protected Property be preserved and maintained, and further, Grantor intends to convey to the Grantee the right to preserve and protect the agricultural and other Conservation Values of the Protected Property in perpetuity.

WHEREAS, the Conservation Purposes of the Agricultural Land Easement are recognized by, and the grant of this Agricultural Land Easement will serve, the following clearly delineated governmental conservation policies:

1. This Agricultural Land Easement in perpetuity is acquired with funds provided, in part, under the Agricultural Conservation Easement Program (ACEP), 16 U.S.C. § 3865 et seq. and 7 CFR Part 1468 for the purpose of protecting the agricultural use and future viability, and related conservation values, by limiting non-agricultural uses of the Protected Property;

2. N. C. Gen. Stat. § 139-2 et seq., which provides that "it is hereby declared ...that the farm, forest and grazing lands of the State of North Carolina are among the basic assets of the State and the preservation of these lands is necessary to protect and promote the health, safety and general welfare of its people... It is hereby declared to be the policy of the legislature to provide for the conservation of the soil and resources of this State;"

3. N. C. Gen. Stat. § 106-583 et seq., which states that "It is declared to be the policy of the State of North Carolina to promote the efficient production and utilization of the products of the soil as essential to the health and welfare of our people and to promote a sound and prosperous agriculture and rural life as indispensable to the maintenance of maximum prosperity;"

4. The Uniform North Carolina Conservation and Historic Preservation Agreements Act (N. C. Gen. Stat. § 121-34 et seq.) which provides for the enforceability of restrictions, easements, covenants or conditions "appropriate for retaining in land or water areas predominantly in their natural, scenic, or open condition or in agricultural, horticultural, farming or forest use;" and which provides for tax assessment of lands subject to such agreements "on the basis of the true value of the land and improvement less any reduction in value caused by the agreement;"

5. The establishment of the North Carolina Farmland Preservation Trust Fund established in 2005 (N.C. Gen Stat § 106-744 (c)) to preserve important farmland in North Carolina; and

6. The special use assessment of farm and forest land as set forth in N. C. Gen. Stat. § 105-277.2 et seq.

WHEREAS, Grantor and Grantee have the common purpose of protecting the above described Conservation Values and current condition of the Protected Property and preventing conversion of the Protected Property to non-agricultural uses and Grantor agrees to create and implement an Agricultural Land Easement Plan ("ALE Plan").

As required by 16 U.S.C. § 3865a, agricultural production and related uses of the Protected Property are subject to an ALE Plan, as approved by NRCS, to promote the long-term viability of the land to meet the Agricultural Land Easement ("ALE) purposes. The ALE Plan must also be approved by the Grantor and the Grantee. Grantor agrees the use of the Property will be subject to the ALE Plan on the Protected Property.

The ALE Plan is incorporated by reference and must not include any provisions inconsistent with the conservation purposes of this ALE. The Grantee and Grantor agree to update the ALE Plan in

the event the agricultural uses of the Protected Property change. A copy of the current ALE Plan is kept on file with the Grantee.

The Grantee must take all reasonable steps to secure compliance with the ALE Plan. In the event of substantial or ongoing noncompliance with the ALE Plan or the requirement to update the ALE Plan, NRCS may notify the Grantee. NRCS will give the Grantee and Grantor a reasonable amount of time, not to exceed 180 days, to take corrective action. If Grantee fails to enforce the terms of the ALE, including, but not limited to compliance with the ALE Plan, the United States may exercise its right of enforcement.

WHEREAS, the Grantee is a body politic existing under Chapter 139 of the North Carolina General Statutes, and is qualified to hold Easements under the applicable laws of the State of North Carolina and is a qualified organization under I.R.C. Section 170(h).

NOW, THEREFORE, for Enter amount spelled out Dollars ($Enter amount in numerals) and for the reasons given and other good and valuable consideration and in consideration of their mutual covenants, terms, conditions and restrictions contained herein, the Grantor hereby voluntarily grants and conveys to the Grantee, and the Grantee hereby voluntarily accepts, a perpetual Agricultural Land Easement (ALE) in the Protected Property, which Agricultural Land Easement is an immediately vested interest in real property of the nature and character described herein. Grantor promises that they will not perform, nor knowingly allow others to perform, any act on or affecting the Protected Property that is inconsistent with the covenants contained herein. Grantor authorizes the Grantee to enforce these covenants in the manner described below.

ARTICLE I. GENERAL

1.1. Statement of Purpose. It is the primary purpose of this Agricultural Land Easement (ALE) to enable the Protected Property to remain in agricultural use by preserving and protecting its agricultural soils and agricultural viability and productivity by limiting nonagricultural uses of the Protected Property. No activity that would significantly impair the actual or potential agricultural use of the Protected Property, or that is otherwise inconsistent with the purposes of this Ale, shall be permitted. To the extent that the preservation and protection of the natural, historic, recreational, habitat or scenic values referenced in this Agricultural Land Easement are consistent with the primary purpose stated above, it is within the purpose of this Agricultural Land Easement to also protect those values, and no activity that would significantly impair those values shall be permitted.

The provisions of this ALE and associated exhibits will not be interpreted to restrict the types of agricultural operations that can function on the Protected Property, so long as the agricultural operations are consistent with the long-term agricultural viability of the Protected Property, ALE Plan and ALE purposes, and do not violate federal laws, including federal drug laws. No uses will be allowed that decrease the ALE's protection for the agricultural use and future viability, and related conservation values of the Protected Property.

The production, processing, and marketing of agricultural crops and livestock is allowed provided it is conducted in a manner consistent with the terms of the ALE Plan.

1.2. Perpetual Duration. This ALE over the Protected Property as further described in Exhibit Enter exhibit letter or number shall be perpetual. It is an Agricultural Land Easement in gross, runs with the land and is enforceable by Grantee against Grantor as provided herein, and against Grantor's representatives, successors, assigns, lessees, agents and licensees.

1.3. Extinguishment of Development Rights. Except as otherwise reserved to the Grantor in this Agricultural Land Easement, the parties agree that all development rights appurtenant to the Protected Property are hereby released, terminated and extinguished, and may not be used on or transferred to any portion of the Protected Property as it now or hereafter may be bounded or described, or used or transferred to any other property adjacent or otherwise, nor used for the purpose of calculating permissible lot yield of the Protected Property or any other property by anyone including the Grantor and Grantee.

1.4. Compliance with other Regulatory Requirements. The Grantor is responsible for complying with any and all additional permits or regulation to use or develop the Protected Property under the terms of this Agricultural Land Easement, including Enter county name County, State of North Carolina or Federal requirements, regardless of any reserved rights or permissions contained in this Agricultural Land Easement Document.

ARTICLE II. PROHIBITED AND RESTRICTED ACTIVITIES

Any activities inconsistent with the purposes of this ALE are prohibited.

The terms and conditions of this ALE run with the land and are binding upon the Grantor and Grantee and their respective heirs, successors, agents, assigns, lessees, and any other person claiming under them must comply with all terms and conditions of this Agricultural Land Easement, including the following:

2.1. Subdivision. Separate conveyance of a portion of the Protected Property or division or subdivision of the Protected Property is prohibited. Grantor hereby waives any right to subdivide the protected property pursuant to North Carolina General Statute 106-744(b)(1).

Even if the Protected Property consists of more than one parcel for real estate tax or any other purpose or if it was acquired previously as separate parcels, it will be considered one parcel for purposes of this Agricultural Land Easement, and the restrictions and covenants of this Agricultural Land Easement will apply to the Protected Property as a whole.

2.2. Industrial and Commercial Use. Industrial or commercial activities on the Protected Property are prohibited except: agricultural production and related uses conducted as described in the ALE Plan; the sale of excess power generated in the operation of renewable energy structures and associated equipment or other energy structures that Grantee approves in writing as being consistent with the conservation purposes of this Agricultural Land Easement; temporary or seasonal outdoor activities or events that do not harm the agricultural use, future viability, and related conservation values of the Protected Property herein protected; commercial enterprises related to agricultural or forestry including but not limited to agritourism, processing, packaging, and marketing of farm or forest products, farm machinery repair, and small-scale farm wineries; small-scale commercial enterprises compatible with agriculture or forestry, including but not limited to cafes, shops, and studios for arts or crafts. This restriction does not prohibit the use of the Protected Property or construction of improvements primarily for agricultural, horticultural, forestry, silvicultural and non-developed recreational purposes as more specifically defined herein.

2.3. Oil, Gas, or Mining Exploration and Extraction. Mining or extraction of soil, sand, gravel, oil, natural gas, fuel, coal, or any other mineral substance owned by Grantor as of the date of this ALE or later acquired by Grantor, using any surface mining, subsurface mining, or dredging

method, from Protected Property is prohibited. Limited mining of materials (e.g. topsoil, sand, gravel, rock, peat, minerals, or shale) used for agricultural operations on the Protected Property is allowed provided the disturbed area shall be limited to one acre in total surface area as identified in Exhibit Enter exhibit letter or number, must not harm the conservation values or the agricultural uses of the Property and will be restored as soon as practicable after the disturbance. Any removal of material as provided for in this subsection shall be solely for the purposes of the Protected Property and shall not be removed and sold to a third party. Under no circumstances is the exploration, exploitation and/or drilling for oil, natural gas, coal and/or other hydrocarbons permitted in, on or to the Protected Property. If a third party owns or leases the oil, natural gas, or any other mineral substance at the time this ALE is executed, and their interests have not been subordinated to this ALE, the Grantor must require, to the greatest extent possible, that any oil, natural gas, and mineral exploration and extraction conducted by such third party is conducted in accordance with this paragraph.

2.4. Surface Alteration. Grading, blasting, filling, sod farming, earth removal, or any other activity that will disturb the soil surface or materially alter the topography, surface or subsurface water systems, or wetlands of the Protected Property is prohibited, except as follows: dam construction in accordance with the ALE Plan to create ponds for agricultural use, fire protection, or wildlife enhancement, including enhancement through wetland restoration, enhancement or creation; erosion and sediment control pursuant to a plan approved by the Grantee; soil disturbance activities required in the construction of approved buildings, structures, roads, and utilities provided that the required alteration has been approved in writing by Grantee as being consistent with the conservation purpose of this Agricultural Land Easement; or Agricultural activities conducted in accordance with the ALE Plan.

2.5. Motorized Vehicle Use. Grantor shall not use motor vehicles on the Protected Property or grant permission for such use except as necessary in the accomplishment of the agricultural, forestry, habitat management, law enforcement and public safety, or conservation uses of the Protected Property, provided that no use of motorized vehicles shall create impacts that are detrimental to the productivity of the soils on the Protected Property and the Statement of Purposes of the ALE; however, notwithstanding the foregoing, use of snowmobiles on snow is allowed on the Protected Property.

2.6. Dumping and Trash. Dumping or storage of soil, trash, refuse, debris, ashes, garbage, waste, abandoned vehicles or parts, appliances, machinery, or hazardous substances, or toxic or hazardous waste, is prohibited. The placement of underground or above ground storage tanks or other materials is prohibited, with the exception of agricultural products, byproducts (including the composting of biodegradable material for on-farm use) and agricultural equipment used on the Protected Property, so long as such storage is done in accordance with all applicable government laws and regulations and in such a manner so as to not impair the Conservation Values of the Protected Property.

2.7. Structures and Improvements. There shall be no building, tower, facility, mobile home, or other structure constructed or placed on the Protected Property unless specifically authorized in Article III. Any structures permitted or reserved by Grantor shall be of such reasonable size, proportion, height and character so as not to significantly detract from the open space and agricultural purposes of this Agricultural Land Easement. Under no circumstances shall recreational fields, golf courses or ranges, airstrips or helicopter pads be constructed or permitted on the Protected Property.

2.8. Signage. Display to the public of billboards, signs or advertisements is prohibited on or over the Protected Property, except to state the name of the property and its farmland status, including its Agricultural Land Easement status, the name and address of the occupant, to advertise an on-site activity, and to advertise the property for sale or rent, as allowed by the sign ordinance set forth in the Enter county name County Zoning and Subdivision Ordinance. Grantor shall be permitted to erect no trespassing signs, traffic or directional signs or warning signs as may be expedient and to post the property.

2.9. Limitation on Impervious Surfaces. Impervious surface will not exceed two percent (2%) of the Protected Property, excluding NRCS-approved conservation practices. Impervious surfaces are defined as material that does not allow water to percolate into the soil on the Protected Property, including, but not limited to, residential buildings, agricultural buildings with or without flooring, paved areas, paved driveways, paved walkways, paved farm roads, and any other surfaces that are covered by asphalt, concrete, or roofs. This limitation does not include public roads or other roads owned and controlled by parties with rights superior to those rights conveyed to Grantee by this ALE. Excluded from this definition are compacted dirt and gravel surfaces, including farm roads, driveways and other surfaces that do not fully restrict the percolation of water into the soil. This restriction shall apply to permanent and temporary structures and facilities, both existing and proposed. The granting or modification of easements for utilities and roads is prohibited when the utility or road will adversely impact the agricultural use and future viability and related conservation values of the Protected Property as determined by the Grantee in consultation with the Chief of NRCS.

ARTICLE III. RIGHTS AND RESPONSIBILITIES RETAINED BY GRANTOR

Notwithstanding any provisions of this Agricultural Land Easement to the contrary, the Grantor reserves to and for themselves and their successors all customary rights and privileges of ownership, including the rights to sell, lease, and devise the Protected Property, together with any rights not specifically prohibited by or limited by this Agricultural Land Easement, and consistent with the Section 1.1., "Statement of Purpose". Unless otherwise specified below, nothing in this Agricultural Land Easement shall require the Grantor to take any action to restore the condition of the Protected Property after any Act of God or other event over which they have no control. Grantor understands that nothing in this Agricultural Land Easement relieves them of any obligation or restriction on the use of the Protected Property imposed by law.

3.1. Right to Farm. Grantor retains the right to farm, or to permit others to farm the Protected Property for farming or other agricultural activities that are consistent with the Conservation Values of the Protected Property and in accordance with applicable local, state and federal laws and regulations and in accordance with the ALE Plan. Subject to any prohibitions stated herein, farming, grazing, horticultural (provided such activity does not remove topsoil from the Protected Property) and animal husbandry operations are permitted only if conducted consistent with Best Management Practices promulgated by the State of North Carolina and in conformity with the ALE Plan as required in Section 4.5 hereafter.

3.2. Right to Privacy. Grantor retains the right to privacy and the right to exclude any member of the public from trespassing on the Protected Property. This Agricultural Land Easement is not intended to create any rights of the public in, on or to the Protected Property.

3.3. Right to Use the Protected Property for Customary Rural Enterprises. Grantor retains the right to use the Protected Property, for otherwise lawful and customary rural enterprises, such as, but not limited to, farm machinery repair, sawmills, firewood distribution, for nature and historic tours, equestrian activities, and other passive or "Ecotourism", "Agritourism" and "Special Events" as defined herein, educational programs or farm meetings and like activities, so long as such activities are consistent with Enter county name County zoning regulations and permits required by and issued by Enter county name County under its laws and ordinances. Any structures required for permitted purposes shall be located only within the Farmstead Areas, as shown on Exhibit Enter exhibit letter or number. Any permanent or temporary structure or otherwise addition to the impervious surface shall not cause the total impervious surface restriction of the Protected Property to exceed two percent (2%).

Grantor has the right to establish and carry out customary rural enterprises provided such activities are compatible with the Conservation Purposes of this ALE and agriculture and forestry uses of the Protected Property, and are subordinate to the agricultural and residential use of the Protected Property. The enterprises shall be conducted in the buildings required for the agricultural use of the Protected Property or the residences in which full time employees of the farm reside. Enterprises which market petroleum or chemical products are prohibited.

For purposes herein, the term "Ecotourism" shall be broadly defined to mean tourism and activities that are carried out in a relatively undisturbed natural area that serves as a tool for the education, appreciation, and promotion of natural and cultural heritage that has minimal negative impacts on the environment and farming resources of the Protected Property and promotes conservation and best management practices and provides constructive ongoing contributions to and for the local community.

The term "Agritourism" shall be broadly defined to mean those farming activities and traditional rural activities that are carried out on any agricultural location, including horticultural and agribusiness operations, that allows members of the general public, for recreational, entertainment, active involvement, or educational purposes, to view or enjoy rural activities, including farming, ranching, historic, cultural, harvest-your-own activities, or natural activities and attractions, or "Special Events" as defined herein, that have minimal negative impacts upon the environment and the Conservation Values of the Protected Property and are limited to "de minimis" access to and uses of the Protected Property. An activity is an Agritourism activity whether or not the participant paid to participate in the activity.

The term "Special Events" shall be broadly defined to mean a one-time or infrequently occurring event outside normal "Agritourism" programs or activities that provides for an agriculturally based leisure, social or cultural experience outside the normal range of Agritourism choices or beyond the everyday agricultural experience such as but not limited to: seasonal festivals, harvest celebrations, field days, square dances, and the like. In no event shall "Special Events" exist on the Protected Property for more than seven (7) days per twelve (12) month period nor exist in a manner that negatively impacts the soils or Conservation Values. Any parking associated with such events shall be located within the Farmstead Areas and/or existing farm roads as depicted in Exhibit Enter exhibit letter or number.

3.4. Construction on the Protected Property - procedure to Construct Buildings and Other Improvements. The Grantor's rights to construct or reconstruct/repair buildings and other improvements on the Protected Property are described in subparagraphs (a) through (e) below. Any construction or reconstruction not permitted below is prohibited. All new structures and improvements must be located within the Farmstead Area, containing approximately Enter

number of acres acres and described in Exhibit Enter exhibit letter or number, which is appended to and made a part of the ALE. Before undertaking any construction or reconstruction that requires advance permission, the Grantor shall notify the Grantee and obtain written permission. All construction or reconstruction is subject to Enter county name County Zoning and Subdivision Ordinances and must be consistent with permits required by and issued by Enter county name County under applicable laws and ordinances for such construction activities. Any building that may be constructed under this Section may be repaired and replaced.

The boundaries and location of the Farmstead Area may be adjusted if Grantee, The NCDA&CS Commissioner of Agriculture, and the Chief of NRCS provide prior written approval of the adjusted boundaries and location. The Farmstead Area may not increase in size and the adjusted Farmstead Area must provide equal or greater protection of the agricultural use and future viability and related conservation values of the Protected Property.

Utilities to serve approved buildings or structures, including on-farm energy structures allowed under Section 3.6 and agricultural structures that neither individually nor collectively have an adverse impact on the agricultural use and future viability and related conservation values of the Protected Property, may be built outside of the Farmstead Area with prior written approval of the Grantee provided that the utilities or agricultural structures are consistent with the ALE Plan.

Grantor further understands that the two percent (2%) maximum impervious surface limit set by the USDA Agricultural Conservation Easement Program-ALE disallows the construction of any new structures or impervious roads or other improvements to the Protected Property or replacement of said structures that would increase the total impervious surface area above the two percent (2%) maximum. All permanent construction and/or placement upon the Protected Property of any impervious surface must be approved in writing by the Grantee to ensure the maximum impervious limit is not exceeded.

a) Fences – Existing fences may be maintained and replaced, and new fences may be installed if they are necessary for the agricultural operations on the Protected Property or to mark the boundaries of the Protected Property.

b) Paving and Road Construction – Construction and maintenance of unpaved farm roads that may be reasonably necessary and incidental to carrying out the improvements and uses permitted on the Protected Property by this Agricultural Land Easement are permitted. Such roads shall be located so as to minimize impact to prime and unique soils on the Protected Property. No portion of the Protected Property shall be paved or otherwise covered with concrete, asphalt, or any other impervious paving material, without the advance written permission of the Grantee. New roads may be constructed if they are approved in advance by Grantee, within impervious surface limits, and necessary to carry out the agricultural operations or other allowed uses on the Protected Property. Maintenance of existing roads documented in the Baseline Documentation Report is allowed; however, existing roads may not be widened or improved unless widening and improving is within impervious surface limits, approved in advance by Grantee, and necessary to carry out the agricultural operation or other allowed uses on the Protected Property.

c) Farm Structures & Improvements – New buildings, barns, sheds and other structures and improvements to be used primarily for agricultural purposes, including the processing or

sale of farm products predominantly grown or raised on the Protected Property may be built within the "Farmstead Area" as shown on Exhibit Enter exhibit letter or number, after written approval from the Grantee is obtained. The Grantee shall give such approval within a reasonable time, unless it determines that the proposed building, structure or improvement would exceed the total maximum impervious surface restriction by the USDA Agricultural Conservation Easement Program-ALE, significantly diminish or impair the Conservation Values of the Protected Property or otherwise be inconsistent with the purposes of this Agricultural Land Easement. Existing buildings/barns/sheds and greenhouses as depicted in Exhibit Enter exhibit letter or number may be repaired or reconstructed in accordance with all other Agricultural Land Easement provisions.

Any temporary structures proposed for locations outside the Farmstead Areas shall be for agricultural purposes only and may only be erected with the advance written permission of the Grantee. The Grantee shall give such permission within a reasonable time and ensure the proposed temporary structure is erected in a way that minimizes any negative impact to the soils, diminishes and/or in any way is inconsistent with the Conservation Values of the Agricultural Land Easement Deed.

d) Farm Support Housing – No more than a total of one (1) new single –or multi-family dwelling to house farm tenants, employees or others engaged in agricultural production or other farm support uses on the Protected Property may be built on the Protected Property. The dwelling must be no greater than 1,500 square feet in floor size and shall be located within that area identified and marked as the "Farmstead Area" identified on Exhibit Enter exhibit letter or number.

e) Single-Family Residential Dwellings - The Agricultural Land Easement includes Enter number existing single-family residential dwellings within the Farmstead Area shown on Exhibit Enter exhibit letter or number. These residences may be renovated or enlarged so long as the construction is first approved by the Grantee to determine that it does not exceed the maximum impervious surface restriction designated by the USDA Agricultural Conservation Easement Program-ALE. The residential dwellings shall be no greater than four thousand (4000) square feet each, including heated and unheated space. All residential structures and appurtenant structures such as garages and sheds shall be contained in the Farmstead Area.

No additional single family residential dwellings may be built anywhere on the Protected Property.

The land on which this residential dwelling stands may not be subdivided from the Protected Property. Grantee's participation in or the signing of this Agricultural Land Easement in no way constitutes approval of the permitting of these residential dwellings. All appurtenant structures shall be contained within the Farmstead Area. Any septic system and field to provide for domestic effluent shall be contained within the Farmstead Areas. In the event that a suitable site for the system and field cannot be located within the Farmstead Area, a suitable location outside the Farmstead Area may be utilized with the written approval of the Grantee, the NCDA&CS and NRCS.

3.5. Recreational Improvements. Grantor expressly reserves the right to engage in low impact non-developed recreational activities such as hunting, fishing, hiking, bird watching, etc. and to control access of all persons for the purpose of hunting and fishing, hiking, bird watching,

etc., provided that these activities do not impact the protection and conservation of any animal habitat or other Conservation Values of the Protected Property.

3.6. Utility Services, Septic Systems, and Fuel Storage. Installation, maintenance, repair, replacement, removal and relocation of electric, gas, and water facilities, sewer lines and/or other public or private utilities, including telephone or other communication services over or under the Protected Property for the purpose of providing electrical, gas, water, sewer, or other utilities to serve improvements permitted herein, and the right to grant easements over and under the Protected Property for such purposes, is permitted. Installation, maintenance, repair or improvement of a septic system or other underground sanitary system for the benefit of any of the improvements permitted herein, is permitted. Above-ground storage tanks for fuels or any other materials for residential or on-site agricultural use are permitted up to a maximum size of one thousand (1000) gallons. Any such tanks are required to be located within the Farmstead Area, shall be constructed to minimize any pollution to land or water, and in accordance with applicable local, state and federal laws and regulations. All other utilities are prohibited on the Protected Property including, but not limited to, communication towers or structures. Notwithstanding the previous sentence, with advance written permission from Grantee, Grantor retains the right to construct a wind turbine or similar device for the purpose of generating electricity to be used for the permitted improvements and farming operations occurring on the Protected Property.

On-farm energy production/renewable energy production is allowed for the purpose of generating energy for the agricultural and residential needs of the Protected Property. Renewable energy sources must be built and maintained within impervious surface limits, with minimal impact on the conservation values of the Protected Property and consistent with the purposes of the ALE.

3.7. Forest Management and Timber Harvest. Forest management and timber harvesting is allowed, provided it is carried out to the extent practicable, in accordance with current, generally accepted best management practices for the sites, soils, and terrain of the Protected Property. In addition, if the Protected Property contains 40 contiguous acres of forest or 20 percent of the Protected Property is forestland then forest management and timber harvesting must be performed in accordance with a written forest management plan. The forest management plan must be prepared by a professional resource manager, in consultation with the Grantee. A forest management plan will not be required for the following allowed noncommercial activities: cutting of trees for the construction of allowed roads, utilities, buildings and structures on the Protected Property, cutting of trees for trail clearing, cutting of trees for domestic use as firewood or for other domestic uses by Grantor, removal of trees posing an imminent hazard to the health or safety of person or livestock, or removal of invasive species.

Pursuant to a forest management plan trees may be removed, cut and otherwise managed (to control insects, for pasture restoration, for firewood and other non-commercial uses, including construction of permitted improvements, cutting of trees for trail clearing, removal of trees posing an imminent hazard to the health or safety of persons or livestock, removal of invasive species, and fences) on the Protected Property. Trees may be planted, harvested and removed within the areas identified and marked as "Farmstead Area" on Exhibit Enter exhibit letter or number without the advance written permission of the Grantee.

Any other cutting, removal or harvesting of trees may be undertaken within the areas identified and marked as "Forest" on Exhibit Enter exhibit letter or number only under one or both of the following conditions:

a) The purpose is for clearing land for cultivation or use by livestock, and it occurs outside of a 50-foot buffer along both sides of any intermittent streams which run through the Protected Property and are identified on Exhibit Enter exhibit letter or number within these stream buffer areas are excluded from this provision unless the buffer area becomes re-vegetated for a period of 10 years or more in which case this provision shall apply. Such harvesting of trees must be in accordance with a forest management plan if a forest management plan is required pursuant to this section.

b) The purpose is for commercial harvesting of trees if in accordance with the ALE Plan referenced in Section 4.5 herein and a forest management plan that is consistent with the above-referenced ALE Plan and prepared by a professional forester approved by Grantee, such approval to not be unreasonably withheld.

3.8. Water Rights. Grantor shall retain and reserve the right to use any appurtenant water rights sufficient to maintain the agricultural productivity of the Protected Property. Grantor shall not transfer, encumber, lease, sell or otherwise separate such water rights from title to the Protected Property itself.

3.9. Land Application. The land application, storage and placement on the Protected Property of domestic septic effluent and municipal, commercial or industrial sewage sludge or liquid generated from such sources for agricultural purposes may be undertaken only if in accordance with all applicable federal, state and local laws and regulations and in accordance with the ALE Plan. Spray irrigation of domestic septic effluent to serve the Protected Property's dwelling(s) is prohibited.

3.10. Natural Resource Restoration and Enhancement Activities. Grantor may engage or contract others to engage in any activity designed to repair, restore, or otherwise enhance the natural resources found or once present on the Protected Property, that are consistent with the Conservation Values of this Agricultural Land Easement and the ALE Plan and subject to the written approval of Grantee.

3.11. Pond Creation, and Wetland Restoration. The Grantor is permitted to construct ponds and restore wetlands in accordance with the ALE Plan and NRCS standards and specifications. Ponds must support agricultural operations such as irrigation, livestock water supplies, or fire control. Wetlands must be either used to treat agricultural waste or support critical habitat needs for wildlife species. The size of ponds and wetlands must be supported by appropriate documentation in the ALE Plan.

3.12. Grassland Use of the Protected Property. Grantors are allowed to graze, hay harvest for hay and noncrop seed production, mow, construct fire breaks, conduct fire presuppression and rehabilitation activities, and conduct common grazing practices, including cultural practices, consistent with the provisions and conservation purposes of this ALE. The term "common grazing practices" means those practices customary to the region where the Protect Property is located to livestock grazing, forage management, and maintenance of infrastructure required to conduct livestock grazing on the Protected Property. Grantors must not hay, mow, or harvest for seed during certain nesting seasons for birds whose populations are in significant decline as identified by Grantee or NRCS in the ALE plan. Determinations of nesting seasons for birds

whose populations are in significant decline will be made in writing to the Grantors, or set forth within the ALE Plan for the Protected Property.

ARTICLE IV. ONGOING RESPONSIBILITY OF GRANTOR AND GRANTEE

Other than as specified herein, this Agricultural Land Easement is not intended to impose any legal or other responsibility on the Grantee or the United States, or in any way to affect any existing obligation of the Grantor as owners of the Protected Property.

Due to the State's interest in this Agricultural Land Easement other than as specified herein, this Agricultural Land Easement is not intended to impose any legal or other responsibility on the NCDA&CS, or in any way to affect any existing obligation of the Grantor as owners of the Protected Property.

Among other things, this shall apply to:

4.1. Taxes. The Grantor shall continue to be solely responsible for payment of all taxes and assessments levied against the Protected Property. If the Grantee is ever required to pay any taxes or assessments on its interest in the Protected Property, the Grantor shall upon demand reimburse the Grantee for the same.

4.2. Upkeep and Maintenance. The Grantor shall continue to be solely responsible for the upkeep and maintenance of the Protected Property, to the extent it may be required by law. The Grantee and the United States shall have no obligation for the upkeep or maintenance of the Protected Property. Due to the State's interest in this Agricultural Land Easement, NCDA&CS shall have no obligation for the upkeep or maintenance of the Protected Property.

4.3. Transfer of Protected Property. The Grantor agrees to incorporate by reference the terms of this Agricultural Land Easement in any deed or other legal instrument by which they transfer or divest themselves of any interest, including leasehold interests, in the Protected Property. The Grantor shall notify the Grantee in writing at least thirty (30) days before conveying the Protected Property, or any interest therein. Failure of Grantor to do so shall not impair the validity of this Agricultural Land Easement or limit its enforceability in any way.

4.4. Transfer of Agricultural Land Easement. Subject to the right of enforcement of the United States as specified in Section 4.8 and other pertinent paragraphs herein, and with timely written notice to and prior written approval of the United States, the Grantee shall have the right to transfer the rights created by this Agricultural Land Easement to any public agency or to any private nonprofit organization approved by Grantor, such approval to not be unreasonably withheld, that, at the time of transfer, is a qualified organization under Section 170(h) of the Internal Revenue Code, as amended and under N. C. Gen. Stat. § 121-34 et seq., provided the agency or organization expressly agrees to assume the responsibility imposed on the Grantee by this Agricultural Land Easement. If the Grantee ever ceases to exist or no longer qualifies under Section 170(h) of the U.S. Internal Revenue Code, or applicable state law a court with jurisdiction may transfer this Agricultural Land Easement to another qualified organization having similar purposes that agrees to assume the responsibility imposed by this Agricultural Land Easement.

Subject to the contingent rights of the State of North Carolina with timely written notice and approval of the NCDA&CS, the Grantee shall have the right to transfer this Agricultural Land Easement to any public agency or private nonprofit organization that, at the time of transfer, is

a qualified organization under 26 U.S.C. § 170(h) of the Internal Revenue Code, as amended and under N. C. Gen. Stat. § 121-34 et seq., provided the agency or organization expressly agrees to assume the responsibility imposed on the Grantee by this Agricultural Land Easement. As a condition of such transfer, Grantee shall require that the conservation purposes intended to be advanced hereunder shall be continued to be carried out. If the Grantee ever ceases to exist or no longer qualifies under 26 U.S.C. § 170(h) of the Internal Revenue Code, or applicable state law, a court with jurisdiction shall transfer this Agricultural Land Easement to another qualified organization having similar purposes that agrees to assume the responsibility imposed by the Agricultural Land Easement.

4.5. ALE Plan. As required by 16 U.S.C. § 3865a, agricultural production and related uses of the Protected Property are subject to an ALE Plan, as approved by NRCS, to promote the long-term viability of the land to meet the Agricultural Land Easement ("ALE) purposes. The ALE Plan must also be approved by the Grantor and the Grantee. Grantor agrees the use of the Property will be subject to the ALE Plan on the Protected Property.

The ALE Plan is incorporated by reference and must not include any provisions inconsistent with the conservation purposes of this ALE. The Grantee and Grantor agree to update the ALE Plan in the event the agricultural uses of the Protected Property change. A copy of the current ALE Plan is kept on file with the Grantee.

The Grantee must take all reasonable steps to secure compliance with the ALE Plan. In the event of substantial or ongoing noncompliance with the ALE Plan or the requirement to update the ALE Plan, NRCS may notify the Grantee. NRCS will give the Grantee and Grantor a reasonable amount of time, not to exceed 180 days, to take corrective action. If Grantee fails to enforce the terms of the ALE, including, but not limited to compliance with the ALE Plan, the United States may exercise its right of enforcement.

4.6 Inspection and Access. With reasonable advance notice to the Grantor or with the Grantor's prior verbal consent, Grantee or NCDA&CS, its employees and agents and its successors and assigns, shall have the right to enter the Protected Property for the purpose of inspecting the Protected Property to determine whether the Grantor, its successors or assigns are complying with the terms, conditions and restrictions of this Agricultural Land Easement.

4.7. Enforcement. The Grantee shall have the primary responsibility for management and enforcement of the terms of this Agricultural Land Easement.

Due to the State's interest in this Agricultural Land Easement, the Grantee shall have the primary responsibility for management, monitoring, and enforcement of the terms of this Agricultural Land Easement, subject to the rights of the NCDA&CS. Grantee shall complete and file the annual monitoring reports as stipulated in the ADFP Grant, a copy of which is kept on file with the NCADFP Trust Fund. The terms of such contract are hereby incorporated by reference as if fully set forth herein.

Grantee shall have the right to prevent violations and remedy violations of the terms of this Agricultural Land Easement through judicial action, which shall include, without limitation, the right to bring proceedings in law or in equity against any party or parties attempting to violate the terms of this Agricultural Land Easement. Except when an ongoing or imminent violation could irreversibly diminish or impair the Conservation Values of the Protected Property, the Grantee shall give the Grantor and NCDA&CS written notice of the violation

and Grantor shall have thirty (30) days to cure the violation, before commencing any legal proceedings. If a court with jurisdiction determines that a violation may exist or has occurred, the Grantee may obtain an injunction to stop the violation, temporarily or permanently. Grantor, Grantee and NCDA&CS agree that a court may issue an injunction or order requiring the Grantor to restore the Protected Property to its condition prior to the violation, as restoration of the Protected Property may be the only appropriate remedy. The failure of the Grantee to discover a violation or to take immediate legal action shall not bar it from doing so at a later time. In any case where a court finds no such violation has occurred, Grantor, Grantee and NCDA&CS shall bear its own costs.

4.8. Rights of the State of North Carolina.

Subject to the United States' right of enforcement in Paragraph 4.9 below, in the event that the Grantee fails to enforce any of the terms of this Agricultural Land Easement, as determined in the discretion of the NCDA&CS, the said Commissioner of Agriculture and his or her successors and assigns shall have the right to enforce the terms of this Agricultural Land Easement through any and all authorities available under federal or state law.

In the event that Grantee attempts to terminate, transfer, or otherwise divest itself of any rights, title, or interests of this Agricultural Land Easement without the prior consent of the Commissioner of Agriculture and payment of consideration to the State of North Carolina, then, at the option of the Commissioner of Agriculture, all right, title, and interest in the Agricultural Land Easement shall become vested in the State of North Carolina. Notwithstanding the foregoing, nothing in this paragraph shall affect the United States Right of Enforcement as set forth in Section 4.9.

4.9. United States Right of Enforcement. Pursuant to 16 U.S.C. § 3865 et seq., the United States is granted the right of enforcement that it may exercise only if the terms of the ALE are not enforced by the Grantee. The Secretary of the United States Department of Agriculture ("USDA") or his or her assigns, on behalf of the United States, may exercise this right of enforcement under any authority available under state or federal law if Grantee, or its successors or assigns, fails to enforce any of the terms of this ALE, as determined in the sole discretion of such Secretary.

In the event the United States exercises this right of enforcement to recover any and all administrative and legal costs associated with any enforcement or remedial action related to the enforcement of this Easement from the Grantor, including, but not limited to, attorney's fees and expenses related to Grantor's violations. In the event the United States exercises this right of enforcement, it is entitled to recover any and all administrative and legal costs associated with any enforcement of this Easement from the Grantee, including, but not limited to, attorney's fees and expenses related to Grantee's violations or failure to enforce the easement against the Grantor up to the amount of the United States contribution to the purchase of the ALE.

The Grantee will annually monitor compliance and provide the United States with an annual monitoring report that documents that the Grantee and Grantor are in compliance with the ALE and ALE Plan. If the annual monitoring report is insufficient or is not provided annually, or if the United States has evidence of an unaddressed violation, as determined by the Secretary, the United States may exercise its right of inspection. For purposes of inspection and enforcement of the ALE, the ALE Plan, and the United States Cooperative Agreement

with the Grantee, the United States will have reasonable access to the Protected Property with advance notice to Grantee and Grantor or Grantor's representative.

In the event of an emergency, the United States may enter the Protected Property to prevent, terminate, or mitigate a potential or unaddressed violation of these restrictions and will give notice to Grantee and Grantor or Grantor's representative at the earliest practicable time.

ARTICLE V. REPRESENTATIONS OF THE PARTIES

5.1. Grantor's Title Warranty. The Grantor covenants and represents that the Grantor is the sole owner and is seized of the Protected Property in fee simple and has good right to grant and convey this Agricultural Land Easement; that the Protected Property is free and clear of any and all encumbrances, including but not limited to, any mortgages not subordinated to this Agricultural Land Easement, and that the Grantee shall have the use of and enjoy all the benefits derived from and arising out of this Agricultural Land Easement subject to existing easements for roads and public and private utilities.

5.2. Grantor's Environmental Warranty. Grantor warrants that Grantor is in compliance with, and will remain in compliance with, all applicable Environmental Laws. Grantor warrants that there are no notices by any governmental authority of any violation or alleged violation of, noncompliance or alleged noncompliance with, or any liability under, any Environmental Law relating to the operations or conditions of the Protected Property. Grantor further warrants that they have no actual knowledge of a release or threatened release of Hazardous Materials, as such substances and wastes are defined by applicable Federal and State law.

Moreover Grantor hereby promises to hold harmless and indemnify the Grantee and the United States against all litigation, claims, demands, penalties and damages, including reasonable attorneys fees, arising from or connected with the release or threatened release of any Hazardous Materials on, at, beneath or from the Protected Property, or arising from or connected with a violation of any Environmental Laws by Grantor or any other prior owner of the Protected Property. Grantor's indemnification obligation shall not be affected by any authorizations provided by Grantee to Grantor with respect to the Protected Property or any restoration activities carried out by Grantee at the Protected Property; provided, however, that Grantee shall be responsible for any Hazardous Materials contributed after this date to the Protected Property by Grantee.

Furthermore, Grantor warrants the information disclosed to Grantee and United States regarding any past violations or non-compliance with Environmental Laws and associated remedial actions, or any past releases of Hazardous Materials and any associated remedial actions is complete and accurate.

Due to the State's interest in this Agricultural Land Easement, the Grantor hereby promises to hold harmless and indemnify the NCDA&CS against all litigation, claims, demands, penalties and damages, including reasonable attorneys fees, arising from or connected with the release or threatened release of any Hazardous Materials on, at, beneath or from the Protected Property, or arising from or connected with a violation of any Environmental Laws by Grantor or any other prior owner of the Protected Property.

"Environmental Law" or "Environmental Laws" means any and all federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, guidelines, policies or

requirements of any governmental authority regulating or imposing standards of liability or standards of conduct (including common law) concerning air, water, solid waste, hazardous materials, worker and community right-to-know, hazard communication noise, radioactive material, resource protection, subdivision, inland wetlands and watercourses, health protection and similar environmental health, safety, building and land use as may now or at any time hereafter be in effect.

"Hazardous Materials" means any petroleum, petroleum products, fuel oil, waste oils, explosives, reactive materials, ignitable materials, corrosive materials, hazardous chemicals, hazardous wastes, hazardous substances, extremely hazardous substances, toxic substances, toxic chemicals, radioactive materials, infectious materials and any other element, compound, mixture, solution or substance which may pose a present or potential hazard to human health or the environment.

5.3. General Disclaimer, Grantor Warranty, Liability and Indemnification. The United States, its employees, agents, and assigns disclaim and will not be held responsible for Grantee's or Grantor's negligent acts or omissions or Grantee's or Grantor's breach of any representation, warranty, covenant, or agreements contained in this ALE, or violations of any federal, state or local laws, including all Environmental Laws including, without limitation, those that give rise to liabilities, claims, demands, losses, expenses, damages, fines, fees, penalties, suits, proceedings, actions, costs of actions, or sanctions asserted by or on behalf of any person or governmental authority, and other liabilities (whether legal or equitable in nature and including, without limitation, court costs, and reasonable attorneys fees and attorneys fees on appeal) to which the United States may be subject or incur relating to the Protected Property.

Grantor agrees to indemnify and hold the Grantee, the State of North Carolina and the United States harmless from any and all costs, claims or liability, including but not limited to reasonable attorney's fees arising from any personal injury, accidents, negligence or damage relating to the Protected Property, or any claim thereof, unless due to the negligence of Grantee or its agents, in which case liability shall be apportioned accordingly. Grantor is responsible for obtaining liability insurance covering the Protected Property with limits deemed necessary by Grantor, in their sole discretion.

Grantor must indemnify and hold harmless the United States, its employees, agents, and assigns for any and all liabilities, claims, demands, losses, expenses, damages, fines, fees, penalties, suits, proceedings, actions, and costs of actions, sanctions asserted by or on behalf of any person or governmental authority, and other liabilities (whether legal or equitable in nature and including, without limitation, court costs, and reasonable attorneys fees and attorneys fees on appeal) to which Grantee may be subject or incur relating to the Protected Property, which may arise from, but are not limited to, Grantor's negligent acts or omissions or Grantor's breach of any representation, warranty, covenant or agreement contained in this Agricultural Land Easement, or violations of any federal, state, or local laws, including all Environmental Laws.

Due to the State's interest in this Agricultural Land Easement, Grantor agrees to indemnify and hold Grantee and the State of North Carolina harmless from any and all costs, claims or liability, including but not limited to reasonable attorney's fees arising from any personal injury, accidents, negligence or damage relating to the Protected Property, or any claim thereof, unless due to the negligence of Grantee or its agents, in which case liability shall be apportioned accordingly.

ARTICLE VI. MISCELLANEOUS

6.1. Recording. Grantee shall record this instrument in a timely fashion in the official record of Enter county name County, North Carolina, and may re-record it at any time as may be required to preserve the rights of the Grantee, the State of North Carolina and the United States under this Agricultural Land Easement.

6.2. Survival of Terms/Merger of Fee and Easement. The Grantor and Grantee agree that the terms of this Agricultural Land Easement shall survive any merger of this fee and easement interest in the Protected Property. In the event the Grantee becomes owner of the Protected Property, or any portion thereof, Grantee shall transfer any right, title and interest in this Agricultural Land Easement to a third party in accordance with Section 4.4.

6.3. Amendment of Easement. This ALE may be amended only if, in the sole and exclusive judgement of the Grantee and United States, by and through the Chief of NRCS, such amendment is consistent with the purposes of this ALE and complies with all applicable laws and regulations. The Grantee must provide timely written notice to the Chief of NRCS and Commissioner of the North Carolina Department of Agriculture and Consumer Services of any proposed amendments. Prior to the signing and recordation of the amended ALE, such amendments must be mutually agreed upon by the Grantee, Grantor, and the United States, by and through the Chief of NRCS. Any purported amendment that is recorded without the prior approval of the United States and Commissioner of the North Carolina Department of Agriculture and Consumer Services is null and void.

Due to the State's interest, this Agricultural Land Easement may be amended only with the prior written consent of the Grantee and the Grantor and approved by the Commissioner of the North Carolina Department of Agriculture and Consumer Services and the Secretary of the United States Department of Agriculture by and through the Chief of NRCS. Any such amendment shall be consistent with Section 1.1., "Statement of Purpose" and with the Grantee's easement amendment policies, and shall comply with Section 170(h) of the Internal Revenue Code or any regulations promulgated in accordance with that section. Any such amendment shall be duly recorded in the Enter county name County Registry. Grantee must provide to NRCS and the North Carolina Commissioner of Agriculture timely notice in writing of the proposed amendment prior to signing and recordation. No substantive amendment shall be made and recorded without the express written approval of NRCS.

Due to the State's interest in the Agricultural Land Easement, the Grantee must provide NCDA&CS timely notice in writing of the proposed amendment prior to signing and recordation and, must receive written consent prior to awarding the Agricultural Land Easement.

6.4. Boundary Line Adjustments. Boundary line adjustments are permitted only in the case of technical errors made in the survey or legal description. In such cases, boundary line adjustments cannot exceed two (2) acres for the entire Protected Property. A correction deed containing the revised legal description shall be properly executed and duly recorded after approval of the amendment in accordance with Section 6.3.

6.5. Procedure in the Event of Extinguishment, Termination, and Condemnation. The interests and rights under this Agricultural Land Easement may only be extinguished or terminated with written approval of the Grantee and the United States. Due to the Federal interest in this Agricultural Land Easement, the United States must review and approve any proposed

extinguishment, termination, or condemnation action that may affect its Federal interest in the Protected Property.

If it determines that conditions on or surrounding the Protected Property change so much that it becomes impossible to fulfill the conservation purposes of this Agricultural Land Easement, a court with jurisdiction may, at the joint request of both the Grantor and the Grantee and with prior written consent of the United States, as provided herein, terminate or modify the Agricultural Land Easement in accordance with applicable state law.

Due to the State's interest in this Agricultural Land Easement, prior written consent must be provided to NCDA&CS prior to termination or modification of this Agricultural Land Easement, in accordance with applicable state law.

If the Agricultural Land Easement is terminated and the Protected Property is sold then as required by Section 1.1 70A-14(g) (6) of the IRS regulations, the Grantee, NC ADFP Trust Fund shall be entitled to recover the proceeds of the Agricultural Land Easement based on the appraised fair market value of the Agricultural Land Easement at the time the easement is extinguished or terminated, subject to any applicable law which expressly provides for a different disposition of the proceeds.

With respect to a proposed extinguishment, termination, or condemnation action, the Grantee and the United States stipulate that the fair market value of the ALE is Enter percent percent, hereinafter the "Proportionate Share," of the fair market value of the land unencumbered by this ALE. The Proportionate Share will remain constant over time.

If this ALE is extinguished, terminated, or condemned, in whole or in part, then the Grantor must reimburse Grantee and the United States an amount equal to the Proportionate Share of the fair market value of the land unencumbered by this ALE. The fair market value will be determined at the time all or a part of this ALE is terminated, extinguished, or condemned by an appraisal that meets the Uniform Standards of Professional Appraisal Practice (USPAP) or Uniform Acquisition Standards or Federal Land Acquisition (UASFLA). The appraisal must be completed by a certified general appraiser and be approved by the Grantee and the United States.

The allocation of the Proportionate Share between the Grantee, the United States and NCDA&CS will be as follows: (a) to the Grantee or its designee, Enter percent percent of the Proportionate Share; (b) to the United States Enter percent percent of the Proportionate Share; and (c) to NCDA&CS Enter percent percent of the Proportionate Share; (d) Grantor Enter percent%. Until such time as the Grantee, the United States and NCDA&CS receive the Proportionate Share from the Grantor or the Grantor's successor or assign, the Grantee, the United States and NCDA&CS each have a lien against the Protected Property for the amount of the Proportionate Share due each of them. If proceeds from termination, extinguishment, or condemnation are paid directly to Grantee, the Grantee must reimburse the United States for the amount of the Proportionate Share due to the United States, NCDA&CS, and Grantor.

6.6. Procedure in the Event of Condemnation or Eminent Domain. Grantor and Grantee recognize that the sale of this Agricultural Land Easement, or any part thereof, gives rise to a property right, immediately vested in the Grantee and the United States, with a fair market value equal to the proportionate value that the Agricultural Land Easement bears to the value of the Protected Property prior to the restrictions imposed by the Agricultural Land Easement.

Accordingly, if any condemnation or eminent domain action shall be taken, on all or part of the Protected Property, by any authorized public authority, said authority shall be liable to the Grantee for the value of the property right vested in the Grantee at the time of the signing of this Agricultural Land Easement. Due to the federal interest in this Agricultural Land Easement, the United States must consent to any such condemnation action. Due to the State's interest in this Agricultural Land Easement, NCDA&CS must consent to any such condemnation action.

If condemnation or a taking by eminent domain of a part of the Protected Property or the entire Protected Property by a public authority renders it impossible to fulfill any of the conservation purposes of this Agricultural Land Easement on all or part of the Protected Property, the Easement may be terminated through condemnation proceedings. If the Agricultural Land Easement is terminated and any or all of the Protected Property is sold or taken for public use, then, as required by Section 1 of 170A-14(g) (6) of the IRS regulations, the Grantee shall be entitled to the proportionate value of the ALE, which has been predetermined as the Protected Property's unrestricted value, subject to any applicable law which expressly provides for a different disposition of the proceeds. The Grantee shall use its proceeds consistently with the general conservation purposes of this Agricultural Land Easement.

If this ALE is extinguished or terminated, the Parties shall receive compensation as described in paragraph 6.5 above.

6.7. Interpretation. This Agricultural Land Easement shall be interpreted under the laws of the State of North Carolina and the United States of America, resolving any ambiguities and questions of the validity of specific provisions so as to give maximum effect to its conservation purposes.

6.8. Perpetual Duration; Severability. This Agricultural Land Easement shall be a servitude running with the land in perpetuity. Every provision of this Agricultural Land Easement that applies to the Grantor or the Grantee shall also apply to their respective agents, heirs, executors, administrators, assigns, and all other successors as their interests may appear. Invalidity of any of the covenants, terms or conditions of this Agricultural Land Easement, or any part thereof by court order or judgment shall in no way affect the validity of any of the other provisions hereof which shall remain in full force and effect.

6.9. Subsequent Liens on Protected Property. No provision of this Agricultural Land Easement should be construed as impairing the ability of Grantor to use the Protected Property as collateral for subsequent borrowing. Any such liens shall be and remain subordinate to this Agricultural Land Easement.

6.10. Subsequent Easements/Restrictions on the Protected Property. The grant of any easements or use restrictions that might diminish or impair the agricultural viability or productivity of the Protected Property or otherwise diminish or impair the Conservation Values of the Protected Property is prohibited. Any such easements or restrictions shall be subordinated to this Agricultural Land Easement.

6.11. Notices. Any notices required by this Agricultural Land Easement shall be in writing and shall be personally delivered or sent by first class mail to the Grantor, Grantee, NCDA&CS, and the United States, respectively, at the following addresses, unless a party has been notified in writing by the other of a change of address.

To the Grantor:
Enter landowner name(s)
Enter mailing address
Enter City, State, Zip

To the Grantee:
Enter entity name
Enter mailing address
Enter City, State, Zip

To State of North Carolina:
N.C. Dept. of Agriculture &
Consumer Services
NC ADFP Trust Fund
2 West Edenton Street
Raleigh, NC 27601

To the United States:
State Conservationist
4407 Bland Rd., Suite 117
Raleigh, NC 27609-6387

6.12. Approval by Grantee. In any case where the terms of this Agricultural Land Easement require the approval of the Grantee, unless otherwise stated herein, such approval shall be requested in writing to the Grantee, and the United States and NCDA&CS if required, in accordance with Section 6.10. In any provision of this Agricultural Land Easement in which the Grantor is required to provide advance notice to the Grantee of any activity on the Protected Property, such notice shall be given not less than thirty (30) calendar days prior to the planned commencement of the activity. If the Grantee's approval is required, such approval shall be deemed withheld/disapproved unless Grantee provides to the Grantor written notice of approval within 30 calendar days of receipt of such request. If Grantor has received no response within such 30 calendar days, Grantor may send a second written notice to Grantee requesting a statement of the reasons for the disapproval and the Grantee shall respond within 30 calendar days with an explanation for the specific reasons and basis for its decision to disapprove.

6.13. Entire Agreement. This instrument sets forth the entire agreement of the Parties with respect to the Agricultural Land Easement and supersedes all prior discussions, negotiations, understandings or agreements relating to the Agricultural Land Easement. If any provision is found to be invalid, the remainder of the provisions of this Agricultural Land Easement, and the application of such provision to persons of circumstances other than those as to which it is found to be invalid, shall not be affected thereby.

6.14. Availability or Amount of Tax Benefits. Grantee and NCDA&CS, acting by and through the NCADFP Trust Fund make no warranty, representation or other assurance regarding the availability, amount or effect of any deduction, credit or other benefit to Grantor or any other person or entity under United States or any state, local or other tax law to be derived from the donation of this Agricultural Land Easement or other transaction associated with the donation of this Agricultural Land Easement. This donation is not conditioned upon the availability or amount of any such deduction, credit or other benefit. Grantee and NCDA&CS make no warranty, representation or other assurance regarding the value of this Agricultural Land Easement or of the Protected Property. As to all of the foregoing, Grantor is relying upon Grantor's own legal counsel, accountant, financial advisor, appraiser or other consultant and not upon Grantee or NCDA&CS or any legal counsel, accountant, financial advisor, appraiser or other consultant of Grantee or NCDA&CS. In the event of any audit or other inquiry of a governmental authority into the effect of this donation upon the taxation or financial affairs involving Grantor or Grantor's heirs, successors or assigns or other similar matter, then Grantee and NCDA&CS shall be reimbursed and indemnified for any cost or expense of any kind or nature whatsoever incurred by Grantee in responding or replying thereto.

6.15. Warranties and Representations of Grantor. By signing this Agricultural Land Easement, Grantor acknowledges, warrants and represents to Grantee that:

(a) Grantor has had the opportunity to be represented by counsel of Grantor's choice and fully understands that Grantor is hereby permanently relinquishing property rights which would otherwise permit Grantor to have a fuller use and enjoyment of the Protected Property.

(b) There are no recorded or unrecorded leases or other agreements for the production of minerals or removal of timber from the Protected Property which would, if any of the activities permitted under such lease or other agreement was undertaken by Grantor, violate the covenants or restrictions in this Agricultural Land Easement or otherwise defeat the conservation Purpose.

TO HAVE AND TO HOLD this Deed of Agricultural Land Easement unto Grantee and the United States and their successors and assigns, forever.

IN WITNESS, the Grantor and Grantee, intending to legally bind themselves, have set their hands on the date first written above.

GRANTOR:

By: _____ _____

Date: _____ Date: _____

_____ _____

Date: _____ Date: _____

STATE OF NORTH CAROLINA
COUNTY OF _____

I, _____, a Notary Public in and for the aforesaid County and State, do hereby certify that _____ personally appeared before me this day and acknowledge the due execution of the foregoing instrument.

Witness my hand and official stamp or seal this ____ day of _____, 20___.

_____ (stamp)
Notary Public
My commission expires: _____

STATE OF NORTH CAROLINA
COUNTY OF _____

I, _____, a Notary Public in and for the aforesaid County and State, do hereby certify that _____ personally appeared before me this day and acknowledge the due execution of the foregoing instrument.

Witness my hand and official stamp or seal this ____ day of _____, 20___.

_____ (stamp)
Notary Public
My commission expires: _____

GRANTEE:

By: _____
_____(Title)

NORTH CAROLINA
COUNTY OF _____

I, _____, a Notary Public of _____ County, North Carolina do hereby certify that _____ personally appeared before me this day and acknowledged that (s)he is _____of the Board of the _____ and that by authority duly given and as the act of the District, the foregoing instrument was signed by ___ in behalf of the _____

Witness my hand and official stamp or seal this ____ day of _____, 20___.

_____ (stamp)
Notary Public
My commission expires: _____

ACCEPTANCE OF PROPERTY INTEREST BY THE NORTH CAROLINA DEPARTMENT OF AGRICULTURE & CONSUMER SERVICES

The North Carolina Department of Agriculture and Consumer Services, an agency of the State of North Carolina, hereby accepts and approves the foregoing Agricultural Land Easement, and the rights conveyed therein, on behalf of the State of North Carolina.

By: _____
Jonathan T. Lanier
N.C. Department of Agriculture and Consumer Services

NORTH CAROLINA
COUNTY OF _____

I, _____, a Notary Public in and for the aforesaid County and State, do hereby certify that Jonathan T. Lanier, personally appeared before me this day and acknowledged that due execution of the foregoing instrument.

Witness my hand and official stamp or seal this _____day of_____, 20_____.

_____
Notary Public
My commission expires: _____

List of Exhibits

EXHIBIT A – Legal Documents
Exhibit A-1: Legal Description of the Protected Property
Exhibit A-2: Plat Showing A Boundary Survey & Conservation Easement

EXHIBIT B – Overview Maps
Exhibit B-1: Regional Context Map
Exhibit B-2: Multi-Easement Context Map
Exhibit B-3: Easement Area Context Map

EXHIBIT C – Current Conditions and Description Map
Exhibit C-1: Easement Area Description Map
Exhibit C-2: Easement Area Soils Map
Exhibit C-3: Current Conditions & Natural Resources Inventory Certification

EXHIBIT D – Easement Farmstead Locations
Exhibit D-1: Easement Area Farmstead 1 Map

EXHIBIT E- Easement Existing Impervious Surfaces
Exhibit E-1: Easement Existing Impervious Surface Map
Exhibit E-2: Easement Impervious Surface Calculations

N.C. Department of Agriculture & Consumer Services
N.C. ADFP Trust Fund
Conservation Easement Monitoring Policy and Guidelines

I. Purpose

The N.C. Agricultural Development and Farmland Preservation (ADFP) Trust Fund, administered by the Farmland Preservation Division of the N.C. Department of Agriculture & Consumer Services, provides grants for agricultural conservation easements on family farms throughout the state of North Carolina.

The ADFP Trust Fund will "hold grantees accountable for the expenditure of State funds by performing monitoring and oversight functions," in accordance with Administrative Code 09 NCAC 03M "Uniform Administration of State Grants" and Subsection .0400, pursuant to N.C.G.S. 143C-6-22 & 23. The ADFP Trust Fund will work with the grantee to ensure compliance with the terms and conditions of the easement. Monitoring is necessary to make certain the easements are maintained while ensuring a productive relationship between the funding source (ADFP Trust Fund), grantee (counties or private nonprofit conservation organizations, according to N.C.G.S. 106-744), and landowner.

II. Definition of Agricultural Conservation Easements

According to N.C.G.S. 106-744, an "agricultural conservation easement" means a negative easement in gross restricting residential, commercial, and industrial development of land for the purpose of maintaining its agricultural production capability. Agricultural conservation easements may be perpetual or term-limited in duration. The agricultural conservation easement may permit the creation of not more than three lots that meet applicable county zoning and subdivision regulations, provided it is allowed in the original recorded easement.

III. Involved Parties

The ADFP Trust Fund, administered by the Commissioner of Agriculture, is the funding source for purchasing conservation easements. The ADFP Trust Fund has full-time staff administratively located in Raleigh, North Carolina. Part-time field staff members are located remotely throughout the state. The ADFP Trust Fund Document Specialist is the monitoring program manager, unless otherwise designated by the Farmland Preservation Division Director. Field staff members will conduct on-site monitoring, unless otherwise directed by the Document Specialist.

The ADFP Trust Fund Advisory Committee is administratively located within the N.C. Department of Agriculture and Consumer Services. The Advisory Committee will advise the Commissioner on the prioritization and allocation of funds, the development of criteria for awarding funds, guidelines for monitoring easements and projects, program planning, and other areas where monies from the ADFP Trust Fund can be used to promote the growth and development of family farms in North Carolina.

Grantees are counties or private nonprofit conservation organizations. Grantees are the first point of contact for monitoring conservation easements and discussing potential violations of contracts and/or recorded easements. Grantees are required to monitor the easement at least once a year and complete annual monitoring reports for the length of the term of the easement.

Landowners will work with grantees to ensure compliance with the terms and conditions of conservation easements and will be notified of site visits by the grantee.

IV. ADFP Trust Fund Monitoring Roles and Responsibilities

The ADFP Trust Fund monitoring methods include, but not limited to:

- Site visit: ADFP Trust Fund staff will make every effort to coordinate site visits with the grantee's monitoring schedule. ADFP Trust Fund staff will physically visit easement. ADFP Trust Fund staff will notify grantee and seek permission from landowner.
- In-office: ADFP Trust Fund staff will review grantee monitoring reports and verify information.

Site visit protocol for ADFP Trust Fund staff:

- Contact grantee about site visit. Site visits will be coordinated to the extent possible with the grantee's annual monitoring visit schedule.
- Review completed "Grantee Monitoring Checklist – Perpetual or Term Easement."
- Ensure landowner has been notified of site visit.
- Site visit can be conducted on foot or by vehicle.
- Compile documentation, including, but not limited to, photographs and data.
- Complete "ADFP Trust Fund Staff Monitoring Report – Perpetual or Term Easement."
- Complete "ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement" if necessary.
- Site visit will occur every three (3) years, unless otherwise directed.

In-office monitoring protocol for ADFP Trust Fund staff:

- Review completed "Grantee Monitoring Checklist – Perpetual or Term Easement."
- Review the most current aerial photography data available (e.g. GIS via Multi-Hazard Threat Database (MHTD), Google Earth, etc.).
- Complete "ADFP Trust Fund Staff In-Office Monitoring Report – Perpetual or Term Easement."
- Complete "ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement" if necessary.
- In-office monitoring will be completed in the years when site visits do not occur.

Incident report protocol for ADFP Trust Fund staff:

- The "ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement" must be filed if a grantee reports a violation or if ADFP Trust Fund staff discovers a violation during a site visit or in-office monitoring.
- The completed "ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement" will be submitted to the Program Director for review, investigation, and/or corrective action.
- If an incident report is filed, the subsequent year a site visit will occur. The monitoring schedule (site visit, in-office, in-office, site visit) will be reset each time an incident report is filed.
- The appropriate NCDA&CS staff will formally notify grantee via letter of violation or potential violation.
- Thirty days from the date of notification of a violation, the grantee, with landowner cooperation, shall submit a Plan of Corrective Action to the ADFP Trust Fund Staff. The Plan of Corrective Action must be a comprehensive plan detailing the corrective action that will be taken to remedy all violations and bring the easement area back in compliance. The ADFP Trust Fund staff will work with grantee and landowner for correction.

V. Grantee Monitoring Responsibilities and Expectations

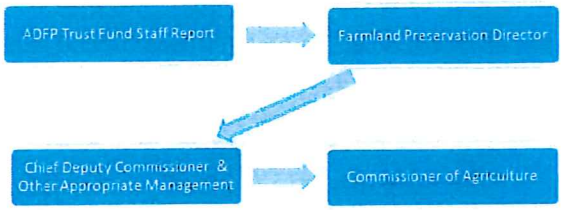
Grantees will complete and submit "Grantee Monitoring Checklist – Perpetual or Term Easement" to ADFP Trust Fund office annually on or before December 31. In January, ADFP Trust Fund staff will coordinate to the extent possible with the grantee's annual monitoring visit schedule for easements due for a site visit. Grantees are encouraged to submit tentative site visit schedule to ADFP Trust Fund office

ninety (90) days prior to first scheduled site visit. As subsequent site visits are scheduled throughout the year by the grantee, the ADFP Trust Fund office will be notified in a timely manner of site visits due for that calendar year.

Failure to file annual monitoring reports on or before December 31 of each year shall constitute a violation of the easement and the grant contract.

