

**CITY COUNCIL AGENDA
PUBLIC WORKS SERVICE CENTER
ASSEMBLY ROOM
601 N. FIFTH STREET
SANFORD, NORTH CAROLINA
June 2, 2020 6:00 P.M.**



1. **MEETING CALLED TO ORDER**
2. **INVOCATION**
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC COMMENT**
5. **APPROVAL OF AGENDA**
6. **CONSENT AGENDA**
7. **SPECIAL AGENDA**
8. **CASES FOR PUBLIC HEARING**
Public Hearing on Proposed Annual Operating Budget for the City of Sanford for Fiscal Year 2020-2021
 - Consider Annual Budget Ordinance for the City of Sanford for Fiscal Year 2020-2021 – (Page 3 – Handout)
9. **DECISIONS ON PUBLIC HEARINGS**
10. **REGULAR AGENDA**
Consider Replacement of Memorandum of Understanding to Correct Parcel – re: Economic Development Project through the Lease of a Newly Constructed Spec Building at Central Carolina Enterprise Park – (Pages 4-8)
11. **NEW BUSINESS** *(Items for discussion and action will only be taken if necessary. Otherwise, these items will be placed on the next agenda for approval.)*
 - A. Consider Inmate Labor Agreement with North Carolina Department of Corrections, Division of Prisons for FY 2020-2021 – (Pages 9-15)
 - B. Consider Project Ordinance for East Sanford CDBG-Infrastructure Project – (Page 16)

- C. Consider Grant Contract with N.C. Department of Environmental Quality Division of Water Infrastructure for East Sanford CDBG-Infrastructure Project – (Pages 17-50)
 - D. Consider Reimbursement Resolution – Big Buffalo Water Reclamation Facility Flood Rehabilitation – Project No. S1901 – (Page 51)
 - E. Consider Ordinance Amending Annual Operating Budget FY 2019-2020 – Contribution to Project No. S1901 – (Pages 52-53)
 - F. Consider Capital Project Ordinance Amendment – Big Buffalo Water Reclamation Facility Flood Rehabilitation Project No. S1901 – (Page 54)
 - G. Consider Award of Construction Contract for Big Buffalo Water Reclamation Facility Flood Rehabilitation Project – (Pages 55-57)
 - H. Consider Reimbursement Resolution – Project Forge Site Preparation/Roadway – (Page 58)
 - I. Consider Ordinance Amending Annual Operating Budget FY 2019-2020 – Contribution to Project Forge Site Preparation/Roadway – (Pages 59-60)
 - J. Consider Grant Project Ordinance Amendment – Project Forge Site Preparation/Roadway Project No. G2002 – (Page 61)
 - K. Consider Payment Plan Policy – (Page 62)
 - L. Consider Discussion of Potential Alliance between City of Sanford and Town of Pittsboro Regarding Utilities – (Page 63)
12. **OTHER BUSINESS**
Closed Session – (Page 64)
13. **ADJOURNMENT**

Consider Annual Operating Budget
for the City of Sanford for
Fiscal Year 2020 - 2021

NORTH CAROLINA**Memorandum of Understanding****LEE COUNTY**

THIS MEMORANDUM OF UNDERSTANDING, made and entered into this _____ day of _____ 2020, by and between LEE COUNTY, a North Carolina body politic corporate in nature, hereinafter referred to as "County", the City of Sanford, a North Carolina municipal corporation, hereinafter referred to as "City", C C Enterprise Park, LLC, a North Carolina limited liability company, hereinafter "CCEP", their successors and assigns, Sanford-Lee County Partnership for Prosperity d/b/a Sanford Area Growth Alliance, a nonprofit corporation, hereinafter referred to as "SAGA", their successors and assigns, and Samet Properties, LLC, hereinafter referred to as "Samet", their successors and assigns.

WITNESSETH:

CCEP is the owner of a 16 +/- acre tract of land located in Lee County, North Carolina and more particularly described on Exhibit A attached and incorporated by reference, hereinafter referred to as "Site". CCEP and Samet wish to cause construction of a Spec Building on the site, located on Parcel Identification Number 9655-29-8562-00 and more particularly described on Exhibit B. Once construction of the building has taken place, the City and the County agree to enter into a lease agreement for the site. In consideration of the foregoing and in consideration of various reciprocal promises and undertakings herein set forth, the parties agree as follows, consistent with North Carolina General Statute 158-7.1:

1. CCEP agrees to contribute the land for the construction of the shell building and agrees to enter into necessary agreements with Samet, who is responsible for building the shell building. The building to be constructed is more particularly described on Exhibit C.
2. Samet will cause the construction of a 100,000 +/- square foot building on the site, to its completion. Samet shall secure all financing for the construction of the building and will be wholly responsible for all costs associated with building.
3. Samet will use its best efforts to cause said building to be completed to its finished state of completion on or before June 1, 2021.
4. Samet will remain the owner of the building until it finds an end user, either by sale or lease. Samet will use its best efforts to find an end user who will provide a significant number of jobs paying at or above county average wage. Prior to entry of a lease/sales agreement with an end user, Samet will provide SAGA, the City and the County with information regarding the end user including the anticipated number of jobs that will be created, average wage, and trade of business.
5. Once the building is complete, the City and the County will enter into a lease agreement with the owner of the building. The terms of the lease will be detailed in the lease agreement, with rent not to exceed \$27,083.33 per month or up to \$325,000.00 per year, split evenly between both units of government, for up to twenty-four months after completion of the building. In the event the lease is terminated early due to a lease or sale to a new end user, the obligation to pay rent shall cease and any rent prepaid shall be reimbursed to the City and County.
6. The City and the County will lease all or a portion of the building allowing SAGA to use the space to market the City and the County as a whole. SAGA shall use its best efforts to market

everything the City and the County has to offer businesses, including but not limited to, our workforce, schools, shopping, restaurants, industrial parks and housing opportunities.

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

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

LEE COUNTY

By: _____

CITY OF SANFORD

By: _____

SAMET PROPERTIES, LLC

By: _____

C C ENTERPRISE PARK, LLC.

By: _____

SANFORD AREA GROWTH ALLIANCE

By: _____

Exhibit A

LAND DESCRIPTION CC ENTERPRISE PARK, LLC (NEW TRACT 3)

LYING AND BEING IN DEEP RIVER TOWNSHIP, LEE COUNTY, NORTH CAROLINA

COMMENCING AT A POINT, SAID POINT BEING PUBLISHED IN THE NATIONAL GEODETIC SURVEY AS "SANFORD CORS ARP" (PID: AM7024) AND HAVING NC GRID COORDINATES OF NORTHING: 627,302.98' & EASTING: 1,952,943.44; THENCE N00°27'16"E A GRID DISTANCE OF 32,334.22 FEET TO AN EXISTING 5/8" IRON PIPE FOUND AND HAVING NC GRID COORDINATES OF NORTHING: 659,636.18' & EASTING: 1,953,199.82' SAID POINT ALSO KNOWN AS CE GROUP POINT #68 LYING ON THE COMMON BOUNDARY WITH NEW TRACT 17; POINT IS HEREBY KNOWN AS **THE POINT OF BEGINNING**.

THENCE ALONG THE COMMON LINE WITH NEW TRACT 17 N49°40'58"W FOR A DISTANCE OF 673.60 FEET TO A 5/8" IRON PIPE FOUND WITH A CAP & TACK BEING A COMMON CORNER WITH DAN & MARGARET MCINTURFF; THENCE S88°56'46"W FOR A DISTANCE OF 49.78 FEET TO A 1/2" IRON PIPE FOUND, BEING A COMMON CORNER WITH DAVID & NANCY WICKER; THENCE S88°51'41"W FOR A DISTANCE OF 51.74 FEET TO A 1" IRON PIPE FOUND; THENCE S88°51'41"W FOR A DISTANCE OF 298.25 FEET TO A 1" IRON PIPE FOUND, SAID IRON BEING A COMMON CORNER WITH TODD & STEPHANIE PACE AND BRENT & JEAN SMITH BEING THE NORTHWESTERN CORNER OF NEW TRACT 3; THENCE WITH SMITH S03°19'46"W FOR A DISTANCE OF 679.29 FEET TO A NEW IRON PIPE SET; THENCE S69°53'14"E FOR A DISTANCE OF 320.17 FEET TO A NEW IRON PIPE SET; THENCE S26°13'42"E FOR A DISTANCE OF 757.74 FEET TO A CALCULATED POINT; THENCE S26°13'42"E FOR A DISTANCE OF 22.28 FEET TO A NEW IRON PIPE SET; SAID POINT LYING ON THE NORTHERN MARGIN OF ENTERPRISE PARK DRIVE (NCSR 1476) A ROAD FORMERLY KNOWN AS CLYDE RHYNE DRIVE, HAVING A 100 FOOT RIGHT OF WAY; RUNNING WITH SAID MARGIN THE FOLLOWING FOUR COURSES: THENCE ALONG A CURVE TO THE LEFT WITH A RADIUS OF 574.16 FEET HAVING A CHORD BEARING OF N29°52'42"E AND DISTANCE OF 290.29 FEET; THENCE N15°14'09"E FOR A DISTANCE OF 253.34 FEET; THENCE N15°14'09"E FOR A DISTANCE OF 307.48 FEET; THENCE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 1421.76 FEET HAVING A CHORD BEARING OF N19°50'11"E AND DISTANCE OF 228.08 FEET; THENCE A NEW PROPERTY LINE N49°40'58"W FOR A DISTANCE OF 81.34 FEET, SAID POINT BEING THE **POINT AND PLACE OF BEGINNING**

BEING A PORTION OF LOT 1 AND A NORTHERN PORTION OF LOT 3 AS SHOWN IN PLAT CABINET 2010 SLIDE 130 OF THE LEE COUNTY REGISTRY AND AS RECORDED IN DEED BOOK 1026 PAGE 9 HAVING A TOTAL AREA OF 852,349 SQUARE FEET OR, 19.574 ACRES MORE OR LESS.



SPEC BUILDING #2 central Carolina Enterprise Park, Sanford, NC

Available January 2021

- +/- 117,133 warehouse (shell condition)
- 100,000 +/- SF Expansion Pad
- First Bay Engineered to Accommodate Mezzanine Office & Storage
- Column Spacing - 50' x 54'
- Center Ceiling Height - 29'
- Eave Ceiling Height - 26'
- Floor Thickness: 6 inches
- Designed for Sprinkler System: ESFR
- Dock Area Doors:
 - 13 - Dock High - 10' x 9' (Expandable to 19)
 - 1 - Drive-In - 14' x 12'
- Exterior Material: Load Bearing concrete tilt-up panels
- Interior Material: Steel Frame
- 27 Paved Parking Spaces (Expandable)
- Lease rate - \$4.95 per SF NNN

CONTACT:
 Morgan Beam
 Direct: 919.573.0148
 Cell: 704.564.0751
 mbeam@sametcorp.com

Brian Hall
 Director of Development
 bhall@sametcorp.com
 336.362.2026

Exhibit C

DC-251 (Revised April 2010)

Account Number 1109

New Contract

Modified Contract

Renewal

Job Code H01002

**NC DEPARTMENT OF CORRECTION
DIVISION OF PRISONS
INMATE LABOR CONTRACT**

FACILITY NAME AND NUMBER Sanford Correctional Center DATE 05/01/20

AGENCY NAME AND BILLING ADDRESS City of Sanford Public Works, PO Box 3729, Sanford, NC 27331,

Attn: Kris Furmage

Project Beginning Date: July 1, 2020 Project Ending Date: June 30, 2021

PROJECT DESCRIPTION: Duties will include, but are not limited to, janitorial, grounds/building maintenance, cleaning park/recreation area maintenance, public works projects, roadside cleaning, recycling projects and other governmental agency projects.

PROJECT COST

LABOR:

Number of Laborers 8 x \$1.00 per 8 hour work day = 8x260 Projected Number of Days of Project =

\$2080 Total Projected Labor Cost

ADMINISTRATIVE:

Administrative Cost Waived Not Waived _____ / _____
(Region Director Signature) Date

PROJECT TOTAL COST TO BE BILLED \$2080.00 ("Total Projected Labor COST" plus "Administrative COST" above)

INVOICE TO BE SUBMITTED: Monthly Quarterly Semi-annually Annually

Other (specify) _____

APPROVED BY:

1. Governmental Agency authority Date

M. B. S. A. / 5-1-2020
2. Facility Head Date

3. Region Director Date

4. Program Services Manager Date

Form Distribution by Program Services: Original -Facility Copy -Program Services, Region Office, and Accounting

**NORTH CAROLINA DEPARTMENT OF CORRECTION
DIVISION OF PRISONS**

INMATE LABOR AGREEMENT

DATE: **05/01/20**

For the purpose of employing inmate labor from the Division of Prisons, the following terms are agreed upon by the Division of Prisons and the **City of Sanford Public Works**.

