

MINUTES OF MEETING OF THE  
CITY COUNCIL OF THE CITY OF SANFORD  
SANFORD, NORTH CAROLINA

The City Council met at the Sanford Municipal Center, 225 E. Weatherspoon Street, on Tuesday, August 7, 2012, at 1 P.M., in the Council Chambers. The following people were present:

Mayor Cornelia P. Olive	Council Member Jimmy Haire
Mayor Pro Tem Sam Gaskins	Council Member L. I. (Poly) Cohen
Council Member James Williams	Council Member Charles Taylor
Council Member Walter H. McNeil, Jr.	Council Member Rebecca Wyhof
City Manager Hal Hegwer	City Clerk Bonnie D. White
City Attorney Susan C. Patterson	

Mayor Cornelia Olive called the meeting to order. A moment of silence was observed. The Pledge of Allegiance was recited.

**PUBLIC COMMENT** – (Exhibit A)

Martha Underwood spoke regarding the Goldston-Gulf Wastewater Contract. She said the wastewater treatment contract between Goldston and Sanford on the consent agenda today obligates Goldston to pay \$2.25 per thousand gallons treated. Sanford residential customers pay \$6.75 per thousand gallons for the minimum monthly usage, which is three times higher than Goldston's price. She said Sanford is responsible to pay the debt on the wastewater treatment plant and if Council approves this contract rate, Goldston will not help pay down the mortgage.

Mrs. Underwood said that regional water and sewer infrastructure sharing needs a business plan that benefits Lee County, as well as our neighbors. Mrs. Underwood asked that the business plan include (1) outsourcing regional users share infrastructure expansion costs; (2) what is the strategy to connect 12,000 new Lee County customers by 2015 as promised in the application to expand the Big Buffalo Plant; (3) what is the action plan to discontinue urban residential septic tanks; (4) the elderly and low-income poor cannot pay the high prices to connect to city sewer lines; therefore, develop and implement a plan this year to fund sewer connections for the poor through grants, surcharges on out-of-county customers or other means like ordinances forcing slum landlords to connect; (5) as the new bypass is connected to U. S. Highway 1, northern Lee County will need sewer service since the rocky soil does not perk well for septic. She asked that the sewage treatment benefit the residents and businesses of Lee County.

**APPROVAL OF AGENDA**

City Manager Hal Hegwer requested to add a Resolution in Support of the Temporary Closure of Talley Avenue for National Night Out to the regular agenda.

Council Member Walter McNeil, Jr. made the motion to approve the amended agenda. Seconded by Mayor Pro Tem Sam Gaskins, the motion carried unanimously.

### **CONSENT AGENDA**

#### **Approval of Ordinance to Erect Stop Signs Within the City of Sanford – (Exhibit B)**

Ordinance was approved to erect stop signs within the Carthage Colonies Subdivision.

#### **Approval of Landscape Agreement #3421 with the North Carolina Department of Transportation – (Exhibit C)**

Landscape Agreement was approved. The Department of Transportation will design and install landscape plantings at the interchanges of US 421 and SR 1526 (Mt. Pisgah Church Road) and US 1 and SR 100 (Spring Lane) in Lee County and City will maintain the plantings.

#### **Approval of Goldston-Gulf Wastewater Contract - (Exhibit D)**

#### **Approval of City Council Meeting Minutes Dated July 17, 2012 – (Filed in Book 78)**

#### **Approval of Minutes of a Joint Meeting Between Lee County Board of Commissioners, Sanford City Council, Broadway Town Commissioners, and Lee County Economic Development Corporation Dated July 24, 2012 – (Filed in Book 78)**

Mayor Pro Tem Sam Gaskins made the motion to approve the consent agenda. Seconded by Council Member James Williams, the motion carried in favor six to one with Council Member Charles Taylor casting the dissenting vote.

### **REGULAR AGENDA**

#### **Consider Changes to the Parking Restrictions Along Several Downtown Streets.**

- **Consider Motion to Take from the Table for Discussion the Request to Replace the Two-Hour Parking Restrictions with Three-Hour Parking Restrictions along Several Downtown Streets – (Exhibit E)**

Council Member James Williams made the motion to take from the table for discussion the request to replace the two-hour parking restrictions with three-hour parking restrictions along several downtown streets. Seconded by Mayor Pro Tem Sam Gaskins, the motion carried unanimously.

Mayor Olive stated that the general reaction she has had is that the majority of the merchants, based upon the ones she has spoken with, have agreed with the proposal by the Downtown Sanford, Inc.

Mayor Pro Tem Gaskins made the motion to continue the two-hour uniform parking throughout the Downtown area and reduce the first-time ticket to \$5. Council Member Cohen seconded the motion. Mayor Olive said that he may need to do this in two second motions. Attorney Patterson stated that if you want to reduce the first-time ticket, there are a couple of questions that arise on how you go about logistically doing it. She said that if you want to reduce all the parking tickets to \$5, that is easy and we can do that. If you want to reduce the first-time ticket to \$5 and the second ticket to \$25, there is a problem with how do you know which is the first ticket – is it the first ticket the vehicle receives or the first ticket the driver receives? The trouble with parking tickets is the *prima facie* evidence under the law is when the car is parked there, the owner receives the ticket. The owner may or may not be the person driving that day. If you get a request from someone who was not driving the car that day but say

my son was driving it; is it his first ticket that gets the \$5 ticket or the car owner's first ticket. Logistically, there are some issues. The second thing is they do not necessarily track repeat offenders; so the officer does not know which is the first or second ticket someone receives when the police officer is writing the ticket. Why would the penalty be different per event? How does she tell the court the guy, who just came before you five minutes ago had a \$5 ticket, and the next person gets a \$25 ticket. There are escalating penalties for many of the civil things taken to court such as nuisance animals. Keeping track of these tickets is more difficult when different police officers are writing the tickets. She said they may want to take the vote on what the parking limits will be and then decide if you want to have a graduated ticket system, if we can logistically implement one; or you may want to do it today and tell staff to figure it out. You may want to hear from the police department about how they would implement it or if it is possible. Attorney Patterson said her concern is that Council cannot ask the police department to do a task and not have the tools to do it.

Mr. Gaskins said that with the motion he has on the floor, he intends to leave it as it is unless someone wishes to divide the question, because from the feedback he has received, most people want a uniform time limit downtown and the first ticket would be tracked by the license plate number. He would leave it to charge \$5 for the first ticket and graduated thereafter. As far as the motion is concerned, he plans to leave it as it was. Mr. Cohen agreed and said we may want to think about doing away with the ticketing on Thursday afternoons due to the plays being held at Temple Theatre. There are seven plays that are held.

Mr. Hegwer replied that would be difficult. Mr. Gaskins suggested if that were to be approved later, bags could be placed over the top of the signs for the area affected.

Mr. Williams said that we need to consider the findings of the Downtown Sanford Board when rendering a decision; he has a hard time going against the Downtown Sanford Board's wishes. Mayor Olive agreed with Mr. Williams, but she also understands the need for uniformity as well.

City Manager Hegwer said that in regards to Mr. Gaskins' comments on the tickets he and staff have not looked at it and he did not know the difficulties in the graduated ticket process. He was not saying it could not be done but it would be nice to look at it and allow us to come back if it is a big problem so it could be reconsidered.

Downtown Development Manager II David Montgomery stated that one of the long-term suggestions that was made was to purchase hand-held ticket writers, which would have the capability to link to a database that would record exactly what you are asking for. The officer could tell at the time a ticket is written that a ticket had been issued on this car with this license plate. If so, you could do a \$5 fine or a complimentary free pass and know in the future that if you are caught parking longer than two hours, then there will be a fine associated with it. He said another item they mentioned was DSI possibly paying for the first fine where a patron goes into a retail store and says I got a \$25 ticket. The merchant then goes to DSI and states this is an out-of-town guest and did not know the regulations. Mr. Montgomery said that DSI would then pay for that initial fine and he would keep a database of that information on a continual basis and if it would be their second infraction, he would tell them DSI is not going to pay it.

Mr. Gaskins said we may have to print new tickets which would say the first offense is \$5 and subsequent offenses are \$25.

Attorney Patterson advised that regarding the hand-held ticket writers, the ACLU is challenging the constitutionality of those in other places because of the data and information on tracking people and how it was being used and kept. Our citations are written by the police department; they use the vehicle license tag. The red-light cameras and the information provided by the hand-held ticket writers in other jurisdictions are being challenged because they do not know that the information is being used properly or accessed or other information on people's backgrounds are used to track people in certain ways.

Attorney Patterson advised regarding DSI paying the first fine, that the City does not care who pays somebody's citation. The majority of the money that goes to DSI is from the levied tax base they have on themselves but also by contribution from the City; so to some extent it is the City, paying the tickets for other people, and Council should have that as part of its analysis.

Mr. Montgomery said that is something the DSI Board of Directors would be concerned about where the revenue is generated to pay the initial parking fines.

Mr. Williams asked Mr. Montgomery to state what DSI is recommending. He replied that in the short-term they are recommending that all the streets that are currently two-hour parking go to three-hour parking restrictions, except for the 100 block of South Steele Street between Carthage Street and Wicker Street. They are requesting the time frame restrictions begin at 9 A.M. instead of 8 A.M. There are not enough cars on the streets at 8 A.M. in the morning to even consider having an officer writing tickets. He reminded Council that these are just initial parking recommendations. They have made several more recommendations that they feel are just as integral trying to remedy the parking situation; one of these being the acquisition of off-street parking lots. One of the things they get is that the merchants and their employees do not feel they have enough parking behind them; so therefore, they use the on-street parking spaces. Another recommendation was the hand-held ticket writers.

Mr. Hegwer stated that when he asked Mr. Montgomery to come and talk about these issues, he and staff were not comfortable talking about some of these issues such as the graduated ticket and hand-held writers. He wanted to see if this three-hour parking issue would go into place before staff looked at developing more of these ideas.

Mrs. Patterson asked Mr. Gaskins for clarity purposes on his motion, would the \$5 fine for the first ticket be for those parking in the Downtown area or any overtime parking, such as Elm Street or other places. Mr. Gaskins replied the Downtown area.

Council Member Haire stated that he spoke with Bob Joyce from the Chamber of Commerce this morning and if Council wanted to try three-parking on one street, there are only five businesses on Moore Street between Wicker Street and Carthage Street – being the Antique Mall, Java Express, Kimbrell's Furniture, Harris Insurance and the Artist Colony. Mr. Joyce told him that Jenks Youngblood at the Antique Mall is in favor of the three-hour parking. Mr. Haire stated that Council could experiment the three-hour parking with this street with proper signage.

If that works, then you could pursue Wicker and Carthage Streets. Mr. Joyce said that he spoke with all the businesses except with the tenants in Durand Johnson's building on the corner and those businesses were in favor of three-hour parking.

Council Member Taylor asked if the motion could be divided because he has some concerns with some of the questions that are still out there that have not been answered. There are questions about the graduated scale, and legalities. He would feel more comfortable voting on these items separately.

Council Member Taylor made the motion to divide the question. Seconded by Council Member Wyhof, the motion was four to three in favor to divide the question. Mayor Pro Tem Sam Gaskins and Council Members L.I. "Poly" Cohen and Walter McNeil, Jr. cast the dissenting votes.

Mayor Olive took a vote on leaving the two-hour parking as stated previously in Mayor Pro Tem Sam Gaskins' motion, seconded by Council Member L.I. "Poly" Cohen. The vote was five to two in favor with Council Members James Williams and Rebecca Wyhof casting the dissenting votes.

Mayor Olive took a vote on the second part of the motion to charge a \$5 fine for the first offense and \$25 for subsequent offenses. The vote was six to one in favor of the motion with Council Member Williams casting the dissenting votes.

Consider Update on National League of Cities Prescription Discount Card Program - (Exhibit F)

Community Development Manager Karen Kennedy advised that the National League of Cities Prescription Discount Card Program started in Sanford in January 2009. She said the card is used to get a discount on your prescriptions if you do not have insurance and you are not covered by Medicaid. Cards are still available and the public can call her at 919-775-8238 to receive one.