VI. Additional Guidance and Reference – Dispute Resolutions

For issues in dispute, the ADFP Trust Fund Staff will report such differences to the Farmland Preservation Director. If the Farmland Preservation Director is unable to find a resolution, the Director will review with the appropriate NCDA&CS management for assistance and instruction, e.g. Office of the General Counsel, Chief Deputy Commissioner, and Commissioner of Agriculture. See chart below.



ADFP Trust Fund Staff are to follow appropriate approved ADFP Trust Fund Policies and Guidelines as directed by the ADFP Trust Fund Advisory Committee and the Commissioner of Agriculture, i.e. ADFP Trust Fund Grantee Eligibility Classification.

VII. Monitoring Documents

The following documents will be used for the monitoring of conservation easements:

- Grantee Monitoring Checklist – Perpetual or Term Easement
- ADFP Trust Fund Staff Monitoring Report – Perpetual or Term Easement
- ADFP Trust Fund Staff In-Office Monitoring Report – Perpetual or Term Easement
- ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement

VIII. Document Filing, Retention, and Disposal

All completed reports, including maps from GIS and supplemental documentation from grantees, will be scanned for electronic storage and printed for paper files. The North Carolina State Property Office, Land Asset Maintenance database (http://www.ncspo.com/fis/dbLandAsset.aspx) lists all ADFP Trust Fund funded easements. Electronic copies of monitoring documents will be stored on the ADFP Trust Fund server and SharePoint page.

All monitoring documents will be filed, retained, and disposed pursuant to the ADFP Trust Fund records retention schedule.

OPTION TO PURCHASE AN AGRICULTURAL CONSERVATION EASEMENT

THIS OPTION TO PURCHASE A CONSERVATION EASEMENT ("Option") is made this 12th day of December_____, _2018_____ by and between Charlie M. Dixon, Jr. and Vera Jean Dixon, ("Seller"); and the Beaufort Soil and Water Conservation District ("Buyer").

RECITALS

A. For the purposes of notice, the addresses of the parties to this Option are:

SELLER:	BUYER:
669 CC Road Vanceboro, NC 28586	Agricultural Center, 155C Airport Road Washington, NC 27889

B. Property legal description as described at Register of Deeds (County Deed Book and Page)

County	Deed Book and Page	Parcel Identification Number (PIN)
Beaufort	Book 809, Page 682	5662240407

C. It is the intention of both the Seller and Buyer that +/- 48.29 acres of the Property is preserved with conservation easements and maintained for the preservation of use as crop, horticulture or forestry as described in N.C. General Statue 106 Article 61.

D. Seller acknowledges that Buyer enters into this Option in its own right.

E. Buyer is a conservation organization having among its purposes the acquisition on behalf of the public of open space, scenic, and recreational lands.

F. Seller acknowledges that Buyer enters into this Option Agreement as an initial step in the purchase of a conservation easement on +/- 48.29 acres of the Property. The value of the conservation easement shall be determined by an appraisal performed to the Uniform Standards of Professional Appraisals Practice (USPAP) with confirmation approval by the North Carolina Department of Agriculture ADFP Trust Fund and other funding partner agencies such as USDA or military.

G. By entering into this Option, Seller acknowledges that it will obtain independent tax counsel and be solely responsible for compliance with any requirement of the Code to substantiate the value of the conservation easement if claiming an IRS charitable contribution.

NOW, THEREFORE, for the reasons given and other good and valuable consideration and in consideration of their mutual covenants, terms, conditions and restrictions contained herein, the receipt and legal sufficiency of which are hereby acknowledged, the Seller hereby voluntarily grants and conveys to the Buyer, and the Buyer hereby voluntarily accepts the exclusive and irrevocable option to Purchase a Conservation Easement on +/- 48.29 acres on the Property.
This option is given on the following terms and conditions:

1. **OPTION PERIOD.** This option shall remain in effect through four years from the date of the signatures in this contract.

2. **EXERCISE.** All rights granted by this Option shall be exercised upon posting, by certified mail, a written notice to the Seller at the first address stated in the Recitals above. Exercise shall be deemed timely if such written notice is mailed on or before the date set forth in Paragraph 1 above.

3. **CONSERVATION EASEMENTS.** The Conservation Easement on the Property to be conveyed by Seller

to Buyer, should Buyer exercise the Option granted herein, shall be in a form similar to the form of the draft conservation easement of the **ADFP Trust Fund Model Conservation Easement or other applicable partnering conservation easements** as described in this contract and at www.ncadfp.org with such additional changes or modifications requested by Seller or Buyer, and agreed to by both parties with confirmation approval by the North Carolina Department of Agriculture ADFP Trust Fund and applicable funding conservation partners.

4. **PURCHASE PRICE.** The total purchase price of the Conservation Easement +/- 48.29 acres shall be payable in cash at closing. The fair market value of the Conservation Easement shall be determined by an appraisal performed to the Uniform Standards of Professional Appraisals Practice (USPAP) with confirmation approval by the North Carolina Department of Agriculture ADFP Trust Fund and applicable funding conservation partners. The Conservation Easement shall be fixed as noted on the attached land map.

5. **CLOSING.** Closing will take place at the offices of the Buyer's closing attorney or at such other place as the parties may mutually agree when the conditions for closing set out in this Option have been met.

6. **TITLE.**

(a) At closing, the Seller will convey the Conservation Easements to the Buyer. At the time of conveyance, the Property shall be free and clear of all liens, encumbrances, restrictions, rights or exceptions except for exceptions of record approved by Buyer.

(b) During the period of time between execution of this Option and the recordation of the Conservation Easements, should Buyer exercise the Option granted herein, Seller shall not encumber the Property nor shall they grant any interest in the Property to a third party without the prior written consent of Buyer.

7. **TITLE DEFECTS.** Buyer, at its expense, will have the title to the Properties examined. If for any reason the Seller cannot deliver the Conservation Easements at closing with title to the Properties in the condition required by Section 6 of this Option, Buyer may elect to: (a) accept the Conservation Easements with title to the Property as it is; (b) refuse to accept the Conservation Easements in which case the consideration paid for this Option shall be refunded; or (c) allow the Seller additional time to pursue all reasonable efforts to correct the problem, including bringing any necessary quiet title actions or other lawsuits. If Buyer elects to refuse to accept the Conservation Easements, or Seller desires to not pursue reasonable efforts to correct the problem, the rights pursuant to the Option granted herein shall be null and void and the rights of the parties hereto shall terminate, with neither party hereto having any further right or obligation one against the other pursuant to the terms hereof.

8. **DOCUMENTS FOR CLOSING.** The Seller shall execute and deliver at closing the Conservation Easements, any owner's affidavits or documents required by the Buyer's title insurance company to remove the standard title policy exceptions, and any other documents necessary to close in accordance with the terms of this Option.

9. **ACCESS.** The Buyer's obligations under this Option (if exercised) are contingent upon the Property having recorded, appurtenant, insurable legal access to a public road sufficient to allow the Buyer access to the Property to monitor the Conservation Easements.

10. **CONDITION OF PROPERTY.** During the period of time between execution of this Option and exercise of this Option, Seller shall do nothing to or with regard to the Property that shall damage or degrade the property, significantly alter its present appearance and value, or otherwise violate the terms of the proposed Conservation Easements. In the event of any adverse change in the condition of the Property, the Buyer may refuse to accept the Conservation Easements, in which case the consideration paid for this Option shall be refunded.

11. **ENCUMBRANCES.** Seller shall not during the period of time this Option remains in effect sell, contract to sell, encumber or lease the Property, or do any other act which might affect the title or value of the

property or the ability to enter the Conservation Easements.

12. **RIGHT OF ENTRY AND INSPECTION.** During the period of time this Option remains in effect, Buyer shall have the right, at its expense, to enter upon the Property at reasonable times to conduct an environmental inspection and assessment to detect hazardous or toxic substances, to have the title to the Property examined, and for other reasonable purposes related to this transaction. Buyer shall give notice in writing to Seller of any defects and objections to the title and Seller shall clear the title of defects and objections so specified within forty-five (45) days after notice thereof. In the event Seller cannot correct defects in or objections to the title so as to be able to deliver good and merchantable title free and clear of all liens, encumbrances, restrictions, and easements, Buyer may, at its election, cancel this Option, in which case the consideration paid for this Option shall be refunded. Based upon the results of the environmental inspection and assessment, the Buyer may elect to refuse to accept the conservation easement, in which case consideration paid for this Option shall be refunded.

13. **SELLER'S REPRESENTATIONS AND WARRANTIES.** The Seller hereby warrants and represents to Buyer the following matters and agrees to indemnify, defend and hold Buyer harmless from any loss or liability relating to these matters, with the intent that these representations, warranties and indemnities shall survive closing.

a. Title to the Property/Authority. Seller is the sole legal owner of the Property in fee simple. The Property is not now subject to any written or oral lease, option, or agreement of sale. To the best of Seller's knowledge and belief, the Property is not now subject to any claim or legal proceeding except as set forth herein. Seller has the full power and authority to execute this Option and all agreements and documents referred to in this Option and to fully perform as required by this Option.

b. Condition of Property. Seller is not aware of any facts that would have adverse effect on the efficacy of the Conservation Easements in protecting the conservation values set forth in the Conservation Easements.

c. Hazardous Materials. The Property is not now nor, to the best of the knowledge and belief of the Seller, has it ever been used for the manufacture, use, storage or disposal of any hazardous or toxic substance, material or waste within the meaning of any applicable environmental statute, ordinance, or regulation. No hazardous or toxic substance, material or waste, including without limitation asbestos or material containing or producing polychlorinated biphenyls (PCBs), is presently stored or located on the Property at levels greater than natural background concentrations. The Property is not subject to any "superfund" or similar lien or any claim by any government regulatory agency or third party related to the release or threatened release of any hazardous or toxic substance, material, or waste.

d. No Condemnation. There are no condemnation proceedings pending with regard to any portion of the Property and Seller does not know of or have reason to know of any proposed condemnation proceedings with regard to any portion of the Property.

e. Non-foreign Status. To inform Buyer that withholding of tax is not required under Section 1445 of the Internal Revenue Code and under penalties of perjury, Seller hereby certifies that Seller is not a non-resident alien or a foreign corporation, foreign partnership, foreign trust or foreign estate as those terms are defined for purposes of federal income tax law. Seller understands that this certification may be disclosed to the Internal Revenue Service and that any false statement made could be punished by fines, imprisonment, or both.

f. No brokers. Seller represents that they have not engaged the services of a real estate broker in the sale or purchase, respectively, of any interest in this Property, and agree to indemnify Buyer from all such claims or liabilities resulting therefrom.

14. **NOTICE.** Any notice, consent or other communication permitted or required by this Option shall be in writing, and shall be given to the applicable party, at the address set forth below, in the following manner: (a) personal delivery, (b) reputable overnight delivery service with proof of delivery, or (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested. Each such notice shall be deemed to have been given upon receipt or refusal to accept delivery. Unless and until changed by written notice to the other party hereto, the addresses for notices given pursuant to this Option shall be the

addresses listed for each party in Paragraph A of the Recitals above.

15. **LIQUIDATED DAMAGES; DEFAULT; SPECIFIC PERFORMANCE.**

a. Liquidated Damages. In the event that (i) all of the conditions to this Option for the benefit of the Buyer shall have been satisfied, or waived by the Buyer, (ii) Seller shall have fully performed or tendered performance of their obligations under this Option, and (iii) Buyer shall be unable or shall fail to perform its obligations under this Option, then the entire amount of the consideration paid for this Option shall be retained by Seller as liquidated damages under this Option, and Buyer shall have no further liability to Seller. Buyer and Seller hereby acknowledge and agree that Seller's damages would be difficult or impossible to determine, that the amount of the consideration for this Option is the parties' best and most accurate estimate of the damages Seller would suffer in the event the transaction provided for in this Option fails to close, and that it is reasonable under the circumstances existing as of the date of this Option. Buyer and Seller agree that Seller's right to retain the consideration shall be the sole remedy of Seller in the event of a breach of this Option by the Grantee.

b. Default and Specific Performance. If Seller defaults under this Agreement and fails to cure the same within thirty (30) days of written notice thereof, BUYER may elect, at Buyer's sole option: (i) to terminate this Option and be released from its obligations hereunder, in which event the consideration paid shall be returned to Buyer; or (ii) to proceed against Seller for specific performance of this Option. In either event, Buyer shall have the right to seek and recover from Seller all damages suffered by Buyer as a result of Seller's default in the performance of its obligations hereunder. Damages may include reasonable expenditures performed on behalf of Seller in good faith to fulfill the Option. These include but not limited to travel, administrative, surveying, legal and specialized service fees, appraisals, documentations and reports pertaining to conservation easement implementation associated with the Option.

c. Other remedies. In addition to any other remedy specifically set forth in this Option, Buyer has the right to enforce the provisions of this Option through an action for injunctive relief or damages or through other proceedings in law or equity. The election of any one remedy available to Buyer under this Option shall not constitute a waiver of other available remedies.

16. **BINDING EFFECT.** This Option becomes effective when signed by parties hereto and shall then apply to and bind Seller and Buyer and their respective, heirs, executors, administrators, successors, and assigns.

17. **COMPLETE AGREEMENT.** This Option constitutes the sole and complete agreement between the parties and cannot be changed except by written amendment. No representation or promise not included in this Option or any written amendment shall be binding upon the parties.

18. **NOTICE OF OPTION.** Should this Option Agreement not be recorded, the parties agree to execute a Memorandum of Option for recording purposes if requested by either of the parties hereto, to be prepared and recorded at the expense of the requesting party.

19. **MISCELLANEOUS.**

a. No waiver. No provision of the Option shall be deemed amended or waived unless such amendment or waiver is set forth in a writing signed by both parties. No act or failure to act by a party shall be deemed a waiver of its rights hereunder, and no waiver in any one circumstance or of any one provision shall be deemed a waiver in other circumstances or of other provisions.

b. Holidays. If any date set forth in this Option or computed pursuant to this Option falls on a Saturday, Sunday, or national holiday, such date shall be deemed automatically amended to be the first business day following such weekend day or holiday.

c. Attorneys' fees. In the event of any breach or default hereof by a party, the non-defaulting party shall be entitled to bring an action to recover its costs and expenses of litigation and settlement, including, without limitation, attorneys' fees and expenses, court costs, settlement costs, and

experts' costs and fees.

d. Survivability. The provisions of this Option shall survive the closing of the Conservation Easement donation to Buyer.

e. Successors. This option and the contract resulting from the exercise thereof shall bind and inure to the benefit of the heirs, administrators, executors, successors and assigns of the respective parties.

IN TESTIMONY THEREOF, the parties have hereunto set their hands and seals, or if corporate have caused this instrument to be executed in their corporate names by their duly authorized representatives as of the dates indicated below.

SELLER:

Printed Name: Charlie M. Dixon Jr. Vera Jean Dixon

Signature: Charlie M. Dixon Jr. **Date:** 12-12-18

Vera Jean Dixon 12-12-18

SEAL-STAMP

Kathleen Mosher
Notary Public
Beaufort County, NC
My Commission Expires 12/9/22

NORTH CAROLINA, Beaufort **County**

The undersigned, a Notary Public for said County and State, does hereby certify that Charlie M Dixon Jr. Vera Jean Dixon personally appeared before me this day and duly acknowledged the execution of the foregoing Option to Purchase Conservation Easement. **Witness** my hand and official stamp or seal on December 12, 2018.

Notary Public

My commission expires: 12/9/22

Kathleen Mosher
Notary Public
Beaufort County, NC
My Commission Expires 12/9/22

BUYER:

Printed Name: James Allen

Signature: James Allen **Date:** 12-12-18

SEAL-STAMP

Kathleen Mosher
Notary Public
Beaufort County, NC
My Commission Expires 12/9/22

NORTH CAROLINA, Beaufort **County**

The undersigned, a Notary Public for said County and State, does hereby certify that James Allen, **as** Chairman (official title) of Beaufort Soil and Water Conservation District personally appeared before me this day and duly acknowledged the execution of the foregoing Option to Purchase Conservation Easement. **Witness** my hand and official stamp or seal on December 12, 2018.

Notary Public

My commission expires: 12/9/22

Conservation Easement Option Map:
Map to provide total estimated acres to receive to agricultural conservation easement. Any areas not the receive the agricultural conservation easement such as farmsteads must also be defined.

Certifications and Assurances

CERTIFICATIONS REGARDING LOBBYING, NONPROCUREMENT, DEBARMENT, SUSPENSION AND DRUG-FREE WORKPLACE

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Signature of this form provides for compliance with certification requirements under 2 CFR, Subtitle B, Chapter IV, Part 417, "Nonprocurement Debarment and Suspension," Part 418, "New Restrictions on Lobbying," and Part 421, "Requirements for Drug-Free Workplace (Financial Assistance)," and 2 CFR Part 180. The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Agriculture & Consumer Services determines to award the covered transaction, grant, or cooperative agreement.

1. LOBBYING

As required by authority: 31 U.S.C. 1352 and U.S.C. 301 and implemented at 2 CFR Part 180, for persons entering into a grant or cooperative agreement over $100,000, as defined at 2 CFR Section 418.110, the applicant certifies that to the best of their 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 contract, the making of any Federal loan, the entering into of any cooperative agreement, and 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.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

2. NONPROCUREMENT DEBARMENT AND SUSPENSION

As required by Executive Order 12549, Debarment and Suspension, and implemented at 2 CFR Part 180 and 2CFR Part 417, for prospective participants in primary covered transactions, as defined at 2 CFR 180.435 and Subpart C, 417.332, the applicant certifies that it and its principals:

a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph 2. (a) (b) of this certification.

d) Have not within a three-year period preceding this application had one or more public transaction (Federal, State, or local) terminated for cause or default.

e) Agree to include a term or condition in lower tier covered transactions requiring lower tier participants to comply with subpart C of the OMB guidance in 2 CFR part 180, as supplemented by subpart C of Part 417.

Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this certification.

---

3. DRUG-FREE WORKPLACE (GRANTEES OTHER THAN INDIVIDUALS)

As required by the Drug-Free Workplace Act of 1988, and implemented at 2 CFR Part 182, Subparts B, and C, for grantees:

The applicant certifies that it will:

a) Make a good faith effort, on a continuing basis, to maintain a drug-free workplace. You must agree to do so as a condition for receiving any award covered by this part.

b) Publish a drug-free workplace statement and establish a drug-free awareness program for your employees (see Sections 182.205 through 182.220); and

c) Take actions concerning employees who are convicted of violating drug statutes in the workplace (see Section 182.225), including notification to any Federal agency on whose award the convicted employee was working and within 30 days take appropriate personnel action against the employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended; or require the employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for these purposes by a Federal, State or local health, law enforcement, or other appropriate agency.

d) You must identify all known workplaces under your Federal awards (see Section 182.230).

The grantee must provide the location site(s) for the performance of work done in connection with the specific grant.

Place(s) of Performance (Street address, city, county, state, zip code)

Beaufort SWCD - Ag Center
155C Airport Road
Washington, NC 27889

669 CC Road
Vanceboro, NC 28586

DRUG-FREE WORKPLACE (GRANTEES WHO ARE INDIVIDUALS)

As required by the Drug-Free Workplace Act of 1988, and implemented at 2 CFR Part 182:

A. As a condition of the grant, I certify that I will comply with drug-free workplace requirements in Subpart B (or Subpart C, if the recipient is an individual) of part 421, which adopts the Government-wide implementation (2 CFR part 182) of sec. 5152-5158 of the Drug Free Workplace Act of 1988 (Pub.L100-690, Title V, Subtitle D; 41 U.S.C. 701-707).

B. I agree to notify the agency as required by 2 CFR 182.300(b) of any conviction for a criminal drug offense within ten days.

Notice shall include the identification number(s) of each affected grant.

As the duly authorized representative of the Grantee, I hereby certify and state to the best of my knowledge and belief, that the Grantee will comply with the above certifications.

Beaufort Soil and Water Conservation District

Grantee Organization Name

Signature of Authorized Representative — Date: 9/23/19

James Allen — Chairman

Printed Name of Authorized Representative — Title

NC OpenBook Supplemental Information

Instructions: Complete the information below and return it to the Contract Administrator identified in your original contract. This information must be submitted as part of your contract. If you have questions, please contact the Contract Administrator or the Alternate Contact as reflected in your contract.

DUNS Number: 616168266
Contract Number: 19-035-4028 Amendment Number: N/A
Grantee Name: Beaufort Soil and Water Conservation District
TAX ID Number: 56-6001521
Fiscal Year Ends: June 30

1. Brief Description and Background/History of your Organization.

Be sure to include the number of years in existence, number of employees, mission and goals of your organization.
The Beaufort Soil and Water Conservation District has been in existence since 1963. There are three District employees and two USDA-NRCS employees that assist the citizens of Beaufort County with problems dealing with erosion and water quality through both technical and financial assistance.

2. Current project timeline: Begin 7/01/19 End 6/30/21

3. Expected outcomes and specific deliverables.

(Example: Expected Outcome: Aquaculture operation will remain in business. Deliverable: Healthy food made available for human consumption.)
Through a conservation easement, a family farm will remain a working farm or forestry habitat for generations to come. Development potential will be eliminated.

4. The Grantee's WEB URL: http://www.co.beaufort.nc.us

5. * Grantee County of Residence: Beaufort Congressional District#: 3
(CONGRESSIONAL DISTRICT # MUST BE IDENTIFIED)

6. **County of Benefit: Single County: ☒ Yes ☐ No County Name: Beaufort
Statewide: ☐ Yes ☐ No
Regional: ☐ Yes ☐ No

7. If the answer to question number 6 is more than one county or "Regional", list the counties receiving benefit.

*Grantee County of Residence: County in which grantee is located.

**County of Benefit: List only county or counties in which funding will be spent and/or food commodities will be received.

Attachment E

Signature Card

CONTRACT & FINANCIAL DOCUMENTS

INSTRUCTIONS: Please read and fill in the required information to the right of each field where applicable. Signatures must match the Contract signatures. In the event the affixed signature(s) are no longer valid, a revised form must be submitted prior to processing any contractual documents or submitting "Request for Payments" or any other financial documents. If more than two people will sign for the organization, this form may be duplicated.	
SECTION I.	
Date:	9/23/19
Legal Applicant Organization/Agency Name:	Beaufort Soil and Water Conservation District
Federal Tax Identification Number:	56-6001521
SECTION II.	
Certification: By affixing my signature below, I certify that person(s) identified are designated having legal authorization to sign on behalf of the organization named in Section I., above, for purposes of executing contractual documents and preparing, approving and executing all financial documents; including "Requests for Payments." I understand the legal implications of any and all misrepresentation, which include but are not limited to defrauding the State of North Carolina, and certify that the person signing below has full authority to execute this Agreement on behalf of the named organization.	
NON-GOVERNMENTAL ORGANIZATIONS ONLY (Must match Contract signature)	
Board Chair, Executive Director, etc.	**Financial Representative, Treasurer, etc.**
Print Name & Title:	Print Name & Title:
Signature:	Signature:
GOVERNMENTAL ENTITIES (Must match Contract signature)	
Authorized Governmental Official	**Chief Fiscal Officer**
Print Name & Title: James Allen, Chairman	Print Name & Title: Anita C. Radcliffe, Chief Financial Officer
Signature:	Signature: Anita C. Radcliffe

Addendum 4

Receive NC Veterinary Medical Association Animal Shelter Grant

Beaufort County
Finance

Budget Amendment Request

Department: General Fund **Date of Request:** 5-3-21

FY Budget: FY 20-21

ACCOUNT NO.	TITLE OF ACCOUNT	INCREASE	DECREASE
10-0600-470000	Public Safety Grant	2500	
10-4380-554002	Capital Outlay – Buildings	2500	

Department Justification:

To appropriate funds from Petco – 2020 Animal Sheltering & Adoptions grant.

If amendment deals with adding, deleting, or modifying a position, County Position No. (& State, if applicable) must be referenced.

County Position No. _____

State Position No. _____

APPROVAL	SIGNATURE	DATE
Department Head		
Finance Officer		
	This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.	
County Manager	Required for interdepartmental transfers.	
Board of Commissioners	Agenda Item No. _____ Reference No. _____	

Addendum 5

Receive Petco Love Animal Shelter Grant

Beaufort County
Finance

Budget Amendment Request

Department: General Fund **Date of Request:** 5-3-21

FY Budget: FY 20-21

ACCOUNT NO.	TITLE OF ACCOUNT	INCREASE	DECREASE
10-0600-470000	Public Safety Grant	20,000	
10-4380-554002	Capital Outlay – Buildings	20,000	

Department Justification:

To appropriate funds from Petco -2020 Animal Sheltering & Adoptions grant.

If amendment deals with adding, deleting, or modifying a position, County Position No. (& State, if applicable) must be referenced.

County Position No. _____

State Position No. _____

APPROVAL	SIGNATURE	DATE
Department Head		
Finance Officer		
	This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.	
County Manager	Required for interdepartmental transfers.	
Board of Commissioners	Agenda Item No. _____ Reference No. _____	

petco love®
A NONPROFIT CHANGING LIVES

April 7, 2021

Dear Petco Love partner,

On behalf of everyone at Petco Love, we are pleased to provide you with the enclosed grant award in response to your application for our 2020 Animal Sheltering & Adoptions grant cycle. These funds may be used for any lifesaving purpose. Please see your grant approval email for instructions on how to properly acknowledge Petco Love as well as the link to the digital toolkit to help you celebrate your award.

We're honored to partner with your organization and invest in your lifesaving efforts. We celebrate your commitment to animals and thank you for all that you do on behalf of pets and the people who love and need them.

All of us at Petco Love thank you for your lifesaving work that makes a difference everyday for animals in need.

Susanne M. Kogut

Susanne Kogut
President
Petco Love

P.S. Petco Love (formally Petco Foundation) desires that all funds and efforts be prioritized for lifesaving, and seeks to reduce our environmental footprint. Therefore, we respectfully request that no items are mailed to Petco Love and that any thank you letters be sent by email only to foundationpartners@petcofoundation.org. We welcome and appreciate recognition on social media, on your website, or in other print and digital communications. We ask that this recognition thank Petco Love, Petco and/or our Petco store partners collectively rather than individual employees of Petco or Petco Love.

Petco Foundation aka Petco Love is a 501(c)(3) nonprofit, tax exempt corporation. Tax I.D. 33-0845930

Addendum 6

Hazard Mitigation State Centric Implementation

North Carolina Department of Public Safety
Emergency Management

Roy Cooper, Governor
Erik A. Hooks, Secretary

Michael A. Sprayberry, Executive Director

March 26, 2021

MEMORANDUM

TO: HMGP Sub-Applicant Designated Agents
HMGP Sub-Applicant Emergency Management Directors

THRU: Michael A. Sprayberry, Director
North Carolina Department of Public Safety

FROM: Steve McGugan, Assistant Director, Hazard Mitigation Section
North Carolina Department of Public Safety

SUBJECT: Hazard Mitigation State Centric Implementation

North Carolina Emergency Management (NCEM), Hazard Mitigation (HM) Section is implementing the Hazard Mitigation Grant Program (HMGP) State Centric work plan for DR-4393 (Hurricane Florence), DR-4412 (Tropical Storm Michael) and DR44-65 (Hurricane Dorian). This is exciting news for the State and for sub-applicants because it allows the State to serve as the applicant and sub-applicant for all HM grants. HM will manage and pay for contract work related to the awarded grants and assists the sub-applicants by removing the financial and management burden of completing all the work awarded under each grant. We further expect to be approved by FEMA to maintain the State Centric model for all Disaster and Non-Disaster grants in the future.

The primary responsibility of the HM Section is to administer and provide ongoing technical assistance and customer service to any and all sub-applicants of the following mitigation grants: Hazard Mitigation Grant Program (HMGP), the Building Resilient Infrastructure in Communities (BRIC), and Flood Mitigation Assistance (FMA). The HM Section also administers State of North Carolina mitigation grant funds when appropriated by the General Assembly. The HM Section has evolved and grown to be able to support all of our state and citizens with effective and timely grant management, focused on delivering disaster survivors support as soon as possible. Due to this unpresented growth and program development, FEMA is allowing North Carolina to be the first state in the Union to offer this State Centric approach to grants management.

What does this mean for a sub-applicant if you take advantage of the State Centric Plan?

When the State/sub-applicant is awarded a Hazard Mitigation grant, the State will promptly begin the work required to meet the Scope of Work (SOW) of the grant. The State will obtain

MAILING ADDRESS:
4238 Mail Service Center
Raleigh, NC 27699-4238

www.ncdps.gov/ncem

OFFICE LOCATION:
200 Park Officers Dr
Durham NC 27713

Telephone: (919) 873-5847

An Equal Opportunity Employer

the contractors, oversee all project work, pay all invoiced work and close out the projects on our sub-applicant's behalf. The State will work with each sub-applicant's staff to communicate with grant recipients so they are informed and have predictability when work will be completed on their homes. The State will also direct contractors to hire local as much as possible so funds are directed into the sub-applicant's communities. The State will also provide management costs to sub-applicants for any work their employees do assisting the HM staff working in their counties. In the end, it is a win-win for everyone because the State will use its contracting powers to complete work quickly. Since the State will be managing the contracts, sub-applicants will not need to budget money to pay contractors and wait for reimbursements. The State will do all of the project management reducing project management burdens on limited staffs. Finally, the State's efforts will negate a sub-applicant's need to contract out for consultants to do the grant's SOW at a potential higher cost than the Management Cost funds awarded under the grant.

What is required of the sub-applicant to take advantage of the State Centric Plan?

All that is required of the sub-applicant is to request/agree to the State's program. You take advantage of the program immediately by selecting and signing the OPT IN section of the attached form.

What if the sub-applicant wants to do the work themselves?

If the sub-applicant selects to OPT-OUT on the attached form, they must also prepare correspondence to the Secretary of the Department of Public Safety, through the Executive Director of NCEM. This correspondence must be a business plan showing how the sub-applicant will manage the grant's SOW and identify the primary sub-applicant point of contact the HM Section will work with to complete all grant related work. Finally, the business plan must show the sub-applicant possesses the financial and staff capability to complete the awarded grant work within the 3-year period of performance. The enclosed State Centric Plan, specifically Section 4, lays out all of the responsibilities of managing the grant at the sub-applicant level.

NCEM and the HM Section are here to provide full service grant management to every sub-applicant and citizen in the State. We are poised with staff and resources to make the Hazard Mitigation Grant Program work for you in a timely manner while easing your administrative and financial burden. If you have any questions about program details, you can contact the undersigned at 919-873-5843 or email steve.mcgugan@ncdps.gov.

We look forward to working on your behalf!

Steve McGugan
State Hazard Mitigation Officer
Assistant Director/Hazard Mitigation Chief
North Carolina Emergency Management
NC Department of Public Safety

State Centric Election Form for all North Carolina Sub-Applicants

From: _____
(Insert Sub-Applicant Name Above)

Thru: NCEM HM Section
NCEM Executive Director

For: Secretary, Department of Public Safety

Reference: Sub-applicant Selection for State Centric Support for Hazard Mitigation Grants DR-4393 (Hurricane Floyd), DR-4412 (Tropical Storm Michael) and DR-4465 (Hurricane Dorian)

OPT-IN Section

_____ As a sub-applicant for one of the named disasters above, we select to participate in the State Centric Model. We request the State to provide all of the contract and payment support to complete the grant we received from FEMA. We will provide local support to our community by appointing a sub-applicant Point of Contact (POC) who will work with the North Carolina Emergency Management Hazard Mitigation Section on a reimbursement basis to assist in coordinating all work in the jurisdiction.

Sub-Applicant POC:_____.

OPT-OUT Section

_____ As a sub-applicant for one of the named disasters above, we do not wish to participate in the State Centric model for the Hazard Mitigation Grant Program but choose to self-perform all work required to complete the grant. Attached is our plan and timeline for completing all work as required by the grant within the specified Period of Performance (POP). We certify funds have been set aside to rapidly complete this work and will promptly and monthly request reimbursements to demonstrate work is ongoing. We will provide required documentation and justification for all reimbursements, both project work and management costs. We will promptly sign the HMGP grant agreement upon receipt and adhere to all requirements within the grant agreement, specifically reporting, reimbursement and closeout documentation. If at anytime we fail to meet the requirements of this OPT-OUT selection or the terms of the Grant Agreement (GA), we understand the State may terminate the GA and we will automatically move into the State Centric plan with any penalties incurred due to contracted work being cancelled being paid by us, the sub-applicant, with no means of reimbursement through the HM grant.

Sub-Applicant POC: _____

Sub-Applicant Designated Agent: _____ (Printed Name)

Sub-Applicant Designated Agent Signature: _____ DATE _____

Addendum 7

Chlorine Conversion Project

McDavid Associates, Inc.

CORPORATE OFFICE
Engineers • Planners • Land Surveyors
(252) 753-2139 • Fax (252) 753-7220
E-mail: mai@mcdavid-inc.com
3714 N. Main Street • P.O. Drawer 49
Farmville, NC 27828

GOLDSBORO OFFICE
Engineers • Planners
(919) 736-7630 • Fax (919) 735-7351
E-mail: maigold@mcdavid-inc.com
109 E. Walnut Street • P.O. Box 1776
Goldsboro, NC 27533

April 20, 2021

Christina L. Smith, P.E., Public Works Director
Beaufort County
111 W. 2nd Street
Washington, NC 27889

SUBJECT: Recommendation of Award
Contract No. 19 - District VI
Chlorination Conversion
2017 Chlorination Treatment
Conversion
Beaufort County Water District VI -
Chocowinity/Richland Township

Dear Christina:

Bids for the subject project were received on April 8, 2021 at 2:00 PM. A list of all bidders and their respective total bid is as follows:

Laughlin-Sutton Construction	$816,200.00
A.C. Schultes of Carolina, Inc.	$847,408.00
Eberhart Construction	$850,000.00

For a more detailed review of individual unit prices please refer to the enclosed tabulation sheet. The low bidder was Laughlin-Sutton Construction who submitted the low bid in the amount of $816,200.00.

Also for your review, please find enclosed a "Resolution Awarding Construction Contract" for Board consideration for approval.

We have reviewed the bids and recommend that the work be tentatively awarded to the low bidder, Laughlin-Sutton Construction for the low bid amount of $816,200.00.

Upon board review and approval, please execute all five (5) copies of the enclosed "Notice of Award" and return all copies to this office, along with one (1) copy of an executed resolution.

I will be happy to meet with you or your board to further review our recommendations or to answer any questions.

Please advise as we may further assist.

Sincerely yours,

McDAVID ASSOCIATES, INC.

Richard B. Moore, P.E.
Farmville Office

RBM/bac

Enclosures

TABULATION SHEET
CONTRACT NO. 19 - DISTRICT VI CHLORINATION CONVERSION
2017 CHLORINATION TREATMENT CONVERSION
BEAUFORT COUNTY WATER DISTRICT VI - CHOCOWINITY/RICHLAND TOWNSHIP
APRIL 8, 2021 AT 2:00 PM
APRIL 12, 2021

08:05 AM
12-Apr-21

Item	Description	Unit	Qty	Laughlin-Sutton Construction Browns Summit, NC		A.C. Schultes of Carolina, Inc. Rocky Point, NC		Eberhart Construction Willow Spring, NC	
				Unit Price	Total	Unit Price	Total	Unit Price	Total
1	Repl Chlor Sys for Well Nos. 64-PD & 64-CH	LS	1	$80,800.00	$80,800.00	$97,600.00	$97,600.00	$80,000.00	$80,000.00
2	Repl Chlor Sys for Well Nos. 62-PD & 62-CH	LS	1	$80,800.00	$80,800.00	$97,600.00	$97,600.00	$80,000.00	$80,000.00
3	Doorway & Vent Alts to Room 113 in WTP-61	LS	1	$35,300.00	$35,300.00	$35,000.00	$35,000.00	$70,000.00	$70,000.00
4	Doorway & Vent Alts to Room 114 in WTP-61	LS	1	$31,100.00	$31,100.00	$35,000.00	$35,000.00	$70,000.00	$70,000.00
5	Repl Chlor Sys for WTP-61	LS	1	$173,500.00	$173,500.00	$247,000.00	$247,000.00	$160,000.00	$160,000.00
6	Repl Booster Chlor Sys for BPS-62	LS	1	$137,000.00	$137,000.00	$132,000.00	$132,000.00	$110,000.00	$110,000.00
7	Inst & wiring of relay 615 in SCADA unit G-62	LS	1	$10,500.00	$10,500.00	$2,500.00	$2,500.00	$7,000.00	$7,000.00
8	Site Piping for BPS-62	LS	1	$15,500.00	$15,500.00	$5,000.00	$5,000.00	$36,000.00	$36,000.00
9	Repl ext. doors & frames to chem rooms of BPS-62	LS	1	$20,000.00	$20,000.00	$7,000.00	$7,000.00	$10,000.00	$10,000.00
10	Site landscaping	LS	1	$1,000.00	$1,000.00	$3,500.00	$3,500.00	$3,000.00	$3,000.00
11	bps-62 Soil Testing Allowance	AL	1	$3,500.00	$3,500.00	$3,500.00	$3,500.00	$3,500.00	$3,500.00
12	Stakeout at BPS-62	AL	1	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00
13	BPS-62 Site GIS Allowance	AL	1	$7,500.00	$7,500.00	$7,500.00	$7,500.00	$7,500.00	$7,500.00
14	Chlor Pipe Repl Below Floor Slab in BPS-61	LS	1	$3,700.00	$3,700.00	$5,000.00	$5,000.00	$6,000.00	$6,000.00
15	Repl Booster Chlor Sys for BPS-61	LS	1	$137,000.00	$137,000.00	$134,208.00	$134,208.00	$115,000.00	$115,000.00
16	Inst & wiring of relay 615 in SCADA unit G-61	LS	1	$10,500.00	$10,500.00	$2,500.00	$2,500.00	$7,000.00	$7,000.00
17	Site Piping for BPS-61	LS	1	$30,500.00	$30,500.00	$5,000.00	$5,000.00	$35,000.00	$35,000.00
18	Repl ext. doors & frames to chem rooms of BPS-61	LS	1	$20,000.00	$20,000.00	$7,000.00	$7,000.00	$30,000.00	$30,000.00
19	Site Landscaping at BPS-61	LS	1	$1,000.00	$1,000.00	$3,500.00	$3,500.00	$3,000.00	$3,000.00
20	BPS-61 Soil Testing Allowance	AL	1	$3,500.00	$3,500.00	$3,500.00	$3,500.00	$3,500.00	$3,500.00
21	Stakeout at BPS-61	AL	1	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00
22	BPS-61 Site GIS Allowance	AL	1	$7,500.00	$7,500.00	$7,500.00	$7,500.00	$7,500.00	$7,500.00
	TOTAL BID				$816,200.00		$847,408.00		$850,000.00

I, Richard B. Moore, P.E., certify that this Tabulation Sheet is correct to the best of my knowledge and belief.

(Signature) 4/12/2021 (Date)

McDAVID ASSOCIATES, INC. CORPORATE SEAL 1972 FARMVILLE, NC

NORTH CAROLINA PROFESSIONAL SEAL 20205 4/12/21 ENGINEER RICHARD B. MOORE

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SECTION 00511

NOTICE OF AWARD

To: Laughlin-Sutton Construction Company

P.O. Box 13226

Greensboro, NC 27415

PROJECT Description: 2017 Chlorination Treatment Conversion

Contract No. 19 - District VI Chlorination Conversion

The OWNER has considered the BID submitted by you for the above described WORK in response to its ADVERTISEMENT FOR BIDS dated April 8, 2021, and INFORMATION FOR BIDDERS.

You are hereby notified that your BID has been accepted for items in the amount of Eight Hundred Sixteen Thousand Two Hundred and No/100 Dollars ($816,200.00).

You are required by the INFORMATION FOR BIDDERS to execute the AGREEMENT and furnish the required CONTRACTOR'S PERFORMANCE BOND, PAYMENT BOND and certificates of insurance within twenty (20) calendar days from the date of this Notice to you.

If you fail to execute said AGREEMENT and to furnish said BONDS within twenty (20) days from the date of this Notice, said OWNER will be entitled to consider all your rights arising out of the OWNER'S acceptance of your BID as abandoned and as a forfeiture of your BID BOND. The OWNER will be entitled to such other rights as may be granted by law.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the OWNER.

Dated this _____ day of _____, 20_____.

OWNER:

Beaufort County Water District VI -

Chocowinity/Richland Township

By _____

Name Brian M. Alligood

Title County Manager

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE OF AWARD is hereby acknowledged this the _____ day of _____, 20_____.

CONTRACTOR:

Laughlin-Sutton Construction Company

By _____

Name Lance Pollock

Title Project Manager

END OF SECTION

RESOLUTION
AWARDING CONSTRUCTION CONTRACT
CN 19 – DISTRICT VI CHLORINE CONVERSION
STATE DRINKING WATER RESERVE PROJECT H-SRP-D-17-0093
BEAUFORT COUNTY WATER DISTRICT VI – CHOCOWINITY/RICHLAND TOWNSHIP

WHEREAS, Beaufort County Water District VI – Chocowinity/Richland Township accepted a State Drinking Water Reserve financial assistance offer to convert disinfection facilities at existing Water Treatment Plant 61, Well 61/62, Well 63/64, Booster Pump Station No. 61, and Booster Pump Station No. 62 from gas chlorine to liquid, and

WHEREAS, the Division of Water Infrastructure awarded a $1,115,000 loan (0% interest for 20 year term) and $1,115,000 grant under assigned project H-SRP-D-17-0093, and

WHEREAS, McDavid Associates, Inc. completed final plans and specifications and bids for construction were received on April 8, 2021, and

WHEREAS, Laughlin-Sutton Construction submitted the low bid for Contract No. 19 – District VI Chlorine Conversion in the amount of $816,200.00, and

WHEREAS, the low bid is within available project funds, and

WHEREAS, McDavid Associates, Inc. has developed a Recommendation of Award and recommends tentative award to Laughlin-Sutton Construction for their low bid of $816,200.00,

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF BEAUFORT COUNTY WATER DISTRICT VI – CHOCOWINITY/RICHLAND TOWNSHIP:

That Contract No. 19 – District VI Chlorine Conversion be tentatively awarded to Laughlin-Sutton Construction for the low bid amount of $816,200.00 subject to concurrence from the Department of Environmental Quality, Division of Water Infrastructure.

That the Chairman and/or County Manager are authorized to execute all documents associated with construction contract award.

Adopted this the _____ day of _____, 2021 at Washington, North Carolina.

_____
Frankie Waters, Chairman
Beaufort County Water District VI – Chocowinity/Richland Township

(SEAL)

ATTEST:

_____
Katie Mosher
Clerk to the Board

McDavid Associates, Inc.

CORPORATE OFFICE
Engineers • Planners • Land Surveyors
(252) 753-2139 • Fax (252) 753-7220
E-mail: mai@mcdavid-inc.com
3714 N. Main Street • P.O. Drawer 49
Farmville, NC 27828

GOLDSBORO OFFICE
Engineers • Planners
(919) 736-7630 • Fax (919) 735-7351
E-mail: maigold@mcdavid-inc.com
109 E. Walnut Street • P.O. Box 1776
Goldsboro, NC 27533

April 20, 2021

Christina L. Smith, P.E., Public Works Director
Beaufort County
111 W. 2nd Street
Washington, NC 27889

SUBJECT: Recommendation of Award
Contract No. 20 - District VII
Chlorination Conversion
2017 Chlorination Treatment
Conversion
District VII - Richland Township
Water and Sewer District of
Beaufort County

Dear Christina:

Bids for the subject project were received on April 8, 2021 at 2:00 PM. A list of all bidders and their respective total bid is as follows:

Laughlin-Sutton Construction	$208,700.00
A.C. Schultes of Carolina, Inc.	$218,408.00
Eberhart Construction	$224,000.00

For a more detailed review of individual unit prices please refer to the enclosed tabulation sheet. The low bidder was Laughlin-Sutton Construction who submitted the low bid in the amount of $208,700.00.

Also for your review, please find enclosed a copy of "Resolution Awarding Construction Contract" for Board consideration for approval.

We have reviewed the bids and recommend that the work be tentatively awarded to the low bidder, Laughlin-Sutton Construction for the low bid amount of $208,700.00.

Upon board review and approval, please execute all five (5) copies of the enclosed "Notice of Award" and return all copies to this office along with one (1) copy of an executed resolution.

I will be happy to meet with you or your board to further review our recommendations or to answer any questions.

Please advise as we may further assist.

Sincerely yours,

McDAVID ASSOCIATES, INC.

Richard B. Moore, P.E.
Farmville Office

RBM/bac

Enclosures

TABULATION SHEET
CONTRACT NO. 20 - DISTRICT VII CHLORINATION CONVERSION
2017 CHLORINATION TREATMENT CONVERSION
DISTRICT VII - RICHLAND TOWNSHIP WATER AND SEWER DISTRICT OF BEAUFORT COUNTY
APRIL 8, 2021 AT 2:00 PM
APRIL 12, 2021

Item	Description	Unit	Qty	Laughlin-Sutton Construction Browns Summit, NC		A.C. Schultes of Carolina, Inc. Rocky Point, NC		Eberhart Construction Willow Spring, NC	
				Unit Price	Total	Unit Price	Total	Unit Price	Total
1	Doorway & vent alts to room 112 in WTP-71	LS	1	$14,300.00	$14,300.00	$15,000.00	$15,000.00	$40,000.00	$40,000.00
2	Repl Chlor Sys for WTP-71	LS	1	$180,400.00	$180,400.00	$200,408.00	$200,408.00	$172,000.00	$172,000.00
3	Inst & wiring of relay 2012 in Tank/Well Ctrl Unit A-71	LS	1	$14,000.00	$14,000.00	$3,000.00	$3,000.00	$12,000.00	$12,000.00
	TOTAL BID				$208,700.00		$218,408.00		$224,000.00

I, Richard B. Moore, P.E., certify that this Tabulation Sheet is correct to the best of my knowledge and belief.

(Signature) 4/12/2021 (Date)

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McDAVID ASSOCIATES, INC. CORPORATE SEAL 1972 FARMVILLE, NC

NORTH CAROLINA PROFESSIONAL SEAL 20205 ENGINEER RICHARD B. MOORE

SECTION 00511

NOTICE OF AWARD

To: Laughlin-Sutton Construction Company

P.O. Box 13226

Greensboro, NC 27415

PROJECT Description: 2017 Chlorination Treatment Conversion

Contract No. 20 - District VII Chlorination Conversion

The OWNER has considered the BID submitted by you for the above described WORK in response to its ADVERTISEMENT FOR BIDS dated April 8, 2021, and INFORMATION FOR BIDDERS.

You are hereby notified that your BID has been accepted for items in the amount of Two Hundred Eight Thousand Seven Hundred and No/100 Dollars ($208,700.00).

You are required by the INFORMATION FOR BIDDERS to execute the AGREEMENT and furnish the required CONTRACTOR'S PERFORMANCE BOND, PAYMENT BOND and certificates of insurance within twenty (20) calendar days from the date of this Notice to you.

If you fail to execute said AGREEMENT and to furnish said BONDS within twenty (20) days from the date of this Notice, said OWNER will be entitled to consider all your rights arising out of the OWNER'S acceptance of your BID as abandoned and as a forfeiture of your BID BOND. The OWNER will be entitled to such other rights as may be granted by law.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the OWNER.

Dated this _____ day of _____, 20_____.

OWNER:

District VII - Richland Township Water

and Sewer District of Beaufort County

By _____

Name Brian M. Alligood

Title County Manager

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE OF AWARD is hereby acknowledged this the _____ day of _____, 20_____.

CONTRACTOR:

Laughlin-Sutton Construction Company

By _____

Name Lance Pollock

Title Project Manager

END OF SECTION

RESOLUTION
AWARDING CONSTRUCTION CONTRACT
CN 20 – DISTRICT VII CHLORINE CONVERSION
STATE DRINKING WATER RESERVE PROJECT H-SRP-D-17-0089
DISTRICT VII-RICHLAND TOWNSHIP WATER AND SEWER DISTRICT OF BEAUFORT COUNTY

WHEREAS, District VII-Richland Township Water and Sewer District of Beaufort County accepted a State Drinking Water Reserve financial assistance offer to convert disinfection facilities at existing Water Treatment Plant 71 from gas chlorine to liquid, and

WHEREAS, the Division of Water Infrastructure awarded a $168,000 loan (0% interest for 20 year term) and $504,000 grant under assigned project H-SRP-D-17-0089, and

WHEREAS, McDavid Associates, Inc. completed final plans and specifications and bids for construction were received on April 8, 2021, and

WHEREAS, Laughlin-Sutton Construction submitted the low bid for Contract No. 20 – District VII Chlorine Conversion in the amount of $208,700.00, and

WHEREAS, the low bid is within available project funds, and

WHEREAS, McDavid Associates, Inc. has developed a Recommendation of Award and recommends tentative award to Laughlin-Sutton Construction for their low bid of $208,700.00,

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF DISTRICT VII-RICHLAND TOWNSHIP WATER AND SEWER DISTRICT OF BEAUFORT COUNTY:

That Contract No. 20 – District VII Chlorine Conversion be tentatively awarded to Laughlin-Sutton Construction for the low bid amount of $208,700.00 subject to concurrence from the Department of Environmental Quality, Division of Water Infrastructure.

That the Chairman and/or County Manager are authorized to execute all documents associated with construction contract award.

Adopted this the _____ day of _____, 2021 at Washington, North Carolina.

_____
Frankie Waters, Chairman
Beaufort County Water District VI – Chocowinity/Richland Township

(SEAL)

ATTEST:

_____
Katie Mosher
Clerk to the Board

Addendum 8

Approval of Purchase Order

Beaufort County
Finance

Budget Reallocation Request

Department: Water **Date of Request:** 04/27/21

FY Budget: 2021 **No.** 007

ACCOUNT NO.	TITLE OF ACCOUNT	INCREASE	DECREASE
60 -7130-512100-	SALARIES-OVER TIME		($10,000)
60 -7130-518100-	FICA 6.2%		($8,360)
60 -7130-544000-	CONTRACT SERVICES	$68,360	
60 -7130-599100-	CONTINGENCY		($50,000)
	TOTAL	**$68,360**	**($68,360)**

Department Justification: (Please provide detailed explanation)

- Emergency water main repair required on the evening of April 13, 2021. Herring Rivenbark responded and directional drilled 240LF of 6" FPVC at night.

If amendment deals with adding, deleting, or modifying a position, County Position No. (& State, if applicable) must be referenced.

County Position No. _____

State Position No. _____

APPROVAL	SIGNATURE	DATE
Department Head		04/27/21
Finance Officer		
	This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.	
County Manager	Required for inter-departmental transfers	
Board of Commissioners	Agenda Item No. _____ Reference No. _____	

05/08

Herring & Rivenbark, Inc.

P.O. Box 3425
Kinston, NC 28502
License #3937

Invoice

DATE	INVOICE NO.
4/15/2021	7281277

BILL TO
Beaufort County Water Department 111 W. 2nd Street Washington, NC 27889

TERMS
Due on receipt

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	EMERGENCY AFTER HOURS LEAK REPAIR OLD PAMLICO BEACH ROAD WEST			
1	6" FUSIBLE PVC DR18 PIPE	240	18.77	4,504.80
2	6" GATE VALVE & BOX	2	981.25	1,962.50
3	6" SOLID SLEEVE	2	270.50	541.00
4	6" GRIP RINGS PVC	6	81.55	489.30
5	6" GRIP RINGS C900 PVC	2	68.35	136.70
6	1" TEMPORARY BLOWOFF	1	850.00	850.00
7	LABOR TO DIRECTIONAL DRILL 6" FPVC	240	170.00	40,800.00
8	LABOR TO FUSE 6" FPVC	240	35.00	8,400.00
9	MOBILIZATION	1	3,000.00	3,000.00
10	TIE IN TO EXISTING LINE WITH NEW LINE	2	7,500.00	15,000.00
	DIRECTIONAL DRILLED 240 LF OF 6" FPVC ON OLD PAMLICO BEACH ROAD WEST THIS WORK WAS COMPLETED AS EMERGENCY NIGHT TIME WORK ON APRIL 13, 2021.			

Please pay by this invoice
No statement will be sent.
Thanks!

Total $75,684.30

Addendum 9

Award Landfill Contract

Bid Tabulation

Bid/Quote Tabulation

Project: RFP SW-FY21-002

Date: April 21, 2021 2pm

Description: Landfill Operation and Maintenance
(as per RFP)

Vendor Name:	Bid Form Complete and Notarized	Bidder Qualifications	References	Acknowledgement of Amendments	Noncollusion Affidavit	Gen. Maint. Qtr. LS	YW Mgmt Qtr. LS	ST Mgmt. Qtr. LS	Operation of Scales		Quarterly Totals		Yard Waste Over 4,000	Scrap Tire Over 1,000	Hourly Operation	
									Opt 1 M-F	Opt 2 T,Th, S	Opt 1 M-F	Opt 2 T,Th, S				
B.E. Singleton & Sons	X	X	X	X	X	$17,000	$22,000	$23,000	$32,000	$32,000	$94,000	$94,000	$5.50	$23.00	$200.00	
Landscaping Unlimited	X	X	X	X	X	$12,000	$18,500	$21,500	$19,750	$13,125	$71,750	$65,125	$25.00	$85.00	$105.00	
Republic Services	X	X	X	X	X	$86,503					$86,503	$86,503	$50.00	$50.00	$40.00	*** included all items in one LS
Select Recycling Waste Services	X	X	X	X	X	$28,440	$34,260	$33,000	$24,680	$21,240	$120,380	$116,940	$50.00	$50.00	$110.00	

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Authorized Signature / Commissioner :

Witness: Hallie Jones 4/21/2021

Bid Tabulation with Annualized Totals

Company	Quarterly Lump Sums					Quarterly Totals		Annualized Totals		Yard Waste Over 4,000	Scrap Tire Over 1,000	Hourly Operation
	General Maint	Yard Waste Mgmt	Scrap Tire Mgmt	Operation of Scales Opt 1 M-F	Operation of Scales Opt 2 T,Th,S	Opt 1 M-F	Opt 2 T,Th,S	Opt 1 M-F	Opt 2 T,Th,S			
B.E. Singleton and Sons	$17,000.00	$22,000.00	$23,000.00	$32,000.00	$32,000.00	$94,000.00	$94,000.00	$376,000.00	$376,000.00	$5.50	$23.00	$200.00
Landscaping Unlimited	$12,000.00	$18,500.00	$21,500.00	$19,750.00	$13,125.00	$71,750.00	$65,125.00	$287,000.00	$260,500.00	$25.00	$85.00	$105.00
Republic Services***	$86,503.00					$86,503.00	$86,503.00	$346,012.00	$346,012.00	$50.00	$50.00	$40.00
Select Recycling Waste Services	$28,440.00	$34,260.00	$33,000.00	$24,680.00	$21,240.00	$120,380.00	$116,940.00	$481,520.00	$467,760.00	$50.00	$50.00	$110.00

*** included all items in one Quarterly Lump Sum

Request for Proposals
Public Works

Landfill Operation & Management
Beaufort County, North Carolina

Issue Date: **Monday, March 29, 2021**

Bid Due Date: **Wednesday, April 21, 2021 by 2:00 PM**
132 West 2nd Street
Washington, NC

CONTACT PERSONS:

Questions Regarding the Bid Package
Hollie Jones
Purchasing Agent
Phone: (252) 946-0079,x1080
Email: hollie.jones@co.beaufort.nc.us

Questions Regarding the Specifications
West Overman
Deputy Director of Public Works
Phone: (252) 975-0720,x1063
Email: west.overman@co.beaufort.nc.us

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Section 2 Instructions
- 2.1 Schedule
- 2.2 Instructions to Bidders
- 2.3 Insurance Requirements
- 2.4 Additional Insurance Requirements

Section 3 Background
- 3.1 Historical and Current Operations
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Section 5 General Conditions

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Section 7 Bid Forms

SECTION 1 - NOTICE TO BIDDERS

Beaufort County is requesting quotes from experienced Contractors who specialize in landfill management and operations, including yard waste and scrap tire disposal management. The scope of work and all other details and requirements are included in the RFP.

Sealed proposals will be received by the County at the Beaufort County Financial Services Center until **2:00 PM, Wednesday, April 21st, 2021** at which time proposals will be publicly opened and read aloud. Any proposals received later than the specified time will not be accepted or considered. The proposal must be signed by an official authorized to bind the Contractor/Proposer and should be clearly marked *"**Bid Enclosed, Landfill Operation & Maintenance – ATTN: Hollie Jones**"* on the outside of the proposal package or mail carrier envelope. Beaufort County assumes no responsibility for unmarked or incorrectly marked proposals.

A bid tabulation will be available upon request but will not be official until the contract is awarded to the successful proposer by the Board of Commissioners.

Beaufort County reserves the right to reject any or all proposals, waive any informality and award contracts that appear to be in its best interest. The right is reserved to hold any or all proposals for a period of ninety (90) days from the proposal opening thereof.

From the date of this advertisement until the date of opening the proposals, the RFP is and will continue to be on file in the Beaufort County Purchasing Department, 132 West 2nd Street Washington, NC 27889, during regular business hours, and available to prospective proposers. You can also find it on the website http://co.beaufort.nc.us/ under "Request for Proposals". Inquiries should be directed to Hollie Jones at hollie.jones@co.beaufort.nc.us or (252) 946-0079, x 1080.

Minority/Women owned businesses are encouraged to submit proposals.

SECTION 2 – INSTRUCTIONS

2.1 Schedule

Issue Date	Monday, March 29, 2021
Deadline to Hold a Pre-Proposal Meeting	Wednesday, April 14, 2021 at 3:00 PM
Deadline for Questions	Thursday, April 15, 2021 at 5:00 PM
Deadline for Proposals/Public Bid Opening	Wednesday, April 21, 2021 at 2:00 PM
Bid and Scope Review Meeting with Apparent Low Bidder	Monday, April 26, 2021 at 11:00 AM
Recommendation to Award presented to the Board of Commissioners	Monday, May 3, 2021
Start of Contract	As soon as possible following award of contract

2.2 Instructions to Bidders

2.2.1 Proposals should be submitted as a document set in a sealed envelope clearly marked ***"Bid Enclosed – Landfill Operation and Maintenance"*** and addressed to the County at the following address:

Beaufort County Government
ATTN: Hollie Jones, Purchasing Agent
Financial Services Building
132 West 2nd Street
Washington, NC 27889

2.2.2 The deadline for receipt of all proposals is Wednesday, April 21, 2021 at 2:00 PM, EST. Proposals will be publicly opened and read aloud at this time. Any bids received after the scheduled closing time for the receipt of bids will not be accepted.

2.2.3 No telephone, electronic or facsimile proposals will be considered. Bidders assume the risk of the method of delivery chosen. The County assumes no responsibility for delays caused by the US Postal Service or other delivery services. Postmarking by the due date will not substitute for receipt of actual proposal. Proposals received after the time and date for closing will not be accepted.

2.2.4 Interested bidders may schedule a Pre-Proposal Meeting with management. The deadline for meetings to occur is 3:00 P.M. EST on Wednesday, April 14, 2021. Meetings will be held at the landfill at 1342 Hawkins Beach Road, Washington, NC 27889. Attendees will have the opportunity to discuss the request for proposals and tour the landfill.

2.2.5 After the bid issue date, all communications between the County and prospective Bidders regarding this request for proposals shall be in writing. Any inquires, requests for interpretation, technical questions, clarification, or additional information shall be emailed to either hollie.jones@co.beaufort.nc.us or west.overman@co.beaufort.nc.us. All questions concerning this proposal shall reference the section number and page. Questions and responses affecting the specifications of the bid will be provided by issuance of an Addendum to all known bidders. All questions shall be received no later than 5:00 P.M., EST on Thursday, April 15, 2021.

2.2.6 Should a Bidder find discrepancies in, or omissions from the documents, or should he/she be in doubt as to their meaning, he/she should at once notify the County, and a written Addendum shall be issued if necessary. The County will not be responsible for any oral instructions. Acknowledgment of any Addendum received shall be noted on the proposal in the attachment provided. In closing of a contract, any addendum issued shall become a part thereof.

2.2.7 Bidders may withdraw, or withdraw and resubmit, their bid at any time prior to the closing time for receipt of bids. NO bid may be withdrawn after the scheduled closing time for receipt of bids for a period of ninety (90) days.

2.2.8 Proposals must be signed by an authorized individual of the firm. Proposals that are not signed will be rejected. Proposals must be notarized.

2.2.9 Any person, firm, corporation, or association submitting a proposal shall be deemed to have read and understood all the terms, conditions, and requirements in the specifications and/or scope of work.

2.2.10 Each proposal shall note whether Proposer or any individual working on the RFP have a possible conflict of interest and, if so, the nature of that potential conflict. Proposers should err on the side of disclosing potential conflicts, or situations which might have the appearance of conflict. The Beaufort County Board of Commissioners reserves the right to cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the program to be developed by the Proposer. The Beaufort County Board of Commissioners' determination regarding any questions of conflict of interest shall be final.

2.2.11 No more than one (1) proposal from any Bidder will be considered by the County. In the event multiple proposals are submitted in violation of this provision, the County will have the right to determine which proposal will be considered, or at its sole option, reject all such multiple proposals.

2.3 Insurance Requirements

2.3.1 Bidder is required to carry and provide proof of the following insurance throughout the term of the contract:

2.3.1.1 General Liability Insurance: $1,000,000 combined single limit per occurrence, including bodily and personal injury, destruction of property, and contractual liability.

2.3.1.2 Automobile Liability Insurance: $1,000,000 combined single limit each occurrence, including bodily injury and property damage liability.

2.3.1.3 Worker's Compensation: Workers Compensation as required by North Carolina statue.

2.4 Additional Insurance Requirements

2.4.1 The Contractor's General Liability policy shall be endorsed, specifically or generally, to include the following as Additional Insured:

BEAUFORT COUNTY, ITS OFFICERS, AGENTS, AND EMPLOYEES ARE INCLUDED AS ADDITIONAL INSURED WITH RESPECTS TO THE GENERAL LIABILITY INSURANCE POLICY.

Additional Insured status for Completed Operations shall extend for a period of not less than three (3) years from the date of final payment.

2.4.2 Before commencement of any work or event, Contractor shall provide a Certificate of Insurance in satisfactory form as evidence of the insurances required above.

2.4.3 Contractor shall have no right of recovery or subrogation against Beaufort County (including its officers, agents, and employees).

2.4.4 It is the intention of the parties that the insurance policies afforded by contractor shall protect both parties and be primary and non-contributory coverage for any and all losses covered by the above-described insurance.

2.4.5 Beaufort County shall have no liability with respect to Contractor's personal property whether insured or not insured. Any deductible or self-insured retention is the sole responsibility of Contractor.

2.4.6 Notwithstanding the notification requirements of the Insurer, Contractor hereby agrees to notify County's Risk Manager at 121 West 3rd Street, Washington, NC 27889, within two (2) days of the cancellation or substantive change of any

insurance policy set out herein. Beaufort County, in its sole discretion, may deem failure to provide such notice as a breach of this Agreement.

2.4.7 The Certificate of Insurance should note in the Description of Operations the following: Landfill Maintenance and Operations.

2.4.8 Insurance procured by Contractor shall not reduce nor limit Contractor's contractual obligation to indemnify, save harmless and defend Beaufort County for claims made or suits brought which result from or are in connection with the performance of this Agreement.

2.4.9 Certificate Holder shall be listed as follows: Beaufort County, Attention: Jennifer Banks, Risk Manager 121 West 3rd Street, Washington, NC 27889.

2.4.10 If Contractor is authorized to assign or subcontract any of its rights or duties hereunder and in fact does so, Contractor shall ensure that the assignee or subcontractor satisfies all requirements of this Agreement, including, but not limited to, maintenance of the required insurances coverage and provision of certificate(s) of insurance and additional insured endorsement(s), in proper form prior to commencement of services.