I. Logistics

- A. Inmate labor will be supplied by Division of Prisons. All inmates assigned to labor contracts will be English speaking or have completed English as a second language training.
- B. Inmates will be provided lunch by Division of Prisons.
- C. Transportation will be supplied by **City of Sanford Public Works**. Work schedules will also be furnished by **City of Sanford Public Works**.
- D. Inmates may work eight (8) hours per day, seven (7) days per week. This will include travel time to and from the correctional facility. Schedules may be varied or staggered depending upon the assigned work station. Inmates may be authorized to work in excess of eight (8) hours per day, with the authorization of Division of Prisons. (Note: The agency will be billed \$1.00 per 8 hour workday, even if the inmate(s) work less than an eight (8) hour day.)
- E. No inmate will be allowed to work in an area that is not supervised by a Custodial Agent.
- F. No inmate will be allowed to work on school property, e.g., private or public elementary, middle or high schools, while students are on the property. No sex offender inmate will be assigned or allowed to work on the property of any educational facility, e.g., private or public elementary, middle, high school, community college or university, etc.
- G. The Division of Prisons has zero-tolerance for undue familiarity or sexual abuse with an offender. It is the contract agency's duty to report any allegations of inmate sexual violence either by another inmate, correctional staff, correctional agents, agency vendors and/or volunteers. (see Section VIII below)

II. Work Station/Duties

- A. Work stations may be any property owned or leased by: **City of Sanford Public Works**.
- B. Inmates are allowed to perform manual labor tasks such as the following:
 - 1. Floor care duties including sweeping, mopping, vacuuming and buffing.

DC-251 (Revised April 2010)

Inmates are not allowed to operate motorized floor cleaning equipment designed to transport the operator.

2. Furniture, fixtures, windows and cabinetry cleaning, dusting and/or polishing that is done from the floor or a step ladder.
3. Custodial duties such as emptying trash cans, carrying out trash, restocking supplies in restrooms, moving furniture, and setting up furniture.
4. Motor vehicle maintenance, washing and vacuuming which does not require the inmate to be on elevated surfaces more than four feet tall, without appropriate fall protection. Acceptable fall protection would include ladders, standard railings on working surfaces, properly erected scaffolding or a personal fall arrest system. *Inmates are not allowed to operate motor vehicles for any reason and cannot be allowed to have the keys for operating a motor vehicle for any reason.*
5. Grounds care duties including litter pick up, grass mowing, weed eating, pruning, hedge trimming, leaf blowing, raking, applying herbicides and pesticides, setting out and taking up small plants and bushes. *Inmates must be trained by managers and supervisors in the safe operation of any powered equipment. Inmates can be trained to operate riding mowers. All equipment must have manufacturer and OSHA required warning labels, safety guards and devices in good condition. Inmates applying herbicides and pesticides must be trained and closely supervised by a duly licensed applicator responsible to insure the inmate follow regulations and safe work practices. Inmates must receive hazard communication training on all chemicals they work with. They must be provided with all necessary personal protective equipment for the task they are performing.*
6. Minor building maintenance duties including painting, caulking, clearing rain gutters and power washing that can be done from the ground, ladder, properly constructed and erected scaffolding or with an approved personal fall arrest system.
7. Right of way & drainage maintenance using bush axes & shovels.

Inmate labor contract duties and tasks are expected to be for basic manual labor, such as those listed above, and normally utilizing manual tools such as shovels, brooms, mops, bush axes, etc. Inmates can be trained to use basic powered lawn care equipment, including riding mowers. This list of tasks is not exclusive of others but anything outside the scope of these types of work activities should be discussed with, and approved by, the correctional facility's management before assigning the inmate to perform the proposed duties.

- C. Inmates are not allowed to perform hazardous duties such as the following:
1. Work with electric transmission utility line crews in any capacity.
 2. Work within ten feet of any unguarded, energized electrical transmission lines or high voltage equipment, and/or within ten feet of any conductive object involved in a task near unguarded, energized electrical transmission lines or high voltage equipment.

DC-251 (Revised April 2010)

3. Enter any permit required confined space including but not limited to sewer manholes, lift stations, water tanks, chlorine contact chambers, utility vaults, salt bins, etc.
4. Disturb any suspected or confirmed asbestos containing materials including but not limited to thermal system insulation, vinyl floor tiles, flooring mastic, roofing, roofing felts, exterior shingle siding, acoustical ceiling tiles, fire proofing materials, solid wallboard (transite), cement water pipes, cement asbestos, sheetrock or fire doors. *Typical work activities which would disturb suspected or confirmed asbestos containing materials are normally part of renovation or demolition projects which require removal or destruction of existing materials, equipment or structures.*
5. Disturb any suspected or confirmed lead based paint by sanding, scraping, cutting, sawing, welding or power washing. *Typical work activities which could disturb suspected or confirmed lead based paint are normally part of remodeling, renovation, repair, window case replacement, electrical/plumbing/carpentry work and preparing surfaces for painting.*
6. Perform or participate in sandblasting work.
7. Operate heavy equipment or aerial man lifts of any kind. Some examples of prohibited equipment are: tractors, bull dozers, back hoes, cranes, grade alls, road construction equipment, fork lifts, boom trucks, etc. *(However, inmates are allowed to perform maintenance and repair work on this type of equipment.)*
8. Perform any task that requires the use of a respirator due to exceeding the contaminant's permissible exposure limits.
9. Work over or in water where a drowning hazard exists, without the appropriate protection, such as: standard railings, personal fall arrest systems, personal flotation devices, ring buoys and/or skiffs, as required by the OSHA standards.
10. Work in trenches or excavations four feet deep or greater.
11. Work on or adjacent to public roads and highways without the proper Manual on Uniform Traffic Control Device (MUTCD) work zone safety set up utilizing the correct traffic control devices and high visibility vests, provided by Division of Prisons.
12. Operate chain saws.
13. Sit, stand or ride on any piece of equipment in a manner not consistent with the design of said vehicle or machinery while that equipment has its motor running or is moving. Examples of prohibited practices include, but are by no means limited to: standing on mower deck, riding in bucket of a loader, riding seated on a trailer hitch.

This list of tasks is not exclusive of others that might be considered too hazardous for inmate labor contracts. Any tasks or duties similar to these or in question, in regards to personnel safety, should be addressed with the correctional facility's management before assigning the inmate to perform the proposed duties. Failure to follow these guidelines may result in suspension of this contract and the removal of inmate labor.

III. Supervision

DC-251 (Revised April 2010)

- A. **City of Sanford Public Works** agrees all inmate project supervisors will receive the Department of Corrections Inmate Orientation Training. Project Supervisors, upon successful participation in Orientation Training, are designated as Custodial Agents. New employees will be scheduled to receive this orientation training prior to being allowed to supervise inmate projects without being accompanied by Correctional Officers.
- B.
1. Custodial Agent will be on-site at each workstation.
 2. Each Custodial Agent will provide the inmate with a job description and will provide the Department of Correction with a periodic inmate work performance evaluation if requested for classification purposes.
 3. The Custodial Agents of the inmates working under labor contract will provide all safety training, appropriate to the hazards and duties of each task to be performed by the inmate, in accordance with OSHA regulations. This training will include the hazards associated with the task, the proper and safe use of any equipment assigned for performing the work, the hazards associated with any chemicals used in the work, the proper safe work methods for performing the task and the correct use of any personal protective equipment needed to perform the task. This training will be ongoing and documented by the managers and supervisors for the duration of the inmate labor contract. These training records will be made available upon request from any DOP or DOC facility, region or state official, and/or safety inspectors. The training documentation must be signed and dated by the inmate and manager/supervisor who conducted the training.
 4. Work schedules will be provided by **City of Sanford Public Works**.
 5. Custodial Agents will designate break areas and ensure that inmates are supervised during all breaks.
 6. Custodial Agents are to receive annual Orientation training.
 7. Custodial Agents are to receive briefing in Undue Familiarity and Prison Rape Elimination Act (PREA) as part of Orientation training.

IV. Safety Equipment

- A. The Division of Prisons will provide state issued steel-toed shoes. No inmate will be allowed to work without steel-toed shoes.
- B. Inmates are required to wear DOP issued high visibility vests where required by safety rules and regulations and/or by Division of Prisons manager's request.
- C. The town/county/DOT and State will furnish all other personal protective equipment needed according to the OSHA standards, other regulatory guidelines and hazard analyses of the task to be performed. All equipment to be used by inmates in the performance of their assigned tasks must meet all safety requirements for guarding, warning labels, condition and operation as required by OSHA and the manufacturer.

DC-251 (Revised April 2010)

- D. The Custodial Agents of the town/county/DOT and State shall insure that all inmates utilize all required safety equipment and safe work procedures in the performance of their assigned tasks.
- E. The town/county/DOT and State supervisors, who act as the Custodial Agents shall insure that all inmates have completed all required safety training in the use of approved equipment, hazards communication and the proper use of personal protective equipment. All training has been documented and maintained on file by the agency.
- F. Inmate injury due to failure to follow safety regulations and/or use required safety equipment may result in suspension of this contract and removal of inmate labor.

V. Waiver and Billing Information

It is agreed that the North Carolina Department of Correction will waive administrative cost, transportation and custody supervision cost.

VI. Medical

Whenever any inmate assigned to the State Department of Correction shall suffer accidental injury or accidental death arising out of and in the course of employment, to which the inmate has been assigned, the provisions of G.S. 97-13, shall apply. The governmental agency shall compensate the Department of Correction.

The following procedures are to be followed when an inmate sustains an injury while on work assignment for an agency:

- 1) If the injury is serious or life threatening: the agency will contact EMS and have the injured inmate transported to the nearest medical facility. The agency must immediately notify the inmate's prison facility of the incident.
- 2) If the injury is non-serious or is non-life threatening: When the agency has trained first aid personnel on-site at the time the inmate is injured, they may provide the inmate first aid, and immediately notify the inmate's prison facility of the incident.
- 3) If the injury is non-serious or is non-life threatening: and the agency does not have trained first aid personnel onsite to render first aid that may be needed, the agency is to transport the inmate to the nearest medical facility for treatment and immediately notify the inmate's prison facility of the incident.
- 4) If the injury is non-serious or is non-life threatening: and the agency can not provide first aid or transportation to the nearest medical facility, the agency is to immediately notify the inmate's prison facility to transport the inmate for first aid.

DC-251 (Revised April 2010)

When any inmate injury occurs on a labor contract project, whether first-aid and/or medical assistance is rendered, the agency is to provide the inmate's prison facility written documentation of the incident as soon as possible.

VII. Inmate Conduct

City of Sanford Public Work reserves the right to refuse or return an inmate should safety, security or order is questionable and agrees to follow North Carolina Department of Correction rules and regulations as stipulated in the Supervisory Orientation Training session. Division of Prisons will be the sole party responsible for issuing disciplinary action against any inmate employed by **City of Sanford Public Works**. Any misconduct will be reported immediately to Division of Prisons facility superintendent. Either party with a 30-day notice may terminate the contract at any time.

VIII. PREA

The Department of Correction has zero-tolerance for behavior with an offender that is unduly familiar or sexually abusive. Departmental staff, correctional agents, agency vendors and volunteers are strictly prohibited from engaging in personal dealings or any conduct of a sexual nature with offenders. Conversation and conduct with offenders is to be professional at all times. Sexual acts between an offender and departmental staff, correctional agents, agency vendors and volunteers violates the federal Prison Rape Elimination Act of 2003 (PREA) and is punishable as a Class E felony in North Carolina. Under North Carolina and federal law an offender CAN NOT consent to engage in sexual activity with departmental staff, correctional agents, agency vendors and volunteers, and all such activity legally is against the will of the offender- no matter what the offender says. Additionally, it is a criminal offense for any person to sell or give any inmate any intoxicating drink, barbiturate or stimulant drug, or any narcotic, poison or poisonous substance, except upon the prescription of a physician, or to convey to or from an inmate any letters or oral messages or any instrument or weapon by which to effect an escape, or that will aid in an assault or insurrection, or to trade with an inmate for clothing or stolen goods or to sell an inmate any article forbidden by prison rules.

“As a valued Correctional Agent of the Division of Prisons, it is important to remember that any knowledge of or a report of any incidents of unduly familiar and sexual abuse involving a labor contract inmate, you have a duty to report this information immediately to your contact person at the facility of housing for the inmate and/or to the office of the Division of Prisons. You may also report the information to the Office of PREA Administration at prea@doc.state.nc.us . By signing this contract you acknowledge that you understand and will abide by this policy as outlined above.”