Consider Approval of Documents Related to the NC Housing Finance Agency 2012 Single Family Rehabilitation Project

Community Development Manager Karen Kennedy explained that these documents are related to the 2012 single-family rehabilitation project through the NC Housing Finance Agency. Council has already approved the grant project ordinance and other items related to the project. Staff has submitted the information to the state and they requested that these policies be taken to Council for formal approval. They are standard policies we turn in with each of these type programs.

- City of Sanford-Lee County Assistance Policy – (Exhibit G)  
Mrs. Kennedy stated that this policy is given to each person that applies for the rehabilitation of their home. It defines everything that goes on with the project.
- City of Sanford Lee-County Procurement and Disbursement Policies – (Exhibit H)  
Mrs. Kennedy stated that this policy shows how we are to buy products or to solicit for information and procurement of contractors throughout the project.

- Agreement for Professional Services Contract with the Wooten Company – (Exhibit I)  
Mrs. Kennedy stated that under housing finance agency projects, you do not have to receive bids or request for proposals for the consultant. The consultant, as part of the application, is submitted to the state and the application is rated on the experience and quality of the consultant and the other city staff you place in the application. It is part of the approval process that the state makes. The Wooten Company assisted staff in the preparation and is stated as the administrators in the project.

Council Member L. I. “Poly” Cohen made the motion to accept the City of Sanford-Lee County Assistance Policy, the City of Sanford Lee-County Procurement and Disbursement Policies, and the Agreement for Professional Services Contract with the Wooten Company. Seconded by Council Member Walter McNeil, Jr., the motion carried unanimously.

Resolution in Support of the Temporary Closure of Talley Avenue for National Night Out – (Exhibit J)

City Manager Hal Hegwer explained that this resolution temporarily closes Talley Avenue from Third Street to First Street between the hours of 4 P.M. and 7:30 P.M. on August 2 for National Night Out activities. Council Member L.I.“Poly” Cohen made the motion to approve the resolution. Seconded by Council Member Rebecca Wyhof, the motion carried unanimously.

**ALL EXHIBITS CONTAINED HEREIN ARE HEREBY INCORPORATED BY REFERENCE AND MADE A PART OF THESE MINUTES.**

**OTHER BUSINESS**

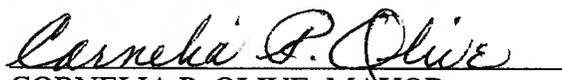
Amended Street Closing Resolution for National Night Out on August 14 – (Exhibit K)

Mr. Hegwer advised that we have a revised National Night Out list due to the inclement weather today. Some events have been rescheduled to Tuesday, August 14. City Attorney Patterson advised that since some events are rescheduled, we will need to revise the resolution that was previously adopted to close those streets necessary for August 14. Mayor Pro Tem Sam Gaskins made the motion to amend the previous resolution to close the streets necessary on August 14 and not close them on August 7 for National Night Out. Seconded by Council Member Rebecca Wyhof, the motion carried unanimously.

**ADJOURNMENT**

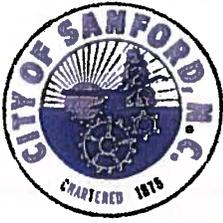
With no further business to come before the council, the meeting was adjourned on motion of Mayor Pro Tem Sam Gaskins, seconded by Council Member James Williams, the motion carried unanimously.

Respectfully submitted,

  
CORNELIA P. OLIVE, MAYOR

ATTEST:

  
BONNIE D. WHITE, CITY CLERK



**City of Sanford Council Members  
Regular Meeting**

**7:00 p.m.**  
Sanford Municipal Center, Council Chambers  
225 E. Weatherspoon St, Sanford, NC

**PUBLIC COMMENT LIST**

Date of Meeting: Aug. 7, 2012

(Please read the Public Comment Policy before speaking. Comments should be limited to three minutes.)

SPEAKER	ADDRESS	TOPIC
1. Martha Underwood	3309 Westcott Cir. San.	wastewater treatment
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
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13.		
14.		
15.		

**AN ORDINANCE TO ERECT STOP SIGNS  
WITHIN THE CITY OF SANFORD  
CHAPTER 36, TRAFFIC CODE OF ORDINANCES**

BE IT ORDAINED by the City Council of the City of Sanford, North Carolina:

SECTION 1: In accordance with Chapter 36, Section 36.33, Traffic Code of Sanford Code of Ordinances, City of Sanford, North Carolina, a stop sign shall be erected within the Subdivision at the following intersections:

**Carthage Colonies Subdivision**

- (1) On Chownings Drive at Amanda Drive
- (2) On Amanda Drive at Quartermaster Drive
- (3) On Plateau Court at Quartermaster Drive
- (4) On Merchants Court at Quartermaster Drive

Motor vehicles shall be required to stop before entering thereat.

SECTION 2: This ordinance shall be in full force and effect from and after the date of its adoption.

SECTION 3: All laws and ordinances in conflict with this ordinance are hereby repealed.

ADOPTED this 7<sup>th</sup> day of August, 2012.

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CORNELIA OLIVE, MAYOR

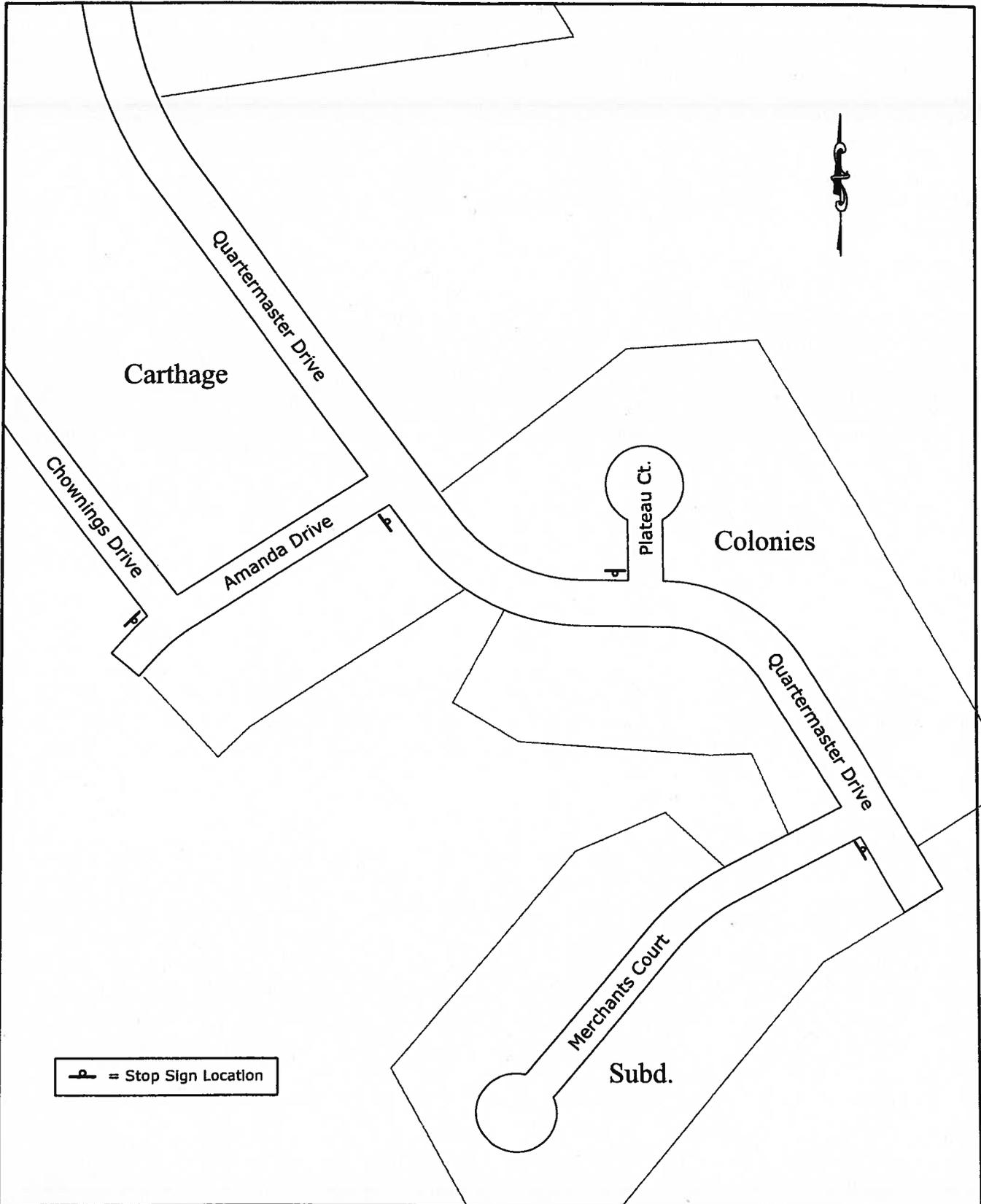
ATTEST:

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BONNIE D. WHITE, CITY CLERK

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SUSAN C. PATTERSON, CITY ATTORNEY



## Stop Sign Locations Carthage Colonies Subdivision

City of Sanford  
Engineering Department - P.O. Box 3729 - Sanford, NC 27331

Ord.
Date: 08/01/12
Scale: Not To Scale
Drawn By: ddb

STATE OF NORTH CAROLINA  
DEPARTMENT OF TRANSPORTATION

BEVERLY EAVES PERDUE  
GOVERNOR

EUGENE A. CONTI, JR.  
SECRETARY

July 12, 2012

The Honorable Cornelia P. Olive  
Mayor of Sanford  
PO Box 3729  
Sanford, NC 27331

SUBJECT: Landscape Agreement #3421  
WBS Element 3708.3.24  
Lee County

Dear Mayor Olive,

Enclosed are duplicate originals of the Landscape Agreement consisting of the installation of landscape plantings at the interchange of US 421 at SR 1526 (Mt. Pisgah Church Road) and US 1 at SR 1100 (Spring Lane) in Sanford. You will have forty-five (45) days from the date of receipt to sign and return the Agreement to this office at the address listed below.

Once you have reviewed and signed both originals, please return them to me for Departmental execution. One fully executed agreement will be sent back to you for your files.

If you have any questions, please feel free to call me at (910) 944-2344 or email me at [awhitesell@ncdot.gov](mailto:awhitesell@ncdot.gov).

Sincerely,



L. Alison Whitesell, PE  
Division Project Manager

Enclosure (2)

cc: R. W. Stone, II, PE  
S. L. Ingold

NORTH CAROLINA

**LANDSCAPE AGREEMENT**

LEE COUNTY

DATE: 7/12/2012

NORTH CAROLINA DEPARTMENT OF  
TRANSPORTATION

Project: ER-2973 H

AND

WBS Elements: 3708.3.24

CFDA: 20.205

CITY OF SANFORD

THIS AGREEMENT is made and entered into on the last date executed below, by and between the North Carolina Department of Transportation, an agency of the State of North Carolina, hereinafter referred to as the "Department" and the City of Sanford, a municipal corporation, hereinafter referred to as the "Municipality."

**WITNESSETH:**

WHEREAS, Section 1113 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA – LU), requires that the Surface Transportation Program funds be available for transportation enhancement activities in the Statewide Transportation Improvement Program; and,

WHEREAS, the Municipality has requested enhancement funding for certain landscape plantings in Lee County; and,

WHEREAS, the Municipality has agreed to the maintenance of said plantings as hereinafter set out;

NOW, THEREFORE, the parties hereto, each in consideration of the promises and undertakings of the other as herein provided, do hereby covenant and agree, each with the other, as follows:

**SCOPE OF THE PROJECT**

1. The Project consists of designing and installing landscape plantings at the interchanges of US 421 and SR 1526 (Mt. Pisgah Church Road) and US 1 and SR 1100 (Spring Lane) in Lee County.

The Executive Summary is a summation of this agreement and is not intended to be used as the agreement between the Department (North Carolina Department of Transportation) and the Party (Entity).

**Entity:** City of Sanford

**County:** Lee

**WBS Element:** 3708.3.24

**Scope:** The Project consists of designing and installing landscape plantings at the interchanges of US 421 and SR 1526 (Mt. Pisgah Church Road) and US 1 and SR 1100 (Spring Lane) in Lee County.