SECTION 3 – BACKGROUND

3.1 Historical and Current Operations

3.1.1 The Beaufort County Sanitary Landfill was previously used to accept all types of solid waste from the residents of Beaufort County. In the early 1990's, the sanitary landfill was closed and capped, and MSW waste began to be transferred to the regional landfill in Bertie County. The County continued to accept other types of waste including demolition debris, yard waste, scrap tires, and white goods.

3.1.2 Current operations of the landfill site consist of disposal and management of yard waste and scrap tires.

3.2 Operational Data

3.2.1 The chart below provides data for tonnage received at the landfill site during the five most recent fiscal years.

Fiscal Year	Vegetative Tonnage	Tires Tonnage
July 2020 – June 2021	2,388**	396**
July 2019 – June 2020	4,075	886
July 2018 – June 2019	3,656	996
July 2017 – June 2018	2,800	1,056
July 2016 – June 2017	4,640	985
***Totals for current fiscal year reflect tonnage received in first two quarters*		

SECTION 4 – SCOPE OF WORK

4.1 Landfill Maintenance and Scale Operation

4.1.1 The Proposer shall provide all personnel, training, equipment, tools, containers, supplies, fuel, and insurance to complete the scope of work and operate the landfill in accordance with all requirements of the North Carolina Department of Environment Quality.

4.1.2 The Proposer shall be responsible for inspecting the site weekly and performing general site maintenance including, but not limited to: repairing erosion on landfill cell slopes; repairing minor leachate outbreaks; maintaining roadways; maintaining storm water conveyance systems; landscape maintenance including over seeding, mowing, bushhogging, and litter removal; maintenance and repairs to signage, fencing, and lighting; and maintenance and repairs to groundwater monitoring well casings.

Contractor is to provide written monthly reports on the condition of the site and needed repairs in the future.

County will provide rock for road maintenance. Proposer will provide an estimate of needed rock in July and January to County. Proposer will use borrow area located adjacent to landfill for borrow material to make needed cap repairs.

4.1.4 The preference is that the landfill be staffed during operating hours by an operator who holds a current SWANA Manager of Landfill Operations (MOLO) certification, or other nationally recognized Solid Waste industry standard.

4.1.5 An office trailer is provided on site. Utilities, including electricity, water, high-speed internet service, and telephone will also be provided for the use of operating the scales and maintaining the landfill. The Proposer shall be a

responsible user of the utilities and shall bear any excessive overage costs that are due to the Proposers negligence or failure to act.

4.1.6 The Proposer shall be responsible for cleaning the office trailer provided. The floors shall be swept and mopped at a minimum of once per week. The computer, printer, and all associated equipment shall be dusted, and air blown cleaned at least once per month.

4.1.7 The Proposer shall be responsible for the daily operation and general cleanliness of existing truck scale. Beaufort County contracts with a third-party vendor for inspection, cleaning, calibration, certification, routine maintenance/repairs, and emergency repairs of the scale. Bidder will be responsible for scheduling and coordinating above referenced activities with the third-party vendor.

4.1.8 The Proposer shall be responsible for maintaining accurate records and providing monthly reports of tonnage received to County staff.

4.1.9 The County will provide a computer and printer to operate the vendor software system. The Proposer shall contact the County's IT contractor directly if computer issues arise.

4.1.10 The proposer shall maintain vendor software system. Customers shall be logged in the system. All payments shall be logged in the computer system immediately upon receipt. Payments shall be maintained and transmitted to county promptly.

4.1.11 The Proposer shall inspect incoming loads to ensure that acceptable waste guidelines are met. Once waste is deemed acceptable, users shall be directed to the appropriate location to unload. If unacceptable, users shall be turned away.

4.1.12 The Proposer shall maintain all weather access to the site and ensure sufficient clear space is provided at all times so as not to impede the safe and efficient unloading of material. Bidder shall notify County semi-annually (January and July) of estimated quantity and type of stone required in the next six months to maintain all-weather access to the site.

4.1.13 The Proposer shall communicate with the County and North Carolina Department of Environmental Quality – Solid Waste Division personnel as needed on matters regarding the operation of the landfill. Inspectors will visit the site occasionally and ask the Proposer to explain how the landfill is maintained and operated.

4.1.14 The Proposer shall actively enforce all County policies related to landfill operations including but not limited to denial of service for unsatisfactory material, delinquent payments, or refusal to pay, etc.

4.2 Yard Waste Processing

4.2.1 The Proposer shall maintain the yard waste collection and processing facility at the County landfill. Yard waste includes grass clippings, leaves, branches, hedge trimmings, and other materials generated through the course of general yard maintenance.

4.2.2 The County contracts with a third-party vendor to grind the yard waste a minimum of two times per year, with at least one occurrence in May or June. Proposer shall schedule and coordinate the grinding with the third-party contractor. After grinding is completed, Bidder shall spread material on-site in compliance with NCDEQ regulations.

4.2.3 Material stockpiles shall be maintained in such manner as to present a neat and organized appearance of the facility, while maintaining sufficient spacing between piles to prevent the spread of fires.

4.2.4 The Proposer shall be required to comply with all yard waste management permit conditions.

4.3 Scrap Tire Processing

4.3.1 The Proposer shall maintain a scrap tire collection facility at the County landfill. The County contracts with a third-party vendor for disposal of the collected scrap tires.

4.3.2 The Proposer will ensure that all require paperwork is completed and retained for every load of scrap tires accepted.

4.3.3 Tires shall be maintained in such manner as to present a neat and organized appearance of the facility.

4.3.4 The Proposer shall be responsible for loading scrap tires into a semi-trailer staged on site by the scrap tire disposal vendor.

4.3.5 The Proposer shall coordinate pickup of the loaded semi-trailer as needed with the scrap tire disposal vendor.

4.4 Hours of Operation of Scales

4.4.1 Hours of operation for the scales shall be priced multiple ways:

4.4.1.1	Option #1	Monday through Friday - 8:00 a.m. to 4:00 p.m.
4.4.1.2	Option #2	Tuesday, Thursday – 8:00 a.m. to 4:00 p.m. Saturday - 8:00 a.m. to 4:00 p.m.

4.4.2 Hours of operation for the scales shall be determined based on usage trends and the best interest of the County.

4.4.3 The County will grant 24-hour access to select haulers. These haulers will be responsible for recording their tonnage. The Proposer will not be responsible for operating the scales for these select haulers after hours; however, the Proposer will be required to enter the tonnages in the WasteWorks computer program.

4.4.4 The hours of operation of the scales shall not limit the Proposer from working other hours in order to complete all required tasks.

4.5 Special Operations

4.5.1 During times of natural disasters (hurricanes, ice storms, etc.) the Proposer may be called to operate the scales at the landfill for extended hours. The Proposers must be able to accommodate this request up to and including during daylight hours, seven days a week.

4.5.2 Vegetative debris collected during these special times may need to be segregated and separated for compliance with FEMA regulations. The Proposer will be responsible to coordinating this effort at the landfill.

SECTION 5 – GENERAL CONDITIONS

5.1 The contract shall be for a base period of two years, with an option to extend for two additional one-year periods, upon consent of all parties. Contract period shall start as soon as possible following award of contract.

5.2 The Contract pursuant to this RFP shall not be assigned to another party without the advance written consent of the Owner.

5.3 The Contractor shall comply with all applicable federal, state and local laws, ordinances, rules and regulations pertaining to the performance of Work.

5.4 No waiver, alterations, consent or modification of any of the provisions of the Contract shall be binding unless in writing and signed by the Owner or his/her designee.

5.5 The Contract shall be deemed to be under and shall be governed by, and construed according to, the laws of North Carolina.

5.6 Any litigation arising out of the Contract shall be heard in the Courts of Beaufort County, North Carolina.

5.7 The Proposer hereby certifies that the Contract made pursuant to this RFP is made without prior understanding or agreement with any corporation, firm or person who submitted bids for the Work covered by the Contract and is in all respects fair and without collusion or fraud. As to Contractor, the undersigned hereby warrants and certifies that they are authorized to enter into the Contract and to execute same on behalf of the Contractor as the act of the said Contractor.

5.8 The Contract, including the RFP, the Proposer's responses, any Exhibits hereto, contains all the terms and conditions agreed upon by the parties. No other agreements, oral or otherwise, regarding the subject matter of the Contract shall be deemed to exist or to bind either party hereto.

5.9 Contractor acknowledges, represents, and warrants to the Owner that it is familiar with all laws relating to disposal of the materials as stated herein and is familiar with and will comply with all guidelines, requirements, laws, regulations, and any other Federal, State, or local agencies or authorities.

5.10 The County shall have the right to inspect and accept or reject the Work based upon compliance with the Contract Documents. Contractor shall immediately correct any and all deficiencies identified during this inspection or disclosed to Contractor by County's Representative, or any other authorized representative of the county, at any time. In the event the Contractor fails to correct any deficiencies identified during the County's inspection and disclosed to the Contractor, the County, at its option, may: (1) order the Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; and/or (2) engage a third party to re-perform, repair or replace the deficient work of the Contractor and shall deduct the cost thereof from the Contract Price otherwise payable to the Contractor.

5.11 Proposers may find instances where they take exception with certain requirements or specifications of the Request for Proposals. All exceptions shall be clearly identified, and written explanations shall include the scope of the exceptions, the ramifications of the exceptions for the Owner, and a description of the advantage to be gained or disadvantages to be incurred by the Owner as a result of these exceptions. All exceptions shall be noted on ATTACHMENT B – Proposal Form.

5.12 The Proposer represents itself to be an independent contractor offering such services to the general public and shall not represent himself or his employees to be an employee of the Owner (County of Beaufort). Therefore, the Proposer shall assume all legal and financial responsibility for taxes, FICA, employee fringe benefits, workers compensation, employee insurance, minimum wage requirements, overtime, and other expenses, and agrees to indemnify, save, and hold the County of Beaufort, its officers, agents, and employees, harmless from and against, any and all loss; cost (including attorney fees); and damage of any kind related to such matters. The Proposer shall further understand that the Owner cannot save and hold harmless and/or indemnify the Proposer and/or the Proposers employees against any liability incurred or arising as a result of any activity of the Proposer or any activity of the Proposers employees performed in connection with the contract.

5.13 The Proposer represents and warrants to the Owner that the Proposer has or shall secure at its own expense prior to the commencement of services hereunder, all necessary personnel and equipment required to perform the services under this contract. All services required of Contractor hereunder shall be performed by Contractor, or under its supervision, and all personnel engaged in performing such services shall be fully qualified, and if necessary, authorized under applicable law to perform such services. The Contractor represents and warrants to the Owner that all services shall be performed by skilled and competent personnel to the highest professional standards in the field. The Contractor shall remove from the work described in this Contract any person the Owner deems to be incompetent, careless or otherwise objectionable.

5.14 The Owner reserves the right to reject any and all proposals, to waive minor irregularities in the evaluation process and to request clarification of, or additional information from any Proposer. The Owner also reserves the right to further negotiate minor modifications with the successful Proposer upon completion of the evaluation process prior to the execution of a final contract. The Owner is not obligated to enter into a contract on the basis of any proposal submitted in response to this document, is under no obligation to award this project to the Proposer having the lowest fee estimate, and reserves the right to award a contract deemed most advantageous for the Owner.

5.15 Prior to the final selection, Proposers may be required to submit additional information which the Owner may deem necessary to further evaluate the Proposer's qualifications. Inspection of equipment to be used on this Contract may also be required.

5.16 Termination Clauses

5.16.1 This Contract may be terminated, without cause, by either party upon sixty (60) days written notice to the other party. This termination notice period shall begin upon receipt of the notice of termination. Such a termination does not bar either party from pursuing a claim for damages for breach of the contract.

5.16.2 This Contract may be terminated, for cause, by the non-breaching party notifying the breaching party of a substantial failure to perform in accordance with the provisions of this Contract and if the failure is not corrected within ten (10) days of the receipt of the notification. Upon such termination, the parties shall be entitled to such additional rights and remedies as may be allowed by relevant law.

5.16.3 Termination of this Contract, either with or without cause, shall not form the basis of any claim for loss of anticipated profits by either party.

5.16.4 Authority to Terminate: The Beaufort County Manager is authorized to terminate this contract on behalf of the Owner.

5.17 Non-Appropriation Clause

5.17.1 Contractor acknowledges that Beaufort County is a governmental entity, and the contract validity is based upon the availability of public funding under the authority of its statutory mandate. In the event that public funds are unavailable and not appropriated for the performance of Beaufort County's obligations under this contract, then this contract shall automatically expire without penalty to Beaufort County thirty (30) days after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that Beaufort County shall not activate this non-appropriation provision for its convenience or to circumvent the requirements of this contract, but only as an emergency fiscal measure during a substantial fiscal crisis, which affects generally its governmental operations. In the event of a change in Beaufort County's statutory authority, mandate and mandated functions, by state and federal legislative or regulatory action, which adversely affects Beaufort County's authority to continue its obligations under this contract, then this contract shall automatically terminate without penalty to Beaufort County upon written notice to Contractor of such limitation or change in Beaufort County's legal authority.

5.18 All payments under the contract resulting from the RFP shall be made only for services requested and approved by the Owner.

5.19 Payment Procedures

5.19.1 Contractor shall invoice Owner once per quarter for work previously completed. Included with the invoice shall be a listing of the dates of service and a summary of the work completed.

5.19.2 In the event total tonnage of yard waste received at the landfill exceeds 4,000 tons annually (July – June), the Contractor shall invoice the Owner for the overage based on a per ton rate once per year. Overage Invoice shall be submitted by July 20th.

5.19.3 In the event total tonnage of scrap tires received at the landfill exceeds 1,000 tons annually (July – June), the Contractor shall invoice the Owner for the overage based on a per ton rate once per year. Overage Invoice shall be submitted by July 20th.

5.19.4 Invoices will not be paid until all work completed is to the satisfaction of the County. Approved invoices are paid net 30 days.

5.20 The Contractor shall hold harmless the County and its elected and appointed officers, agents and employees from and against any and all court actions, legal proceedings, claims, demands, damages, costs, expenses, loss, liability, and attorney fees, arising out of defective material and products, faulty work performance, negligent or unlawful

acts, and non-compliance with any applicable local, state or federal codes, ordinances, orders or statutes including the Occupational Safety and Health Act (OSHA) and State Industrial Safety Act. This guarantee is an addition to and not intended as a limitation on any other warranty, expressed or implied.

5.21 The Contractor shall be fully responsible to the County for the acts and omissions of its sub-contractors and of persons either directly or indirectly employed by it, as the Contractor is for the acts and omissions of persons directly employed by it.

5.22 The Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes and will continue to comply with these requirements at all times during the term of this Agreement. The Contractor shall also require that all of its subcontractors that perform any work pursuant to this Agreement comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Violation of this requirement shall be deemed a material breach of this Agreement.

5.23 The County of Beaufort does not discriminate on the basis of race, color, sex, age, national origin, religion, sexual orientation, marital status, genetic identification, political affiliation, or disability in matters affecting employment, or in providing access to programs to employees or in the provisions of goods and services.

SECTION 6 – SUBMISSION REQUIREMENTS

6.1 The Proposer shall provide pricing for services as requested.

6..2 The Proposer shall identify the staffing levels and anticipated equipment obligations that will be assigned to fulfill the requested services.

6.3 The Proposer shall acknowledge if staff currently holds or plans to achieve either SWANA Manager of Landfill Operations (MOLO) certification or other nationally recognized Solid Waste industry standard.

6.4 The Proposer shall document their experience, and past or current awards of other contracts in which they have or are currently providing similar and comparable services. Such experience must be demonstrated within the past five (5) years.

6.5 The Proposer shall provide a minimum of three (3) references from previous or current contract awards within the past five (5) years. The references shall be capable of providing information on the Proposer's abilities to provide a similar level of service, schedule commitments, compliance history with contract terms, fairness in executing the requested services, and any disputes.

6.6 By signing its Proposal, the Proposer acknowledges that it has read and understands the insurance requirements for the RFP as described in Section 2.3 and 2.4.

SECTION 7 – BID FORMS

7.1 Please see Attachments A-F for required Bid Forms.

Attachment A

BIDDER'S CHECKLIST

The following items must be executed by ALL BIDDERS and submitted at due date and time. Not submitting these attachments at time of due date and time may deem your quote as non-responsive.

- ◯ PROPOSAL FORM (Attachment B)
- ◯ STATEMENT OF BIDDER QUALIFICATIONS (Attachment C)
- ◯ CLIENT REFERENCE (Attachment D)
- ◯ ACKNOWLEDGEMENT OF AMENDMENTS (Attachment E)
- ◯ NONCOLLUSION AFFIDAVIT (Attachment F)

Attachment B

Landfill Operation and Management Bid Form

Quarterly Lump Sum – General Maintenance $_____

Quarterly Lump Sum – Yard Waste Management $_____

Quarterly Lump Sum – Scrap Tire Management $_____

Quarterly Lump Sum – Operation of Scales

Option #1 *Monday through Friday - 8:00 a.m. to 4:00 p.m.* $_____

Option #2 *Tuesday, Thursday – 8:00 a.m. to 4:00 p.m.* $_____
Saturday - 8:00 a.m. to 4:00 p.m.

Yard Waste Overage in Excess of 4,000 Tons per Year $_____ per ton

Scrap Tire Overage in Excess of 1,000 Tons per Year $_____ per ton

---

Describe staffing approach (# employees, full time, part-time, etc.)

_____

_____

_____

_____

_____

Describe equipment to be used:

_____

_____

_____

_____

_____

Proposer employs a current holder of a SWANA Manager of Landfill Operations (MOLO) certification or other nationally recognized Solid Waste industry standard within 6 months of award of contract. ☐ Yes ☐ No

Does the Proposer have any possible conflict of interest? ☐ Yes ☐ No
If so, explain the nature of potential conflict: _____

_____

I hereby certify that the information contained in this response to the request for proposals is correct and truthful to the best of my knowledge and belief.

Signature: _____ Date: _____

Title: _____ Company: _____

I, _____ a Notary Public in and for the County and State aforesaid, do hereby certify that personally came before me this day and acknowledged that he is of and by that authority duly given and as an act of the foregoing instrument was signed by As, attested by him/herself as Secretary, and sealed with the common seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal this the _____ day of _____, 20_____.

Notary Public

My commission expires: *(SEAL)*

Attachment C

STATEMENT OF BIDDER QUALIFICATIONS

1. Name and Address:

_____

_____

_____

2. Contact Person for this Project: _____

Phone No: _____

Email address: _____

3. Number of years the Contractor has been engaged under the present firm name, as indicated above: _____

4. Number of regular full-time employees _____
   Number of part time employees _____

5. Company Federal ID#. _____

6. Name(s) of companies that will share significant and substantive responsibilities with the Contractor in performing the scope of services under the Contract:

_____

_____

Attachment D

CLIENT REFERENCE

Reference #1

Company Name	
Contact Name	
Title	
Phone Number	
Scope of Services Provided	

Reference #2

Company Name	
Contact Name	
Title	
Phone Number	
Scope of Services Provided	

Reference #3

Company Name	
Contact Name	
Title	
Phone Number	
Scope of Services Provided	

Attachment E

ACKNOWLEDGEMENT OF AMENDMENTS

The following form shall be completed and included in the bid submission.

Failure to acknowledge receipt of all amendments may cause the bid to be considered non-responsive to the solicitation. Acknowledged receipt of each amendment must be clearly established and included with the bid.

The undersigned acknowledges receipt of the following amendments to the documents:

Amendment No. _____, Dated _____

Amendment No. _____, Dated _____

Amendment No. _____, Dated _____

Contractor Name: _____

Address: _____

_____

Signature of Authorized Representative: _____

Title: _____

Phone Number: _____

Attachment F

ANTI-COLLUSION AFFIDAVIT

STATE OF NORTH CAROLINA
COUNTY OF BEAUFORT

_____, being first duly sworn deposes and says that:

1. He/she is the _____(title) of _____ (company name);

2. He/she is fully informed respecting the preparation and contents of the attached bid and of all pertinent circumstances respecting such bid;

3. Such bid is genuine and is not collusive or sham bid;

4. Neither the said bidder, nor any of its officers, partners, owners agents, representatives, employees or parties in interest, including this affiant, has in any way collude, conspired, connived or agreed, directly or indirectly, with any other bidder, firm or person to submit collusive or sham bid in connection with the contract for which the attached bid has been submitted or to refrain from bidding in connection with such contract, or has in any manner, directly or indirectly sought by agreement or collusion or communication or conference with any other bidder, firm or person to fix any overhead, profit, or cost element of the bid price of any other bidder to secure through collusion, conspiracy, connivance or unlawful agreement any advantage against the Beaufort County, or any person interested in the proposed contract; and

5. The price or prices quoted in the attached bid are fair and proper and are not contained by any collusion, conspiracy, connivance or unlawful agreement on the part of the bidder or any of its agents, representatives, owners, employees, or parties, in interest, including this affiant.

_____ (SEAL)

_____(TITLE)

Subscribed and sworn to before me, this the _____ day of _____, 20____.

Notary Public _____

County of _____, *NC*

My Commission expires _____ *(SEAL)*

Attachment B - Revised

Landfill Operation and Management Bid Form

Quarterly Lump Sum – General Maintenance		$ 12,000.00
Quarterly Lump Sum – Yard Waste Management		$ 18,500.00
Quarterly Lump Sum – Scrap Tire Management		$ 21,500.00
Quarterly Lump Sum – Operation of Scales		
Option #1	*Monday through Friday - 8:00 a.m. to 4:00 p.m.*	$ 19,750.00
Option #2	*Tuesday, Thursday – 8:00 a.m. to 4:00 p.m. Saturday - 8:00 a.m. to 4:00 p.m.*	$ 13,125.00
Yard Waste Overage in Excess of 4,000 Tons per Year		$ 25.00 per ton
Scrap Tire Overage in Excess of 1,000 Tons per Year		$ 85.00 per ton

Describe staffing approach (# employees, full time, part-time, etc.)

1 Full Time Scale attendant
2 Part Time employees for yard waste and tire management and coverage of scales should there be a scheduling Conflict. General Maintenance will be added to our maintenance route and will be done by a 3 person crew

Describe equipment to be used:

Bull Dozer, Excavator with thumb, Tractor with front end loader and all necessary attachments, riding lawnmowers, handheld lawn equipment. Additional equipment is available if needed for special occasions should it be needed to perform the scope of work

Proposer employs a current holder of a SWANA Manager of Landfill Operations (MOLO) certification or other nationally recognized Solid Waste industry standard within 6 months of award of contract. ☒ Yes ☐ No

Does the Proposer have any possible conflict of interest? ☐ Yes ☒ No
If so, explain the nature of potential conflict: N/A

Additional Hourly Operation of Landfill, if required	$ 105.00 per hour

I hereby certify that the information contained in this response to the request for proposals is correct and truthful to the best of my knowledge and belief.

Signature: Shuy A Buchanan Date: 4/21/2021

Title: Manager of Operations Company: Landscaping Unlimited, Inc

I, Travis J Pepple *a Notary Public in and for the County and State aforesaid, do hereby certify that personally came before me this day and acknowledged that he is of and by that authority duly given and as an act of the foregoing instrument was signed by As, attested by him/herself as Secretary, and sealed with the common seal of said corporation.*

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal this the 21ST *day of* April, *20* 21.

Notary Public Travis J Pepple

My commission expires: Aug 25th 2024 *(SEAL)*

Aug 25th 2024

Attachment C

STATEMENT OF BIDDER QUALIFICATIONS

1. Name and Address:
Landscaping Unlimited, Inc.
3200 Hwy 92 East
Washington N.C. 27889

2. Contact Person for this Project: Shay Brickhouse
Phone No: 252-945-9584
Email address: Shaybrick1@gmail.com

3. Number of years the Contractor has been engaged under the present firm name, as indicated above: 29 years as incorporated
35 years as Landscaping Unlimited (non incorporated)

4. Number of regular full-time employees 19
Number of part time employees 4

5. Company Federal ID#. 56-1972372

6. Name(s) of companies that will share significant and substantive responsibilities with the Contractor in performing the scope of services under the Contract:
N/A

Attachment D

CLIENT REFERENCE

Reference #1

Company Name	Washington Housing Authority
Contact Name	Anthony Gales
Title	Operations Manager
Phone Number	252-402-5719
Scope of Services Provided	General Maintenance of Housing Authority properties Clifton Meadows, Westbrooke, Oakcrest, Old Fort, East Haven, Eastern Village, Easton Village Annex

Reference #2

Company Name	Beaufort County Schools
Contact Name	Dr. Marvin Bradley
Title	Operations Manager
Phone Number	1-919-923-2651
Scope of Services Provided	General Maintenance of Beaufort County School grounds and property affiliated to them. 13 schools and 2 operations facilities 1 community field

Reference #3

Company Name	Cypress Landing HOA
Contact Name	Tomi Moody
Title	HOA coordinator
Phone Number	252-402-9357
Scope of Services Provided	General Maintenance of HOA property as well as landscape projects as they are needed. Maintenance is performed on 7/12 day cycles as needed during growing season and off season

Attachment E

ACKNOWLEDGEMENT OF AMENDMENTS

The following form shall be completed and included in the bid submission.

Failure to acknowledge receipt of all amendments may cause the bid to be considered non-responsive to the solicitation. Acknowledged receipt of each amendment must be clearly established and included with the bid.

The undersigned acknowledges receipt of the following amendments to the documents:

Amendment No. # 1, Dated April 13, 2021

Amendment No. # 2, Dated April 16, 2021

Amendment No. _____, Dated _____

Contractor Name: Landscaping Unlimited, Inc

Address: 3200 Hwy 92 E

Washington NC. 27889

Signature of Authorized Representative: Shay A Brickhouse

Title: Manager of Operations

Phone Number: 252-945-9584

Attachment F

ANTI-COLLUSION AFFIDAVIT

STATE OF NORTH CAROLINA
COUNTY OF BEAUFORT

Nancy Brickhouse, being first duly sworn deposes and says that:

1. He/~~she~~ is the President (title) of Landscaping Unlimited, Inc. (company name);

2. He/she is fully informed respecting the preparation and contents of the attached bid and of all pertinent circumstances respecting such bid;

3. Such bid is genuine and is not collusive or sham bid;

4. Neither the said bidder, nor any of its officers, partners, owners agents, representatives, employees or parties in interest, including this affiant, has in any way collude, conspired, connived or agreed, directly or indirectly, with any other bidder, firm or person to submit collusive or sham bid in connection with the contract for which the attached bid has been submitted or to refrain from bidding in connection with such contract, or has in any manner, directly or indirectly sought by agreement or collusion or communication or conference with any other bidder, firm or person to fix any overhead, profit, or cost element of the bid price of any other bidder to secure through collusion, conspiracy, connivance or unlawful agreement any advantage against the Beaufort County, or any person interested in the proposed contract; and

5. The price or prices quoted in the attached bid are fair and proper and are not contained by any collusion, conspiracy, connivance or unlawful agreement on the part of the bidder or any of its agents, representatives, owners, employees, or parties, in interest, including this affiant.

Nancy Brickhouse (SEAL)

President (TITLE)

Subscribed and sworn to before me, this the 21ST *day of* April, 2021.

Notary Public [signature]

County of Beaufort, *NC*

My Commission expires Aug 25th 2024 *(SEAL)*

Addendum 10

Buck Jones Lease

LEASE

THIS LEASE, dated May 1,2021, is between Weyerhaeuser Company ("Weyerhaeuser"), a Washington corporation, and Beaufort County, NC ("Lessee,").

In consideration of the premises and the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. **LEASED PREMISES.**

(a) Weyerhaeuser hereby leases to Lessee a small tract of land, as more particularly described on the attached Exhibit A, located upon Weyerhaeuser's property on Road No. 1114 ("leased premises"). Lessee hereby acknowledges that Lessee has examined the leased premises, that the leased premises are in a condition satisfactory and acceptable to Lessee, that Weyerhaeuser has made no representation to Lessee regarding the condition of the leased premises except as set forth herein, and that Lessee accepts the leased premises "as is".

(b) The leased premises shall be used by Lessee solely for the purpose of operating a solid waste convenience center, and for no other purpose. Lessee shall not allow any nuisance or illegal activity upon the premises.

2. **TERM.**

The term of this lease shall be for three years, beginning on May 1, 2021 and ending on, May 1, 2024 unless sooner terminated in the manner hereinafter provided. The parties may, by mutual agreement, extend the term for additional three year term, if the parties can agree on all the terms, including, without limitation, any increased rent.

3. **RENT.**

Lessee shall pay to Weyerhaeuser as rent for the leased premises the sum of ONE THOUSAND SEVEN HUNDRED DOLLARS ($1700.00) per year, payable in advance upon execution of this lease and on May 1 of each year thereafter during the term of this Lease.

4. **UTILITIES.**

Lessee shall be solely responsible for arranging and paying for all utility services desired by Lessee, including, if applicable, water, gas and electricity.

5. **PERSONAL PROPERTY**.

Lessee shall have the right to place or install upon and in the leased premises such personal property as Lessee may desire, provided, that Lessee shall not have, nor keep, upon the leased premises any article, material, substance, or thing of dangerous, inflammable, or explosive character which might unreasonably increase the danger of fire or explosion on the leased premises or that might be considered hazardous by any responsible insurance company. Such personal property shall remain the property of Lessee, and Lessee shall have the right to remove such personal property from the leased premises, subject to any other provision herein set forth to the contrary. Weyerhaeuser shall not be liable for any damage to or loss of such personal property except such damage or loss proximately caused by the negligence of Weyerhaeuser's direct payroll employees.

6. **MAINTENANCE AND REPAIRS**.

Lessee shall be responsible for and shall pay the cost of all major structural maintenance and major structural repair of the leased premises made necessary by reason of Lessee's negligence and for all minor maintenance and minor repair of the leased premises. Weyerhaeuser shall be responsible for and shall pay the cost of all major structural maintenance and major structural repair of the leased premises not made necessary by reason of Lessee's negligence, provided, that Weyerhaeuser shall have the option of either performing such maintenance and repair or terminating this lease upon thirty (30) days' written notice to Lessee.

7. **ALTERATIONS and ADDITIONS**.

Lessee shall not make any alterations or additions of the leased premises without the prior written consent of Weyerhaeuser. All additions so made by Lessee shall become the sole property of Weyerhaeuser upon termination of this lease.

8. **CONDITION OF LEASED PREMISES**.

Lessee shall at all times maintain the leased premises in a clean and neat condition. All solid waste delivered to the leased premises shall be properly deposited in containers or bins placed at the location by Lessee for collection of such waste.

9. **LIENS**.

Lessee shall perform such acts as may be necessary to prevent the filing of liens, arising out of Lessee's exercise of Lessee's rights hereunder, against the leased premises. If a lien is filed against the leased premises as a result of Lessee's exercise of said rights, Lessee shall immediately take such action as may be necessary to have said lien discharged and released of record.

10. **DAMAGE TO OR DESTRUCTION OF LEASED PREMISES.**

If, after Weyerhaeuser delivers possession to Lessee, the leased premises are destroyed, or are damaged so as to render the leased premises unsuitable for Lessee's use, by windstorm, fire, or other casualty not the result of Lessee's negligence, Lessee may terminate this lease upon ten (10) days' prior written notice to Weyerhaeuser, such notice to be given by Lessee within ten (10) days after such destruction or damage. Weyerhaeuser shall have the option to either restore the leased premises to a condition similar to its condition immediately prior to such destruction or damage or terminate this lease. If such destruction or damage is not the result of Lessee's negligence, the rent shall abate until the leased premises are made fit for Lessee's use hereunder.

11. **TAXES.**

Weyerhaeuser shall be responsible for and shall timely pay all ad valorem taxes assessed against the leased premises, but shall have no responsibility for any taxes assessed against Lessee's personal property on the leased premises.

12. **COMPLIANCE WITH LAWS.**

Lessee shall comply with all applicable existing and future federal, state, county and other applicable laws, including, without limitation, all applicable state or federal environmental laws, and does hereby indemnify Weyerhaeuser from and against all liability and claims of liability resulting from Lessee's failure to comply.

13. **INDEMNIFICATION; INSURANCE.**

Lessee, acknowledging that Weyerhaeuser utilizes Weyerhaeuser's land lying adjacent to the leased premises in Weyerhaeuser's business activities and that Weyerhaeuser keeps or may keep vehicles, machinery, equipment, tools, and supplies for business purposes on said adjacent land, shall take precautions to prevent the public using the leased premises from entering and trespassing upon said adjacent land and from going around or getting upon or into any of said vehicles, machinery, equipment, tools, and supplies upon said adjacent land, and Lessee does hereby assume full and sole

responsibility and liability for, and does hereby indemnify and save harmless Weyerhaeuser from and against, any and all liability and claims of liability of any and every kind and nature, including without limitation for bodily injury to and death of Lessee's spouse, children, guests and visitors resulting from or arising out of such entry and trespass upon said adjacent land by Lessee's spouse, children, guests or visitors.

(b) Lessee does hereby further indemnify and save harmless Weyerhaeuser from and against any and all liability and claims of liability of any and every kind and nature, including without limitation for bodily injury to or death of, or damage to the property of, Lessee or any other person, arising out of Lessee's exercise of Lessee's rights hereunder, excepting any such liability or claim of liability attributable to the negligence of Weyerhaeuser's direct payroll employees.

(c) Lessee shall maintain premises liability and property damage insurance with minimum limits of $500,000.00 during the term of this lease and shall furnish Weyerhaeuser with a Certificate of Insurance confirming such coverage. The said policy shall name Weyerhaeuser as an additional insured. Lessee shall require his insurance carrier to give Weyerhaeuser at least thirty (30) days written notice prior to any cancellation of said coverage, either in whole or in part.

14. **SURRENDER OF LEASED PREMISES.**

Upon expiration of the term, or upon earlier termination, Lessee shall forthwith remove Lessee's property from the leased premises and shall promptly and peaceably deliver possession of the leased premises to Weyerhaeuser in as good condition as they are now in, natural wear and tear excepted.

15. **TERMINATION.**

(a) If Lessee defaults in any provision herein contained and fails to remedy such default within ten (10) days after receiving written notice of the default from Weyerhaeuser, Weyerhaeuser shall have the right to terminate this lease upon seven (7) days' written notice to Lessee.

(b) Upon termination of this lease, Weyerhaeuser shall have the right to enter upon and take possession of the leased premises, either with or without notice, and to evict and expel Lessee and Lessee's property therefrom, without process of law and without being guilty of any manner of trespass, either at law or in equity. Any delay in the exercise by Weyerhaeuser of any of the aforesaid rights shall not be deemed a waiver of such rights.

(c) Weyerhaeuser shall have the absolute right to terminate this lease upon thirty (30) days written notice to Lessee.

16. **NOTICES.**

Written notice given by either party shall be deemed to have been given if mailed by registered or certified mail, postage prepaid, return receipt requested to the other party at the following addresses:

WEYERHAEUSER COMPANY:
NC Timberlands
1785-B Weyerhaeuser Road
Vanceboro, NC 28586
Attn: Ricky Jones

BEAUFORT COUNTY, NC
121 West 3rd St.
Washington, NC 27889
Attn: Brian Alligood
County Manager

17. **ASSIGNMENT; SUBLETTING.**

Lessee shall not assign this lease, nor sublet the leased premises, in whole or in part, without the prior written consent of Weyerhaeuser.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed on the day and year first above written.

WEYERHAEUSER COMPANY

By: _____

Title: _____

BEAUFORT COUNTY, NC

By: _____

Title: _____

. **ACKNOWLEDGMENT**

STATE OF _____

COUNTY OF _____

On this the _____ day of _____, 20____, before the undersigned Notary Public, personally appeared _____, who acknowledged _____self to be the _____ of Weyerhaeuser Company, a corporation, and that _he _____ _____, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by _____self as such _____.

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

_____

My Commission Expires: _____

ACKNOWLEDGMENT

STATE OF _____

COUNTY OF _____

On this the _____ day of _____, 20___, before the undersigned Notary Public, personally appeared _____ and _____, to me known to be the person whose names are subscribed to the within instrument, and acknowledged that they executed the same for the purposes there in contained.

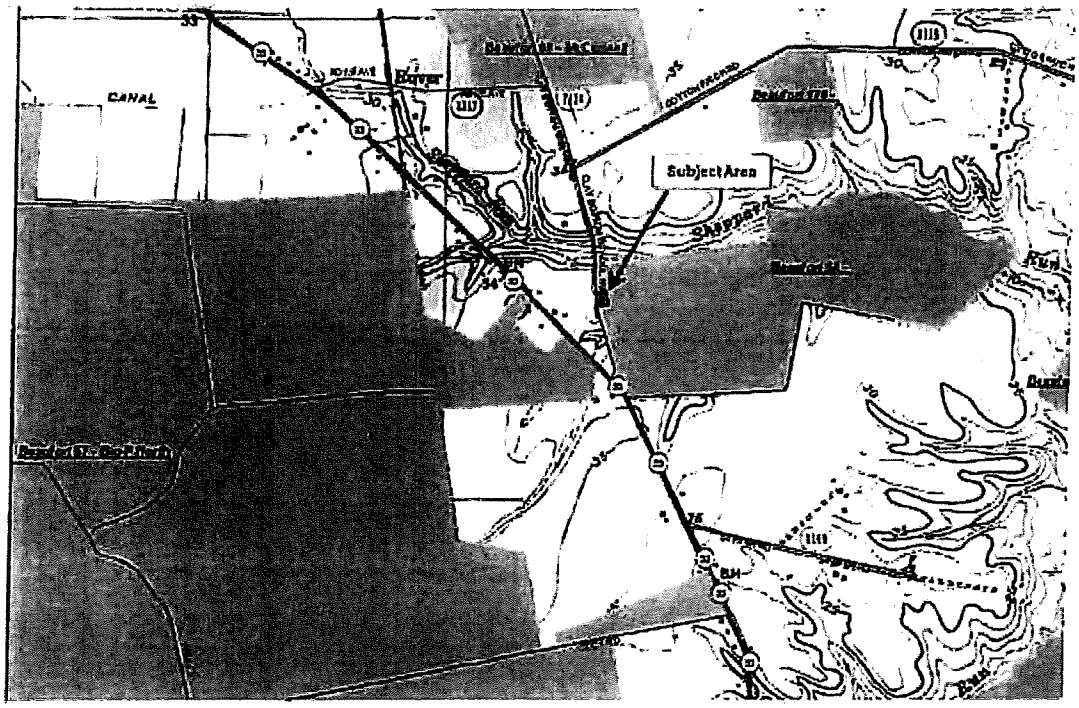
IN WITNESS WHEREOF, I hereunder set my hand and official seal.

_____

Notary Public

My Commission Expires: _____

Exhibit A
Approximately 1 acre



Addendum 11

Resolution for Land Sale Washington/Beaufort Industrial Park, Lot 1

BID/OFFER TO PURCHASE PROPERTY OF BEAUFORT COUNTY

The County of Beaufort has determined real estate as herein described now owned is not required for governmental purposes and is to be sold to the highest bidder subject to acceptance and confirmation as provided by NCGS 160A-266 & 268.

A bid should be submitted on this offer sheet. The Offeror shall deposit five percent (5%) of his bid payable to the County of Beaufort at the time of the offer submittal.

The County reserves the right to consider any offer and may at any time reject any and all offers.

Description: Tax Parcel # GPIN 5667-68-4455

Deed Book 1839, Page 0409, Beaufort County Registry

Property Address: 702 Paye Rd

Amount of Bid: $ 7,500.00 per Acre

Name of Person Submitting Bid: Henry L. Swindell

Address: 411 W Main Street Washington NC

Telephone Number: 252-717-9014

Other Contact Information: hs681vgmail.com

Signature of Offeror: H. L. Swindell

Amount Deposited (5%)

Date: 4/21/2021

Agent for Upset Bidding
ProcessInterlocal Agreement

This Agreement, made and entered into this the 3rd day of May, 2021, by and between Beaufort County ("County"), a political subdivision organized and existing pursuant to the laws of the State of North Carolina, and the City of Washington ("City"), a municipal corporation organized and existing pursuant to the laws of the State of North Carolina, jointly referenced as the "Parties".

RECITALS

It is hereby determined and declared by the parties that:

A. NC General Statute 160A-461 authorizes interlocal cooperation between unitsof local government and provides that units may enter into contracts or agreements with each other in order to execute any undertaking. The statute requires that contracts and agreements be of reasonable duration, as determined by the participating units, and that they be ratified by resolution of the governing board of each unit and referenced in its minutes.

B. The Parties jointly own property located in an industrial park commonly referred to as the Washington Beaufort County Industrial Park ("Park") located in the City of Washington along Page and Chery Run Roads.

C. Property ownership in the Park is shared as follows: 55% County and 45% City.

D. An offer has been received by the County to purchase Lot #1 (GPIN 5667-68-4455, approximately 6.21 acres) in the amount of $7,500 per acre.

E. The offer to purchase will go through the upset bidding process in order to meet the competitive sale requirement of the NC General Statutes.

F. The Parties wish to increase the efficiency and reduce the costs associated withthe upset bidding process by authorizing one party to act as the agent for the other in the process.

NOW THEREFORE, in consideration of the terms, conditions, and covenants expressedherein, the parties agree as follows:

1. The County will act as the agent for the City in the upset bidding process for the sale of Lot #1 in the Park.

2. The County will be solely responsible for following the requirements of the NC General Statutes regarding the competitive sale of Lot #1.

3. Costs associated with advertising during the upset bid process will be shared equally by the Parties and deducted from the final amount received.

4. After deducting advertising costs from the final amount received, the remaining amount will be shared as follows: 55% County and 45% City.

5. This interlocal agreement is only for this described sale and will terminate upon final distribution of the shared revenue.

6. This Agreement may be modified only by the prior written approval ofboth Parties.

7. Each Party agrees to indemnify and hold harmless the other party for any claims of damage, loss, injury, or any other legal, judicial, or administrative claims arising out of or resulting from this Agreement.

8. If any provisions of this Agreement are held, for any reason, to be unconstitutional, unenforceable, invalid, or illegal in any respect, such decision shall not affect or impair any of the remaining provisions of this Agreement, and the Parties shall, to the extent they deem to be necessary and appropriate, take such actions as are necessary to correctany such provisions.

9. This instrument contains the entire agreement between the Parties, and cancels and supersedes all prior negotiations, representations, understandings, or agreements, either written or oral, between the Parties with respect to the subject matter hereof.

10. This Agreement is governed by and construed in accordance with the laws of the State of North Carolina.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first written above.

CITY OF WASHINGTON	**COUNTY OF BEAUFORT**
Jonathan Russell, Manager	Brian Alligood, Manager
ATTEST:	ATTEST:
Cynthia Bennet, City Clerk	Kathleen Mosher, County Clerk

Resolution No. _____

Authorizing Interlocal Agreement with the City of Washington Allowing the County to Serve as the Agent for Both Units on the Upset Bidding Process for Lot #1 in the Washington Beaufort County Industrial Park

WHEREAS, NC General Statute 160A-461 authorizes interlocal cooperation between units of local government and provides that units may enter into contracts or agreements with each other in order to execute any undertaking, and;

WHEREAS, the County and the City of Washington ("City") jointly own property in an industrial park commonly referred to as the Washington Beaufort County Industrial Park ("Park"), and;

WHEREAS, the County has received an offer to purchase property in the Park that will go through the statutory upset bid process, and;

WHEREAS, the County and the City wish to enter into an interlocal agreement to allow the County to act as the agent for both units during the upset bid process in order to increase efficiency and decrease costs.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioner, in a regular meeting on May 3, 2021, authorizes entering into an interlocal agreement with the City of Washington to allow the County to act as the agent for both units during the upset bid process andapproves the attached Interlocal Agreement regarding the sale.

ADOPTED, this the 3rd day of May 2021.

_____
Frankie Waters, Chairman
Beaufort County Board of Commissioners

(SEAL)

ATTEST:

_____
Kathleen Mosher, Beaufort County Clerk

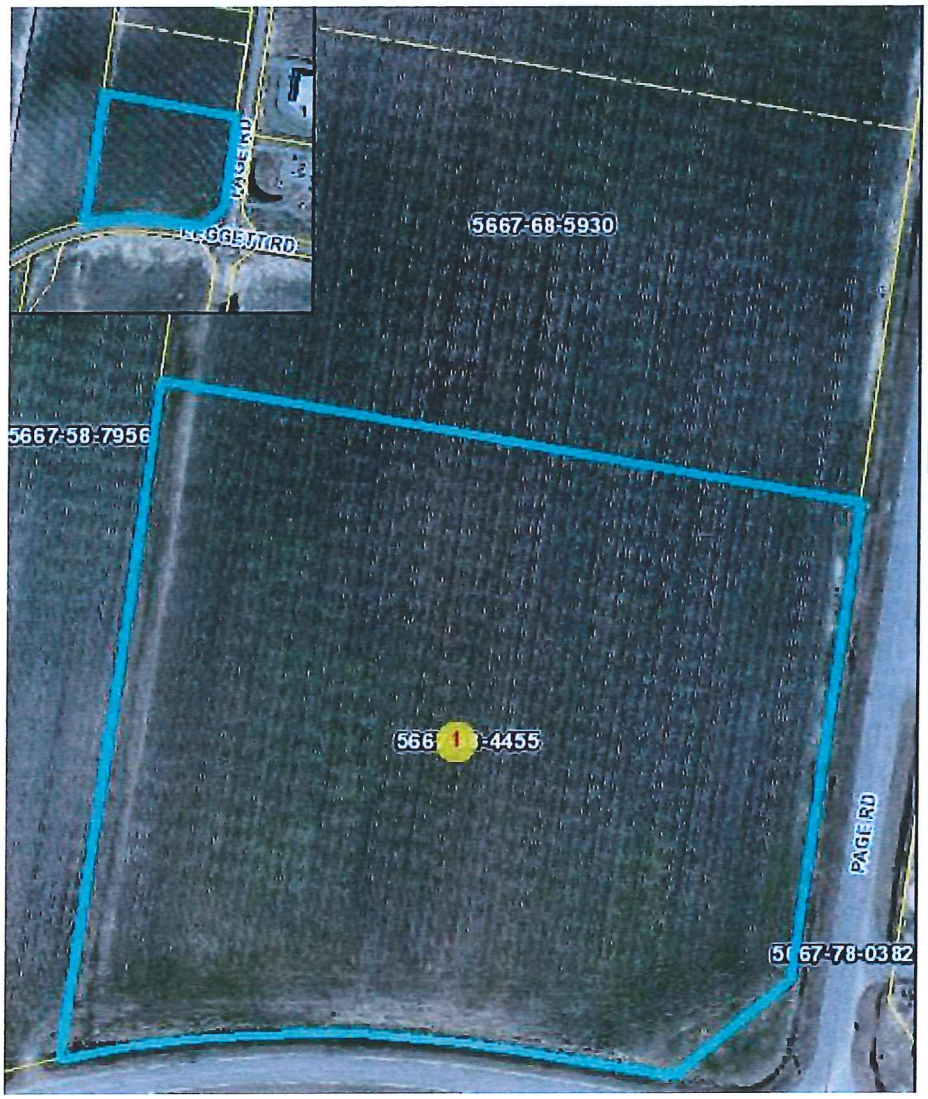
702 Page Road, Washington NC 27889

OBJECTID	GPIN	GPIN Long
4469[illegible]	5567-68-4455	5567-68-4455
OWNER NAME	**OWNER NAME2**	**MAILING ADDRESS**
BEAUFORT CO WASHINGTON CITY OF		121 WEST THIRD STREET
	MAILING ADDRESS 2	**CITY**
		WASHINGTON
STATE	**ZIP**	**PROP DESC**
NC	27889	6.21 AC LT 1 BEAUFORT CO IND PK
LAND VAL	**BLDG VAL**	**TOT VAL**
139725	0	139725
DEFR VAL	**TAXABLE VA**	**PREV ASSESS**
0	0	
ACRES	**PROPERTY ADDRESS**	**TOWNSHIP**
6.21	702 PAGE RD	01
MBL	**DATE**	**DEED BOOK and PAGE**
	2/14/2014	1639/00091
STAMPS	**SALE PRICE**	**NBR BLDG**
	0.00	0
NBHD CDE	**NBHD DESC**	**LAND USE**
BCIP	BEAUFORT COUNTY IND. PARK	
EXEMPT AMT	**ROAD TYPE**	**YR BUILT**
139725.00	PAVED	
SQ FT	**SUB CDE**	**SUB DESC**
NBR BED	**NBR BATHS**	**EFF YR**
PIN	**REID**	
	45568	

Washington-Beaufort County Industrial Park Vacant Parcels

#	Parcel Long GPIN	Acres
1	5667-68-4455	6.21
2	5667-79-2313	5.74
3	5667-79-5637	5.29
4	5668-70-1037	6.00
5	5668-70-7228	6.53
6	5668-70-6740	5.09
7	5668-70-1767	6.44
8	5668-71-1201	6.96
9	5668-71-5402	6.11
10	5668-71-8625	4.73
11	5668-80-2737	4.54
12	5668-81-0048	4.99
	TOTAL	**69.63**

702 Page Road, Washington NC 27889



Parcels

GPIN

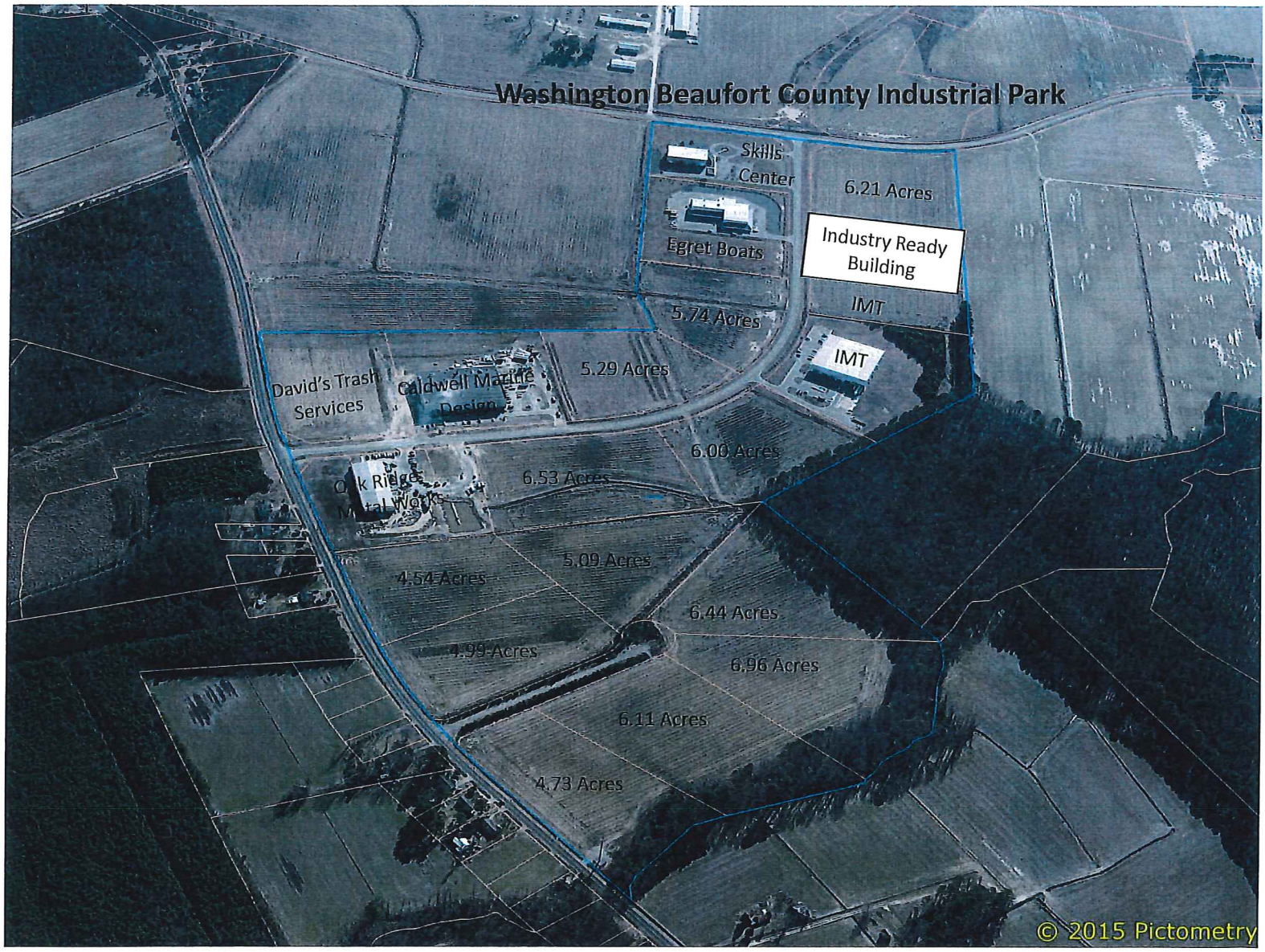
Property Land Owners

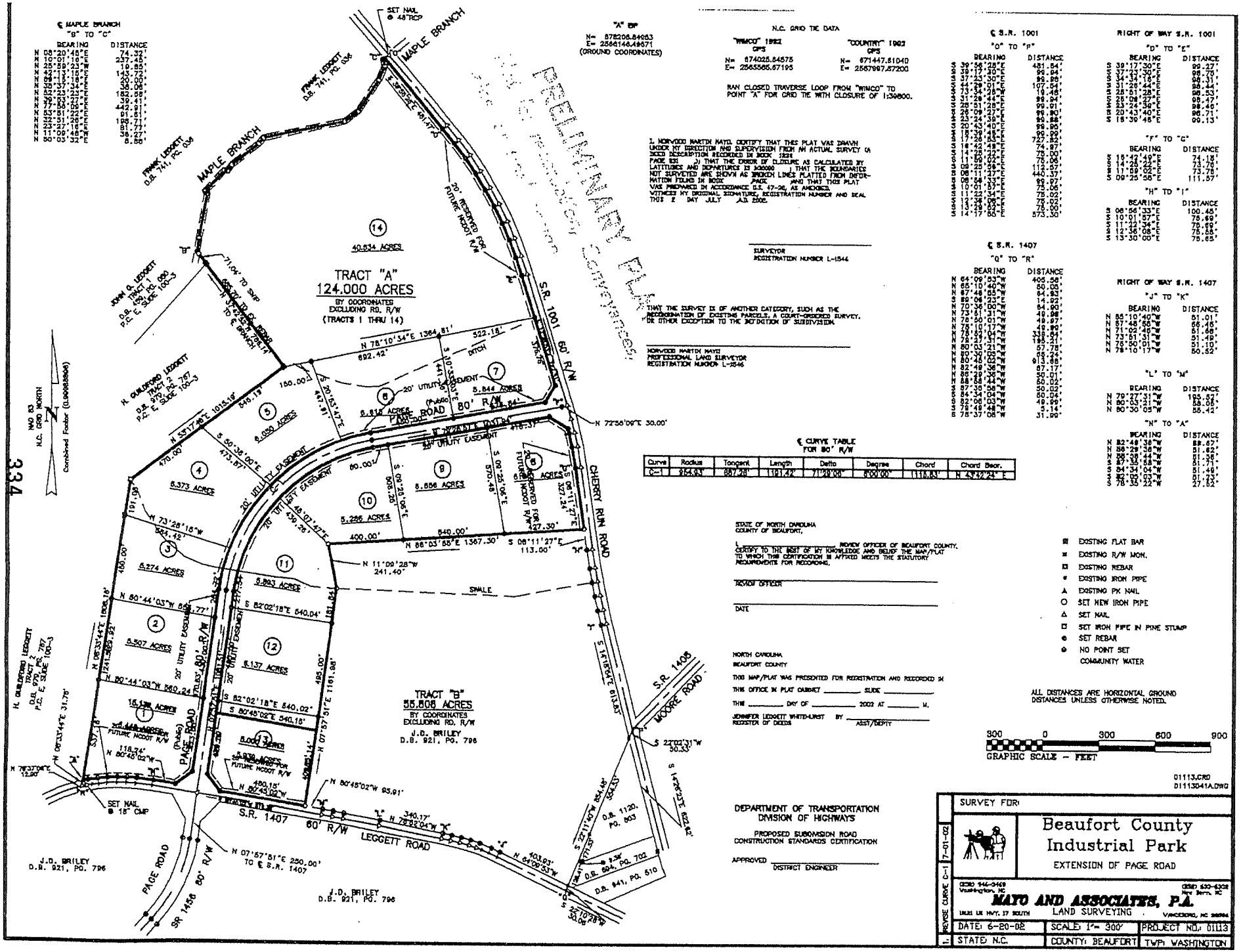
Interior Tract Lines

Centerlines

County Line

County Line (Solid)


Washington Beaufort County Industrial Park
Skills Center
6.21 Acres
Egret Boats
Industry Ready Building
IMT
5.74 Acres
IMT
David's Trash Services
Caldwell Marine Design
5.29 Acres
6.00 Acres
Oak Ridge Metal Works
6.53 Acres
5.09 Acres
4.54 Acres
6.44 Acres
4.99 Acres
6.96 Acres
6.11 Acres
4.73 Acres
© 2015 Pictometry



℄ MAPLE BRANCH "B" TO "C"

BEARING	DISTANCE
N 08°20'45"E	74.32'
N 10°01'16"E	237.45'
N 28°59'23"W	19.85'
N 42°13'16"E	143.73'
N 64°16'16"E	20.00'
N 39°37'34"E	36.06'
N 52°23'27"E	182.58'
N 36°03'27"E	39.41'
N 77°56'09"E	442.91'
N 53°51'22"E	91.61'
N 32°51'26"E	196.71'
N 23°27'16"E	81.77'
N 11°09'48"E	36.27'
N 50°03'32"E	8.86'

℄ S.R. 1001 "O" TO "P"

BEARING	DISTANCE
S 39°56'28"E	481.84'
S 39°17'30"E	99.84'
S 37°23'30"E	99.88'
S 34°44'16"E	99.31'
S 31°29'44"E	107.54'
S 28°51'28"E	99.98'
S 31°29'44"E	99.94'
S 28°51'28"E	99.91'
S 26°09'12"E	99.80'
S 23°26'56"E	99.86'
S 20°43'40"E	99.86'
S 18°39'48"E	99.99'
S 17°24'55"E	727.82'
S 16°42'48"E	74.97'
S 14°25'22"E	73.00'
S 11°59'02"E	73.06'
S 09°25'56"E	112.57'
S 08°11'27"E	440.83'
S 06°54'33"E	99.97'
S 10°01'57"E	73.06'
S 11°22'54"E	73.02'
S 12°38'08"E	73.02'
S 13°29'42"E	73.00'
S 14°17'55"E	573.30'

RIGHT OF WAY S.R. 1001 "D" TO "E"

BEARING	DISTANCE
S 39°17'30"E	99.27'
S 37°23'30"E	99.70'
S 34°44'16"E	99.31'
S 31°29'44"E	99.44'
S 28°51'28"E	99.53'
S 26°09'12"E	99.47'
S 23°26'56"E	99.46'
S 20°43'40"E	99.71'
S 18°39'48"E	99.13'

"F" TO "G"

BEARING	DISTANCE
S 15°49'49"E	74.18'
S 14°25'22"E	73.72'
S 11°59'02"E	73.76'
S 09°25'56"E	111.57'

"H" TO "I"

BEARING	DISTANCE
S 08°56'33"E	100.45'
S 10°01'57"E	75.69'
S 11°22'54"E	73.69'
S 12°38'08"E	73.65'
S 13°30'00"E	73.65'

℄ S.R. 1407 "Q" TO "R"

BEARING	DISTANCE
N 64°09'53"W	405.56'
N 65°10'40"W	80.05'
N 67°48'55"W	84.83'
N 69°06'23"W	14.92'
N 70°36'00"W	84.90'
N 73°41'11"W	49.98'
N 76°50'01"W	49.97'
N 78°10'17"W	49.90'
N 78°59'04"W	338.64'
N 78°21'31"W	198.31'
N 80°03'21"W	67.78'
N 80°30'05"W	69.24'
N 80°48'02"W	913.86'
N 82°48'38"W	50.01'
N 86°29'36"W	50.01'
N 84°54'04"W	50.02'
N 87°35'08"W	50.02'
N 84°34'04"W	50.04'
N 82°06'03"W	49.99'
N 78°48'48"W	5.14'
N 78°37'08"W	31.99'

RIGHT OF WAY S.R. 1407 "J" TO "K"

BEARING	DISTANCE
N 85°10'40"W	51.01'
N 87°48'55"W	84.83'
N 89°06'23"W	51.69'
N 73°51'31"W	51.49'
N 76°50'01"W	51.10'
N 78°10'17"W	50.82'

"L" TO "M"

BEARING	DISTANCE
N 79°27'51"W	102.82'
N 80°55'21"W	56.55'
N 80°30'05"W	56.42'

"N" TO "A"

BEARING	DISTANCE
N 82°48'38"W	58.67'
N 86°29'36"W	51.62'
N 84°54'04"W	51.56'
N 87°35'08"W	51.71'
N 84°34'04"W	51.49'
N 82°06'03"W	51.46'
N 78°48'48"W	27.62'

℄ CURVE TABLE FOR 80' R/W

Curve	Radius	Tangent	Length	Delta	Degree	Chord	Chord Bear.
C-1	954.93'	887.28'	1781.42'	71°29'00"	6°00'00"	1116.83'	N 43°12'23" E

I, MORWOOD MARTIN MAYO, CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY (A) DEED DESCRIPTION RECORDED IN BOOK 1824 PAGE 831 (B) THAT THE ERROR OF CLOSURE AS CALCULATED BY LATITUDES AND DEPARTURES IS X30000 (C) THAT THE BOUNDARIES NOT SURVEYED ARE SHOWN AS BROKEN LINES PLATTED FROM INFORMATION FOUND IN BOOK ____ PAGE ____ AND THAT THIS PLAT WAS PREPARED IN ACCORDANCE G.S. 47-30, AS AMENDED. WITNESS MY ORIGINAL SIGNATURE, REGISTRATION NUMBER AND SEAL THIS 2 DAY JULY A.D. 2002.

THAT THE SURVEY IS OF ANOTHER CATEGORY, SUCH AS THE RECOMBINATION OF EXISTING PARCELS, A COURT-ORDERED SURVEY, OR OTHER EXCEPTION TO THE DEFINITION OF SUBDIVISION.

334

Addendum 12

Resolution to Transfer Property to Belhaven

Resolution to Option Real Property to the Town of Belhaven for Two Years

Whereas, Beaufort County is the owner of certain tracts of land, generally known as the "Cooperage Tract" and which are located at the intersection of Highway 99 and old US 264 on Main Street, in Belhaven, North Carolina; and

Whereas, the Town of Belhaven has requested these tracts be transferred to the Town of Belhaven so it may seek grant funds for improvements to the said property; and

Whereas, the County wishes to support development of the Belhaven area and this particular property which has been described as the "gateway to Belhaven"; and

Whereas, the Town of Belhaven requires "site control" of the properties in order to seek grant funding opportunities.

Now, Therefore, Be it Resolved that Beaufort County will, pursuant to NCGS 160A-274, option the "Cooperage Tracts" consisting of REIDs 5497, 29439, 28999 and 17461 to the Town of Belhaven for a term of two years so that it can establish "site control" for grant funding opportunities.

Let a copy of this resolution be recorded in the Office of the Register of Deeds, Beaufort County, North Carolina.