City of Sanford
Community Development Block Grant Program
East Sanford CDBG-Infrastructure Project Ordinance

BE IT ORDAINED by the City Council of the City of Sanford, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance (CDBG-I No. 19-I-3113) is hereby adopted:

Section 1: The project authorized will replace and/or rehabilitate a portion of failing wastewater collection system lines and manholes in a large LMI neighborhood. The project area includes sections of Talley Avenue, Linden Avenue, North First Street, North Second Street, North Fourth Street, South Fourth Street, South Fifth Street, North Sixth Street, South Sixth Street, Midland Avenue, Charlotte Avenue, McIver Street, Maple Avenue, Hickory Avenue, and Goldsboro Avenue. This project will replace approximately 8,000 linear feet of 8-inch sewer lines, like for like replacement. This project will serve an estimated 159 residences (113 houses and 46 housing authority apartments). The low-to-moderate income percentage of the project area is 83.41 percent, and the poverty level for the entire town is 20 percent.

Section 2: The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant documents, the rules and regulations of the North Carolina Department of Environmental Quality, Division of Water Infrastructure, and the budget contained herein.

Section 3: The following revenues are anticipated to be available to complete this project.

Community Development Block Grant (CFDA No. 14.228)	\$ 2,000,000
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Section 4: The following amounts are appropriated for the project:

Sewer Line Rehabilitation Project	\$ 2,000,000
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Section 5: The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement(s) and federal and state regulations.

Section 6: Funds may be advanced from the Utility Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7: The Finance Officer is directed to report quarterly on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.

Section 8: The Finance Officer is directed to include a detailed analysis of past and future costs and revenues on this grant project in every budget submission made to this council.

Section 9: Copies of this grant project ordinance shall be furnished to the Clerk to the City Council and the Finance Officer for direction in carrying out this project.

Section 10: The City Manager is hereby authorized to transfer funds from one line item to another line item without further approval by the City Council, subject to the regulations of the North Carolina Department of Environmental Quality, Division of Water Infrastructure.

ADOPTED this the 2nd day of June, 2020

T. Chet Mann, Mayor

ATTEST:

Vicki R. Cannady, Deputy City Clerk

**STATE OF NORTH CAROLINA
COMMUNITY DEVELOPMENT BLOCK GRANT
DIVISION OF WATER INFRASTRUCTURE
GRANT CONTRACT**

CDBG-I PROJECT NUMBER: 19-I-3113

GRANTOR: NC DEPARTMENT OF ENVIRONMENTAL QUALITY (“DEQ” or “CDBG-I”), an agency of the State of North Carolina (“State”)

CONTRACT ADMINISTRATOR: **Colleen Simmons**
NCDEQ Mooresville Regional Office
610 East Center Avenue, Suite 301
Mooresville, NC 28115
Phone: 704-235-2202
Email: colleen.simmons@ncdenr.gov

GRANT RECIPIENT: City of Sanford, a North Carolina Local Government Unit [*county*], or a North Carolina Municipal Corporation [*town or city*] (“Grant Recipient”)

CONTRACT ADMINISTRATOR: Phillip Hal Hegwer, City Manager
City of Sanford
P.O. Box 3729
Sanford, NC 27331
Phone: (910) 775-8202
Email: hal.hegwer@sanfordnc.net

FEDERAL I.D. NUMBER: 56-6001328

FISCAL YEAR END DATE: June 30

CONTRACT EFFECTIVE DATE: Date of Last Signature (the “Effective Date”)

CONSTRUCTION CONTRACT DATE: June 3, 2022

CONTRACT EXPIRATION DATE: July 14, 2023 (the “Expiration Date”)

REIMBURSEMENT DATE: August 31, 2023

FINAL GRANT CLOSEOUT DATE: October 18, 2023

GRANT AMOUNT: up to \$2,000,000 (the “Grant”)

AWARD DATE: February 12, 2020 (the “Award Date”)

THIS GRANT CONTRACT (the “Grant Contract”), is made and entered into as of the Effective Date by and between the DEQ and the Grant Recipient, both sometimes hereinafter referred to individually as a “Party” or collectively as the “Parties”.

Inclusion of fields required by 2 CFR Part 200.331:

Per requirements in 2 CFR Part 200.331, required information for this grantee is as follows:

- i) **Subrecipient name:** City of Sanford, North Carolina.
- ii) **Subrecipient’s unique entity identifier:** DUNS number 105435320
- iii) **Federal Award Identification Number (FAIN):** B-19-DC-37-0001
- iv) **Federal Award Date:** 8/27/19
- v) **Subaward Period of Performance Start and End Date: Start:** _____
End: 10/18/23
- vi) **Amount of Federal Funds obligated by this action by the pass-through entity to the subrecipient:** \$2,000,000
- vii) **Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current obligation:** \$2,000,000
- viii) **Total Amount of the Federal Award committed to the subrecipient by the pass-through entity:** \$2,000,000
- ix) **Federal award project description, required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA):** See Exhibit A for the project description.
- x) **Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity:** Federal awarding agency: U.S. Department of Housing and Urban Development. Pass-through entity: North Carolina Department of Environmental Quality, Division of Water Infrastructure. Awarding official of pass-through entity: Julie Haigler Cubeta.
- xi) **CFDA Number and Name; the pass-through entity must identify the dollar amount available under each Federal award and the CFDA number at the time of disbursement:** CFDA Number: 14.228, Name: Community Development Block Grants/States’ Program and Non-Entitlement Grants in Hawaii. Dollar Amount to the State of North Carolina: \$47,529,379. Dollar Amount to the Department of Environmental Quality: \$25,496,369.
- xii) **Is the grant for research and development?** No
- xiii) **Indirect cost rate for the Federal award (including if the de minimis rate is charged per §200.414 Indirect (F&A) costs):** The indirect cost rate is zero.

WITNESSETH:

WHEREAS, Grant Recipient has submitted to the DEQ an application requesting a grant of monies (hereinafter the “Grant Application”) to engage in sanitary sewer system rehabilitation as more particularly described on Exhibit A (the “Project”).

WHEREAS, the Grant Recipient is a qualified applicant for Community Development Block Grant (CDBG) assistance under Title I of the Housing and Community Development Act of 1974, (P.L. 93-383), as amended.

WHEREAS, the Project shall be carried out for the purposes and in accordance to the schedule set out in the Notice of Intent to Fund letter, and pursuant to the budget set forth on Exhibit B based on the Grant Recipient’s application.

WHEREAS, the State Water Infrastructure Authority determined the Grant Recipient’s application at its meeting on February 12, 2020 is eligible for funding from the CDBG-I program.

WHEREAS, the Parties desire to enter into this Grant Contract and intend to be bound by its terms.

NOW, THEREFORE, for and in consideration of the Grant, the mutual promises each to the other made, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties mutually agree as follows:

1. **Grant Documents.** The documents described below are hereinafter collectively referred to as the “Grant Documents.” In the case of conflict between any of these documents, each shall have priority over all others in the order listed below. Upon execution and delivery of this Grant Contract, it and the other Grant Documents and items required hereunder will constitute a valid and binding agreement between the Parties, enforceable in accordance with the terms thereof. The Grant Contract constitutes the entire agreement between the Parties, superseding all prior oral and written statements or agreements.

The Grant Documents consist of:

- a. This Grant Contract
- b. Exhibit A – Project description, Conditions, and Schedule
- c. Exhibit B – Project Budget, Distribution of Funds, and Refunds
- d. Exhibit C – Reporting and Audit Requirements
- g. Exhibit D – DEQ Quarterly Progress Report Form
- h. Exhibit E – DEQ Request for Reimbursement Form
- i. Exhibit F – Definitions
- k. Exhibit G – General Terms and Conditions.

Upon execution and delivery of the Grant Contract, and once the Department of Environmental Quality has encumbered the grant, and the Grant Recipient has received its counterpart original of the Grant Contract, fully executed and with all dates inserted where indicated on the cover sheet of the Grant Contract, then the Grant Contract will constitute a valid and binding agreement between the Parties, enforceable with the terms thereof.

2. **Purpose.** The purpose of the Grant is for the “Sanford Sewer Line Rehabilitation” project as described in Exhibit A.

3. **CDBG-I's Duties.** Subject to the appropriation, allocation, and availability to CDBG-I of funds for the Project, CDBG-I hereby agrees to pay the Grant funds to the Grant Recipient in accordance with the payment procedures set forth herein.
4. **Grant Recipient's Duties.** The Grant Recipient shall carry out the Project pursuant to the terms of this Contract and all applicable federal and State laws, executive orders, rules, and regulations that are generally applicable for public assistance programs and those specific to the CDBG program. In addition, the Grant Recipient shall ensure all contracts and subcontracts contain appropriate provisions to also meet applicable CDBG program requirements, including, but not limited to, the following:
- a. Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301 et seq).
 - b. The CDBG program requirements, laws, rules, regulations and requirements, as may be amended, including those set forth in 24 C.F.R., Part 570.
 - c. Environmental Review Procedures for the CDBG Program and the CDBG regulations contained in 24 CFR Part 58.
 - d. Conflict of Interest provisions, including but not limited to those found at N.C. Gen. Stat. § 14-234, 2 C.F.R. § 200.317-318, 320-321, 323-326, 24 C.F.R. § 570.489 (g) and (h), and 24 C.F.R. § 570.611. Certain limited exceptions to the conflict of interest rules listed in 24 C.F.R. § 570.489 may be granted in writing by HUD and/or DEQ upon written request and the provision of information specified in 24 C.F.R. § 570.489(h)(ii)(4).
5. **Contract Period.** The DEQ's commitment to disburse Grant funds under this Grant Contract shall cease on the Reimbursement Date. It is the responsibility of the Grant Recipient to ensure that the Project is completed by the Expiration Date and that all costs to be reimbursed have been submitted to the DEQ by the Reimbursement Date. After the Expiration Date, any Grant monies remaining under this Grant Contract will no longer will be available to the Grant Recipient except to pay proper invoices for budgeted costs incurred by the Expiration Date. **The burden is on the Grant Recipient to request an extension of the Grant Contract if the Grant Recipient anticipates that the Project will not be completed by the Expiration Date.** The request for an extension must be made in a writing addressed to the DEQ, explaining why an extension is needed and proposing a new expiration date for the Grant Contract. DEQ must receive this request in its Division of Water Infrastructure office at least 60 days before the Expiration Date. DEQ, within its discretion, may or may not approve the extension, based on Project performance and other contributing factors. **The DEQ is not responsible for notifying the Grant Recipient of an approaching Expiration Date.**
- No funds may be obligated or expended in any project activity except the administration activity until the Grant Recipient provides DEQ with documentation of registration in the Central Contractor Registration (CCR) system. The CCR system may be accessed online at www.sam.gov.

6. **Grant Withdrawal for Failure to Enter into a Construction Contract.** This Grant Award shall be withdrawn if award conditions required for release of funds are not completed within one year of the Award Date, unless DEQ finds that the Grant Recipient has good cause for failure. If DEQ finds good cause for Grant Recipient's failure, the DEQ must set a date by which the Grant Recipient must take action or forfeit the grant.
7. **Local Economic Benefit** (Section 3 Regulation). For each year that a CDBG is active, the Recipient must describe a strategy whereby opportunities in employment and procurement arising out of a CDBG assisted project are identified and made available to low-income residents within the CDBG assisted area to the greatest extent feasible. This strategy must include (1) identification of training and technical assistance resources to prepare low-income residents for employment and procurement opportunities, (2) attempts to reach the numerical targets for new hires set forth in the Section 3 regulation, which applies to Recipients receiving \$200,000 or more in non-administrative line items expended for construction contracts and (3) education of low-income residents within the CDBG assisted area about the components and opportunities of the program. Compliance with the plan must be documented, including the information made public and the means used to make it public.
8. **Section 504 of the Rehabilitation Act of 1973.** Recipients must comply with the provision of Section 504 of the Rehabilitation Act of 1973, as amended, and HUD implementing regulations at 24 C.F.R., Parts 8 and 9. Recipient must complete the Section 504 Survey and adopt a Grievance Procedure as well as complete a Transition Plan, if applicable. The Grant contract requires recipients to complete the Section 504 Survey and Transition Plan (if applicable), covering policies, practices, and physical accessibility and notify affected persons that it does not discriminate on the basis of the handicap. Compliance with the plan must be documented, including the information made public and the means used to make it public.
9. **Americans with Disabilities Act (ADA).** State and local governments are required to comply with the provisions of Title I of the Americans with Disabilities Act (ADA) which protects qualified individuals with disabilities from discrimination in all state and local government programs and activities including employment.

Governments with 25 or more employees were subject to the law after July 26, 1992, and governments with 15 or more employees after July 26, 1994. If a government is not covered by Title I of the Act, Section 504 of the Rehabilitation Act of 1973 applies. All governments receiving federal financial assistance will continue to be covered by Section 504. The Division will continue to monitor for only Section 504 compliance until otherwise required by HUD.
10. **Language Access Plan (LAP).** Recipients of Federal financial assistance have an obligation to reduce language barriers that can preclude meaningful access by Limited English Proficient (LEP) persons to important government programs, services, and activities. Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) and its implementing regulations require that Recipients take responsible steps to ensure meaningful access by LEP persons. Compliance with the plan must be documented, including the information made public and the means used to make it public.