## **PLANNING AND DESIGN**

2. The Department shall, without expense to the Municipality, approve the landscape design and prepare the landscape plans and specifications in accordance with the Department's standard landscaping policies and procedures for highways. The Municipality shall have an opportunity to review the landscape design and plans before the Department lets the contract, with anticipated planting to begin during the Spring of 2013.
3. All work shall be performed within the existing right of way and in accordance with Departmental standards, policies and procedures. In the event any additional right of way or construction easement is required for the plantings, the Department shall provide said additional right of way/or easement. Acquisition of any right of way and/or easements shall be performed in accordance with all State and Federal procedures.

## **CONSTRUCTION AND MAINTENANCE**

4. The Department shall furnish the plants and mulch for the initial planting. The Department shall, without expense to the Municipality, prepare the site and install the plantings, in accordance with the approved project plans. All work shall be performed in accordance with the Department's standard landscaping policies and procedures for highways.
5. Upon completion of the project the Municipality shall maintain plantings. The Department shall notify the Municipality, in writing, when the Municipality should assume responsibility for all maintenance and replacement of the landscape materials. Maintenance shall include, but not be limited to, the following: watering, mulching, pruning, fertilizing, weeding, pest control, mowing, and replacing plant materials. All cost of maintenance shall be borne by the Municipality.
6. The Municipality agrees to continually maintain all plantings in accordance with generally accepted horticultural practices. The Department shall have the right to periodically inspect the maintenance practices being utilized by the Municipality.
7. If the Department determines that the Municipality is not properly maintaining the plantings, the Department shall notify the Municipality. If proper maintenance is not performed by the Municipality within a reasonable time after notification, the Municipality agrees that the Department shall perform the necessary maintenance, or at the Department's option, shall return the planted area to a natural condition (i.e. seeded and mulched, etc.). It is further agreed that the

costs of the restoration shall be reimbursed to the Department by the Municipality.

Reimbursement to the Department shall be made in one final payment within sixty (60) days of invoicing by the Department. The Department shall charge a late payment penalty and interest on any unpaid balance due in accordance with G.S. 147.86.23.

8. In the event the Municipality fails for any reason to pay the Department in accordance with the provisions for payment hereinabove provided, North Carolina General Statute 136-41.3 authorizes the Department to withhold so much of the Municipality's share of funds allocated to said Municipality by North Carolina General Statute, Section 136-41.1, until such time as the Department has received payment in full.
9. In the event these plantings require relocation or removal for highway construction, re-construction, maintenance or safety, the Municipality shall be given the option to remove or relocate any plantings it considers salvageable immediately upon notification by the Department, at no expense to the Department.
10. The Department shall not be responsible for any damage to the plantings, which may be done by third parties.

## **ADDITIONAL PROVISIONS**

11. The Municipality, at no expense to the Department, shall provide traffic control during landscape maintenance procedures as required by the latest revisions to the MUTCD for work outside the shoulder and for work on the shoulder.
12. The Municipality will indemnify and hold harmless the Department, FHWA, and the State of North Carolina, their respective officers, directors, principals, employees, agents, successors, and assigns from and against any and all claims for damage and/or liability in connection with the project activities performed pursuant to this Agreement including construction of the Project. The Department shall not be responsible for any damages or claims for damages, which may be initiated by third parties.
13. All terms and conditions of this Agreement are dependent upon and subject to the allocation of funds for the purpose set forth in the Agreement and the Agreement shall automatically terminate if funds cease to be available.

14. By Executive Order 24, issued by Governor Perdue, and N.C. G.S. § 133-32, it is unlawful for any vendor or contractor ( i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, Transportation, and the Office of the Governor).

IN WITNESS WHEREOF, this Agreement has been executed, in duplicate, the day and year heretofore set out, on the part of the Department and the Municipality by authority duly given.

WITNESS:

CITY OF SANFORD

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

Approved by \_\_\_\_\_ of the local governing body of the City of Sanford as attested to by the signature of Clerk \_\_\_\_\_ of said governing body on

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

(SEAL)

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

\_\_\_\_\_  
(FINANCE OFFICER)

Federal Tax Identification Number

Remittance Address:

City of Sanford

\_\_\_\_\_  
\_\_\_\_\_

DEPARTMENT OF TRANSPORTATION

BY: \_\_\_\_\_  
(STATE HIGHWAY ADMINISTRATOR)

DATE: \_\_\_\_\_

APPROVED BY BOARD OF TRANSPORTATION ITEM O: \_\_\_\_\_ (DATE)

**WASTEWATER TREATMENT CONTRACT  
BETWEEN  
THE TOWN OF GOLDSTON, NORTH CAROLINA  
AND  
THE CITY OF SANFORD, NORTH CAROLINA**

**THIS CONTRACT** made and entered into on the \_\_\_\_\_ day of \_\_\_\_\_, 2012, by and between the City of Sanford, a North Carolina municipal corporation located in Lee County, North Carolina, hereinafter referred to as "Sanford", and the Town of Goldston, a North Carolina municipal corporation located in Chatham County, North Carolina, hereinafter referred to as "Goldston."

**WITNESSETH:**

**WHEREAS**, Sanford owns and operates a wastewater collection and treatment system with capacity capable of serving the customers of Goldston's system as proposed; and

**WHEREAS**, Goldston is constructing a wastewater collection system to service the wastewater need in and around the town; and

**WHEREAS**, Goldston is in need of treatment capabilities for the collected wastewater;

**NOW, THEREFORE**, in consideration of the foregoing and the mutual agreements hereinafter set forth, the parties hereto agree as follows:

1. Collection, Treatment and Disposal of Wastewater: Goldston agrees to collect wastewater from the area shown on the attached map (Exhibit A) and to transport wastewater that complies with Sanford's Sewer Use Ordinance to an approved connection point (see map Exhibit B). Goldston agrees to own, operate and maintain the collection system to the point indicated on the attached map, and to design and operate the system in a manner that eliminates any and all odors at the point of delivery. Sanford agrees to receive wastewater collected by Goldston at a specified point of connection on Sanford's waste system and, to the best of their ability, to transport said wastewater from the point of connection to the treatment facility, to treat said wastewater to state and federal standards, and to discharge effluent in accordance with state and federal requirements. Unless mutually agreed upon hereafter, Sanford shall only accept wastewater at the specified location.
2. Service Area: Goldston shall not provide wastewater treatment services to any customer outside its Service Area without the written consent of Sanford. Goldston's Service Area shall consist of Goldston's corporate limits and the

shaded area as shown in "Exhibit A". Written consent shall be by current application for discharge permit use by Sanford at the time of request.

3. **Connections to System:** Subject to all conditions stated herein, Goldston's pumping station and force main shall be used for transporting wastewater from within Goldston's Service Area to Sanford's sewer system. GOLDSTON MUST RECEIVE PRIOR WRITTEN APPROVAL BY SANFORD FOR ALL NON-RESIDENTIAL CONNECTIONS. Approval will be subject to review by the Sanford pre-treatment staff, and connections and use shall be required to conform to Sanford Sewer Use Ordinance.
4. **Term:** The initial term of this Contract shall extend to and include June 30, 2032; and, thereafter shall automatically renew for additional 1 (one) year terms, until written notice is given thirty (30) days prior to the end of the term, by either party, of intent to terminate this agreement.
5. **Charges for Treatment:** Sanford agrees to charge and Goldston agrees to pay the charges for treatment of the wastewater as shown on list of charges included in "Exhibit C".
6. **Annual Rate Changes:** All parties agree to an annual review of the rates which may be adjusted accordingly based on treatment costs and volumes, and other reasonable expenses or costs. Sanford shall provide Goldston at least thirty (30) days notice of any anticipated rate changes.
7. **Billing:** Sanford shall furnish Goldston a monthly bill for the actual amount of measured wastewater delivered to it, and treated at the then applicable rate. Regardless of the amount of actual usage or any usage, Goldston agrees to pay a minimum monthly bill.
8. **Quantity:** Sanford agrees to receive a volume delivered in a uniform manner up to the monthly average of 0.065 MGD. Sanford and Goldston hereby agree that at such time as Goldston's wastewater discharge exceeds 0.065 MGD as a monthly average, at Sanford's option, Sanford shall refuse to accept more than the maximum volume, Sanford shall charge a surcharge or premium to treat any amount above the maximum volume, or Sanford and Goldston shall negotiate a new treatment volume limit. If a new volume limit cannot be mutually agreed upon, this contract may be terminated.
9. **Installation of Metering Equipment:** Goldston agrees to furnish and install, at the expense of Goldston, the necessary metering equipment and required devices of standard type, as approved by Sanford, for properly measuring the quantity of wastewater delivered to Sanford and to calibrate the metering equipment, when requested by Sanford, once every twelve (12) months. If requested more than once in a twelve (12) month period, Goldston shall test the metering equipment to see if it registers 3% above or below the test flow.

If so, Goldston shall calibrate the equipment. If the test reveals that the meter is registering accurately (within 3% above or below) Sanford shall pay for the testing.

10. Meter Readings: Goldston agrees to transmit meter readings to Sanford via automatic meter reading technology compatible with Sanford's meter reading and billing capabilities. Metering shall be done such that a report of the daily volumes can be provided to Sanford, along with a log of pump run times, recording charts, calibrations and adjustments, which shall be provided upon request. Sanford, at all reasonable times, shall have access to the meter for the purpose of verifying its readings. A meter registering not more than three (3%) percent above or below the test shall be deemed accurate. The previous readings of any meter disclosed by test to be inaccurate shall be corrected for the three (3) months previous to such test in accordance with the percentage of inaccuracy found by such tests.
11. Meter Failure: If any meter fails to register for a period of fourteen (14) days or less, the amount of wastewater furnished during such a period shall be deemed to be the amount of wastewater delivered in the corresponding period immediately prior to the failure. If the wastewater meter fails to register for a period greater than 14 calendar days, the amount of wastewater furnished after the initial 14-day period shall be billed an amount for a volume equal to the rated capacity of the wastewater pump(s), multiplied by the total time pumped. If the replacement of the meter is deemed necessary by the Engineer of the City of Sanford, the replacement shall be arranged by Goldston and cost of replacement paid by Goldston.
12. Failure of Delivery: Sanford will, at all times, to the best of its ability, operate and maintain its system in an efficient manner and will furnish Goldston with the maximum capabilities as stated herein. Temporary or partial failures to receive wastewater shall be remedied with all possible dispatch but shall not constitute a breach.
13. Force Majeure: It shall not be considered a breach of this contract and Sanford shall not be responsible for an inability to perform or any delays, damages, costs, expenses, liabilities or other consequences that may arise as a result of force majeure. A "force majeure" is defined as any event arising from causes beyond the reasonable control of Sanford, including but not limited to fire, flood, acts of God, terrorism, war, natural disaster, tornado, hurricane, civil strikes or labor disputes, riots, system failure, broken pipes, or other actions causing an inability to serve beyond the reasonable control of Sanford.
14. Regulatory Agencies: This Contract shall be subject to all valid rules, regulations and laws applicable hereto passed or promulgated by the United State of America and the State of North Carolina. The parties agree that this

Contract is subject to such rules, regulations, or laws as may be applicable to similar agreement in this State, and Sanford and Goldston will collaborate in obtaining such permits, certifications, or the like, as may be required to comply therewith.

15. **Compliance:** Goldston shall comply with any terms or conditions of Sanford related to the wastewater. Goldston agrees to act to assure compliance by all of its customers with Sanford's Sewer Use Ordinance. Goldston agrees that if the effluent from Goldston's system exceeds the parameters, the penalties under Sanford's Sewer Use Ordinance apply and shall be paid by Goldston or passed on to its customers, up to and including termination of service.
16. **Right of Access:** Sanford shall have the right to collect and analyze wastewater samples from within Goldston's collection system to determine compliance with Sanford's Sewer Use Ordinance and to determine sources of non-compliance.
17. **Successors:** In the event of any occurrence rendering Goldston or Sanford incapable of performing under this Contract, any successor of Goldston or Sanford, whether a result of legal process, assignment, or otherwise, shall succeed to the rights of Goldston and Sanford hereunder, respectively.
18. **Indemnity and Limits of Liability:** In the event wastewater that does not conform to the Sanford Sewer Use Ordinance and which causes upset at the Wastewater Treatment Plant or causes Sanford to exceed its discharge permit parameters, attributed to Goldston and/or its customers, Goldston shall indemnify Sanford and pay any penalty, costs or expenses that Sanford incurs. Sanford shall not be liable for any failure of the wastewater collection system of Goldston. Sanford shall not be liable for any failure of the wastewater treatment system that is attributable to discharges from Goldston's wastewater collection system.
19. **Obligation to Goldston:** Payments due by Goldston hereunder shall be made monthly.
20. **Goldston to Fix Adequate Rates:** Goldston shall fix and collect such rates and charges for sanitary sewer services and will make possible the prompt payment of all expenses of operating and maintaining its sanitary sewer collection system. Failure to do so shall constitute a breach of this Contract.
21. **Termination:** Following the initial term, either party can terminate this agreement with thirty (30) days written notice, prior to the end of each term, to the parties listed below.
22. **Amendment:** The provisions of this agreement may be amended at any time upon mutual written agreement of the parties.