Adopted this the 3rd day of May, 2021

_____
Frankie Waters, Chairman
Beaufort County Board of Commissioner

_____
Kathleen Mosher
Beaufort County Clerk to the Board

Addendum 13

Juvenile Crime Prevention FY 21-22
Local Match

Beaufort County

NC DPS - Community Programs - County Funding Plan

Available Funds: $ $185,624 Local Match: $ $19,830 Rate: 10%

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

#	Program Provider	DPS-JCPC Funding	LOCAL FUNDING			OTHER	OTHER	Total	% Non DPS-JCPC Program Revenues
			County Cash Match	Local Cash Match	Local In-Kind	State/ Federal	Funds		
1	4-H Character Education Program	$3,364	$336					$3,700	9%
2	Becoming a Man	$12,350	$1,235					$13,585	9%
3	Mediation Center of Eastern Carolina	$17,421	$1,742		$1,268			$20,431	15%
4	Helping Youth Pursue Excellence (H.Y.P.E.)	$21,500	$2,150					$23,650	9%
5	Cornerstone Families Understanding Nurturing (FUN)	$27,000	$2,700					$29,700	9%
6	Pamlico Pals	$31,545	$3,155					$34,700	9%
7	Horizon	$66,000	$6,600					$72,600	9%
8	JCPC Administration	$6,444	$644					$7,088	9%
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
	TOTALS:	$185,624	$18,562		$1,268			$205,454	10%

The above plan was derived through a planning process by the Beaufort County Juvenile Crime Prevention Council and represents the County's Plan for use of these funds in FY 21-22.

Amount of Unallocated Funds _____

Amount of funds reverted back to DPS _____

Discretionary Funds added _____

Chairperson, Juvenile Crime Prevention Council (Date)

check type ☐ Initial plan ☐ update ☐ final

—DPS Use Only—

Reviewed by _____ Area Consultant Date

Reviewed by _____ Program Assistant Date

Verified by _____ Designated State Office Staff Date

Chairperson, Board of County Commissioners or County Finance Officer (Date)

ver 03/04/2016

Addendum 14

Renewal of Lease for Property Used by Hospital

LEASE AGREEMENT

BETWEEN

Landlord

AND

Tenant

THIS LEASE AGREEMENT (hereinafter referred to as "Lease") is entered into by and between the COUNTY OF BEAUFORT, a political subdivision of the State of North Carolina (hereinafter referred to as "Landlord") and EAST CAROLINA HEALTH–BEAUFORT, INC. ("Tenant"), a North Carolina nonprofit corporation, this the 1st day of September, 2011.

WITNESSETH

In consideration of the rents hereinafter agreed to be paid and in consideration of the mutual covenants and agreements hereinafter recited, Landlord does hereby lease and demise unto Tenant and Tenant does hereby lease and take as tenant from Landlord, the right to the exclusive use of a portion of space consisting of 6,663 square feet of space located at 1308 Highland Drive, Washington, NC and commonly referred to as the Tideland Mental Health building (the "Building"). A sketch of the leased space within the Building is shown on Exhibit A attached hereto and is called the "Premises."

TO HAVE AND TO HOLD the said Premises unto Tenant upon the following terms and conditions:

1. TERM. The term of this Lease shall begin on the 1st day of September, 2011, and shall end at 12:00 midnight on the 31st day of August, 2021 (the "Initial Term"). The term of this Lease shall automatically renew at the expiration of the Initial Term for an additional period of five (5) years (the "Renewal Term") on the same terms and conditions unless terminated by Tenant or Landlord by the giving of ninety (90) days prior written notice of termination to the other party. (The Initial Term and the Renewal Term, as applicable shall be referred to herein collectively as the "Term")

2. RENT.

   a. For the first five (5) years of the Initial Term, the Tenant shall pay to Landlord the sum of Fifty Eight Thousand Eight Hundred Thirty Four and 29/100 Dollars ($58,834.29) per year payable in monthly installments of Four Thousand Nine Hundred Two and 86/100 Dollars ($4,902.86), each due on the first day of the month, in advance, during the term of this Lease, and payment for the first month of the Lease shall be made upon the date the Landlord shall have made the Premises available for possession by Tenant. Rent for any partial month shall be paid in advance at a rate prorated to the number of days of possession.

   b. Upon the five (5) year anniversary of the Initial Term, the rent shall be adjusted and Tenant shall pay to Landlord the sum of Fifty Eight Thousand Eight Hundred Thirty Four and 29/100 Dollars ($58,834.29) plus an additional amount equal to

the CPI Adjustment Amount (as defined below) per year payable in monthly installments (the "Revised Base Rent Amount").

c. For the Renewal Term, Tenant shall pay to Landlord the sum of Revised Base Rent Amount plus an additional amount equal to the CPI Adjustment Amount.

d. The "CPI Adjustment Amount" means an additional amount of rent equal to the rent during the immediately preceding prior year of the Term multiplied by the percentage increase or decrease in the Consumer Price Index in that same year of the Term. The term "Consumer Price Index" as used herein shall be the index number in the above-stated month in the column "All Items" in the table entitled "Consumer Price Index – All Urban Consumers – U.S. City Average 1982-84=100" as published in the Monthly Labor Review by the Bureau of Labor Statistics of the U.S. Department of Labor.

e. Any payment of rent that is not received, in full, within five (5) days after it is due will incur a late charge equal to 5% of the total rent due and owing from Tenant to Landlord on such date. In addition, if any rent or other sum due Landlord in accordance with any provision of this Lease shall not be paid within five (5) days after the date when due, the same shall, unless Landlord shall waive the same, bear interest at the rate of eighteen percent (18%) per year (or, if less, the highest rate allowed by law) from such due date until such sum and all such interest accrued thereon shall have been paid. Interest accrued as aforesaid shall be deemed to be additional rent hereunder due on demand and failure to pay the same shall constitute an Event of Default (hereafter defined). All rent and any other sums due Landlord in accordance with any provision of this Lease shall be paid without notice or demand and without set-off or deduction of any kind, except as otherwise expressly provided in this Lease.

f. The parties acknowledge and agree that the rent set forth in this Lease represents fair market value for the space leased under this Lease. Further, the parties acknowledge and agree that the space leased is reasonable and is necessary for legitimate business purposes. This Lease has been negotiated in an arms length transaction, has not been determined in a manner which takes into account the volume or value of referrals or business that may otherwise be generated between the parties, and the items and services to be provided as set forth herein reflect the commercially reasonable needs of the parties. Further, the parties represent and agree that this Lease does not violate anti-kickback or any state or federal law governing billing or claim submission and does not involve the counseling or promotion of a business arrangement or other activity that violates the law.

3. DELIVERY OF POSSESSION. Landlord will deliver possession of the Premises to Tenant at the commencement of the Term, provided however, if Landlord for any reason whatsoever cannot deliver possession of the Premises to Tenant at the commencement date of the Term as above specified, this Lease shall not be void or voidable; nor shall Landlord be liable to Tenant for any loss or damage resulting therefrom; but in that event, there shall be a proportionate reduction of all rent for the period between the said specified date for commencement of the Term and the date when the Landlord does in fact deliver possession to Tenant. No such failure to give possession on the date of commencement of the Term shall be construed in any way to extend the Term of this Lease. The other provisions of this paragraph to the contrary notwithstanding, it is

provided that if for any reason beyond the control of Landlord the possession of the Premises is not delivered to Tenant within thirty (30) days of the beginning of the Term as specified in Paragraph 1 hereof, then this Lease may be terminated by Tenant and shall be deemed to be terminated upon the receipt by Landlord of written notice from the Tenant to such effect and thereupon neither party hereto shall have any further liability to each other.

4. DEFAULT. The occurrence of one or more of the following events shall constitute a default:

a. Tenant defaults in the due and timely payment of rent and such default continues for 5 days after notice from the Landlord, however, Tenant will not be entitled to more than two (2) notices for monetary defaults during any twelve (12) month period, and if after such two (2) notices any rent is not paid when due, an event of default will be considered to have occurred without further notice.

b. Tenant vacates or abandons premises.

c. Tenant files a petition in bankruptcy or insolvency or a petition for dissolution of Tenant is instituted against Tenant, or a receiver or trustee is appointed for all or substantially all of the property of Tenant, and such proceedings are not dismissed or such receivership or trusteeship vacated within 60 days after such institution or appointment.

d. Tenant fails to take possession of the Premises within 60 days of the date upon which Landlord delivers possession of the Premises to Tenant.

e. Failure to perform any other provision of this Lease if the failure to perform is not cured within thirty (30) days after written notice thereof has been given to the defaulting party by the other party.

5. END OF TERM, HOLDING OVER. Upon expiration of the Term or the sooner termination of this Lease, Tenant shall quit and surrender to Landlord the Premises, in good order and in a condition substantially similar to the condition of the Premises that existed on the commencement date of this Lease, ordinary wear and tear and casualty excepted, and Tenant shall remove from the Premises all of its property. To the extent any Tenant property has become a fixture, Tenant shall either not remove such property or shall pay the cost of removal, including any costs necessary to restore the Premises to a condition substantially similar to the condition of the Premises that existed on the commencement date. If Tenant shall hold over after the expiration of the Term or earlier termination of this Lease, by such holding over Tenant shall be deemed to be a tenant at will and to have agreed to be bound by all of the terms and conditions of this Lease except those as to the term thereof. Rent due and payable to Landlord from Tenant during any such period of holding over shall be increased to an amount equal to 120% of the amount of Rent set forth in this Lease for the period immediately prior to such expiration or termination. At the end of the Term or expiration of the term of Tenant holding over, or upon sooner termination hereof, Tenant will voluntarily vacate the Premises or upon failure to do so, Landlord at its election, may take all necessary action to remove the Tenant from the Premises. In no event shall the holdover tenancy at will last longer than six (6) months.

6. LANDLORDS REMEDIES UPON DEFAULT BY TENANT. Landlord shall have the following remedies upon a default. These remedies are not exclusive, and they are cumulative and in addition to any remedies now or later allowed by law.

a. Landlord shall have the right to continue this Lease in full force and effect, and the right to enter the Premises without notice to vacate (any right to which is hereby waived by Tenant) and relet them, changing any or all locks on the Premises all without being liable for forcible entry, trespass, or other tort. Tenant shall be liable immediately to Landlord for all costs (including attorney's fees), and any late fees and interest Landlord shall incur in reletting the Premises and Tenant shall pay to Landlord the rent and all costs (including attorney's fees), and any late fees and interest due under this Lease on the date that the same is due, less the rent Landlord receives from any reletting.

b. Landlord shall have the right to terminate this Lease without notice to vacate (any right to which is hereby waived by Tenant) and Tenant's right to possession of the Premises at any time, and re-enter the Premises and Landlord shall have the right to pursue its remedies at law or in equity to recover of Tenant all amounts of rent then due or thereafter accruing and such other damages as are caused by Tenants default.

No course of dealing between Landlord and Tenant or any delay on the part of Landlord in exercising any rights it may have under this Lease shall operate as a waiver of any of the rights of Landlord hereunder nor shall any waiver of a prior default operate as a waiver of any subsequent default or defaults and no express waiver shall affect any condition, covenant, rule or regulation other than the one specified in such waiver and that one only for the time and in the manner specifically stated.

7. USE OF PREMISES, SIGNS. Tenant shall use the Premises for hospital, clinic, or other health care services purposes or administrative services related to the same and no other purpose without Landlord's prior written consent, such consent to be granted or denied in Landlord's sole and exclusive discretion. Tenant shall not use the Premises or any portion thereof for any illegal or unlawful purpose and will not cause or permit a nuisance to be created or maintained therein. Tenant shall have the right to erect, affix or display on the exterior or interior walls, or doors and windows of the building, such sign or signs advertising the profession of its physicians, and the presence and location of its offices, at such places as Landlord and Tenant shall mutually agree, subject to all regulations and ordinances with respect thereto.

8. DANGEROUS MATERIALS; ENVIROMENTAL WARRANTY. Tenant shall not keep or have on the leased Premises any article or thing of a dangerous, flammable, or explosive character that might unreasonably increase the danger of fire on the leased Premises or that might be considered to create a hazard. Tenant agrees, represents, and warrants that it will not cause or permit any hazardous materials, (defined below), to be brought upon, kept or used in or about the Premises. All bio-hazardous materials will be properly disposed of in accordance with law. Hazardous materials means any materials controlled, regulated, or prohibited under the Resource, Conservation and Recovery Act, 42 USC 6901 ET. SEQ.; the Comprehensive Environmental Response Compensation and Liability Act, 42 USC 9601 ET. SEQ.; Hazardous Materials Transportation Act, 49 USC 801 ET. SEQ.; Federal Water Pollution Control Act, 33 USC 1321 ET. SEQ.; the Toxic Substances Control Act, 15 USC 2601 ET. SEQ., and the Occupational Safety and Health

Act, 29 USC 651 ET. SEQ. Tenant will indemnify, defend, and hold harmless Landlord from any and all claims, judgments, damages, fines, penalties, liabilities, costs including reasonable attorney fees, or losses that result from the presence of any such hazardous materials on the Premises.

9. ASSIGNMENT AND SUBLETTING. Tenant shall not assign this Lease, or sublet the Premises or any part thereof, or license to a third party an interest in the Lease or the Premises or any part thereof.

10. UTILITIES, ELECTRICITY, JANITORIAL, ETC. Landlord shall be responsible for all electric power, gas (natural or LP), water, sewer, and other utilities at the Premises. Landlord shall be responsible for all janitorial services and supplies provided to the Premises. Landlord shall be responsible for the cost of trash pick-up and removal, and fire alarm monitoring if the Premises is so equipped. Landlord shall be responsible for all common area maintenance, including parking lot and green areas maintenance, and including but not limited to grass mowing, shrubbery grooming, debris removal, snow removal, parking lot stripping and patching as necessary.

11. ALTERATIONS BY TENANT. Tenant shall make no alterations, additions or improvements to the Premises without the prior written consent of Landlord. All alterations, additions or improvement made by, for, or at the direction of Tenant shall, when made become the property of Landlord and shall remain upon and be surrendered with the Premises as a part thereof at the expiration or earlier termination of this Lease. Upon the expiration or any earlier termination of this Lease, Tenant shall promptly reimburse Landlord for any expense or cost incurred by Landlord restoring the Premises to the condition in which the Premises were at the time Tenant shall have occupied the same, ordinary wear and tear excepted, fire or other casualty not caused by Tenant, additions and improvements to the Premises consented to in writing by Landlord excepted. Tenant shall promptly pay and discharge any and all licenses, taxes, liens or other charges arising out of or in connection with the performance of any act required of or permitted Tenant hereunder and shall keep the Premises free and clear from any and all such liens or charges.

12. PROPERTY OF TENANT. All property placed on the Premises by, at the direction of, or with the consent of Landlord, its employees, agents, licensees or invitees, shall be at the risk of the Tenant or the owner thereof and Landlord shall not be liable for any loss or damage to said property resulting from any cause whatsoever unless such loss or damage is the result of Landlords proven acts of negligence.

13. TAXES. Landlord shall pay all ad valorem real estate taxes, if any, as they become due, and Tenant shall pay taxes assessed against its personalty in the Building or Premises.

14. REPAIRS AND MAINTENANCE. Landlord shall be responsible for the replacement of filters on the heating and air conditioning equipment. Landlord shall maintain and perform routine and regular maintenance on the heating and air conditioning equipment through out the term of this Lease, including but not limited to belts, refrigerant, compressor, and any and all parts and the entire unit if and when required. Further, Landlord shall make as and when necessary, all repairs, whether interior or exterior to the electrical, plumbing, and other mechanical installations in or on the Premises, the roof, supporting walls, foundation, and to all plate glass doors and windows.

15. LANDLORDS RIGHT OF ENTRY. Landlord shall have the right to enter and to grant licenses to enter the Premises at any time and for such lengths of time as Landlord shall deem reasonable (a) to inspect the Premises, (b) for any purpose which Landlord shall deem necessary for the operation and maintenance of the Building and the general welfare and comfort of its tenants, or (c) to abate any condition of this Lease which constitutes a violation of any covenant or condition of this Lease. No such entry shall of itself without affirmative proof of negligence on the part of Landlord render Landlord liable for any loss or damage to the property of Tenant.

16. INDEMNIFICATION OF LANDLORD. Tenant will neither hold nor attempt to hold Landlord or its tenants, licensees, invitees, agents, servants and employees liable for, and Tenant agrees to and will indemnify, hold harmless, and defend Landlord, and the tenants, licensees, invitees, agents, servants and employees of Landlord against and from any and all demands, claims, causes of action, fines, penalties, damages, liabilities, judgments, and expenses (including without limitation attorneys fees), by or on behalf of any person, firm or corporation incurred in connection with or arising from: (1) injury to person or property occurring on the Premises or in the Building occasioned in whole or in part by any act, omission or negligence on the part of Tenant or any employee, agent, assignee or subtenant of Tenant, or (2) the use or occupancy or manner of use or occupancy of the Premises by Tenant or any person claiming under Tenant whether such use is a lawful or an unlawful use of the Premises, or (3) any breach, violation or non-performance of any covenant in this Lease on the part of Tenant to be observed or performed, or (4) any activity, work, or thing done, permitted, or suffered by Tenant in or about the Premises, or (5) any matter or thing growing out of the occupancy or use of the Premises by Tenant or anyone holding under Tenant, or (6) any act, omissions, or negligence of Tenant or any person claiming under Tenant or the contractors, agents, employees, invitees, or visitors of Tenant, or (7) any breach, violation, or nonperformance by Tenant or any person claiming under Tenant or the employees, agents, contractors, invitees, or visitors of Tenant of any term, covenant, or provision of this Lease or any law, ordinance, or governmental requirement of any kind, and (8) any injury or damage to the person, property, or business of Tenant or its employees, agents, contractors, invitees, visitors, or any other person entering upon the premises under the express or implied invitation of Tenant. Tenant agrees to pay Landlord promptly for all damage to the Building or the Premises and for all damage to tenants or occupants of the Building caused by Tenants misuse or neglect of the Building or Premises or its or their apparatus and appurtenances and Tenant agrees in any event to reimburse and compensate Landlord as an additional rent within five (5) days of rendition of any statement to Tenant by Landlord for expenditures made by Landlord for repairs, damages, fines, costs (including attorney's fees) sustained or incurred by Landlord due to nonperformance or noncompliance with or breach or failure to observe any term, covenant, or condition of the Lease upon Tenants part to be kept, observed, performed or complied with.

17. ANIMALS. Tenant shall keep no domestic or other animal on or about the leased premises.

18. INSURANCE AND INSURANCE RATES. Throughout the term of this Lease, Tenant shall carry fire and extended coverage insuring its interest in the personal property in the Building and Premises, including but limited to its interest in its office furniture, equipment, supplies and other property. Landlord shall throughout the term of this Lease carry fire and extended coverage insurance insuring its interest in the Building and

Premises by insurance companies in such amounts as will adequately insure its interest for the full replacement costs value of the Building and Premises. Tenant shall carry public liability insurance with limits of One Million Dollars ($1,000,000.00) per occurrence and Three Million Dollars ($3,000,000.00) aggregate, insuring against all liability of Tenant and its authorized representatives arising out of and in connection with Tenants use or occupancy of the Premises, which will show the Landlord as an additional insured. Tenant hereby waives any claim of right of action which it may have against Landlord for any loss or damage covered by such insurance. Tenant shall carry Workers Compensation insurance insuring against and satisfying Lessee's obligations and liabilities under the workers compensation laws of the state. Tenant will provide to Landlord prior to taking possession of the Premises certificates of insurance evidencing all required coverage under this Lease is properly in force as required by this Lease. Tenant shall not do or cause to be done or permit on the Premises or in the Building anything deemed extrahazardous on account of fire and Tenant shall not use the Premises or the Building in any manner which will cause an increase in the premium rate for any insurance in effect on the building or a part thereof. If, because of anything done, caused to be done, permitted or omitted by Tenant its agents, servants or employees the premium rate for any kind of insurance in effect on the Building or any part thereof shall be raised, Tenant shall pay Landlord on demand, the amount of any such increase in premium which Landlord shall pay for such insurance and if Landlord shall demand that Tenant remedy the condition which caused any such increase in an insurance premium rate, Tenant shall remedy such condition within five days after receipt of such demand.

19. FIRE OR OTHER CASUALTY. In case of damage by fire or other casualty to the Building, if the damage is so extensive as to amount practically to the total destruction of the Building or to otherwise render the Building untenantable by Tenant, this Lease shall cease, and the rent shall be apportioned pro-rata on a calendar year basis to the time of the damage. In all other cases where the Building is damaged by fire or other casualty, Landlord shall repair the damage with reasonable dispatch, and if the damage has rendered the Building untenantable, in whole or in part, there shall be an apportionment of the rent prorated on a calendar year basis until the damage has been repaired. The above notwithstanding, in the event repairs have not been substantially completed within 60 days of such partial destruction, or cannot reasonably be expected to be fully completed within 120 days from the date of such partial destruction, Tenant has the right to cancel this Lease by providing written notice to the Landlord, such cancellation effective immediately. If Landlord shall elect to repair such damage, such repairs shall be commenced within fifteen days of notice to Tenant of such election and such repairs shall be completed within 120 days of notice to Tenant of such election. During the period of repair, the rent shall be reduced to an amount, which bears the same ratio to the rate as the portion of the Building then available for use bears to the entire Building. Upon completion of the repairs, the rent shall thereafter be paid as if no fire or other casualty had occurred. The other provisions of this paragraph notwithstanding, Landlord shall have no obligation to replace or repair any property in the Building or on the Premises belonging to Tenant or to any one claiming through or under Tenant, which such property Landlord shall have the right to require Tenant to remove from the Premises before any repairs are made to the Premises.

20. CONDEMNATION. If the Premises is totally condemned or otherwise totally taken by the exercise of any governmental power, this Lease shall terminate on the date the condemnor has the right to possession of the property being taken. If a portion of the Premises, the Building or appurtenances thereto (such as parking) shall be condemned or

otherwise taken by the exercise of any governmental power so as to render the Premises substantially unfit for use by Tenant, then Tenant can elect to terminate this Lease as of the date the condemnor has the right to possession of the property being taken. If there is a partial taking, then the rent due hereunder will be abated pro rata, but the lease shall continue in full force and effect.

21. QUIET ENJOYMENT. Landlord agrees that Tenant on paying the rent and performing all the terms and conditions of this Lease shall quietly have, hold and enjoy the Premises for the term aforesaid.

22. ABANDONMENT. If at any time during the term of this lease Tenant abandons the demised Premises or any part thereof, Landlord may, at its option, enter the demised Premise by any means without being liable for a prosecution thereof, and without becoming liable to Tenant for damages or for any payment of any kind whatever, and may at its discretion, as agent for Tenant, re-let the demised Premises, or any part hereof, for the whole or any part of the then un-expired term, and receive and collect all rent payable by virtue of such re-letting, and at Landlord's option, hold Tenant liable for any difference between the rent, late fees, interest, and costs (including attorney's fees) that would have been payable under this Lease during the balance of the un-expired term, if this Lease had continued in force, and the net rent for such period realized by Landlord by means of such re-letting. If Landlord's right of reentry is exercised following abandonment of the Premises by Tenant and any property of Tenant is left on the Premises, it is deemed to have been abandoned, in which case Landlord may dispose of all such personal property in any manner Landlord shall deem proper and is hereby relieved of all liability for doing so.

23. NOTICE. Any notice required or permitted to be given hereunder shall be in writing and shall be given by personal delivery or by certified mail, return receipt requested, postage prepaid, to the following addresses:

To Landlord:

County of Beaufort
Attn: County Manager
121 W. 3rd Street
Washington, North Carolina 27889

To: Tenant

East Carolina Health-Beaufort, Inc.
c/o University Health Systems of Eastern North Carolina, Inc.
Office of Legal Affairs
Attn: Nancy Aycock
P.O. Box 6028
Greenville, NC 27835

or at such other place or places as shall from time-to-time be designated in a notice similarly given. Notice shall be deemed given upon personal delivery or upon signing, or refusal to sign, of the return receipt. Each party shall at all times keep the other party informed of its current address and shall promptly notify the other party of any change specifying such changed address.

24. SUCCESSORS, HEIRS AND ASSIGNS. The provisions of this Lease shall bind and inure to the benefit of Landlord and Tenant, and their respective successors, heirs, legal representatives and assigns.

25. COMPLIANCE BY TENANT WITH GOVERNMENTAL REGULATIONS. In the performance of any acts required of or permitted Tenant under this Lease, Tenant shall obey and comply with all lawful requirements, rules, regulations and ordinances of all legally constituted authorities, existing at any time during the continuance of such performance in any way affecting the Premises or the use of the Premises by Tenant. Without limiting the generality of the foregoing, Landlord and Tenant shall comply with all state and federal laws, including, but not limited to, 42 U.S.C. § 1320a-7b(b) and the regulations promulgated with respect thereto (commonly known as the "Anti-kickback Statute"), 42 U.S.C § 1395nn and the regulations promulgated with respect thereto (commonly known as the "Stark Law"), and Article 28 of Chapter 90 of the North Carolina General Statutes, and P.L. 109-171 section 6032 and the regulations promulgated with respect thereto (commonly known as the "False Claims Act") being a part of the Social Security Act. In the event of any legislative or regulatory change or determination, whether federal or state, that has or would have a significant adverse impact on either party hereto in connection with this Agreement, or should either party be deemed for any reason in violation of any statute or regulation arising from this Agreement, then this Agreement shall be renegotiated to comply with then current law. Neither party shall make or receive any payment that would be prohibited under state or federal law.

26. CLIA CERTIFICATION. Tenant shall be solely responsible for complying with the certification requirements of the Clinical Laboratory Improvement Amendments of 1988 CCLIA), found at 42 D.S.C. 263a, if Tenant is required by CLIA to obtain such certification.

27. CONTROLLED SUBSTANCES. Tenant shall be solely responsible for all Tenant's drugs and controlled substances located within the Premises by Tenant, which Tenant shall keep under lock and key and in accordance with all applicable rules and regulations pertaining to same.

28. RECORDING. At the request of either party, Landlord and Tenant agree to execute a memorandum of lease for recording in the County where the Premises is located, and agree that the entire Lease shall not be recorded.

29. ENTIRE AGREEMENT AND AMENDMENTS. This Lease contains the entire understanding between the parties with respect to the subject matter hereof and supersedes all prior written negotiations or agreements and all prior or contemporaneous oral negotiations or agreements between them regarding the subject matter hereof. This Lease may be amended only in writing which writing must be signed by both of the parties. Any prior lease covering the Premises in effect as of the date of this Lease between the parties is terminated by the execution of this Lease.

30. SEVERABILITY. If any provision, or portion thereof, of this Lease shall for any reason be adjudged by any court of competent jurisdiction to be illegal, invalid or otherwise unenforceable, such judgment shall not affect, impair or invalidate the remainder of this Lease but shall be limited in its operation to the provision of this Lease directly involved and only the illegal, invalid or unenforceable provision shall be deemed struck.

31. OBRA COMPLIANCE. The parties agree that upon request they will make their books, documents and records available to the Secretary of Health and Human Services, the Comptroller General, or their duly authorized representative to the extent required by Section 952 of the Omnibus Budget Reconciliation Act of 1980 and will obtain a similar agreement from any related sub-contractor whom they engage to perform on their behalf.

32. JURISDICTION. This Lease has been entered into in the State of North Carolina and all questions with respect to the construction of this Lease and the rights and liabilities of the parties shall be governed by the laws of the State of North Carolina.

33. THIRD PARTY BENEFICIARY. The parties do not intend to confer any rights, privileges or benefits upon any other individual(s) or entity(ies), not signatories to this Lease, arising out of this Lease. The parties agree that nothing in this Lease shall be construed or interpreted to confer any such rights, privileges or benefits upon any individual or entity not a signatory to this Lease.

34. NO REQUIREMENT TO REFER. Nothing in this Lease, whether written or oral, nor any consideration in connection herewith, contemplates or requires the referral of any patient by Tenant to the Landlord or to any other entity affiliated in any way with the Landlord. This Lease is not intended to influence the judgment of Tenant in choosing medical specialists or medical facilities appropriate for the proper care and treatment of patients. Neither Tenant nor its employees or agents shall receive any compensation or remuneration for referrals, if any, to the Landlord or any affiliate. This Lease has been negotiated as an arms-length transaction by independent parties, and the parties hereto agree that any and all rents, compensation and remuneration provided herein is at prevailing market rates.

35. HEADINGS AND SECTION NUMBERS. The headings and numbers of sections and paragraphs contained in the Lease are for reference purposes only and shall not affect in any way the meaning or interpretation of this Lease.

36. DEFICIT REDUCTION ACT OF 2005. As specified in 42 U.S.C. § 1396a(a)(68), Tenant adopts, as it relates to the provision of services to Hospital as set forth herein, Hospital's written policies regarding compliance with the federal False Claims Act, 31 U.S.C. 3729-3733, administrative remedies for false claims and statements, 31 U.S.C. Chapter 38, state laws pertaining to civil or criminal penalties for false claims and statements, and whistleblower protections under such federal and state false claims laws, as well as detailed information regarding Hospital's policies and procedures for detecting and preventing fraud, waste, and abuse. Our policy(ies) is available at: http://www.uhseast.com for your review.

37. ELECTRONIC SIGNATURE. The parties represent and warrant that they have read and understand the Uniform Electronic Transactions Act, as adopted in North Carolina General Statutes Chapter 66, including but not limited to the provisions governing electronic signatures as it is applicable to this Agreement, and the parties agree to and adopt the terms and conditions of the same. As such, this Agreement is "signed" if it includes a digital signature, symbol and/or action that is adopted or performed by either party or party's Electronic Agent with the present intent to authenticate or manifest assent to this Agreement, including via email, fax, photocopy, or other electronic means.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals, the day and year first above written.

TENANT

EAST CAROLINA HEALTH–BEAUFORT, INC., a North Carolina nonprofit corporation

By: _____(SEAL)
Print Name ROGER A. ROBERTSON
Title PRESIDENT

LANDLORD

COUNTY OF BEAUFORT, a political subdivision of the State of North Carolina

By: _____(SEAL)
Print name
Chairman of Board of Commissioners

IN WITNESS WHEREOF, the parties hereto have set their hands and seals, the day and year first above written.

TENANT

EAST CAROLINA HEALTH–BEAUFORT, INC., a
North Carolina nonprofit corporation

By: _____(SEAL)
Print Name
Title

LANDLORD

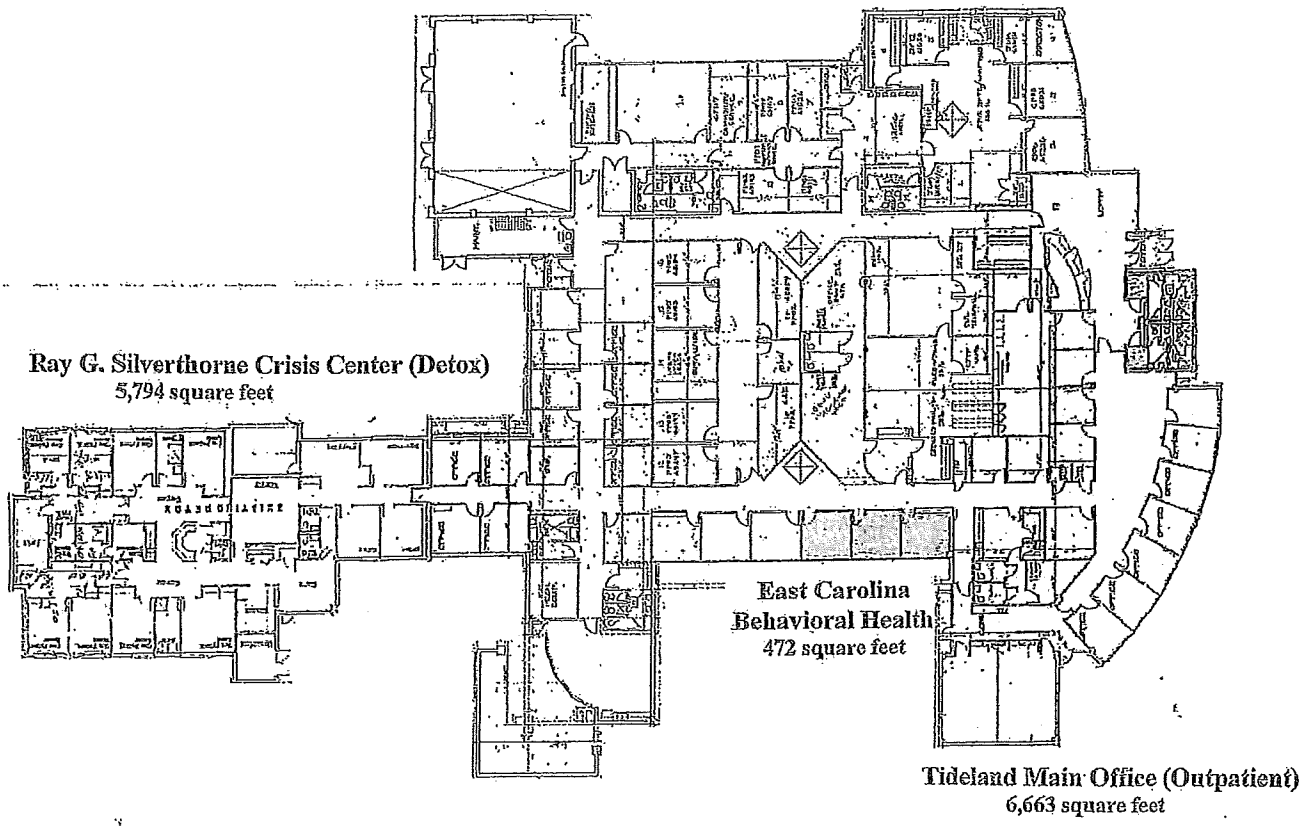
COUNTY OF BEAUFORT, a political
subdivision of the State of North Carolina

By: _____(SEAL)
Print name Jerry E. Langley
Chairman of Board of Commissioners

EXHIBIT A

Sketch of the Premises

Attached.


Ray G. Silverthorne Crisis Center (Detox)
5,794 square feet
East Carolina
Behavioral Health
472 square feet
Tideland Main Office (Outpatient)
6,663 square feet

Addendum 15

Discussion on Way Commissioners are Elected

HOUSE BILL 3

Short Title:	Voter Initiative for Beaufort County.	(Local)
Sponsors:	Representative Kidwell. *For a complete list of sponsors, refer to the North Carolina General Assembly web site.*	
Referred to:	Election Law and Campaign Finance Reform, if favorable, Local Government, if favorable, Rules, Calendar, and Operations of the House	

January 28, 2021

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THE VOTERS OF BEAUFORT COUNTY A RIGHT TO PETITION FOR CHANGES TO THE STRUCTURE OF THE BEAUFORT COUNTY BOARD OF COMMISSIONERS.

The General Assembly of North Carolina enacts:

SECTION 1. Part 4 of Article 4 of Chapter 153A of the General Statutes is amended by adding a new section to read:

"**§ 153A-60.1. Alteration by voter initiative.**

The people may initiate a referendum on proposed alterations authorized by this Part. An initiative petition shall bear the signatures and resident addresses of a number of qualified voters of the county equal to at least ten percent (10%) of the whole number of voters who are registered to vote in the county according to the most recent figures certified by the State Board of Elections or 3,000, whichever is less. The petition shall, with reference to the pertinent provisions of G.S. 153A-58, contain the precise text of the resolution necessary to implement the proposed changes. The petition may not propose changes in the alternative, or more than one integrated set of alterations. Upon receipt of a valid initiative petition, the county board of elections shall call a special election on the question of adopting the alterations proposed therein and shall give public notice of the special election in accordance with G.S. 163-287. The date of the special election shall be the date of the next countywide election, whether primary, general, or special, held more than 90 days after receipt of the petition. If a majority of the votes cast in the special election are in favor of the proposed changes, the resolution is adopted. Alterations adopted under this section shall continue in force for at least two years after the beginning of the term of office of the officers elected under the new manner of election. No initiative petition may be filed (i) within one year and six months following the effective date of a resolution adopting alterations pursuant to this Part, nor (ii) within one year and six months following the date of any election on alterations that were defeated by the voters.

The restrictions imposed by this section on filing initiative petitions shall apply only to petitions concerning the same subject matter.

Nothing in this section shall be construed to prohibit the submission of more than one proposition for alterations on the same ballot so long as no proposition offers a different plan under the same option as another proposition on the same ballot."

SECTION 2. This act applies to Beaufort County only.

SECTION 3. This act is effective when it becomes law.

The Beaufort County Board of Commissioner met in for a Special Called Meeting on Monday, May 17, 2021 at 5:30 PM, in the Commissioners Boardroom located at 136 W. 2nd Street in Washington, NC with the following present:

Commissioners Present
Chairman Frankie Waters
Vice-Chairman Jerry Langley
Commissioner Ed Booth
Commissioner Stan Deatherage
Commissioner John Rebholz
Commissioner Hood Richardson
Commissioner Randy Walker

Staff Present
Brian Alligood, County Manager
Kathleen Mosher, Clerk to the Board
David Francisco, County Attorney
Anita Radcliffe, Chief Financial Officer

Call to Order

Chairman Waters called the meeting to order.

Vice-Chairman Langley gave the invocation and Commissioner Rebholz led the Pledge of Allegiance.

Chairman Waters said our next item of business is the conflict of interest statement. He asked if anyone have a conflict. No one spoke. He then asked for a motion to approve the agenda.

Motion: Commissioner Rebholz motioned to approve the agenda. Commissioner Booth seconded. The vote was unanimous.

Manager's Recommended Budget Presentation

Chairman Waters said the first item and only item tonight is the Manager's recommended budget presentation to the Board of Commissioners.

Mr. Alligood said I appreciate the opportunity to stand before you and present to you the new fiscal year recommended budget. He said you have the budget packet in front of you and we will go through this. He said for some of you this is pretty old hat in the way it's laid out but we have some new folks and I wan to make sure we go through that, and also for the folks who are watching and listening and it may be their first time. He said this is the Manager's fiscal year 2021 recommended budget. He said you have the binder in front of you and it contains the recommended annual budget as required by North Carolina General Statute 159 and the *Local Government Budget and Fiscal Control Act*. He said in general you are aware there are three parts of this budget. He said the first section is the continuation budget that essentially provides for the services next year, exactly as you're doing this year. He said it continues those services roughly, and why we call it the continuation budget. He said each year when we have conversations with you at the planning sections about what you want, what you don't want, any changes that you would like to see and then we incorporate that into what we call the continuation budget. He said in that, this section contains financial information and narrative descriptions of the programs and services. He said so our goal of the budget book itself is for the reader to pick it up and look at those individual sections and understand what those departments do, what their function is and where they spend the money that's been allocated to them by the Board. He said you will see that broken down, as it has been in prior

years. He said actuals, then you'll have requested that came from department heads, you'll have a recommended that comes from the County Manager and then you'll have a final column that the Board puts in place that says the final adopted budget. He said the financial summaries are also on there so you will see a roll-up in the front where you'll see personnel and benefits and you'll see operating and capital. He said so they roll up on the front page and on the back page you'll see individual line items. He said now we go through those line items individually, line item by line item, with department heads when we go through the budget. He said we look at those, they make their comments and then we go through and look at histories and talk about things they think they need and make sure we're covering anything or if there are any changes. He said the last part of the book is the fee manual. He said the fee manual is the section of the book where you attempt, as the Board, to recover some of the costs associated with the services you provide. He said it's not just the general fund piece, like if you're doing specific activities that are targeted at certain individuals who are using those services. He said it's a way to recover costs associated from the individuals who are taking advantage of those services, so it's not generally or broadly spread across all taxpayers. He said as you recall the budget is required to be balanced, and it is, and done in accordance with the policies and procedures outlined in the *North Carolina Local Government Budget and Fiscal Control Act*, which is a statute that we follow when we do this.

The Process

Mr. Alligood said just a little bit about the process. He said you will remember that in January of every year we kick off the budget process with the Boards planning retreat and with that retreat we discuss with the Board where we are, where we think we're going to end up the year at, any changes that department heads see from their interactions with their associations, what they see legislatively that may be coming up. He said they take the opportunity to explain those things to you and give you their vision for what they see they may need and it gives the Board the opportunity to ask question about that, to note from your experience as County Commissioners, what you see coming down the line legislatively, both at the state level and at the federal level and how you plan to respond to that and how you want to maintain or discontinue or change the services you are currently providing to the citizens of Beaufort County. He said after that is done we put out budget requests to departments and outside agencies, they turn those in, we hold individual sessions with each department head, as I mentioned earlier, we do a final review and then we look at revenues. He said the reason, people will say that's kind of backwards, you're looking at expenditures before you're looking at revenue and unfortunately people view that in a bad light. He said the reason we take revenues first is because that's when we get finalized on revenues. He said those don't get finalized until April because of the way the statutes are written so that business personal property has an extension and usually it's a little bit later so we're working through the expenditure side and then we look at what our revenue side is based on the timing of when they come in.

He said the budget is being presented tonight at a special called meeting. He said you will also hold budget sessions and those will start Thursday. He said we will do a general fund on Thursday where we'll go through the budget on the general fund side. He said that will be this Thursday and then next Tuesday we'll do that and work through the remainder of the general funds and then work through the enterprise funds. He said of course you know the enterprise funds are the water fund and the solid waste fund and those are funds that are essentially dealt with as business entities where the revenues are to offset the total costs of the services. He said then we have a night when we look at service expansions. He said again, service expansions are those things that are different or a change in the level of service that you're currently providing. He said it's the opportunity for department heads to pitch their proposals to you about what they think may be needed as a new service. He said they may come to you and say I think we need to change this service but ultimately it's the Board's decision on how we do that. He said that's why we break those out separately. He said again, the budget is the Boards opportunity to get done for its constituents what it wants to through, by its budget's process. He said so you'll hear from outside agencies that are going to ask for additional funding. He said you're going to hear from some new outside agencies who are looking for funding. He said so it's your opportunity to look at those individually, separately from the continuation budget and talk about those, decide if you want to do it, decide if you don't want to do it, ask some additional questions of those folks and find out where it goes. He said there is a budget hearing you are required to have, a public hearing that's required by the statute. He said you have to have one public hearing before it is adopted. He said that opportunity for the public to make comments on the budget is June 7th at your regular meeting. He said we've also scheduled an additional meeting that Thursday the 10th so

in case you want to spend some additional time with the budget after public comments, if there's some changes you want to make after you hear from the public, that gives you the opportunity to do that. He said what we're looking to understand at the end of the process is where you want to be because we have to have the budget ordinance together and have it in place for you on paper to see before you can adopt that so we would just need to know where you feel like you're going to be.

Goals

Mr. Alligood said the goals for the budget is what we strive for during the coming year and we communicate those during the process and they're incorporated into the budget. He said those are:

- Continue to rely on financial plans and systems in the preparation of the proposed budget;
- Conservatively estimate revenues and expenditures to avoid expectations of performance that are not realistic;
- Create an atmosphere where efforts to "spend down" during the fiscal year are discouraged;
- Present a budget that re-evaluates all expenditures and allows for policy review and potential service reductions or expansions based on other policy directives;
- Provide an analysis of County government cost centers in order to more clearly demonstrate where general fund tax dollars are being spent and what services are provided.

Mr. Alligood said not only is it a budget document but it's an educational document as well. He said you should be able to go to this document and read and understand what those departments are doing, what their mission is and what services they're providing and how much it's costing you to do that.

Overview of the Budget

Mr. Alligood said for the general overview, it's been a difficult year, as you all well know. He said we have come through Covid now, there are vaccines in place, restrictions are being lifted, and folks are being able to move about and essentially feel like they're getting back to normal. He said overall the County weathered the Covid pandemic fairly well. He said as you recall last year we looked at the budget and we said we're going to be in trouble. He said everybody was telling all the folks, the estimators were saying everybody is going to be in trouble with this thing, watch your sales tax revenues, they're going to fall off, we don't know what's going to happen, things are going to shut down and it's going to be terrible. He said well, things did shut down and we anticipated that they would be terrible. He said we cut our revenues in anticipation of that being the case and thankfully that's not what occurred. He said we actually saw where state revenues, in some instances, the sales tax decreased more than what we had done, and we outpaced the state as a whole during several months we collected sales tax. He said so that was good. He said still don't know where that's going to finally end up. He said we can't continue the fuel that's been poured on to the economy by some of the relief pieces. He said it's good that they put those in place to try to help get through these things, but our challenge is to try and understand when that fire starts getting turned down and when those revenues start to turn just a little bit. He said our hope is that they stay, we are expecting a downturn. He said we hope it is not a significant downturn, but we would not be doing our job if we didn't look at them and think there's been some artificial inflation, not artificial inflation, there's been some artificial stimulus in place to keep things moving in order to keep the economy moving. He said eventually those will go away as these programs phase out and we've got to be prepared to see those trends change. He then reviewed the following:

- The recommended budget maintains the County ad valorem tax rate at $0.635 for each $100 of assessed valuation. At the assumed collection rate, this will generate approximately $37.5M in property tax revenue.

- The recommended budget maintains all County services and programs provided in the prior year. One significant change in a delivery method is that the Sheriff's Office is no longer providing School Resource Officers (SROs) to the School System. The School System has engaged a private vendor to provide this service under a 3-year contract. County funding for this service has been shifted from the Sheriff's Office to the School System and SRO positions in the Sheriff's Office have been eliminated.

- The FY 21-22 recommended general fund budget of $62,822,367, is 5.81% greater than the original FY 20-21 budget. This increase is driven mostly by the Board's implementation of the 2017 Classification and Pay Study.

- The recommended budget increases the public school system (Community College and K-12) funding levels over the prior year. The K-12 system requested current expense and capital funding at FY 20-21 levels with the addition of $603,600 for SROs. The Community College increase of $563,025 is mostly related to a $500,000 boat building curriculum capital expense.

- The recommended budget continues to fund the Capital Improvements Fund with $0.01 of projected property tax revenue as established in the FY 19-20 budget.

- The recommended budget maintains the prior year fire and EMS tax rates in all districts.

- The recommended budget increases the solid waste fee by $5 to offset the costs of increasing solid waste tonnage and to help pay for the new contract to operate the County landfill site.

- The recommended budget increases the water rates by 3% in accordance with the long-term funding plan established and approved by the Board in FY 18-19. This is also the fourth year of the 5-year plan to equalize rates across all districts due to the consolidation of the districts into one operation fund.

- The recommended budget maintains an administrative charge to enterprise funds to help offset the costs to the General Fund for providing services to the enterprise funds. The administrative charge is based on a per unit fee specific to the services provided to the enterprise funds.

- The recommended budget appropriates $0 in General Fund fund balance.

General Fund

The recommended General Fund budget for FY 21-22 continuing operations is **$62,822,367**.

Revenues

⇨ The recommended budget maintains the County ad valorem tax rate at $0.635 for each $100 of assessed valuation.

⇨ The estimated total taxable valuation is $6,015,427,039, made up of $5,495,742 in real/personal property and $519,685,039 in motor vehicles. Collections for real/personal property taxes are assumed at 98% and at 100.00% for motor vehicles. The real/personal collection rate is down 0.19% from the prior audited period. The LGBFCA allows the revenue collection calculation rate to use the FY 19-20 audited collection rate of 98.10%. However, due to the still unknown economic impacts of the pandemic, the rate has been reduced to 98%.

⇨ The estimated total real property valuation in FY 21-22 is up approximately 1.48% ($80,114,971) from FY 20-21.

⇨ The following table shows the historical tax rate, including the tax rate at the same period in the octennial revaluation (eight years ago) of $0.53.

Fiscal Year	Tax Rate	Octennial Revaluation Year
2013-2014	$0.530	4
2014-2015	$0.530	5
2015-2016	$0.530	6
2016-2017	$0.550	7
2017-2018	$0.550	8
2018-2019	$0.615	1
2019-2020	$0.635	2
2020-2021	$0.635	3
2021-2022	$0.635	4

⇨ The North Carolina Department of Revenue produces a sales-assessment ratio study each year which is used to equalize public service company property valuations. The study looks at sales transactions from the prior year to determine the ratio. Ratio values greater than 1.0 indicate that assessed values are greater than market values. Ratio values less than 1.0 indicate that assessed values are less than market values. Multiplying the tax rate by the sales-assessment ratio produces an effective tax rate that allows comparisons across counties. With an effective tax rate of $0.5711, Beaufort County ranks the 37th lowest among all 100 North Carolina counties (63 counties with higher effective tax rates and 36 counties with lower effective tax rates). The table below shows the FY 20-21 values for Beaufort County and its surrounding counties in ranked order.

County	FY 20-21 Tax Rate	2021 Ratio	Effective Tax Rate	Rank Among All Counties (100 highest, 1 lowest)
Washington	$0.8550	1.0000	$0.8550	96
Martin	$0.8100	1.0017	$0.8114	92
Hyde	$0.7700	0.8838	$0.6805	65
Pitt	$0.6797	0.9242	$0.6282	54
Pamlico	$0.6250	0.9235	$0.5772	39
Beaufort	$0.6350	0.8994	$0.5711	37
Craven	$0.5494	0.8843	$0.4858	17

⇨ Projected sales tax revenues are up $2,182,210, or 25.87% from the prior year's original estimate. FY 20-21 revenue estimates were reduced significantly due to the uncertainty of the impacts of the COVID-19 pandemic. Fortunately, these estimates were substantially exceeded due to continued strong sales. FY 21-22 revenues have been conservatively estimated due to the uncertainty of the recovery efforts.

⇨ Intergovernmental revenues are estimated to increase by $930,449 in FY 21-22. This is attributed to anticipated increases in the EMS General Fund Tax Revenues and EMS Medicaid Cost Reimbursements.

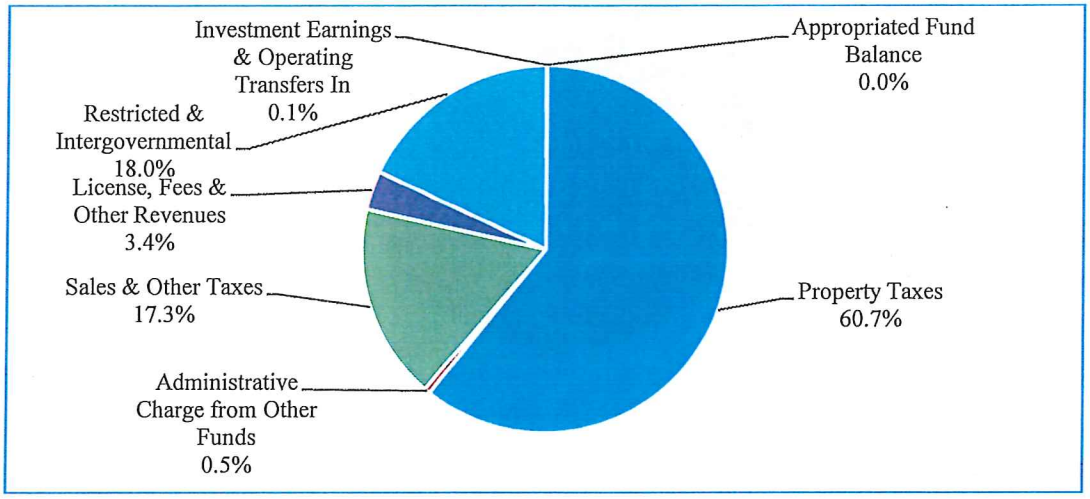
⇨ Licenses, Fees and other General Fund revenues are projected down by $395,719 due to the $428,197 reduction in SRO grant funds that flowed through the School System to help pay for Sheriff's Office SROs. These funds will now stay with the School System to be used to pay the cost of private security SROs.

- ⇨ Investment Earnings are projected to only reach $75,000 due to the continued interest rate cuts by the Federal Reserve in response to the COVID-19 pandemic.

- ⇨ The recommended budget appropriates $0 in General Fund fund balance.

- ⇨ As of June 30, 2020, the unassigned General Fund fund balance was $20,463,556, or 34.83% of expenditures. At the close of FY 20-21 it is estimated that the unassigned General Fund fund balance will be $23,000,000, or 37.52% of expenditures.

- ⇨ Below is a chart showing the anticipated revenue sources for FY 21-22:



Expenditures

- ⇨ All cost centers reflect an increase in personnel costs due to the Board's implementation of the 2017 Classification and Pay Study in FY 20-21.

- ⇨ General Government Cost Centers – excluding debt service and transfers to other funds, expenditures in these cost centers increased overall by 17.5% from the FY 20-21 original budget. The largest driver of this is the recommendation to expend $500,000 to construct a County warehouse/storage facility to meet the growing need of storage space and to have a facility that is capable of receiving and distributing emergency supplies during disasters.

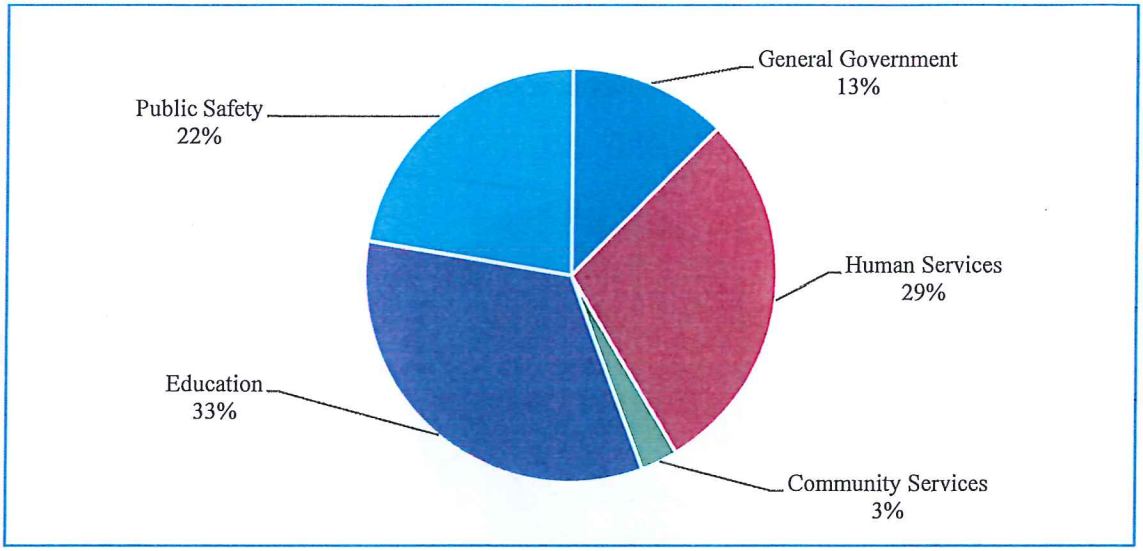
- ⇨ Human Services Cost Centers – expenditures in these cost centers increased overall by 7.5%. This is driven by increases in DSS and Public Health due to State program expenditure estimates. However, County share dollars in DSS and Public Health are flat compared to last FY. Veterans Services funding is up slightly due to professional development needs.

- ⇨ Community Services Cost Centers – expenditures in these cost centers increased overall by 1.9%. This is due to increased personnel costs associated with the County pay study implementation and projected salary increases for shared State personnel.
- ⇨ Education Cost Centers – the recommended budget across this cost center is up 6.3%. The K-12 system requested current expense and capital funding at FY 20-21 levels with the addition of $603,600 for SROs. The Community College increase of $563,025 is mostly related to a $500,000 boat building curriculum capital expense.

- ⇨ Public Safety Cost Centers – expenditures in these cost centers remained essentially flat. However, there were significant changes in expenditures across different areas that worked to balance each other. The Sheriff's Office expenditures decreased by $530,536 due to the loss

of 13 SRO positions when the School System moved to contract with a private security service for SROs. EMS expenditures increased by $423,563 due to pay study increases and the replacement of an ambulance.

⇨ Below is a chart showing the recommended FY 21-22 appropriations by cost center (it does not include debt service or transfer to other funds in the General Government percentage):



Enterprise Funds

Enterprise Funds account for those operations financed and operated in a manner similar to a private business where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Beaufort County currently has two enterprise funds: The County Water System, and the Solid Waste Fund.

Water Fund

The Water Fund recommended budget is $8,011,000 and includes the following:

- ⇨ Continuation of a rate study established in FY 18-19 that consolidates the existing rates over a five-year period into a uniform rate for all customer classes. A 3% increase in water rates is recommended in accordance with the study.
- ⇨ Continuation of the 10-year Capital Improvements Plan (CIP) for the entire water system as established in FY 18-19.
- ⇨ Expenditures in the amount of $160,988 are recommended as capital.
- ⇨ New debt service in the annual amount of $97,740 is proposed to finance the installation of a new $850,000 SCADA system.
- ⇨ Contingency is funded at $22,366.

Solid Waste Fund

The Solid Waste Fund recommended budget is $4,083,733 and includes the following:

- ⇨ A $5 increase in the per year solid waste fee for a total of $170.00 is recommended. This increase is required to pay for the increased tonnage of disposed waste and the new 3-year landfill operations contract.
- ⇨ Continuation of an administrative fee paid to the general fund for services provided by general fund departments to the solid waste fund.
- ⇨ Contingency is funded at $12,353.

Summary

Mr. Alligood then read the following from the 2021/2022 fiscal year budget book: The recommended budget continues County provided services and operations and does so at the current ad valorem tax rate of $0.635 per $100 of valuation. There are some changes in service delivery methods as shown in the privatization of school resource officers by the School System, but fiscal support from the County for those services continues. The budget increases funding for personnel services in response to the Board's adoption of the 2017 Pay and Classification Study. Additional support is also provided to the Community College in furtherance of its boat manufacturing curriculum. The budget increases fees associated with water and solid waste enterprise funds to maintain operations and continue implementation of previously approved plans.

Beaufort County, like its neighbors around the state, nation, and world, has suffered tremendous loss during the COVID-19 pandemic. As of this writing, 93 residents of the County have died due to the virus. Some businesses in the County have failed while others have thrived. Students and families have worked hard to adjust to socially distance classrooms and the loss of personal interaction. Through it all however, people have pulled together to support and help each other. A special thanks to all the County staff members who worked tirelessly to help combat the COVID-19 virus through testing, tracing, and vaccinating. You helped relieve suffering and you saved lives. A special thanks also to those who may not have been on the medical frontline but continued to work throughout the pandemic to make sure that critical County services never stopped for those who needed them.

The restarting of local, state and world economies in FY 21-22 will be important factors in the performance of this budget. Also, there are potential opportunities with American Rescue Plan funds to offset some of the proposed expenditures in the FY 21-22 recommended budget, especially related to water infrastructure and the new warehouse/distribution building. Additional guidance is being provided by Treasury on an on-going basis and time will determine those final opportunities. It is hoped that the Board will build upon the existing plans it has put in place for broadband infrastructure and fund a significant portion of it with American Rescue Plan funds.

Putting together a budget is a tremendous effort. Many thanks to the Finance Department staff who did an outstanding job of helping create an informative and functional document that serves as a management tool and an outline from which the Board can debate policy. I am extremely thankful for their many long hours of hard work. I am especially grateful for the incredible work done by Finance Director Anita Radcliffe, who developed the budget while simultaneously working to complete three refinancing packages that will ultimately save the County more than $4M.

Department managers also did an outstanding job as well of analyzing and compiling budgets that met the expectations they were given. They deserve many thanks and tremendous admiration for the jobs they do. I can say without a doubt that people who make the decision to work in local government are truly special people who care about their community and take pride in providing services that make life better for others. I am grateful to have the privilege to work with each of them.

Mr. Alligood said this is the 2021 recommended budget for your review and we look forward to having discussions as you go through your budget workshops. He said I'm happy to take any questions you have now or you can take time and dig into it. He said we'll be ready to go at it on Thursday night starting at 5:00 PM in this room. He said the chairs will be back in full capacity and whenever the Board is comfortable moving back to your full capacity we'll certainly do that but we'll go ahead and move the public seating back since the

restrictions have been lifted. He said again, I'm happy to take any questions or I'm happy to go ahead and sit down if you would like me too.

Commissioner Rebholz said the presenters starting Thursday night, is that going to be in the order the book is.

Mr. Alligood said yes sir. He said typically we start on the general fund side and work through that. He said our hope is to get ¾'s of the way through the general fund so you have the opportunity to get through it on Tuesday and then talk about the enterprise funds. He said then next Thursday is the big night and is essentially when you have all of the outside agencies and the departments come in and talk to you about those potential service expansions and have some interaction with you and explain why they think those are good ideas and go over that. He said then you've got time to work through the budget yourself and make any changes you want to make and then we're looking for, on June 7th, first to have a public hearing and then potential adoption or you can meet later in the week if you don't want to.

Meeting recessed until Thursday, May 20, 2021 at 5:00 PM.

Respectfully submitted to you by:

Kathleen Mosher, CMC, NCCC
Clerk to the Board of County Commissioners

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Discussion

Presenter: James Madson, Health Director

Agenda Title: Covid-19 Update

Summary of Information: A Health Department representative will give an update on the Covid-19 response/status.

Submitter Recommendations/Motions: Information only.

Attachments:

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Presentation

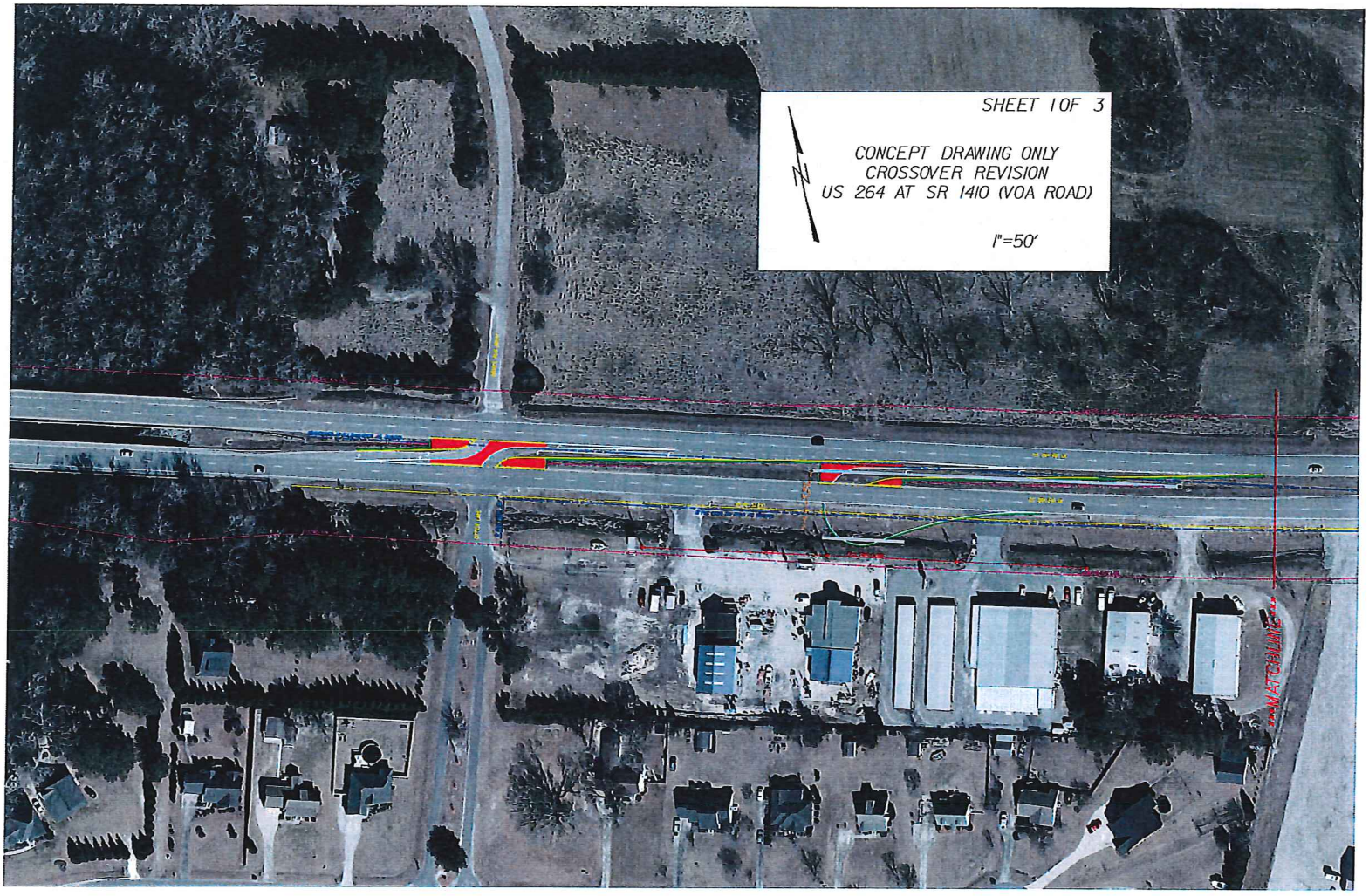
Presenter: Jeff Cabaniss, P.E., NCDOT Division Project Development Engineer

Agenda Title: NCDOT Presentation

Summary of Information: NCDOT Division Project Development Engineer, Jeff Cabaniss, P.E., will present a proposed safety project on US 264. The project is a reduced conflict intersection design from the bridge at the Pitt County line to Wharton Station Road. A copy of the design is attached. NCDOT is seeking the County's support of the project.