11. **Procurement Standards.** Where applicable, Recipient shall follow the procurement standards established in the CDBG-Infrastructure Procurement Policy, based on the " Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (2 C.F.R. § 200.317-318, 320-321, 323-326), NCGS 143-129, 143-131, and 143-64.31, and HUD implementing regulations contained in 24 C.F.R. § 570.489(g), which explicitly prohibit cost plus a percentage of cost and percentage of construction cost methods of contracting. In addition, all purchase orders and contracts shall include any clauses required by Federal Statutes, executive orders, and implementing regulations including the Section 3 clause, per 24 C.F.R. 570.489 (g) and 24 C.F.R. 135.38.
12. **Relocation, Anti-Displacement and Relocation Assistance Plan.** A recipient must have a plan to minimize residential displacement and to provide relocation assistance to displaced residents in a timely manner. Compliance with the plan must be documented, including the information made public and the means used to make it public.
13. **Labor Standards.** Recipient shall follow all applicable laws, rules and regulations concerning the payment of wages, contract work hours, safety, health standards, and equal opportunity for CDBG-I programs, including but not limited to the rules set forth in 24 C.F.R. § 570.603 and the following (as may be applicable to CDBG-I projects):
 - a. Davis-Bacon Act (40 U.S.C.A. 276a). Among other provisions, this act requires that prevailing local wage levels be paid to laborers and mechanics employed on certain construction work assisted with CDBG funds.
 - b. Contract Work Hours and Safety Standards Act (40 U.S.C.A. 327 through 333). Under this act, among other provisions, laborers and mechanics employed by contractors and subcontractors on construction work assisted with CDBG funds must receive overtime compensation at a rate not less than one and one-half the basic rate of pay for all hours worked in excess of forty hours in any workweek. Violators shall be liable for the unpaid wages and in addition for liquidated damages computed in respect to each laborer or mechanic employed in violation of the act.
 - c. Fair Labor Standards Act (29 U.S.C. 201 et seq.), requiring among other things that covered employees be paid at least the minimum prescribed wage, and also that they be paid one and one-half times their basic wage rate for all hours worked in excess of the prescribed work-week.
 - d. Federal anti-kickback laws (18 U.S.C. 874 and 40 U.S.C. 276), which, among other things, outlaws and prescribes criminal penalties for "kickbacks" of wages in federally financed or assisted construction activities. Weekly statements of compliance and weekly payrolls must be provided by all contractors and subcontractors. In addition, a Semiannual Labor report must be submitted on March 30th, and September 29th while the grant is open.
14. **Architectural Barriers.** Per 24 C.F.R. §§ 570.487 and 570.614 and other applicable law, all applicable buildings or facilities designed, constructed or altered with CDBG Grant funds shall be made accessible and useable to the physically handicapped as may be required by applicable laws, rules, regulations or requirements. Additionally, Recipient must comply with the following (as may be applicable to CDBG projects):

- a. Architectural Barriers Act of 1968 (P.L. 90-480). This act requires Recipient to ensure that certain buildings constructed or altered with CDBG funds are readily accessible to the physically handicapped.
 - b. Minimum Guidelines and Requirements for Accessible Design 36 C.F.R. Part 1190.
 - c. Americans with Disabilities Act ["ADA"] and the ADA Accessibility Guidelines for Buildings and Facilities or the Uniform Federal Accessibility Standards.
 - d. North Carolina Building Code, Volume I, Chapter II-X. These provisions describe minimum standards Recipient must meet in constructing or altering building and facilities, to make them accessible to and useable by the physically handicapped.
24. **Excessive Force Provision.** Recipient must submit to DEQ an adopted “Excessive Force Provision”. Per Section 519 of Public Law 101-144, (1990 HUD Appropriations Act), the recipient of CDBG funds acknowledges its responsibility to enforce the policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any and all individuals engaged in non-violent civil rights demonstrations, and will enforce a policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstration within the local government.
25. **Environmental Review.** Recipients of CDBG funds are required to comply with the requirements of the National Environmental Policy Act of 1969 (NEPA) found at 24 CFR Part 58 and complete an Environmental Review Record (ERR).
26. **Floodplain.** Recipients must provide the Division with a certification signed by the CEO stating that the project area is not in a floodplain along with a floodplain map of the project area; or with a certification stating the process that will be followed, if the project occurs in the following floodplain zones:
- If the project occurs in a Coastal High Hazard Area (V Zone) or a floodway, federal assistance may not be used at this location if the project is a critical action pursuant to 24 CFR 55.1(c) and 55 Subpart B except as provided therein.** For projects allowed under 24 CFR 55.1(c) and 55 Subpart B, the eight-step process shall be followed pursuant to 24 CFR 55.20.
- If the project occurs in a 100-year floodplain (A Zone),** the 8-Step Process is required as provided for in 40 CFR 55.20 or as reduced to the **5-Step Process** pursuant to 40 CFR 55.12(a), unless an exception is applicable pursuant to 40 CFR 55.12(b).
- If the project occurs in a 500-year floodplain (B Zone or shaded X Zone),** the 8-Step Process is required for critical actions as provided for in 40 CFR 55.20 or as reduced to the **5-Step Process** pursuant to 40 CFR 55.12(a), unless an exception is applicable pursuant to 40 CFR 55.12(b).
27. **Complaints and Grievance Procedures for Compliance Plans.** Recipients must address complaints to the North Carolina Department of Commerce and DEQ, only, if the Compliance Plan covers multiple grants awarded by both departments. Recipients must

address complaints to DEQ, only, if the Compliance Plans cover a grant or multiple grants awarded by DEQ.

- 28. **Deobligations of Unused Funds.** When project costs are less than the grant award amount, excess award funds shall be deobligated back to DEQ. Administration funds shall be deobligated in proportion to the amount of program funds being deobligated to DEQ.

IN WITNESS WHEREOF, the Grant Recipient and the Fund have executed this Grant Contract in two originals as of the Effective Date. One original shall be retained by each Party. If there is any controversy among the documents, the document on file in the Fund’s office shall control.

GRANT RECIPIENT:

By: _____

Name: _____

Title: _____

Date: _____

[SEAL]

ATTEST:

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

Town/City/County Attorney

Department of Environmental Quality

By: _____

Name: Kim H. Colson

Title: Director, Division of Water Infrastructure

Date: _____

EXHIBIT A
Project No. 19-I-3113

Project Description: City of Sanford, located in Lee County, will replace and/or rehabilitate a portion of failing wastewater collection system lines and manholes in a large LMI neighborhood. The project area includes sections of Talley Avenue, Linden Avenue, N First Street, N Second Street, N Fourth Street, S Fourth Street, S Fifth Street, N Sixth Street, S Sixth Street, Midland Avenue, Charlotte Avenue, McIver Street, Maple Avenue, Hickory Avenue, and Goldsboro Avenue. This project will replace approximately 8,000 linear feet of 8-inch sewer lines, like for like replacement. This project will serve an estimated 159 residences (113 houses and 46 housing authority apartments). The low-to-moderate income percentage of the project area is 83.41 percent, and the poverty level for the entire town is 20 percent.

Changes to this project description must be requested in writing, and formalized in an amendment to this grant agreement, prior to any action taken by the grantee.

Conditions: The following schedule must be followed, or funds will be forfeited. Times indicated for each activity are considered to be maximum times allowable.

Milestones	Date
Attendance at the Compliance Workshop – only need to attend one	June 16 and 25, 2020
Attendance at the ERR/EID Workshop – only need to attend one	June 17 and 26, 2020
Contract with DWI Executed	June 18, 2020
Engineering Report Submitted	September 18, 2020
Environmental Information Document/Environment Review Record (EID/ERR) and Request for Release of Funds Submitted	February 18, 2021
Funding Approval Conditions Submitted	February 18, 2021
Engineering Report Approved	February 18, 2021
Environmental Information Document/Environment Review Record (EID/ERR) and Request for Release of Funds Approved	March 5, 2021
Bid and Design Package Submitted	August 18, 2021
Bid and Design Package Approved	December 17, 2021
Submit Bid Information (Itemized Bid Tabulation, etc.)	April 14, 2022
Execute Construction Contracts (Submit e-copy of construction agreement)	June 3, 2022
Compliance Plans	Date
Adopted Equal Opportunity and Procurement Plans	October 19, 2020
Adopted Section 3 Plan (Local Economic Benefit for Low and Very Low-Income Persons)	October 19, 2020
Adopted Language Access Plan	October 19, 2020
Section 504 Self-Evaluation and Adopted Grievance Procedures	October 19, 2020
Adopted Residential Anti-Displacement and Relocation Assistance Plan	October 19, 2020
Adopted Citizen Participation plan	October 19, 2020
Excessive Force Provision	October 19, 2020
Adopted Assessment of Fair Housing	March 22, 2021

Funding Approval Conditions. For reference, grant administration activities include activities required for the **preparation of the environmental document**, as well as the **engineering report**.

1. **Completion of the Environmental Review Process.** No funds may be obligated or expended in any project activity except for the grant administration activities in the above mentioned project until the recipient has complied with the Environmental Review procedures for the CDBG-Infrastructure program.
2. **Grant administration contracts/inter-local agreements.** No funds may be obligated or expended in any project activity except the grant administration activities until the recipient has submitted either a copy of the contract/inter-local agreement awarded for the administration of this grant or a statement signed by the chief elected official stating that the contract will be administered internally.
3. **Application Sealed Budget.** No funds may be obligated or expended in any project activity except the grant administration activities until the recipient has submitted a revised detailed project budget with the engineer's seal where the totals match the final IDIS. The one submitted had the itemized costs for engineering and administration being short a dollar each.

Schedule: [from Notice of Intent to Fund]

1. **Construction Contract Date: June 3, 2022.** Enter into a construction contract by this date for the work identified as construction in Exhibit A. Failure to enter into a construction contract by this date will result in withdrawal of the Grant, unless the DEQ has found the Grant Recipient had good cause for such failure and the Board of Trustees has set a date by which the Grant Recipient must take action.
2. **Contract Expiration Date: July 14, 2023.** Complete the Project Scope of Work and submit the Grant Contract Final Report (items in Exhibit F, item 2 and as otherwise specified in Exhibit A) by this date. The DEQ will not reimburse the Grant Recipient for Project costs incurred after this date.
3. **Final Reimbursement Date: August 31, 2023.** The DEQ must receive the Final Request for Payment and Final Report for the Project by this date. The DEQ will not accept or process for payment any request for payment received after this date. The DEQ will not reimburse the Grant Recipient for costs incurred after the Contract Expiration Date.
4. **Final Grant Closeout Date: October 18, 2023.** Submit the final closeout completed packet containing the required forms and public hearing requirements (items will be specified after the "Construction Contract Date"). The DEQ will not allow extensions to the Grant under any circumstances after the Final Grant Closeout Date.

EXHIBIT B

CDBG-I Project No. 19-I-3113

PROJECT BUDGET, DISTRIBUTION OF FUNDS, AND REFUNDS

1. Project Budget

- a. To obtain payment, the Grant Recipient must submit itemized documentation substantiating direct costs incurred in the implementing the project.
- b. Matching funds are contributed by:

<i>Funder</i>	Type of funding & Status of Funding	Matching Funds	Percent
CDBG-I	Grant	\$ 2,000,000	100%
Local – specify	Bonds, reserves, in-kind etc.	\$ 0	0%
Other public funding source(s) – specify	SRF loan, state grants, Golden Leaf, ARC, etc.	\$ 0	0%
<i>Total</i>		\$ 2,000,000	100%

2. Disbursement of Grant Funds.

- a. No funds may be obligated or expended in any project activity except for the administration activity in the project until the recipient has complied with the Environmental Review Procedures for the CDBG Program and the CDBG environmental regulations contained in 24 CFR Part 58.
- b. No funds may be obligated or expended in any project activity except the administration activity until the recipient has submitted either a copy of the contract awarded for administration of this grant or a statement signed by the authorized representative stating that the contract will be administered internally.
- c. Requests for Payment. Disbursement of Grant funds for the Project shall be made by no less than monthly reimbursement of Grant Recipient's expenditures on the Project as set forth in Exhibits A and B. To obtain reimbursement, the Grant Recipient shall submit to the DEQ's Contract Administrator the following documentation:
 - (i) A completed and signed Payment Request form, as provided by the DEQ and as shown in Exhibit E, accompanied by appropriate itemized documentation supporting all expenses claimed and that clearly identifies each expenditure for which reimbursement is claimed. The supporting

documentation must be organized in a manner that clearly relates the expenses shown in the supporting documentation to the line items shown on Exhibit E.