23. Severability: If any of the provisions of this contract are held invalid, illegal, void or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby.

24. Notices: All notices required pursuant to this Contract shall be given in writing, to the following :

Town of Goldston  
Mayor

P. O. 415  
Goldston, N.C. 27252

City of Sanford  
Mayor  
Manager  
Public Works Director  
P.O. Box 3729  
Sanford, N.C. 27331

25. Municipal Approvals: Each municipality shall cause this agreement to be approved by its governing board.

**IN WITNESS WHEREOF**, the parties hereto, acting under authority of their respective governing bodies, have caused this Contract to be duly executed in duplicate counterparts, each of which shall constitute an original.

**CITY OF SANFORD**

**TOWN OF GOLDSTON**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Mayor

**ATTEST:**

**ATTEST:**

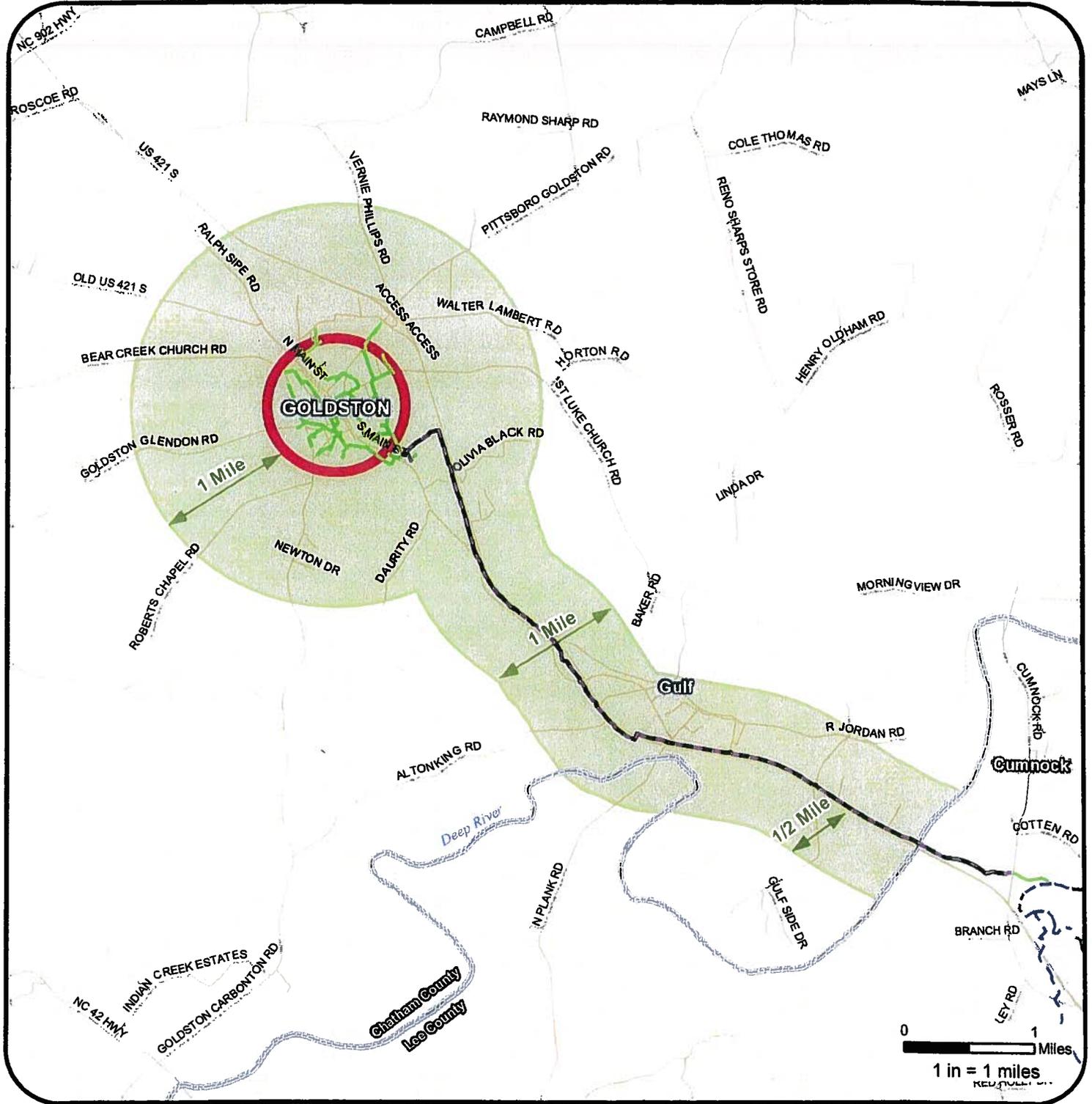
\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Clerk

# Exhibit A: Town of Goldston & City of Sanford Wastewater Treatment Contract



## Town of Goldston Sewer Service Area



### Legend

-  Service Area
-  Town Limits
-  Proposed Gravity Sewer
-  Proposed Forcemain
-  City of Sanford Sewer System

**WITHERS & RAVENEL**

ENGINEERS | PLANNERS | SURVEYORS

111 MacKenan Drive, Cary, North Carolina

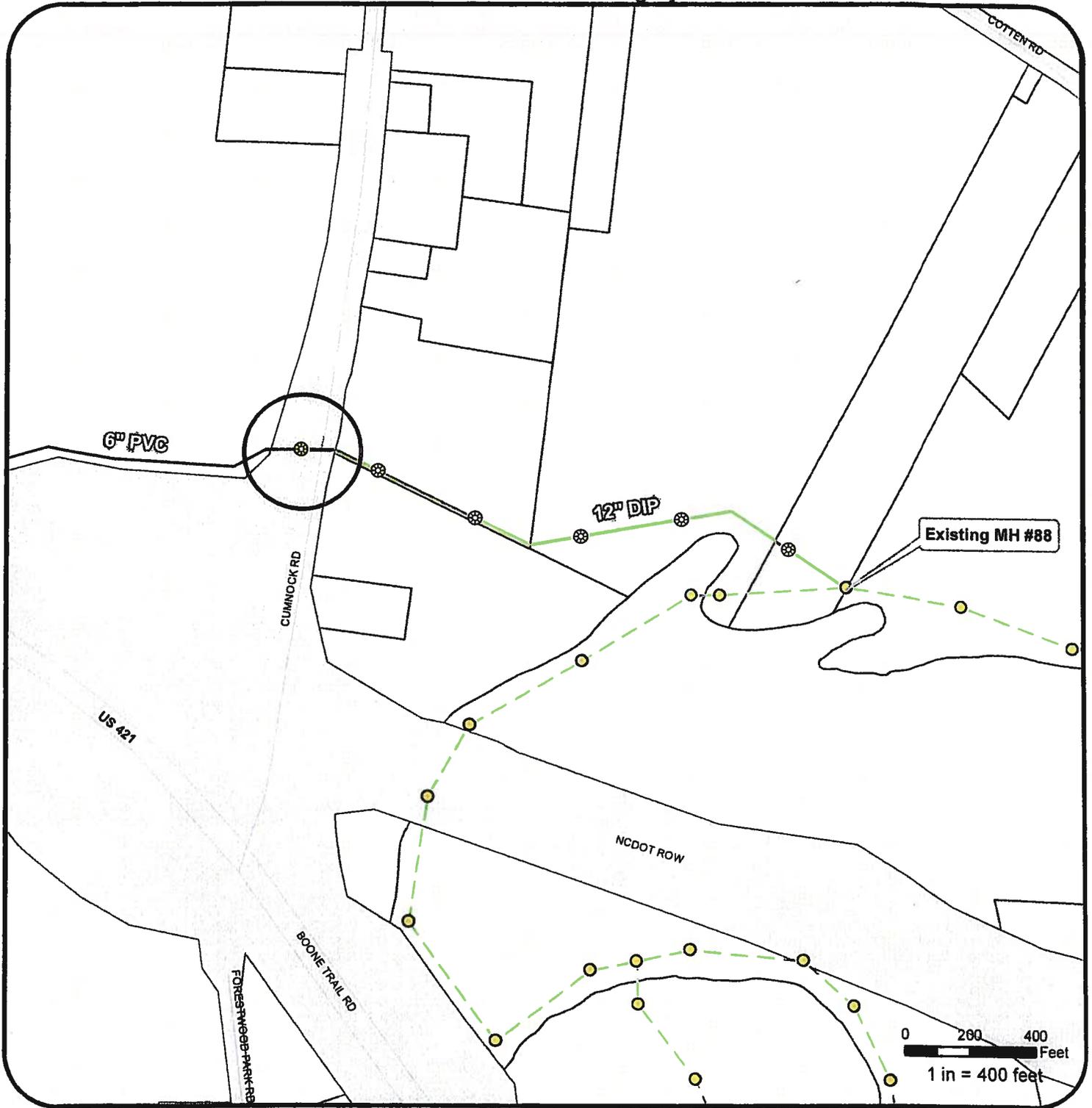
Tel.: 919.469.3340

www.withersravenel.com

# Exhibit B: Town of Goldston & City of Sanford Wastewater Treatment Contract



Connection Point to Existing System



## Legend

- Proposed Town of Goldston Forcemain
- Proposed City of Sanford Gravity Sewer
- - - Existing City of Sanford Sewer

## WITHERS & RAVENEL

ENGINEERS | PLANNERS | SURVEYORS

111 MacKenan Drive, Cary, North Carolina

Tel.: 919.469.3340

[www.withersravenel.com](http://www.withersravenel.com)

*Exhibit C*



**CITY SEWER RATES**

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**SEWER**

\$2.25 per 1,000 gallons

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**MINIMUM MONTHLY CHARGE**

\$1,012.50

(Usage up to 450,000 GALLONS/month)

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# — DOWNTOWN SANFORD —

## MEMORANDUM

TO: Hal Hegwer, City Manager and City Council Members

FROM: David Montgomery, Executive Director of Downtown Sanford, Inc. (DSI)

DATE: July 6, 2012

SUBJECT: Request to replace the 2 hr. parking restrictions with 3 hr. parking restrictions along several downtown streets

In the spring DSI recommended several changes to the current parking format in downtown. We would like the City to go ahead and implement some of those recommendations.

In particular, DSI is requesting changing the 2 hour restriction to 3 hour restriction, except for those that are already otherwise specified (i.e. handicap, loading zone, 15min, 30min, 1hr.), on the streets below.

- East and west sides of 200 and 300 Blocks of South Steele Street (between Wicker Street and Moore Street)
- East and west sides of 100 Block of North Steele Street (between Carthage Street and Gordon Street)
- North and south sides of 100 and 200 Blocks of Carthage Street (between Horner Boulevard and Moore Street)
- North and south sides of 100 and 200 Blocks of Wicker Street (between Horner Boulevard and Moore Street)
- West side of the 100 and 200 Blocks of Moore Street (between Gordon Street and Wicker Street)
- South side of St. Clair Court (between Horner Boulevard and Steele Street)

**Please note that the 100 Block of South Steele Street (between Carthage Street and Wicker Street) would remain 2 hour parking.**

According to the City Street Department this would require the installation of 64 new signs at a cost of approximately \$3,760.00.

In addition, DSI is requesting that all restricted parking should only be enforced from 9 am – 6 pm instead of 8am – 6pm.