Submitter Recommendations/Motions: Presentation by NCDOT regarding safety project on US 264.

Attachments:
1. US 264 Safety Project


SHEET 1 OF 3
CONCEPT DRAWING ONLY
CROSSOVER REVISION
US 264 AT SR 1410 (VOA ROAD)
1"=50'

SHEET 2 OF 3
CONCEPT DRAWING ONLY
CROSSOVER REVISION
US 264 AT SR 1410 (VOA ROAD)
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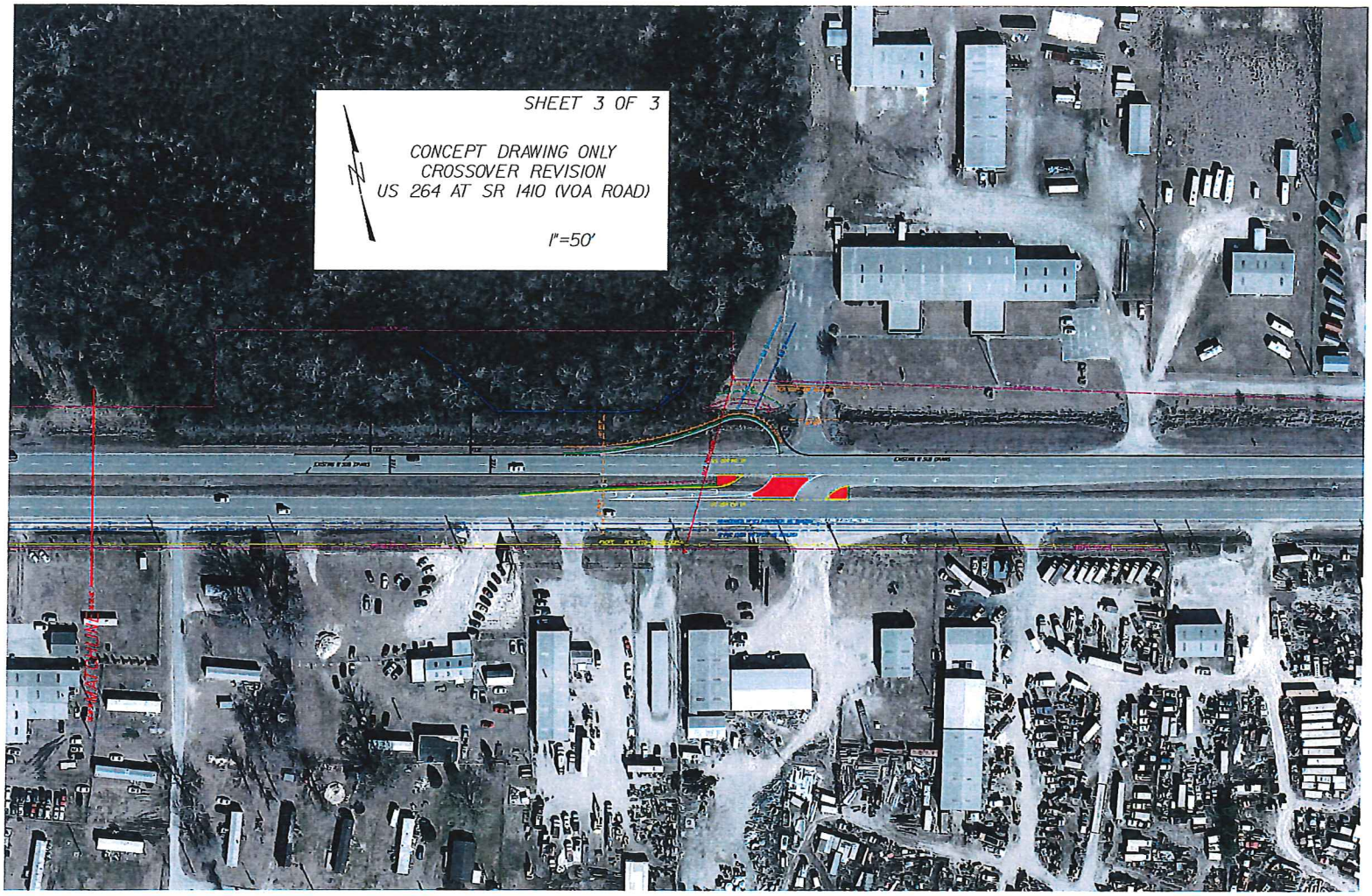
SHEET 3 OF 3
CONCEPT DRAWING ONLY
CROSSOVER REVISION
US 264 AT SR 1410 (VOA ROAD)
1"=50'

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Presentation

Presenter: Chairman Frankie Waters and Mark Boxer

Agenda Title: Broadband Discussion

Summary of Information: Mr. Boxer is a degreed engineer and has spent his entire career working for fiber/cable manufacturers. He started his career in fiber manufacturing for Corning and is currently Technical Manager with OFS, the fiber optic arm of what was Bell Labs. He works with service providers around the world, helping them build fiber optic networks. He is a frequent speaker and author on various fiber-related topics and is currently on the Board of Directors and Technology Committee of the Fiber Broadband Association, as well as the Board of NC Broadband Matters.

He will be sharing his expertise with the Board and will answer questions relating to broadband.

Submitter Recommendations/Motions: Informational only.

Attachments:

Fiber, Fixed Wireless, and Satellite

Mark Boxer,
OFS, FBA
Hunter's Bridge Resident

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1

Main messages

- Bandwidth demand will continue to rise
  - Think decades
  - Areas without proper connectivity will struggle by comparison
- There is no wireless technical equivalent to a fiber backbone
  - Wireless and satellite have their places, but can't substitute for a backbone, long-term

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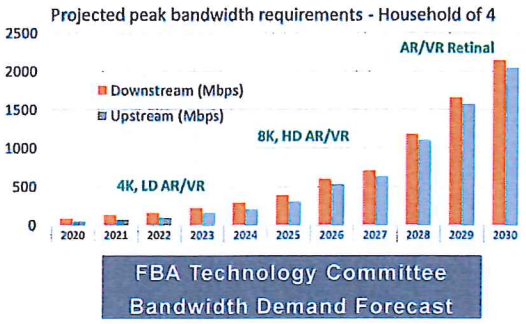
2

Speed – Current and future demand

- Bandwidth demand continues to rise
  - 20%-30% annual growth (Cisco Visual Networking Index) and others
  - **Demand is upstream and downstream**
- Many different applications
  - Higher definition video, telehealth, education, home security, virtual and augmented reality, connected agriculture applications
- No end in sight
- **People and businesses increasingly factor bandwidth availability into location decisions**



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3

Fiber facts

- Fiber has almost unlimited bandwidth – abundance
  - This is why it's called "future-proof"
- Fiber is easily upgraded over time
  - Faster speeds per wavelength (light color, UV spectrum)
  - More wavelengths
  - Simply change out devices on each end
- Fiber is a durable asset
  - Field-proven for 35+ years
  - Multiple decade lifetime expected
- Installation is typically the largest fiber network cost
  - **Installation dollars often circulate in a community**

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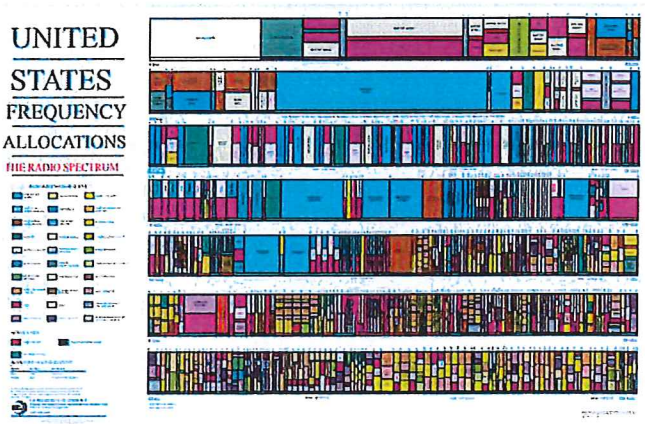
Wireless and satellite – spectrum limitations

- Wide array of applications use electromagnetic spectrum
- Wireless/satellite spectrum is **scarce**
  - Spectrum is typically allocated in slices
  - Hundreds or thousands of MHz
- By contrast, **one** fiber has roughly 50 THz (1500 nm wavelength window)
  - 100,000 to 5,000,000X than available wireless spectrum



https://www.ntia.doc.gov/files/ntia/publications/january_2016_spectrum_wall_chart.pdf

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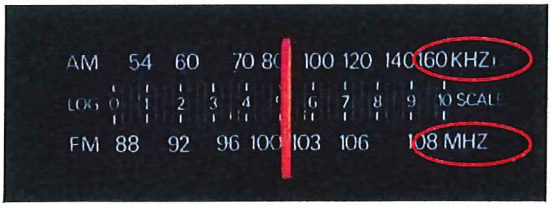
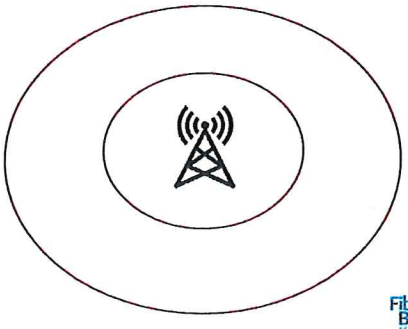
Relationship between frequency and bandwidth

- Higher frequency, more bandwidth
- Imperfect analogy
  - AM radio, lower frequency, longer distance range, lower quality (bandwidth) sound
  - FM radio, higher frequency, shorter distance range, higher quality (bandwidth) sound





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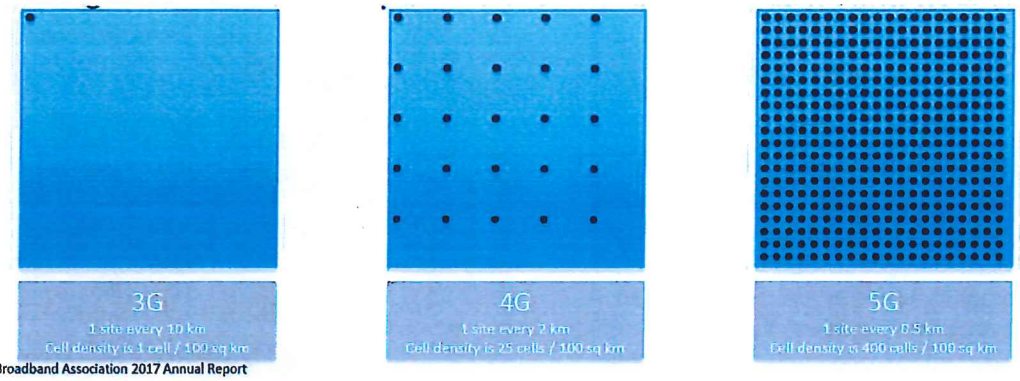
6

The same relationships apply to wireless communications – cellular, satellite



Source: (1) Fiber Broadband Association 2017 Annual Report

How are 5G cells connected? Fiber

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7

Wireless is expensive to upgrade

- Wireless can be faster to install and first cost can be less expensive
  - Sometimes seen as "reservation for fiber"
- More bandwidth typically requires higher frequencies
  - Higher frequencies require more fiber
- In most cases, no fiber, no 5G

6G is on its way

	Cellular	Fiber
Mid-20th century		
Early 1980s	1G -2G	Single-mode fiber introduced in early 1980s, still viable and compatible today, *100* Gbps+
Early 1990s		
1995		
1999	2G-3G	
2002		
2009		
2016	4G	
2018-2020	5G	

Fiber stands the test of time.

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8

What about Low Earth Orbit Satellite?

- Low Earth Orbit satellites networks are vastly better than previous generations
- Starlink branding - "Better than nothing beta" is accurate
  - Good choice for ultra-remote areas
  - Military, airline, other applications
- **Satellite will struggle to keep up with demand long-term**
  - **Limited bandwidth**
- XGS-PON (fiber) and 1 Starlink satellite
  - Roughly similar available speeds
    - Starlink satellite capacity has been a moving target
  - Fiber – 32 subscribers typically
  - Satellite – all customers in 11,000 square miles (11 Beaufort Counties)

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Conclusions

- Bandwidth demand will continue to rise
  - Think decades
  - Areas without proper connectivity will struggle by comparison
- There is no technical equivalent to a fiber backbone
  - Wireless and satellite have their places, but can't substitute for a backbone, long-term

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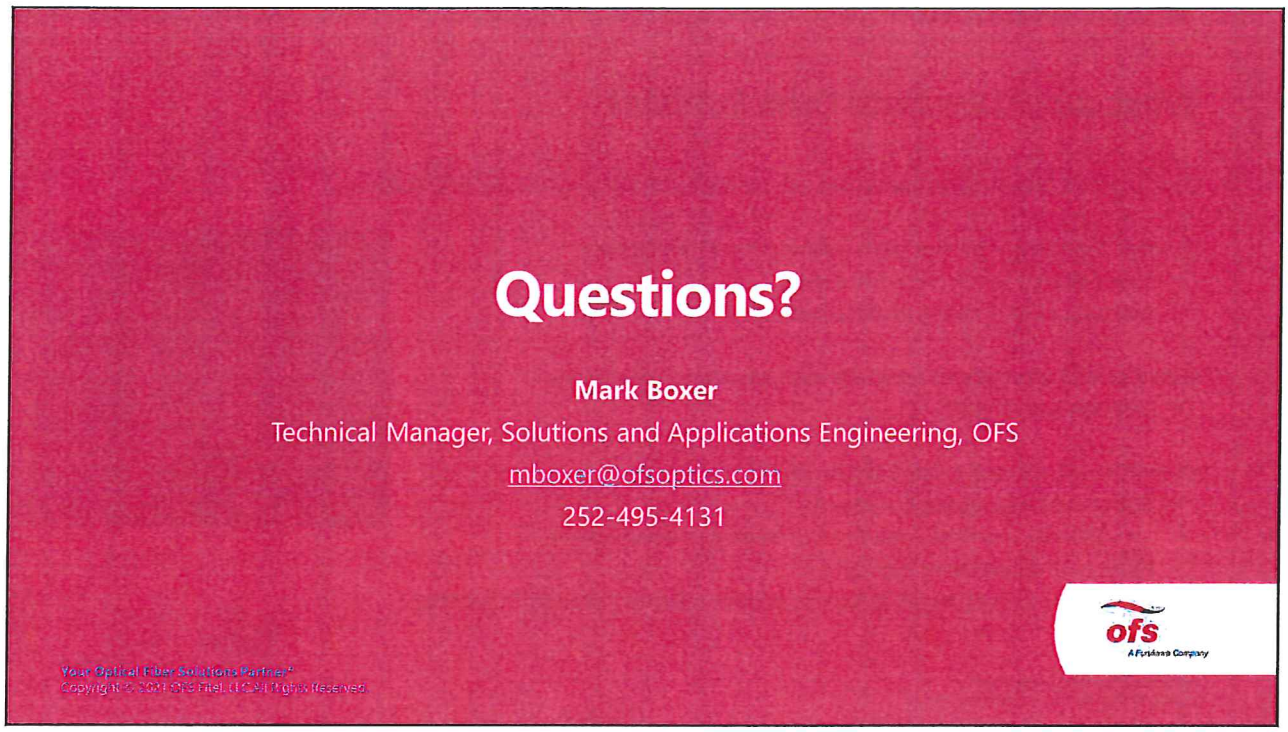
Questions?
Mark Boxer
Technical Manager, Solutions and Applications Engineering, OFS
mboxer@ofsoptics.com
252-495-4131
ofs
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Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: Melanie Corprew, Social Services

Agenda Title: Position Reclassification

Summary of Information: In consultation with the North Carolina Office of State Human Resources and the Beaufort County Human Resources Manager, The Department of Social Services is requesting to reclassify the Administrative Assistant I position to a Social Worker I. The needs of the agency have shifted. In recent years, there has been an increase in foster children and child welfare cases. A Social Worker I is needed primarily to transport foster children to visits and appointments. This position is also needed to supervise visits. The Administrative Assistant I position is currently vacant and duties of this position have been divided among existing staff members.

The Administrative Assistant I and the Social Worker I positions are both paygrade 63. No additional County money will be needed.

Submitter Recommendations/Motions: Approve the reclassification of the Administrative Assistant I position to a Social Worker I.

Attachments:
1. OSHR Approval

Kelly Smith

From: James Harris via Smartsheet <user@app.smartsheet.com>
Sent: Friday, April 30, 2021 1:37 PM
To: Kelly Smith
Cc: james.a.harris@nc.gov
Subject: 113-40-005

CAUTION: This email originated from outside of Beaufort County DSS. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Local Government Position Actions

Row 4

Agency	Beaufort County DSS
Unit/Section	Children's Services
Current Classification	Administrative Assistant I
Position Type	Permanent
Classification (Requested/Proposed/Existing)	Social Worker I
Vacant	☒
Position Action	Reallocate an Existing Position
Position Number	113-40-005
Explanation	The needs of the agency have shifted. With an increase in the number of foster care children and child welfare cases, a Social Worker I is needed primarily to supervise visits and transport children. Duties of the Administrative Assistant I will be divided among existing administrative staff.
Agency Director	Melanie Corprew
County Official Approval	Brian Alligood
OSHR Action	Approved

Approved Classification	Social Worker I
Approved Position Number	113-40-005
Effective Date	05/01/21
OSHR Approver	James Harris
Approval/Disapproval Date	04/30/21
Funding Certification	

View in Smartsheet

Sent using Smartsheet - the leading work execution platform that empowers teams and organizations to move their ideas to impact - fast.
Sent by james.a.harris@nc.gov
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NORTH CAROLINA OFFICE OF STATE HUMAN RESOURCES
POSITION ACTION FORM, PD-118

INSTRUCTIONS

1. Submit this form and a copy of the position description (PD-102) for all requests (except abolishment of a position) to OSHR by email attachment, or US Mail (DO NOT FAX). Electronic signatures are acceptable.
2. Complete Sections 1, 2, 3, 4 and 5, including signature of County official, if required.
3. Attach a copy of the organization chart as it will look if the classification request is approved. Indicate on the chart the position to be reviewed.

1. Agency: Beaufort County DSS — Date Submitted: _____
Unit/Section: Children's Services — Location (City): Washington
Contact Name: Kelly Smith — Phone Number: 252-940-6034

2. Basic Position Information: (Complete for all actions) COPY

Current Classification: Administrative Assistant I

Type of position: ■ Permanent ☐ Temporary; End Date: _____ ☐ Part-time, hours /week: _____

Name and classification title of immediate supervisor: Andrea Starkie, Social Work Supervisor III

■ Vacant Name of ☐ Incumbent: _____

3. Position Action: Requested Effective Date: 5/1/21

☐ Establish New Position: Requested Classification: _____
Salary Grade: _____ Approved Salary Range: $ _____

■ Reallocate: Proposed Classification: Social Worker I Position #: 113-40-005
Approved Salary Grade: 63 Approved Salary Range: $ 34,979 - $36,728

☐ Abolish: Existing Position Classification _____ Position #: _____

4. EXPLANATION: (State the reason for the requested action. Identify special project positions.)

The needs of the agency have shifted. With an increase in the number of foster children and child welfare cases, a Social Worker I is needed primarily to supervise visits and transport children. Duties of the Administrative Assistant I have been divided among existing administrative staff.

5. AUTHORIZATION BY LOCAL DEPARTMENT: This request has been officially authorized and sufficient funds are budgeted and approved for use.

Melanie Corprew — Agency Director — 4/7/21 — Date
Brian Altman — County Official (if applicable) — 4/12/21 — Date

6. ☐ Approved Classification: _____ Position #: _____
☐ Action Revised and Approved (reason on reverse) Effective Date: _____
☐ Action Request Disapproved (reason on reverse)
(Continue on reverse side or additional sheet if needed)

OFFICE OF STATE HUMAN RESOURCES

Approved: _____ Date: _____

Revised 1/2016

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: Thomas S. Payne, III, Chairman, Board of Elections

Agenda Title: Voting Equipment Resolution and Acquisition

Summary of Information: The Beaufort County Board of Elections recommends the purchase of a new voting equipment system manufactured by Election Systems and Software. A capital reserve fund was established in 2017/2018 with installments of $55,000 per year. $275,000 is available for purchase of the voting equipment system in 2021/2022. The proposed system's quoted price is $281,850. The Beaufort County Board of Elections will also need to purchase an Election Management System Computer ($3,081) and two ballot on demand systems ($13,785). The Beaufort County Board of Elections is currently pursuing a grant to fund the remaining amount.

Submitter Recommendations/Motions: Staff recommends approval of the attached resolution for the adoption and acquisition of voting equipment by the Beaufort County Board of Commissioners.

Attachments:

A RESOLUTION FOR THE ADOPTION AND ACQUISITION OF VOTING EQUIPMENT BY THE BEAUFORT COUNTY BOARD OF COMMISSIONERS

WHEREAS the Beaufort County Board of Elections may only use voting systems that have been certified by the North Carolina State Board of Elections pursuant to N.C.G.S. 163-165.7;

WHEREAS before a new voting system may be acquired, the County Board of Elections must recommend to the Board of Commissioners which type of voting system should be acquired, witness a demonstration of this voting system, and test this voting system during a simulated election, in accordance with N.C.G.S. 163-165.9(a);

WHEREAS the Board of Commissioners, with the approval of the County Board of Elections, may adopt and acquire a voting system of a type, make, and model certified by the State Board of Elections for use in all voting places in the County, pursuant to N.C.G.S. 163-165.8;

WHEREAS on April 27th, 2021, the County Board of Elections witnessed a demonstration of the type of voting system being recommended and a demonstration of at least one other type of voting system certified by the State Board of Elections;

WHEREAS on May 11th, 2021, the Beaufort County Board of Elections recommended to the Beaufort County Board of Commissioners that it should acquire a specific voting system from Election Systems & Software, LLC;

WHEREAS the County Board of Elections conducted a simulated election on May 20th, 2021 to test the proposed voting system;

WHEREAS the County Board of Elections recommends trading in its current voting equipment consisting of M100 precinct tabulators, and AutoMarks, with such value applied toward the purchase of a new voting system;

WHEREAS Election Systems & Software, LLC ("ES&S"), has offered to sell to the County a new voting system consisting of 30 DS200 Precinct Scanners, 1 DS450 High Speed Digital Image Scanner, 25 ExpressVote Ballot Marking Devices, and such other equipment, licenses, implementation services, and items set forth in Exhibit A, attached hereto and incorporated herein by reference, in the amount of $281,850 which includes a trade-in allowance of $29,600; and

WHEREAS it is the recommendation the Beaufort County Board of Elections that the ES&S voting system be adopted and that a contract for the purchase of a new voting system and for the sale of the current voting equipment as trade-in property be awarded to ES&S in an amount of $281,850;

NOW, THEREFORE, BE IT RESOLVED, that the Beaufort County Board of Commissioners hereby adopts the ES&S voting system and awards a contract for the purchase of a new voting system and for the sale of the current voting equipment assets as trade- in property to ES&S in an amount of $281,850, and authorizes the Beaufort County Board of Elections to execute, on behalf of Beaufort County, a contract with ES&S for the purchase of a new voting system and for the sale of the current voting equipment assets as trade-in property in a net amount payable to ES&S of $281,850, as set forth herein, subject to approval as to form and legality by the County Attorney.

Adopted this 7th day of June 2021.

Maintaining voter confidence. Enhancing the voter experience.

Purchase Proposal Quote
Submitted by Election Systems & Software

Purchase Solution Includes:

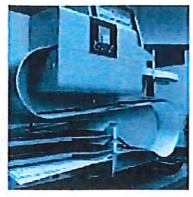
Quantity	Item Description	Price
	Tabulation Hardware	
	Model DS200 Precinct Scanner:	
30	Model DS200 (Includes Scanner, Internal Backup Battery, Plastic Ballot Box with Steel Door and e-Bin, Paper Roll and One (1) Standard 4GB Memory Device)	$172,500.00
30	Tote Bin	$6,750.00
10	Standard 4GB Memory Device (Additional)	$1,050.00
	Model DS450 High Speed Digital Image Scanner:	
1	Model DS450 (Includes Scanner, Steel Table/Cart, Start-up Kit, Dust Cover, Reports Printer, Audit Printer, Battery Backup, Two (2) USB Cables, and Two (2) Standard 8GB Memory Devices)	$51,450.00
	ExpressVote Ballot Marking Device:	
25	ExpressVote BMD Terminal (Includes Terminal, Internal Backup Battery, ADA Keypad, Headphones, Power Supply with AC Cord, and One (1) Standard 4GB Memory Device)	$83,125.00
25	Soft-Sided Case	$4,375.00
	ExpressVote Add-Ons:	
4	ExpressVote Blank Ballot Card Stock - 14" (250 per pkg)	$95.00
	Software	
1	ElectionWare Software - Base Package - Reporting Only (ERM)	No Charge Upgrade
1	Media Burn Capability	No Charge Upgrade
	Election Services	
4	Implementation Services (Does not include Coding, Voice Files or Ballots)	$6,800.00
X	Equipment Operations Training	
X	DS450 Training	
X	Poll Worker Train-the-Trainer	
X	Software Training	
X	Equipment Installation	$8,000.00
X	1 Year Hardware and Firmware Warranty	Included
	Shipping & Other	
X	Shipping and Handling	$5,075.00
X	Customer Loyalty Discount	($27,770.00)
X	Trade-In Allowance. Equipment Being Traded-In by Customer Includes: 48 - Model 100 Scanner ($400.00 Per Unit) 48 - Model 100 Ballot Box ($100.00 Per Unit) 28 - AutoMARK ($200.00 Per Unit)	($29,600.00)
	Total Purchase Solution	**$281,850.00**

Payment Terms

Amount due within thirty (30) calendar days of contract execution:	$140,925.00
Amount due within thirty (30) calendar days of delivery of Hardware and/or Software:	$140,925.00

Footnotes:

1. This quote is an estimate and is subject to final review and approval by both ES&S and the Customer.
2. Rates valid for 60 days and thereafter may change.
3. Any applicable (City & State) sales taxes have not been included in pricing and are the responsibility of the customer.
4. The quantity of service days reflects a reasonable estimate for implementation and selected ongoing election services. Quantities may change depending on specific Customer needs.
5. Annual Software License, Maintenance and Support Services for the Electionware Software quoted above will be invoiced upon expiration of Customer's current Software License Maintenance and Support Services Agreement.
6. ES&S will coordinate and pay for the pickup and transportation of the trade-in equipment from Customer's site on a date to be mutually agreed upon by the parties. Customer is responsible for preparing, packaging and palletizing the trade-in equipment for shipment.



Election Systems & Software, LLC
11208 John Galt Blvd
Omaha, NE 68137

EVS 5.2.4.0 Reporting Standard, Standalone EMS System Purchase Order

April 27, 2021

Beaufort County, North Carolina

1308 Highland Drive, Suite 104
Washington, NC 27889

Quantity	Part Number	Description	Price	Ext. Price
		EMS WORKSTATION		
1	5050	DELL OPTIPLEX 5050 (DESKTOP)	$1427.00	$1427.00
		• OptiPlex 5050 SFF XCTO • Intel Core i5-6500 Processor (Quad Core, 6MB, 4T, 3.2GHz, 65W) • OptiPlex 5050 SFF with 180W up to 85% efficient Power Supply (80Plus Bronze) • TPM Enabled • 8GB DDR4 2400MHz (8GBX1) Memory • 3.5 inch 500GB 7200rpm Hard Disk Drive • AMD Radeon R5 430, 2GB (DP, SL-DVI-I) • DVD+/-RW Bezel, Small Form Factor • No Out-of-Band Systems Management • Chassis Intrusion Switch SFF • Dell KB216 Wired Multi-Media Keyboard English Black • Dell MS116 Wired Mouse, Black • Adobe Reader 11 • Waves MaxxAudio • Windows 7 Professional English 64bit DT (Includes Windows 10 Pro License, Microsoft Volume License Only) • Intel Core i5 Processor Label • Three year hardware warranty • Dell 22 Monitor | P2217H		
1	96050	DELL P2219H 22" MONITOR 3 YR (Desktop)	$193.00	$193.00
1	96008	*SYMANTEC ENDPOINT PROTECTION 14.0.1	$61.00	$61.00
		SERVICES		
1	510210	STANDALONE EMS INSTALL (OFF-SITE)	$1,400.00	$1,400.00

		• EMS configured at ES&S Technical Services lab.
		  o Includes the installation, configuration, and testing of EMS workstation(s).
		• Equipment is shipped to customer location network equipment while on-site.
		  o Physical installation of workstation and related hardware (Printer, UPS, etc.) performed by customer.
		• EMS installation summary documentation provided to customer upon completion of installation.		

		ORDER TOTAL		***$3,081.00***

Invoicing and Payment Terms:
100% of Order Total Due Thirty (30) Calendar Days after the later of (a) Equipment Delivery, or (b) Receipt of corresponding ES&S Invoice.

Note 1: Pricing of purchase order is valid for 30 days due to fluctuating pricing in 3rd party hardware and software. Agreements will need to be updated if not executed within 30 days.
Note 2: In no event shall Customer's payment obligations hereunder, or the due dates for such payments, be contingent or conditional upon Customer's receipt of federal and/or state funds.
Note 3: Any applicable (City & State) sales taxes have not been included in pricing and are the responsibility of the customer.
Note 4: Shipping and Handling is not included in the Order Total and will be invoiced separately.
Note 5: Network Cabling is not included.

Customer acknowledges that ES&S is purchasing the third-party items set forth herein ("Third Party Items") for resale to Customer, and that the proprietary and intellectual property rights to the Third-Party Items are owned by parties other than ES &S ("Third Parties"). Customer further acknowledges that except for the payment to ES& S for the Third-Party Items, all of its rights and obligations with respect thereto flow from and to the Third Parties. ES&S shall provide Customer with copies of all documentation and warranties for the Third-Party Items which are provided to ES &S.

Customer Signature Date

Title

Maintaining voter confidence. Enhancing the voter experience.

Beaufort County, North Carolina
Purchase Proposal Quote
Submitted by Election Systems & Software
4/27/2021

Purchase Solution Includes:

Quantity	Item Description	Price
	Ballot On Demand Hardware and Software	
2	Compact Color Printer with Firmware and One (1) Year Hardware Warranty	
1	Laptop Computer with Router	
1	**Balotar 1-Year Software License Including The Following Features:**	
X	Single Request Capability	
0	Multiple Request Capability	
	Services	
1	Ballot On Demand Training	
X	Installation & Acceptance Testing	
1	Project Management	
X	Shipping and Handling	
	Total Purchase Solution	**$13,785.00**
	Estimated Annual Software License Fee (Upon Expiration of the Initial Term)	
1	**Balotar Software License Including The Following Features:**	**$450.00**
X	Single Request Capability	
0	Multiple Request Capability	

Initial Election Set-Up Fee per Election Event:

Black and White Ballot Set-Up:
$450.00 per election set-up + $1.00 per unique PDF for first Computer,
$75.00 for each additional Computer Set-up

Color Ballot Set-Up:
$550.00 per election set-up + $1.00 per unique PDF for first Computer,
$75.00 for each additional Computer Set-up

Rework of set up due to customer changes after initial set up is complete:
$175.00 per change event for first Computer Set-Up
$75.00 for each additional Computer Set-Up

$350.00 fee for L&A Test Deck Creation

On-Site Set-Up: $1,700.00 per person, per day

Footnotes:

1. This quote is an estimate and is subject to final review and approval by both ES&S and the Customer.
2. Rates valid for 60 days and thereafter may change.
3. Any applicable (City & State) sales taxes have not been included in pricing and are the responsibility of the customer.
4. The quantity of service days reflects a reasonable estimate for implementation and selected ongoing election services. Quanitites may change depending on specific Customer needs.
5. Customer is responsible for purchasing blank ballot stock and consumables.

NOTICE OF SUBGRANT -2020 HAVA Funds - NC
Amended February 2, 2021

Subgrantee:	*Beaufort County Board of Elections*
CFDA Number: 90.404 Agreement Number: NC20101001-007	Budget Period: 7/1/2020 – 6/30/2021

Funds Description

This obligation of funds constitutes the Subgrantee's share, as authorized under Session Law 2020-17, Sec. 11.2(a), of $11,677,441 of federal and $2,335,488 of state matching funds awarded under Election Security Grants in the federal Consolidated Appropriations Act of 2020 to improve the administration of federal elections.

Funding Information

Description	Amount
Allocated funding based on percentage of voter registration within Department of Commerce Tier as of 1/9/ 2021	$54,619
Reimbursements as of 1/27/2021	$0
Remaining Balance of Allocation after reimbursements paid as of 1/27/2021	$54,619

Permissible Uses

Reimbursement-eligible expenditures are those incurred to improve the administration of federal elections, as authorized under HAVA Title I, Section 101, including:

- Improving the administration of elections for Federal office, including to enhance election technology and make election security improvements
- Educating voters concerning voting procedures, voting rights, and voting technology.
- Training election officials, poll workers, and election volunteers.
- Improving, acquiring, leasing, modifying, or replacing voting systems and technology and methods for casting and counting votes.
- Improving the accessibility and quantity of polling places, including providing physical access for individuals with disabilities, providing non-visual access for individuals with visual impairments, and providing assistance to Native Americans, Alaska Native citizens, and to individuals with limited proficiency in the English language.
- Establishing toll-free telephone hotlines that voters may use to report possible voting fraud and voting rights violations, to obtain general election information, and to access detailed automated information on their own voter registration status, specific polling place locations, and other relevant information.
- Expenditures incurred to prevent, prepare for, and respond to the coronavirus pandemic during 2020 federal elections.

Grant Administration

Grant Administration Award recipients and sub-recipients must adhere to all applicable federal requirements including Office of Management and Budget (OMB) guidance: Title 2 C.F.R. Subtitle A, Chapter II, Part 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R. § 200).

Beaufort County
Finance

Budget Amendment Request

Department: **FUND 27 Reserve** **Date of Request:** **06-07-21**

FY Budget: FY 20-21

ACCOUNT NO.	TITLE OF ACCOUNT	INCREASE	DECREASE
27-3800-499100	APPROPRIATED FUND BALANCE	275,000	
27-8990-598751	TRANSFER TO VOTING SYSTEM CAP. PROJ FUND	275,000	

Department Justification: To transfer voting system capital reserve funds to the project fund to make voting system purchases.

If amendment deals with adding, deleting, or modifying a position, County Position No. (& State, if applicable) must be referenced.

County Position No. _____

State Position No. _____

APPROVAL	SIGNATURE	DATE
Department Head		
Finance Officer		
	This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.	
County Manager	Required for interdepartmental transfers.	
Board of Commissioners	Agenda Item No. _____ Reference No. _____	

14/15

AN ORDINANCE TO ESTABLISH A CAPITAL PROJECT FUND
VOTING SYSTEMS CAPITAL PROJECT FUND
BEAUFORT COUNTY, N.C.
FOR FISCAL YEAR 2020-2021

BE IT ORDAINED, by the County Commissioners of Beaufort County, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project is hereby established:

Section 1. The Capital Project is to provide funds for voting machines in Beaufort County.

Section 2. To complete the project the Board of Commissioners of Beaufort County adopts this Capital project ordinance with the following estimated revenues and expenses:

REVENUES:

751-3610-433032	HAVA Grant	$ 54,619
751-3610-439820	Transfer from Capital Reserve Fund	275,000
Total Revenues		$329,619

EXPENSES:

751-4610-563100	Capital Outlay	329,619
Total Expenses		$329,619

Section 3. The officers of this unit are hereby directed to proceed with the project.

Section 4. The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records.

Section 5. The Finance Officer is directed to report on the financial status of the project in Section 2 and on the total revenues and expenses.

Section 6. Copies of this capital project ordinance shall be furnished to the County Clerk, Budget Officer, and to the Finance Officer for direction in carrying out this project.

Section 7. This ordinance shall become effective upon its adoption.

This the 7th day of June, 2021.

_____
Chairman

Attest:

_____
Clerk

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: Lloyd Salter, Tax Assessor

Agenda Title: Appeal to Accept Late Application for Exemption

Summary of Information: Appeal received from customer for exemption of antique aircraft. Aircraft qualifies for the exemption.

Submitter Recommendations/Motions: Staff is recommending the Board approve the attached late application for exemption.

Attachments:
1. Item for Decision: Late Application for Exemption

#38127

Form AV-10A
Web 2-20

Antique Airplane Value Exclusion Application

County of Beaufort ☑, NC Application for Tax Year 2021

Pursuant to N.C.G.S. §105-277.12, antique airplanes are designated a special class of property under Article V, Sec. 2(2) of the North Carolina Constitution and are eligible for assessment at a reduced tax valuation. If qualified, they shall be assessed at the lower of their true value or five thousand dollars ($5,000.00).

To determine qualification, the owner must file an affirmation that all four conditions of the statute have been met. **This form shall be remitted to the assessor of the county in which the property is located during the annual listing period, January 2-31. A copy of the Federal Aviation Administration (FAA) Registration must be included.** Appeals must be filed within 30 days after the date of the initial notice of value, or tax billing if a separate notice is not mailed. The assessor reserves the right to deny the qualification of any airplane deemed not to qualify.

Owner Information

Name of Titled Owner RICHARD H. KARANIAN

Address 106 SANDPIPER BAY WASHINGTON, NC 27889

Home Phone Mobile Phone 2527175652 Email H.KARANIAN@ATT.NET

Description of Property

Year 1946 Make PIPER Model J3C-65

Serial Number 16606 FAA Registry N-Number N92164

Please answer the following questions:

1. Is your airplane a model year 1954 or older and registered with the FAA? Yes ☒ No ☐
2. Is your airplane maintained primarily for use in exhibitions, club activities, air shows, and other public interest functions? Yes ☐ No ☒
3. Is your airplane used only occasionally for other purposes? Yes ☒ No ☐
4. Is your airplane used for the production of income or in connection with a business? Yes ☐ No ☒

Affirmation of Applicant: Under penalties prescribed by law, I hereby certify that the above information is true and correct to the best of my knowledge.

Signature RICHARD H KARANIAN Printed Name 5/12/2021 Date

DO NOT submit this application to the NC Department of Revenue. Submit to the county assessor where the property is located.

Beaufort County
Board of Equalization and Review
Post Office Box 160
Washington, North Carolina 27889

Notice of Appeal

Tax Year: 2021 **Owner of Property:** RICHARD H. KARANIAN

Appellant: _____

Township (complete one appeal form per townships): _____

Abstract or REID #: _____ **Physical Address:** _____ **Opinion of Value:** _____

Abstract or REID #: _____ **Physical Address:** _____ **Opinion of Value:** _____

Abstract or REID #: _____ **Physical Address:** _____ **Opinion of Value:** _____

Abstract or REID #: _____ **Physical Address:** _____ **Opinion of Value:** _____

Reason for Appeal (check all that apply):

Assessed Value ____ **Penalty** ____ **Taxability** ____

Explanation of appeal (attach additional pages as necessary):

WAS UNAWARE OF THE EXCLUSION

Signature: _____

Date: 5/12/21

Phone: 2527175652

Email Address: K.KARANIAN@ATT.NET

Mailing Address:

106 SANDPIPER BAY
WASHINGTON, NC 27889

Submit all substantiating information to:
Beaufort County Assessor's Office
Board of Equalization and Review
PO BOX 160
Washington, NC 27889

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: Lloyd Salter, Tax Assessor

Agenda Title: Negotiated Value Appeal

Summary of Information: The Tax Assessors office is asking the Board to approve the negotiated value for property located at Cypress Landing Trail. The value has been negotiated with customer to $65,000.

Submitter Recommendations/Motions: Staff is recommending approval of the negotiated value $65,000.

Attachments:
1. Timely received appeal. Value negotiated with customer to $65,000.

Date Received 4/15/21

Township Chocowinity

HEARING

For Beaufort County 2021 Board of Equalization and Review

I (or we) would like to meet with the Board of Equalization and Review to appeal the following parcel(s) Listed below.

PIN Numbers	Pin Numbers
Reid: 47269	

Please state reason: Assessed value is +/- 40%-45% higher than actual sales statistics of comparable properties (not golf or waterfront) over the past 12 months. See attached spreadsheet.

Note: Only the parcels listed above will be heard at the scheduled assigned time,

WEBER

Robert Weber
Signature

4/20/21
Date

Address

Robert Weber

587 Brookfield Dr

Winterville, NC 28590

Phone 360-773-6056

Return to: Beaufort County Tax Assessor
P.O. Box 160
Washington, NC 27889
252-946-7981

11308
47243

Offer $65K

Called 4/26/21 agreed to 65K 4/27/21 changed value mailed PRC letter of accept to him.

APR 2 3 2021

REID	Date of Sale	Sale Price	Area(Acres)	$/acre
10095	3/29/21	$30,000	0.48	$62,500
12322	1/22/21	$69,000	~~3.21~~	~~$21,495~~
10094	12/31/20	$22,000	0,54	$40,741
12324	9/25/20	$38,000	0.66	$57,576
10097	9/1/20	$28,000	0.55	$50,909
12315	7/28/20	$63,500	1.94	$32,732
12320	2/24/20	$44,000	1.09	$40,367
15374	4/16/20	$40,000	0.49	$81,633
14170	5/19/20	$40,000	0.9	$44,444

Average $48,044 per acre

40,741

Reid 49269

1.09 Ac

Subject - 98,482

(A) Land value in question

Adj. Rate $90,350

market Adj. (139.9%)

Comps

47259

1.40 Ac

site 65000

woodland 9,568

$74,568

Land value

Total value $401,981

sold 5/15/20 $505,000

(Right next door)

11307 .51 Ac

Bldg site

$55003

Land value

11311 1.04 Ac

site

$65,000

10117 .85 Ac

Bldg site

(X) (ON WATER)

Land value

$90,025 (m/A 138.5)

10118 .61 Ac

Bld. site

Land value

$65,000

10122 .58 Ac

Bld. site

Land value

$65,000

46797 1.3 Ac

Bldg. site

(A) (on water)

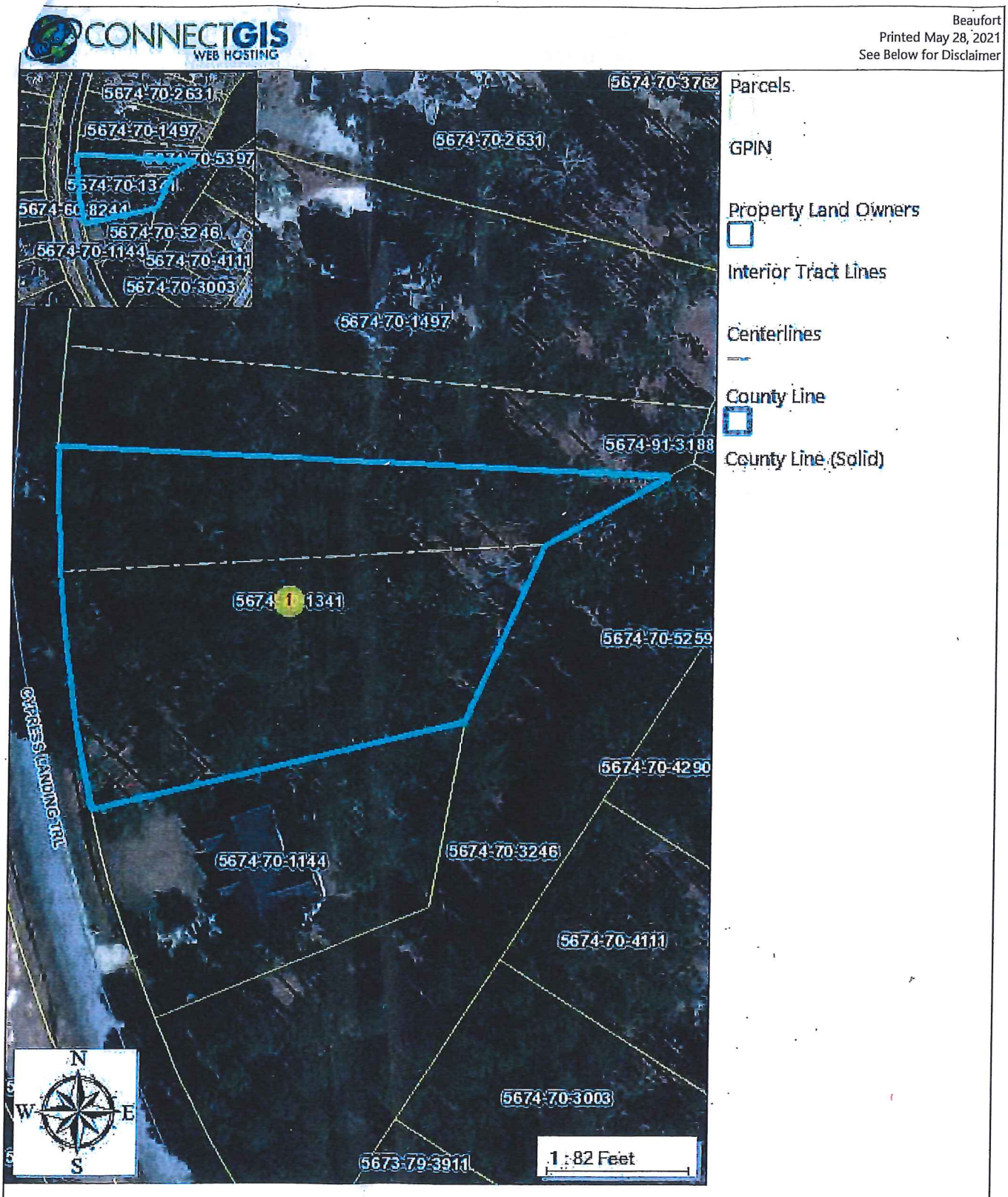
Land value

$110,500

(m/A 170)

OBJECTID	GPIN	GPIN Long
5763	5674-70-1341	5674-70-1341
OWNER NAME	**OWNER NAME2**	**MAILING ADDRESS**
WEBER ROBERT J TRUSTEE	WEBER DAWN TRUSTEE	587 BROOKFIELD DR
MAILING ADDRESS 2	**CITY**	**STATE**
587 BROOKFIELD DR	WINTERVILLE	NC
ZIP	**PROP DESC**	**LAND VAL**
28590	1.09AC ROBERT J & DAWN WEBER/WEBER FAMILY TRUST	65005
		BLDG VAL
		0
TOT VAL	**DEFR VAL**	**TAXABLE VA**
65005	0	65005
PREV ASSESS	**ACRES**	**PROPERTY ADDRESS**
	1.09	CYPRESS LANDING TRL
TOWNSHIP	**MBL**	**DATE**
12	56740094	1/13/2020
DEED BOOK and PAGE	**STAMPS**	**SALE PRICE**
2011/00357		0.00
NBR BLDG	**NBHD CDE**	**NBHD DESC**
0		
LAND USE	**EXEMPT AMT**	**ROAD TYPE**
		PAVED
YR BUILT	**SQ FT**	**SUB CDE**
SUB DESC	**NBR BED**	**NBR BATHS**
EFF YR	**PIN**	**REID**
		47269

Beaufort County online map access is provided as a public service, as is, as available and without warranties, expressed or implied. Content published on this website is for informational purposes only and is not intended to constitute a legal record nor should it be substituted for the advice or services of industry professionals. The County of Beaufort and the Website Provider disclaim all responsibility and legal liability for the content published on this website. The user agrees that Beaufort County and its Assigns shall be held harmless from all actions, claims, damages or judgments arising out of the use of County data.


CONNECTGIS
WEB HOSTING
Beaufort
Printed May 28, 2021
See Below for Disclaimer
Parcels
GPIN
Property Land Owners
Interior Tract Lines
Centerlines
County Line
County Line (Solid)
5674-70-3762
5674-70-2631
5674-70-1497
5674-70-5397
5674-70-3246
5674-70-1144
5674-70-4111
5674-70-3003
5674-91-3188
5674-70-5259
5674-70-4290
5673-79-3911
CYPRESS LANDING TRL
N
W
E
S
1 : 82 Feet

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

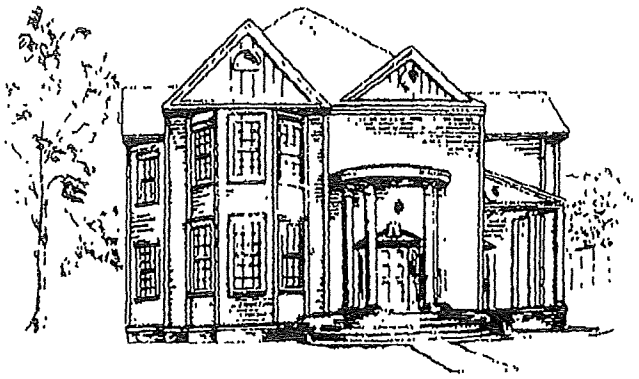
Presenter: West Overman, Deputy Public Works Director

Agenda Title: Aurora Collection Site Lease Agreement Renewal

Summary of Information: Beaufort County currently leases property from the Town of Aurora at 118 Old Campbell's Creek Road for the operation of the Aurora Solid Waste Collection Site. A proposed 3-year lease agreement renewal, beginning January 1, 2021, for the site is attached. The lease rate is $8,240.40 per year, equal to the rate paid for the prior 3 years. The proposed lease agreement has been executed by the Town of Aurora and has been reviewed by the County Attorney.

Submitter Recommendations/Motions: Approve the lease agreement with the Town of Aurora for operation of the Aurora Solid Waste Collection Site.

Attachments:
1. Aurora Collection Site Proposed Lease



Established 1880

Town of Aurora

Mayor
Clif Williams

Town Clerk
Judith S. Lannon

Commissioners
Coley Jordan
Brad Lee
Jeff Pecd
Tina Taylor

May 19, 2021

Brian W. Alligood
County Manager
Beaufort County
121 West 3rd St
Washington, NC 27889

Dear Mr. Alligood:

Attached, please find the Town of Aurora 2021-2023 lease agreement for the Convenience site on SR 1921 executed by the Town Board on May 17, 2021.

Please contact me at (252) 322-4611 if there are any questions.
Thank You,

Judith S. Lannon
Town Clerk/Finance Officer

295 Main Street
Post Office Box 86, Aurora, North Carolina 27806, (252) 322-4611, Fax (252) 322-5896
E-mail: aurora@[illegible]rqmail.com

NORTH CAROLINA

BEAUFORT COUNTY **LEASE AGREEMENT**

THIS LEASE AGREEMENT ("Agreement") is made and entered into effective as of the 1st day of January, 2021, by and between the TOWN OF AURORA ("Lessor"), a North Carolina municipal corporation, and the COUNTY OF BEAUFORT ("Lessee"), a political subdivision of the State of North Carolina, collectively referred to as the "Parties."

WITNESSETH:

THAT WHEREAS, the Lessor owns the real property identified by Beaufort County Tax Parcel Number 6567-52-1613, said parcel being more particularly described as follows:

> That certain tract or parcel of land located on State Road 1921 and more particularly described in the expired 1979 Lease recorded in Deed Book 785, Page 779 of the Beaufort County Registry ("Subject Property"); and

WHEREAS, the Lessee desires to lease the Subject Property for use as a solid waste "Convenience Center" at which solid waste may be deposited by the general public and held pending transfer to the approved solid waste disposal facility; and

WHEREAS, the Lessor agrees to lease the Subject Property to the Lessee, subject to the terms and conditions contained herein; and

WHEREAS, the Lessor has determined that the Subject Property will not be needed by the Lessor for the term of the Lease; and

WHEREAS, the Parties have agreed upon the terms of a Lease and wish to reduce their agreement to writing.

NOW, THEREFORE, the Lessor does hereby let and lease unto said Lessee, and said Lessee does hereby accept as tenant of said Lessor, the Subject Property, for the term and upon the conditions hereinafter set forth:

1. **INCORPORATION OF RECITALS.** The foregoing WHEREAS paragraphs are incorporated herein as part of the terms and conditions of this Lease.

2. **CONDITION OF SUBJECT PROPERTY AND LESSEE UPFIT.** Lessee has inspected the Subject Property and accepts the Subject Property in its present condition. Lessor shall deliver the Subject Property to Lessee "as-is." Lessee will only make such improvements that it may desire for the aforementioned use of the Subject Property, but only if it obtains the Lessor's written permission to do so in advance, and in such case, Lessee shall be responsible for

all costs of improvements. It is contemplated by the parties that Lessor's written permission may be given by either the Mayor or the Town Clerk after said proposed improvements have been approved by the Town Board of Commissioners. Any improvements, which are structural in nature or may become fixtures to the property, shall remain the Lessor's property at the end of the lease term.

3. **CARE OF SUBJECT PROPERTY.** Lessee shall be responsible for maintenance of the Subject Property, including maintaining all improvements located thereon in good repair, and will tender the Subject Property back to Lessor at the end of the term hereof in the same condition in which the Subject Property existed, reasonable wear and tear excepted, as of January 1, 2021, (the date of the previous lease term). Any improvements erected on the Subject Property by Lessee shall be Lessor's if not removed within THIRTY (30) days after the expiration of this Lease. Lessee shall be responsible for controlling litter and debris deposited within ONE HUNDRED (100) feet of the Subject Property on adjoining property owned by Lessor. This area and the premises shall be policed and cleaned on a regular and frequent schedule, no less than weekly.

4. **TERM AND TERMINATION.** The term of this Lease shall commence on January 1, 2021, and shall continue through midnight on December 31, 2023, unless sooner terminated or extended in accordance with the terms hereof. The Parties, by written instrument, may agree to an extension of the lease term prior to the termination of this Lease. This Lease shall be subject to termination by Lessor if any installment of rent is not paid within TWENTY (20) days after its due date, (with no notice required to be given for non-payment) or if Lessee fails to perform any other obligation imposed on Lessee hereunder within TWENTY (20) days after receiving written notice of such default from Lessor, including failure to keep insurance in force as set forth above.

5. **RENT.** As rent for the Subject Property, the Lessee agrees to maintain the Subject Property, as set forth herein, and to pay the sum of Eight Thousand Two Hundred Forty and 40/100 Dollars ($8,240.40) per annum during the term of this Lease. The first such payment to be made contemporaneously with the execution of this Lease, and each subsequent annual payment to be made on or before January 15th of each consecutive year of the lease term.

6. **PERMITTED USES.** Lessee agrees to utilize the Subject Property as a as a solid waste "Convenience Center" at which solid waste may be deposited by the general public

and held pending transfer to the approved solid waste disposal facility, and for no other purposes without Lessor's prior written consent. While the Lessee will be ultimately responsible for the operation of the Convenience Center, the Convenience Center may be maintained and/or operated by a third party.

7. **PROHIBITED USES.** Lessee agrees not to permit any Hazardous Material (as defined hereinafter) to be installed, brought, kept, used, stored or discharged upon the Subject Property in violation of any State, Federal or local environmental laws regulating Lessee's use and occupancy of the Subject Property. Lessee shall indemnify Lessor for any losses, damages, liability, claim, or expenses (including reasonable attorneys' fees) resulting from a breach of the aforesaid agreement or resulting from the exercise of Lessee's rights to store or use any Hazardous Material in accordance with the provisions of this paragraph. For purposes hereof, the term "Hazardous Material" shall include, without limitation, any substances defined as "hazardous wastes," "hazardous substances," "hazardous materials," or "toxic substances" by the Resource Conservation and Recovery Act of 1976, as amended from time to time, or the regulations promulgated thereunder, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, or the regulations promulgated thereunder, the Toxic Substances Control Act, as amended from time to time, or the regulations promulgated thereunder, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order, decree or other requirement or any governmental authority having jurisdiction over the Subject Property which regulates or imposes liability or standards of conduct concerning any hazardous, toxic, or dangerous waste, substance or material, as now or at any time hereafter in effect. Without limiting the generality of the foregoing, the term "Hazardous Material" shall include dry cleaning solvents and petroleum products outside sealed containers. Notwithstanding the above, Lessee shall not be responsible for any claim, demand, cost, damage, injury, loss, liability or change based on or arising out of the presence of any Hazardous Materials or conditions on or about the Subject Property which existed prior to Lessee's occupancy or which was not expressly caused by Lessee, its agents, employees or representatives.

Lessee will not make, allow, or suffer any unlawful use of the Subject Property at any time and will indemnify Lessor for any such unlawful use and for any and all losses, claims, expenses for its operation at the Subject Property and hold Lessee harmless from any and all

claims by all third parties who may use said site or resulting from Lessee's operations at said site or by third parties who may maintain or operate said site for the intended purposes recited herein.

8. **UTILITIES.** All applications and connections for utility services required by Lessee in conjunction with Lessee's use and occupancy of the Subject Property shall be made in the name of Lessee only, and Lessee shall be solely responsible for obtaining such services and for the payment of all charges for such services as they become due. Such utility services include, but are not limited to, sewer, water, gas, electricity, and telephone services.

9. **CASUALTY AND LIABILITY INSURANCE.** At all times during the term hereof, Lessee, at its sole cost and expense, shall maintain a comprehensive general public liability insurance policy naming Lessor as an additional insured and shall hold Lessor harmless from and against all costs, including attorneys fees, expense, and/or liabilities arising out of or based upon any and all claims, accidents, injuries, and damages which may be asserted against Lessor with respect to the leased premises. A copy of the current effective insurance binder shall be mailed to Lessor within ten (10) days. The minimum limits of such policy of public liability insurance shall be ONE-MILLION ($1,000,000.00) DOLLARS aggregate. In the event this policy expires or is otherwise terminated, then Lessor shall have the right to cancel this lease immediately; provided, however, that if such insurance is reinstated or replaced within TEN (10) days thereafter, this Lease shall be reinstated as though no cancellation had occurred.

10. **INDEMNIFICATION/LIMITATION OF LIABILITY**. To the extent allowed by law, and as limited by the laws of North Carolina, including the North Carolina Tort Claims Act, the Defense of State Employees Act, and the Excess Liability Policy administered through the North Carolina Department of Insurance, subject to the availability of appropriations and in proportion to and to the extent that such liability for injury or damages is caused by or results from the negligent acts or omissions of Lessee, its officers, agents, contractors, or employees, Lessee shall indemnify Lessor and save it harmless from and against any and all liability for injury or damage to person or property arising from or out of any occurrence in, upon, or at the Subject Property, or the occupancy or use by Lessee of the Subject Property, unless the same is caused by the negligence or willful misconduct of Lessor. To the extent allowed by law, and as limited by all state and federal laws, subject to the availability of appropriations and in proportion to and to the extent that such liability for injury or damages is caused by or results from the negligent acts or omissions of Lessor, its agents, contractors, or employees, Lessor shall

indemnify Lessee and save it harmless from and against any and all liability for injury or damage to person or property arising from or out of any occurrence in, upon, or at the Subject Property, unless the same is caused by the negligence or willful misconduct of Lessee.

11. QUIET POSSESSION. Provided Lessee is not in default under the provisions of this Lease, Lessor covenants that Lessee shall have and enjoy during the initial term and any renewals hereof quiet and peaceful possession of the Subject Property, subject to all terms and provisions of this Lease, free of interference by Lessor, provided that Lessor shall have the right to enter upon the Subject Property at all reasonable times.

12. SURRENDER OF POSSESSION. Lessee agrees that the termination hereof to surrender the premises to the Lessor in as good condition as said property is at the beginning of the lease term.

13. NOTICES. All notices required to be given with respect to any matter pertaining to this Lease shall be sent by certified mail, return receipt requested, or other nationally recognized overnight courier and shall be deemed delivered upon receipt or refusal if addressed to Lessee or to Lessor at the following addresses:

Lesssor
Town of Aurora
Attn: Town Clerk
P.O. Box 86
Aurora, N.C. 27806

Lessee
County of Beaufort
Attn: County Manager
121 West 3rd Street
Washington, NC 27889

Either Lessor or Lessee may change the address to which notices are to be sent to them by giving written notice of such change of address to the other party as herein provided.

14. MEMORANDUM OF LEASE. This Lease shall not be recorded, but Lessor and Lessee, at either's request, shall execute a memorandum of lease for recording purposes which shall contain only the information required by Section 47-118 of the North Carolina General Statutes.

15. **ENTIRE AGREEMENT.** This Lease contains the entire agreement between the Parties with respect to the Subject Property, and cannot be changed or terminated except by written instrument subsequently executed by the parties hereto.

IN TESTIMONY WHEREOF, the Town of Aurora has caused this instrument to be executed in its name by its Mayor, attested by its Town Clerk and its official seal to be hereunto affixed, and the County of Beaufort has caused this instrument to be executed in its name by the Chairman of the Board of Commissioners and attested to by its County Manager with its official seal to be affixed hereto, all by authority duly given by the parties' respective public boards this the day and year first above written in duplicate originals.

Town of Aurora

By: _____
Clif Williams, Mayor

ATTESTED TO:

By: _____
Judith S. Lannon, Town Clerk

County of Beaufort

By: _____
Chairman, Board of Commissioners

ATTESTED TO:

By: _____

This instrument has been pre-audited in the manner required by the Local Budget and Fiscal Control Act approved by the County of Beaufort Finance Officer.

By: _____
County Finance Officer

NORTH CAROLINA
BEAUFORT COUNTY

I, Delores G. Jones, a Notary Public in and for the County and State aforesaid, do hereby certify that Judith S. Lannon personally appeared before me this day and acknowledged that she is the Clerk of the TOWN OF AURORA, and that by authority duly given and as the act of the TOWN OF AURORA, the foregoing instrument was signed in its name by its Mayor, sealed with its official seal and attested by herself as its Clerk.

Witness my hand and Notarial seal, this the 18th day of May, 2021.

Delores G. Jones
NOTARY PUBLIC

DELORES G. JONES NOTARY PUBLIC BEAUFORT COUNTY, NC

My Commission Expires: May 31, 2021

NORTH CAROLINA
BEAUFORT COUNTY

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____ personally appeared before me this day and acknowledged that he is the Chairman of the Board of Commissioners, and that by authority duly given and as the act of the Board of Commissioners, the foregoing instrument was signed in its name by its County Manager, sealed with its official seal and attested by himself as its Chairman.

Witness my hand and Notarial seal, this the _____ day of _____, 202__.

_____
NOTARY PUBLIC

My Commission Expires: _____

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: West Overman, Deputy Public Works Director

Agenda Title: Adjust Solid Waste Collection Sites Operating Schedule

Summary of Information: During the October 5, 2020 Board of Commissioners' meeting, the Board voted to adjust the operating hours of solid waste collection sites based on Daylight Savings Time. Following implementation of that schedule, further consideration has found that simplifying the schedule by shifting operating hours based on the calendar month provides many benefits.