- (ii) Any application for reimbursement that does not clearly identify each expenditure and relate each expenditure to the line items shown on Exhibit E will not be processed, and will be returned to the Grant Recipient for correction and re-submittal. **Grant Recipient shall identify any sales tax for which reimbursement has been or will be obtained from the State Department of Revenue, and such monies shall not be reimbursed.**
- d. Certification by Engineer. At the option of the DEQ, reimbursements may be made only on the certificate and seal of an appropriately qualified registered Professional Engineer, that the improvements for which the reimbursement is requested have been completed in accordance with approved plans and specifications, to which certificate shall be attached an estimate by the construction contractor setting forth items to be paid out of the proceeds of each such reimbursement. The DEQ, at its option, may further require a certificate from such appropriately qualified registered Professional Engineer that the portion of the Project completed as of the date of the request for reimbursement has been completed according to schedule and otherwise as approved by the DEQ and according to applicable engineering standards and requirements. However, the DEQ may, at its discretion, make reimbursements without requiring such certificates or construction contractor's estimate, in which event the Grant Recipient shall furnish the DEQ a list of and the amounts of items to be paid out of the reimbursement, or such other evidence as the DEQ may require.
- e. Reimbursement Based on Progress. The Grant Recipient agrees to proceed with diligence to accomplish the Project according to the schedule set out in Exhibit A and shall show appropriate progress prior to each reimbursement. Reimbursement may be withheld or delayed if Grant Recipient fails to make progress on the Project satisfactory to the DEQ. Amounts withheld shall be reimbursed with subsequent reimbursements in the event that Grant Recipient is able to demonstrate an ability to resume satisfactory progress toward completion of the Project.
- f. Proof of Payment. The Grant Recipient agrees to pay, as the work progresses, all bills for labor and materials going into the accomplishment of the Project, and agrees to submit to the DEQ all such receipts, affidavits, canceled checks, or other evidences of payment as may be requested from time to time and, when and if requested by the DEQ, furnish adequate proof of payment of all indebtedness incurred in the development of the Project.
- g. Alternate Disbursement of Grant Funds. DEQ may, upon request by the Grant Recipient, disburse grant funds prior to actual project payments by the Grant Recipient if costs are documented by unpaid third-party invoices. In order for DEQ to disburse grant funds to the Grant Recipient based upon unpaid third-party invoices, the Grant Recipient shall indicate its review and approval of the unpaid third-party invoice in writing and certify to the DEQ that the unpaid third-party invoice will be paid within three (3) working days of receipt of the disbursed grant

- funds. The Grant Recipient will confirm to DEQ that the required payment has been made within three banking days of receipt of funds.
- h. Payment of Construction Contingency Funds. Construction contingency funds will not be disbursed until the Grant Recipient has demonstrated that it has expended at least 90% of all other matching funds including matching grant and/or loan funds.
 - i. DEQ Retaining Portion of Funds Until Project Completion. The DEQ will withhold payment from the Grant Recipient in the amount of five percent (5%) of the Grant Administration line item until the Grant Recipient has satisfactorily submitted its Final Report.
 - j. No Excess Costs. The DEQ agrees to pay or reimburse the Grant Recipient only for costs actually incurred by the Grant Recipient that do not exceed the funds budgeted for the Project shown on Exhibit B.
 - k. Costs of Project Administration. The DEQ agrees to reimburse the Grant Recipient for administrative costs consisting only of costs of labor for administrative work conducted exclusively on this Project. The Grant Recipient's requests for such reimbursement shall be made under the Project Administration line item of Exhibit B and shall conform with the following:
 - (i) Costs allowable under the Project Administration line item shall be only costs of labor needed to comply with the general conditions of the Grant Contract (e.g., progress reports, the environmental review, the engineering report, compliance activities, payment requests, preparing the project final report, revisions to the Grant Contract). Allowable Project Administration labor costs may include any of the following: (a) pay to the Grant Recipient's payroll employees, plus the Grant Recipient's cost of paying benefits on such pay (usually employees' pay times an audited or auditable benefits multiplier) with the submission of timesheets identifying hours worked on CDBG-I project tasks; (b) pay to contract employees of the Grant Recipient (e.g., temporary office support), payable at the Grant Recipient's actual cost, without application of a benefits multiplier; and/or (c) cost of professional services labor contracted by the Grant Recipient (e.g., engineering firm or consultant), payable at the Grant Recipient's actual cost for that labor.
 - (ii) Costs of any other work described in the Project Scope of Work in Exhibit A are not allowable under the Project Administration line item.
 - (iii) No more than sixty percent (60%) of the Project Administration line item shall be reimbursed prior to the start of construction.
 - l. Period for Incurring Reimbursable Expenditures. The DEQ will reimburse the Grant Recipient only for allowable Project expenditures that are incurred by the Grant Recipient or the Grant Recipient's consultants, contractors, or vendors during the period between the Award Date and the Expiration Date of the Grant Contract. The DEQ will not reimburse the Grant Recipient for Project expenditures that are not incurred during this period.

3. Refunds, Reversion of Unexpended Funds, and Reduction of the Grant based on Construction Cost less than Budgeted Construction Cost.

- a. Refunds. The Grant Recipient shall repay to the DEQ any compensation it has received that exceeds the payment to which it is entitled herein, including any interest earned on funds reimbursed pursuant to the Grant Contract. The Grant Recipient shall repay to the DEQ administration funds in proportion to the program funds being repaid.
- b. Reversion of Unexpended Funds. Any unexpended Grant monies shall revert to the CDBG-I upon termination of the Grant Contract. The Grant Recipient shall repay to the DEQ administration funds in proportion to the program funds being repaid.
- c. Reduction of the Grant based on construction cost less than budgeted construction cost. The DEQ may reduce the Grant amount if the Grant Recipient expects actual construction costs to be less than budgeted construction costs, as follows:
 - (i) The Grant Recipient shall provide to the DEQ a construction contract pricing document(s), consisting minimally of a statement of the scope of the construction work included in the pricing, a schedule of construction payment items, agreed-upon construction or vendor pricing for each item, and a total anticipated construction cost based on the pricing.
 - (ii) The Grant Recipient shall deliver the construction contract pricing document to the DEQ's Contract Administrator within 30 days of executing a construction contract for the Project.
 - (iii) The DEQ may, at its discretion after comparing the total anticipated construction cost with the Grant Contract project budget, choose to reduce the Grant. If the DEQ chooses to reduce the Grant, the DEQ's Contract Administrator will prepare an amendment to the Grant Contract for this purpose, and the DEQ will approve requests for reimbursement of the Grant Recipient's construction costs only after the amendment has been signed by both the Grant Recipient and the DEQ. Grant administration funds shall be reduced in proportion to the project funds being reduced.
- d. Reimbursement to DEQ for Improper Expenditures. The Grant Recipient will reimburse DEQ for any amount of Grant assistance improperly expended, either deliberately or non-deliberately, by any person or entity. Additionally, a contract for administrative services must include a clause holding the administrator organization responsible for reimbursement to the Recipient for any improperly expended grant funds that had to be returned to DEQ.

EXHIBIT B

PROJECT BUDGET
(see next page)

PROJECT BUDGET							
A. CDBG: Grant Amount Approved: City of Sanford 19-I-3113						\$ 2,000,000.00	
Use of Funds	Total Cost	A. CDBG	B. Appalachian Regional Commission	C. Other Federal Funds	D. State/Local Funds	E. Private Funds	F. Other:
C. Public Facilities and Improvements							
(9) Street Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(10) Flood and Drainage Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(11) Pedestrian Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(12) Other Public Facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(13) Public Sewer Improvements	\$ 1,823,041.00	\$ 1,823,041.00	\$ -	\$ -	\$ -	\$ -	\$ -
(14) Public Water Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(15) Housing Rehab - water connections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(16) Housing Rehab - sewer connections	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Planning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administration (10%)	\$ 176,959.00	\$ 176,959.00	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 2,000,000.00	\$ 2,000,000.00	\$ -	\$ -	\$ -	\$ -	\$ -

EXHIBIT C

REPORTING, RECORD KEEPING, AND AUDIT REQUIREMENTS

1. Project Progress Reports. Grant Recipient shall submit a written detailed narrative progress report describing the work accomplished on the Project and progress toward meeting the Project objectives to the CDBG-I's Contract Administrator, quarterly beginning with the next quarter after the Effective Date in the format set forth on Exhibit D. Quarters shall be defined as January-March, April-June, July-September, and October-December. **Reports shall be received by the DEQ's Contract Administrator within 45 days after the end of the quarter.**

2. Grant Contract Final Report. Grant Recipient shall submit to the CDBG-I's Contract Administrator a grant contract final report in accordance with the schedule shown on Exhibit A. **If the final report is not acceptable to DEQ, it shall be returned to the Grant Recipient for correction. Final payment will not be made until the final report is acceptable to DEQ.** The grant contract final report shall parallel the scope and conditions of the Grant Contract as defined in Exhibit A. The required format for this report is set forth on Exhibit D, and the report shall include:
 - a. A narrative statement evaluating and summarizing the completed Project including a concise statement of the Scope of Work in Exhibit A, a detailed description of the objectives the Grant Recipient hoped to accomplish with the Project, and comparison of the objectives with accomplishments.
 - b. A summary of changes made to the Project Scope of Work (Exhibit A) and Project Budget (Exhibit B) and reasons for the changes.
 - c. Any other documents, reports or other evidence, including photographs necessary to verify that the Project has been concluded in compliance with this Grant Contract.
 - d. A summary of the results of the Fair Housing activities performed during this project period.
 - e. Copy of Engineer's Certification of Completion.

3. Recordkeeping Requirements. Grant Recipient will maintain all records and comply with all responsibilities as required under CDBG recordkeeping for example, 24 C.F.R. 570.490 ("Recordkeeping Requirements"), 24 C.F.R. § 570.506 ("Records to be maintained") and 2 C.F.R. § 200.333-337 ("Retention and Access Requirements for Records") as may be modified by HUD as well as records to document compliance with CDBG requirements. Recipient agrees to comply with any additional record-keeping requirements now or hereinafter set forth by DEQ, HUD or any other federal or state entity.

4. Project Audits. Grant Recipient agrees that the Fund and the State have the right to audit the books and records of the Grant Recipient pertaining to this Grant Contract both during performance and for five (5) years after the completion or termination of this Grant Contract or until all audit exceptions, if any, have been resolved, whichever is longer. The Grant Recipient shall retain complete accounting records, including original invoices, payrolls, contracts, or other documents clearly showing the nature of all costs incurred

under this Grant Contract, for that same period of time. The Grant Recipient agrees to make available at all reasonable times to the Fund all bid documents, and accurate books and records of all expenditures for costs applicable to this Grant Contract which will facilitate the audit of the Grant Recipient's records.

Grant recipients expending at least \$750,000 in total federal funds in one fiscal year are required to have an audit conducted in accordance with 2 CFR § 200.501, except when Recipient elects to have a program-specific audit conducted in accordance with 2 CFR §200.507. **This audit must be submitted to the North Carolina Local Government Commission, and must also be submitted to the Federal Audit Clearinghouse (<http://harvester.census.gov/sac/>) within 30 days after receipt of the auditor's report, or nine months after the end of the audit period, whichever is earlier.**

Notification must be given to your CDBG-I's Contract Administrator once your audit has been submitted to the Federal Audit Clearinghouse for their review. Any findings noted in that audit will be the responsibility of the grant recipient.

5. Access to Records. The Grant Recipient shall provide any duly authorized representative of DEQ, the State of North Carolina, the federal Department of Housing and Urban Development (HUD), and the Comptroller General, the Inspector General and other authorized parties at all reasonable times access to and the right to inspect, copy, monitor, and examine all of the books, papers, records, and other documents relating to the grant for a period of five years following the completion of all closeout procedures. All original files shall be maintained at the Local Government offices for access purposes.
6. Release of Personal Financial and Identifying Information. To ensure and document compliance with CDBG income requirements as well as other matters, Grant Recipient shall obtain and retain personal, income-related, financial, tax and/or related information from companies, individuals and families that are benefitting from Grant or Program funds. Additionally, Grant Recipient is obligated to provide access to any and all information relating to the Program to DEQ, HUD or other appropriate federal or state monitoring entity, upon DEQ's request. This obligation includes, but is not limited to, the personal, financial and identifying information of individuals assisted by the Program. As such, Grant Recipient shall obtain any releases or waivers from all individuals or entities necessary to ensure that this information can be properly and legally provided to appropriate federal and state entities, including DEQ and HUD, without issue or objection by the individual or entity.

EXHIBIT D**DEQ FORM FOR QUARTERLY PROGRESS REPORT
(see next page)**

Electronic version of the Quarterly Progress Report is found at
<http://portal.ncdenr.org/web/wi/cdbg>.

CDBG-I QUARTERLY PROGRESS REPORT (Grant Finances)

Grantee: _____ Grant No: _____ Amount Awarded: _____
 Period Covered (Month/Year) : _____ Calendar Quarter: _____ Date Prepared: _____

C. Activity	Activity Code	CDBG Budget	Expended This Quarter	Expended To Date	Amt. Req. This Quarter	Amt. Req. To Date	Local Funds Obligated	Local Funds Expended To Date
TOTAL		\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

D. Activity - Administration (Please provide a brief description of budget expended in activities within administration)	Activity Code	CDBG Budget	Expended This Quarter	Expended To Date	Amt. Req. This Quarter	Amt. Req. To Date	Local Funds Obligated	Local Funds Expended To Date
TOTAL		\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Notes:

Authorized Representative: _____

Title: _____

Instructions

Table A.
Activity: Choose from the dropdown menu the activity to be covered for the report

LF, #Properties Connected, Treatment Plan Rehab Proposed (Describe): Describe with details the activities that have taken place during the quarter

LF or # Completed This Quarter (Describe): Provide (numbers) details of activities completed for the quarter

LF or # Completed To Date (Describe): Provide (numbers) details of activities completed from day one of grant awarded until the last day of this quarter

Table B.
Activity: Choose from the dropdown menu the activity to be covered for the report

Persons Proposed: Proposed number of persons benefiting from this project

Households Proposed: Proposed number of households benefiting from this project

Persons AMI: Number of persons Above Moderate Income

Households AMI: Number of households Above Moderate Income

Persons MI: Number of persons Moderate Income

Households MI: Number of households Moderate Income

Persons LI: Number of persons Low Income

Households LI: Number of households Low Income

Persons VLI: Number of persons Very Low Income

Households VLI: Number of households Very Low Income

Race: numbers are reported, as applicable, for each activity as they are reported in the Annual Performance Report (APR) and the Closeout Accomplishments

W: White

MR: Other Multi-Racial

NH: Native Hawaii/Other Pacific Islander

AW: Asian & White

AS: Asian

H: Hispanic

AN: American Indian/Alaskan Native & Black/African American

BW: Black/African American & White

HB: Hispanic & Black

HW: Hispanic & White

HO: Hispanic & Other Race

AI: American Indian/Alaskan Native

AA: Black/African American

Table C.
Activity: Choose from the dropdown menu the activity to be covered for the report

Activity Code: Choose from the dropdown menu the activity code to be covered for the report

CDBG Budget: Total dollar amount awarded

Expended This Quarter: Dollar amount expended for the quarter

Expended To Date: Dollar amount expended from day one of grant awarded until last day of this quarter

Amt. Req. This Quarter: Dollar amount requested for this quarter

Amt. Req. To Date: Dollar amount requested from day one of grant awarded until last day of this quarter

Local Funds Obligated: Total dollar amount of local funds obligated for this project

Local Funds Expended To Date: Dollar amount of local funds expended from day one of grant awarded until last day of this quarter

Table D
Activity: Administration (Please provide a brief description of budget expended in activities within the administration line)
Activity Code: Choose from the dropdown menu the activity code to be covered for the report

CDBG Budget: Total dollar amount awarded

Expended This Quarter: Dollar amount expended for the quarter

Expended To Date: Dollar amount expended from day one of grant awarded until last day of this quarter

Amt. Req. This Quarter: Dollar amount requested for this quarter

Amt. Req. To Date: Dollar amount requested from day one of grant awarded until last day of this quarter

Local Funds Obligated: Total dollar amount of local funds obligated for this project

Local Funds Expended To Date: Dollar amount of local funds expended from day one of grant awarded until last day of this quarter

EXHIBIT E**DEQ REQUEST FOR REIMBURSEMENT FORM
(see next page)**

Electronic version of the Reimbursement Request Form is found at
<http://portal.ncdenr.org/web/wi/cdbg>.

EXHIBIT E

REIMBURSEMENT REQUEST FORM

Division of Water Infrastructure		Project No:	
Period Covered by this Report:	From	To	
Recipient Organization		Payment No:	
Name:		Page No:	
Address:		Of	
City, State & Zip:			

Disclosure: THIS FORM CANNOT BE MODIFIED. ANY CHANGES TO THE FORM WILL DELAY ANY PAYMENTS.

	Contract admin	Engineer	Contract #1	Contract #2	Year to Date
ADMINISTRATION					
General admin					
Environmental Review					
Engineering Report					
SERVICE DELIVERY-WATER IMPROVEMENTS					
Planning and design					
Construction Admin					
Construction inspection					
SERVICE DELIVERY-SEWER IMPROVMENTS					
Planning and design					
Construction Admin					
Construction inspection					
CONSTRUCTION - WATER IMPROVEMENTS					
Construction					
Equipment					
Miscellaneous					
Deductions (income)					
CONSTRUCTION - SEWER IMPROVEMENTS					
Construction					
Equipment					
Miscellaneous					
Deductions(income)					

INSTRUCTIONS REIMBURSEMENT REQUEST FORM

Disclosure: THIS FORM CANNOT BE MODIFIED. ANY CHANGES TO THE FORM WILL DELAY ANY PAYMENTS.

Project No:	Enter the Grant number assigned (e.i 13 - I-XXXX, 14-I-XXXX, 15-I-XXXX)				
Period Covered by this Report:	Enter the time period cover for the request				
Recipient Organization:	Enter grantee name and address; Payment No.and Number of pages that the request form includes				
Columns					
Contract Admin:	Enter expenses under the Grant Administration Contract ONLY				
	General Admin				
	Environmental Review				
	Engineering Report				
Note: If you are including multiple Invoices for the same request under the same activity please add totals and attached individual invoices for every expense being claimed.					
Example:					
General Administration:	\$2,000	This is the only amount that must be entered on the request form, but the Invoice for each item must be attached to the form			
Compliance Plans	\$1,500				
Meetings with Local Government Officers	\$500				
	\$2,000				
Engineer:	Enter expenses under this category only if the activities are performed by the Engineering Company				
Contract #1:	Enter expenses under this category only if construction activities are taking place				
Contract #2:	Enter expenses under this category only if and additional construction contract activities are taking place				
Year to Date:	Enter expenses including previous requested amounts including current request				
Rows					
Administration	Enter total expenses for Administration activities ONLY for the time period covered by the report				
General admin	Enter total amount from invoices under this activity for each contract if applicable				
Environmental Review	Enter total amount from invoices under this activity for each contract if applicable				
Engineering Report	Enter total amount from invoices under this activity for each contract if applicable				

Service Delivery	Enter total expenses for Service Delivery activities ONLY for the time period covered by the report					
Planning and design	Enter total amount from invoices under this activity for each contract if applicable					
Construction Admin	Enter total amount from invoices under this activity for each contract if applicable					
Construction inspection	Enter total amount from invoices under this activity for each contract if applicable					
Construction - Water	Enter total expenses for Construction -Water activities ONLY for the time period covered by the report					
Construction	Enter total amount from invoices under this activity for each contract if applicable					
Equipment	Enter total amount from invoices under this activity for each contract if applicable					
Miscellaneous	Enter total amount from invoices under this activity for each contract if applicable					
Deductions (income)	Enter total amount from invoices under this activity for each contract if applicable					
Construction - Sewer	Enter total expenses for Construction -Sewer activities ONLY for the time period covered by the report					
Construction	Enter total amount from invoices under this activity for each contract if applicable					
Equipment	Enter total amount from invoices under this activity for each contract if applicable					
Miscellaneous	Enter total amount from invoices under this activity for each contract if applicable					
Deductions(income)	Enter total amount from invoices under this activity for each contract if applicable					
Housing Rehab - Water	Enter total expenses for Housing Rehab - Water activities ONLY for the time period covered by the report					
Connections - new	Enter total amount from invoices under this activity for each contract if applicable					
Connections - rehab	Enter total amount from invoices under this activity for each contract if applicable					
Housing Rehab - Sewer	Enter total expenses for Housing Rehab - Sewer activities ONLY for the time period covered by the report					
Connections - new	Enter total amount from invoices under this activity for each contract if applicable					
Connections - rehab	Enter total amount from invoices under this activity for each contract if applicable					
Total Cumulative to Date	Enter total amount expended to date for all the activities					
Previous received	Enter total amount received from last request					
Amount requested	Enter total amount requested from current request					
Percent complete	Enter percentage of total amount expended to date from total amount of project per contract					
Program Income	Enter total amount for program income to date					

EXHIBIT F
DEFINITIONS

Unless indicated otherwise from the context, the following terms shall have as their meanings in this Grant Contract the definitions set forth below.

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 sub-agency of government.
2. "Audit" means an examination of records or financial accounts to verify their accuracy.
3. "Construction contract" means a legally binding agreement between the Grant Recipient and another party for implementing construction work described in the project scope of work given in Exhibit A.
4. "Enter into a construction contract" means signature of a construction contract by both the Grant Recipient and another party for the construction work described in the project scope of work given in Exhibit A.
5. "Fund" means the Community Development Block Grant- Infrastructure fund.
6. "Grant" means state funds disbursed by the Department of Environmental Quality through the Department of Commerce and the federal Department of Housing and Urban Development to a Grant Recipient to conduct activities described in this Grant Contract.
7. "Grant Contract" means a legal instrument that is used to reflect a relationship between the grantor and Grant Recipient and is used interchangeably herein with the term "Contract".
8. "Grant Recipient" shall mean one of the entities identified as a party to this Contract.
9. "Grantor" as used in this Grant Contract, means the Fund in its capacity as provider of grant funds for the Grant Recipient's use in conducting the project.

EXHIBIT G

GENERAL TERMS AND CONDITIONS

A. Affirmative Covenants

1. Compliance with Laws. Grant Recipient agrees to perform and maintain the Project in compliance with all federal, state and local laws and regulations, including, without limitation, environmental, zoning and other land use laws and regulations. The Grant Recipient agrees to take reasonable steps to advise Project participants that they shall comply in the same manner.
2. Insurance. The Grant Recipient agrees to keep structures or improvements of any sort constituting the Project fully insured at all times during construction and to keep fully insured all building materials at any time located on the Project. Grant Recipient will ensure that all contractors furnish adequate payment and performance bonds.
3. No Liens. The Grant Recipient shall take such action, including, without limitation, obtaining lien waivers, as shall be reasonably necessary to avoid liens against the Property in any way related to the Project.
4. Retention, Operation, Maintenance and Use.
 - a. Grant Recipient agrees to complete the Project as approved by the DEQ. The descriptions, purpose, schedules, scope of work and budgets set out in Exhibits A and B, and accompanying or related plans, specifications, estimates, procedures and maps submitted to the DEQ by the Grant Recipient are the foundation of this Grant Contract.
 - b. Property acquired, developed or improved with grant assistance from the Fund shall be retained and used for the purposes identified in Exhibit A and Grant Recipient hereby agrees to file or record such restrictions as may be required to assure such continued use and such restrictions shall be in form and substance satisfactory to the DEQ.

B. Representations and Warranties

In order to induce the DEQ to enter into this Grant Contract and to make the Grant as herein provided, the Grant Recipient after reasonable inquiry makes the following representations, warranties and covenants, which shall remain in effect after the execution and delivery of this Grant Contract and any other documents required hereunder, any inspection or examinations at any time made by or on behalf of the DEQ, and the completion of the Project by the Grant Recipient:

1. No Actions. There are no actions, suits, or proceedings pending, or to the knowledge of the Grant Recipient, threatened, against or affecting the Grant Recipient before any court, arbitrator, or governmental or administrative body or agency which might affect the Grant Recipient's ability to observe and perform its obligations under this Grant Contract.

2. Validity of Grant Documents. Upon execution and delivery of items required hereunder, this Grant Contract and the other grant documents and items required hereunder will be valid and binding agreements, enforceable in accordance with the terms thereof.
3. False or Misleading Information. Recipient is advised that providing false, fictitious or misleading information with respect to CDBG funds may result in criminal, civil, or administrative prosecution under 18 U.S.C. § 1001, 18 U.S.C. § 1343, 31 U.S.C. § 3729, 31 U.S.C. § 3801, or another applicable statute. Recipient shall promptly refer to DEQ and HUD's Office of the Inspector General any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving CDBG funds.

C. Termination by Mutual Consent

The Parties may terminate this Contract by mutual written consent with 60 days prior written notice to the Contract Administrators, or as otherwise provided by law.

D. Termination for Cause; Events of Default

1. Events of Default. The happening of any of the following, after the expiration of any applicable cure period without the cure thereof, shall constitute an event of default ("Event(s) of Default") by the Grant Recipient of its obligations to the DEQ, and shall entitle the DEQ to exercise all rights and remedies under this Grant Contract and as otherwise available at law or equity:
 - a. Property Unsuitable. A determination by the DEQ, prior to the disbursement of the Grant funds that the Property is unsuitable for the purposes of the Grant Contract.
 - b. Unsuitable Use. The Property is used in a manner materially inconsistent with the purposes of this Grant Contract or the Project.
 - c. Default in Performance. The default by the Grant Recipient in the observance or performance of any of the terms, conditions or covenants of this Grant Contract; provided, however, that no such default shall occur until the Grant Recipient has been given written notice of the default and 30 days to cure have elapsed.
 - d. Misrepresentation. If any representation or warranty made by the Grant Recipient in connection with the Grant or any information, certificate, statement or report heretofore or hereafter made shall be untrue or misleading in any material respect at the time made.
 - e. Abandonment of the Project. If Grant Recipient abandons or otherwise ceases to continue to make reasonable progress towards completion of the Project.

E. Fund's Rights and Remedies

If an Event of Default shall occur, the DEQ shall have the following rights and remedies, all of which are exercisable at the DEQ's sole discretion, and are cumulative, concurrent and independent rights:

1. Project Termination. If an Event of Default occurs, the DEQ may, at its discretion suspend and/or terminate all obligations of the DEQ hereunder. If, in the judgment of the DEQ, such failure was due to no fault of the Grant Recipient, amounts required to resolve at minimum costs any irrevocable obligations properly incurred by Grant Recipient shall, in the discretion of the DEQ, be eligible for assistance under this Grant Contract consistent with state and federal law.
2. Additional Remedies. If an Event of Default occurs, the DEQ shall have the power and authority, consistent with its statutory authority: (a) to prevent any impairment of the Project by any acts which may be unlawful or in violation of this Grant Contract or any other item or document required hereunder; (b) to compel specific performance of any of Grant Recipient's obligations under this Grant Contract; (c) to obtain return of all Grant Funds, including equipment if applicable; and (d) to seek damages from any appropriate person or entity. The DEQ shall be under no obligation to complete the Project.
3. Nonwaiver. No delay, forbearance, waiver, or omission of the DEQ to exercise any right, power or remedy accruing upon any Event of Default shall exhaust or impair any such right, power or remedy or shall be construed to waive any such Event of Default or to constitute acquiescence therein. Every right, power and remedy given to the DEQ may be exercised from time to time and as often as may be deemed expedient by the DEQ.

F. Miscellaneous

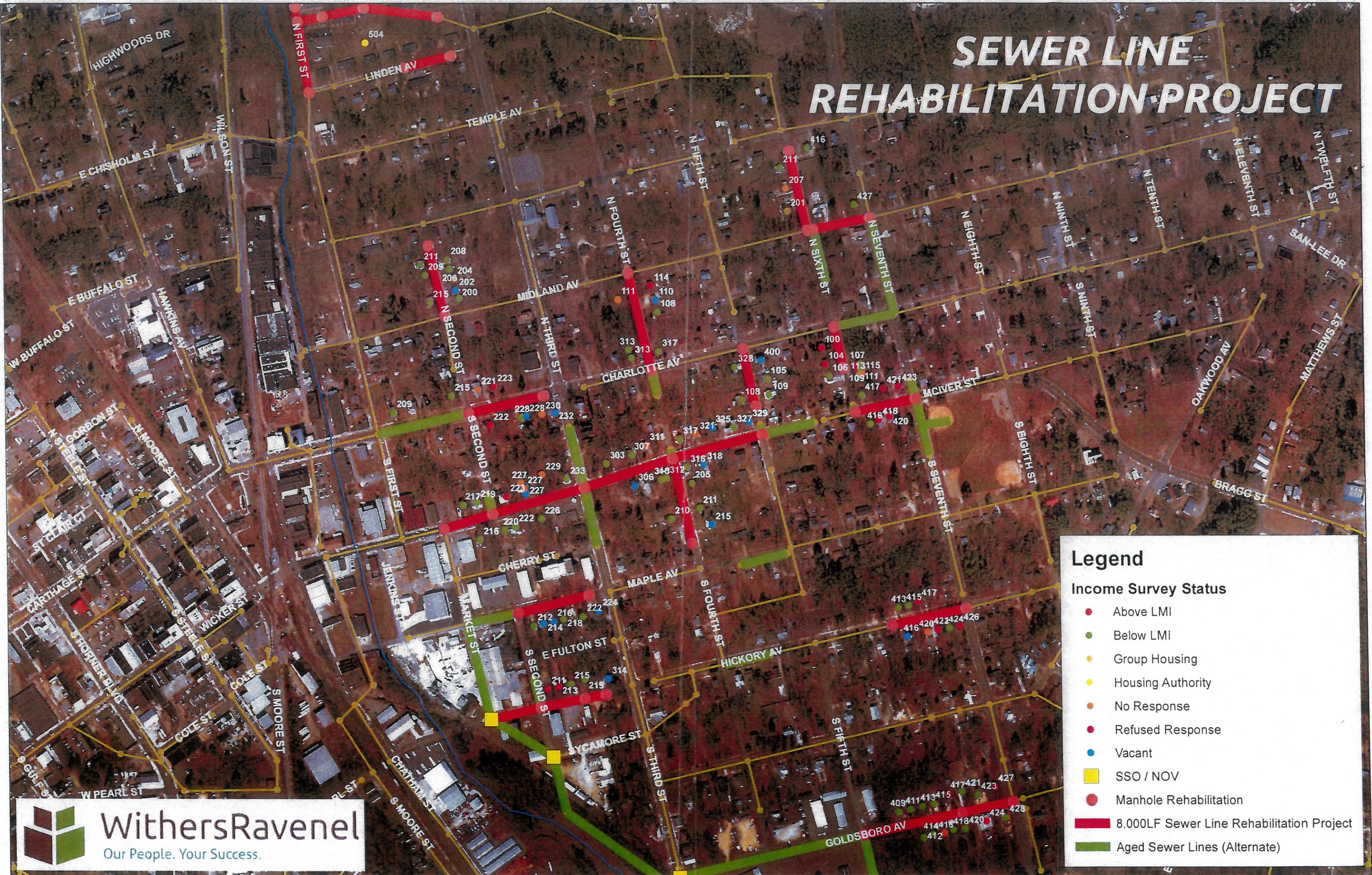
1. Modification. This Grant Contract may be rescinded, modified or amended only by written agreement executed by all parties hereto.
2. Benefit. This Grant Contract is made and entered into for the sole protection and benefit of the DEQ, the State and the Grant Recipient, and their respective successors and assigns, subject always to the provisions of paragraph F.8 of this Exhibit H. Except for the State, there shall be no third party beneficiaries to this Grant Contract.
3. Further Assurance. In connection with and after the disbursement of Grant funds under this Grant Contract, upon the reasonable request of the DEQ, the Grant Recipient shall execute, acknowledge and deliver or cause to be delivered all such further documents and assurances, and comply with any other requests as may be reasonably required by the DEQ or otherwise appropriate to carry out and effectuate the Grant as contemplated by this Grant Contract.
4. Compliance by Others. The Grant Recipient shall be responsible for compliance with the terms of this Grant Contract, and shall require the same compliance of its sub-grant recipients, including but not limited to, a political subdivision, public agency, or qualified non-profit organization to which funds or obligations are transferred, delegated or assigned

pursuant to this Grant Contract. Delegation by the Grant Recipient to a sub-grant recipient of any duty or obligation hereunder does not relieve the Grant Recipient of any duty or obligation created hereunder. Failure by such sub-grant recipient to comply with the terms of this Grant Contract shall be deemed failure by the Grant Recipient to comply with the terms of this Grant Contract. Any such delegation of duties or obligations shall be in writing, signed by the Grant Recipient and sub-grant recipient, and shall contain an affirmative covenant by the sub-grant recipient that it shall abide by the rules set forth in Title 09, Subchapter 03M of the North Carolina Administrative Code.

5. Independent Status of the Parties. The Parties are independent entities and neither this Grant Contract nor any provision of it or any of the Grant Documents shall be deemed to create a partnership or joint venture between the Parties. Further, neither the Grant Contract nor any of the Grant Documents shall in any way be interpreted or construed as making the Grant Recipient, its agents or employees, agents or representatives of the DEQ. The Grant Recipient is and shall 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. In no event shall the DEQ be liable for debts or claims accruing or arising against the Grant Recipient. The Grant Recipient represents that it has, or shall secure at its own expense, all personnel required in the performance of this Contract. Such employees shall not be employees of, nor have any individual contractual relationship with, the DEQ.
6. Indemnity. The Grant Recipient agrees, to the fullest extent permitted by law, to release, defend, protect, indemnify and hold harmless the State, the DEQ, its employees and agents against claims, losses, liabilities, damages, and costs, including reasonable attorney fees, which result from or arise out of: (a) damages or injuries to persons or property caused by the negligent acts or omissions of Grant Recipient, its employees, or agents in use or management of the Project or Property; (b) use or presence of any hazardous substance, waste or other regulated material in, under or on the Property; and (c) for any claims, whether brought in contract, tort, or otherwise, arising out of this Grant Contract. The obligations under this paragraph are independent of all other rights or obligations set forth herein. This indemnity shall survive the disbursement of the Grant funds, as well as any termination of this Grant Contract.
7. Binding Effect, Contract Assignable. The terms hereof shall be binding upon and inure to the benefit of the successors, assigns, and personal representatives of the parties hereto; provided, however, that the Grant Recipient may not assign this Grant Contract or any of its rights, interests, duties or obligations hereunder or any Grant proceeds or other moneys to be advanced hereunder in whole or in part without the prior written consent of the Fund, which may be withheld for any reason and that any such assignment (whether voluntary or by operation of law) without said consent shall be void.
8. Savings Clause. Invalidation of any one or more of the provisions of this Grant Contract, or portion thereof, shall in no way affect any of the other provisions hereof and portions thereof which shall remain in full force and effect.

9. Additional Remedies. Except as otherwise specifically set forth herein, the rights and remedies provided hereunder shall be in addition to, and not in lieu of, all other rights and remedies available in connection with this Grant Contract.
10. Survival. Where any representations, warranties, covenants, indemnities or other provisions contained in this Grant Contract by its context or otherwise, evidences the intent of the parties that such provisions should survive the termination of this Grant Contract or any Closing, the provisions shall survive any termination or Closing.
11. Incorporation of Exhibits. All exhibits attached to this Contract are fully incorporated as if set forth herein.
12. Entire Contract. This Grant Contract constitutes the entire agreement between the parties hereto with respect to the subject matter hereof. All recitals, exhibits, schedules and other attachments hereto are incorporated herein by reference.
13. Headings. The headings of the various sections of this Grant Contract have been inserted for convenience only and shall not modify, define, limit or expand the express provisions of this Grant Contract.
14. Time of the Essence. Time is of the essence in the performance of this Grant Contract.

SEWER LINE REHABILITATION PROJECT



Legend

Income Survey Status

- Above LMI
- Below LMI
- Group Housing
- Housing Authority
- No Response
- Refused Response
- Vacant
- SSO / NOV
- Manhole Rehabilitation
- 8,000LF Sewer Line Rehabilitation Project
- Aged Sewer Lines (Alternate)



WithersRavenel
Our People. Your Success.

REIMBURSEMENT RESOLUTION
BIG BUFFALO WATER RECLAMATION FACILITY FLOOD REHABILITATION
PROJECT NO. S1901

WHEREAS, the Finance Officer has described to the Council the desirability of adopting a resolution, as provided under federal tax law, to facilitate the unit's using financing proceeds to restore the unit's funds when the unit makes capital expenditures prior to closing on a bond issue or other financing.

BE IT RESOLVED by the City of Sanford as follows:

Section 1: The project authorized is to repair the Big Buffalo Water Reclamation Facility Influent Pump Station in response to what happened during Hurricane Florence.

Section 2: The project is to be financed. Currently, the expected type of financing is installment purchase proceeds and the expected maximum amount of installment purchase proceeds to be issued or contracted for the project is \$3,690,000.

Section 3: Funds that have been advanced, or may be advanced, from the Utility Fund for project costs are intended to be reimbursed from the financing proceeds.

Section 4: The adoption of this resolution is intended as a declaration of this unit's official intent to reimburse project expenditures from financing proceeds.

ADOPTED this, the 2nd day of June, 2020.

T. Chet Mann, Mayor

ATTEST:

Vicki R. Cannady, Deputy City Clerk

**AN ORDINANCE AMENDING THE ANNUAL OPERATING BUDGET
OF THE CITY OF SANFORD FY 2019-2020**

BE IT ORDAINED by the City Council of the City of Sanford, North Carolina in regular session assembled.

Section 1: The following amounts are hereby amended to ordinance 2019-37 per G. S. 159-15 for the continued operation of the City of Sanford, its government, and activities for the balance of the fiscal year 2019-2020.

**UTILITY FUND
APPROPRIATION OF FUNDS**

<u>REVENUES</u>			<u>EXPENDITURES</u>	
300945 54000	Retained Earnings	3,690,000	30096650 00000	Contribution - Capital Project 3,690,000
Total Appropriation		<u>\$ 3,690,000</u>		

Section 2. This ordinance shall be in full force and effective from and after the date of its adoption.

ADOPTED this, the 2nd day of June, 2020.

T. Chet Mann, Mayor

ATTEST:

Vicki R. Cannady, Deputy City Clerk

2019-2020 BUDGET ORDINANCE AMENDMENT**UTILITY FUND****Appropriation of Funds - results in increasing of budget****REVENUES**

Retained Earnings	3,690,000	To appropriate retained earnings for item described below
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EXPENDITURES

Contribution to Capital Project	3,690,000	Contribution to Big Buffalo Water Reclamation Facility Flood Rehabilitation Project No. S1901
---------------------------------	-----------	--

CAPITAL PROJECT ORDINANCE AMENDMENT

BIG BUFFALO WATER RECLAMATION FACILITY FLOOD REHABILITATION PROJECT NO. S1901

BE IT ORDAINED by the City Council of the City of Sanford, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance numbers 2019-34 and 2020-13 are hereby amended:

Section 1: The project authorized is to repair the Big Buffalo Water Reclamation Facility Influent Pump Station in response to what happened during Hurricane Florence. This project is to be financed through retained earnings, however, the City is pursuing reimbursement from Federal Emergency Management Agency (FEMA). If FEMA does not reimburse the City, the City may pursue financing to fund this project.

Section 2: The officers of this unit are hereby directed to proceed with the capital project within the terms of the documents, and the budget contained herein.

Section 3: The following amounts are appropriated for the project:

Influent Pump Station Repair	\$ 3,690,000
------------------------------	--------------

Section 4: The following revenues are anticipated to be available to complete this project:

Contribution from Utility Fund	\$ 3,690,000
--------------------------------	--------------

Section 5: The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of state / federal regulations.

Section 6: Funds may be advanced from the Utility Fund for the purpose of making payments as due. Reimbursement requests should be made to Federal Emergency Management Agency (FEMA) in an orderly and timely manner.

Section 7: The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and on the total revenues received and claimed.

Section 8: The Finance Officer is directed to include in the annual budget information projects authorized by previously adopted project ordinances which will have appropriations available for expenditure during the budget year.

Section 9: Copies of this capital project ordinance shall be furnished to the Clerk to the City Council and the Finance Officer for direction in carrying out this project.

ADOPTED this, the 2nd day of June, 2020.

T. Chet Mann, Mayor

ATTEST:

Vicki R. Cannady, Deputy City Clerk



PUBLIC WORKS DEPARTMENT

CITY OF SANFORD

P. O. BOX 3729

TELEPHONE 919-777-1122

FAX 919-774-8179

North Carolina 27331-3729

OR 919-777-1118

Paul M. Weeks, Jr., P.E.
City Engineer

MEMORANDUM

TO: Mayor Mann and Members of Council

FROM: Paul M. Weeks Jr., P.E. 

DATE: May 27, 2020

SUBJECT: Recommendation to Award – Big Buffalo Water Reclamation Facility Flood Rehabilitation Project

On April 30, 2020 at 2 pm three bids were received for this project.

	Bid Bond	Bid
Shook Construction	Yes	\$3,550,000
State Utility Contractors	Yes	\$3,996,000
Kiewit	Yes	\$5,063,000

Shook is the apparent low bidder. They have their corporate headquarters in Moraine, Ohio and maintain an office in Apex, North Carolina. Their references have been reviewed and indicate this contractor's work is acceptable.

This project addresses damage caused by Hurricane Florence. As such, eligible work is reimbursable by FEMA and the State.

Therefore, staff recommends that City Council award the construction contract to Shook Construction in the amount of \$3,550,000.



Hazen and Sawyer
4011 WestChase Blvd, Suite 500
Raleigh, NC 27607 • 919.833.7152

May 08, 2020

Mr. Paul M. Weeks Jr., P.E.
City of Sanford
City Engineer
225 E. Weatherspoon St
PO Box 3729
Sanford, NC 27330

Re: Bid Recommendation for Big Buffalo WRF Flood Rehabilitation Project

Dear Mr. Weeks:

Bids for the Big Buffalo WRF Flood Rehabilitation Project were received on April 30, 2020. Three general contractors submitted bids and the certified bid tabulation is attached.

Shook Construction (Shook) is the apparent low bidder with a lump sum base bid amount of \$3,550,000.00. The total bid amount of \$3,550,000.00 is above the rehabilitation budget provided by FEMA, however; Hazen is of the opinion that the bid amount is an accurate account of all work to be completed under this project.

Upon detailed review, Shook's bid was determined to be in order and in accordance with the requirements of the Contract Documents. Hazen has worked successfully with Shook on previous projects and is confident that they can complete the work required on this project to the satisfaction of the City of Sanford.

Following the bid review, Hazen held a conference call with Riley Tolen, the Vice President of Shook. The call focused on staff availability, developing and maintaining an accurate project schedule, and early procurement of the influent screens. Riley stated that Shook has identified Matt Gilroy as Project manager and Bryan Howard as superintendent and their project team that is ready to begin work upon receipt of the Notice of Award (NOA). Bryan is the superintendent on a Hazen designed screen replacement project for the Town of Holly Springs, which has received great remarks from the Owner thus far. After receiving NOA, Shook plans to submit a detailed schedule within two weeks and release the purchase order for the influent screens within one week.

Hazen recommends the City of Sanford award the project to the low bidder, Shook Construction in the amount of \$3,550,000.00. Please do not hesitate to call if you have any questions.

Very truly yours,
Hazen and Sawyer, D.P.C.

Z. Michael Wang, PhD, PE, BCEE
Vice President

31037-001

City of Sanford, North Carolina
 Big Buffalo WRF - Flood Rehabilitation
 Bid Date: April 30, 2020
 Bid Opening Time: 2:00 p.m.
 Hazen Project No. 31425-000



BID TABULATION

Contractors	Kiewit	Shook Construction	State Utility Contractors
License Number	6603	21618	17793
Addenda 1 - 6 Comfirmed (Yes/No)	yes	yes	yes
Bid Security (Yes/No)	yes	yes	yes
Lump Sum Bid Amount	\$5,063,000.00	\$3,550,000.00	\$3,996,000.00

CERTIFICATION

The bids tabulated herein were opened and read aloud at 2:00 p.m. on the 30th day of April 2020 at the City of Sanford Service Center. The tabulation is correct in that it lists the Lump Sum Base Bid Amount as presented in the original price proposals from each bidder.

Hazen



Hazen and Sawyer • 4011 WestChase Boulevard, Suite 500 • Raleigh, NC 27607 • 919.833.7152

REIMBURSEMENT RESOLUTION
PROJECT FORGE – SITE PREPARATION / ROADWAY

WHEREAS, the Finance Officer has described to the Council the desirability of adopting a resolution, as provided under federal tax law, to facilitate the unit's using financing proceeds to restore the unit's funds when the unit makes capital expenditures prior to closing on a bond issue or other financing.

BE IT RESOLVED by the City of Sanford as follows:

Section 1: The project authorized is for the cost of the site preparation for Project Forge to include right-of-way acquisition, road improvements, and other related expenses in the amount of \$925,000.

Section 2: The project is to be financed. Currently, the expected type of financing is installment purchase proceeds and the expected maximum amount of installment purchase proceeds to be issued or contracted for the project is \$925,000.

Section 3: Funds that have been advanced, or may be advanced, from the General Fund for project costs are intended to be reimbursed from the financing proceeds.

Section 4: The adoption of this resolution is intended as a declaration of this unit's official intent to reimburse project expenditures from financing proceeds.

ADOPTED this, the 2nd day of June, 2020.

ATTEST:

T. Chet Mann, Mayor

Vicki R. Cannady, Deputy City Clerk

**AN ORDINANCE AMENDING THE ANNUAL OPERATING BUDGET
OF THE CITY OF SANFORD FY 2019-2020**

BE IT ORDAINED by the City Council of the City of Sanford, North Carolina in regular session assembled.

Section 1: The following amounts are hereby amended to ordinance 2019-37 per G. S. 159-15 for the continued operation of the City of Sanford, its government, and activities for the balance of the fiscal year 2019-2020.

**GENERAL FUND
APPROPRIATION OF FUNDS**

<u>REVENUES</u>		<u>EXPENDITURES</u>	
100045 54000 Fund Balance	925,000	10016650 00000 Contribution - Capital Project	925,000
Total Appropriation	<u>\$ 925,000</u>		

Section 2. This ordinance shall be in full force and effective from and after the date of its adoption.

ADOPTED this, the 2nd day of June, 2020.

ATTEST:

T. Chet Mann, Mayor

Vicki R. Cannady, Deputy City Clerk

2019-2020 BUDGET ORDINANCE AMENDMENT

GENERAL FUND

Appropriation of Funds - results in increasing of budget

REVENUES

Fund Balance	925,000	To appropriate fund balance for item described below
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EXPENDITURES

Contribution - Capital Project	925,000	Contribution to Project Forge Site Preparation / Roadway - these funds will be reimbursed to the city once financing has been secured
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GRANT PROJECT ORDINANCE AMENDMENT

PROJECT FORGE – SITE PREPARATION / ROADWAY PROJECT NO. G2002

BE IT ORDAINED by the City Council of the City of Sanford, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance number 2019-86 is hereby amended:

Section 1: The project authorized is for the cost of the site preparation for Project Forge to include right-of-way acquisition, road improvements, and other related expenses. This project is to be financed through grant funds and reserves.

Section 2: The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant proceeds and the budget contained herein.

Section 3: The following amounts are appropriated for the project:

Project Forge	\$ 925,000
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Section 4: The following revenues are anticipated to be available to complete this project:

Contribution from General Fund	\$ 925,000
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Section 5: The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and state and federal regulations.

Section 6: Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement request should be made to the grantor agency, or the lending institution in an orderly and timely manner.

Section 7: The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and on the total revenues received and claimed.

Section 8: The Finance Officer is directed to include in the annual budget information projects authorized by previously adopted project ordinances which will have appropriations available for expenditure during the budget year.

Section 9: Copies of this capital project ordinance shall be furnished to the Clerk to the City Council and the Finance Officer for direction in carrying out this project.

ADOPTED this, the 2nd day of June, 2020.

T. Chet Mann, Mayor

ATTEST:

Vicki R. Cannady, Deputy City Clerk



CITY OF SANFORD

Payment Plan Policy

Customer Service Department
 225 E WEATHERSPOON ST SANFORD, NC 27330
 PHONE: (919)775-8215 * FAX: (919)775-5084
 EMAIL: waterdept@sanfordnc.net

Payment Plan Policy related to Executive Order 124:

1. Customer must opt in to payment plan prior to June 30, 2020.
2. Only bills due March 1, 2020 - May 31, 2020 will be included in payment plan.
3. Outstanding balances totaling less than \$500.00 will be divided over a six-month period. Outstanding balances totaling more than \$500 will be divided over a nine-month period.
4. Customer can choose either the 15th or the 30th of each month for the due date of the payment plan. The first payment will be due July 2020.
5. Customer must make payments to payment plan by the four **payment methods** listed below:
 - a. Pay in person: City of Sanford Customer Service Department, 225 E Weatherspoon St, Sanford, NC 27330
 - b. Pay by dropbox: located in circle drive at City of Sanford Customer Service Department
 - c. Pay by mail: City of Sanford Customer Service Department, PO Box 3729, Sanford, NC 27331
 - d. Pay by phone: call 919-775-8215 and press 0 to speak with a live representative

Payments cannot be made to payment plan bills through our automated phone system, online, at local CheckFree payment centers, or by mailing payment in return envelope provided in your regular utility bill. Payments made by these methods will automatically be applied to your current bill.
6. It is the customer's responsibility to ensure he or she is making timely payments without reminder notifications or bills provided by the City. The customer should provide the payment plan stub when making payments on payment plan bills to ensure payments are applied to the payment plan bill and not his or her current bill.
7. The following lists what constitutes as "**default**" and the **consequences** of "**default**":
 - a. Failure to pay the full monthly payment plan amount by 5:00pm on the due date will result in water service disconnection the following business day. Service will not be restored until the full monthly payment amount is received.
 - b. Failure to pay the full amount of new/future charges on current bills not associated with the payment plan on or before the due date will result in fees and water service disconnection. Service will not be restored until full payment is received.
 - c. Any amounts remaining unpaid after 60 days of the due date will be submitted to a collection agency and/or the NC Debt Setoff Program.

Discussion of Potential Alliance between
City of Sanford and Town of Pittsboro
Regarding Utilities

Closed Session