Furthermore, the DSI Board would like to reduce the fine for a time limit violation from \$25.00 to \$15.00.

Should you have any questions or need additional information, please do not hesitate to call.



**National League of Cities Prescription Discount Card Program  
October 2009**  
(with cumulative total-to-date for each city)

Month		Total Rxs	Total Price Savings	Avg. Price Savings	% Price Savings	Total Utilizers
NC, SANFORD	JANUARY 2009	11	\$ 88.96	\$ 8.09	20.9%	8
NC, SANFORD	FEBRUARY 2009	87	\$ 685.28	\$ 7.88	22.6%	43
NC, SANFORD	MARCH 2009	131	\$ 1,155.96	\$ 8.82	27.8%	59
NC, SANFORD	APRIL 2009	120	\$ 956.30	\$ 7.97	24.7%	58
NC, SANFORD	MAY 2009	108	\$ 1,227.52	\$ 11.37	30.6%	52
NC, SANFORD	JUNE 2009	101	\$ 1,135.84	\$ 11.25	34.4%	44
NC, SANFORD	JULY 2009	112	\$ 1,378.16	\$ 12.31	33.9%	65
NC, SANFORD	AUGUST 2009	141	\$ 1,730.21	\$ 12.27	29.6%	66
NC, SANFORD	SEPTEMBER 2009	152	\$ 2,011.48	\$ 13.23	28.2%	70
NC, SANFORD	OCTOBER 2009	122	\$ 1,542.19	\$ 12.64	31.6%	61
NC, SANFORD	NOVEMBER 2009	118	\$ 1,520.59	\$ 12.89	31.0%	56
NC, SANFORD	DECEMBER 2009	139	\$ 2,151.16	\$ 15.48	36.4%	59
NC, SANFORD	JANUARY 2010	132	\$ 1,984.31	\$ 15.03	38.5%	75
NC, SANFORD	FEBRUARY 2010	125	\$ 1,698.52	\$ 13.59	37.3%	59
NC, SANFORD	MARCH 2010	141	\$ 1,943.83	\$ 13.79	33.5%	67
NC, SANFORD	APRIL 2010	117	\$ 1,908.42	\$ 16.31	38.2%	59
NC, SANFORD	MAY 2010	126	\$ 2,214.89	\$ 17.58	34.9%	62
NC, SANFORD	JUNE 2010	139	\$ 3,096.72	\$ 22.28	38.0%	64
NC, SANFORD	JULY 2010	130	\$ 1,964.88	\$ 15.11	33.6%	60
NC, SANFORD	AUGUST 2010	108	\$ 2,076.51	\$ 19.23	35.1%	49
NC, SANFORD	SEPTEMBER 2010	128	\$ 2,380.02	\$ 18.59	35.2%	56
NC, SANFORD	OCTOBER 2010	113	\$ 2,057.18	\$ 18.21	36.6%	50
NC, SANFORD	NOVEMBER 2010	100	\$ 2,010.59	\$ 20.11	36.6%	48
NC, SANFORD	DECEMBER 2010	107	\$ 2,134.58	\$ 19.95	29.9%	49
NC, SANFORD	JANUARY 2011	115	\$ 1,751.83	\$ 15.23	39.1%	45
NC, SANFORD	FEBRUARY 2011	106	\$ 1,668.55	\$ 15.74	29.7%	44
NC, SANFORD	MARCH 2011	125	\$ 2,246.17	\$ 17.97	33.1%	56
NC, SANFORD	APRIL 2011	73	\$ 1,041.96	\$ 14.27	27.2%	37
NC, SANFORD	MAY 2011	101	\$ 1,322.91	\$ 13.10	28.5%	45
NC, SANFORD	JUNE 2011	73	\$ 922.62	\$ 12.64	30.3%	35
NC, SANFORD	JULY 2011	78	\$ 1,088.59	\$ 13.96	30.0%	31
NC, SANFORD	AUGUST 2011	71	\$ 714.77	\$ 10.07	36.8%	32
NC, SANFORD	SEPTEMBER 2011	70	\$ 582.09	\$ 8.32	22.9%	36
NC, SANFORD	OCTOBER 2011	63	\$ 611.89	\$ 9.71	29.5%	32
NC, SANFORD	NOVEMBER 2011	66	\$ 709.33	\$ 10.75	27.8%	30
NC, SANFORD	DECEMBER 2011	71	\$ 650.99	\$ 9.17	24.9%	34
NC, SANFORD	JANUARY 2012	72	\$ 714.37	\$ 9.92	25.7%	32
NC, SANFORD	FEBRUARY 2012	69	\$ 925.26	\$ 13.41	25.4%	36
NC, SANFORD	MARCH 2012	65	\$ 805.21	\$ 12.39	33.8%	33
NC, SANFORD	APRIL 2012	51	\$ 371.10	\$ 7.28	24.7%	23
NC, SANFORD	MAY 2012	65	\$ 648.86	\$ 9.98	36.4%	35
NC, SANFORD	JUNE 2012	70	\$ 818.95	\$ 11.70	29.6%	33
NC, SANFORD	<b>Total</b>	<b>4,212</b>	<b>\$ 58,649.55</b>	<b>\$ 13.92</b>	<b>32.2%</b>	<b>1,988</b>

**City of Sanford – Lee County**  
**Assistance Policy**  
**For the 2012 Cycle of the**  
**Single-Family Rehabilitation Program**

**What is the Single-Family Rehabilitation Program?** The City of Sanford (hereafter the City) has been awarded \$160,000 by the North Carolina Housing Finance Agency (“NCHFA”) under the 2012 cycle of the Single-Family Rehabilitation Program (“SFR2012”). In addition to this award, participation in this round includes the City’s membership in a performance pool, which will allow for service to additional applicants. This program provides funds to assist with the rehabilitation of moderately deteriorated homes which are owned and occupied by lower-income households. The City, one of a small number of organizations funded in the whole state under SFR2012, plans to apply the funds toward the rehabilitation of single family homes within Lee County.

This Assistance Policy describes who is eligible to apply for assistance under the SFR program, how applications for assistance will be rated and ranked, what the terms of assistance are and how the whole rehabilitation process will be managed. The City has tried to design this SFR2012 project to be fair, open, and consistent with the City’s approved application for funding and with NCHFA’s SFR Program Guidelines.

The funds provided by NCHFA come from the US Department of Housing and Urban Development’s (HUD) federal HOME Investment Partnerships Program.

**Program Goals and Objective.** The primary goal of the 2012 cycle of the SFR program is to encourage the comprehensive rehabilitation of scattered-site-single-family housing units owned and occupied by very low and low income elderly and/or disabled homeowners.

The objectives of the SFR Program are:

- 1) To promote equitable distribution of program funds across the state;
- 2) To serve elderly and disabled homeowners with income at or below eighty percent(80%) of area median incomes;
- 3) To facilitate aging in place amongst elderly and disabled homeowners through accessibility modifications;
- 4) To promote the long-term affordability and lower operating costs of assisted units through cost-effective energy-efficiency measures and performance testing;
- 5) To facilitate the continued development of rehabilitation management skills among recipient organizations; and
- 6) To complement other housing repair and rehabilitation programs.

SFR Rehabilitation Standards ensure that each unit assisted will make a long-term positive impact on the state’s housing stock by providing decent, affordable housing for at least another generation.

**Who is eligible to apply?** There are three major requirements to be eligible for SFR2012 assistance.

- 1) The homeowner's family or household must be below 80% of median area Income.
- 2) A member of the household must be elderly and/or disabled.
- 3) The applicant's house must be deteriorated, but not so much that the homes selected for rehabilitation cannot be brought up to standards with the limited funding available (maximum of \$45,000 / house). **Unfortunately, some otherwise-eligible Lee County families will be deemed ineligible because their homes fail this test.**

More specifically, to be eligible for consideration, homeowners must meet the following requirements:

- Applicants for SFR rehabilitation funds must prove that they own and occupy the property to be rehabilitated as their primary residence. Life Estate is not an acceptable form of ownership interest under the SFR program.
- The property owner must be free of any back taxes or liens in default at time of application.
- Applicants must reside within Lee County.
- Applicants must be a U.S. citizen.
- Applicants' homes must meet all of the tests listed below. (See "What types of houses are eligible?" below)
- Applicants' household incomes must fall at or below 80% of the area median. (See *bolded section of chart below.*)

**2012 Income Limits for Lee County, North Carolina  
Single-Family Rehabilitation Program (SFR12)**

Percent Median Income	One Person	Two Persons	Three Persons	Four Persons	Five Persons	Six Persons	Seven Persons	Eight Persons
30%	\$11,500	\$13,150	\$14,800	\$16,400	\$17,750	\$19,050	\$20,350	\$21,650
50%	\$19,150	\$21,850	\$24,600	\$27,300	\$29,500	\$31,700	\$33,900	\$36,050
60%	\$22,980	\$26,220	\$29,520	\$32,760	\$35,400	\$38,040	\$40,680	\$43,260
80%	\$30,600	\$35,000	\$39,350	\$43,700	\$47,200	\$50,700	\$54,200	\$57,700

**What types of houses are eligible?** Properties are eligible only if they meet all of the following requirements:

- The property must be an owner-occupied, single-family house within Lee County.
- The property must require at least \$5,000 of improvements in order to meet SFR program standards.
- The property must be free of environmental hazards and other nuisances or any such hazards or nuisances must be corrected as part of the rehabilitation of the unit. The Rehabilitation Specialist will determine whether there are environmental hazards/nuisances present on the site and if they can be removed through rehabilitation.
- The housing unit must be capable of meeting, upon completion of rehabilitation, NCHFA SFR12 Rehabilitation Standards (which includes Housing Quality Standards, Energy, Environmental, Lead Based Paint, and SFR General Standards).
- The property must be economically feasible to rehabilitate. This means that it must be possible to bring the unit into compliance with all SFR2012 rehabilitation standards at a cost not exceeding the program limits (\$45,000 per house).
- Properties cannot be located in the right-of-way of any impending or planned public improvements. the City will make this determination.
- The property cannot be located on a site that is endangered by mudslides, landslides or other natural or environmental hazards. the City will work with the homeowner to make this determination, if needed.
- **Manufactured housing is NOT eligible.**
- The property may not be located in a flood hazard area. The City will verify whether the home is in the flood plain.
- The property cannot have been repaired or rehabilitated with public funding of \$5,000 or more within the past 10 years without NCHFA approval.

**How are applications ranked?** There are many more eligible households (with eligible houses) than can be assisted with the available funds. Therefore, the City has devised the following priority system to rank eligible applicants, determine which of them will be selected for assistance and in what order. Under this system applicants will receive points for falling into certain categories of special need. The applications will be ranked according to which receive the most points. In the event of a tie, the lower income applicant will receive priority.

**Priority Ranking System for the City  
2012 Single-Family Rehabilitation Program**

<b>Special Needs (for definitions, see below)</b>	<b>Points</b>
Elderly Head of Household (62 or older) or Disabled Head of Household	3
Disabled or Elderly Household Member (not Head of Household)	1

<b>Income (See Income Table above)</b>	<b>Points</b>
Less than 30% of County Median Income	3
30% to 50% of County Median Income	2
50% to 80% of County Median Income	1
81% or above of County Median Income	Not Eligible

<b>Housing Condition (as rated by the tax department)</b>	<b>Points</b>
C+ or above	5
D+ or above	3

<b>Year Built (as listed by the tax department)</b>	<b>Points</b>
Built after 1978	7
Built in 1970-1978	4
Built before 1970	0

The definitions of special needs populations under the City's SFR2012 Project are:

- *Elderly*: An individual aged 62 or older.
- *Disabled*: A person who has a physical, mental or developmental disability that greatly limits one or more major life activities, has a record of such impairment, or is regarded as having such impairment.
- *Head of Household*: The person or persons who own(s) the house.
- *Household Member*: Any individual who is an occupant (defined below) of the unit to be rehabilitated shall be considered a "household member" (the number of household members will be used to determine household size and all household members are subject to income verification).
- *Occupant*: An occupant is defined as any immediate family member (mother, father, spouse, son/daughter of the head of the household, regardless of the time of occupancy) or non-immediate family member who has resided in the dwelling at least 3 months prior to the submission of the family's application.

Recipients of assistance under the SFR program will be chosen by the above criteria without regard to race, creed, sex, color or national origin.

#### **Marketing the Program.**

The City will advertise the program and the application throughout Lee County. Notices will be posted in the Municipal Administration Building and other County buildings. The City will mail applications to all local governments and work closely with Lee County to distribute program information.

**What are the terms of assistance under SFR2012?** the City will provide several types of assistance to the homeowners whose homes are selected for rehabilitation. the City will determine the scope of work needed to meet SFR program standards, prepare a work write-up and bid documents, solicit competitive bids from approved contractors, provide contract documents, conduct a pre-construction conference, inspect work in progress, and disburse funds to the contractor.

To pay for the rehabilitation work, the City will provide part of the funds in the form of an interest-free loan, forgiven at \$3,000 per year. As long as the borrower lives in the home, no payments on the loan will be required. Of course, if the recipient prefers, the loan can be paid off at any time, either in installments or as a lump sum payment.

Each unit must use a minimum of \$5,000, but not more than \$45,000 of SFR2012 funds. The amount will depend on the scope of work, as determined by the Rehabilitation Specialist, and the best bid received. This amount also includes costs for lead inspections, lead risk assessments and pressure diagnostic testing.

The form of assistance for construction-related costs (hard costs) will be provided as no interest, no payment loans which are forgiven at the rate of \$3,000 per year. The forgivable loan may not exceed \$45,000. In addition, assistance for costs associated with construction (soft costs) such as environmental reviews, property evaluation and inspections will be provided in the form of a grant. The grant is funded by the HOME Investment Partnerships Program, and has a \$5,000 limit if the unit was built after January 1, 1978. If the unit was constructed prior to 1978, up to \$6,000 may be used for necessary and verifiable soft costs.

**What kinds of work will be completed?** Each house selected for assistance will be rehabilitated to meet NCHFA SFR2012 rehabilitation standards. These requirements are spelled out in full in the City's 2012 SFR Program Administrator's Manual, which is available online at [www.nchfa.com](http://www.nchfa.com) or may be viewed at reasonable times, upon request, at the City's Administration Building.

In addition to the above items that must be completed to satisfy NCHFA requirements, the scope of work may also include certain items meant to enhance or protect neighborhood and unit property values, and/or home modifications designed to enable frail or disabled household members to function more independently.

Generally, the City will specify that rehabilitation tasks be accomplished in the least-expensive method that is deemed adequate to meet program standards. The SFR assistance cannot be used for luxury or unnecessary remodeling work.

Of course, contractors performing work funded under SFR2012 are responsible for meeting all local requirements for permits and inspections. All work completed under the program must be performed to NC State Residential Building Code standards (This does not mean, however, that the whole house must be brought up to Building Code Standards.).

**Who will do the work on the homes?** The City of Sanford is obligated under SFR2012 to ensure that quality work is completed at reasonable prices and that all work is contracted through a fair, open and competitive process. To meet those very difficult requirements, the City will invite bids only from licensed contractors who are part of an "approved contractors' registry".

To be on the registry, contractors must (1) fill out an application form, listing several references and recent jobs completed and (2) be licensed in the state of North Carolina. The City reserves the right to remove any contractor from the registry for any reason. The City invite minorities to participate in the SFR program and do not discriminate on the basis of race, color, gender, national origin, age, religion, creed, disability, or sexual orientation. the City is an equal opportunity employer.

Approved contractors will be invited to bid on each job, and the lowest responsive and responsible bidder will be selected for the contract. "Responsive and responsible" means the contractor (1) is deemed able to complete the work in a timely fashion and (2) that the bid is within 15% (in either direction) of the City's cost estimate. If the contractors fail either of these tests for responsive and responsible bidder, the rehab specialist has the option to reject all bids and rebid the jobs. If required, lead based paint abatement will be performed by contractors who are state certified to perform such work. Note: All contractors must be licensed general contractors in the state of North Carolina to bid in this program regardless of bid amount.

**What are the steps in the process, from application to completion?** Now that you have the information about how to qualify for the 2012 the City – Lee County Single-Family Rehabilitation Program project, what work can be completed, and who will do it, let's go through all the major steps in the process:

- 1. Completing an Application Form:** Applications will be accepted on a continuous basis but **homeowners who wish to be considered immediately should submit an application form by August 15<sup>th</sup>, 2012.** Applications will continue to be accepted after this date, but will be reviewed after all applications submitted prior to August 15<sup>th</sup>, 2012. Apply by contacting the City at (919) 775-8238 and 225 E. Weatherspoon St, Sanford, NC 27730. Proof of ownership and income will be required. Those who have applied for housing assistance from the City in the past will not automatically be reconsidered. A new application will need to be submitted.
- 2. Preliminary Inspection:** The Rehabilitation Specialist will visit the homes of potential recipients to determine the need and feasibility of the home for rehabilitation.
- 3. Screening of Applicants:** Applications will be rated and ranked by the City based on the priority system outlined above and the feasibility of rehabilitating the house. The households to be offered assistance will be selected by the City at which time the household income will be verified for program purposes only (information will be kept confidential). Ownership of property will be verified along with other rating factors.
- 4. Applicant Selection:** From this review, the most qualified applicants will be chosen according to the priority system described above.
- 5. Applicant Interviews:** Approved applicants will be provided detailed information on assistance, lead hazards, program rehabilitation standards and the contracting procedures associated with their project at this informational interview. Before proceeding with the rehabilitation of their home, the applicant will be given five (5) days in which to decide whether to accept the loan and participate in the SFR program or not. Applicants will be encouraged to consult with family members and legal professionals in order to determine the best course of action for them. Homeowners will be asked to complete a written agreement that will explain and govern the rehabilitation process. This agreement will define the roles of the parties involved throughout the rehabilitation process. The City will then submit to NCHFA the SFR2012 Loan Application and Reservation Request forms for each potential borrower for approval of SFR funding.
- 6. Work Write-up:** The Rehabilitation Specialist will visit the home again for a more thorough inspection. All parts of the home must be made accessible for inspection, including the attic and crawlspace, if any. The owner should report any known problems such as electrical short circuits, blinking lights, roof leaks and the like. The Rehabilitation Specialist will prepare complete and detailed work specifications (known as the "work write-up"). A final cost estimate will also be prepared by the Rehabilitation Specialist and held in confidence until bidding is completed.
- 7. Bidding:** The work write-up and bid documents will be mailed to the contractors from the Approved Contractors Registry who will be given two to three weeks in which to inspect the property and prepare bid proposals. The names of the invited contractors will be supplied to the homeowner. Each will need access to all parts of the house in order to prepare a bid. A bid opening will be conducted at the Administration Building at a specified date and time, with all bidders and the homeowner invited to attend.

- 8. Contractor Selection:** Within 24 hours of the bid opening, after review of bid breakdowns and timing factors, the winning bidder will be selected. All bidders and the homeowner will be notified of (1) the selection, (2) the amount, (3) the amount of the City's cost estimate, and (4) if other than the lowest bidder is selected, of the specific reasons for the selection.
- 9. Loan Closing and Contract Execution:** Loan and contract documents will be executed; these will bind all parties and make the project official. The contract will be between the contractor and the homeowner, with the City signing as an interested third party. Contractors must submit proof of liability insurance. Note: North Carolina law states you have the right to be represented by council at a loan closing. If you choose not to be represented, you must sign an Unrepresented Borrower Affidavit.
- 10. Pre-Construction Conference:** A pre-construction conference will be held at the home. At this time, the homeowner, contractor and program representatives will discuss the details of the work to be completed. Starting and ending dates will be agreed upon, along with any special arrangements such as weekend or evening work hours and disposition of items to be removed from the home (such as old cabinets, etc.). Within three (3) business days of the pre-construction conference, the City will issue a "proceed order" formally instructing the contractor to commence by the agreed-upon date.
- 11. Construction:** The contractor will be responsible for obtaining a building permit for the project before beginning work. The permit must be posted at the house during the entire period of construction. Program staff will closely monitor the contractor during the construction period to make sure that the work is being completed according to the work write-up (which is made a part of the rehabilitation contract by reference) and in a timely fashion. Code Enforcement Officers will inspect new work for compliance with the State Building Code, as with any other job. The homeowner will be responsible for working with the contractor toward protecting personal property by clearing work areas as much as practicable.
- 12. Temporary Relocation:** Temporary relocation may be necessary for various reasons including the presence of lead-based paint hazards. Relocation assistance may be offered to help address the financial burden associated with temporary relocation only to those households required to temporarily relocate as a result of activity related to the rehabilitation of their home.
- 13. Change Orders:** All changes to the scope of work must be approved by the owner, the contractor, and two the City officials and reduced to writing as a contract amendment ("change order"). If the changes require an adjustment in the loan amount, the change must be specified in the change order.
- 14. Progress Payments:** The contractor is entitled to request a maximum of two partial payments during construction, when the contract is 30% and 80% complete. When a payment is requested, the Rehabilitation Specialist will inspect the work within three business days, list all items deemed 100% complete, and calculate a payment based on 90% of the total contracted amount of those completed items. Payment will be made within four business days of receiving funds from NCHFA.

**15. Closeout:** When the contractor declares the work complete, program staff will thoroughly inspect work. If deficiencies are observed, the contractor will be required to correct them. When the Rehabilitation Specialist and the homeowner are satisfied that the contract has been fulfilled, each will sign off and, after receipt of the contractor's final invoice, the final payment will be ordered. The contractor will submit all lien releases prior to release of the final payment. All material and workmanship will be guaranteed for a one-year period after the date of project completion.

**16. Post-Construction Conference:** Following construction, the contractor and the Rehabilitation Specialist will sit down with the homeowner one last time. At this conference, the contractor will hand over all owner's manuals and warranties on equipment. The contractor and Rehabilitation Specialist will go over operating and maintenance requirements for the new equipment and appliances and discuss general maintenance of the home with the homeowner. The homeowner will have the opportunity to ask any final questions about the work.

**17. Recordation:** As soon as possible after the contract has been awarded, and prior to beginning work, the City will execute the required loan note and deed of trust on behalf of the NCHFA. If, upon completion of all rehabilitation work, the contract price has changed due to the effect of change orders, the City will coordinate the execution of an estoppel agreement reflecting the resulting decrease in the original loan amount. The loan is the property of NCHFA, with original documents sent there for storage and "servicing".

**18. The Warranty Period:** It is extremely important that any problems with the work that was performed be reported to the Rehabilitation Specialist as soon as possible. All bona fide defects in materials and workmanship reported within one year of completion of construction will be corrected free of charge.

**What are the key dates?** If, after reading this document, you feel that you qualify for this program and wish to apply, please keep the following dates in mind:

- Applications available to the public starting July 15, 2012.
- To receive first consideration, applications must be turned in at the City's Administration Office by 5:00 PM on August 15th, 2012.
- Awards made to loan recipients will begin on September 1, 2012.
- All rehabilitation work must be under contract by December 31, 2014.
- All rehabilitation work must be completed by June 30, 2015.

**How do I request an application?** Just contact:

Sanford Community Development at (919) 775-8238 or stop by 225 E Weatherspoon Street, Sanford NC 27330, Monday through Friday, 8am to 5pm.

**Is there a procedure for dealing with complaints, disputes and appeals?** Although the application process and rehabilitation guidelines are meant to be as fair as possible, the City realizes that there is still a chance that some applicants or participants may feel that they are not treated fairly. The following procedures are designed to provide an avenue for resolution of complaints and appeals.

During the application process:

1. If an applicant feels that his/her application was not fairly reviewed or rated and would like to appeal the decision made, he/she should contact Karen Kennedy, Sanford CD Manager within five days of the initial decision and voice their concern. If the applicant remains dissatisfied with the decision, the detailed complaint should be put into writing.
2. A written appeal must be made within 10 business days of the initial decision on an application.
3. The City will respond in writing to any complaints or appeals within 10 business days of receiving written comments.

During and after the rehabilitation process:

1. If the homeowner feels that construction is not being completed according to the contract, he/she must inform the contractor and the Rehabilitation Specialist.
2. The Rehabilitation Specialist will inspect the work in question. If he finds that the work is not being completed according to contract, the Rehabilitation Specialist will review the contract with the contractor and ask the contractor to remedy the problem.
3. If problems persist, a mediation conference between the homeowner and the contractor may be convened by the Rehabilitation Specialist and facilitated by the CD Manager.
4. Should the mediation conference fail to resolve the dispute, the CD Manager will render a written final decision.
5. If the Rehabilitation Specialist finds that the work is being completed according to contract, the complaint will be noted and the Rehabilitation Specialist and the homeowner will discuss the concern and the reason for the Rehabilitation Specialist's decision.

**Will the personal information provided remain confidential?** Yes. All information in applicant files will remain confidential. Access to the information will be provided only to the City employees and project consultants who are directly involved in the program, the North Carolina Housing Finance Agency, the US Department of Housing and Urban Development (HUD) and auditors.

**What about conflicts of interest?** No officer or employee of the City, or entity contracting with the City, who exercises any functions or responsibilities with respect to the SFR program shall have any interest, direct or indirect, in any contract or subcontract for work to be performed with program funding, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. Relatives of the City employees, Board Members, and others closely identified with the City, may be approved for rehabilitation assistance only upon public disclosure before City Council and written permission from NCHFA.

**What about favoritism?** All activities under SFR2012, including rating and ranking applications, inviting bids, selecting contractors and resolving complaints, will be conducted in a fair, open and non-discriminatory manner, entirely without regard to race, creed, sex, color, or national origin.

**Who can I contact about the SFR2012 program?** Any questions regarding any part of this application or program should be addressed to:

Warren Wooten, Project Coordinator  
The Wooten Company  
120 N. Boylan Avenue  
Raleigh, NC 27603 (919) 828-0531

These contacts will do their utmost to answer questions and inquiries in the most efficient and correct manner possible.

Adopted this \_\_\_\_ day of \_\_\_\_\_ 2012.

\_\_\_\_\_  
Hal Hegwer, City Manager

Attest:

\_\_\_\_\_  
Bonnie D. White, City Clerk

## **City of Sanford Single Family Rehabilitation Program**

### **PROCUREMENT POLICY**

1. To the maximum extent practical, the City promotes a fair, open and competitive procurement process as required under the North Carolina Housing Finance Agency's Single Family Rehabilitation Program (SFR). Bids are invited from Contractors who are part of the City's approved contractor registry. (To be on the registry, a contractor must complete an application, have their recent work inspected, reviewed and approved by the Rehabilitation Specialist and submit proof of insurance at the appropriate levels required by the City.)
2. Three to five eligible contractors on the City's approved contractor registry shall be invited to bid on each job and the lowest responsive and responsible bidder shall be selected for the contract. "Responsive and responsible" means (a) the contractor is deemed able to complete the work in a timely fashion, (b) the bid is within 15%, in either direction, of the City's cost estimate, and (c) there is no conflict of interest (real or apparent).
3. Although bid packages may be bundled for multiple job sites, the bids for multiple job sites shall be considered separate and apart when awarded and shall be awarded to the lowest responsive and responsible bidder for each job site.
4. Bid packages shall consist of an invitation to bid, work write up(s) and bid sheet(s) for each job.
5. Bids must include a cost-per-item breakdown with line item totals equaling the submitted bid price. Discrepancies must be reconciled prior to a contract being awarded.
6. Any change to the original scope of work must be reduced to writing in the form of a change order to be agreed upon and signed by all parties to the original contract and two City representatives. The change order must also detail any changes to the original contract price.
7. No work may begin prior to a contract being awarded and a written order to proceed provided to the contractor. In addition, a pre-construction conference and "walk thru" shall be held at the work site prior to commencement of repair work.
8. The City reserves the right to reject any or all bids at any time during the procurement process.
9. In the event of a true emergency situation, the City reserves the right to waive normal procurement procedures in favor of more expedient methods, which may include seeking telephone quotes, faxed bids and the like. Should such methods ever become necessary the transaction will be fully documented.
10. All sealed bids will be opened publicly at a time and place to be announced in the bid invitation. All bidders are welcome to attend.

**DISBURSEMENT POLICY**

1. All repair work must be inspected by (a) the City's Rehabilitation Specialist, (b) a Code Enforcement Officer, and (c) the homeowner prior to any payments to contractors. If all work is deemed satisfactory and all other factors and written agreements are in order, payment shall be issued upon presentation of an original invoice from the contractor. Contractor should allow 30 business days for processing of the invoice for payment.
2. If any of the work is deemed unsatisfactory, it must be corrected prior to authorization of payment. If the contractor fails to correct the work to the satisfaction of the City's Rehabilitation Specialist, payment may be withheld until such time the work is satisfactory. (Contractors may follow the City's Single Family Rehabilitation Program Assistance Policy if a dispute occurs; however, contractors shall abide by the final decision as stated in the policy).
3. the City assures, through this policy, that adequate funds shall be available to pay the contractor for satisfactory work.
4. All contractors, sub-contractors and suppliers must sign a lien waiver prior to disbursement of funds.

The Procurement and Disbursement Policy is adopted this the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

**The City of Sanford**

BY: \_\_\_\_\_  
Hal Hegwer, City Manager

Attested by: \_\_\_\_\_  
Bonnie D. White, City Clerk

**CONTRACTORS STATEMENT:**

I have read and understand the attached Procurement and Disbursement Policy.

BY: \_\_\_\_\_

COMPANY NAME: \_\_\_\_\_

WITNESS: \_\_\_\_\_

## AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement is made this \_\_\_\_ day of \_\_\_\_\_, 2012 between L.E Wooten & Company, Inc., dba The Wooten Company, a North Carolina corporation, ("CONSULTANT") and the City of Sanford ("CLIENT").

1. Services: CONSULTANT agrees to perform Basic Services and (if properly requested in writing) Additional Services at the rates and in the manner described in the Scope of Work, attached hereto as Exhibit A (the "Services" or "Work") and in accordance with Exhibits B, C, and D which are also attached hereto, all of which are hereby incorporated herein by reference. The rates or lump sum amounts shown in Exhibit A may be adjusted by Consultant if the time for the completion of the project is extended due to causes other than the negligence of CONSULTANT.
2. Authorization: CLIENT authorizes CONSULTANT to begin performing these SERVICES upon the execution of this Agreement and hereby approves and ratifies any SERVICES performed by CONSULTANT for CLIENT prior to the execution of this Agreement.
3. Payment of Invoices: CONSULTANT will submit invoices to CLIENT based on hourly or cost plus rates or, if the Services are being performed on a lump sum basis, based upon CONSULTANT's estimate of the proportion of the total services actually completed during the billing period. CLIENT recognizes that timely payment is a material part of this Agreement. Each invoice is due and payable within thirty (30) calendar days of the date of the invoice. CLIENT will pay an additional charge of one and one-half percent (18% annually) per month not to exceed the maximum rate allowed by law for any payment received by CONSULTANT more than thirty (30) calendar days from the date of the invoice.
4. Disputed Invoices: If CLIENT disputes any part of an invoice, CLIENT will notify CONSULTANT in writing of such dispute within thirty (30) days of the date of such invoice. If CLIENT fails to notify CONSULTANT as required above, CLIENT waives any and all claims, rights and defenses related to the work covered by such invoices. CLIENT will pay when due that portion of invoice, if any, not in dispute. If CLIENT fails to pay any undisputed invoiced amounts within thirty (30) calendar days of the date of the invoice, CONSULTANT may suspend its performance or terminate this Agreement without incurring any liability to CLIENT and without waiving any other claim against CLIENT. All time spent and expenses incurred, including any attorney's fees, in connection with the collection of any delinquent amount will be paid by CLIENT to CONSULTANT per CONSULTANT's standard fee rates.
5. Subconsultants/Subcontractors: CLIENT understands and agrees that CONSULTANT may hire subconsultants to assist in the performance of the Services.
6. Standard of Care: **CONSULTANT provides no express or implied warranties or guarantees of any kind.** CONSULTANT only agrees that the standard of care for all Services performed or furnished by CONSULTANT under this Agreement will be the care

and skill ordinarily used by members of CONSULTANT's profession practicing under similar circumstances at the same time and in the same locality.

7. Notification of Breach or Delay: CLIENT shall provide prompt written notice to CONSULTANT if CLIENT becomes aware of any fault, defect or delay in the CONSULTANT's work or the work of any subcontractor or subconsultant, including any error, omission or inconsistency in such work or any alleged breach of contract by CONSULTANT. The failure of CLIENT to provide such written notice within five (5) business days from the time CLIENT became aware of, or should have become aware of, the fault, defect, error, omission, inconsistency or breach, shall constitute a waiver by CLIENT of any and all claims against CONSULTANT arising out of such fault, defect, delay, error, omission, inconsistency or breach.

8. Certifications: CONSULTANT shall not be required to sign any documents, no matter by whom requested, that would result in CONSULTANT having to certify, guarantee or warrant the existence of conditions whose existence CONSULTANT cannot ascertain. CLIENT agrees not to make resolution of any dispute with CONSULTANT or payment of any amount due to the CONSULTANT in any way contingent upon CONSULTANT's signing any such certification or document.

9. Contractor's Work: CONSULTANT shall not supervise, direct, or have control over Contractor's work, nor shall CONSULTANT have authority over or responsibility for the means, methods, techniques, sequences, procedures, safety policies or practices selected by Contractor. Likewise, CONSULTANT shall have no responsibility or liability for jobsite safety or any failure of Contractor to comply with plans, specifications, laws, regulations, or other documents applicable to Contractor's Work.

10. Project Site: Should CLIENT not be owner of the project site, then CLIENT agrees to notify the Owner(s) of the potential for unavoidable alteration of Owner's property and to indemnify and defend CONSULTANT against any claims by the Owner or persons having possession of the site through the Owner which are related to such alteration or damage.

11. Buried Utilities: CLIENT, to the extent of its knowledge, will furnish to CONSULTANT information identifying the type and location of utilities and other man-made objects beneath the surface of the project site.

12. Documents and Records: The CLIENT will furnish or cause to be furnished to the CONSULTANT such reports, data, studies, plans, specifications, documents and other information deemed necessary by the CONSULTANT for proper performance of the CONSULTANT's services. The CONSULTANT may rely upon the documents so provided in performing the services required under this Agreement; provided, however, that the CONSULTANT assumes no responsibility or liability for their accuracy. All

documents, including, but not limited to, maps, drawings, specifications, reports, logs, field notes, laboratory test data, calculations and estimates, prepared by the CONSULTANT pursuant to this Agreement ("Records"), shall be the CONSULTANT's sole property. The CLIENT agrees that all documents of any nature furnished to the CLIENT or the CLIENT's agents or designees, if not paid for, will be returned upon demand and will not be used by the CLIENT for any purpose whatsoever. The CLIENT further agrees that under no circumstances shall any documents produced by the CONSULTANT pursuant to this Agreement be used at any location or for any project not expressly provided for in this Agreement without the CONSULTANT's prior written permission. Furthermore, no part of any document the CONSULTANT delivers to the CLIENT shall be reproduced or distributed, whether for advertising or any other purpose, without the CONSULTANT's prior written consent except when required by law. Any use of the Records beyond the purpose for which they were created without CONSULTANT's written authorization will be at CLIENT's sole risk, and CLIENT shall indemnify, defend and hold harmless CONSULTANT against any and all claims, lawsuits, damages, expenses, penalties, fines, costs or other liabilities arising out of or resulting from such use. CONSULTANT will retain these Records for a period of five (5) years following completion of this project. During this time, CONSULTANT will reasonably make available the records to the CLIENT. CONSULTANT may charge a reasonable fee in addition to its professional fees for retrieving or copying such records. CLIENT shall rely only on hard copies of documents provided by CONSULTANT, and waives any claim against CONSULTANT for discrepancies between electronic versions and hard copies of documents.

13. Opinion of Cost: Since CONSULTANT has no control over the cost of labor, materials, equipment or services furnished by others, or over methods of determining prices, or over competitive bidding or market conditions, any and all opinions as to costs rendered hereunder, including but not limited to opinions as to the costs of construction, remediation and materials, are opinions only. CONSULTANT cannot and does not guarantee the proposals, bids or actual costs will not vary significantly from opinions of probable cost prepared by it. If at any time CLIENT wishes greater assurances as to the amount of any cost, CLIENT shall employ an independent cost estimator to make such determination. Services required to bring costs within any limitation established by CLIENT will be paid for as additional services hereunder by CLIENT.

14. Change Orders: CONSULTANT will treat as a change order any written or oral order (including directions, instructions, interpretations or determinations) from CLIENT which request changes in the Services. CONSULTANT will give CLIENT written notice within ten (10) days of the change order of any resulting increase in fee. Unless CLIENT objects in writing within five (5) days, the change order becomes a part of this Agreement.

15. Third-Party Rights: This agreement is solely for the benefit of the parties hereto and nothing herein, express or implied, is intended to confer any right or remedy on any person other than CLIENT and CONSULTANT.

16. Safety: CONSULTANT shall not be responsible for Site safety and shall have no right or obligation to direct or stop the work of CLIENT's contractors, agents, or employees.

17. Force Majeure: CONSULTANT shall not be responsible for any delays, damages, costs, expenses, liabilities or other problems that may arise as a result of a force majeure. A "force majeure" is defined as any event arising from causes beyond the reasonable control of CONSULTANT, including but not limited to fire, flood, unusual inclement weather, acts of God, civil strikes or labor disputes, riots, acts or failures of government.

18. Limitation of Liability: CONSULTANT'S liability to CLIENT for any and all claims (including, but not limited to, claims for negligence, breach of contract, breach of warranty, strict liability, errors and omissions), losses, expenses, or damages arising out of related to this Agreement shall not exceed \$50,000 or to the fee paid to CONSULTANT under this Agreement, whichever is greater.

19. Indemnity: CLIENT shall, to the fullest extent permitted by law, indemnify, defend and hold harmless the CONSULTANT from and against any and all claims, liabilities, losses, damages, costs or expenses, including, without limitation, reasonable attorneys fees, awards, fines, damages or judgments arising out of or relating to, any or all of the following: (a) any inaccurate, insufficient or incomplete information provided to CONSULTANT by CLIENT and any and all actions, advice, decisions or judgments made or recommended by CONSULTANT in reliance on such information; (b) any events, problems or circumstances arising out of or related to CLIENT's negligence or breach of this Agreement; (c) any and all claims or liabilities resulting from CLIENT's (or CLIENT's contractors, agents, employees or representatives) violation of federal, state or local statutes, regulation ordinances, including but not limited to, statutes, regulations and ordinances related to the handling, removal, disposal, treatment, or transportation of hazardous substances or constituents; (d) all claims and liabilities resulting from or related to Site conditions or hazardous substances or constituents introduced at the Site by any person or entity other than CONSULTANT; and (e) any claim or lawsuit against CONSULTANT arising out of or in any way related to materials, elements, hazardous substances or constituents at or from the CLIENT's facility, including, but not limited to any claims of injuries, illness or disease from such materials, elements, hazardous substances or constituents.

20. Hazardous Substances and Constituents. The CLIENT agrees to advise the CONSULTANT upon execution of this Agreement of any hazardous substances or any condition existing in, on or near the Project Site presenting a potential danger to human

health, the environment or equipment. The CLIENT agrees to provide continuing information as it becomes available to the attention of the CLIENT in the future. By virtue of entering into this Agreement or of providing services hereunder, the CONSULTANT does not assume control of, or responsibility for, the Project Site or the person in charge of the Project Site or undertake responsibility for reporting to any federal, state or local public agencies, any conditions at the Project Site that may present a potential danger to the public, health, safety or environment except where required of the CONSULTANT by law. The CLIENT agrees to notify the appropriate federal, state or local public agencies as required by law, of any information that may be necessary to prevent any danger to health, safety or the environment.

21. Representatives and Notices: On behalf of CONSULTANT, only the following individuals have authority to modify or alter the terms and conditions of this agreement:

Amos L. Moore, Jr. – President  
Dan K. Boone – Vice President  
V. Stephen Player – Secretary Treasurer

All notices required pursuant to this agreement shall be given in writing, shall be sent via facsimile, certified registered mail, or by a national courier service to the individuals and addresses set forth below.

Notices to CONSULTANTS shall be sent to: 120 N. Boylan Avenue  
Raleigh, NC 27603

Notices to CLIENT shall be sent to: PO Box 3729  
Sanford, NC 27331

22. Assignment/ Status: The CLIENT will not delegate, assign, sublet, or transfer any interest in this Agreement without the written consent of CONSULTANT. CONSULTANT will not assign or transfer its interest in this Agreement without the written consent of CLIENT. CONSULTANT is an independent contractor and not the agent or employee of CLIENT.

23. Termination: Either party may terminate the Services with or without cause upon thirty (30) days advance written notice. If CLIENT terminates without cause or if CONSULTANT terminates for cause (including failure of CLIENT to pay invoices in a timely fashion), CLIENT will pay CONSULTANT costs incurred, non-cancelable commitments, and fees earned to the date of termination and through demobilization, including any cancellation charges of vendors and subcontractors, and all demobilization costs.

24. Community Relations: CONSULTANT acknowledges that CLIENT or its designated representative shall be responsible for handling public and community

relations activities concerning the Scope of Work undertaken pursuant to this Agreement. Except for statements made by CLIENT or statements contained in any report CLIENT makes which becomes public, CONSULTANT shall not refer to CLIENT in any advertising or public announcement without CLIENT's prior written consent.

25. Severability: If any of the provisions contained in this agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby. The Court shall instead reform or replace any void or unenforceable provision with a valid and enforceable provision that gives meaning to the intention of the provision or shall strike the provision from the agreement.

26. Survival. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating responsibility or liability between the CLIENT and the CONSULTANT shall survive the completion of the services and the termination of this Agreement.

27. Complete Agreement: The Parties acknowledge this Agreement, including the Scope of Work attached hereto constitutes the entire Agreement between them. Unless stated otherwise in this Agreement, this Agreement may not be modified except in a writing signed by both parties.

28. Applicable Law. This agreement shall be construed and enforced in accordance with the laws of the State of North Carolina, excluding only its conflict of laws principles.

**CLIENT:**  
CITY OF SANFORD

**CONSULTANT:**  
L.E. WOOTEN & COMPANY, dba THE  
WOOTEN COMPANY

BY: \_\_\_\_\_ BY: \_\_\_\_\_

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

Title: \_\_\_\_\_ Title: \_\_\_\_\_

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

ATTEST:

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

(SEAL)

**FINANCE OFFICER'S CERTIFICATION**

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

\_\_\_\_\_  
SANFORD FINANCE OFFICER

## EXHIBIT A

### 1.0 SCOPE OF SERVICES

The Consultant will provide technical services and administrative assistance for the North Carolina Housing Finance Agency (NCHFA) FY 2012 Single Family Rehabilitation (SFR) Grant and associated membership in the North Carolina Housing Finance Agency (NCHFA) FY 2012 Single Family Rehabilitation Incentive Pool. The program consists of the rehabilitation of three single family homes per county occupied by low and moderate income homeowners with the potential for additional homes to be added if scheduled unit completion and expenditure thresholds are met and incentive pool funds are available.

#### 1.1 Administration

Consultant will provide general management/ oversight/ coordination of the SFR Project. Activities include project setup, project-related outreach, eligibility determination reviews and recommendations, public information, coordination of loan document execution, and project monitoring including preparation of NCHFA-required unit reports.

#### 1.2 Service Delivery

Consultant will provide technical services directly associated with the rehabilitation of eligible units. Such services will include:

- 1.2.1 For homes approved by the Client, preparation of work write ups and cost estimates on selected homes.

- 1.2.2 Preparation of project related documents and forms including Housing Rehabilitation Contractors Handbook.
- 1.2.3 Preparation of bid packages, attendance at bid openings and preparation of a recommendation of award to Client staff.
- 1.2.4 Provide draft homeowner agreement and construction contract (Client attorney to oversee document signing).
- 1.2.5 Attend pre-construction conferences with contractor and homeowner.
- 1.2.6 If requested, provide NCHFA prepared legal documents to homeowner for signature and deliver to county courthouse for recordation.
- 1.2.7 Conduct site specific environmental review for each eligible home.
- 1.2.8 Conduct pre-construction and post-construction pressure diagnostic tests.
- 1.2.9 Provide construction observation, appropriate to the stage of rehabilitation, prepare change-orders if necessary and prepare recommendation for checks for partial and final payments to contractors.
- 1.2.10 Conduct post construction conference with homeowner and contractor.
- 1.2.11 Maintain rehabilitation files.
- 1.3 Services Provided by the Client
  - 1.3.1 Outreach and intake associated with eligible homes.
  - 1.3.2 Designate a person to act as Client's representative with respect to this work performed. Such person shall have complete authority to

transmit instructions, receive information, interpret and define Client's policies.

1.3.3 Provide Consultant with lists of Client approved applicants and contractors.

1.3.4 Construction contract signatures and execution of all construction and loan related documentation.

1.3.5 If required, recordation including fees, title insurance, legal fees and loan closings will be provided by Client designated legal staff. Compensation for these services will be provided to Client legal staff at the rates indicated in the Client's application for funding and the grant agreement with NCHFA.

**A. COMPENSATION**

Compensation for the above mentioned scope of services will not exceed \$9,800 per unit without permission of the City.

**B. METHOD OF PAYMENT**

Payments will be requested in accordance with the provisions of the NCHFA SFR Program Administrator's Manual. Monthly invoices will be submitted to the City based upon work accomplished during the invoice period.

**C. TIME OF PERFORMANCE**

Service provided herein will be completed within thirty (30) months from the date of this Agreement, unless an extension is approved by NCHFA and the City.

**D. ADDITIONAL SERVICES**

In the event that the City desires additional services whose cost is in excess of the maximum compensation payable provided for here above, a written amendment to this Agreement may be negotiated, mutually agreeable to both parties, to increase the maximum compensation payable. Compensation for additional services will be in accordance with Attachment A - Schedule of Fees.

**IV. METHOD OF PAYMENT**

Payments will be requested on a monthly basis for the work effort extended.

**V. ADDITIONAL SERVICES**

In the event that the City desires additional services whose cost is in excess of the maximum compensation payable provided for hereabove, a written amendment to this Agreement may be negotiated, mutually agreeable to both parties, to increase the maximum compensation payable.

EXHIBIT "A"  
 SCHEDULE OF FEES  
 ENGINEERING COST BREAKDOWN  
 HOURLY RATES FOR WAGE CATEGORIES

Wage Category	Hourly Billing Rate
Planner IV	\$ 164
Planner II	\$ 125
Planner I	\$ 82
GIS Specialist III	\$ 95
GIS Specialist II	\$ 68
Project Coordinator	\$ 90
Planning / Community Development Specialist II	\$ 76
Project Assistant	\$ 57

Reimbursables: Mileage will be billed at the current IRS Standard Mileage Rate, Subcontracted Services and other expenses at cost plus 10%.

The Wooten Company makes annual adjustments on July 1st. The above hourly rates reflect current rates for the period through June 30, 2012. Hourly billing rates (per diem rates) will change effective July 1, 2012 to reflect Direct Payroll Costs (salaries) being paid at that time.

**RESOLUTION IN SUPPORT OF THE TEMPORARY CLOSURE  
OF TALLEY AVENUE  
FOR NATIONAL NIGHT OUT**

WHEREAS, the National Association of Town Watch (NATW) is sponsoring a nationwide crime, drug and violence prevention program on August 7, 2012, called "National Night Out"; and

WHEREAS, the City of Sanford desires to support National Night Out with its seventeenth celebration this August 7, 2012; and

WHEREAS, General Statute 160A-296 (a) (4) authorizes the Council for the City of Sanford to temporarily close streets for such purposes,

NOW, THEREFORE, BE IT RESOLVED that the City of Sanford Police and Public Works Departments are directed to close the following street for the duration so designated:

- Talley Avenue from Third Street to First Street between the hours of 4:00 P.M. and 7:30 P.M.

ADOPTED this 7th day of August, 2012.

\_\_\_\_\_  
CORNELIA P. OLIVE, MAYOR

ATTEST:

\_\_\_\_\_  
BONNIE D. WHITE, CITY CLERK

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SUSAN C. PATTERSON, CITY ATTORNEY