In lieu of adjusting the schedule based on the actual date that Daylight Savings Time begins and ends, which occurs on different dates each year, staff proposes that a "Winter Schedule" (closing at 6:00 PM) run from November 1 through March 30, and the "Summer Schedule" (closing at 7:00 PM) run from April 1 through October 31. If approved, this schedule would take effect on July 1, 2021. This change in operating hours would not affect the day of the week that each site is closed.

The benefits of this proposed change are:

- provide a consistent schedule year to year, hopefully leading to a greater understanding of the schedule by the public
- simplify language on signage and website
- simplify monthly invoicing from Republic Services, LLC

Submitter Recommendations/Motions: Approve adjusting the operating hours of solid waste convenience sites from a Daylight Savings Time based schedule to operating based on the Winter Schedule from November 1 through March 30 and the Summer Schedule from April 1 through October 31.

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: Christina Smith, Public Works Director

Agenda Title: FY2021 Facility Capital Improvements Fund Allocation & Award of Contract - Financial Services Center Roof Replacement

Summary of Information: The FY2021 Budget includes funding of $575,000 for the Facility Capital Improvements Fund. To date, only $388,120 of the $575,00 has been allocated. The chart below summarizes the funding to date and the requests of this agenda item.

Description	Estimate	Allocated	Requested	Revised
Exterior Courthouse Repairs(partial)	$245,650	$245,650	---	$245,650
Tideland Bldg. HVAC Controls	$46,880	$50,000	($3,013)	$46,987
FSC Roof Replacement	$92,470	$92,470	$9,830	$102,300
CH Interior Renovations	$190,000	---	$180,063	$180,063
Total	**$575,000**	**$388,120**		**$575,000**

1. Financial Services: The replacement of the roof above the western portion of the roof of the Financial Services Building was included in the capital project budget for FY2021. The County retained the professional engineering services of REI Engineers to inspect, design, bid, and perform construction administration and inspection service on the replacement of the roof. REI issued a bid package, and three bids were received on May 13, 2021. The low bidder is Owens Roofing of Smithfield, NC in the amount of $93,300 (see attached bid tabulation & recommendation to award letter from REI Engineers.) Because the bid amount exceeds the original (January 2020) estimated cost of work including engineering costs, it is requested that a budget amendment be approved that re-allocates $9,530 from within the Facility capital Improvement Fund to the Financial Services Center line item.

2. Courthouse: During the July 2020 BOC meeting it was decided that the allocation of the funds for the interior work at the Courthouse would be delayed until the costs of the other projects had been determined. Interior renovations of the Courthouse planned will include paint, carpet, flooring, counter renovations, and various improvements as funds allow.

Submitter Recommendations/Motions: Approve award of contract to Owens Roofing in the amount of $93,300.00, allocation of funds for Courthouse interior renovations, and associated budget amendment.

Beaufort County
Finance

Budget Amendment Request

Department: Facility Reserve Fund & Facility Improvements CPF

Date of Request: 6-7-21

FY Budget: FY 20-21

ACCOUNT NO.	TITLE OF ACCOUNT	INCREASE	DECREASE
17-3990-499100	Fund Balance Appropriated	186,880	
17-7277-598171	Transfer to Facility Improvements Fund	186,880	
171-3900-439071	Transfer from Facility Reserve	186,880	
171-7172-536400	Tideland Building Improvements		(3,013)
171-7172-536500	Financial Services Ctr. Improvements	9,830	
171-7172-536100	Courthouse Building Improvements	180,063	

Department Justification:

To transfer $186,880 from the Facility Capital Reserve Fund to the Facility Capital Project Fund and allocate funding for completion of FY20/21 facility projects.

If amendment deals with adding, deleting, or modifying a position, County Position No. (& State, if applicable) must be referenced.

County Position No. _____

State Position No. _____

APPROVAL	SIGNATURE	DATE
Department Head		
Finance Officer		
	This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.	
County Manager	Required for interdepartmental transfers.	
Board of Commissioners	Agenda Item No. _____ Reference No. _____	

REI
ENGINEERS

June 1, 2021

Beaufort County
121 West 3rd Street
Washington, NC 27889

Attention: Ms. Christina Smith, PE
Public Works Director

Reference: Contract Award Recommendation
Financial Services Roof Replacement
REI Project No. 021GVL-005

Dear Christina:

Bids were opened at 2:00 pm on May 13, 2021 for the above referenced project. Owens Roofing, Inc. submitted the lowest total base bid in the amount of $93,300.00.

REI Engineer's estimated construction cost for the project was $95,700.00; therefore, REI recommends this project be awarded to Owens Roofing, Inc. in the amount of $93,300.00.

Please contact our office if you have any questions regarding the bidding and awarding of this project.

Sincerely,

REI Engineers

V. Kevin Burch

V. Kevin Burch, PE
Vice President

BID TABULATION

Owner Name: Beaufort County
Project Name: Financial Services Roof Replacement
Bid Due Date: May 13, 2021
Bid Due Time: 2:00 PM

Bidder	Base Bid	UP#1 LWIC Repair (CF)	UP#2 Wood Blocking (BF)	Ack. Addendum #1	MBW Form	Bid Bond	RMA
Curtis Construction	$102,125.00	$180.00	$6.00	N	B	Y	Soprema
Hamlin Roofing	$155,518.00	$15.00 (BF)	$10.00	Y	DNS	Y	Soprema
Owens Roofing	$93,300.00	$6.00	$4.00	Y	DNS	Y	Soprema

I hereby certify that this is a true tabulation of bids received.

V. Kevin Burch

5/14/2021

V. Kevin Burch, PE
Project Engineer

Date

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Discussion

Presenter: Anita Radcliffe, Chief Finance Officer

Agenda Title: Finance Report

Summary of Information: The County Finance Officer will present financial information to the Board of Commissioners.

Submitter Recommendations/Motions: Information only.

Attachments:

Beaufort County
Agenda Abstract

Meeting Date/Time: 6/7/2021

Agenda Section: Item for Decision

Agenda Title: General Obligation Bonds Refunding - Cost of Issuance

Presenter: Anita C. Radcliffe, Chief Financial Officer

Summary of Information: The closing for the refunded Series 2012, 2015 and 2017 General Obligation School Bonds occurred on June 1st producing savings in the amount of $397,529 dollars over the next 7 years. At closing, the County received a deposit in the amount of $80,000.00 to pay costs associated with the bond issuance. This revenue needs to be appropriated so the following invoices can be paid. The difference between the amount received at closing and the invoices that need to be paid is $9,700 which will be added back to fund balance.

-Davenport & Associates (Financial Advisors)	46,800
-LGC (verification, oversight, etc.)	500
-Regions (Trustee fees)	3,500
-Bingham, Inc. (Escrow funds verification)	2,500
-Sanford Holshouser (B. Jessup legal fees)	15,000
-Miscellaneous	2,000
Total	$70,300

Submitter Recommendations/Motions: Approve the attached Budget Amendment appropriating revenue received at the general obligation bond closing to pay associated issuance costs.

Attachments:

-Budget Amendment
-Cost of Issuance Budget

Beaufort County
Finance

Budget Amendment Request

Department: General Fund **Date of Request:** 6-7-21

FY Budget: FY 20-21

ACCOUNT NO.	TITLE OF ACCOUNT	INCREASE	DECREASE
10-0600-491012	Refunding Proceeds Cost of Issuance	80,000	
10-0991-499100	Appropriated Fund Balance		9,700
10-9100-519101	Debt Issuance Expense	70,300	

Department Justification:

To recognize refunding proceeds and appropriate them to pay cost of issuance fees.

If amendment deals with adding, deleting, or modifying a position, County Position No. (& State, if applicable) must be referenced.

County Position No. _____

State Position No. _____

APPROVAL	SIGNATURE	DATE
Department Head		
Finance Officer		
	This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.	
County Manager	Required for interdepartmental transfers.	
Board of Commissioners	Agenda Item No. _____ Reference No. _____	

Beaufort County, NC
General Obligation Refunding Bonds, Series 2021A&B
Preliminary Cost of Issuance Budget ("Cinderella" Structure)
3/25/2021

		Amount	
Financial Advisor	$	46,800.00	Detail Below
LGC		500.00	Estimate per LGC
Bond Counsel (Sanford Holshouser LLP)		18,500.00	Per Bob Jessup (Includes $3,500 due at conversion)
Escrow Agent (Regions)		3,500.00	Escrow agent and counsel per Regions Proposal
Verification Agent		2,500.00	Estimated - TBD
Miscellaneous / Contingency		8,200.00	Placeholder, if needed
Total	$	80,000.00	

Davenport Detail		Amount
Financial Advisory Fee	$	45,000.00
Indirect Expenses (equal to 4% of fee)		1,800.00
Direct Expenses		TBD
Total	$	46,800.00

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: Anita Radcliffe, Finance Director

Agenda Title: Limited Obligation Bonds - Cost of Issuance

Summary of Information: The closing for the refunded 2012 Limited Obligation Bonds occurred on May 6th producing savings in the amount of $3.185 million dollars over the next 20 years. At closing, the County received a deposit in the amount of $161,630.48 to pay costs associated with the bond issuance. This revenue needs to be appropriated so the following invoices can be paid.

-Moody's (credit rating)	$37,000
-Davenport & Associates (financial advisors)	88,400
-LGC (verification, oversight, etc.)	12,500
-Regions (Trustee fees)	3,500
-Bingham, Inc. (Escrow funds verification)	1,650
-Maynard, Cooper, Gale, P.C. (Trustee counsel)	5,500
-Financial Press (bond publication/printing costs)	1,612
-Miscellaneous	2,000
	$152,162

Mr. Bob Jessup, public finance attorney for Sandford Holshouser, LLP served as bond counsel for the County on this transaction. His attorney fees, in the amount of $65,000, were paid out of the Water Fund annual operating budget. This was done to take advantage of a $10,000 discount for his services. A budget amendment is not necessary for this due to lapsed salaries being used to cover the legal fees.

Submitter Recommendations/Motions: Approve the attached Budget Amendment appropriating revenue received at the LOBS closing to pay associated issuance costs.

Attachments:

-Budget Amendment
-Cost of Issuance Budget

Beaufort County
Finance

Budget Amendment Request

Department: Water Fund **Date of Request:** 6-7-21

FY Budget: FY 20-21

ACCOUNT NO.	TITLE OF ACCOUNT	INCREASE	DECREASE
60-3713-491060	Refunding Proceeds Cost of Issuance	161,630	
60-3713-499100	Appropriated Fund Balance		9,468
60-7130-519101	Debt Issuance Expense	152,162	

Department Justification:

To recognize refunding proceeds and appropriate them to pay cost of issuance fees.

If amendment deals with adding, deleting, or modifying a position, County Position No. (& State, if applicable) must be referenced.

County Position No. _____

State Position No. _____

APPROVAL	SIGNATURE	DATE
Department Head		
Finance Officer		
	This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.	
County Manager	Required for interdepartmental transfers.	
Board of Commissioners	Agenda Item No. _____ Reference No. _____	

Beaufort County, NC
Limited Obligation Refunding Bonds, Series 2021
Preliminary Cost of Issuance Budget
4/16/2021

		Amount	
Financial Advisor	$	88,400.00	Detail Below
LGC		12,500.00	Estimate per LGC
Bond Counsel (Sanford Holshouser)*		-	*65,000 to be paid "out of pocket"
Trustee (Regions)		3,500.00	per Trustee proposal
Trustee's Counsel (Moore & Van Allen)		5,500.00	per Trustee proposal
Verification Agent		1,650.00	per Bingham proposal
Rating Fees - Moody's		37,000.00	Estimate per Moody's Fee Schedule
Miscellaneous / Real Estate		11,450.00	Placeholder, if needed
Total	**$**	**160,000.00**	

Underwriter's Discount (Based on Estimated Par Amount of $31,530,000)			
Average Takedown ($3.75 per $1000)[1]		118,237.50	Per Engagement Letter
Underwriting Expenses ($0.285 per $1000)[1]		8,987.50	Estimate per Baird
Underwriter's Counsel (Pope Flynn, LLC)		42,500.00	Per Matt Davis
Total	**$**	**169,725.00**	

Davenport Detail		
Financial Advisory Fee	$	85,000.00
Indirect Expenses (equal to 4% of fee)		3,400.00
Direct Expenses		TBD
Total	**$**	**88,400.00**

[1] Underwriting Fees calculated per $1,000 of par amount issued. Amounts shown based on current estimated par amount of $31,530,000.

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When acting as a registered municipal advisor Davenport is a fiduciary required by federal law to act in the best interest of a municipal entity without regard to its own financial or other interests. Davenport is not a fiduciary when it acts as a registered investment advisor, when advising an obligated person, or when acting as an underwriter, though it is required to deal fairly with such persons.

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Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: Anita Radcliffe, Chief Finance Officer

Agenda Title: USDA Refunding - Cost of Issuance

Summary of Information: The closing for the refunded USDA loan will take place on June 10, 2021 producing savings of $819,905 net of closing costs below. There are minimal issuance costs associated with this transaction since it does not involve selling bonds. The Finance Officer felt comfortable in leading this refinancing so the services of our financial advisors, Davenport & Associates, were not utilized. The main costs are legal counsel, LGC fees, and title fees as estimated below.

1.	LGC (verification, oversight, etc.)	1,000
2.	Sanford Holshouser (B. Jessup Legal Fees)	10,000
3.	Title Work/Fees	2,000
4.	Legal Advertisement	500
5.	Miscellaneous	1,500
		$15,000

Submitter Recommendations/Motions:

Approve the attached budget amendment appropriating $15,000 to pay associated issuance costs for the USDA refunding.

Attachments:
1. Budget Amendment

Beaufort County
Finance

Budget Amendment Request

Department: General Fund **Date of Request:** 6-7-21

FY Budget: FY 20-21

ACCOUNT NO.	TITLE OF ACCOUNT	INCREASE	DECREASE
10-0991-499100	Appropriated Fund Balance	15,000	
10-9100-519101	Debt Issuance Expense	15,000	

Department Justification:

To appropriate funds to pay for cost of issuance fees.

If amendment deals with adding, deleting, or modifying a position, County Position No. (& State, if applicable) must be referenced.

County Position No. _____

State Position No. _____

APPROVAL	SIGNATURE	DATE
Department Head		
Finance Officer		
	This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.	
County Manager	Required for interdepartmental transfers.	
Board of Commissioners	Agenda Item No. _____ Reference No. _____-	

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Agenda Title: Refinancing of 2013 USDA loan

Presenter: Anita C. Radcliffe, Chief Financial Officer
Bob Jessup, Public Finance Attorney – Sandford Holshouser, LLP

Summary of Information: At the March 1, 2021, the Board held a public hearing to take public comments concerning the proposed refinancing of an estimated $34,000,000 to refinance the County limited obligation bonds that the County originally issued in 2012 to refinance obligations of the County Water Districts and an estimated amount of $3,000,000 to refinance the County's obligations related to a community college building. The Board adopted a "Resolution Supporting Application to the Local Government Commission for Its Approval of a Financing Agreement(s) – Refinancing of the 2012 Limited Obligation Bonds and 2013 USDA Loan". The LOBs refunding is complete. Action is needed tonight to finalize the refinancing of the 2013 USDA loan.

Mr. Bob Jessup, Public Finance Attorney with Sanford Holshouser, LLP is serving as counsel for the County and is present tonight to review and answer questions related to the following "substantially final" documents required to be approved by the Board to finalize the refinancing of the 2013 USDA loan.

1. Resolution Providing Final Board Approval for Financing up to $2,700,000 for the Allied Health Building
2. Intercreditor Agreement (Sterling National Bank, EDA, and Beaufort County)
3. Deed of Trust
4. Financing Contract w/ Sterling National Bank

Submitter Recommendations/Motions: Approve the resolution and attached documents to finalize the USDA refinancing.

s☆h draft of May xxx

Resolution Providing Final Board Approval for Financing up to $2,700,000 for the Allied Health Building Refinancing

Introduction

Beaufort County has previously determined to carry out a plan (the "Project") to refinance the County's existing financing for the Allied Health Building at Beaufort Community College. The County has also determined to finance Project costs through an installment financing, as authorized under Section 160A-20 of the General Statutes. In an installment financing, the County's repayment obligation is secured by a mortgage-type interest in all or part of the property being financed, but not by any pledge of the County's taxing power or any specific revenue stream.

The County has solicited competitive proposals from banks and other financial institutions to provide the desired financing, and Sterling National Bank (the "Lender") has submitted the best proposal.

The County's Finance Officer has made available to this Board the draft agreements listed on Exhibit A (the "Agreements"), which relate to the County's carrying out the financing plan.

In this resolution, the Board formally approves financing terms, approves substantially final documents, and authorizes County representatives to complete the financing.

BE IT THEREFORE RESOLVED by the Board of Commissioners of Beaufort County, North Carolina, as follows:

1. ***Determination To Proceed with Financing*** – The County confirms its plans to undertake the Project. The County will carry out the Project with financing from the Lender substantially in accordance with a financing proposal dated April 20, 2021.

Under the financing plan, the Lender will make funds available to the County for use on Project costs. The County will repay the amount advanced, with interest, over time. The County will grant to the Lender a mortgage-type interest in the Allied Health Building (and its associated real property) to secure the County's repayment obligation.

2. ***Approval of Agreements; Direction To Execute Agreements*** -- The Board approves the forms of the Agreements submitted to this meeting. The Board authorizes the Board's Chairman and the County Manager, or either of them, to execute and deliver the Agreements in their final forms. The Agreements in their respective final forms must be in substantially the forms presented, with such changes as the Chairman or the County Manager may approve. The execution

and delivery of any Agreement by an authorized County officer will be conclusive evidence of that officer's approval of any changes.

The Agreements in final form, however, must be consistent with the financing plan described in this resolution and must provide (a) for the amount financed by the County not to exceed $2,700,000, (b) for an annual interest rate not to exceed 2.13% (in the absence of default, or a change in tax status), and (c) for a financing term not to extend beyond December 31, 2033.

3. ***Officers To Complete Closing*** – The Board authorizes the County Manager, the Finance Officer and all other County officers and employees to take all proper steps to complete the financing in cooperation with the Lender and in accordance with this resolution.

The Board authorizes the County Manager to hold executed copies of all financing documents authorized or permitted by this resolution in escrow on the County's behalf until the conditions for their delivery have been completed to that officer's satisfaction, and then to release the executed copies of the documents for delivery to the appropriate persons or organizations.

Without limiting the generality of the foregoing, the Board specifically authorizes the County Manager to approve changes to any documents previously signed by County officers or employees, provided that the changes do not conflict with this resolution or substantially alter the intent from that expressed in the form originally signed. The County Manager's authorization of the release of any document for delivery will constitute conclusive evidence of that officer's approval of any changes.

In addition, the Board authorizes the County Manager and the Finance Officer to take all appropriate steps for the efficient and convenient carrying out of the County's on-going responsibilities with respect to the financing of the Project. This authorization includes, without limitation, contracting with third parties for reports and calculations that may be required under this resolution or otherwise with respect to the Agreements, and to make payments prior to the loan closing for costs related to the financing as appropriate.

4. ***Resolutions as to Tax Matters*** -- The County will not take or omit to take any action the taking or omission of which will cause its obligations to pay principal and interest (the "Obligations") to be "arbitrage bonds," within the meaning of Section 148 of the "Code" (as defined below), or "private activity bonds" within the meaning of Code Section 141, or otherwise cause interest components of the installment payments to be includable in gross income for federal income tax purposes. Without limiting the generality of the foregoing, the County will comply with any Code provision that may require the County at any time to pay to the United States any part of the earnings derived from the investment of the financing proceeds. In this resolution, "Code" means

the United States Internal Revenue Code of 1986, as amended, and includes applicable Treasury regulations.

5. ***Additional Provisions*** -- The Board authorizes all County officers and employees to take all further action as they may consider necessary or desirable in furtherance of the purposes of this resolution. The Board ratifies all prior actions of County officers and employees to this end. Upon the absence, unavailability or refusal to act of the County Manager, the Chairman or the Finance Officer, any other of those officers may assume any responsibility or carry out any function assigned in this resolution. The Board authorizes the Clerk to apply the County's seal, and to attest to the seal, on any document related to the purposes of this resolution. In addition, the Vice Chairman or any Deputy or Assistant Clerk to the Board may in any event assume any responsibility or carry out any function assigned to the Chairman or the Clerk, respectively, in this resolution. All other Board proceedings, or parts thereof, in conflict with this resolution are repealed, to the extent of the conflict. This resolution takes effect immediately.

Exhibit A -- Draft Agreements

(a) A draft dated May _____, 2021, of an Installment Financing Contract to be dated on or about June 10, 2021 (the "Financing Contract"), between the County and the Lender. The Financing Contract provides for the advance of funds to the County for the County's use on the project, sets out the County's repayment obligation, and sets out the County's obligations regarding care for the collateral and other matters.

(b) A draft dated May _____, 2021, of a Deed of Trust and Security Agreement to be dated on or about June 10, 2021, from the County to a deed of trust trustee for the Lender's benefit. The Deed of Trust provides for a security interest in the proposed Allied Health Building and its associated real property to the Lender to secure the County's repayment obligation.

(c) A draft dated May _____, 2021, of a Intercreditor Agreement to be dated on or about June 10, 2021, among the County, the Lender and the United States Economic Development Agency. Under this Agreement, the Lender and EDA agree to share a first-lien security interest in the Allied Health Building.

s☆h draft of May 17

Prepared by and return after recording to:

Robert M. Jessup Jr.
Sam Smotherman
Sanford Holshouser LLP
209 Lloyd St., Suite 350
Carrboro, NC 27510

STATE OF NORTH CAROLINA) **)** **BEAUFORT COUNTY)**	**The collateral is or includes fixtures.**

Brief description: Allied Health Building, Beaufort Community College campus, Washington, North Carolina

Modifies agreement recorded at _____

INTERCREDITOR AGREEMENT

This Agreement is made and entered into on this 10th day of June, 2021 by **Sterling National Bank** (Lender), with an office at _____, the **United States Department of Commerce, Economic Development Administration** (EDA), with an office at 401 West Peachtree Street, N.W., Suite 1820, Atlanta, Georgia 30308 and **Beaufort County, North Carolina,** with an address at 121 W. Third Street, Washington, North Carolina 27889 (the Debtor).

Introduction

WHEREAS, EDA has awarded Debtor, together with The Trustees of Beaufort Community College, the sum of $2,500,000.00 pursuant to EDA Award No. 04-79-06291, and

WHEREAS; as security for the $2,500,000.00 award, Debtor has granted EDA a security interest in the land, with improvements thereon, described in Exhibit A (Collateral) attached hereto; and

WHEREAS, the Debtor also borrowed money from the United States of America – Department of Agriculture for the Collateral; and

WHEREAS, the County now seeks to refinance its original loan with a loan from Lender; and

WHEREAS, Lender also requires a security interest in the land, with improvements thereon, described in Exhibit A (Collateral) attached hereto, and

WHEREAS, the parties desire to agree to the relative priorities of their respective security interests on the Collateral and certain other rights, priorities and interests in and to the Collateral and in and to the payment of the indebtedness and liabilities of Debtor to Lender and EDA;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties understand and agree as follows:

1. Lender and EDA shall share a first lien mortgage on the Collateral under their respective security agreements, namely (a) an Agreement and Mortgage to EDA of record and recorded in the Office of the Register of Deeds, Beaufort County, North Carolina at Book **1789** page **653**, and (b) a Deed of Trust and Security Agreement in favor of Lender, of record and recorded in the Office of the Register of Deeds, Beaufort County, North Carolina at Book _____ page _____ .

2. Notwithstanding the priority of the creation and perfection of the parties' respective security interests, the proceeds from the sale of the Collateral pursuant to the enforcement of any of the parties' security interest, and/or other proceeds thereof, including proceeds from any insurance policy or condemnation award shall be distributed pro-rata between Lender and EDA in accordance with their respective interest, and applied first to expenses incurred in connection with any enforcement and then to pay down or pay in full their respective loan and award; and proceeds thereafter remaining to be received by Debtor.

3. Each payment by Debtor on Lender's loan shall reduce the outstanding indebtedness thereon for purposes of this Agreement. Lender shall not increase the indebtedness due under its loan, without the express written consent of EDA thereto.

4. The EDA assistance shall remain an award as long as the conditions of the assistance are met by the Debtor. If Debtor is in violation of the conditions of the award, EDA shall be entitled to recover damages as stated in said Agreement and Mortgage. EDA shall not increase the obligation of Debtor due under its respective award, without the express written consent of Lender thereto.

5. Lender, EDA, and the Debtor agree that a default by the Debtor under the terms of the loan documents evidencing the Lender's loan or a default by the Debtor under the terms of the award documents evidencing the EDA award and/or EDA's Agreement and Mortgage, may, at the election of either Lender or EDA, constitute a default under both sets of documents. Lender agrees to promptly provide EDA with written notice of any default by Debtor under the terms of the loan documents evidencing the Lender's loan at the address above and EDA agrees to promptly provide Lender with written notice of any default by Debtor under the terms of the loan documents evidencing the EDA's loan at the address above.

6. Lender and EDA agree that the distribution of the Collateral or proceeds of the Collateral that is the subject of this Agreement will be made only in accordance with this Agreement.

7. This Agreement shall, in all respects, be a continuing agreement and shall remain in full force and effect so long as there is any indebtedness on Lender's loan or an obligation on EDA's award, including but not limited to principal, interest, costs, and expenses (including, without limitation, reasonable attorney's fees) thereof and including all modifications, extensions, or renewals thereof, owed by Debtor.

8. Debtor, Lender, and EDA agree to execute, acknowledge when appropriate, and deliver all such instruments and documents and do and perform all such acts and deeds as may be reasonably necessary to effect the purposes of this Agreement.

9. This Agreement is executed in triplicate originals with one copy to each of the parties hereto.

10. This Agreement shall be governed by the laws of the State of North Carolina and the laws of the United States, unless there is a conflict with Federal Law, in which case Federal Law will govern and may be amended or modified only by an agreement in writing signed by the parties.

11. Debtor understands and acknowledges that this document constitutes an agreement between creditors and does not amend its obligations as to each creditor, except to the extent to which such obligations may be altered by the provisions of Section 5 of this Agreement.

WHEREFORE, by their signatures below each of the undersigned agrees to the terms of the foregoing.

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK]

STERLING NATIONAL BANK, Lender

By: _____

Name: _____

Title: _____

STATE OF _____

COUNTY OF _____

I, _____, a Notary Public in and for the County and State aforesaid certify that _____personally came before me this day and acknowledged that s/he is _____ of STERLING NATIONAL BANK, a corporation, and that by authority duly given and as the act of STERLING NATIONAL BANK, _____ has signed the foregoing instrument in its name and as the act of such corporation.

Witness my bond and official seal,this ____ day of _____, 2021.

_____

Notary Public

My Commission Expires _____

[Intercreditor Agreement dated as of June 10, 2021]

United States Department of Commerce

Economic Development Administration (EDA)

_____

By: H. Philip Paradice, Jr.

Its: Atlanta Regional Director

STATE OF GEORGIA

COUNTY OF FULTON

I, _____, a Notary Public in and for the County and State aforesaid certify that _____ personally came before me this day and acknowledged that he is Atlanta Regional Director of the United States Department of Commerce, Economic Development Administration (EDA) and that by authority duly given and as the act of EDA, the foregoing instrument was signed in its name by its Atlanta Regional Director sealed with its corporate seal, and attested by himself as its **REGIONAL DIRECTOR.**

Witness my hand and official seal this _____ day of _____, 2021

_____

Notary Public

My Commission Expires _____

ATTEST: **(SEAL)**

BEAUFORT COUNTY, NORTH CAROLINA

_____

Katie Mosher
Clerk, Board of Commissioners

By: _____

Brian M. Alligood
County Manager

* * * * * *

STATE OF NORTH CAROLINA;
BEAUFORT COUNTY

I, a Notary Public of such County and State, certify that Brian M. Alligood and Katie Mosher personally came before me this day and acknowledged that they are the County Manager and the Clerk of the Board of Commissioners, respectively, of Beaufort County, North Carolina, and that by authority duly given and as the act of such County, the foregoing instrument was signed in the County's name by such County Manager, sealed with its corporate seal and attested by such Clerk.

WITNESS my hand and official stamp or seal, this ___ day of _____, 2021.

[SEAL]

_____

Notary Public

My commission expires: _____

Exhibit A

[Legal description, to come]

s☆h draft of May 17

Prepared by and return after recording to:

Robert M. Jessup Jr.
Sam Smotherman
Sanford Holshouser LLP
209 Lloyd St., Suite 350
Carrboro, NC 27510

STATE OF NORTH CAROLINA) **)** **BEAUFORT COUNTY)**	**The collateral is or includes fixtures.**

Brief description: Allied Health Building, Beaufort Community College campus, Washington, North Carolina

THIS DEED OF TRUST AND SECURITY AGREEMENT (this "Deed of Trust") is dated as of June 10, 2021, and is granted by **BEAUFORT COUNTY, NORTH CAROLINA**, a political subdivision of the State of North Carolina (the "County"), to **Benjamin C. Hirsh,** as trustee (the "Deed of Trust Trustee"), for the benefit of **STERLING NATIONAL BANK** (the "Lender").

Introduction

The Lender is advancing $2,669,249.27 to the County pursuant to an Installment Financing Contract dated as of June 10, 2021 (the "Financing Contract"), between the County and the Lender. The County will use these funds, together with other available funds, to carry out a plan ("Project") to refinance a prior 2013 USDA Loan for the construction of the Allied Health Building located on the campus of Beaufort Community College in Washington, North Carolina.

As a condition to entering into the Financing Contract, the Lender requires the County to secure its obligations under the Financing Contract by this conveyance of the Allied Health Building and its related real property, as described in Exhibit A, and the other "Mortgaged Property," as defined below.

The Mortgaged Property includes the property described in Exhibit A. The County is the record owner of the property described in Exhibit A.

This Deed of Trust is given to secure current advances under the Financing Contract of $2,669,249.27. The current scheduled date for final repayment is on or about June ____, 2033.

NOW, THEREFORE,

(1) in consideration of the execution and delivery of the Financing Contract and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge,

(2) to secure the County's performance of all its covenants under this Deed of Trust and under the Financing Contract, including the repayment of amounts advanced under the Financing Contract, and

(3) to charge the Mortgaged Property with this payment and performance, the County sells, grants and conveys to the Deed of Trust Trustee, its successors and assigns forever, in trust, with power of sale, the following (collectively, the "Mortgaged Property"):

(a) the property described in Exhibit A and any real property later acquired by the County in exchange for, or in consideration of the exchange of, or with the proceeds from any disposition of, all or any part of any property described in this paragraph, and in all cases together with all easements, rights, rights-of-way and appurtenances belonging to any of that property (collectively, the "Pledged Site"); and

(b) all buildings and other improvements and fixtures (including any "Fixtures," as defined in Section 1-4) now or later attached to or used in or on those improvements or the Pledged Site, including (i) all renewals, replacements, and additions, (ii) all articles in substitution, (iii) all building materials for construction, improvement, modification or repair of improvements upon their delivery to the Pledged Site, and (iv) all proceeds of all the foregoing in whatever form resulting from the loss or disposition of the foregoing, including all proceeds of and unearned premiums for any insurance policies covering the Pledged Site and the improvements, proceeds of title insurance and payments related to the exercise of condemnation or eminent domain authority, and all judgments or settlements in lieu of any of the foregoing (collectively, the "Pledged Facilities");

TO HAVE AND TO HOLD the Mortgaged Property with all privileges and appurtenances belonging thereto, to the Deed of Trust Trustee, its successors and assigns forever, upon the trusts, terms and conditions and for the purposes set out below, in fee simple in trust;

SUBJECT, HOWEVER, to the existing encumbrances described in Exhibit B;

BUT THIS CONVEYANCE IS MADE UPON THIS SPECIAL TRUST: if the County pays its "Obligations," as defined below, in full in accordance with the Financing Contract and this Deed of Trust, and the County complies with all of the terms, covenants and conditions of the Financing Contract and this Deed of Trust, this conveyance will be null and void and will be canceled of record at the County's request and cost, and title will revest as provided by law;

BUT IF, HOWEVER, THERE OCCURS AN EVENT OF DEFAULT UNDER THE FINANCING CONTRACT, then the Lender will have the remedies provided for in this Deed of Trust, including directing the Deed of Trust Trustee to sell the Mortgaged Property under power of sale.

THE COUNTY COVENANTS AND AGREES with the Deed of Trust Trustee and the Lender (and their respective heirs, successors and assigns), in consideration of the foregoing, as follows:

1. Warranties of Title; Security Provided by this Deed of Trust

1-1 Warranties of Title. The County covenants with the Deed of Trust Trustee and the Lender that the County is seized of and has the right to convey the Mortgaged Property in fee simple, that the Mortgaged Property is free and clear of all liens and encumbrances other than Permitted Encumbrances (as defined in the Financing Contract), that title to the Mortgaged Property is marketable, and that the County will forever warrant and defend title to the Mortgaged Property (subject to the Permitted Encumbrances) against the claims of all persons.

1-2 Security for Payment and Performance. This Deed of Trust secures the County's payment, as and when the same become due and payable, of all amounts payable by the County under the Financing Contract and this Deed of Trust (the "Obligations") and the County's timely compliance with all terms, covenants and conditions of the Financing Contract and this Deed of Trust.

1-3 Amount Advanced. This Deed of Trust is executed to secure all the County's obligations to the Lender related to the Mortgaged Property. The amount of the obligations secured by this Deed of Trust is $2,669,249.27.

1-4 Security Interest in Fixtures. This Deed of Trust is intended to be a security agreement pursuant to the Uniform Commercial Code as in effect in North Carolina for the "Fixtures," as defined below. The County grants to the Lender and the Deed of Trust Trustee a security interest in the Fixtures to secure the Obligations.

The County agrees to execute, deliver and file, or cause to be filed, in such place or places as may be requested by the Lender or the Deed of Trust Trustee, financing statements (including any continuation statements) in whatever form either party may reasonably request to evidence the security interest provided for in this Section. Upon the occurrence of an Event of Default under this Deed of Trust or the Financing Contract, the Lender or the Deed of Trust Trustee is entitled to exercise all rights and remedies of a secured party under the Uniform Commercial Code as in effect in North Carolina and may proceed as to the Fixtures in the same manner as provided in this Deed of Trust for the real property.

The "Fixtures" are all items of personal property attached or affixed to the Pledged Facilities in such a manner that removing the items would cause damage to the Pledged Facilities. The Fixtures may include plumbing, heating, lighting, electrical, laundry, ventilating, refrigerating, incinerating, air-conditioning, fire and theft protection and sprinkler equipment, including all renewals and replacements thereof and all additions thereto, and all articles in substitution thereof, and all proceeds of all the foregoing in whatever form.

The County is not obliged to renew, repair or replace any undesirable or unnecessary Fixture. If the County determines that any Fixture has become undesirable or unnecessary, the County may remove that Fixture from the Pledged Facilities and sell, trade-in, exchange or otherwise dispose of it (as a whole or in part), with an amount equivalent to the fair market value of the Fixture as removed becoming Net Proceeds and subject to the provisions of Section 6.2 of the Financing Contract.

With respect to those items of the Mortgaged Property that are or are to become Fixtures, this Deed of Trust constitutes a financing statement filed as a fixture filing. The County agrees that the security interest in the Fixtures granted in this Section 1-4 is in addition to, and not in lieu of, any security interest in the Fixtures acquired by real property law. The fixtures are located on the land described on Exhibit A, and the County is the record owner of that land. The name and address of the County, as debtor, and the Lender, as secured party, are set forth in Section 5.1.

1-5 County's Obligation Limited. Notwithstanding any other provision of this Deed of Trust, the parties intend that this transaction will comply with North Carolina General Statutes Section 160A-20. No deficiency judgment may be entered against the County in violation of Section 160A-20.

No provision of this Deed of Trust is to be construed or interpreted as creating a pledge of the County's faith and credit within the meaning of any constitutional debt limitation. No provision of this Deed of Trust should be construed or interpreted as an illegal delegation of governmental powers, nor as an improper donation or lending of the

County's credit within the meaning of the North Carolina constitution. The County's taxing power is not and may not be pledged, directly or indirectly contingently, to secure any moneys due under this Deed of Trust.

No provision of this Deed of Trust restricts the County's future issuance of any of its bonds or other obligations payable from any class or source of the County's moneys (except to the extent the Financing Contract and this Deed of Trust restrict the incurrence of additional obligations secured by the Mortgaged Property).

Nothing in this Section is intended to impair or prohibit foreclosure on this Deed of Trust if the Obligations are not paid when due or otherwise upon the occurrence of an Event of Default under this Deed of Trust or the Financing Contract.

To the extent of any conflict between this Section and any other provision of this Deed of Trust, this Section takes priority.

1-6 No Transfers; Releases; Grants of Easements and Similar Interests

(a) The County shall not sell, transfer or encumber any interest in any Mortgaged Property, except as otherwise permitted by the Financing Contract or this Deed of Trust. This prohibition applies whether the sale, transfer, or encumbrance is of a legal or an equitable interest, is voluntary, involuntary, by operation of law, or otherwise, and includes any encumbrance that is not a Permitted Encumbrance. The Lender may take any action at law or in equity to prevent or rescind any unauthorized sale, transfer or encumbrance, including but not limited to requiring the immediate payment in full of the Installment Payments due under the Financing Contract and all other Obligations.

(b) The Lender is required, upon the County's direction and at any time, to execute and deliver all documents necessary to effect the release of all or any portion of the Mortgaged Property from the lien of this Deed of Trust upon the County's compliance with the requirements of this Section. No consent or acknowledgment by the Deed of Trust Trustee is required for any release under this Section. The Lender may not release any property under this Section during the continuation of an Event of Default.

(c) To obtain a release, the County must file with the Lender a County Certificate (i) stating that (A) no Event of Default is continuing, (B) the release will not materially impair the intended use of the property remaining subject to this Deed of Trust, and (C) the release complies with the requirements of this Section, (ii) providing a copy of the proposed instrument of release, (iii) directing the execution and delivery of the instrument, and (iv) providing evidence of compliance with (v) or (vi) below.

(v) In the case of a proposed release of all the Mortgaged Property, the County must pay to the Lender, or to some other fiduciary reasonably acceptable to the Lender, an

amount (A) that is sufficient to provide for the payment in full of all the Obligations and (B) that is required to be used for that payment.

(vi) In the case of a proposed release of a portion (but less than all) of the Mortgaged Property, the County must provide evidence to the Lender that the appraised, taxable or insured value (and the County may provide different evidence for different portions) of that portion of the Mortgaged Property that is proposed to remain subject to the lien of this Deed of Trust will not be less than 75% of the aggregate principal component of the Amount Advanced outstanding at the time the release is effected.

(d) The County may make the following grants and dispositions, so long as the grant or disposition will not materially impair the intended use of the Pledged Facilities, and without regard to subsection (c) above.

(i) The County may from time-to-time grant easements, licenses, rights-of-way and other similar rights with respect to any part of the Mortgaged Property, and the County may release similar interests, with or without consideration.

(ii) The County may dispose of any undesirable or unnecessary Fixture as provided in Section 1-4.

1-7 Construction Mortgage. The parties intend that the security interest evidenced by this Deed of Trust is a "construction mortgage" with respect to the Pledged Facilities within the meaning of Section 25-9-334 of the North Carolina General Statutes.

2. County's Payment Obligation; Lender's Advances

2-1 Payment of Obligations; Compliance with Covenants. The County will pay the Obligations as and when the same become due and payable in the manner set forth in this Deed of Trust and in the Financing Contract, and will comply in all respects with all of the terms of this Deed of Trust and the Financing Contract.

2-2 Payment of Costs and Legal Fees. (a) If the Deed of Trust Trustee or the Lender employs an attorney to assist in the enforcement or collection of any Obligations, or if the Deed of Trust Trustee or the Lender voluntarily or otherwise becomes a party to any suit or legal proceeding (including a proceeding conducted under any state or federal bankruptcy or insolvency statute) to protect the Mortgaged Property, to protect the lien of this Deed of Trust, to enforce collection of the Obligations, or to enforce compliance by the County with any of the provisions of this Deed of Trust or the Financing Contract, then the County will pay reasonable legal fees and all costs that may reasonably be incurred (whether or not any suit or proceeding is commenced). All of those fees and costs (together with interest at the annual rate of 4.00%, calculated on the basis of a 360-day year consisting of twelve 30-day months) are secured as Obligations under this Deed of Trust.

(b) If any suit or proceeding described in subsection (a) is adverse to the County, however, then the County has this liability only if the Deed of Trust Trustee or the Lender, as the case may be, is a prevailing party in the suit or proceeding.

2-3 Advances for Performance of County's Obligations. If the County fails to perform any of its obligations under the Financing Contract or this Deed of Trust, then the Deed of Trust Trustee and the Lender are authorized, but not obligated, to perform the obligation or cause it to be performed. All of those fees and costs, together with interest at the annual rate of 4.00% (calculated on the basis of a 360-day year consisting of twelve 30-day months) are secured as Obligations under this Deed of Trust.

3. The Deed of Trust Trustee

3-1 No Liability for Deed of Trust Trustee. The Deed of Trust Trustee will suffer no liability by virtue of his acceptance of this trust except as may be incurred as a result of any failure on his part to account for the proceeds of any sale under this Deed of Trust.

3-2 Substitute Trustees. If any Deed of Trust Trustee dies, becomes incapable of acting or renounces the trust, or if for any reason the Lender desires to replace any Deed of Trust Trustee, then the Lender has the unqualified right to appoint one or more substitute or successor Deed of Trust Trustees by instruments filed for registration in the office of the Register of Deeds where this Deed of Trust is recorded. Any removal or appointment may be made at any time without notice, without specifying any reason, and without any court approval. Any appointee becomes vested with title to the Mortgaged Property and with all rights, powers, and duties conferred upon the Deed of Trust Trustee by this Deed of Trust in the same manner and to the same effect as if that Deed of Trust Trustee were named as the original Deed of Trust Trustee.

4. Defaults and Remedies; Foreclosure

4-1 Defaults and Remedies. During the continuation of an Event of Default under the Financing Contract, the Lender may pursue its rights and remedies as provided under the Financing Contract and this Deed of Trust.

4-2 Foreclosure; Sale under Power of Sale.

(a) *Right to foreclosure or sale.* During the continuation of an Event of Default, at the Lender's request, the Deed of Trust Trustee must foreclose this Deed of Trust by judicial proceedings or, at the Lender's option, the Deed of Trust Trustee must sell (and is empowered to sell) all or any part of the Mortgaged Property at public sale to the last and highest bidder for cash (free of any equity of redemption, homestead, dower, curtesy or other exemption, all of which the County expressly waives to the extent permitted by law)

after compliance with applicable State laws relating to foreclosure sales under power of sale. The Deed of Trust Trustee will execute and deliver a proper deed or deeds to the successful purchaser at the sale. If only a part of the Mortgaged Property is sold, the partial sale in no way adversely affects the lien created by this Deed of Trust against the remainder.

(b) *Lender's Bid.* The Lender may bid and become the purchaser at any sale under this Deed of Trust. Instead of paying cash, the Lender may make settlement for the purchase price by crediting against the Obligations the bid price net of sale expenses, including the Deed of Trust Trustee's commission, and after payment of any taxes and assessments as may be a lien on the Mortgaged Property superior to the lien of this Deed of Trust (unless the Mortgaged Property is sold subject to those liens and assessments, as provided by law).

(c) *County's Bid.* The County may bid for all or any part or parts of the Mortgaged Property at any foreclosure sale. The County, however, may not bid less than an amount sufficient to provide for full payment of the Obligations, unless the Lender consents in writing.

(d) *Successful bidder's deposit.* At any sale the Deed of Trust Trustee may, at his option, require any successful bidder (other than the Lender) immediately to make a deposit with the Deed of Trust Trustee against the successful bid in the form of cash or a certified check in an amount of up to 5% of the sale price. The advertised notice of sale need not include notice of this requirement.

(e) *Application of sale proceeds.* The Deed of Trust Trustee must apply the proceeds of any foreclosure sale in the manner and in the order prescribed by State law. The parties agree (i) that the sale expenses will include a commission to the Deed of Trust Trustee equal to one-half of one percent of the gross sales price (but not exceeding a total of $25,000) for all services performed by the Deed of Trust Trustee under this Deed of Trust, and (ii) that any sale proceeds remaining after the payment of all obligations and the prior application of the proceeds in accordance with State law will be paid to the County.

4-3 Possession of Mortgaged Property. During the continuation of an Event of Default, upon the Lender's demand the County must deliver possession of the Mortgaged Property to the Lender. In addition, the County must surrender possession of the Mortgaged Property to the purchaser of the Mortgaged Property at any judicial or foreclosure sale under this Deed of Trust.

During the continuation of an Event of Default, the Lender, to the extent permitted by law, is also authorized to (a) take possession of the Mortgaged Property, with or without legal action, (b) lease the Mortgaged Property, (c) collect all rents and profits from the

Mortgaged Property, with or without taking possession of the Mortgaged Property, and (d) after deducting all costs of collection and administration expenses, apply the net rents and profits to the payment of necessary maintenance and insurance costs, and then apply all remaining amounts to the County's account and in reduction of the Obligations. The Lender will be liable to account only for rents and profits it actually receives.

4-4 No Remedy Exclusive; Delay not Waiver. All remedies under this Deed of Trust are cumulative and may be exercised concurrently or separately. The exercise of any one remedy is not an election of that remedy as an exclusive remedy, nor does the exercise of one remedy preclude the exercise of any other remedy. If any Event of Default occurs and is later waived by the other party or parties, that waiver is limited to the particular default waived and does not constitute a waiver of any other default. Every power or remedy given by this Deed of Trust to the Deed of Trust Trustee or the Lender may be exercised from time to time as often as may be deemed expedient by the Deed of Trust Trustee or the Lender.

5. Miscellaneous

5-1 Notices.

(a) Any communication provided for in this Deed of Trust must be in English and must be in writing. "Writing" includes facsimile transmission and electronic mail.

(b) For this Deed of Trust, any communication sent by facsimile transmission or electronic mail will be deemed to have been given on the date the communication is similarly acknowledged by a County Representative (in the case of the County) or other authorized representative (in the case of any other party). No such communication will be deemed given or effective without such an acknowledgment.

(c) Any other communication under this Deed of Trust will be deemed given on the delivery date shown on a United States Postal Service certified mail receipt, or a delivery receipt (or similar evidence) from a national commercial package delivery service, if addressed as follows:

(i) if to the County, to County Manager, Beaufort County, Attention: Notice under 2021 Financing Deed of Trust, 121 West 3rd Street, Washington, NC 27889

(ii) if to the Deed of Trust Trustee, to Benjamin C. Hirsh, 400 Rella Boulevard, Montebello, NY 10901

(iii) if to the Lender, to Sterling National Bank, 500 Seventh Avenue, 3rd Floor, New York, NY 10018, Attention: NYC Team 114

(d) Any addressee may designate additional or different addresses for communications by notice given under this Section to each of the others. The County must send copies of any notices it sends to the Deed of Trust Trustee also to the Lender.

5-2 Successors. This Deed of Trust is binding upon, will inure to the benefit of, and is enforceable by the County, the Deed of Trust Trustee and the Lender, and their respective successors and assigns.

5-3 No Marshalling. The County waives any and all rights to require marshalling of assets in connection with the exercise of any remedies provided in this Deed of Trust or as permitted by law.

5-4 Definitions. All capitalized terms used in this Deed of Trust and not otherwise defined have the meanings ascribed to them in the Financing Contract.

5-5 Governing Law; Forum. The County, the Lender and the Deed of Trust Trustee intend that North Carolina law will govern this Deed of Trust and all matters of its interpretation. To the extent permitted by law, the County, the Lender and the Deed of Trust Trustee agree that any action brought with respect to this Deed of Trust must be brought in the North Carolina General Court of Justice in Beaufort County, North Carolina.

5-6 Limitation of Liability of Officers and Agents. No officer, agent or employee of the County, the Lender or the Deed of Trust Trustee will be subject to any personal liability or accountability by reason of the execution of this Deed of Trust or any other documents related to the transactions contemplated by this Deed of Trust. Those officers or agents are deemed to execute documents in their official capacities only, and not in their individual capacities. This Section does not relieve any officer, agent or employee from the performance of any official duty provided by law.

5-7 Covenants Run with the Land. All covenants contained in this Deed of Trust run with the real estate encumbered by this Deed of Trust.

5-8 Further Instruments. Upon the request of the Lender or the Deed of Trust Trustee, the County will execute, acknowledge and deliver any further instruments reasonably necessary or desired by the Lender or the Deed of Trust Trustee to carry out more effectively the purposes of this Deed of Trust or any other document related to the transactions contemplated by this Deed of Trust, and to subject to the liens and security interests of this Deed of Trust all or any part of the Mortgaged Property intended to be given or conveyed, whether now given or conveyed or acquired and conveyed subsequent to the date of this Deed of Trust.

5-9 Severability. If any provision of this Deed of Trust is determined to be unenforceable, that will not affect any other provision of this Deed of Trust.

5-10 Non-Business Days. If the date for making any payment, or the last day for performance of any act or the exercising of any right, is not a Business Day, that payment may be made, or act performed or right exercised, on or before the next succeeding Business Day.

5-11 Electronic Transaction. The parties agree that the transaction described in this Deed of Trust may be conducted and related documents may be received, sent and stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

5-12 Entire Agreement; Amendments. This Deed of Trust, together with the Financing Contract, constitutes the County's entire agreement with the Lender and the Deed of Trust Trustee with respect to its general subject matter. This Deed of Trust may not be changed without the written consent of the County and the Lender, but the consent of the Deed of Trust Trustee is not required.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, the County has caused this instrument to be signed, sealed and delivered by duly authorized officers, all as of June 10, 2021.

ATTEST: **(SEAL)**

BEAUFORT COUNTY, NORTH CAROLINA

_____
Katie Mosher
Clerk, Board of Commissioners

By: _____
Brian M. Alligood
County Manager

* * * * * *

STATE OF NORTH CAROLINA;
BEAUFORT COUNTY

I, a Notary Public of such County and State, certify that Brian M. Alligood and Katie Mosher personally came before me this day and acknowledged that they are the County Manager and the Clerk of the Board of Commissioners, respectively, of Beaufort County, North Carolina, and that by authority duly given and as the act of such County, the foregoing instrument was signed in the County's name by such County Manager, sealed with its corporate seal and attested by such Clerk.

WITNESS my hand and official stamp or seal, this ___ day of _____, 2021.

[SEAL]

_____
Notary Public

My commission expires: _____

[Deed of Trust and Security Agreement
for the benefit of Sterling National Bank,
dated as of June 10, 2021]

EXHIBIT A – Pledged Site Description

****USED FROM ORIGINAL 2013 USDA LOAN****

Located in Long Acre Township, Beaufort County, North Carolina more particularly described as follows:

BEGINNING at a North Carolina Department of Transportation right of way monument set at the common corner of property of Beaufort County Community College and Roger W. Woolard, and running thence from said beginning point with the right of way of US Highway 264, North 72 ° 42' 11" West 243.76 feet to an iron pipe; thence continuing with said right of way North 61 ° 23' 19" West 66.52 feet to a rebar set at the intersection of the right of way of US Hwy 264 with the Eastern right of way of a service drive, and said point having ground coordinates of N = 654,382.260 feet and E = 2,605,937.481 feet; running thence with the right of way of said service drive North 16° 01' 19" East 269.47 feet to a point; thence continuing with the right of way of said drive North 15° 38' 50" East 298.58 feet to a rebar; running thence South 74° 12' 33" East 213.30 feet to a rebar; thence continuing the same course 15.66 feet to the centerline of a ditch that is a common line between Beaufort County Community College and the property of Roger W. Woolard; running thence with the Woolard line and centerline of said ditch South 09° 27' 20" West 713.83 feet to the point of beginning, and containing 4.33 acres, more or less. Said property is the same as shown on a Survey by Mayo & Associates, PA, dated August 19, 2009, and a copy of which is recorded in Plat Cabinet H, Slide 42-5, Beaufort County Registry.

EXHIBIT B -- Existing Encumbrances

[To come]

s☆h draft of April 2021

BEAUFORT COUNTY, NORTH CAROLINA

and

STERLING NATIONAL BANK

INSTALLMENT FINANCING CONTRACT

Installment Financing Contract

THIS INSTALLMENT FINANCING CONTRACT (the "Contract") is dated as of June 1, 2021, and is between **BEAUFORT COUNTY, NORTH CAROLINA**, a political subdivision ~~[municipal corporation]~~ of the State of North Carolina (the "County"), and **STERLING NATIONAL BANK** (the "Lender").

RECITALS:

The County has previously determined to carry out a plan (the "Project") to refinance a 2013 United States Department of Agriculture ("USDA") Loan. The Lender has agreed to advance funds to the County for this purpose.

This Contract provides for the Lender's advance of funds, and the County's obligation to repay the funds with interest. In accordance with the County's authority under Section 160A-20 of the North Carolina General Statutes, the County will secure its obligations under this Contract by granting to the Lender a security interest in the Pledged Facilities and the Pledged Site.

Unless the context clearly requires otherwise, capitalized terms used in this Contract and not otherwise defined have the meanings set forth in Exhibit A.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained in this Contract, the parties agree as follows:

ARTICLE I
ADVANCE

1.1. Advance. The Lender advances $2,700,000 (the "Amount Advanced") to the County, and the County accepts the Amount Advanced.

1.2. Form of Advance. The Lender will make this advance, as directed by the District, by disbursing the Amount Advanced as follows:

(a) Retaining $_____ from the proceeds as the Bank's loan fee.

(b) Paying $_____ to the County's bond counsel.

(c) Depositing the remaining $_____ of the proceeds ~~[to a Project Fund (the "Project Fund") as provided in a Project Fund Agreement of even date (the "Project Fund Agreement") between the County and the Lender. The Lender will disburse funds from the Project Account to the County as provided in the Project Fund Agreement.]~~

ARTICLE II
CONTRACT PAYMENTS

2.1. Installment Payments. The County will repay the Amount Advanced by making Installment Payments at the times and in the amounts set forth in Exhibit B. As indicated in Exhibit B, the Installment Payments

include designated interest components. The County will make its payments either by check or draft or by Federal Reserve wire transfer, or other transfer of immediately available United States funds, in any case sent on the payable date directly to the Lender to any address or bank account in the United States as the Lender may designate from time to time.

2.2. Additional Payments. The County will pay all Additional Payments on a timely basis directly to the person or entity to which it owes the payment. If the County fails to pay any Additional Payment when due, the Lender may (but is not required to) pay the Additional Payment. The County then agrees to reimburse the Lender for any Additional Payment paid by the Lender, together with interest at an annual rate of 4.00%. All Installment Payments and Additional Payments will be made in lawful money of the United States.

2.3. Late Charges. Should the County fail to pay any Installment Payment, or any other sum required to be paid to the Lender, within 15 days after the due date, the County shall pay a late payment charge equal to 4% of the delinquent payment. The acceptance or assessment of a late charge shall not constitute a waiver of a default or of an Event of Default, or impair any other rights or remedies of the Lender.

2.3. Prepayment. ~~*[always need to check and conform to proposal]*~~ The County may prepay the outstanding principal component of the Amount Advanced via the following: Year 1 – 4: No Call; Year 5 – 7: 101% of the balance; 8 – 12: 100% of the balance, at its option on any regularly scheduled Payment Date, in whole but not in part, and by paying (a) all Additional Payments then due and payable, (b) all interest accrued and unpaid to the prepayment date, and (c) provided the County gives the Lender at least 30 days prior written notice of its intent to prepay the remaining outstanding balance.

2.4. Interest Rate and Payment Adjustment. (a) "Rate Adjustment Event" means any action by the Internal Revenue Service (including the delivery of a deficiency notice) or any other federal court or administrative body determining (i) that the interest component of Installment Payments, or any portion thereof, is includable in any counterparty's gross income for federal income tax purposes or (ii) that the County's obligations under this Contract are not "qualified tax-exempt obligations" within the meaning of Code Section 265 (a "265 Event"), in any case as a result of any misrepresentation by the County or as a result of any action the County takes or fails to take.

(b) Upon any Rate Adjustment Event, (i) the unpaid principal portion of the Amount Advanced shall continue to be payable on dates and in amounts as set forth in Exhibit B, but (ii) the interest components of the Installment Payments shall be recalculated, at an interest rate equal to an annualized interest rate equal to the Prime Rate plus 2% (200 basis points), to the date (retroactively, if need be) determined pursuant to the Rate Adjustment Event to be the date interest became includable in the gross income for federal income tax purposes (in the case of a 265 Event, retroactively to the Closing Date) of any counterparty to the County under this Contract.

(c) The County shall pay interest at such adjusted rate (subject to credit for interest previously paid) to each affected counterparty, notwithstanding the fact that any particular counterparty may not be the counterparty under this Contract on the date of a Rate Adjustment Event. The County shall additionally pay to all affected beneficiaries any interest, penalties or other charges assessed against or payable by such counterparty and attributable to a Rate Adjustment Event notwithstanding the prior repayment of the entire Amount Advanced or any transfer to another counterparty.

2.5. No Reduction or Abatement. The County remains liable for full performance of all its covenants under this Contract and the Deed of Trust (subject to the limitations described in Article ____), notwithstanding the occurrence of any event or circumstances whatsoever, including any of the following:

(a) Any act or omission by the Lender, or the Lender's waiver of any right granted or remedy available to it;

(b) The forbearance or extension of time for payment or performance of any obligation under this Contract or the Deed of Trust, whether granted to the County or any other person;

(c) The sale or release of all or part of the Mortgaged Property or the release of any party who assumes all or any part of such performance; or

(d) Another party's assumption of any of the County's obligations under the Contract or this Deed of Trust.

There will be no abatement or reduction of the Installment Payments or Additional Payments by the County for any reason, including, but not limited to, any defense, recoupment, setoff, counterclaim, or any claim arising out of or related to the Pledged Sites or the Pledged Facilities. The County assumes and will bear the entire risk of completion, loss and damage to the Mortgaged Property from any cause whatsoever, it being the parties' intention that the Installment Payments will be made in all events unless the County's obligation to make Installment Payments is terminated as provided in this Contract.

2.6. Appropriations.

(a) The County will cause the officer who prepares the draft County budget initially submitted for County Board consideration to include in the initial proposal each year the amount of all Installment Payments and estimated Additional Payments coming due during the Fiscal Year to which the budget applies. Notwithstanding that the initial proposed budget includes an appropriation for Contract Payments, the County Board may determine not to include the appropriation (in whole or in part) in the final County budget for any Fiscal Year, or may amend an adopted budget to reduce or delete an approved appropriation.

(b) (i) If for any Fiscal Year the County adopts an annual budget that does not appropriate (for that purpose) an amount equal to the Installment Payments and estimated Additional Payments coming due during that Fiscal Year, then the County will send notice of this failure to the Lender and the LGC within ten days after the adoption of that budget.

(ii) If for any Fiscal Year the County has not adopted an annual budget that appropriates (for that purpose) an amount equal to the Installment Payments and estimated Additional Payments coming due during that Fiscal Year within 15 days after the beginning of any Fiscal Year, then the County will send notice of this failure to the Lender and the LGC within an additional ten days.

(iii) Similarly, if at any time the County amends the annual budget to reduce the amounts appropriated for Contract Payments below the amounts expected to be required for the remainder of that Fiscal Year, then the County will send notice of this amendment to the Lender and the LGC within ten days.

(iv) The County shall send notices intended for the LGC to the attention of its Secretary, at 3200 Atlantic Avenue, Longleaf Building, Raleigh NC 27604.

ARTICLE III
COUNTY'S RESPONSIBILITIES

3.1. Care and Use. The County will use and care for the Mortgaged Property in a careful and proper manner. The County must keep the Mortgaged Property in good condition, repair, appearance and working order for the purposes intended.

3.2. Utilities. The County will pay all charges for utility services furnished to or used on or in connection with the Pledged Site and the Pledged Facilities.

3.3. Risk of Loss. The County bears all risk of loss to and condemnation of the Mortgaged Property.

3.4. Lender's Performance of County's Responsibilities. The Lender may, but is in no event required to, (a) undertake any performance required of the County or (b) make any payments required to be made by the County, in either case for the insurance, maintenance or preservation of the Mortgaged Property that the County fails to make or pay. The County will then reimburse the Lender for any payments and for any associated costs and expenses, legal or otherwise, together with interest at the annual rate of 4.00%.

3.5. Compliance with Requirements. The County will promptly and faithfully comply with all requirements of governmental authorities relating to the use or condition of the Mortgaged Property (or be diligently and in good faith contesting the requirements), if the violation of the requirement would adversely affect the use, value or condition of the Mortgaged Property. This compliance (or contest) is required of the County whether or not any requirement necessitates structural changes or improvements or interferes with the County's use or enjoyment of the Mortgaged Property. Unless required by applicable law or unless the Lender has otherwise agreed in writing, the County will not use the Mortgaged Property for any purposes other than those for which the property was intended as of the Closing Date.

The County will in no event use the Mortgaged Property, or any portion, nor allow it to be used, (a) for any unlawful purpose, (b) in violation of any certificate of occupancy or other permit or certificate, or (c) in violation of any law, ordinance or regulation.

3.6. Use and Operation of Pledged Facilities. The County will use and operate the Pledged Facilities for their intended public purposes. The County will be solely responsible for the operation of the Pledged Facilities, and will not contract with any other person or entity for that operation.

3.7. Modification of Pledged Facilities; Installation of Equipment and Machinery. The County has the right to remodel the Pledged Facilities or make substitutions, additions, modifications and improvements to the Pledged Facilities, at its own cost and expense. These changes, however, must not damage the Pledged Facilities or result in the use of the Pledged Facilities for purposes substantially different from those contemplated on the Closing Date. Further, the Pledged Facilities, upon completion of the changes, must be of a value not less than the value of the Pledged Facilities immediately prior to making the changes. All additions, modifications and improvements within the boundaries of the Pledged Site become a part of the Mortgaged Property and subject to the lien of the Deed of Trust.

The County may also, from time to time in its sole discretion and at its own expense, install machinery, equipment and other tangible property in or on the Pledged Facilities. Neither the Lender nor any assignee will have any interest in any property that is not a "Fixture" as defined in Section 1-4 of the Deed of Trust.

3.8. Taxes and Other Governmental Charges. If the Mortgaged Property (or any portion) is, for any reason, deemed subject to taxation, assessments or charges lawfully made by any government, the County will, during the Contract term, pay the amount of all those taxes, assessments and governmental charges as Additional Payments. With respect to special assessments or other charges which may be lawfully paid in installments over a period of years, the County is obligated under this Contract only to provide for the installments that are required to be paid during the Contract term. The County must not allow any liens for taxes, assessments or governmental charges with respect to the Mortgaged Property (or any portion) to become delinquent, including any taxes levied upon the Lender's interest in the Mortgaged Property, or on any rentals or other revenues derived from the Mortgaged Property.

The County may, at its own expense and in its own name, in good faith contest any taxes, assessments and other charges. In the event of a contest, the County may permit the charges to remain unpaid during the period of the contest and any appeal. If, however, the Lender notifies the County that, in the opinion of independent counsel selected by the Lender, the security afforded pursuant to this Contract or the Deed of Trust will be materially endangered by nonpayment of any items, then the County must promptly pay those items (but the payment will not in itself constitute a waiver of the right to continue to contest the charges).

3.9. County's Insurance.

(a) Property Damage Insurance – [From and after substantial completion of each principal portion of the Pledged Facilities,] the County shall, at its own expense, acquire, carry and maintain broad-form extended coverage property damage insurance with respect to the Pledged Facilities in an amount equal to the estimated replacement cost. This insurance must include standard mortgagee coverage in favor of the Lender. The County shall provide evidence of such coverage to the Lender promptly upon substantial completion. Any Net Proceeds of the insurance required by this subsection (a) shall be payable as provided in Section 6.2.

(b) General Liability Insurance – To the extent permitted by law, the County agrees that it will, at its own expense, acquire, carry and maintain comprehensive general liability insurance in an amount not less than $2,000,000 for personal injury or death and $2,000,000 for property damage, and that it will include the Lender as an additional insured with respect to occurrences related to the Facilities. ***[Does this need to max General Contractor's Insurance if different from $2mil?]***

(c) Worker's Compensation Insurance – The County will, at its own expense, acquire, carry and maintain worker's compensation insurance in the manner required by law.

~~(d) Flood Insurance – If any part of the Pledged Site lies in a "Special Flood Hazard" area, as shown on a map published by the Federal Emergency Management Agency, the County, at its own expense, must maintain an adequate policy for flood insurance for the life of the loan in compliance with the Federal Flood Disaster Protection Act of 1973. ******BB&T only**~~

(d) Additional Provisions --

(i) The County must maintain the insurance required by this Section with generally recognized responsible insurers. The insurance may carry reasonable deductible or risk-retention amounts. The County must provide copies of all such policies to the Lender upon request.

(ii) In the alternative, the County may maintain the insurance required by subsections (a) and (b) above (A) by one or more blanket or umbrella insurance policies or (B) by means of an adequate self-insurance fund or risk-retention program, or by participation in a group risk pool or similar program.

(iii) If the County obtains blanket or umbrella coverage, the County must provide to the Lender, upon the Lender's request, a certificate or certificates of the respective insurers evidencing the coverage and, with respect to property insurance, stating the amount of coverage provided with respect to the Pledged Facilities (or any covered portion). If the County provides for any alternative risk management programs, the County's risk manager or an independent insurance consultant must review the programs annually for sufficiency. The County must provide to the Lender evidence as to the sufficiency of any alternative program as the Lender may reasonably request.

(iv) The County may settle or adjust insurance claims in its discretion, except that no County agent or employee will have the power to adjust or settle any property damage loss greater than $_____ with respect to the Mortgaged Property, whether or not covered by insurance, without the Lender's prior written consent. The Lender

and the County will cooperate fully with each other in filing any claim or proof of loss with respect to any insurance policy described in this Contract.

(v) The Lender will not be responsible for the sufficiency or adequacy of any required insurance.

3.10. Title Insurance. The County agrees to obtain, at its own cost and expense, an American Land Title Association policy of title insurance, in form satisfactory to the Lender, effective as of the Closing Date, in an amount not less than the amount financed, and naming the Lender as insured mortgagee. The policy must insure the County's fee title to the Mortgaged Property, subject only to Permitted Encumbrances, and must be issued by a title insurance company qualified to do business in the State of North Carolina and reasonably acceptable to the Lender. On or before the Closing Date, the County must provide the Lender with a copy of an insurer's commitment to issue such a policy and, promptly after the Closing Date the County must provide the Lender with a copy of the final policy.

ARTICLE IV
CONSTRUCTION

4.1. Construction; Changes. (a) The County will comply with the provisions of the North Carolina General Statutes and enter into the Construction Contracts. The County will cause the construction of the Pledged Facilities to be carried on continuously in accordance with the Construction Contracts and all applicable State and local laws and regulations.

(b) The County will provide for the Pledged Facilities to be constructed on the Pledged Site and will insure (i) that no portion of the Pledged Facilities encroaches upon nor overhangs any easement or right-of-way, (ii) that the Pledged Facilities will be wholly within any applicable building restriction lines, however established, and (iii) that the Pledged Facilities will not violate applicable use or other restrictions, whether imposed by law or rule or by prior conveyances.

(c) The County may approve changes to the Construction Contracts in its discretion except that the County may not, without the Lender's consent, approve any changes which (i) increase total estimated Project Costs above the amounts previously identified and designated therefor, or (ii) result in the use of the Mortgaged Property for purposes substantially different from the use intended as of the Closing Date.

4.2. Contractors' Performance and Payment Bonds. The County shall require each contractor entering into a Construction Contract to furnish a performance bond and a separate labor and material payment bond as required by State law. The County shall provide copies of all such bonds to the Lender at the Lender's request.

Upon any material default by a contractor under any Construction Contract, or upon any material breach of warranty with respect to any materials, workmanship or performance, the County shall promptly proceed, either separately or in conjunction with others, to pursue diligently its remedies against the contractor or against the surety of any bond securing the performance of the applicable Construction Contract.

4.3. Contractors' General Public Liability and Property Damage Insurance. The County shall require each contractor entering into a Construction Agreement to procure and maintain standard form (a) comprehensive general public liability and property damage insurance, at such contractor's own cost and expense, during the duration of such contractor's construction contract, in the amount of at least $2,000,000, and (b) comprehensive automobile liability insurance on owned, hired and non-owned vehicles for not less than $2,000,000. Such policies shall include the Lender as an additional named insured. The County shall provide to the Lender a certificate of insurance in a form acceptable to the Lender with respect to each contractor. Such insurance shall provide protection

from all claims for bodily injury, including death, property damage and contractual liability, products/completed operations, broad form property damage and XCU (explosive, collapse and underground damage), where applicable.

4.4. Contractors' Builder's Risk Completed Value Insurance. The County shall require each contractor entering into a Construction Agreement to purchase and maintain property insurance (builder's risk) upon all construction, acquisition, installation and equipping of the Pledged Facilities (excluding contractor's tools and equipment) at the Pledged Site thereof at the full insurable value thereof. This insurance shall include a lender's loss payable endorsement in favor of the Lender, and shall insure against "all risk" subject to standard policy conditions and exclusions. The contractor shall purchase and maintain similar property insurance for portions of the work stored off the Pledged Site or in transit when such portions of the work are to be included in an application for payment. The contractor shall be responsible for the payment of any deductible amounts associated with this insurance.

4.5. Contractors' Workers' Compensation Insurance. The County shall require each contractor entering into a Construction Agreement to procure and maintain workers' compensation insurance during the term of such Construction Agreement, covering his or her employees working thereunder. A certificate of insurance evidencing such coverage, in form acceptable to the Lender, shall be provided to the County with respect to each contractor entering into a Construction Agreement. Each Construction Agreement shall also provide that each subcontractor of any contractor who is a party to such Construction Agreement shall be required to furnish similar workers' compensation insurance.

4.6. Right of Entry and Inspection. The Lender and its representatives and agents, upon reasonable notice to the County, have the right to enter upon the Pledged Site and inspect the Pledged Facilities from time to time during construction and at any other time during the Contract term. The County will cause any contractor or subcontractor to cooperate with any of those parties and agents during any inspection. Any inspection under this Section is made only for the Lender's benefit.

4.7. Completion of Construction. When the construction of the Pledged Facilities has been substantially completed to the County's satisfaction, the County will promptly prepare and deliver a certificate to that effect to the Lender. The County may then use any remaining portion of the Amount Advanced not needed to pay remaining Project Costs for any lawful purpose not in conflict with the County's obligations under Section __1-2, 6-2????____.

4.8. Cooperation. The Lender and the County will cooperate fully with each other in filing any claim or proof of loss with respect to any bond or insurance policy described in this Contract. So long as no Event of Default has occurred and is continuing under this Contract, neither the Lender or the County may voluntarily settle, or consent to the settlement of, any proceeding arising out of any claim with respect to the Project or the Pledged Facilities without the other's written consent.

ARTICLE V
TITLE; LIENS

5.1. Title. Title to the Mortgaged Property and any and all additions, repairs, replacements, or modifications thereto will at all times be in the County, subject to the lien of the Deed of Trust and to the Permitted Encumbrances. Simultaneously with the execution and delivery of this Contract, the County will deliver to the Lender the Deed of Trust in form mutually satisfactory to the Lender and the County and will cause the Deed of Trust to be recorded in the Office of the Register of Deeds of Jefferson County, North Carolina.

5.2. Encumbrance, Mortgage or Pledge of Mortgaged Property.

(a) The County will not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Mortgaged Property (or any portion), except Permitted Encumbrances. The County will promptly, at its own expense, take such action as may be appropriate to discharge any such mortgage, pledge, lien, charge, encumbrance or claim not excepted above which it has created, incurred or suffered to exist.

(b) The County may, at its own expense and in its own name, in good faith contest any lien or claim as described in (a) above. In the event of a contest, the County may permit the lien or claim to remain unpaid during the period of the contest and any appeal. If, however, the Lender notifies the County that, in the opinion of independent counsel selected by the Lender, the security afforded pursuant to this Contract or the Deed of Trust will be materially endangered by nonpayment of the lien or claim, then the County must promptly pay those items (but the payment will not in itself constitute a waiver of the right to continue to contest the charges). The Lender will cooperate fully with the County in any contest, upon the request and at the expense of the County.

(c) The County will reimburse the Lender for any expense incurred by it in order to discharge or remove any lien or claim, together with interest thereon at the annual rate of 4.00%.

ARTICLE VI
CONDEMNATION OR LOSS OF TITLE;
USE OF NET PROCEEDS

6.1. Damage, Destruction or Condemnation. The County will promptly notify the Lender if

(a) the Mortgaged Property (or any portion) is destroyed or damaged by fire or other casualty;

(b) any governmental authority takes, or notifies the County of any intent to take, title to, or the temporary or permanent use of the Mortgaged Property (or any portion), or the estate of the County or the Lender in the Mortgaged Property (or any portion), under the power of eminent domain;

(c) a material defect in the construction of the Pledged Facility becomes apparent; or

(d) title to or the use of all or any portion of the Mortgaged Property is lost by reason of a defect in title;

and if the County estimates that any loss or casualty as described in this Section will either cost $100,000 or more to remedy or will result in a remedial payment to the County of $100,000 or more, as the case may be.

Each notice must describe generally the nature and extent of such damage, destruction or taking. The County will provide any additional information concerning such matter as the Lender may reasonably request.

The County will file its claims under insurance coverages and claims for awards or payments in the nature of condemnation awards resulting from any such damage, destruction or taking. The County will prosecute all such claims for such awards or payments in good faith and with due diligence. Any Net Proceeds received by the County will be used as provided in Section 6.2.

6.2. Security Interest in Net Proceeds; Deposit and Disbursement.

(a) If the Net Proceeds arising from any single event, or any single series of related events, is not more than $100,000, then the County has no obligation to account to the Lender or any other person or entity with respect

to the use of those Net Proceeds. The County, however, acknowledges that its use of such funds may be constrained by the requirements of the Code and the County's obligations under Section 7.1(i).

(b) If the amount of Net Proceeds received by the County from any single event or any single series of related events is more than $100,000, then the County grants a security interest in the Net Proceeds to the Lender to secure the County's obligations under this Contract, subject to the further provisions of this Section. This Contract is intended as and constitutes a security agreement with respect to this security interest. All Net Proceeds remain subject to the security interest provided for in this subsection until expended in compliance with this Contract.

(c) If the amount of Net Proceeds received by the County from any single event or any single series of related events is more than $100,000 but less than $1,000,000, the County will retain the Net Proceeds and promptly apply those amounts toward the repair or restoration of the Mortgaged Property, to the extent that can be accomplished with those amounts.

(d) If the amount of Net Proceeds received by the County from any single event or any single series of related events is at least $1,000,000, the County will cause those Net Proceeds to be paid to an escrow agent (which must be a bank, trust company or similar entity exercising fiduciary responsibilities and reasonably acceptable to the Lender) for deposit in a special escrow fund to be held by the escrow agent and disbursed by the escrow agent pursuant to requisitions in form and substance reasonably acceptable to the Lender. The County will then promptly apply those amounts toward the repair or restoration of the Mortgaged Property, to the extent that can be accomplished with those amounts.

(e) In the case of any use of Net Proceeds for repair or restoration, the County must act with due diligence and in a commercially reasonable manner to provide for the repair and restoration. After the County has finished applying Net Proceeds to repair or restoration, the County will promptly report to the Lender regarding the use of those Net Proceeds.

(f) In any event, the County may apply any Net Proceeds toward the prepayment of the Amount Advanced subject to the terms of Section 2.3.

(g) The County is not entitled to any reimbursement of any supplemental funds it provides under this subsection, nor is the County entitled to any postponement or diminution of its obligation to make Contract Payments as a result of any contribution. Any repair or replacement paid for in whole or in part out of Net Proceeds will be the County's property and will be part of the Mortgaged Property.

ARTICLE VII
COUNTY'S WARRANTIES, REPRESENTATIONS AND COVENANTS

7.1. By the County, Generally. The County makes the following statements of fact, with the understanding and intent that the Lender will rely on these statements in making its decision to enter into this Contract:

(a) The County is a duly organized and validly existing political subdivision [municipal corporation] of the State. The County has all powers necessary to enter into the transactions contemplated by this Contract and the Deed of Trust, and to carry out its obligations under those instruments.

(b) The County will take no action that would adversely affect its existence as a political subdivision [municipal corporation] in good standing in the State.

(c) The County has duly and validly authorized, executed and delivered this Contract and the Deed of Trust. Assuming due authorization, execution and delivery thereof by the other parties, this Contract and the Deed of

Trust constitute valid, legal and binding obligations of the County, enforceable (in the case of the Deed of Trust, by the Deed of Trust Trustee and the Lender) in accordance with their respective terms, subject to bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights generally and such principals of equity as a court having jurisdiction may impose.

(d) The County requires no further approval or consent from any governmental authority with respect to the County's entering into or performing under this Contract or the Deed of Trust.

(e) No County representation, covenant or warranty in this Contract is false or misleading in any material respect.

(f) The County Board resolutions relating to the County's authorization and performance of this Contract, the Deed of Trust, and the transactions contemplated in those documents have been duly adopted, are in full force and effect, and have not been in any material respect modified, revoked or rescinded.

(g) The County reasonably expects that the Project can be completed for a total price within the total amount of funds to be available from the Amount Advanced, income anticipated to be derived from the investment of those funds, and other funds expected to be available for the intended purpose. The County will pay any excess costs, with no resulting reduction or offset in the amounts otherwise payable by the County.

(g) The County reasonably believes funds will be available to satisfy all its obligations under this Contract.

(h) The Pledged Facilities have been designed and constructed so as to comply with all applicable subdivision, building and zoning ordinances and regulations, if any, and any and all applicable federal and State standards and requirements relating to the Pledged Facilities. The County has complied with all required public bidding and related procedures regarding the acquisition and construction of the Pledged Facilities.

(h) The Pledged Facilities have not been and will not be used in any private business or put to any private business use.

(i) The County will not take or permit, or omit to take or cause to be taken, any action that would cause its obligations under this Contract to be "arbitrage bonds" or "private activity bonds" within the meaning of the Code, or otherwise adversely affect the exclusion from gross income for federal income tax purposes of the designated interest component of Installment Payments to which those components would otherwise be entitled and, if it should take or permit, or omit to take or cause to be taken, any such action, the County will take or cause to be taken all lawful actions within its power necessary to rescind or correct such actions or omissions promptly upon having knowledge thereof.

(j) The County has determined to undertake the Project after extensive consideration of the County's needs and responsibilities, and consideration of alternative means of carrying out those responsibilities.

(k) *[BB&T only* -- All permits, consents, approvals or authorizations of all governmental entities and regulatory bodies, and all filings and notices required on the County's part to have been obtained or completed as of today in connection with the authorization, execution and delivery of this Contract, the consummation of the transactions contemplated by this Contract and the acquisition and construction of the Pledged Facilities have been obtained and are in full force and effect, and there is no reason why any future required permits, consents, approvals, authorizations or orders cannot be obtained as needed.

(l) *[BB&T only* -- Neither the execution and delivery of this Contract nor the consummation of the transactions contemplated by this Contract, nor the fulfillment of or compliance with the terms and conditions of this

Contract, (i) to the best of the County's knowledge, constitutes a violation of any provision of law governing the County or (ii) results in a breach of the terms, conditions or provisions of any contract, agreement or instrument or order, rule or regulation to which the County is a party or by which the County is bound.

(m) *[BB&T only* -- There is no litigation or any governmental administrative proceeding to which the County (or any official thereof in an official capacity) is a party that is pending or, to the best of the County's knowledge after reasonable investigation, threatened with respect to (i) the County's organization or existence, (ii) its authority to execute and deliver this Contract or to comply with the terms of this Contract, (iii) the validity or enforceability of this Contract or the transactions contemplated hereby, (iv) the title to office of any County Board member or any other County officer, (v) any authority or proceedings relating to the County's execution or delivery of this Contract, or (vi) the undertaking of the transactions contemplated by this Contract.

(n) *[BB&T only* -- The County (i) is not in violation of any existing law, rule or regulation applicable to it, and (ii) is not in default under any contract, other agreement, order, judgment, decree or other instrument or restriction of any kind to which the County is a party or by which it is bound or to which any of its assets are subject, including this Contract. No event or condition has happened or existed, or is happening or existing, under the provisions of any such instrument, including this Contract, which constitutes or which, with notice or lapse of time, or both, would constitute an event of default hereunder or thereunder.

(k) The County will send the Lender a copy of the County's audited financial statements for each Fiscal Year within 30 days of the County's acceptance of the statements, but in any event within 180 days of the completion of each Fiscal Year. *[add for BB&T* -- The County shall also furnish the Lender, at such reasonable times as the Lender may request, all other financial information (including, without limitation, the County's annual budget as submitted or approved) as the Lender may reasonably request. The County shall permit the Lender or its agents and representatives to inspect the County's books and records and make extracts therefrom.

(l) The Lender has not acted as a financial adviser to the County, and the County has not relied on the Lender for any financial advice.

permitted

ARTICLE VIII
INDEMNIFICATION

To the extent permitted by law, the County will indemnify, protect and save

(a) the Deed of Trust Trustee,

(b) the Lender and its officers, employees, and directors, and

(c) the LGC's members and employees,

in all cases harmless from all liability, obligations, losses, claims, damages, actions, suits, proceedings, costs and expenses, including legal fees, arising out of, connected with, or resulting directly or indirectly from the Project, the Mortgaged Property or the transactions contemplated by this Contract, including without limitation the possession, condition, installation, construction or use of the Pledged Facilities. The indemnification arising under this Section will survive the Contract's termination.

****** as per John Roberts in Orange County 17A – take a shot at cutting this down a bit, trying to relate this to actions by County and not covering actions related to the gross negligence or misconduct of an indemnified party or its employees or representatives.*

ARTICLE IX
DISCLAIMER OF WARRANTIES

The County acknowledges as follows:

(a) that the Lender has not designed the Pledged Facilities;

(b) that the Lender has not supplied any plans or specifications with respect to the Pledged Facilities;

(c) that the Lender is not a manufacturer of, nor a dealer in, any of the component parts of the Pledged Facilities or similar facilities;

(d) that the Lender has not made any recommendation, given any advice nor taken any other action with respect to (i) the choice of any supplier, vendor or designer of, or any other contractor with respect to, the Pledged Facilities or any component part thereof or any property or rights relating thereto, or (ii) any action taken or to be taken with respect to the Pledged Facilities or any component part thereof or any property or rights relating thereto at any stage of the construction thereof;

(e) that the Lender has not at any time had physical possession of the Pledged Facilities or any component part thereof or made any inspection thereof or any property or rights relating thereto;

(f) that the Lender has not made any warranty or other representation, express or implied, that the Pledged Facilities or any component part thereof or any property or rights relating thereto (i) will not result in or cause injury or damage to persons or property, (ii) has been or will be properly designed, or will accomplish the results which the County intends therefor, or (iii) is safe in any manner or respect.

THE LENDER MAKES NO EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER WITH RESPECT TO THE MORTGAGED PROPERTY OR THE PLEDGED FACILITIES OR ANY COMPONENT PART THEREOF, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR REPRESENTATION WITH RESPECT TO THE MERCHANTABILITY OR THE FITNESS OR SUITABILITY THEREOF FOR ANY PURPOSE, and further including the design or condition thereof; the safety, workmanship, quality or capacity thereof; compliance thereof with the requirements of any law, rule, specification or contract pertaining thereto; any latent defect; the ability of the Pledged Facilities to perform any function; that the Amount Advanced will be sufficient to pay all Project Costs; or any other characteristic of the Pledged Facilities; it being agreed that the County is to bear all risks relating to the Pledged Facilities, the completion thereof or the transactions contemplated by this Contract or by the Deed of Trust, and the County waives the benefits of any and all implied warranties and representations of the Lender.

The provisions of this Article will survive the Contract's termination.

ARTICLE X
DEFAULT AND REMEDIES

10.1. Events of Default. An "Event of Default" is any of the following:

(a) The County fails to make any Installment Payment when due.

(b) The occurrence of an Event of Nonappropriation.

(c) The County breaches or fails to perform or observe any term, condition or covenant of this Contract or the Deed of Trust on its part to be observed or performed, other than as referred to in subsections (a) or (b) above, including payment of any Additional Payment, for a period of 90 *[drop to 30 for BB&T or H&W]* days after written notice specifying such failure and requesting that it be remedied has been given to the County (by any person or entity), unless the Lender agrees in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot reasonably be corrected within the applicable period and the County institutes corrective action within the applicable period, no Event of Default will be deemed to have occurred so long as the County diligently pursues the corrective action.

(d) Proceedings under any bankruptcy, insolvency, reorganization or similar law are instituted by or against the County as a debtor, or a receiver, custodian or similar officer is appointed for the County or any of its property.

(e) Any lien, charge or encumbrance (other than Permitted Encumbrances) prior to or affecting the validity of the Deed of Trust is found to exist, or proceedings are instituted to enforce any lien, charge or encumbrance against the Mortgaged Property and such lien, charge or encumbrance would be prior to the lien of the Deed of Trust.

10.2. Remedies on Default. Upon the occurrence and during the continuation of any Event of Default, the Lender may, without any further demand or notice, exercise any one or more of the following remedies:

(a) Declare the unpaid principal components of the Installment Payments, and the accrued interest thereon, immediately due and payable;

(b) Proceed by appropriate court action to enforce performance by the County of the applicable covenants of this Contract or the Deed of Trust or to recover for the breach thereof; and

(c) Avail itself of all available remedies under the Deed of Trust, including foreclosure on the Mortgaged Property and recovery of legal fees and other expenses, and of all other remedies available at law or in equity.

The Lender's exercise of remedies is subject to the limitations set forth in Article X.

10.3. No Remedy Exclusive; Delay Not Waiver. All remedies under this Contract are cumulative and may be exercised concurrently or separately. The exercise of any one remedy will not be deemed an election of such remedy or preclude the exercise of any other remedy. If any Event of Default occurs and is thereafter waived, such waiver will be limited to the particular breach so waived and will not be deemed a waiver of any other breach under this Contract.

ARTICLE XI
ASSIGNMENTS

11.1. County's Assignments. The County may not sell or assign any interest in this Contract without the Lender's prior written consent.

11.2. Lender's Assignment. The Lender may, at any time and from time to time, assign all or any part of its interest in the Mortgaged Property or this Contract, including, without limitation, the Lender's rights to receive Installment Payments. Any assignment made by the Lender or any subsequent assignee must not purport to convey any greater interest or rights than those held by the Lender pursuant to this Contract.

The County agrees that this Contract may become part of a pool of obligations at the Lender's or its assignee's option. The Lender or its assignees may assign or reassign all or any part of this Contract, including the assignment or reassignment of any partial interest through the use of certificates evidencing participation interests in this Contract. Any assignment by the Lender may be only to a Lender, insurance company, or similar financial institution or any other entity approved by the LGC. Notwithstanding the foregoing, no assignment or reassignment of the Lender's interest in the Mortgaged Property or this Contract will be effective unless and until the County receives a duplicate original counterpart of the document by which such assignment or reassignment is made disclosing the name and address of each such assignee.

The County further agrees that the Lender's interest in this Contract may be assigned in whole or in part upon terms which provide in effect that the assignor or assignee will act as a collection and paying agent for any holders of certificates of participation in this Contract, provided (a) the County receives a copy of the agency contract, and (b) the collection and paying agent agrees to maintain for the full remaining term of this Contract a written record of each assignment and reassignment of the certificates of participation.

The Lender covenants that any disclosure document circulated by it or an assignee in connection with the sale of the Lender's rights under this Contract will contain a statement to the effect that the County has not reviewed and is not responsible for the disclosure document. The Lender covenants to defend, indemnify and hold harmless the County and its officers, employees and agents against any and losses, claims, damages or liabilities, joint or several, including fees and expenses incurred in connection therewith, to which such indemnified party may become subject on account of any statement included in a disclosure document, or that fails to be included in a disclosure document, unless the County has expressly approved the use of such disclosure document.

The County agrees to execute any document reasonably required in connection with any assignment. Any assignor must provide notice of any assignment to the County, and the County will keep a complete and accurate record of all assignments as required by the Code. After the giving of any notice, the County will thereafter make all payments in accordance with the notice to the assignee named therein and will, if so requested, acknowledge the assignment in writing, but the acknowledgment will in no way be deemed necessary to make the assignment effective.

Notwithstanding any of the foregoing, in no event will the County ever be required to make Installment Payments to more than one person or entity on any payment date.

ARTICLE XII
COUNTY'S LIMITED OBLIGATION

Notwithstanding any other provision of this Contract, the parties intend that this transaction comply with North Carolina General Statutes Section 160A-20. No deficiency judgment may be entered against the County in violation of such Section 160A-20.

No provision of this Contract should be construed or interpreted as creating a pledge of the County's faith and credit within the meaning of any constitutional debt limitation. No provision of this Contract should be construed or interpreted as an illegal delegation of governmental powers or as an improper donation or lending of the County's credit within the meaning of the North Carolina constitution. The County's taxing power is not and may not be pledged directly or indirectly or contingently to secure any moneys due under this Contract.

No provision of this Contract will be construed to pledge or to create a lien on any class or source of the County's moneys (other than the Amount Advanced and any Net Proceeds), nor will any provision of this Contract restrict the County's future issuance of any of its bonds or other obligations payable from any class or source of the County's moneys (except to the extent the this Contract and the Deed of Trust restrict the incurrence of additional obligations secured by the Mortgaged Property).

To the extent of any conflict between this Article and any other provision of this Contract, this Article takes priority. Nothing in this Article is intended to impair or prohibit foreclosure of the Deed of Trust upon occurrence of an Event of Default under this Contract or the Deed of Trust.

ARTICLE XIII
MISCELLANEOUS

13.1. Notices.

(a) Any communication provided for in this Contract must be in writing (not including facsimile transmission or electronic mail).

(b) Any communication under this Contract will be sufficiently given and deemed given on the delivery date shown on a certified mail receipt, or a delivery receipt from a national commercial package delivery service, if addressed as follows:

(i) If intended for the County, to County Manager, Jefferson County, Attention: Notice under 2017 Financing Agreement, _____

(ii) If intended for the Lender, to BB&T Government Finance, Attention: Account Administration/Municipal, 5130 Parkway Plaza Blvd., Building 9, Charlotte, NC 28217

(c) Any addressee may designate additional or different addresses for communications by notice given under this Section to the other.

13.2. Non-Business Days. If the date for making any payment or the last day for performance of any act or the exercising of any right is not a Business Day, such payment may be made or act performed or right exercised on or before the next succeeding Business Day. For this Contract and the Deed of Trust, a "Business Day" is any day on which banks in the State are not by law authorized or required to remain closed.

13.3. Governing Law. The parties intend that North Carolina law will govern this Contract and all matters of its interpretation. To the extent permitted by law, the parties agree that any action brought with respect to this Contract must be brought in the North Carolina General Court of Justice in XCountyx County, North Carolina.

13.4. Severability. If any provision of this Contract is determined to be unenforceable, that will not affect any other provision of this Contract.

13.5. Amendments. This Contract may not be modified or amended unless the amendment is in writing and signed by the County and the Lender and approved by the LGC.

13.6. Binding Effect. Subject to the specific provisions of this Contract, this Contract will be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

13.7. Third-Party Beneficiaries. The Deed of Trust Trustee and the LGC are the only parties intended as third-party beneficiaries of this Contract.

13.8. Time. Time is of the essence of this Contract and each and all of its provisions.

13.9. Limitation on Liability of Officers and Agents. No officer, agent or employee of the County, of the LGC or the Lender will be subject to any personal liability or accountability because of the execution of this Contract or any other documents related to the transactions contemplated by this Contract. Such officers, agents or employees will be deemed to execute such documents in their official capacities only, and not in their individual capacities. This Section will not relieve any officer, agent or employee from the performance of any official duty provided by law.

13.10. Counterparts. This Contract may be executed in several counterparts, including separate counterparts. Each will be an original, but all of them together constitute the same instrument.

13.11. Definitions. Unless the context clearly requires otherwise, capitalized terms used in this Contract and not otherwise defined have the meanings set forth in Exhibit A.

13.12. Entire Agreement. This Contract, together with the Deed of Trust, constitutes the County's entire agreement with the Lender with respect to its general subject matter.

[The remainder of this page has been left blank intentionally.]

IN WITNESS WHEREOF, the County and the Lender have caused this instrument to be executed as of the day and year first above written by duly authorized officers.

ATTEST: (SEAL)	**JEFFERSON COUNTY, NORTH CAROLINA**
_____	By: _____
[clerk's name] Clerk, Board of Commissioners	[manager's name] County Manager

FIRST NATIONAL BANK

By: _____
Alison W. Peeler
Senior Vice President

This contract has been approved under the provisions of Article 8, Chapter 159 of the General Statutes of North Carolina.

Greg C. Gaskins
Secretary, North Carolina
Local Government Commission

By _____
[Greg C. Gaskins or
Designated Assistant]

[Installment Financing Contract dated as of [document dated date], 2017]

Exhibits –

A - Definitions
B - Payment schedule

EXHIBIT A – Definitions

For all purposes of this Contract, unless the context requires otherwise, the following terms have the following meanings:

"Additional Payments" means any amounts payable by the County as a result of its obligations under this Contract or the Deed of Trust (other than the County's obligation to pay Installment Payments). This includes any of the Lender's expenses (including attorneys' fees) in prosecuting or defending any action or proceeding in connection with this Contract and any taxes or any other expenses, including, but not limited to, the Lender's administrative or legal costs, licenses, permits, state and local sales and use or ownership taxes or property taxes that the Lender is required to pay as a result of this Contract (together with interest that may accrue on any of the above if the County fails to pay the same, as set forth in this Contract).

"Amount Advanced" has the meaning assigned in Article I.

"Closing Date" means the date on which this Contract is first executed and delivered by the parties, which the parties expect to be on or about _____.

"Code" means the Internal Revenue Code of 1986, as amended, including regulations, rulings and revenue procedures promulgated thereunder or under the Internal Revenue Code of 1954, as amended, as applicable to the County's obligations under this Contract. Reference to any specific Code provision will be deemed to include any successor provisions thereto.

"Construction Agreement" means any agreement between the County and any other person or entity related to any part of the construction of the Pledged Facilities, including contracts for site preparation and related work.

"Contract Payments" means Installment Payments and Additional Payments.

"County Board" means the County's Board of Commissioners, or any successor to its functions, as from time to time constituted.

"County Representative" means the County Manager, County finance officer or any other person or persons at the time designated, by a written certificate furnished to the Lender and signed on the County's behalf by the County Manager or the Chairman of the County Board, to act on the County's behalf for the purpose of performing any act (or any specified act) under this Contract.

"Deed of Trust" means the Deed of Trust and Security Agreement, dated as of [document dated date], 2017, from the County to a deed of trust trustee for the benefit of the Lender and its assigns, as it may be duly amended or supplemented.

"Event of Default" means one or more events of default as defined in Section 9.1.

"Event of Nonappropriation" means a failure or refusal by the County Board to include funds for Contract Payments in the County's budget for any Fiscal Year, or any reduction or elimination of an appropriation for Contract Payments, all as further described in Section _____.

"Fiscal Year" means the County's fiscal year beginning July 1, or such other fiscal year as the County may later lawfully establish, and also includes the period between the Closing Date and June 30, _____.

"Installment Payments" means the payments payable by the County pursuant to Section ____.

"LGC" means the North Carolina Local Government Commission, or any successor to its functions.

"Mortgaged Property" has the meaning assigned in the Deed of Trust, and generally includes the Pledged Site and the Pledged Facilities.

"Net Proceeds" a) claims made on account of insurance coverages required under this Contract, (b) any exercise of condemnation or eminent domain authority related to all or any portion of the Mortgaged Property,

"Net Proceeds" means all payments and proceeds derived from claims made on account of insurance coverages required under this Agreement, any condemnation award arising out of the condemnation of all or any portion of the Mortgaged Property, payments on any bonds required by Section _____, any amounts recovered from any contractor on an action for default or breach, as described in Section _____, proceeds of title insurance related to the Mortgaged Property, or any sale of the Facilities, or any amounts received in lieu or in settlement of any of the foregoing, in any case reduced by the sum of all amounts expended by the County, the Company or the Trustee (including legal fees and costs) (i) to collect the gross proceeds or (ii) to remedy the event giving rise to the proceeds, all of which amounts will be paid or reimbursed from the gross proceeds.

"Permitted Encumbrances" means, as of any particular time, (a) the encumbrances on the County's title to the Mortgaged Property that are stated on Exhibit B to the Deed of Trust, (b) liens for taxes and assessments not then delinquent, or liens which may remain unpaid pursuant to Sections _____ or ____, (c) the Deed of Trust, (d) any lien or encumbrance which is made by its terms expressly subordinate to the lien of the Deed of Trust, and (e) easements and rights-of-way granted by the County pursuant to Section _____ of the Deed of Trust.

"Pledged Facilities" has the meaning ascribed to that term in the Deed of Trust, and generally includes the County's planned new _____.

"Pledged Site" has the meaning ascribed to that term in the Deed of Trust, and generally includes the real property upon which the Pledged Facilities are located.

"Prime Rate" means the interest rate so denominated and set by First National Bank (whether or not that Bank, or any of its affiliates, is at any time the counterparty under this Agreement) as its "Prime Rate," as in effect from time to time.

"Project" has the meaning ascribed to that term in the recitals to this Contract.

"Project Costs" means all capital costs of the Project as determined in accordance with generally accepted accounting principles and that will not adversely affect the exclusion from gross income for federal income tax purposes of the designated interest component of Installment Payments payable under this Contract, including (a) sums required to reimburse the County or its agents for advances made for any such costs, and (b) all costs related to the financing of the Project through this Contract and all related transactions.

"State" means the State of North Carolina.

All references in this Contract to designated "Sections" and other subdivisions are to the designated sections and other subdivisions of this Contract. The words "hereof" and "hereunder" and other words of similar import refer to this Contract as a whole and not to any particular Section or other subdivision unless the context indicates otherwise. Words importing the singular number will include the plural number and vice versa. The use of the term "including" should be understood to mean "including, but not limited to."

EXHIBIT B – Schedule of Installment Payments

Principal is payable in the amounts and on the dates as shown below, subject to prepayment as provided in this Contract. Interest is payable on each _____ 1 and _____ 1, beginning _____1, 20____.

Each portion of the Amount Advanced will bear interest from the Closing Date until paid. Interest is calculated at the annual rate of _____ subject to adjustment as provided in this Contract. Interest will be calculated based on a 360-day year consisting of twelve 30-day months. The schedule below shows the expected interest payment amounts.

[To come.]

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: Anita Radcliffe, Finance Officer

Agenda Title: Implementation of GASB Statement #84 and #97

Summary of Information: The County is required to implement Governmental Accounting Standards Board (GASB) statements #84 and #97, effective fiscal year ended June 30, 2021. To be compliant with the new standards, the County must reclassify some activities historically classified as fiduciary and begin accounting for them in a governmental, special revenue fund. These new special revenue funds require budgetary estimates. Upon careful examination as well as consultation with our auditors and the Local Government Commission, it has been determined that the County has four activities/programs (DSS Representative Payee Accounts, 4-H activities, Cooperative Extension, and EMS billing and collections) that have previously been treated as fiduciary/agency funds but now need to be budgeted in a special revenue fund. The attached special revenue ordinances needs to be adopted to ensure compliance with the new GASB pronouncement at June 30, 2021. These funds will be budgeted during the annual budgeting process moving forward.

Submitter Recommendations/Motions: Adopt the Special Revenue Ordinances for DSS Representative Payee Accounts, 4-H, Cooperative Extension, and EMS Billing and Collections.

Attachments:
Implementation Memo from LGC for Agency Funds
Special Revenue Ordinances (4)
Four Ordinances to establish Special Revenue Funds for DSS Representative Payee, 4-H, Cooperative Extension, and EMS Billing/Collections

NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

GREGORY C. GASKINS
DEPUTY TREASURER
SHARON EDMUNDSON
DEPUTY TREASURER

Memorandum # 2021-04

TO: **Local Government Finance Officials and Their Independent Auditors**

FROM: **Sharon Edmundson, Deputy Treasurer and Director, State and Local Government Finance Division**

SUBJECT: **GASB Statement No. 84 – *Fiduciary Activities***
GASB Statement No. *97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for IRC Section 457 Deferred Compensation Plans*

DATE: **September 18, 2020**

Governments frequently engage in various fiduciary activities by taking care of moneys that belong to individuals or others outside of the government. Existing standards (GASBS 14 and 61) require reporting of fiduciary responsibilities but do not define what they are. GASB Statements 84 and 97 provide detailed guidance as to what constitutes a fiduciary activity and how to report fiduciary activity. With the Covid-19 pandemic, the implementation of GASB Statement 84 was delayed, but NC local governments with June 30 year ends will need to implement the guidance during the fiscal year ending June 30, 2021.

The implementation of GASB 84 and the related changes in GASB 97 will require numerous changes in the fiduciary reporting for North Carolina local governments. Depending on the specific fiduciary activities of each entity, governments may need to reclassify some activities currently reported as fiduciary to governmental or proprietary funds, which will require a change in budgeting practices during the current fiscal year. Other fiduciary activities may need to be reclassified to different fiduciary fund types. Agency funds are no longer used with the implementation of GASB 84 so agency funds reported will all be another fund type. The standard must be applied retroactively for all periods presented, if practicable; therefore, a restatement of prior-year net position will be required in some instances.

The decisions required to implement GASB 84 and GASB 97 are complex to understand and apply. Therefore, a compressed flowchart like the one found in Appendix C of GASB Statement 84 is an integral part of this memorandum. This resource should help governments visualize the reporting guidance in the statements and determine how to implement this complex guidance. **All the examples in this communication were developed using the attached flowchart to demonstrate the reporting decisions.**

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Example 1 of Flowchart: Defining a Pension or OPEB Component Unit under GASB 84

First, Is the activity a component unit?

- GASB 84, paragraph 7 defines a pension or OPEB defined benefit plan that meets the criteria of paragraph 3 of GASB 67 for pensions or paragraph 3 of Statement 74 for OPEB as a legally separate entity;
- Paragraph 4 in GASB 97 states that the primary governing board that performs the duties that a board typically would perform when there is not a governing board would be treated the same as a majority appointment of a governing board; and
- Per paragraph 7 of GASB 84, a financial burden exists when a primary government is legally obligated or has otherwise assumed the obligation to make contributions to a pension or OPEB plan.

Once an activity is determined to be a component unit, then we must determine if it fiduciary or non-fiduciary? And if fiduciary, what type of fiduciary fund?

Let's assume that the entity in question has been determined to be a legally separate component unit. Using the flowchart, the next decision point is whether the assets are for pension or OPEB arrangements. If the assets are pension or OPEB assets, the next decision point is whether the pension or OPEB assets are administered through a trust that meets the criteria of Definition 4 in the flowchart (paragraph 3 of GASB Statements 67 or 74).

Those trust criteria are:

- The contributions and the earnings on the contributions are irrevocable;
- The plan assets are dedicated to providing benefits in accordance with plan terms; and
- The plan assets are legally protected from the creditors of the government.

For North Carolina local governments, units with OPEB Irrevocable Trust Funds that are invested in the Ancillary Governmental Participant Investment Program (AGPIP) which is held by the state or in other investments will need to report those assets as an OPEB fiduciary component unit.

Example 2 of Flowchart: Defining a Non-Pension or Non-OPEB Component Unit under GASB 84

Again, assume that the entity in question has been determined to be a legally separate component unit. Fiduciary non-pension or non-OPEB component units are entities established through the criteria above to be legally separate component units; however, the entity's assets are not held for pension or OPEB arrangements. Per the attached flowchart. the assets are instead evaluated through a series of decision boxes as to whether they meet requirements of GASB 84, paragraph 11 through criteria C1, C2, or C3. Answering "yes" to any of these criteria results in a fiduciary non-pension or non-OPEB component unit. A "No" to all three criteria results in an activity that would be reported as either a governmental or business-type activity.

Example 3 of Flowchart: Defining Pension or OPEB Benefits that are NOT Component Units under GASB 84. "Yes" to Pension within the Scope of other GASB Guidance

In this example, assume that the assets in question do not meet the criteria of a legally separate entity. Using the flowchart, the next decision point is whether the government controls the asset per Definition 2 of the flowchart. If the government does not control the assets, then the activity would not be included the financial statements of the government. If the government answers "yes" to controlling the assets, then the next decision is, "Are the assets held for pension or OPEB benefits?" If "yes" to the pension and OPEB question, then the next decision point looks at the trust criteria in Definition 4 of the flowchart. For a "yes" answer that does meet the criteria of a trust per the GASB requirements, then the assets will be reported in a fiduciary fund.

Example 4 of Flowchart: Defining Pension or OPEB Benefits that are NOT Component Units under GASB 84. "No" to Pension within the Scope of other GASB Guidance

Example 4 is the same as Example 3 until the Decision point that looks at the trust criteria in Definition 4 of the flowchart. In the case of a "No" answer, the next decision point is whether the pension or OPEB assets in question are from an entity that is not part of the reporting entity. A "No" answer at this point results in assets that are reported in a governmental or proprietary fund. A "Yes" answer results in the assets being reported in a fiduciary fund. (See Imp Guide 2019-2; Question 4.9)

Example 5 of Flowchart: Defining Non-Pension or Non-OPEB Benefits that are NOT Component Units under GASB 84. "Yes" to Own Source Revenues

In this example, assume that the assets in question do not meet the criteria of a legally separate entity. Using the flowchart, the next decision point is whether the government controls the asset per Definition 2 of the flowchart. If the government does not control the assets, then the activity would not be included the financial statements of the government. If the government answers "yes" to controlling the assets, then the next question is, "Are the assets held for pension or OPEB benefits?" If the assets are not for pension and OPEB benefits, then the next decision point considers whether the revenues in the fund are derived solely from the government's own sources per Definition 3 of the flowchart. For a "yes "answer according to Definition 3, the assets would be reported in a governmental or proprietary fund. Under GASB 84, activities that are financed by funds that are own source funds are not fiduciary in nature.

Counties in North Carolina currently report Deeds of Trust Funds within agency funds. GASB 84 eliminates the use of agency funds. Under GASB 84, the revenues associated with deeds of trust are own source revenues that are not fiduciary in nature. With the implementation of GASB 84, these activities will all be reported in special revenue funds that will need to be budgeted prior to June 30, 2021.

Example 6 of Flowchart: Defining Non-Pension or Non-OPEB Benefits that are NOT Component Units under GASB 84. "No" to Own Source Revenues, "Yes" to B1 and B2

In this example, assume again that the assets in question do not meet the criteria of a legally separate entity. Using the flowchart, the next decision point is whether the government controls the asset per Definition 2 of the flowchart. If the government does not control the assets, then the activity would not

be included in the financial statements of the government. If the government answers "yes" to controlling the assets, then the next question is, "Are the assets held for pension or OPEB benefits?" If the assets are not for pension and OPEB benefits, then the next decision point considers whether the revenues in the fund are derived solely from the government's own sources per Definition 3 of the flowchart.

If the assets are not own source revenues and the answer is "No ", based on Definition 3, then the decision process moves to Section B of the flowchart. Within Section B, the assets are evaluated as to whether they are derived from government-mandated or voluntary non-exchange transactions in B1 and then whether they meet the exception in B2. Government-mandated non-exchange transactions are defined in paragraph 7 of GASB 33 as transactions that occur when a "government at one level (including the federal government) provides resources to a government at another level and requires that government to use them for a specific purpose...."

The implementation of GASB 84 revealed a long-standing reporting practice North Carolina that needed to be reconsidered. Local governments in North Carolina traditionally have reported Fines and Forfeitures and Representative Payee (or DSS Fund) Funds within agency funds. However, the revenues associated with these activities meet the definition of government-mandated non-exchange transactions per GASB 33 and are therefore not fiduciary in nature. These activities should be reported in special revenue funds that will need to be budgeted prior to June 30, 2021.

Example 7 of Flowchart: Defining Non-Pension or Non-OPEB Benefits that are NOT Component Units under GASB 84. "No" to Own Source Revenues, and "No" to B1 and B2

Section C of the flowchart is applied in several different scenarios one of which is discussed in Example 2 above. In this example, the assets are not held by a separate entity although the government does control them per Definition 2. The assets are not own source revenues or government-mandated or voluntary non-exchange transactions. The next decision point is Section C which considers questions in C1, C2, or C3. Answering "yes" to any of these criteria results in the assets in question being reported in a fiduciary fund. A "No" to all results in the assets in question being reported in a governmental or proprietary fund.

These examples have been provided to help you get familiar with the flowchart and the decision-making process to apply as you review your own fiduciary activities. They are not all-inclusive and only address some of the more common situations in North Carolina. Local governments and their auditors will have to review the government's fiduciary activities and make their own decisions about existing activities that differ from the examples here.

Reporting Under GASB 84

What are the types of Fiduciary Funds?

Pension and Other Employee Benefit Trust Funds (GASB 84, paragraph 15)

The trust agreement for a Pension or OPEB Trust Fund must meet the criteria of paragraph 3 from either GASB Statements 67 or 74, respectively. In North Carolina, OPEB Trust Funds with contributions invested in the AGPIP Funds held by the state are an example of OPEB Trust funds as defined in paragraph 15.

Investment Trust Funds
Investment Trust Funds are generally not applicable for North Carolina local governments; although there may be isolated cases where these would be used in a limited manner. Most governments can disregard.

Private-Purpose Trust Funds (GASB 84, paragraph 17)
Private-purpose trust funds are used to report fiduciary activities not reported in the first two types of trust funds but that are held in a trust or an equivalent arrangement that meets the requirements of paragraph 11c (1).

Custodial funds (GASB 84, paragraph 18)
Custodial Funds are used to report any fiduciary activities that are not required to be reported in the previous types of fiduciary funds. In North Carolina, examples of custodial funds are Jail/Inmate Pay Funds and the property taxes collected by the County on behalf of a municipality (excluding any fees charged).

Business-type activities may report assets and the corresponding liabilities that otherwise should be reported in a Custodial Fund as long as they are expected to be held for three months or less (GASB Statement 84, Paragraph 19). This three-month exception will be especially helpful when a utility is collecting fees for another local government. Exchange transactions, such as customer deposits, that are funded with own source revenues would be reported in the proprietary fund and are not fiduciary in nature.

Fiduciary Fund Financial Statements

Both the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position will be presented under GASB Statement 84 guidance. Liabilities should be recognized in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources consistent with the economic resources measurement focus that is used in proprietary funds. In the fiduciary statements, a single column for each of the three fund types typically seen in North Carolina will be presented, but no total column will be included on the right-hand side of the statements as is presented with non-fiduciary activities. Fiduciary component units are combined with their fund type and reported in the appropriate fiduciary type column.

The Statement of Fiduciary Net Position will need to be formatted in the net position format, including the financial statement elements assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. No classified presentation of current vs. noncurrent assets should be used. Assets and liabilities will be presented in order of liquidity.

The Statement of Changes in Fiduciary Net Position will report the additions and deductions of Pension and OPEB Trust Funds, Private-Purpose Trust Funds, and Custodial Funds. Additions should be disaggregated and reported by source. Deductions should be disaggregated by type and administrative expenses should be broken out if possible. Increases and decreases may not exactly correspond to revenues and expenses and we urge local governments to review the guidance in GASB Codification Section 2200-199 for more information.

If a governmental unit has more than one of a given fiduciary fund type combined in one column within the basic fiduciary statements, then it will need to provide a Combining Statement of Fiduciary Net Position and a Combining Statement of Changes in Fiduciary Net Position in the financial statements.

NCGS 159-13 (a) (3) excludes trust and agency funds held by a local government or a public authority from being budgeted, and we plan to ask for a technical correction to extend the budgetary exclusion to all fiduciary funds in the near future. In the interim, we are not requiring local governments to budget custodial funds since these funds continue to be fiduciary in nature as agency funds were.

The staff of the State and Local Government Finance Division will be updating the fiscal year 2021 illustrative statements for City of Dogwood, Carolina County, Carolina County Board of Education, and the Charter Schools for the impact of the GASB fiduciary guidance on NC Local governments. As usual, we expect to issue these in the Summer of 2021. In the meantime, Appendix D of GASB Statement 84 provides illustrations of how the fiduciary fund statements might be presented.

What you should be doing now to prepare?

1. Review all component units, current fiduciary, and current agency relationships, comparing the legal organization to the flowchart provided to determine the reporting changes needed to be made by June 30, 2021.
2. Educate your manager and governing board about the reporting and budgeting changes for Fines and Forfeitures, Representative Payee (Counties only), and Deeds of Trust (Counties only) that will need to be budgeted during the current fiscal year as a result of accounting standard changes.
3. Develop estimates for those budgeting changes for the 2021 fiscal year based on averages or trends over the past years.
4. Consider financial applications, general ledger accounts, and modifications that will be required for reporting required additions and deductions, inflows and outflows needed for financial statements. Work with your software provider if reports need to be revised to obtain this information.
5. Review Implementation Guide No. 2019-2, *Fiduciary Activities*, and GASB Statement 97 which are now available on the GASB website.

There are two appendices attached to this memorandum. Appendix 1 is a general summary of the proposed reporting treatments in the various illustrative statements for the fiscal year ending June 30, 2021. Appendix 2 is a flowchart that is like the one in the GASB Statement 84 Appendix C. The flowchart is intended to help you evaluate and determine the proper presentation for various possible fiduciary activities.

If you have any questions, you can call us at (919) 814-4299 or email us at SLGFD@nctreasurer.com.

Appendix 1: Highlighted Reporting Changes to 2021 Illustrative Financial Statements

City of Dogwood Reporting Changes in FYE 2021:

- Cemetery Permanent Fund –The Cemetery Permanent Fund accounts for assets that are restricted for the perpetual care of the municipal cemetery. Only the earnings of the fund, not the principal, may be used to support the cemetery. The City holds the funds which are the revenue from plot sales and the related interest earnings that are restricted for maintenance of the cemetery.

Note to statement preparers: In the City of Dogwood statements, we assume that the cemetery assets are not administered through a trust or an equivalent arrangement and that the City itself benefits from the sale proceeds and related earnings. Under this assumption, the City's cemetery funds are not a legally separate entity or a component unit. The assets are controlled by the City but are not for pension or OPEB uses. The plot sales represent an exchange transaction that are the City's own source revenues and would be reported in a governmental fund. Under this set of assumptions, the City's cemetery activities would continue to be reported in a Cemetery Permanent Fund. Depending upon the contractual agreement with the plot owners, the City might instead report cemetery funds as a department in the General Fund.
Depending upon the legal circumstances, a different presentation of cemetery assets would be appropriate. For instance, if the City holds the cemetery assets in trust that meets the GASB requirements for a non-profit organization that owns the cemetery assets, then the assets would be reported as a fiduciary activity. Statement preparers and their auditors are urged to review the legal circumstances and any contractual requirements associated with their own cemetery assets and determine the most appropriate treatment.

- Agency Funds – Fines and Forfeitures. The City of Dogwood maintains an agency fund for fines and forfeitures that it is required to remit to the Carolina County Board of Education. Agency funds are no longer used for reporting under GASB 84; therefore, the Fines and Forfeitures reporting will have to change with the implementation of the standard. Fines and forfeitures meet the definition from GASB 33 of imposed nonexchange transactions that are defined as own-source revenues in paragraph 13 of GASB 84. These activities are reported within governmental funds because activities that are financed with own-source revenues do not meet the definition of fiduciary funds in GASB 84. The City of Dogwood has chosen to report these activities in a special revenue fund.

  NCGS 159-13(a)(3) excludes agency fund transactions from being budgeted. With the implementation of GASB 84 during the fiscal year ending June 30, 2021, fines and forfeitures should be budgeted, accounted for and reported in a special revenue fund. The budgetary change should be made during fiscal year 2021 for all fines and forfeiture transactions. Depending upon other budgetary items noted by a local government's auditor in the audit report, we will probably not send unit letters for nonbudgeted fines and forfeitures during the fiscal year ending June 30, 2021.

County Reporting Changes in FYE 2021:

- Jail Inmate Pay (previously reported in the General Fund). Jail inmates have jobs in the jail and their earnings are deposited into their accounts. Their families and friends also may choose to deposit funds into their accounts and the account balances are returned to them when they are released or transferred to another facility. These funds are not own-source revenues and individuals, not the government, are the beneficiaries. The government generally does not have administrative involvement because the inmates have discretion over how these funds are spent. Based on paragraph 18 of the guidance, these are custodial funds because they don't meet the requirements to be reported in any other fiduciary

funds (GASB 84, paragraph 18; Implementation Guide 2019-2, Fiduciary Activities, Questions 4.14, 4.24 and 4.42).

- OPEB Trust Fund –The (AGPIP) trust assets, which are held by the State of NC, are administered through a defined benefit plan that is a legally separate entity from the County per paragraph 7 of GASB 84. Per paragraph 4 of GASB Statement 97, if a potential component unit of a defined benefit pension or OPEB plan does not have a governing board and the primary government performs the duties that a governing board would typically perform, then the pension or OPEB plan would be treated as a component unit whose voting majority is appointed by the governing board. Since the County's governing board performs the duties that a governing board of the OPEB Trust would perform if there was one, the OPEB Trust Fund will be treated as the appointment of a voting majority of a governing board. Per paragraph 7 of GASB 84, the County is obligated to fund the OPEB commitments to employees and has assumed an obligation to make those contributions to the OPEB plan. As a result, the OPEB Trust AGPIP Fund will be reported as a blended component unit. (GASB 14; GASB 61, paragraphs 8a, 68; GASB 84, paragraphs 4, 6b, 7; GASB 97, paragraphs 4, 5; Implementation Guide 2019-2; Question 4.1)

Note to Preparer of illustrative statements: It is incumbent on the unit and its auditor to verify that there is an OPEB trust agreement in place that meets the requirements of GASB 74, para 3. If no trust is in place, there is no assumption of a legally separate entity per GASB 84, paragraph 7. In this case, although the government may intend for the assets to be used for OPEB benefits, the assets are defined as own-source revenues under the guidance and would be reported with governmental and/or proprietary funds.

- Agency Funds – DSS Client Accounts. Renamed ***Representative Payee Funds.*** See the federal website at https://www.ssa.gov/payee/faqrep.htm for a thorough discussion of these funds. Under the Social Security's Representative Payee Program, the County receives and manages funds for minor children and certain adults. These funds are not derived from the government's own source revenues. They meet the definition of government-mandated non-exchange transactions but not the pass-through grant exception. Additionally, these funds are not held in a trust; are used by the government to provide goods and services for individuals; and are not held for the benefit of an organization. As a result, these funds are not considered fiduciary in nature but should be reported in a governmental fund. Carolina County has chosen to report these activities in a special revenue fund.

  NCGS 159-13(a)(3) excludes agency fund transactions from being budgeted. With the implementation of GASB Statement 84 during the fiscal year ending June 30, 2021, these funds should be budgeted, accounted for and reported in a special revenue fund. The budgetary change should be made during fiscal year 2021 for all Representative Payee Fund transactions. Depending upon other budgetary items noted by a local government's auditor in the audit report, we will probably not send unit letters for nonbudgeted Representative Payee Funds during the fiscal year ending June 30, 2021.

Note to Preparer: The fund should be retitled to ***Representative Payee Funds.*** Also, in the notes to the financial statements, consider adding a link to the federal website at https://www.ssa.gov/payee/faqrep.htm.

- Agency Funds-Fines and Forfeitures. The County maintains an agency fund for fines and forfeitures that it is required to remit to the Carolina County Board of Education. Agency funds are no longer used for reporting under GASB 84; therefore, the Fines and Forfeitures reporting will have to change with the implementation of the guidance. Fines and forfeitures meet the definition in GASB 33 of imposed

nonexchange transactions that are defined as own-source revenues in paragraph 13 of GASB Statement 84. These activities are reported within governmental funds because activities financed with own-source revenues do not meet the definition of fiduciary funds in GASB 84. Carolina County has chosen to report these activities in a special revenue fund.

NCGS 159-13(a)(3) excludes agency fund transactions from being budgeted. With the implementation of GASB 84 during the fiscal year ending June 30, 2021, fines and forfeitures should be budgeted, accounted for and reported in special revenue fund. The budgetary change should be made during fiscal year 2021 for all fines and forfeiture transactions. Depending upon other budgetary items noted by a local government's auditor in the audit report, we will probably not send unit letters for nonbudgeted Fines and Forfeiture Funds during the fiscal year ending June 30, 2021.

- Agency Funds – Municipal Tax Collections. The County bills and collects property taxes on behalf of other tax-levying municipalities and fire service districts within its jurisdiction. With the implementation of GASB Statement 84, the taxes collected are reported in a custodial fund. The fees the County charges to collect the taxes are not reported in the custodial fund but in the General Fund since they are own-source revenues, not fiduciary funds. (GASB 84, Paragraph11 c (1), 18; Imp Guide 2019-2, questions 4.38 and 4.42).

- Agency Funds – Deed of Trust. The Deed of Trust Fee agency fund accounts for a portion of each fee that is collected by the county register of deeds for registering or filing a deed of trust or a mortgage. These amounts are remitted to the State Treasurer on a monthly basis by the County. After the implementation of GASB Statement 84, these assets are accounted for within governmental funds. Carolina County controls the assets as required in paragraph 12; however, the amounts are derived from the government's own-source revenues as defined in paragraph 13. Therefore, by definition, these revenues do not meet the definition of fiduciary activities in paragraph 11b (1) and would not be reported within a fiduciary fund. Carolina County has chosen to report these activities in a special revenue fund.

  NCGS 159-13(a)(3) excludes agency fund transactions from being budgeted. With the implementation of GASB 84 during the fiscal year ending June 30, 2021, deeds of trust should be budgeted, accounted for and reported in a special revenue fund. The budgetary change should be made during fiscal year 2021 for all Deed of Trust Fund transactions. Depending upon other budgetary items noted by a local government's auditor in the audit report, we will probably not send unit letters for nonbudgeted Deed of Trust transactions during the fiscal year ending June 30, 2021.

Board of Education (BOE) Reporting Changes in FYE 2021:

- Individual Schools – Major governmental Special Revenue Funds. The Individual Schools Fund accounts for and reports the revenues and expenditures for activity funds of the individual schools. The primary revenue sources include funds held on the behalf of the various clubs and organizations, receipts from athletic events, and proceeds from fund-raising activities. The primary expenditures of the Individual School Funds are for athletic teams, club programs, activity buses, instructional needs.

Note to Preparer: The individual schools are not legally separate entities. In the BOE example, we assume that the School System controls the Individual Schools Fund assets because the amounts are deposited into a bank account managed by the administrative unit. The funds are not own-source revenues or government-mandated nonexchange transactions, and they are not held in a trust or an equivalent arrangement. Assuming the School System policy details how the individual school funds can be spent, the School System has administrative involvement per the criteria in 11c (2). The assets are for the benefit of individual schools that that are part of the financial reporting entity per 11c (3); therefore, these assets should be reported with governmental funds. This activity would be unchanged with the implementation of GASB Statement 84 and will continue to be reported in the special revenue fund.

Depending upon the policies and legal structure of a given school system's clubs and activities, the presentation of these types of activities for each board of education may be different. Implementation Guide No. 2019-2, *Fiduciary Activities,* has numerous examples of how to apply GASB Statement 84 to reporting club and scholarship activities based on how each system's policy. Refer to questions 4.16 through 4.23 and 4.28 in Implementation Guide 2019-2, *Fiduciary Activities*, for more information.

Administrative Fund - Private Purpose Trust Fund for Scholarships. Carolina County Board of Education has one fiduciary fund – the Administrative Fund, which is a scholarship fund under the control of the administrative unit. These assets are currently accounted for as a private purpose trust fund.

Note to Preparer: Assuming that it is not a legally separate entity, that the system controls the assets, and that there is a legal trust agreement in place, the activity would continue to be reported in a fiduciary fund. This fund continues to meet the definition of a private purpose fund per paragraph 17 of GASB 84; therefore, the implementation of this standard does not change the reporting for the Administrative Fund.

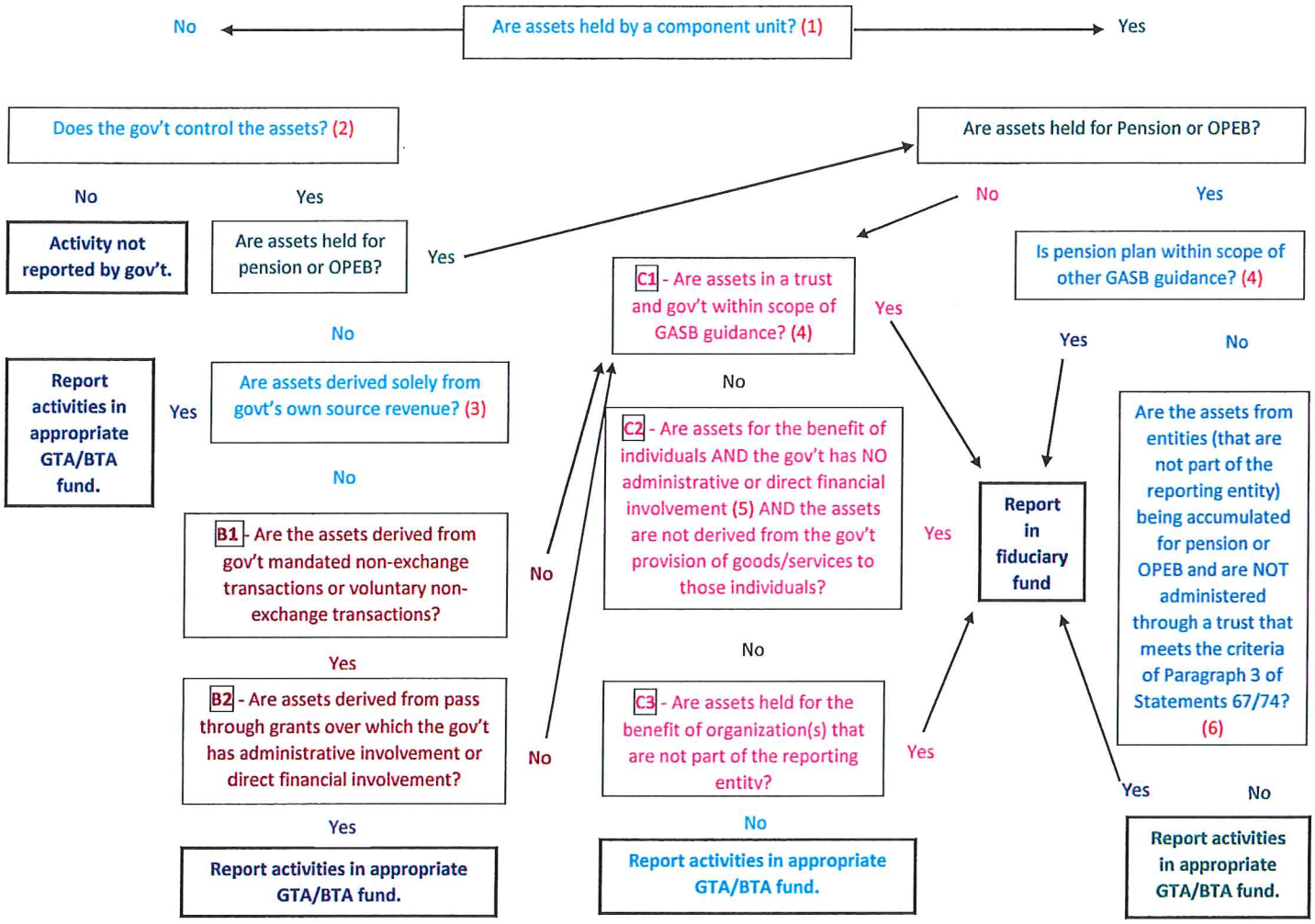
The legal agreements associated with a scholarship fund or an endowment fund will impact the reporting under GASB Statement 84. For example, if the Administrative Fund is a legally separate entity, then it would be reported as a fiduciary component unit. If the Administrative Fund is not controlled by the local board of education, then the activity would not be reported by the government in the financial statements. If there is no legal trust in place, then depending upon additional criteria, these funds might not be considered as fiduciary but governmental in nature. In that case, the Administrative Fund would be reported in a special revenue fund. We urge local governments and their auditors to review these legal agreements and determine the appropriate treatment.

Charter Schools Reporting Changes for FYE 2021:

- Clubs and Activities Fund - Non-Major Special Revenue Fund. The Club and Activities Fund is used to account for the funds raised and earned by the various clubs and activities, including the athletic teams that are part of the School. The use of revenue sources is restricted by school policy for expenditures for the various clubs and organizations, athletic events and fund-raising activities for which they were collected. There is a policy establishing specific guidance on how the revenues can be spent and a staff advisor approves all expenditures which are made from the school's bank account.

Note to Preparer: In the situation presented here, the School does have administrative involvement per the criteria in 11 c (2); therefore, the activity would continue to be reported in the special revenue fund. Depending upon the policies and legal structure of a given charter school's clubs and activities, the presentation of these activities for each school may be different. Implementation Guide No. 2019-2, *Fiduciary Activities* has numerous examples of how to apply GASB 84 to reporting club and scholarship activities based on how each charter school's policy. Refer to questions 4.16 through 4.23 and 4.28 in Implementation Guide 2019-2, *Fiduciary Activities*, for more information.

Appendix 2: When Should an Entity Report an Activity in a Fiduciary Fund in Accordance with GASB Statement No 84?



Appendix 2: When Should an Entity Report an Activity in a Fiduciary Fund in Accordance with GASB Statement No 84?

Notes and Definitions:

(1) Component Unit: Legally separate entity that meets the definition of a component unit as defined by GASB 14, as amended.

(2) Control of Assets: The government holds the assets or the government has the ability to direct the use, exchange, or employment of the assets in a manner that provides benefits to the specified or intended recipients. Restrictions for use of a specific purpose do not negate control of assets. (GASB 84, Paragraph 12)

(3) Own Source Revenue: Revenues generated by government itself, including exchange and exchange-like revenues and investment earnings, derived tax revenues and imposed non-exchanged revenues.

(4) Pension or OPEB is within scope of other GASB Guidance: Assets are administered through a trust that meets criteria of Paragraph 3 of GASB Statements No. 67 for pensions or Statement No. 74 for OPEB.

(5) Administrative Involvement or Direct Financial Involvement: Administrative: Monitor compliance with requirements of activity or determines eligible expenditures that are established by the government or by a resource provider that does not receive the direct benefits of the activity; or if it has the ability to exercise discretion in how assets are allocated. Direct Financial: Provide matching resources for the activities.

(6) See Paragraph 116 in Statement No. 73 for pensions or Paragraph 59 in Statement No. 74 for OPEB.

AN ORDINANCE TO ESTABLISH A SPECIAL REVENUE FUND
DSS REPRESENTATIVE PAYEE
SPECIAL REVENUE FUND
BEAUFORT COUNTY, N.C.
FOR FISCAL YEAR 2020-2021

BE IT ORDAINED, by the County Commissioners of Beaufort County, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following fund is hereby established:

Section 1. The Special Revenue Fund is to account for funds Received and Paid by the Department of Social Services as the representative payee for wards, Special Assistance In-Home clients and foster children. The funds in these special lines are restricted client funds. There will be no county money in this fund.

Section 2. The Board of Commissioners of Beaufort County adopts this Special Revenue Fund Ordinance with the following estimated revenues and expenses:

77-0470-494000	DSS Representative Payee Revenues	$ 149,452
TOTAL REVENUES		$ 149,452

77-5570-549400	DSS Representative Payee Expenditures	$ 149,452
TOTAL EXPENSES		$ 149,452

Section 3. The Finance Officer is hereby directed to maintain within the Special Revenue Fund sufficient specific detailed accounting records to satisfy federal, state, and auditing requirements.

Section 4. This ordinance shall become effective upon its adoption.

This the 7th day of June, 2021.

_____
Chairman

Attest:

_____
Clerk

AN ORDINANCE TO ESTABLISH A SPECIAL REVENUE FUND
4-H SPECIAL REVENUE FUND
BEAUFORT COUNTY, N.C.
FOR FISCAL YEAR 2020-2021

BE IT ORDAINED, by the County Commissioners of Beaufort County, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following fund is hereby established:

Section 1. This Special Revenue Fund is used to account for Beaufort County 4-H and activities. The main programs are: (1) Beaufort County 4-H Livestock Show and Sale, (2) Summer Camping, (3) 4-H Clubs, and (4) 4-H Programming. These are restricted funds and no county money is in this account.

Section 2. The Board of Commissioners of Beaufort County adopts this Special Revenue Fund Ordinance with the following estimated revenues and expenses:

78-0450-494010	Beaufort County 4-H Livestock Show and Sale	$ 20,000
78-0450-494011	Summer Camping	$ 5,000
78-0450-494012	4-H Clubs	$ 3,723
78-0450-494013	4-H Programming	$ 5,000
TOTAL REVENUES		$ 33,723

78-5550-549310	Beaufort County 4-H Livestock Show and Sale	$ 20,000
78-5550-549311	Summer Camping	$ 5,000
78-5550-549312	4-H Clubs	$ 3,723
78-5550-549313	4-H Programming	$ 5,000
TOTAL EXPENSES		$ 33,723

Section 3. The Finance Officer is hereby directed to maintain within the Special Revenue Fund sufficient specific detailed accounting records to satisfy federal, state, and auditing requirements.

Section 4. This ordinance shall become effective upon its adoption.

This the 7th day of June, 2021.

_____
Chairman

Attest:

_____
Clerk

AN ORDINANCE TO ESTABLISH A SPECIAL REVENUE FUND
COOPERATIVE EXTENSION SPECIAL REVENUE FUND
BEAUFORT COUNTY, N.C.
FOR FISCAL YEAR 2020-2021

BE IT ORDAINED, by the County Commissioners of Beaufort County, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following fund is hereby established:

Section 1. This Special Revenue Fund is used to account for Beaufort County Cooperative Extension programs and activities including: (1) Agriculture Programming, (2) Horticulture Programming, (3) Master Gardeners, and (4) Family and Consumer Science Programming. These funds are restricted and no county money is in this fund.

Section 2. The Board of Commissioners of Beaufort County adopts this Special Revenue Fund Ordinance with the following estimated revenues and expenses:

79-0460-494020	Agriculture Programming	$ 25,298
79-0460-494021	Horticulture Programming	$ 5,000
79-0460-494022	Master Gardeners	$ 3,500
79-0460-494023	Family and Consumer Science Programming	$ 4,000
TOTAL REVENUES		$ 37,798

79-5560-549320	Agriculture Programming	$ 25,298
79-5560-549321	Horticulture Programming	$ 5,000
79-5560-549322	Master Gardeners	$ 3,500
79-5560-549323	Family and Consumer Science Programming	$ 4,000
TOTAL EXPENSES		$ 37,798

Section 3. The Finance Officer is hereby directed to maintain within the Special Revenue Fund sufficient specific detailed accounting records to satisfy federal, state, and auditing requirements.

Section 4. This ordinance shall become effective upon its adoption.

This the 7th day of June, 2021.

_____
Chairman

Attest:

_____
Clerk

AN ORDINANCE TO ESTABLISH A SPECIAL REVENUE FUND
EMS SPECIAL REVENUE FUND
BEAUFORT COUNTY, N.C.
FOR FISCAL YEAR 2020-2021

BE IT ORDAINED, by the County Commissioners of Beaufort County, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following fund is hereby established:

Section 1. The Special Revenue Fund is used to account for EMS billing, collection, and distribution of EMS transport activities for Beaufort County, Chocowinity, Aurora, Broad Creek, Pinetown, and Pamlico Beach.

Section 2. The Board of Commissioners of Beaufort County adopts this Special Revenue Fund Ordinance with the following estimated revenues and expenses:

85-0140-421000	AGENCY TRANSPORT REVENUES	$ 1,650,000
85-0141-421010	DEBT SETOFF COLLECTIONS	20,000
85-0142-421011	SCA COLLECTIONS	12,000
TOTAL REVENUES		$ 1,682,000

85-4390-569700	EMS COLLECTION FEES	$ 107,250
85-4390-469701	AGENCY TRANSPORT PAYMENTS	1,542,750
85-4391-569702	DEBT SETOFF AGENCY PAYMENTS	20,000
85-4392-569700	SCA COLLETION FEES	2,760
85-4392-569703	SCA COLLECTION AGENCY PAYMENTS	9,240
TOTAL EXPENSES		$ 1,682,000

Section 3. The Finance Officer is hereby directed to maintain within the Special Revenue Fund sufficient specific detailed accounting records to satisfy federal, state, and auditing requirements.

Section 4. This ordinance shall become effective upon its adoption.

This the 7th day of June, 2021.

_____
Chairman

Attest:

_____
Clerk

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: David Francisco, County Attorney

Agenda Title: Bid/Offer to Purchase Property

Summary of Information: Offers have been received for the following properties:

REID#	Property Address	Bid Amount
37935	138 Vermont Ave, Longacre Township	$500.00

Submitter Recommendations/Motions: If bids are accepted submitter recommends directing the County Attorney to start the upset bid process and if no upset bids are received, to transfer ownership to the bidder.

Attachments:

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BID/OFFER TO PURCHASE PROPERTY OF BEAUFORT COUNTY

The County of Beaufort has determined real estate as herein described now owned is not required for governmental purposes and is to be sold to the highest bidder subject to acceptance and confirmation as provided by NCGS 160A-266 & 268.

A bid should be submitted on this offer sheet. The Offeror shall deposit five percent (5%) of his bid payable to the County of Beaufort at the time of the offer submittal.

The County reserves the right to consider any offer and may at any time reject any and all offers.

Description: Tax Parcel # 5695-40-6412

Deed Book 2058 ,Page 00268 ,Beaufort County Registry

Property Address: 138 Vermont Ave REID # 37935

Amount of Bid: $ 500

Name of Person Submitting Bid: Dena Johnson

Address: 2296 Edgewater Dr Winterville, NC 28590

Telephone Number: 704-533-0654

Other Contact Information: Kevin Johnson 252-320-8875

Signature of Offeror: Dena Johnson

Amount Deposited (5%): $25.00

Date: June 1, 2021

OBJECTID 16483	**GPIN** 5695-40-6412	**GPIN Long** 5695-40-6412
OWNER NAME COUNTY OF BEAUFORT	**OWNER NAME2**	**MAILING ADDRESS** PO BOX 633
MAILING ADDRESS 2	**CITY** WASHINGTON	**STATE** NC
ZIP 27889	**PROP DESC** 1 LOT #23 MONTCLAIR	**LAND VAL** 6375
BLDG VAL 10985	**TOT VAL** 17360	**DEFR VAL** 0
TAXABLE VA 0	**PREV ASSESS** 23196	**ACRES** 0.26
PROPERTY ADDRESS 138 VERMONT AVE	**TOWNSHIP** 05	**MBL** 56951836
DATE 3/23/2021	**DEED BOOK and PAGE** 2058/00268	**STAMPS** 27.00
SALE PRICE 13500.00	**NBR BLDG** 1	**NBHD CDE** MONT
NBHD DESC MONTCLAIR	**LAND USE**	**EXEMPT AMT** 17360.00
ROAD TYPE PAVED	**YR BUILT** 1968	**SQ FT** 912
SUB CDE BLUS01	**SUB DESC** SINGLE FAMILY RESIDENCE	**NBR BED** 3
NBR BATHS	**EFF YR** 1968	**PIN** 04019536
REID 37935		

Beaufort County online map access is provided as a public service, as is, as available and without warranties, expressed or implied. Content published on this website is for informational purposes only and is not intended to constitute a legal record nor should it be substituted for the advice or services of industry professionals. The County of Beaufort and the Website Provider disclaim all responsibility and legal liability for the content published on this website. The user agrees that Beaufort County and its Assigns shall be held harmless from all actions, claims, damages or judgments arising out of the use of County data.

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item fro Decision

Presenter: Brian M. Alligood, County Manager

Agenda Title: Board of Education Compensation Adjustment Request

Summary of Information: In the FY 21-22 budget request, the Board of Education requested that the compensation of its members be increased. The Board of Commissioners must approve this request. Attached are the relevant statutes.

The requested changes are:

Board Chairperson: $600 per month from $188 per meeting (normal 2 meetings)
Board Member: $500 per month from $132 per meeting (normal 2 meetings)

Submitter Recommendations/Motions: Consider the Board of Education's request to adjust its member's compensation.

Attachments:
1. NCGS 153A-92
2. NCGS 115C-38

§ 153A-92. Compensation.

(a) Subject to the limitations set forth in subsection (b) of this section, the board of commissioners shall fix or approve the schedule of pay, expense allowances, and other compensation of all county officers and employees, whether elected or appointed, and may adopt position classification plans.

(b) In exercising the authority granted by subsection (a) of this section, the board of commissioners is subject to the following limitations:

(1) The board of commissioners may not reduce the salary, allowances, or other compensation paid to an officer elected by the people for the duties of his elective office if the reduction is to take effect during the term of office for which the incumbent officer has been elected, unless the officer agrees to the reduction or unless the Local Government Commission pursuant to Chapter 159, Article 10, orders a reduction.

(2) During the year of a general election, the board of commissioners may reduce the salary, allowances, or other compensation of an officer to be elected at the general election only in accordance with this subdivision. The board of commissioners shall by resolution give notice of intention to make the reduction no later than 14 days before the last day for filing notice of candidacy for the office. The resolution shall set forth the reduced salary, allowances, and other compensation and shall provide that the reduction is to take effect at the time the person elected to the office in the general election takes office. Once adopted, the resolution may not be altered until the person elected to the office in the general election has taken office. The filing fee for the office shall be determined by reference to the reduced salary.

(3) If the board of commissioners reduces the salaries, allowances, or other compensation of employees assigned to an officer elected by the people, and the reduction does not apply alike to all county offices and departments, the elected officer involved must approve the reduction. If the elected officer refuses to approve the reduction, he and the board of commissioners shall meet and attempt to reach agreement. If agreement cannot be reached, either the board or the officer may refer the dispute to arbitration by the senior resident superior court judge of the superior court district or set of districts as defined in G.S. 7A-41.1 in which the county is located. The judge shall make an award within 30 days after the day the matter is referred to him. The award may extend for no more than two fiscal years, including the fiscal year for which it is made.

(4) The board of commissioners shall fix their own salaries, allowances, and other compensation in accordance with G.S. 153A-28.

(5) The board of commissioners shall fix the salaries, allowances and other compensation of county employees subject to the North Carolina Human Resources Act according to the procedures set forth in Chapter 126. The board may make these employees subject to a county position classification plan only as provided in Chapter 126.

(c) In counties with a county manager, the manager is responsible for preparing position classification and pay plans for submission to the board of commissioners and for administering the pay plan and any position classification plan in accordance with general policies and directives adopted by the board. In counties without a county manager, the board

of commissioners shall appoint or designate a personnel officer, who shall then be responsible for administering the pay plan and any position classification plan in accordance with general policies and directives adopted by the board.

(d) A county may purchase life insurance or health insurance or both for the benefit of all or any class of county officers and employees as a part of their compensation. A county may provide other fringe benefits for county officers and employees. In providing health insurance to county officers and employees, a county shall not provide abortion coverage greater than that provided by the State Health Plan for Teachers and State Employees under Article 3B of Chapter 135 of the General Statutes. (1927, c. 91, s. 8; 1953, c. 1227, ss. 1-3; 1969, c. 358, s. 1; c. 1017; 1973, c. 822, s. 1; 1987 (Reg. Sess., 1988), c. 1037, s. 122; 2013-366, s. 2(b); 2013-382, s. 9.1(c).)

§ 115C-38. Compensation of board members.

The tax-levying authority for a local school administrative unit may, under the procedures of G.S. 153A-92, fix the compensation and expense allowances paid members of the board of education of that local school administrative unit.

Funds for the per diem, subsistence, and mileage for all meetings of county and city boards of education shall be provided from the current expense fund budget of the particular county or city.

The compensation and expense allowances of members of boards of education shall continue at the same levels as paid on July 1, 1975, until changed by or pursuant to local act or pursuant to this section. (1955, c. 1372, art. 5, s. 12; 1975, c. 569, ss. 1-3; 1977, c. 802, s. 39.5; 1981, c. 423, s. 1.)

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: Brian Alligood, County Manager

Agenda Title: Tax Collector Appointment

Summary of Information: At the June 2019 meeting the Board of Commissioners Appointed Wyn Kinion to a two-year term as Tax Collector, which will expire June 30, 2021. Per NCGS 105-349, the Board of Commissioners shall appoint a tax collector to serve for a term to be determined by the appointing body, historically the Board has matched the Tax Assessors appointment.

Submitter Recommendations/Motions: Recommend appointing a Tax Collector for a term to be determined by the Board of Commissioners.

Attachments:

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Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: Brian Alligood, County Manager

Agenda Title: Tax Assessor Appointment

Summary of Information: At the June 2019 meeting the Board of Commissioners appointed Mr. Bobby Parker to a two-year term as Tax Assessor, which will expire on June 30, 2021. Mr. Parker retired in December 2020 and Mr. Lloyd Salter was appointed to his unfinished term. Per NCGS 105-294 the Board of Commissioners will need to make an appointment to the position of Beaufort County Tax Assessor for a two-year term, due to this being an initial appoint, to be effective July 1, 2021.

Submitter Recommendations/Motions: Recommend appointing a Tax Assessor for a two term.

Attachments:

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: Katie Mosher, Clerk to the Board

Agenda Title: 2021 NCACC Voting Delegate

Summary of Information: The 114th annual NCACC Conference Business Session will be held on August 14, 2021, during the annual conference being held in New Hanover County. Each County will be entitled to one vote on items that come before the membership.

NCACC is requesting the Beaufort County Board of Commissioners appoint one person as our delegate and one alternate delegate.

Submitter Recommendations/Motions: Nominate a voting delegate for the 2021 NCACC Conference.

Attachments:

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Designation of Voting Delegate to NCACC Annual Conference

I, _____, hereby certify that I am the duly designated voting delegate for _____ County at the 114th Annual Conference of the North Carolina Association of County Commissioners to be held during the Annual Business Session on August 14, 2021, at 12:45 p.m. in New Hanover County.

Voting Delegate Name: _____

Title: _____

In the event the designated voting delegate is unable to attend, _____ has been selected as _____ County's alternate voting delegate.

Alternate Voting Delegate Name: _____

Title: _____

Article VI, Section 2 of our Constitution provides:

"On all questions, including the election of officers, each county represented shall be entitled to one vote, which shall be the majority expression of the delegates of that county. The vote of any county in good standing may be cast by any one of its county commissioners who is present at the time the vote is taken; provided, if no commissioner be present, such vote may be cast by another county official, elected or appointed, who holds elective office or an appointed position in the county whose vote is being cast and who is formally designated by the board of county commissioners. These provisions shall likewise govern district meetings of the Association. A county in good standing is defined as one which has paid the current year's dues."

Please return this form to Alisa Cobb via email by **Monday, August 9, 2021** close of business:

Email: alisa.cobb@ncacc.org

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: Commissioner Hood Richardson

Agenda Title: Proposed Uses of American Rescue Plan Money

Summary of Information: Commissioner Richardson would like the Board to consider a motion listing the uses for the American Recovery Money, which could include:

Register of Deeds space
Build out Basement of courthouse to increase number of jail cells.
Washington Airport
Belhaven Tidal Flood
Mega-Sites for Solid Waste
County Library

Submitter Recommendations/Motions: Motion to create a list for consideration for the use of American Recovery money.

Attachments:

U.S. DEPARTMENT OF THE TREASURY

Coronavirus State and Local Fiscal Recovery Funds

The American Rescue Plan will deliver $350 billion for state, local, territorial, and Tribal governments to respond to the COVID-19 emergency and bring back jobs.

The Coronavirus State and Local Fiscal Recovery Funds provide a substantial infusion of resources to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

Funding Objectives

- **Support urgent COVID-19 response efforts** to continue to decrease spread of the virus and bring the pandemic under control
- **Replace lost public sector revenue** to strengthen support for vital public services and help retain jobs
- **Support immediate economic stabilization** for households and businesses
- **Address systemic public health and economic challenges** that have contributed to the inequal impact of the pandemic

Eligible Jurisdictions & Allocations

Direct Recipients

- States and District of Columbia ($195.3 billion)
- Counties ($65.1 billion)
- Metropolitan cities ($45.6 billion)
- Tribal governments ($20.0 billion)
- Territories ($4.5 billion)

Indirect Recipients

- Non-entitlement units ($19.5 billion)

Support Public Health Response
Fund COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff

Address Negative Economic Impacts
Respond to economic harms to workers, families, small businesses, impacted industries, and the public sector

Replace Public Sector Revenue Loss
Use funds to provide government services to the extent of the reduction in revenue experienced due to the pandemic

Premium Pay for Essential Workers
Offer additional support to those who have and will bear the greatest health risks because of their service in critical infrastructure sectors

Water and Sewer Infrastructure
Make necessary investments to improve access to clean drinking water and invest in wastewater and stormwater infrastructure

Broadband Infrastructure
Make necessary investments to provide unserved or underserved locations with new or expanded broadband access

For More Information: Please visit www.treasury.gov/SLFRP
For Media Inquiries: Please contact the U.S. Treasury Press Office at (202) 622-2960
For General Inquiries: Please email SLFRP@treasury.gov for additional information

U.S. DEPARTMENT OF THE TREASURY

Example Uses of Funds

Support Public Health Response

- **Services to contain and mitigate the spread of COVID-19,** including vaccination, medical expenses, testing, contact tracing, quarantine costs, capacity enhancements, and many related activities
- **Behavioral healthcare services,** including mental health or substance misuse treatment, crisis intervention, and related services
- **Payroll and covered benefits** for public health, healthcare, human services, and public safety staff to the extent that they work on the COVID-19 response

Address Negative Economic Impacts

- **Deliver assistance to workers and families,** including support for unemployed workers, aid to households, and survivor's benefits for families of COVID-19 victims
- **Support small businesses** with loans, grants, in-kind assistance, and counseling programs
- **Speed the recovery of impacted industries,** including the tourism, travel, and hospitality sectors
- **Rebuild public sector capacity** by rehiring staff, replenishing state unemployment insurance funds, and implementing economic relief programs

Replace Public Sector Revenue Loss

- **Ensure continuity of vital government services** by filling budget shortfalls
- **Revenue loss is calculated** relative to the expected trend, beginning with the last full fiscal year pre-pandemic and adjusted annually for growth
- **Recipients may re-calculate revenue loss** at multiple points during the program, supporting those entities that experience revenue loss with a lag

Premium Pay for Essential Workers

- **Provide premium pay to essential workers,** both directly and through grants to third-party employers
- **Prioritize low- and moderate-income workers,** who face the greatest mismatch between employment-related health risks and compensation
- **Key sectors include** healthcare, grocery and food services, education, childcare, sanitation, and transit
- **Must be fully additive** to a worker's wages

Water & Sewer Infrastructure

- **Includes improvements to infrastructure,** such as building or upgrading facilities and transmission, distribution, and storage systems
- **Eligible uses aligned to Environmental Protection Agency project categories** for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund

Broadband Infrastructure

- **Focus on households and businesses** without access to broadband and those with connections that do not provide minimally acceptable speeds
- **Fund projects that deliver reliable service** with minimum 100 Mbps download / 100 Mbps upload speeds unless impracticable
- **Complement broadband investments** made through the Capital Projects Fund

Equity-Focused Services

- **Additional flexibility for the hardest-hit communities and families** to address health disparities, invest in housing, address educational disparities, and promote healthy childhood environments
- **Broadly applicable** to Qualified Census Tracts, other disproportionately impacted areas, and when provided by Tribal governments

Ineligible Uses

- **Changes that reduce net tax revenue** must not be offset with American Rescue Plan funds
- **Extraordinary payments into a pension fund** are a prohibited use of this funding
- **Other restrictions apply** to eligible uses

The examples listed in this document are non-exhaustive, do not describe all terms and conditions associated with the use of this funding, and do not describe all the restrictions on use that may apply. The U.S. Department of the Treasury provides this document, the State and Local contact channels, and other resources for informational purposes. Although efforts have been made to ensure the accuracy of the information provided, the information is subject to change or correction. Any Coronavirus State and Local Fiscal Recovery Funds received will be subject to the terms and conditions of the agreement entered into by Treasury and the respective jurisdiction, which shall incorporate the provisions of the Interim Final Rule and/or Final Rule that implements this program.

FACT SHEET: The Coronavirus State and Local Fiscal Recovery Funds Will Deliver $350 Billion for State, Local, Territorial, and Tribal Governments to Respond to the COVID-19 Emergency and Bring Back Jobs

May 10, 2021

Aid to state, local, territorial, and Tribal governments will help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery

Today, the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021, to provide $350 billion in emergency funding for eligible state, local, territorial, and Tribal governments. Treasury also released details on how these funds can be used to respond to acute pandemic response needs, fill revenue shortfalls among these governments, and support the communities and populations hardest-hit by the COVID-19 crisis. With the launch of the Coronavirus State and Local Fiscal Recovery Funds, eligible jurisdictions will be able to access this funding in the coming days to address these needs.

State, local, territorial, and Tribal governments have been on the frontlines of responding to the immense public health and economic needs created by this crisis – from standing up vaccination sites to supporting small businesses – even as these governments confronted revenue shortfalls during the downturn. As a result, these governments have endured unprecedented strains, forcing many to make untenable choices between laying off educators, firefighters, and other frontline workers or failing to provide other services that communities rely on. Faced with these challenges, state and local governments have cut over 1 million jobs since the beginning of the crisis. The experience of prior economic downturns has shown that budget pressures like these often result in prolonged fiscal austerity that can slow an economic recovery.

To support the immediate pandemic response, bring back jobs, and lay the groundwork for a strong and equitable recovery, the American Rescue Plan Act of 2021 established the Coronavirus State and Local Fiscal Recovery Funds, designed to deliver $350 billion to state, local, territorial, and Tribal governments to bolster their response to the COVID-19 emergency and its economic impacts. Today, Treasury is launching this much-needed relief to:

- Support urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control;
- Replace lost public sector revenue to strengthen support for vital public services and help retain jobs;
- Support immediate economic stabilization for households and businesses; and,
- Address systemic public health and economic challenges that have contributed to the inequal impact of the pandemic on certain populations.

The Coronavirus State and Local Fiscal Recovery Funds provide substantial flexibility for each jurisdiction to meet local needs—including support for households, small businesses, impacted industries, essential workers, and the communities hardest-hit by the crisis. These funds also deliver resources that recipients can invest in building, maintaining, or upgrading their water, sewer, and broadband infrastructure.

Starting today, eligible state, territorial, metropolitan city, county, and Tribal governments may request Coronavirus State and Local Fiscal Recovery Funds through the Treasury Submission Portal. Concurrent with this program launch, Treasury has published an Interim Final Rule that implements the provisions of this program.

FUNDING AMOUNTS

The American Rescue Plan provides a total of $350 billion in Coronavirus State and Local Fiscal Recovery Funds to help eligible state, local, territorial, and Tribal governments meet their present needs and build the foundation for a strong recovery. Congress has allocated this funding to tens of thousands of jurisdictions. These allocations include:

Type	Amount ($ billions)
States & District of Columbia	$195.3
Counties	$65.1
Metropolitan Cites	$45.6
Tribal Governments	$20.0
Territories	$4.5
Non-Entitlement Units of Local Government	$19.5

Treasury expects to distribute these funds directly to each state, territorial, metropolitan city, county, and Tribal government. Local governments that are classified as non-entitlement units will receive this funding through their applicable state government. Treasury expects to provide further guidance on distributions to non-entitlement units next week.

Local governments should expect to receive funds in two tranches, with 50% provided beginning in May 2021 and the balance delivered 12 months later. States that have experienced a net increase in the unemployment rate of more than 2 percentage points from February 2020 to the latest available data as of the date of certification will receive their full allocation of funds in a single payment; other states will receive funds in two equal tranches. Governments of U.S. territories will receive a single payment. Tribal governments will receive two payments, with the first payment available in May and the second payment, based on employment data, to be delivered in June 2021.

USES OF FUNDING

Coronavirus State and Local Fiscal Recovery Funds provide eligible state, local, territorial, and Tribal governments with a substantial infusion of resources to meet pandemic response needs and rebuild a stronger, more equitable economy as the country recovers. Within the categories of eligible uses, recipients have broad flexibility to decide how best to use this funding to meet the needs of their communities. Recipients may use Coronavirus State and Local Fiscal Recovery Funds to:

- **Support public health expenditures,** by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;

- **Address negative economic impacts caused by the public health emergency,** including economic harms to workers, households, small businesses, impacted industries, and the public sector;

- **Replace lost public sector revenue**, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;

- **Provide premium pay for essential workers**, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,

- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

Within these overall categories, Treasury's Interim Final Rule provides guidelines and principles for determining the types of programs and services that this funding can support, together with examples of allowable uses that recipients may consider. As described below, Treasury has also designed these provisions to take into consideration the disproportionate impacts of the COVID-19 public health emergency on those hardest-hit by the pandemic.

1. **Supporting the public health response**

Mitigating the impact of COVID-19 continues to require an unprecedented public health response from state, local, territorial, and Tribal governments. Coronavirus State and Local Fiscal Recovery Funds provide resources to meet these needs through the provision of care for those impacted by the virus and through services that address disparities in public health that have been exacerbated by the pandemic. Recipients may use this funding to address a broad range of public health needs across COVID-19 mitigation, medical expenses, behavioral healthcare, and public health resources. Among other services, these funds can help support:

- **Services and programs to contain and mitigate the spread of COVID-19, including:**

  - ✓ Vaccination programs
  - ✓ Medical expenses
  - ✓ Testing
  - ✓ Contact tracing
  - ✓ Isolation or quarantine
  - ✓ PPE purchases
  - ✓ Support for vulnerable populations to access medical or public health services
  - ✓ Public health surveillance (e.g., monitoring for variants)
  - ✓ Enforcement of public health orders
  - ✓ Public communication efforts
  - ✓ Enhancement of healthcare capacity, including alternative care facilities
  - ✓ Support for prevention, mitigation, or other services in congregate living facilities and schools
  - ✓ Enhancement of public health data systems
  - ✓ Capital investments in public facilities to meet pandemic operational needs
  - ✓ Ventilation improvements in key settings like healthcare facilities

- **Services to address behavioral healthcare needs exacerbated by the pandemic, including:**
  - ✓ Mental health treatment
  - ✓ Substance misuse treatment
  - ✓ Other behavioral health services
  - ✓ Hotlines or warmlines
  - ✓ Crisis intervention
  - ✓ Services or outreach to promote access to health and social services

- **Payroll and covered benefits expenses** for public health, healthcare, human services, public safety and similar employees, to the extent that they work on the COVID-19 response. For public health and safety workers, recipients can use these funds to cover the full payroll and covered benefits costs for employees or operating units or divisions primarily dedicated to the COVID-19 response.

2. **Addressing the negative economic impacts caused by the public health emergency**

The COVID-19 public health emergency resulted in significant economic hardship for many Americans. As businesses closed, consumers stayed home, schools shifted to remote education, and travel declined precipitously, over 20 million jobs were lost between February and April 2020. Although many have since returned to work, as of April 2021, the economy remains more than 8 million jobs below its pre-pandemic peak, and more than 3 million workers have dropped out of the labor market altogether since February 2020.

To help alleviate the economic hardships caused by the pandemic, Coronavirus State and Local Fiscal Recovery Funds enable eligible state, local, territorial, and Tribal governments to provide a wide range of assistance to individuals and households, small businesses, and impacted industries, in addition to enabling governments to rehire public sector staff and rebuild capacity. Among these uses include:

- **Delivering assistance to workers and families**, including aid to unemployed workers and job training, as well as aid to households facing food, housing, or other financial insecurity. In addition, these funds can support survivor's benefits for family members of COVID-19 victims.

- **Supporting small businesses,** helping them to address financial challenges caused by the pandemic and to make investments in COVID-19 prevention and mitigation tactics, as well as to provide technical assistance. To achieve these goals, recipients may employ this funding to execute a broad array of loan, grant, in-kind assistance, and counseling programs to enable small businesses to rebound from the downturn.

- **Speeding the recovery of the tourism, travel, and hospitality sectors**, supporting industries that were particularly hard-hit by the COVID-19 emergency and are just now beginning to mend. Similarly impacted sectors within a local area are also eligible for support.

- **Rebuilding public sector capacity,** by rehiring public sector staff and replenishing unemployment insurance (UI) trust funds, in each case up to pre-pandemic levels. Recipients may also use this funding to build their internal capacity to successfully implement economic relief programs, with investments in data analysis, targeted outreach, technology infrastructure, and impact evaluations.

3. **Serving the hardest-hit communities and families**

While the pandemic has affected communities across the country, it has disproportionately impacted low-income families and communities of color and has exacerbated systemic health and economic inequities. Low-income and socially vulnerable communities have experienced the most severe health impacts. For example, counties with high poverty rates also have the highest rates of infections and deaths, with 223 deaths per 100,000 compared to the U.S. average of 175 deaths per 100,000.

Coronavirus State and Local Fiscal Recovery Funds allow for a broad range of uses to address the disproportionate public health and economic impacts of the crisis on the hardest-hit communities, populations, and households. Eligible services include:

- **Addressing health disparities and the social determinants of health,** through funding for community health workers, public benefits navigators, remediation of lead hazards, and community violence intervention programs;
- **Investments in housing and neighborhoods**, such as services to address individuals experiencing homelessness, affordable housing development, housing vouchers, and residential counseling and housing navigation assistance to facilitate moves to neighborhoods with high economic opportunity;
- **Addressing educational disparities** through new or expanded early learning services, providing additional resources to high-poverty school districts, and offering educational services like tutoring or afterschool programs as well as services to address social, emotional, and mental health needs; and,
- **Promoting healthy childhood environments,** including new or expanded high quality childcare, home visiting programs for families with young children, and enhanced services for child welfare-involved families and foster youth.

Governments may use Coronavirus State and Local Fiscal Recovery Funds to support these additional services if they are provided:

- within a Qualified Census Tract (a low-income area as designated by the Department of Housing and Urban Development);
- to families living in Qualified Census Tracts;
- by a Tribal government; or,
- to other populations, households, or geographic areas disproportionately impacted by the pandemic.

4. **Replacing lost public sector revenue**

State, local, territorial, and Tribal governments that are facing budget shortfalls may use Coronavirus State and Local Fiscal Recovery Funds to avoid cuts to government services. With these additional resources, recipients can continue to provide valuable public services and ensure that fiscal austerity measures do not hamper the broader economic recovery.

Many state, local, territorial, and Tribal governments have experienced significant budget shortfalls, which can yield a devastating impact on their respective communities. Faced with budget shortfalls and pandemic-related uncertainty, state and local governments cut staff in all 50 states. These budget shortfalls and staff cuts are particularly problematic at present, as these entities are on the front lines of battling the COVID-19 pandemic and helping citizens weather the economic downturn.

Recipients may use these funds to replace lost revenue. Treasury's Interim Final Rule establishes a methodology that each recipient can use to calculate its reduction in revenue. Specifically, recipients will compute the extent of their reduction in revenue by comparing their actual revenue to an alternative representing what could have been expected to occur in the absence of the pandemic. Analysis of this expected trend begins with the last full fiscal year prior to the public health emergency and projects forward at either (a) the recipient's average annual revenue growth over the three full fiscal years prior to the public health emergency or (b) 4.1%, the national average state and local revenue growth rate from 2015-18 (the latest available data).

For administrative convenience, Treasury's Interim Final Rule allows recipients to presume that any diminution in actual revenue relative to the expected trend is due to the COVID-19 public health emergency. Upon receiving Coronavirus State and Local Fiscal Recovery Funds, recipients may immediately calculate the reduction in revenue that occurred in 2020 and deploy funds to address any shortfall. Recipients will have the opportunity to re-calculate revenue loss at several points through the program, supporting those entities that experience a lagged impact of the crisis on revenues.

Importantly, once a shortfall in revenue is identified, recipients will have broad latitude to use this funding to support government services, up to this amount of lost revenue.

5. **Providing premium pay for essential workers**

Coronavirus State and Local Fiscal Recovery Funds provide resources for eligible state, local, territorial, and Tribal governments to recognize the heroic contributions of essential workers. Since the start of the public health emergency, essential workers have put their physical well-being at risk to meet the daily needs of their communities and to provide care for others.

Many of these essential workers have not received compensation for the heightened risks they have faced and continue to face. Recipients may use this funding to provide premium pay directly, or through grants to private employers, to a broad range of essential workers who must be physically present at their jobs including, among others:

- ✓ Staff at nursing homes, hospitals, and home-care settings
- ✓ Workers at farms, food production facilities, grocery stores, and restaurants
- ✓ Janitors and sanitation workers
- ✓ Public health and safety staff
- ✓ Truck drivers, transit staff, and warehouse workers
- ✓ Childcare workers, educators, and school staff
- ✓ Social service and human services staff

Treasury's Interim Final Rule emphasizes the need for recipients to prioritize premium pay for lower income workers. Premium pay that would increase a worker's total pay above 150% of the greater of the state or county average annual wage requires specific justification for how it responds to the needs of these workers.

In addition, employers are both permitted and encouraged to use Coronavirus State and Local Fiscal Recovery Funds to offer retrospective premium pay, recognizing that many essential workers have not yet received additional compensation for work performed. Staff working for third-party contractors in eligible sectors are also eligible for premium pay.

6. **Investing in water and sewer infrastructure**

Recipients may use Coronavirus State and Local Fiscal Recovery Funds to invest in necessary improvements to their water and sewer infrastructures, including projects that address the impacts of climate change.

Recipients may use this funding to invest in an array of drinking water infrastructure projects, such as building or upgrading facilities and transmission, distribution, and storage systems, including the replacement of lead service lines.

Recipients may also use this funding to invest in wastewater infrastructure projects, including constructing publicly-owned treatment infrastructure, managing and treating stormwater or subsurface drainage water, facilitating water reuse, and securing publicly-owned treatment works.

To help jurisdictions expedite their execution of these essential investments, Treasury's Interim Final Rule aligns types of eligible projects with the wide range of projects that can be supported by the Environmental Protection Agency's Clean Water State Revolving Fund and Drinking Water State Revolving Fund. Recipients retain substantial flexibility to identify those water and sewer infrastructure investments that are of the highest priority for their own communities.

Treasury's Interim Final Rule also encourages recipients to ensure that water, sewer, and broadband projects use strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions.

7. **Investing in broadband infrastructure**

The pandemic has underscored the importance of access to universal, high-speed, reliable, and affordable broadband coverage. Over the past year, millions of Americans relied on the internet to participate in remote school, healthcare, and work.

Yet, by at least one measure, 30 million Americans live in areas where there is no broadband service or where existing services do not deliver minimally acceptable speeds. For millions of other Americans, the high cost of broadband access may place it out of reach. The American Rescue Plan aims to help remedy these shortfalls, providing recipients with flexibility to use Coronavirus State and Local Fiscal Recovery Funds to invest in broadband infrastructure.

Recognizing the acute need in certain communities, Treasury's Interim Final Rule provides that investments in broadband be made in areas that are currently unserved or underserved—in other words, lacking a wireline connection that reliably delivers minimum speeds of 25 Mbps download and 3 Mbps upload. Recipients are also encouraged to prioritize projects that achieve last-mile connections to households and businesses.

Using these funds, recipients generally should build broadband infrastructure with modern technologies in mind, specifically those projects that deliver services offering reliable 100 Mbps download and 100

Mbps upload speeds, unless impracticable due to topography, geography, or financial cost. In addition, recipients are encouraged to pursue fiber optic investments.

In view of the wide disparities in broadband access, assistance to households to support internet access or digital literacy is an eligible use to respond to the public health and negative economic impacts of the pandemic, as detailed above.

8. **Ineligible Uses**

Coronavirus State and Local Fiscal Recovery Funds provide substantial resources to help eligible state, local, territorial, and Tribal governments manage the public health and economic consequences of COVID-19. Recipients have considerable flexibility to use these funds to address the diverse needs of their communities.

To ensure that these funds are used for their intended purposes, the American Rescue Plan Act also specifies two ineligible uses of funds:

- **States and territories may not use this funding to directly or indirectly offset a reduction in net tax revenue due to a change in law from March 3, 2021 through the last day of the fiscal year in which the funds provided have been spent.** The American Rescue Plan ensures that funds needed to provide vital services and support public employees, small businesses, and families struggling to make it through the pandemic are not used to fund reductions in net tax revenue. Treasury's Interim Final Rule implements this requirement. If a state or territory cuts taxes, they must demonstrate how they paid for the tax cuts from sources other than Coronavirus State Fiscal Recovery Funds—by enacting policies to raise other sources of revenue, by cutting spending, or through higher revenue due to economic growth. If the funds provided have been used to offset tax cuts, the amount used for this purpose must be paid back to the Treasury.
- **No recipient may use this funding to make a deposit to a pension fund.** Treasury's Interim Final Rule defines a "deposit" as an extraordinary contribution to a pension fund for the purpose of reducing an accrued, unfunded liability. While pension deposits are prohibited, recipients may use funds for routine payroll contributions for employees whose wages and salaries are an eligible use of funds.

Treasury's Interim Final Rule identifies several other ineligible uses, including funding debt service, legal settlements or judgments, and deposits to rainy day funds or financial reserves. Further, general infrastructure spending is not covered as an eligible use outside of water, sewer, and broadband investments or above the amount allocated under the revenue loss provision. While the program offers broad flexibility to recipients to address local conditions, these restrictions will help ensure that funds are used to augment existing activities and address pressing needs.

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Decision

Presenter: Commissioner Hood Richardson

Agenda Title: American Rescue Plan Funds Spending Parameters

Summary of Information: Commissioner Richardson requests the Board discuss the parameters for how the American Recovery Funds will be spent.

Submitter Recommendations/Motions: Staff will follow the Boards direction.

Attachments:

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Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Discussion

Presenter: Commissioner Hood Richardson

Agenda Title: Internet Alternatives

Summary of Information: Commissioner Richardson would like to hold a discussion regarding internet alternatives.

Submitter Recommendations/Motions: Discussion.

Attachments:

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Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Discussion

Presenter: Commissioner Hood Richardson

Agenda Title: Brenda Hamilton Investigation Update

Summary of Information: Commissioner Richardson is requesting a report on the status of the Brenda Hamilton investigation from the County Manager and the Sheriff.

Submitter Recommendations/Motions: Information only.

Attachments:

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UF | Maples Center for Forensic Medicine
UNIVERSITY of FLORIDA

4800 S.W. 35th Drive
Gainesville, FL 32608
352-294-4091 Tel
352-392-0246 Fax

Date: 2 April 2021

Contact: Jim VanLandingham
Beaufort County Sheriff
210 N. Market Street
Washington, NC 27889

Case Number: MC 20-6-3

Examiner:
AnnMarie Clark, MS
Maples Center for Forensic Medicine
UF Veterinary Forensic Laboratory
Gainesville, Florida

Date Received:

Items Received: See chain of custody (attached) for full list of items received. Listed here are only the items processed for DNA

1. MC 20-6-3: 1-4: nutria: frozen: swabbed wounds for DNA
2. MC 20-6-3: A-C: Flashlight
3. MC 20-6-3: 411: intact bit of scalp with hair attached
4. MC 20-6-3: OJ1-4: Samples from the outer jacket
5. MC 20-6-3: H1-2: Samples from hat
6. MC 20-6-3: S1-2: Samples from shoe
7. MC 20-6-3: G1-2: Samples from gloves
8. MC 20-6-3: Dog #205
9. MC 20-6-3: Dog #206
10. MC 20-6-3: Dog #208
11. MC 20-6-3: Dog #209
12. MC 20-6-3: Dog #210
13. MC 20-6-3: Dog #211
14. MC 20-6-3: Dog #213
15. MC 20-6-3: Dog #216

End of list.

Services requested:

1. Determine species of animal that attacked Mrs. Hamilton
2. If canid, generate a profile in an attempt to identify the specific dog or dogs that were involved in the attack

End of list.

Analysis Conducted:
DNA Extractions: For all samples targeted for analysis (see above), DNA was extracted using a Qiagen DNA Investigator Kit using the manufacturer's recommended instructions and following the laboratory SOPs for these types of extractions. The DNA was quantified using

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4800 S.W. 35th Drive
Gainesville, FL 32608
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Qubit technology to determine the appropriate amount of extraction to use for the different analyses.

Species Determination: The extracted DNA was PCR amplified using species specific primers to test for canids, felids, and bears. These markers are in the mitochondrial DNA, maternally inherited, and in areas that are specific for different species. Universal mitochondrial DNA markers work for many different species but are not ideal if there is more than one contributor to the DNA samples. In this case the DNA samples will all have human DNA along with the predator's DNA, therefore the species specific markers were chosen. If there was a PCR product, it was prepared for sequencing and then submitted for instrumentation. The resulting sequence was then compared to sequences in GenBank to determine the closest match. GenBank is a public repository of sequences representing most species at most areas of their genomes. It is curated by The National Institutes of Health. All sequences that were generated aligned with *Canis lupus familiaris*, domestic dog. There was no indication of grey or red wolf, coyote, or fox with the canid primers. There was no PCR product generated by the markers for felid or bear indicating that neither a large cat such as bobcat or panther, or a bear was involved with the incident.

STR Genotyping: STR markers are species specific areas of the nuclear genome that are used to generate a genetic profile that is unique to the individual. The markers are on different chromosomes or far enough apart on a chromosome that they are unlinked and independent of each other. Each locus (containing two data points) represents the contributions of each parent (one data point from each parent) therefore the data are independent data points. The extracted samples were amplified with 3 sets of STR markers: Canid, Felid, and Bear. The Canid Panel has 9 markers (all from the Canine Genotypes Panel 2.1 kit from Thermo Scientific. The 2.1 kit is out of stock due to production capacity being usurped by Covid 19 needs), The Felid Panel has 11 markers, and the Bear Panel has 7 markers. WCU used the 2.1 panel and we both used the same bear markers.

There were either no data generated or random alleles outside of the range of the species specific databases for both the bears and the felids. These markers were used to confirm the lack of mitochondrial DNA from bears and cats. All the canid markers for which there are data are within the range expected for domestic dogs. The other canids exhibit ranges that are specific to the species of canid: wolf, fox, or coyote. Again, no indication of wolf, fox, or coyote.

Findings:

1. Items OJ1, OJ2 (outer jacket), H2 (hat), G1, G2 (gloves), B and C (flashlight) all generated PCR products for the canid specific primers and were sequenced to determine species of canid. All the sequences aligned with *Canis lupus familiaris*, domestic dog.
2. All the evidence items were PCR tested for felids (puma, bobcat), and bears. No data were generated for felids or bears.
3. All the dog samples listed were PCR amplified with our Canid STR Panel and yielded full profiles with the exception of one locus which was excluded from the analyses.
4. All evidence items were amplified with our Canid STR Panel to look for potential matches between the neighborhood dogs and the dog evidence left on the clothing. One

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locus did not consistently yield data from the dogs and was therefore excluded from the analyses.
5. The evidence items, scalp sample, flashlight, hat, outer jacket, gloves and shoes yielded full or almost full profiles, many with multiple alleles. Many of the alleles are not present in the dogs.
6. I did not find solid evidence that any of these dogs were involved with Mrs. Hamilton's attack.

End of list.

Conclusions:
All the evidence items that generated PCR products associated with species, were determined to be *Canis lupus familiaris*, domestic dog. The marker used for this assay detects wolf, fox, and coyote DNA as well as dog DNA. No evidence was found of any canid other than domestic dog. All the evidence samples were also PCR amplified using markers specific for felids, large and small, and bears. There was no evidence of felids or bears on any of the evidence. I feel confident that these animals were not involved in this incident. I have found evidence of ONLY domestic dog.

Since I determined that only domestic dogs were involved, I processed the samples based on dog descriptions. For instance, I did not process the sample from the corgi as it seemed unlikely that a dog this size would be involved. With the exception of one locus, the dogs exhibited a full genetic profile. All dogs shared some alleles with the evidence, and some dogs have alleles that are not present in the evidence. By far, it was more common to find alleles in the evidence that could not be accounted for from the dogs submitted for comparisons. I did not find enough evidence to specifically include any of the dogs. I was able to exclude several due to a lack of evidence.

When looking at the attached Excel sheet with the genetic profile data, you will see that the known dogs have one or two numbers (alleles) at each locus. These numbers represent the size of the piece of DNA at that locus. One number comes from each parent. If the parents happen to have the same sized bit of DNA at that locus, then the sampled dog will have one number repeated (one from the mother and one from the father). If there are two numbers present, then one parent had one sized bit of DNA and the other parent had the other size of DNA. There is no way of knowing which parent contributed which bit of DNA so it is written with the smaller number first and then the larger number. When looking at the spreadsheet, the scalp sample (411) and the samples from the flashlight (A, B, and C) have alleles that are not accounted for by the dogs that were processed. This suggests that the dogs that attacked Mrs. Hamilton were not present when the buccal swabs were taken. I cannot speculate on where the dogs came from or if they were pets or ferals.

It is my opinion that Mrs. Hamilton was attacked by dogs, this based on the physical blood splatter and DNA evidence. Based on DNA evidence, none of the dogs submitted was likely involved. Based on the amount of physical damage caused to Mrs. Hamilton, it was probably multiple dogs, probably at least 50 or more pounds.

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All statements in this document are my professional opinion based on my analysis of the data and my expertise in analyzing these types of data. The conclusions drawn in this report reflect the currently available data and are subject to change if new data become available. I reserve the right to edit, amend, or modify this report based on additional information provided about this investigation by the submitting agency. I am available to answer any questions pertaining to this case including questions about the technology, protocols, or sample handling.

Sincerely,

AnnMarie Clark, MS
UF Veterinary Forensic Program
W.R. Maples Center for Forensic Medicine
College of Medicine
University of Florida
4800 SW 35th Drive
Gainesville, FL 32608

Attachment:

1. Original Chain of Custody with all items submitted for potential analysis
2. MC 2063 All Alleles: Excel spreadsheet with all the data included

Allele Report															
Software Package: SoftGenetics GeneMarker 3.0.1															
Date/Time: 01/26/2021 - 12:54:11															
Project: C:\Forensic Files\ASPCA\MC20-6-3 NC Animal Attack\ABI Data\ddb A 20-6-3.SGF															
Panel: Dog Data Set A															
Size: GS500															
Analysis Type: Fragment															
Report Style: Marker Table															
		PEZ 17			PEZ 05				FH 2328			FH 2004			
1	mc2063_411.fsa	213	219		92	100	113	115	191	191		240	266	312	
2	mc2063_A.fsa	189	211	217	92	98			176	191	222	240	244	248	
3	mc2063_B.fsa	189	213	215	100	104	110		183	191	199	240	248	303	
5	mc2063_C.fsa	202	213		92	110	116	119	183	185	191	240	244	248	
6	mc2063_G1.fsa	206	211		95	95			191	197		240	248		
8	mc2063_H1.fsa	189	206	211	92	92			180	191	215	264	289	315	
9	mc2063_H2.fsa	206	211	213	98	103			191	215		240	248		
10	mc2063_OJ1.fsa	206	211		92	105	107	110	191	191		240	248	325	
11	mc2063_OJ2.fsa	**	**		113	115			204	206		240	248		
12	mc2063_OJ4.fsa	189	202		92	98	116		187	191	222	248	277	OL	
13	mc2063_S1.fsa	**	**		98	98			OL	191	OL	240	240		
14	mc2063_S2.fsa	217	217		116	119			191	191		240	244		
	205	206	215		**	**			180	191		244	248		
	206	211	211		103	103			191	199		244	308		
	208	206	215		**	**			191	203		240	244		
	209	215	215		**	**			191	191		244	308		
	210	202	215		**	**			176	203		244	244		
	211	206	206		**	**			176	199		236	312		
	213	202	206		**	**			183	203		240	244		
	216	215	215		**	**									

		vWF.x			PEZ02				FH2010			FH 2017			FH 2001
325		158	158		118	122	127	131	229	229		**	**		125
		158	158		**	**			232	232		**	**		OL
308	312	158	164	170	119	122	127	131	229	232		265	269		142
277	303	158	158		107	118	122		229	229		265	269		142
		158	158		122	131			229	229		265	265		129
		158	158		116	122	131		225	228	233	277	277		OL
		158	158		OL	OL	OL		229	229		261	261		OL
		158	158		107	122	131		229	232		265	267		129
		158	158		107	122			229	232		265	267		142
OL		158	158		122	131			OL	OL		**	**		**
		158	158		107	122			229	232		265	265		129
		158	158		**	**			OL	OL		**	**		OL
		158	158		127	131			224	229		**	**		129
		158	164		122	127			229	232		265	265		137
		164	164		131	131			232	237		**	**		142
		158	158		131	131			229	229		265	269		129
		158	170		131	131			229	232		269	272		125
		158	164		118	131			229	232		269	269		129
		158	164		114	122			229	232		265	265		137
		158	170		131	131			224	237		272	272		129

	PEZ 17			PEZ 05				FH 2328				FH 2004			
125	213	213		92	100	115		191	191			240	266	312	325
OL	189	211	217	92	98	105	115	176	191	204	222	240	244	248	
146	189	213	215	92	100	104	110	183	191	193		240	248	303	308
146	202	213		92	110	115	119	183	191			240	244	248	277
146	206	211		95	95			191	191			240	248		
142	189	206	211	92	110			191	215			262	266	289	315
OL	206	211	213	98	103			191	215			240	248	256	
146	206	211		92	105			191	218			240	248	325	
146	**	**		113	113			192	204	206		240	248		
**	189	202		92	98	116		187	191	222		244	248	277	292
142	**	**		98	98			OL	191	OL	OL	240	240		
OL	217	217		116	119			191	191			240	244		
142	206	215		**	**			180	191			244	248		
142	211	211		103	103			191	199			244	308		
142	206	215		**	**			191	203			240	244		
129	215	215		**	**			191	191			244	308		
146	202	215		**	**			187	187			240	248		
142	206	206		**	**			176	203			244	244		
157	202	206		**	**			176	199			236	312		
142	215	215		**	**			183	203			240	244		

	vWF.x		
	158	158	
	158	158	
	158	164	170
303	158	164	170
	158	158	
	158	158	
	158	158	
	158	158	
	158	158	
322	158	158	
	158	158	
	158	158	
	158	158	
	158	164	
	164	164	
	158	158	
	158	170	
	158	164	
	158	164	
	158	170	

Maples Center for Forensic Medicine

19L00262 Animal Attack

Analysis Requested: See below. Latitude is granted for any and all testing & examination you deem necessary to aide in the identification of the animal responsible for this attack.

Note: North Carolina Wildlife Resources Commission will be referred to as NCWRC. The Beaufort County Sheriff's Office will be referred to as BCSO. Some items of evidence have been sent to you with no specific requests for testing. They were sent to aid in the overall investigation and for any testing you may deem necessary.

Item: 001 victim's outer jacket

002 victim's sweatshirt

003 victim's t-shirt

004 victim's shoe

005 lint roller sheet of victim's clothing

007 victim's gray toboggan

009 dead nutria found at the scene

704 victim's gloves

100 victim's flashlight

Items 001, 002, 003, 004, 007, & 704 were all worn by the victim at the time of the attack. The victim was carrying item 100, the flashlight. Item 009, dead nutria, was located at the scene with the theory that both the victim and nutria were killed by the same animal. Previous DNA testing has been performed by Western Carolina (See lab reports) We are requesting further DNA testing, specifically for, coyote, red wolf, hybrid wild k9, bear and wild feline. No feline DNA testing has been conducted.

Item: 008 Dog hairs, mouth swabs, collected by NCWRC

1 of 4

101 additional hair/ tissue samples and clothing samples from victim colleted by NCWRC

No specific testing is requested for items 008 & 101.

Item: 102 Hair sample from Bxr Pitt brindle Bryson mix K9

103 Hair sample from K9 Luke

104 hair sample from K9 Lola, (suspect dog)

105 hair sample from K9 Gordo, (suspect dog)

No specific testing is requested for items 102, 103, 104, 105.

Item: 203 mouth swab from brwn & white female (suspect dog)

204 mouth swab from yellow male (suspect dog)

205 mouth swab from yellow mix (Harris neighborhood dog)

206 mouth swab from brindle mix (Harris neighborhood dog)

207 mouth swab from blk & tan retriever (Windley neighborhood dog)

208 mouth swab from brwn & white pit male (Balance neighborhood dog)

209 mouth swab from blk & white pitt female (Balance neighborhood dog)

210 mouth swab from blk lab & pitt female (Balance neighborhood dog)

211 mouth swab from brwn pitt bull male (Balance neighborhood dog)

212 mouth swab from blk & wht & tan corgie (Newberry dog)

213 mouth swab from wht great pyranese (Newberry dog)

215 mouth swab from sable & tan female (Wagaman neighborhood dog)

216 mouth swab from yellow mastiff mix (Wagaman neighborhood dog)

No specific testing is requested for items 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 215, & 216, unless unidentifiable k9 DNA is found on the victim's

clothing, flashlight or the dead nutria. All swabs were collected from neighborhood domestic dogs within an approximate 2-mile radius.

Item: 402 various tapings w/hair samples collected from victims clothing

403 swab from scalp #3 (see photo)

404 swab from scalp #4 (see photo)

405 swab from scalp #5 (see photo)

406 swab from scalp #6 (see photo)

407 swab from scalp #7 (see photo)

408 swab from tissue # 8 (see photo)

409 swab from tissue # 9 (see photo)

410 swab from victim's ear (see photo)

411 recovered hair & tissue sample cut from the victim's scalp.

402 is taping from the victim's outer jacket and sweatshirt. By estimation of the NC Medical Examiner, BCSO collected about 90% of the victim's scalp and her left ear from the scene, either floating in the water or on the ground at the site. The scalp and ear were taken to the ME's Office after the victim's death. Prior to that, each piece of scalp was swabbed creating Items 403, 404, 405, 406, & 407. Human tissue and the victim's left ear were also collected and later taken to the ME. They were swabbed creating Items 408 & 409 & 410. Item 411 is a recovered hair sample from the scene. No DNA testing has been conducted on any of these items. DNA testing is requested on Items 402, 403, 404, 405, 406, 407, 408, 409, 410 & 411.

Item: 480 sample extracted from Items 106 & 005 by Western Carolina

481 alleged bone sample extracted from Item 108 by Western Carolina

Western Carolina did a partial examination of stool samples 106 & 108 taken from the 2 suspect dogs. Item 480 contains 4 samples of unknown origin. Item 481 contains a possible bone sample. No examination has been conducted to identify

these items. We request any examination you deem necessary to identify these items.

Item: 800 Bag w/ slide boxes 1 & 2, (hair #'s 1-38)

801 bag w/ slide boxes 3 7 4, (hair #'s 39-88)

802-1 bag w/ material isolated from stool sample 106

803-1 bag w/ material isolated from stool sample 107

804-1 bag w/ material isolated from stool sample 108

Items, 800 & 801 contain slide boxes of hairs created by Microtrace. Some hairs identified as human, were located in item #s 106 & 108, stool samples taken from the 2 suspect dogs. Items, 802-1, 803-1 & 804-1 contain other materials isolated by Microtrace from stool samples. Some of which may be bone fragments. DNA testing of the hair found in the stool samples is requested. Examination and any necessary testing to determine the source of the possible bone fragments is requested.

Item: 492 Single Blu Ray disc with all photos and medical records from this case.

Some of the photos taken at the ME's office will show bite marks in the victim's flesh.

Chain of Custody

Date / Time	Released By	Received By	Reason/Comment
6/8/2020	Print Name WWaters BCSO	Print Name	Analysis
1600	Signature WWat BCSO	Signature	
	Print Name	Print Name	
	Signature	Signature	
	Print Name	Print Name	
	Signature	Signature	
	Print Name	Print Name	
	Signature	Signature	

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Discussion

Presenter: Commissioner Hood Richardson

Agenda Title: Jail Door Repair Report

Summary of Information: Commissioner Richardson is requesting an update on the jail repairs from the Public Works Director and the Sheriff.

Submitter Recommendations/Motions: Information only.

Attachments:

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Katie Mosher

From: Christina Smith
Sent: Wednesday, June 2, 2021 12:22 PM
To: Katie Mosher; Charlie Rose
Cc: Brian Alligood
Subject: RE: Jail Repairs Report

There are no current door issues in the BCDC.

Christina L. Smith, P.E.
Public Works Director
Beaufort County
111 W. 2nd Street -- Washington, NC 27889
Tel. 252-975-0720
christina.smith@co.beaufort.nc.us
E-mail correspondence to and from this address may be subject to the North Carolina public records laws and as so, may be disclosed.

From: Katie Mosher <katie.mosher@co.beaufort.nc.us>
Sent: Wednesday, June 2, 2021 11:40 AM
To: Charlie Rose <crose@co.beaufort.nc.us>; Christina Smith <christina.smith@co.beaufort.nc.us>
Subject: Jail Repairs Report

Hey Guys,

Commissioner Richardson is requesting you two give a report on any repairs needed in the jail during the June meeting. Thanks,

Katie M. Mosher, CMC, NCCCC
Clerk to the Board, Beaufort County
Administrative Assistant to the County Manager
252-946-0079, Ext. 1010
Katie.Mosher@co.beaufort.nc.us

E-mail correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties.

Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Discussion

Presenter: Commissioner Hood Richardson

Agenda Title: County Police Force Update

Summary of Information: Commissioner Richardson will give a report from the County Police Force Committee.

Submitter Recommendations/Motions: Report only.

Attachments:

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Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Item for Discussion

Presenter: Commissioner Hood Richardson

Agenda Title: Board Operations Discussion

Summary of Information: Commissioner Richardson would like to hold a discussion regarding Board operations.

Submitter Recommendations/Motions: Discussion only.

Attachments:

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Beaufort County
Agenda Abstract

Meeting Date: 6/7/2021

Agenda Section: Closed Session

Presenter: David Francisco, County Attorney

Agenda Title: Closed Session - Attorney/Client Privilege and personnel

Summary of Information: The Board of Commissioners will go into Closed Session for Attorney/Client Privilege to discuss file #19-PTC-149 and to discuss Beaufort County vs. Amerisourcebergen Drug Corp., et al., No.: 1:17-MD-2804, US District Court, Ohio, under NCGS 143-318.11 and personnel under 143-318.11(a)(6).

Submitter Recommendations/Motions: Motion to go into Closed Session under NCGS 143-318.11(a)3 to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body and for a personnel matter under NCGS 143-318-11(a)(6) to consider the qualifications, competence, performance, condition and appointment of a public officer or employee or prospective public officer or employee.

Attachments: