1. CALL TO ORDER - CHAIRMAN

2. APPROVAL OF WORK SESSION AGENDA - CHAIRMAN

2.1 Including Changes to the Agenda  Pg. 212

3. DISCUSSION ITEMS - NO ACTION

3.2  CVB - Presentation of the Cabarrus Convention and Visitors Bureau Marketing Plan for FY2018-2019  Pg. 15
3.3  Infrastructure and Asset Management - Frank Liske Park Lower Lot Restroom Project Update  Pg. 16
3.4  Infrastructure and Asset Management - Midland Library Project Update  Pg. 30

4. DISCUSSION ITEMS FOR ACTION AT SEPTEMBER 17, 2018 MEETING

4.10  Cabarrus County Schools - Contingency Fund Request for Hickory Ridge Elementary School Project - $600,000  Pg. 33
4.1  County Manager - Central Area Plan Interlocal Agreement Modification  Pg. 42
4.2  County Manager - Proposed Wireless Telecommunications Tower at the Cabarrus Arena  Pg. 46
4.3  County Manager - Reappropriation of Funds for Ongoing Projects, Grants and Commitments  Pg. 53
4.4  Department of Human Services - FY19 Home and Community Care Block Grant (HCCBG) Funding Plan Revision  Pg. 61
4.5  Department of Human Services – Transportation FY19 ROAP Application  Pg. 64
4.6  Finance - Small Projects Fund Update for New Soil and Water Easement Grant, Project Write-offs and Legal Expenditures  Pg. 75
4.7  Finance - Write-off of Ambulance Receivables for FY 2014 - $1,146,625  Pg. 151
4.8  Planning and Development - HOME program CAPER  Pg. 155

In accordance with ADA regulations, anyone in need of an accommodation to participate in the meeting should notify the ADA coordinator at 704-920-2100 at least 48 hours prior to the meeting.
In accordance with ADA regulations, anyone in need of an accommodation to participate in the meeting should notify the ADA coordinator at 704-920-2100 at least 48 hours prior to the meeting.

4.9 Sheriff's Department - Contract Approval for Radio Network Ethernet Backhaul   Pg. 160
4.11 BOC – NCACC Solicitation of County Legislative Goals   Pg. 203

5. APPROVAL OF REGULAR MEETING AGENDA   Pg. 207

6. CLOSED SESSION

6.1 Closed Session – Pending Litigation and Acquisition of Real Property   Pg. 210

7. ADJOURN
AGENDA CATEGORY: Discussion Items – No Action


BRIEF SUMMARY: Reid Thornburg, Cardinal Innovations Healthcare, Senior Community Executive, will present the Cardinal Innovations Healthcare Solutions Dashboard Report for the period July 2017 - March 2018, for Mental Health, Intellectual/Developmental Disabilities and Substance Abuse Services at the work session.

REQUESTED ACTION: Receive report.

EXPECTED LENGTH OF PRESENTATION: 15 Minutes

SUBMITTED BY: Reid Thornburg, Senior Community Executive
Cardinal Innovations Healthcare Solutions

BUDGET AMENDMENT REQUIRED: No
COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
□ Report
Report data as of May 24, 2018. All graphs are county specific unless otherwise noted. Please note that providers have up to 90 days to submit claims and that this will affect the number of members served and expense amounts on this report. The numbers for the previous months will be updated each reporting period.

### Cabarrus Funding

<table>
<thead>
<tr>
<th>County Funded Programs*</th>
<th>FY Budget Amount</th>
<th>FYTD Expenses</th>
<th>% Spent</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRC Kannapolis</td>
<td>$15,549</td>
<td>$11,662</td>
<td>75.0%</td>
</tr>
<tr>
<td>CRC Kannapolis Meds</td>
<td>$32,471</td>
<td>$25,692</td>
<td>79.1%</td>
</tr>
<tr>
<td>CRC Union Meds</td>
<td>$35,443</td>
<td>$19,449</td>
<td>54.9%</td>
</tr>
<tr>
<td>CRC Union Ops</td>
<td>$63,889</td>
<td>$47,917</td>
<td>75.0%</td>
</tr>
<tr>
<td>Daymark Adv Access</td>
<td>$248,688</td>
<td>$186,516</td>
<td>75.0%</td>
</tr>
<tr>
<td>Daymark Med Assistance</td>
<td>$137,200</td>
<td>$91,467</td>
<td>66.7%</td>
</tr>
<tr>
<td>Daymark Mobile Crisis</td>
<td>$105,911</td>
<td>$79,433</td>
<td>75.0%</td>
</tr>
<tr>
<td>Monarch DD Emerg Backup</td>
<td>$1,674</td>
<td>$1,116</td>
<td>66.7%</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$640,825</strong></td>
<td><strong>$463,251</strong></td>
<td><strong>72.3%</strong></td>
</tr>
</tbody>
</table>

* Please see Appendix A for County Funded Program definitions.

NOTE: County “Maintenance of Effort” funds targeting local behavioral health needs may be managed by Cardinal Innovations or by the county. Data shown here only represents county funds managed by Cardinal Innovations.
Number of Members Served by Age and Diagnosis

Child Members Served by Diagnosis
Ages 3 through 17

<table>
<thead>
<tr>
<th></th>
<th>MH</th>
<th>IDD</th>
<th>SUD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul'17</td>
<td>648</td>
<td>697</td>
<td>757</td>
</tr>
<tr>
<td>Aug'17</td>
<td>791</td>
<td>793</td>
<td>814</td>
</tr>
<tr>
<td>Sep'17</td>
<td>807</td>
<td>858</td>
<td>866</td>
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</tbody>
</table>

Adult Members Served by Diagnosis
Ages 18 and over

<table>
<thead>
<tr>
<th></th>
<th>MH</th>
<th>IDD</th>
<th>SUD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul'17</td>
<td>963</td>
<td>1006</td>
<td>914</td>
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<tr>
<td>Aug'17</td>
<td>914</td>
<td>949</td>
<td>932</td>
</tr>
<tr>
<td>Sep'17</td>
<td>845</td>
<td>942</td>
<td>917</td>
</tr>
</tbody>
</table>

Registry of Unmet Needs

All Members Served
Ages 3 and over
All Diagnosis

<table>
<thead>
<tr>
<th></th>
<th>MH</th>
<th>IDD</th>
<th>SUD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul'17</td>
<td>1611</td>
<td>1703</td>
<td>1671</td>
</tr>
<tr>
<td>Aug'17</td>
<td>1740</td>
<td>1725</td>
<td>1659</td>
</tr>
<tr>
<td>Sep'17</td>
<td>1749</td>
<td>1775</td>
<td>1753</td>
</tr>
</tbody>
</table>

Innovations Registry of Unmet Needs

<table>
<thead>
<tr>
<th></th>
<th>MH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul'17</td>
<td>129</td>
</tr>
<tr>
<td>Aug'17</td>
<td>134</td>
</tr>
<tr>
<td>Sep'17</td>
<td>134</td>
</tr>
<tr>
<td>Oct'17</td>
<td>130</td>
</tr>
<tr>
<td>Nov'17</td>
<td>129</td>
</tr>
<tr>
<td>Dec'17</td>
<td>129</td>
</tr>
<tr>
<td>Jan'18</td>
<td>129</td>
</tr>
<tr>
<td>Feb'18</td>
<td>144</td>
</tr>
<tr>
<td>Mar'18</td>
<td>144</td>
</tr>
</tbody>
</table>

NOTE: Innovations slots and funding are allocated by the state. MCOs have no ability to fund or expand the number of Innovations slots.

NOTE: This is a distinct count of members served. Members with multiple diagnosis will only be counted once. The sum of the previous graph will not be equal to the total in this graph.
Members Served is based on Member’s County of Medicaid Eligibility not on the Provider’s physical location.

*Please see Appendix B for Service Category definitions.*

Members Served and Expenses by Service Category

### Distinct Members Served - Medicaid Funding

<table>
<thead>
<tr>
<th>Service Category</th>
<th>Jul’17-Mar’18</th>
<th>Jul’16-Mar’17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outpatient</td>
<td>3683</td>
<td>3659</td>
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<tr>
<td>Emergency Department</td>
<td>360</td>
<td>317</td>
</tr>
<tr>
<td>Inpatient</td>
<td>295</td>
<td>327</td>
</tr>
<tr>
<td>1915 (b)(3) Services</td>
<td>269</td>
<td>265</td>
</tr>
<tr>
<td>Innovations</td>
<td>227</td>
<td>218</td>
</tr>
<tr>
<td>Outpatient ED</td>
<td>205</td>
<td>379</td>
</tr>
<tr>
<td>Crisis Services</td>
<td>124</td>
<td>113</td>
</tr>
<tr>
<td>IIHS</td>
<td>93</td>
<td>85</td>
</tr>
<tr>
<td>ACTT (Assertive Community Treatment Team)</td>
<td>68</td>
<td>62</td>
</tr>
<tr>
<td>ICF</td>
<td>61</td>
<td>57</td>
</tr>
<tr>
<td>Psych Rehab</td>
<td>36</td>
<td>29</td>
</tr>
<tr>
<td>Partial Hosp/Day Tx</td>
<td>34</td>
<td>24</td>
</tr>
<tr>
<td>PRTF (Psychiatric Residential Treatment Facility)</td>
<td>33</td>
<td>20</td>
</tr>
<tr>
<td>BH Long Term Residential</td>
<td>32</td>
<td>30</td>
</tr>
<tr>
<td>Community Support</td>
<td>10</td>
<td>19</td>
</tr>
<tr>
<td>MST</td>
<td>8</td>
<td>14</td>
</tr>
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</table>

### Expenses by Service Category - Medicaid Funding

<table>
<thead>
<tr>
<th>Service Category</th>
<th>Jul’17-Mar’18</th>
<th>Jul’16-Mar’17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outpatient</td>
<td>$2,556,521</td>
<td>$2,502,261</td>
</tr>
<tr>
<td>Emergency Department</td>
<td>$364,614</td>
<td>$337,814</td>
</tr>
<tr>
<td>Inpatient</td>
<td>$1,696,103</td>
<td>$1,563,140</td>
</tr>
<tr>
<td>1915 (b)(3) Services</td>
<td>$1,166,144</td>
<td>$1,203,675</td>
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<tr>
<td>Innovations</td>
<td>$9,125,249</td>
<td>$8,119,501</td>
</tr>
<tr>
<td>Outpatient ED</td>
<td>$26,358</td>
<td>$53,168</td>
</tr>
<tr>
<td>Crisis Services</td>
<td>$125,945</td>
<td>$82,493</td>
</tr>
<tr>
<td>IIHS</td>
<td>$747,489</td>
<td>$659,454</td>
</tr>
<tr>
<td>ACTT (Assertive Community Treatment Team)</td>
<td>$588,359</td>
<td>$533,923</td>
</tr>
<tr>
<td>ICF</td>
<td>$6,358,121</td>
<td>$5,734,791</td>
</tr>
<tr>
<td>Psych Rehab</td>
<td>$156,024</td>
<td>$151,435</td>
</tr>
<tr>
<td>Partial Hosp/Day Tx</td>
<td>$366,695</td>
<td>$359,834</td>
</tr>
<tr>
<td>PRTF (Psychiatric Residential Treatment Facility)</td>
<td>$1,400,619</td>
<td>$798,860</td>
</tr>
<tr>
<td>BH Long Term Residential</td>
<td>$861,632</td>
<td>$654,863</td>
</tr>
<tr>
<td>Community Support</td>
<td>$57,552</td>
<td>$57,593</td>
</tr>
<tr>
<td>MST</td>
<td>$76,033</td>
<td>$87,702</td>
</tr>
</tbody>
</table>
**Members Served and Expenses by Service Category**

### Distinct Members Served - State Funding

<table>
<thead>
<tr>
<th>Service Category</th>
<th>Jul'16-Mar'17</th>
<th>Jul'17-Mar'18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outpatient</td>
<td>742</td>
<td>819</td>
</tr>
<tr>
<td>Crisis Services</td>
<td>323</td>
<td>346</td>
</tr>
<tr>
<td>Community</td>
<td>133</td>
<td>158</td>
</tr>
<tr>
<td>Residential</td>
<td>137</td>
<td>137</td>
</tr>
<tr>
<td>Inpatient</td>
<td>80</td>
<td>84</td>
</tr>
<tr>
<td>ACTT (Assertive Community Treatment Team)</td>
<td>80</td>
<td>27</td>
</tr>
<tr>
<td>Partial Hosp/Day Tx</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Community Support</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Community Support</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

*Members Served is based on member's County of Residence not on the Provider's physical location.*

### Expenses by Service Category - State Funding

<table>
<thead>
<tr>
<th>Service Category</th>
<th>Jul'16-Mar'17</th>
<th>Jul'17-Mar'18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outpatient</td>
<td>$113,283</td>
<td>$252,392</td>
</tr>
<tr>
<td>Crisis Services</td>
<td>$33,624</td>
<td>$29,461</td>
</tr>
<tr>
<td>Community</td>
<td>$454,591</td>
<td>$561,987</td>
</tr>
<tr>
<td>Residential</td>
<td>$473,173</td>
<td>$799,704</td>
</tr>
<tr>
<td>Inpatient</td>
<td>$473,173</td>
<td>$510,678</td>
</tr>
<tr>
<td>ACTT (Assertive Community Treatment Team)</td>
<td>$116,633</td>
<td>$76,785</td>
</tr>
<tr>
<td>Partial Hosp/Day Tx</td>
<td>$0</td>
<td>$926</td>
</tr>
<tr>
<td>Community Support</td>
<td>$0</td>
<td>$2,997</td>
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<tr>
<td>Community Support</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

*Expenses by Service Categories is based on the Total Paid Amount.*

---

*Please see Appendix B for Service Category definitions.*
Members Served is based on member’s County of Residence not on the Provider’s physical location.

Medicaid Member served for Facility Based Crisis & Mobile Crisis Services are based on the Consumers Eligibility.

Expenses by Facility Based Crisis & Mobile Crisis Services are based on the total Adjudicated Amount.

Expenses by Service Categories is based on the Total Paid Amount.
*Please see Appendix C for Entity Type definitions.

### Provider Information

#### All Cardinal Innovations Providers by Entity Type

<table>
<thead>
<tr>
<th>Provider Type</th>
<th>Total Providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agency</td>
<td>449</td>
</tr>
<tr>
<td>LIP</td>
<td>234</td>
</tr>
<tr>
<td>LIP Group</td>
<td>160</td>
</tr>
<tr>
<td>Hospital</td>
<td>54</td>
</tr>
<tr>
<td>Physician’s Group of Hospitals</td>
<td>35</td>
</tr>
<tr>
<td>Inpatient</td>
<td>29</td>
</tr>
<tr>
<td>Comprehensive Community Clinics</td>
<td>6</td>
</tr>
<tr>
<td>Psych State Institution</td>
<td>4</td>
</tr>
<tr>
<td>ICFMR State Institution</td>
<td>3</td>
</tr>
<tr>
<td>Inpatient/Outpatient</td>
<td>3</td>
</tr>
<tr>
<td>ADATC State Institution</td>
<td>2</td>
</tr>
<tr>
<td>County Agency</td>
<td>1</td>
</tr>
<tr>
<td>Neuro Behavioral Center State Institution</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
</tr>
</tbody>
</table>

#### Top 10 Providers by Members Served - Cabarrus

<table>
<thead>
<tr>
<th>Provider Name</th>
<th>Entity Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>DAYMARK Recovery Services, Inc. (Cabarrus Center)</td>
<td>Comprehensive Community Clinics</td>
</tr>
<tr>
<td>The Charlotte - Mecklenburg Hospital Authority dba NorthEast</td>
<td>Inpatient/Outpatient</td>
</tr>
<tr>
<td>RHA Health Services, Inc.</td>
<td>Comprehensive Community Clinics</td>
</tr>
<tr>
<td>Carolinas Medical Center-Main (FAC)</td>
<td>Inpatient</td>
</tr>
<tr>
<td>McLeod Addictive Disease Center, Inc.</td>
<td>Agency</td>
</tr>
<tr>
<td>Center For Emotional Health, P.C.</td>
<td>LIP Group</td>
</tr>
<tr>
<td>Carolinas HealthCare System Northeast</td>
<td>Inpatient</td>
</tr>
<tr>
<td>Monarch</td>
<td>Comprehensive Community Clinics</td>
</tr>
<tr>
<td>DAYMARK Recovery Services, Inc. - Mobile Crisis Management / Agency</td>
<td>Agency</td>
</tr>
<tr>
<td>Daymark - Facility Based Crisis of Cabarrus</td>
<td>Agency</td>
</tr>
</tbody>
</table>

Note: The Top 10 Providers by Members Served is based on member’s County of Medicaid Eligibility not on the Provider’s physical location.

### Access Call Center

#### Total Number of Calls and Speed to Answer

- **July 17**: 5,341 calls, Speed to Answer 5.5 seconds
- **August 17**: 5,732 calls, Speed to Answer 5.5 seconds
- **September 17**: 5,257 calls, Speed to Answer 5.5 seconds
- **October 17**: 6,287 calls, Speed to Answer 5.5 seconds
- **November 17**: 5,159 calls, Speed to Answer 5.5 seconds
- **December 17**: 4,233 calls, Speed to Answer 5.5 seconds
- **January 18**: 5,141 calls, Speed to Answer 5.5 seconds
- **February 18**: 4,806 calls, Speed to Answer 5.5 seconds
- **March 18**: 5,644 calls, Speed to Answer 5.5 seconds

#### Call Abandonment Rate

- **July 17**: 2.6%
- **August 17**: 2.5%
- **September 17**: 2.6%
- **October 17**: 1.7%
- **November 17**: 1.8%
- **December 17**: 2.9%
- **January 18**: 2.0%
- **February 18**: 2.3%
- **March 18**: 2.1%

- **Access**
- **HEDIS Benchmark 8.6%**
- **Cardinal Innovations Target 5.0%**
Call Center information in the charts above reflect Cardinal Innovations data and are not county specific.

Analysis:

Please note that providers have up to 90 days to submit claims and that this will affect the number of members served and expense amounts on this report. The numbers for the previous months will be updated each reporting period.

Members Served by Age and Diagnosis
The number of Child MH Members Served has been trending upward for the duration of FYTD1718.

Innovations Registry of Unmet Needs – A list of members who are waiting for an Innovations Waiver Slot
The Innovations Registry of Unmet Needs experienced an increase in Feb’18.

Members Served and Expense Amounts by Service Category - Medicaid
For FYTD1718, Outpatient services remained the most utilized service, while Innovations and ICF services remained the highest in terms of expense. Outpatient ED services experienced a decrease of 46% (379 to 205) in utilization and a decrease of 50% ($53,168 to $26,358) in expense. Much of this decrease can be attributed to denied claims for a single provider, who has been submitting claims with a rendering clinician that is not credentialed with Cardinal Innovations as a behavioral health clinician. Innovations services experienced an increase in utilization of 4% (218 to 227) and an increase in expense of 12% ($8,119,501 to $9,125,249). ACTT services experienced a decrease in expense of 34% ($116,633 to $76,785) despite an increase in utilization of 69% (16 to 27). This increase in utilization can be attributed to new billing requirements that were implemented in February of 2017. Providers are now required to submit claims with any member contact with a duration of fewer than 15 minutes.

Members Served and Expense Amounts by Service Category - State
Outpatient services experienced an increase in expense of 123% ($113,283 to 252,392), though utilization only increased by 10% (742 to 819). Much of the increase in expense can be attributed to Opioid Treatment services, which only accounted for $863 in expenses during the first 3 quarters of FY1617, but accounted for $128,617 of the Outpatient expenses for FYTD1718. ACTT services experienced a decrease in expense of 34% ($116,633 to $76,785) despite an increase in utilization of 69% (16 to 27). This increase in utilization can be attributed to new billing requirements that were implemented in February of 2017. Providers are now required to submit claims with any member contact with a duration of fewer than 15 minutes.

Members Served and Expense Amounts for Crisis Services
Utilization of Medicaid funded Facility Bases Crisis services increased by 38% (37 to 51), and expenses increased by 67% ($67,646 to $112,610) compared to the previous fiscal year. Both utilization and expense for Mobile Crisis Management services remained consistent for Medicaid and State funding.

Call Abandonment Rate
There was an increase in the Call Abandonment Rate in December’17 due to some calls disconnecting between 1-2 seconds or less of the Call Center receiving the call. Call Center management has rectified the issue, and the rate has returned to normal as of Jan’18.
<table>
<thead>
<tr>
<th>County Funded Program</th>
<th>County Funded Program Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRC Kannapolis</td>
<td>Facility based crisis, short-term residential and non-hospital detox facility. The facility is equipped to address detoxification and acute psychiatric needs. The CRC is able to admit involuntary patients.</td>
</tr>
<tr>
<td>CRC Kannapolis Meds</td>
<td>Prescription medications for non-Medicaid, uninsured, and indigent members admitted to the Crisis Recovery Center (CRC) who are in need of stabilization of their mental/behavioral health symptomatology and/or related physical health issues.</td>
</tr>
<tr>
<td>CRC Union Meds</td>
<td>Prescription medications for non-Medicaid, uninsured, and indigent members admitted to the Crisis Recovery Center (CRC) who are in need of stabilization of their mental/behavioral health symptomatology and/or related physical health issues.</td>
</tr>
<tr>
<td>CRC Union Ops</td>
<td>Facility based crisis, short-term residential and non-hospital detox facility. The facility is equipped to address detoxification and acute psychiatric needs. The CRC is able to admit involuntary patients.</td>
</tr>
<tr>
<td>Daymark Adv Access</td>
<td>Community-based treatment of individuals that assures ‘the right treatment at the right time’. Individuals are seen expeditiously in times of stress to attempt to minimize exacerbation of a crisis and limit the potential of a higher level of care being required.</td>
</tr>
<tr>
<td>Daymark Med Assistance</td>
<td>Prescription medications for non-Medicaid, uninsured, and indigent members who are in need of prescription medications for the stabilization of their mental/behavioral health symptomatology and/or related physical health issues.</td>
</tr>
<tr>
<td>RTS Transp</td>
<td>Funds transportation for SUD consumers to treatment and programs offered at Residential Treatment Services.</td>
</tr>
<tr>
<td>Daymark Med Assistance</td>
<td>Prescription medications for non-Medicaid, uninsured, and indigent members who are in need of prescription medications for the stabilization of their mental/behavioral health symptomatology and/or related physical health issues.</td>
</tr>
<tr>
<td>Daymark Mobile Crisis</td>
<td>Community-based crisis intervention service available 24/7/365 to assist with mental health, substance use, and developmental disability needs. Trained crisis staff offer direct, in-person intervention where individuals are located at the time of need.</td>
</tr>
</tbody>
</table>
## Mandated service categories effective 7/1/2013.

<table>
<thead>
<tr>
<th>Service Category</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1915 (b)(3) Services</td>
<td>Additional supports for Medicaid recipients such as Community Guide and Individual Support.</td>
</tr>
<tr>
<td>ACTT</td>
<td>Assertive Community Treatment Team - services received in the community that address functional areas of the identified population.</td>
</tr>
<tr>
<td>BH Long Term Residential</td>
<td>A long-term residential program for people with behavioral health needs.</td>
</tr>
<tr>
<td>Community</td>
<td>Services that are provided in the community.</td>
</tr>
<tr>
<td>Community Support</td>
<td>Community based mental health and substance abuse rehabilitation services and interventions.</td>
</tr>
<tr>
<td>Crisis Services</td>
<td>Services received in a crisis or emergency situation such as Mobile Crisis and Facility-based crisis.</td>
</tr>
<tr>
<td>Emergency Department</td>
<td>Hospital emergency department.</td>
</tr>
<tr>
<td>ICF</td>
<td>Intermediate Care Facility for individuals with Intellectual Disabilities.</td>
</tr>
<tr>
<td>IIHS</td>
<td>Intensive In-Home Services - services provided in the person’s home by a small team with at least one Licensed Professional.</td>
</tr>
<tr>
<td>Innovations</td>
<td>Medicaid Waiver for individuals with Intellectual Disabilities.</td>
</tr>
<tr>
<td>Inpatient</td>
<td>Hospital-based psychiatric care.</td>
</tr>
<tr>
<td>MST</td>
<td>Multisystemic Therapy is a family and community-based therapy for juveniles.</td>
</tr>
<tr>
<td>Outpatient</td>
<td>Services received in the community including evaluation, therapy, and psychiatric care.</td>
</tr>
<tr>
<td>Outpatient ED</td>
<td>Services provided in a hospital Emergency Department on an outpatient basis.</td>
</tr>
<tr>
<td>Partial Hosp/Day Tx</td>
<td>A short-term service for acutely mentally ill children or adults designed to prevent hospitalizations or to serve as a step down for those leaving an inpatient facility.</td>
</tr>
<tr>
<td>Residential</td>
<td>Group settings that serve people across all disability groups.</td>
</tr>
<tr>
<td>PRTF</td>
<td>Psychiatric Residential Treatment Facilities provide residential care to persons under the age of 21 who need 24-hour supervision and specialized interventions.</td>
</tr>
<tr>
<td>Psych Rehab</td>
<td>Service to help adults with psychiatric disabilities manage their illness and their lives with as little professional intervention as possible.</td>
</tr>
<tr>
<td>Entity Type</td>
<td>Definition</td>
</tr>
<tr>
<td>--------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Agency</td>
<td>Agencies provide one or more enhanced clinical/therapeutic/rehabilitative/habilitative service to MH, SUD, IDD, or multiple diagnosis groups.</td>
</tr>
<tr>
<td>LIP</td>
<td>Licensed Independent Practitioner (LIP) - Individual Clinicians, Therapists, Psychiatrists, Psychologists, etc. that are individually contracted with the MCO. They provide outpatient services such as therapy, psychiatric care, assessment and testing.</td>
</tr>
<tr>
<td>LIP Group</td>
<td>Licensed Independent Practitioner (LIP) Groups are a group of clinicians, Therapists, Psychiatrists, Psychologists, etc. providing outpatient services such as therapy, psychiatric care, assessment, and testing. They contract with the MCO as a group.</td>
</tr>
<tr>
<td>Hospital</td>
<td>Non-contracted Hospitals for which we reimburse Emergency Department services and Inpatient services.</td>
</tr>
<tr>
<td>Physician's Group of Hospitals</td>
<td>A group of physicians, contracting or non-contracting, associated with hospitals but not employed by the facility. Considered non-contracting unless otherwise specified.</td>
</tr>
<tr>
<td>Inpatient</td>
<td>Hospital providing contracted behavioral health Inpatient and Emergency Department services.</td>
</tr>
<tr>
<td>Comprehensive Community Clinics</td>
<td>Agency based entities providing a number of services, including assessment, enrollment, Outpatient and Psychiatric services, and serve at least two disabilities. They are designated points of entry that ensure easy access for members.</td>
</tr>
<tr>
<td>Inpatient/Outpatient</td>
<td>Hospital providing contracted behavioral health Emergency Department and Outpatient services.</td>
</tr>
<tr>
<td>ICFMR State Institution</td>
<td>Intermediate Care Facilities for Persons with Mental Retardation (ICF/MR) - State run Intermediate Care Facility serving IDD Adults and children.</td>
</tr>
<tr>
<td>ADATC State Institution</td>
<td>Alcohol Drug Abuse Treatment Center (ADATC) State Institution-A state run SUD Adult facility which provides medical detox and medically monitored residential treatment.</td>
</tr>
<tr>
<td>County Agency</td>
<td>Public health agency.</td>
</tr>
<tr>
<td>Neuro Behavioral Center State Institution</td>
<td>State run medical and nursing care facility for individuals with severe or moderate developmental disability (IDD) and medical conditions of a serious or chronic nature requiring 24 hour care.</td>
</tr>
<tr>
<td>Senate Bill 163</td>
<td>Residential Facility located in-catchment but affiliated with another MCO/LME with local Quality Management mandated site visits and limited oversight required.</td>
</tr>
<tr>
<td>Other</td>
<td>Other entity not elsewhere defined.</td>
</tr>
</tbody>
</table>
AGENDA CATEGORY:
Discussion Items – No Action

SUBJECT:
CVB - Presentation of the Cabarrus Convention and Visitors Bureau Marketing Plan for FY2018-2019

BRIEF SUMMARY:
CVB representatives will present the Cabarrus CVB Marketing Plan for FY2018-2019.

REQUESTED ACTION:
Receive input.

EXPECTED LENGTH OF PRESENTATION:
10 Minutes

SUBMITTED BY:
Donna Carpenter, CVB
Michael Bonoffski, CVB

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
AGENDA CATEGORY: Discussion Items – No Action

SUBJECT: Infrastructure and Asset Management - Frank Liske Park Lower Lot Restroom Project Update

BRIEF SUMMARY: Staff will provide an update on the Frank Liske Park Lower Lot Restroom project.

REQUESTED ACTION: No action required.

EXPECTED LENGTH OF PRESENTATION: 5 Minutes

SUBMITTED BY: Kyle Bilafer, Area Manager Of Operations

BUDGET AMENDMENT REQUIRED: No

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:
ATTACHMENTS:
☐ FLP Lower Lot Restroom Arch. Agreement
☐ Civil Drawings
TOILET ACCESSORY SCHEDULE

<table>
<thead>
<tr>
<th>#</th>
<th>DESCRIPTION</th>
<th>HEIGHT</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SURFACE MOUNTED SOAP DISPENSER</td>
<td>40&quot;</td>
<td>Owner Provided, Owner Installed</td>
</tr>
<tr>
<td>2</td>
<td>SURFACE MOUNTED TOILET TISSUE DISPENSER</td>
<td>47&quot;</td>
<td>Owner Provided, Owner Installed</td>
</tr>
<tr>
<td>3</td>
<td>MIRROR 18&quot; x 36&quot; M1</td>
<td>39&quot;</td>
<td>Owner Provided, Owner Installed</td>
</tr>
</tbody>
</table>

*NOTE: REFER TO SECTION 10-28-00 FOR TA MANUFACTURERS AND MODEL NUMBERS.*
AGENDA CATEGORY:
Discussion Items – No Action

SUBJECT:
Infrastructure and Asset Management - Midland Library Project Update

BRIEF SUMMARY:
Staff will provide an update on the Midland Library project.

REQUESTED ACTION:
Receive input.

EXPECTED LENGTH OF PRESENTATION:
10 Minutes

SUBMITTED BY:
Kyle Bilafer, Area Manager of Operations
Emery Ortiz, Library Director

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
☐ Midland Library Plan
☐ Midland Layout
AGENDA CATEGORY:
Discussion Items for Action at September 17, 2018 Meeting

SUBJECT:
Cabarrus County Schools - Contingency Fund Request for Hickory Ridge Elementary School Project - $600,000

BRIEF SUMMARY:
Cabarrus County Board of Education is requesting the release of $600,000 of budgeted contingency funds for the removal of additional mass rock above the 8,500 cubic yard allowance as a part of the original contract amount. The rock that was anticipated to be removable by machine based on preliminary geotechnical data gathered is not and will have to be blasted. Funds of $1,075,000 have been set aside in the Capital Reserve Fund as contingency for this project.

REQUESTED ACTION:
Motion to approve the expenditure of $600,000 in contingency funds, the appropriate budget amendment and related Project Ordinances.

EXPECTED LENGTH OF PRESENTATION:
10 Minutes

SUBMITTED BY:
Tim Lowder, Executive Director of Operations, CCS
Kelly H. Kluttz, Chief Financial Officer, CCS
Susan Fearrington, Finance Director
BUDGET AMENDMENT REQUIRED:
Yes

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
☐ Hickory Ridge Elem Budget Amendment
☐ Fd 370 LOBS 2018 Proj Ordinance
☐ Fd 450 Capital Reserve Proj Ordinance
## Budget Revision/Amendment Request

**Date:** 9/17/2018  
**Amount:** 600,000.00

**Dept. Head:** Susan Fearrington, (prepared by Sarah Chesley)  
**Department:** Finance, LOBS 2018 and Capital Reserve Fund

<table>
<thead>
<tr>
<th>Fund</th>
<th>Indicator</th>
<th>Department/ Object/ Project</th>
<th>Account Name</th>
<th>Approved Budget</th>
<th>Increase Amount</th>
<th>Decrease Amount</th>
<th>Revised Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>450</td>
<td>9</td>
<td>7220-9708</td>
<td>Cont'b to Capital Project Fund</td>
<td>68,503,959.10</td>
<td>600,000.00</td>
<td></td>
<td>69,103,959.10</td>
</tr>
<tr>
<td>450</td>
<td>9</td>
<td>7345-9660</td>
<td>Contingency Hickory Ridge Elementary</td>
<td>1,075,000.00</td>
<td>600,000.00</td>
<td>475,000.00</td>
<td></td>
</tr>
<tr>
<td>370</td>
<td>6</td>
<td>7345-6921</td>
<td>Cont'b from Capital Reserve Fund</td>
<td>2,432,804.00</td>
<td>600,000.00</td>
<td></td>
<td>3,032,804.00</td>
</tr>
<tr>
<td>370</td>
<td>9</td>
<td>7345-9820</td>
<td>Construction</td>
<td>28,911,578.00</td>
<td>600,000.00</td>
<td></td>
<td>29,511,578.00</td>
</tr>
</tbody>
</table>

**Purpose:** This Budget Amendment is a request from Cabarrus County Schools to use budgeted contingency funds for mass rock removal for Hickory Ridge Elementary School Project.

---

**Budget Officer**  
- [ ] Approved  
- [ ] Denied

**County Manager**  
- [ ] Approved  
- [ ] Denied

**Board of Commissioners**  
- [ ] Approved  
- [ ] Denied

---

**Signature**  
**Date**
BE IT ORDAINED by the Board of Commissioners of Cabarrus County, North Carolina that, Pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section I.

A. The project authorized is for the construction and renovations of Public Schools. Details of the project are listed in section C. of this Project Ordinance.

B. The officers of this unit are hereby directed to proceed with this capital project within the terms of the Generally Accepted Accounting Principles (GAAP) and the budget contained herein.

It is estimated that the following revenues will be available to complete capital projects as listed.

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Reserve Contribution</td>
<td>$4,613,200</td>
</tr>
<tr>
<td>Capital Project Fund Contribution</td>
<td>517,197</td>
</tr>
<tr>
<td>General Fund Contribution</td>
<td>901,000</td>
</tr>
<tr>
<td>Debt Proceeds</td>
<td>54,680,000</td>
</tr>
</tbody>
</table>

**TOTAL REVENUES** $60,711,397

C. The following appropriations are made as listed.

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>RCCC – Advanced Technology Center</td>
<td>$15,873,396</td>
</tr>
<tr>
<td>Hickory Ridge Elementary School - CCS</td>
<td>33,227,579</td>
</tr>
<tr>
<td>Land - RCCC</td>
<td>1,721,000</td>
</tr>
<tr>
<td>Legal Fees</td>
<td>505,534</td>
</tr>
<tr>
<td>Mobile Units – CCS</td>
<td>2,095,676</td>
</tr>
<tr>
<td>HVAC Replacement – JN Fries</td>
<td>3,011,267</td>
</tr>
<tr>
<td>HVAC Replacement – Mt. Pleasant High</td>
<td>4,276,945</td>
</tr>
</tbody>
</table>

**TOTAL EXPENDITURES** $60,711,397

GRAND TOTAL – REVENUES $60,711,397
GRAND TOTAL – EXPENDITURES $60,711,397

Section II.

A. Special appropriations to non-profit organizations shall be distributed after the execution of an agreement which ensures that all County funds are used for statutorily permissible public purposes.

B. The County Manager or designee is hereby authorized to transfer appropriations within or between funds, or modify revenue and expenditure projections as contained herein under the following conditions:
1. The Manager may transfer amounts between objects of expenditure and revenues within a function without limitation.

2. The County Manager may transfer amounts up to $500,000 between functions of the same fund.

3. The County Manager may transfer amounts between contingency funds which are set aside for a specific project for budgetary shortfalls or upon the appropriate approval of a change order.

4. The County Manager is authorized to transfer funds from the General Fund or Capital Reserve Fund to the appropriate fund for projects approved within the Capital Improvement Plan for the current fiscal year.

5. Upon notification of funding increases or decreases to existing grants or revenues, or the award of grants or revenues, the Manager or designee may adjust budgets to match, including grants that require a County match for which funds are available.

6. The Manager or designee may adjust debt financing from estimated projections to actual funds received.

7. The County Manager may enter into and execute change orders or amendments to construction contracts in amounts less than $90,000 when the appropriate annual budget or capital project ordinance contains sufficient appropriated but unencumbered funds.

8. The County Manager may award and execute contracts which are not required to be bid or which G.S. 143-131 allows to be let on informal bids so long as the annual budget or appropriate capital project ordinance contains sufficient appropriated but unencumbered funds for such purposes.

9. The County Manager may execute contracts with outside agencies to properly document budgeted appropriations to such agencies where G.S. 153 A-248(b), 259, 449 and any similar statutes require such contracts.

10. The County Manager may reject formal bids when deemed appropriate and in the best interest of Cabarrus County pursuant to G.S. 143-129(a).

11. The County Manager may reduce revenue projections consistent with prevailing economic conditions, and also reduce expenditures correspondingly.

Section III.

This ordinance and the budget documents shall be the basis of the financial plan for the County of Cabarrus.

a. The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to satisfy the requirements of the law.

b. The Finance Director is directed to report, at the request of the Board, on the financial status of each project element in Section I and on the total revenues received or claimed.
c. Copies of this capital project ordinance shall be furnished to the Clerk to the governing Board, and to the Finance Director for direction in carrying out this project.

d. At the completion of a construction project, all unrestricted excess funds are transferred to the General Fund and the portion of the Capital Project associated with the project is closed.

Adopted this 17th Day of September, 2018.

CABARRUS COUNTY BOARD OF COMMISSIONERS

BY: ______________________________
    Stephen M. Morris, Chairman

ATTEST:

_________________________
Clerk to the Board
BE IT ORDAINED by the Board of Commissioners of Cabarrus County, North Carolina that, Pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section I.

A. The project authorized is for the purpose of accumulating and appropriating funds specifically for future County and School capital projects.

B. The officers of this unit are hereby directed to proceed with this capital project within the terms of the Generally Accepted Accounting Principles (GAAP) and the budget contained herein.

C. It is estimated that the following revenues will be available to complete capital projects as listed.

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions from General Fund</td>
<td>$79,684,286</td>
</tr>
<tr>
<td>Contributions from CVB</td>
<td>573,771</td>
</tr>
<tr>
<td>Contribution from Capital Projects Fund</td>
<td>338,309</td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>560,142</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td><strong>$81,156,508</strong></td>
</tr>
</tbody>
</table>

D. The following appropriations are made as listed:

- Mt. Pleasant Middle School: $3,627,164
- Royal Oaks Elementary: $4,476,490
- Kannapolis Middle School: $5,018,148
- Odell 3-5 Elementary School: $19,755,175
- Kannapolis Intermediate Renovation (Carver): $1,520,978
- CBTC Campus Renovations, Safety, Security: $184,075
- CBTC A/C Unit Replacement Phase II: $105,000
- Concord Middle School Roof: $884,359
- Harrisburg Elementary School Roof: $630,306
- R. Brown McAllister School: $30,000
- RCCC – A/C Replacement: $100,000
- West Cabarrus High School: $8,941,495
- Performance Learning Center: $590,709
- RCCC – Advanced Technology Center: $1,580,396
- Hickory Ridge Elementary School: $3,550,001
- Community College Renovations: $280,043
- Cabarrus County Schools – Buses FY16: $875,000
- Cabarrus County Schools – Mobile Units FY16: $1,110,000
- Cabarrus County Schools yellow buses (10) FY17: $880,000
- Cabarrus County Schools mobile units (20) FY17: $2,400,000
- Kannapolis City Schools yellow buses (5): $441,739
- School Contingency: $2,017,889
- IAM Facility and Warehouse: $2,141,264
- Downtown Parking Deck: $1,070,000
- Tax Collector’s Office Renovation: $9,116
- Frank Liske Park Overflow Parking Lot: $24,908
- Training & Firing Range Renovations: $50,000
- Public Safety Training Center: $75,000
- Carolina Thread Trail: $50,000
- FLP – Playground Replacement: $100,000
- FLP – Western Playground Restroom Facility: $375,000
Arena Aisle Safety Lighting  185,000
Arena Marquee Replacement & Sign Enhancement  112,500
County Website Development  250,000
Renovations to 2325 Lake Concord Road  195,000
Courthouse Expansion  6,100,000
Arena Restroom Renovations  100,000
FLP Barn Restrooms  102,000
EMS Heart Monitors  550,111
EMS Relocation to Concord Fire #10  375,000
EMS Headquarters Consultants  50,000
Government Center Bathroom ADA  205,000
Door Access & Security Cameras - Sheriff  70,000
ITS – Fiber Infrastructure Improvements  120,000
County Facility Projects  27,717
Robert Wallace Park  3,091,047
Park Projects/CVB  573,771
J.N. Fries Middle School  300,000
A.L. Brown School  500,000
West Cabarrus HS  860,000
Governmental Center Chiller Replacement  211,000
Radio Network and Ethernet Backhaul and Edge  500,000
Arena Lighting Control System Replacement  235,000
Midland Library Furniture  75,000
Other County Library Furniture  3,474,107

TOTAL EXPENDITURES  $81,156,508

GRAND TOTAL – REVENUES  $81,156,508
GRAND TOTAL – EXPENDITURES  $81,156,508

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4. The County Manager is authorized to transfer funds from the General Fund or Capital Reserve Fund to the appropriate fund for projects approved within the Capital Improvement Plan for the current fiscal year.

5. Upon notification of funding increases or decreases to existing grants or revenues, or the award of grants or revenues, the Manager or designee may adjust budgets to match, including grants that require a County match for which funds are available.
6. The Manager or designee may adjust debt financing from estimated projections to actual funds received.

7. The County Manager may enter into and execute change orders or amendments to construction contracts in amounts less than $90,000 when the appropriate annual budget or capital project ordinance contains sufficient appropriated but unencumbered funds.

8. The County Manager may award and execute contracts which are not required to be bid or which G.S. 143-131 allows to be let on informal bids so long as the annual budget or appropriate capital project ordinance contains sufficient appropriated but unencumbered funds for such purposes.

9. The County Manager may execute contracts with outside agencies to properly document budgeted appropriations to such agencies where G.S. 153 A-248(b), 259, 449 and any similar statutes require such contracts.

10. The County Manager may reject formal bids when deemed appropriate and in the best interest of Cabarrus County pursuant to G.S. 143-129(a).

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b. The Finance Director is directed to report, at the request of the Board, on the financial status of each project element in Section I and on the total revenues received or claimed.

c. Copies of this capital project ordinance shall be furnished to the Clerk to the governing Board, and to the Finance Director for direction in carrying out this project.

d. At the completion of a construction project, all unrestricted excess funds are transferred to the General Fund and the portion of the Capital Project associated with the project is closed.

Adopted this 17th day of September, 2018.

CABARRUS COUNTY BOARD OF COMMISSIONERS

BY: _______________________
    Stephen M. Morris, Chairman

ATTEST:

__________________________
Clerk to the Board
AGENDA CATEGORY:
Discussion Items for Action at September 17, 2018 Meeting

SUBJECT:
County Manager - Central Area Plan Interlocal Agreement Modification

BRIEF SUMMARY:
The Board of Commissioners and Concord City Council entered into an Interlocal Agreement (ILA) as part of the adoption of the Central Area Plan. The intent of the ILA is to manage growth within designated subareas of the plan area through limitations on public water and wastewater infrastructure where other services may not be available for large scale growth. Both boards agreed to a process for modification of the ILA to consider permitting public water and/or wastewater services for individual parcels where it would not result in large scale growth. This modification would permit two existing lots in the restricted subarea to be connected to the Concord water system.

REQUESTED ACTION:
Motion to approve the Ad Hoc Modification to the Central Area Plan Interlocal Agreement for Bullard and Simpson; including authorization for the County Manager to sign the modification subject to review and revision by the County Attorney.

EXPECTED LENGTH OF PRESENTATION:
1 Minute

SUBMITTED BY:
Jonathan B. Marshall, Deputy County Manager

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
☐ Modification to CAP Interlocal Agreement
This AD HOC MODIFICATION OF THE CONCORD-CABARRUS COUNTY INTERLOCAL AGREEMENT REGARDING THE CENTRAL AREA PLAN (“the Modification”) is entered into effective as of the last date of execution by the parties as shown below, by, between and among the CITY OF CONCORD (“Concord”), a North Carolina municipal corporation, and CABARRUS COUNTY (“County”).

RECITALS

1. On June 28, 2008, these same parties entered into an “Interlocal Agreement” regarding the implementation of the Central Area Plan (“CAP”).

2. This Interlocal Agreement was to continue in effect for a period of 15 years and contemplated a review of the efficacy of the Interlocal Agreement every 5 years.

3. The parties have had discussions about specific issues and parcels affected by the CAP since the execution of the Interlocal Agreement.

4. The parties have also had specific discussions about two parcels owned by Betsy S. Bullard (“Bullard”) and Jessica Simpson (Simpson), who wish to construct new single family homes on the parcels, which is located in Area A of the Interlocal Agreement. Pursuant to the terms of the Interlocal Agreement, the CAP prohibits Concord from extending utilities to real property parcels in Area A.

5. The CAP and the Interlocal Agreement have been successful in redirecting residential development into other areas of Cabarrus County, but there are instances in the Central Area in which it makes sense to modify the Interlocal Agreement to allow a limited amount of development in areas where utilities already exist or are reasonably available.

6. The purpose of this Amendment is to modify the Interlocal Agreement to the limited extent of addressing the above-described circumstance involving the below identified parcel(s).

In consideration of the above Recitals and the Terms below, which the parties specifically acknowledge and agree make this Modification legally binding and enforceable, the parties agree as provided below.

TERMS

1. Concord agrees to provide water utility services under its normal and customary terms and conditions to the property located at 3354 Westview Road (PIN 5640 69 7089) (the Bullard parcel) and 3416 Katrina Avenue (PIN 5641 60 9385) (the Simpson parcel).

2. Except as specifically changed by this Modification, the provisions of the Interlocal Agreement shall remain in full force and effect.
IN WITNESS, the parties have executed this Modification as indicated below, all pursuant to legal authority duly given.

CITY OF CONCORD

By: _____________________   Date: _____________________
    City Manager

CABARRUS COUNTY

By: _____________________   Date: _____________________
    County Manager
AGENDA CATEGORY:
Discussion Items for Action at September 17, 2018 Meeting

SUBJECT:
County Manager - Proposed Wireless Telecommunications Tower at the Cabarrus Arena

BRIEF SUMMARY:
PRS Tower Management Services and Sell Tower have submitted a proposal to construct and manage a wireless telecommunications tower behind the Cabarrus Arena. The County considered and approved a similar proposal a number of years ago but that tower was not constructed due to plans for a tower on a nearby privately owned parcel. The tower on the adjacent land has not moved forward and a new proposal has been submitted to the County. Benefits of a tower in this location are improved general service and improved wireless services in the Arena and adjacent buildings. There are a number of details to work out on this proposal so staff would recommend that any final agreement come back before the Board of Commissioners. Sylvie Langevin with PRS will be available at the work session for any questions about the proposal.

REQUESTED ACTION:
Motion to approve staff negotiating a tower construction and lease agreement with PRS and Sell Tower.
EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Jonathan B. Marshall, Deputy County Manager

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
☐ Tower Proposal
July 16, 2018

Cabarrus County
Cabarrus County Governmental Center
Attn: Johnathan Marshall
65 Church Street SE
Concord, NC 28026

Re: Proposal for Wireless Telecommunications Site located at the Cabarrus County Fairgrounds

Dear Mr. Marshall,

The purpose of this letter is to propose the development of a wireless telecommunications tower to be located on county-owned land at the Cabarrus County Fairgrounds location. SellTower Holdings (SellTower) has partnered with PRS Tower Management Services LLC (PRS) to provide a permanent solution to this recurring need that will benefit both the wireless providers and the citizens of Cabarrus County.

SellTower Holdings and PRS Tower Management Services
SellTower principal, Thomas Dolislager, is a 20+ year wireless industry veteran who managed over 16,000 cell sites and founded Alltel Towers during his 14 year tenure at Alltel Communications. More recently, Thomas started up the towers vertical for Uniti Group in 2016/2017 which now owns over 1,000 communications towers. SellTower is a certified Veteran Owned Business.

PRS is a leading tower management and services company serving both telecom and government customers in North Carolina for over twenty years. PRS principal, Sylvie Langevin, is among the top wireless industry professionals and is a trusted advisor to both local jurisdictions and wireless carriers. PRS is a HUB Certified - Historically Underutilized Business (Women Owned).

The legal entity that will own the cell tower asset and contract with Cabarrus County tower is Ozark Wireless Infrastructure, LLC ("Ozark"). Ozark is the asset holding company that is a joint venture between SellTower and its funding partner, View Capital Advisors, LLC of Dallas, Texas (http://www.view-cap.com/). View Capital currently manages over $1.2 billion in assets and started its telecom infrastructure investment platform in early 2017.

Proposed Site
As demonstrated by the recurring need for wireless providers to employ temporary towers for every major event at the Cabarrus Convention Center, the wireless providers need a permanent wireless coverage solution at this location. To meet this need, the proposed tower will be designed
and constructed to accommodate at least two licensed wireless providers plus any specified county communications equipment.

SellTower proposes to lease a 100’ x 100’ (10,000 square foot) ground space from the County to accommodate both a self-supporting tower and space for the associated ground equipment (the “Compound”) as indicated in Exhibit A. The exact location of the proposed Compound and height of the proposed tower will be established in coordination with the County and will comply with all Federal regulations and with all Cabarrus County Zoning and Permitting ordinances and policies.

**Benefits to Cabarrus County**
The construction of the proposed tower in close proximity to the Cabarrus Convention Center will provide significant benefits to the people of Cabarrus County and to the visitors to the area

- **Full Access to Wireless Technology** - Broadband mobile service is a key technology for both governments and private businesses for delivering services to citizens and customers. Furthermore, tower locations are key components in the provision of fixed wireless services that are used to provide broadband access to customers who do not have access to cable or telco based high speed internet services.

- **LongTerm Source of Funds** - SellTower will be responsible for all costs associated with the development of the communications tower. SellTower further proposes to lease appropriate space on county property for period of fifty (50) years.

- **Enhanced Public Safety** - The proposed Fairgrounds site will ensure that prompt access to emergency services to guests and residents in the area of the convention center. Furthermore, the County will have the option to place equipment for the purposes of providing public safety communications at the convention center on the tower with no requirement to pay rent. The final equipment loading to be agreed upon by all parties.

**Lease Terms**
SellTower will offer the county a long term lease that will include the following key provisions which are standard in wireless industry leases:

- Initial lease term of 10 years followed by eight (8) renewal terms of five years each
- Monthly rent payments to be the greater of one thousand dollars ($1,000) or fifty percent (50%) of the anchor tenant’s initial collocation rent.
- Monthly rent payments will increase by 10% at the beginning of each new term.
- SellTower, PRS, and its tower tenants to have 24/7 Access to the Compound as defined in the PRS Site Management Agreement.
- SellTower, PRS, and its tenants to have access for utilities to be run to the Compound as defined in the PRS Site Management Agreement.
SellTower will also offer to the County the option to receive a one-time payment of $120,000 in lieu of recurring rental payments in exchange for a permanent easement covering the same ground space that would be covered by the lease agreement.

**Site Development Steps and Timeline**

Should Cabarrus County agree in principle with the terms contained in this proposal, then PRS and SellTower will perform the following site development tasks.

1. PRS will forward the Ozark Lease and Option document for the county to review and amend as necessary.

2. SellTower will require a Letter of Intent from the County that gives SellTower the exclusive right to develop a communications tower within a two-mile radius around the Cabarrus County Convention Center.

3. PRS will use this Letter of Intent from the County to secure an anchor tenant agreement from at least one of the wireless carriers with whom they have already communicated about this proposed tower location.

4. SellTower will initiate the environmental approval processes as required by federal and state regulations.

5. SellTower will negotiate a collocation lease with an anchor tenant.

6. PRS and SellTower will complete all necessary due diligence to secure Zoning and Permitting approvals.

7. PRS will then begin construction of the approved tower and SellTower will begin payment of monthly rents to the county.

PRS and SellTower anticipate moving through the required steps that are in their control in the development of the proposed tower in the next 6 months.

**Site Operation and Maintenance**

SellTower will contract with PRS to provide site operations and maintenance services to include review of proposed tenant installations.

**Next Steps**

PRS and SellTower are happy to answer any questions posed by Cabarrus County and can schedule a conference call to hold initial discussions. We respectfully ask that Cabarrus County sign this proposal where indicated on the following page to indicate its nonbinding intent to move forward exclusively with PRS and SellTower to develop the proposed tower.
Nonbinding offer and acceptance

This proposal is approved and offered by PRS and SellTower for consideration by Cabarrus County.

For PRS:

Sylvie Langevin
President, PRS Tower Management Services

For SellTower:

Thomas W. Dolislager
President, SellTower Holdings

Proposal accepted on a nonbinding basis by:

__________________________
Jonathan Marshall
Deputy County Manager
Cabarrus County, North Carolina
Selltower proposes to locate the communications tower in close proximity to the locations labeled by the yellow pin in the satellite view of the Cabarrus Arena & Events Center.

PRS and SellTower will coordinate with both the anchor tenant and Cabarrus County to finalize the location of the proposed Tower and Compound as well as the proposed tower height.
AGENDA CATEGORY:
Discussion Items for Action at September 17, 2018 Meeting

SUBJECT:
County Manager - Reappropriation of Funds for Ongoing Projects, Grants and Commitments

BRIEF SUMMARY:
Each year there are new projects, grants and commitments that need to be transitioned to the new fiscal year when they are unable to be completed within the fiscal year they were budgeted. A reappropriation of funds, via fund balance, is needed to transition the projects to the new fiscal year. Attached you will find the reappropriation list of items by department.

REQUESTED ACTION:
Motion to approve the attached budget amendment.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Kristin Jones, Budget and Performance Manager

BUDGET AMENDMENT REQUIRED:
Yes

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
☐ Budget Amendment
☐ Reappropriation Project List
**Budget Revision/Amendment Request**

**Date:** 9/17/2018  
**Amount:** $593,213.15  
**Dept. Head:** Kristin Jones  
**Department:** County Manager's Office  

- **Internal Transfer Within Department**  
- **Transfer Between Departments/Funds**  
- **Supplemental Request**

**Purpose:** Fund Balance appropriation from the General Fund for unspent balances from FY 2018 for on-going projects and grants to be completed in FY 2019. Reappropriation List is attached, which lists the individual projects listed by Department.

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**Total** 593,213.15

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**Budget Revision/Amendment Request**

### Budget Officer
- [ ] Approved
- [ ] Denied

### County Manager
- [ ] Approved
- [ ] Denied

### Board of Commissioners
- [ ] Approved
- [ ] Denied

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**Signature**

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**Date**

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**Signature**

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**Date**

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**Signature**

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**Date**
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<td>00191220-9695</td>
<td>Marketing Activities</td>
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<td>This project is 90 percent complete. It is in the final review stages. This project is branded adaptations of Active Living and Parks and Library social media accounts. This project is necessary for social media identity.</td>
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<td>This project is 90 percent complete. It is in the final review stages. This project is a necessity that explains the legal requirements and benefits to meeting participation.</td>
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<td>This project is 80 percent complete. In the process of making final corrections with Cabarrus Health Alliance. This project is an initiative of the Mental Health Advisory Board and local emergency response agencies will distribute to public when responding to calls and at community events.</td>
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<td>This project is 80 percent complete. The design portion is complete, needs print and mailing component. The mailing of post cards to veterans in Cabarrus County promoting the new location and availability of services. Mailers are designed. The list was received from Veterans Services on June 6. We were unable to proceed in that timeline. Since Veterans Services is fully staffed and settled in the new location, the Director has indicated he'd like to proceed. There is an anticipated increase in traffic.</td>
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<td>This project is 60 percent complete. The first draft is complete and it is currently in the revision process. This project was requested by Animal Protection Advisory Committee. Currently in the redesign phase based on recommendation of APAC and SO.</td>
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<td>Marketing Activities</td>
<td>1,500.00</td>
<td>This project is 60 percent complete. Completed the repurposing design and still needs final design and print. The design and printing of folders that veterans can use to keep track of paperwork. As an added feature, the folders will include printed contact information, which will minimize the number of costly business cards distributed by the department. This project was placed on hold until after move (includes a printed address). It was also delayed a second time due to changeover in department administration. Veterans Services Director has indicated he'd like to proceed.</td>
</tr>
<tr>
<td>Communications and Outreach</td>
<td>EMS community outreach and recruitment booth</td>
<td>00191220-9695</td>
<td>00191220-9695</td>
<td>Marketing Activities</td>
<td>2,500.00</td>
<td>This project is 10 percent complete. The concept is developed and we are currently in the process of getting photos. There will be three two-sided displays (English/Spanish) engineered for indoor/outdoor use, which does add to the cost, but is essential to outdoor use at community events to promote Emergency Medical Services programs and services. There are two tablecloths that can be divided for use in multiple locations on the same day or as one large display. We plan to share with Human Resources for recruitment.</td>
</tr>
<tr>
<td>Communications and Outreach</td>
<td>Library community outreach booth</td>
<td>00191220-9695</td>
<td>00191220-9695</td>
<td>Marketing Activities</td>
<td>2,500.00</td>
<td>This project is 10 percent complete. The concept is developed and we are currently in the process of getting photos. The Library Community Outreach booth will have three two-sided displays (English/Spanish) engineered for indoor/outdoor use, which adds to the cost, but is essential to outdoor use at community events to promote library programs and services. There are two tablecloths which can be divided for use in multiple locations on the same day or as one large display. This project will be on display in libraries throughout the year.</td>
</tr>
<tr>
<td>Information Technology Services</td>
<td>Accela Project</td>
<td>00191810-9605</td>
<td>00191810-9605</td>
<td>Consultants</td>
<td>135,864.00</td>
<td>Accela Project - digital plan review project</td>
</tr>
<tr>
<td>Department</td>
<td>Project / Grant</td>
<td>Account Information Org-Object-Proj FY 18 GL Codes</td>
<td>Account Information Org-Object-Proj FY 19 GL Codes</td>
<td>Account Description</td>
<td>Amount</td>
<td>Justification</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>--------------------------------------</td>
<td>--------------------------------------------------</td>
<td>--------------------------------------------------</td>
<td>--------------------</td>
<td>--------</td>
<td>---------------</td>
</tr>
<tr>
<td>Information Technology Services</td>
<td>911 Training</td>
<td>00191810-9610</td>
<td>00191810-9610</td>
<td>Travel</td>
<td>35,654.00</td>
<td>911 Tech training was rescheduled to winter of 2018. This training is to obtain certifications. Training required to maintain the three 911 centers.</td>
</tr>
<tr>
<td>Information Technology Services</td>
<td>Scanning Project</td>
<td>00191810-9321</td>
<td>00191810-9321</td>
<td>Imaging Expense</td>
<td>17,394.00</td>
<td>Funding scanning projects with Soil and Water. These projects were delayed in the past due to staff turnover.</td>
</tr>
<tr>
<td>Information Technology Services</td>
<td>AP Scanning Project</td>
<td>00191810-9342-DEPT</td>
<td>00191810-9342-DEPT</td>
<td>Minor Technology</td>
<td>8,180.00</td>
<td>Purchase of Scanners for Staff. This project was proposed to be funded with one-time funding identified during the FY 19 budget process. Unable to purchase and receive the equipment by the end of FY 18.</td>
</tr>
<tr>
<td>Information Technology Services</td>
<td>Fiber Project</td>
<td>00191810-942001</td>
<td>00191810-942001</td>
<td>Telecommunications</td>
<td>65,054.00</td>
<td>Fiber projects with the city have been delayed. This funding is required to pay for the upgrades to the systems.</td>
</tr>
<tr>
<td>Information Technology Services</td>
<td>Cloud projects</td>
<td>00191810-9342</td>
<td>00191810-9342</td>
<td>Minor Technology</td>
<td>43,000.00</td>
<td>Complete Microsoft Cloud projects</td>
</tr>
<tr>
<td>General Government</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>317,246.00</td>
<td>$</td>
</tr>
<tr>
<td>Sherrifs Department- Jail</td>
<td>Vehicle Stripping</td>
<td>00192130-9863</td>
<td>00192130-9863</td>
<td>Motor Vehicles</td>
<td>2,000.00</td>
<td>The Jail Van was received too late in the year to have it striped and lettered. Funds are needed to stripe and letter to complete them for service.</td>
</tr>
<tr>
<td>Sherrifs Department- Admin</td>
<td>Carport</td>
<td>00192110-9860</td>
<td>00192110-9860</td>
<td>Equipment &amp; Furniture</td>
<td>6,000.00</td>
<td>Carport replacement at Animal Shelter</td>
</tr>
<tr>
<td>Public Safety</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>88,000.00</td>
<td>$</td>
</tr>
<tr>
<td>Planning and Zoning</td>
<td>Engineer Costs</td>
<td>00193230-9606</td>
<td>00193230-9606</td>
<td>Engineering Services</td>
<td>1,393.00</td>
<td>Applicants are required to pay for Engineering services that are required during the plan review process. Applicants pay the county and we pay the county's consultant for this work. There can be a lag time between the collection of the funds and billing for the services. The county puts no funding into this line item it is strictly fees paid by applicants for consulting review.</td>
</tr>
<tr>
<td>Community Development</td>
<td>Duke Energy Grant</td>
<td>00193250-9315 DE</td>
<td>00193250-9315 DE</td>
<td>Health and Safety- DE</td>
<td>4,457.69</td>
<td>These are funds collected through the Duke Rebate program are required to be used in expanding the Weatherization program.</td>
</tr>
<tr>
<td>Community Development</td>
<td>Duke Energy Grant</td>
<td>00193250-9315 DL</td>
<td>00193250-9315 DL</td>
<td>Health and Safety-DL</td>
<td>24,931.69</td>
<td>These are funds collected through the Duke Rebate program are required to be used in expanding the Weatherization program.</td>
</tr>
<tr>
<td>Community Development</td>
<td>Duke Energy Grant</td>
<td>00193250-9330 DE</td>
<td>00193250-9330 DE</td>
<td>Tools-DE</td>
<td>3.54</td>
<td>These are funds collected through the Duke Rebate program are required to be used in expanding the Weatherization program.</td>
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<tr>
<td>Community Development</td>
<td>Duke Energy Grant</td>
<td>00193250-9330 DL</td>
<td>00193250-9330 DL</td>
<td>Tools-DL</td>
<td>1,121.00</td>
<td>These are funds collected through the Duke Rebate program are required to be used in expanding the Weatherization program.</td>
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<tr>
<td>Community Development</td>
<td>Duke Energy Grant</td>
<td>00193250-9493 DE</td>
<td>00193250-9493 DE</td>
<td>Operations-DE</td>
<td>1,656.60</td>
<td>These are funds collected through the Duke Rebate program are required to be used in expanding the Weatherization program.</td>
</tr>
<tr>
<td>Community Development</td>
<td>Duke Energy Grant</td>
<td>00193250-9493 DL</td>
<td>00193250-9493 DL</td>
<td>Operations-DL</td>
<td>14,004.48</td>
<td>These are funds collected through the Duke Rebate program are required to be used in expanding the Weatherization program.</td>
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<tr>
<td>Economic and Physical Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>47,568.00</td>
<td>$</td>
</tr>
<tr>
<td>Department of Human Services-Administration</td>
<td>Technology Projects</td>
<td>00195610-9342-383-1</td>
<td>00195610-9342-383-1</td>
<td>Minor Technology</td>
<td>84,000.00</td>
<td>Complete Technology projects for DHS for Northwood's software and desktop upgrades. Unable to complete projects in the fiscal year in which they were budgeted due to staff turnover and timing of when new staff was hired.</td>
</tr>
<tr>
<td>Department of Human Services-Child Welfare</td>
<td>Special Needs Grant</td>
<td>00195630-9332</td>
<td>00195630-9332</td>
<td>Special Needs Grant</td>
<td>55,703.05</td>
<td>State funds required to be carried forward each year until expended in full. This money is for adoption awareness and to support children and families for adoption.</td>
</tr>
<tr>
<td>Department of Human Services-Child Welfare</td>
<td>Triple P Grant</td>
<td>00195630-94003</td>
<td>00195630-94003</td>
<td>Triple P Grant</td>
<td>3,618.25</td>
<td>Triple P Grant is carried forward each year. Funding is provided through Triple P Grant for parenting classes</td>
</tr>
<tr>
<td>Department</td>
<td>Project / Grant</td>
<td>Account Information Org-Object-Proj FY 18 GL Codes</td>
<td>Account Information Org-Object-Proj FY 19 GL Codes</td>
<td>Account Description</td>
<td>Amount</td>
<td>Justification</td>
</tr>
<tr>
<td>------------------------------------------------</td>
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<td>----------------------------------------------------</td>
<td>--------------------------------------------------------</td>
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<td>-------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Department of Human Services-Senior Services</td>
<td>SHIIP Special Program</td>
<td>00195760-9356-SHIP</td>
<td>00195760-9356-SHIP</td>
<td>SHIIP Grant</td>
<td>2,231.00</td>
<td>This Federal grant runs through September 2018. The SHIIP program is the Senior Health Insurance Information Program</td>
</tr>
<tr>
<td>Department of Human Services-Transportation</td>
<td>5310 Grant</td>
<td>00195240-9472-0495</td>
<td>00195240-9472-0495</td>
<td>Transportation Services/Medicaid</td>
<td>69,015.05</td>
<td>This Federal grant runs through September 2018 from the City of Concord to provide transportation services for the elderly and handicapped</td>
</tr>
<tr>
<td>Department of Human Services-Child Support</td>
<td>Child Support Enforcement</td>
<td>00195640-9610-361-1</td>
<td>00195640-9610-361-1</td>
<td>Child Support Enforcement Incentive Funds</td>
<td>466.80</td>
<td>Incentive funds are to be reinvested in the Child Support Program</td>
</tr>
<tr>
<td>Library</td>
<td>Technology Projects</td>
<td>00198240-9342</td>
<td>00198240-9342</td>
<td>Minor Technology Equipment</td>
<td>5,365.00</td>
<td>This funding was set aside for new laptops for the Concord library, to be used in library programs for technology instruction and demonstration. The money was unable to be spent in FY18</td>
</tr>
<tr>
<td>Culture and Recreation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,365.00</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$ 593,213.15</strong></td>
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<table>
<thead>
<tr>
<th>Fund Category</th>
<th>General</th>
<th>Public Safety</th>
<th>Eco and Phys Dev.</th>
<th>Human Services</th>
<th>Culture and Recreation</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>317,246.00</td>
<td>8,000.00</td>
<td>47,568.00</td>
<td>215,034.15</td>
<td>5,365.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 593,213.15</strong></td>
<td></td>
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</tr>
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</table>
AGENDA CATEGORY:
Discussion Items for Action at September 17, 2018 Meeting

SUBJECT:
Department of Human Services - FY19 Home and Community Care Block Grant (HCCBG) Funding Plan Revision

BRIEF SUMMARY:
The FY19 Home and Community Care Block Grant (HCCBG) Funding Plan was approved by the Board of Commissioners on June 18, 2018. On June 27, 2018 the county was notified by the Area Agency on Aging of additional funding for the Home and Community Care Block Grant (HCCBG) program. The HCCBG Advisory Committee met on July 16, 2018 to determine how to divide the additional funds among the various programs. The new recommended funding plan is attached.

REQUESTED ACTION:
Motion to approve the FY19 Funding Plan revision as submitted and authorize the Department of Human Services to prepare the associated budget amendment.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Anthony Hodges, Adult and Aging Services Program Administrator

BUDGET AMENDMENT REQUIRED:
Yes

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
☐ FY19 HCCBG Funding Plan Rev. 1
<table>
<thead>
<tr>
<th>Services</th>
<th>Delivery</th>
<th>Direct</th>
<th>Projected</th>
<th>Projected</th>
<th>Projected</th>
<th>Projected</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Serv.</td>
<td>A</td>
<td>Block</td>
<td>B</td>
<td>C</td>
<td>D</td>
</tr>
<tr>
<td></td>
<td>Delivery</td>
<td>Funding</td>
<td>Funding</td>
<td>Funding</td>
<td>Funding</td>
<td>Funding</td>
</tr>
<tr>
<td></td>
<td>(Check</td>
<td>Net</td>
<td>USDA Subsidy</td>
<td>Total</td>
<td>HCCBG</td>
<td>HCCBG</td>
</tr>
<tr>
<td></td>
<td>One)</td>
<td>Units</td>
<td>Serv Cost</td>
<td>Funding</td>
<td>Reimburse.</td>
<td>Reimburse.</td>
</tr>
<tr>
<td></td>
<td>Access</td>
<td>In-Home</td>
<td>Other</td>
<td>Total</td>
<td>Units</td>
<td>Rate</td>
</tr>
<tr>
<td>Trans 250</td>
<td>x 81221</td>
<td>9025</td>
<td>90246</td>
<td>0</td>
<td>90246</td>
<td>5145</td>
</tr>
<tr>
<td>Medical Transp 033</td>
<td>x 86453</td>
<td>9606</td>
<td>96059</td>
<td>0</td>
<td>96059</td>
<td>5476</td>
</tr>
<tr>
<td>In-Home II - Personal Care 042</td>
<td>x 144690</td>
<td>16077</td>
<td>160767</td>
<td>0</td>
<td>160767</td>
<td>8851</td>
</tr>
<tr>
<td>In-Home III Personal Care 045</td>
<td>x 47555</td>
<td>5284</td>
<td>52839</td>
<td>0</td>
<td>52839</td>
<td>2567</td>
</tr>
<tr>
<td>Congregate 180</td>
<td>x 107168</td>
<td>11908</td>
<td>119076</td>
<td>28628</td>
<td>147704</td>
<td>11247</td>
</tr>
<tr>
<td>Adult Day Care 030</td>
<td>x 20613</td>
<td>2290</td>
<td>22903</td>
<td>0</td>
<td>22903</td>
<td>667</td>
</tr>
<tr>
<td>Adult Day Health 155</td>
<td>x 138764</td>
<td>15418</td>
<td>154182</td>
<td>0</td>
<td>154182</td>
<td>3740</td>
</tr>
<tr>
<td>Housing/ Home Repair 140</td>
<td>x 51439</td>
<td>5715</td>
<td>57154</td>
<td>0</td>
<td>57154</td>
<td>0</td>
</tr>
<tr>
<td>Senior Center Operation 170</td>
<td>x 89522</td>
<td>9947</td>
<td>99469</td>
<td>0</td>
<td>99469</td>
<td>0</td>
</tr>
<tr>
<td>Home Delivered 020</td>
<td>x 92427</td>
<td>10270</td>
<td>102697</td>
<td>36000</td>
<td>138697</td>
<td>20354</td>
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<td></td>
<td>167674</td>
<td>284672</td>
<td>407506</td>
<td>859852</td>
<td>95540</td>
<td>955392</td>
</tr>
</tbody>
</table>

*Adult Day Care & Adult Day Health Care Net Service Cost

Daily Care: 
Certificate of required minimum local match availability. Required local match will be expended simultaneously with Block Grant Funding.

Transportation: 
Administrative: 
Net Ser. Cost Total:

Signature, County Finance Officer Date Signature, Chairman, Board of Commissioners Date
AGENDA CATEGORY:
Discussion Items for Action at September 17, 2018 Meeting

SUBJECT:
Department of Human Services -Transportation FY19 ROAP Application

BRIEF SUMMARY:
The Rural Operating Assistance Program (ROAP) is a state-funded public transportation program administered by the North Carolina Department of Transportation Public Transportation Division (PTD). County governments or regional public transportation authorities created pursuant to Article 25 or Article 26 of Chapter 160A of the General Statutes (upon written agreement with municipalities or counties served) are the only eligible applicants for ROAP funds. ROAP includes the following funding project categories: Elderly and Handicapped, Employment and Rural General Public. There is no public hearing required for the ROAP Grant.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elderly and Disabled (EDTAP)</td>
<td>$98,650</td>
</tr>
<tr>
<td>Employment (EMPL)</td>
<td>$41,683</td>
</tr>
<tr>
<td>Rural General Public (RGP)</td>
<td>$67,982</td>
</tr>
</tbody>
</table>

REQUESTED ACTION:
Motion to approve the Grant Application, Certified Statement and Budget Amendment.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Bob Bushey, Transportation Manager

BUDGET AMENDMENT REQUIRED:
Yes

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
☐ Certified Statement
☐ ROAP Application
☐ BA 5240 ROAP
CERTIFIED STATEMENT  
FY2019  
RURAL OPERATING ASSISTANCE PROGRAM  
County of Cabarrus  

WHEREAS, the state-funded, formula-based Rural Operating Assistance Program (ROAP) administered by the North Carolina Department of Transportation, Public Transportation Division provides funding for the operating cost of passenger trips for counties within the state;  

WHEREAS, the county uses the most recent transportation plans (i.e. CCP, CTIP, LCP) available and other public involvement strategies to learn about the transportation needs of agencies and individuals in the county before determining the sub-allocation of these ROAP funds;  

WHEREAS, the county government or regional public transportation authorities created pursuant to Article 25 or Article 26 of Chapter 160A of the General Statutes (upon written agreement with the municipalities or counties served) are the only eligible recipients of Rural Operating Assistance Program funds which are allocated to the counties based on a formula as described in the Program Guidelines included in the ROAP State Management Plan. NCDOT will disburse the ROAP funds only to counties and eligible transportation authorities and not to any sub-recipients selected by the county;  

WHEREAS, the county finance officer will be considered the county official accountable for the administration of the Rural Operating Assistance Program in the county, unless otherwise designated by the Board of County Commissioners;  

WHEREAS, the passenger trips provided with ROAP funds must be accessible to individuals with disabilities and be provided without discrimination on the basis of national origin, creed, age, race or gender (FTA C 4702.1A, FTA C 4704.1, Americans with Disabilities Act 1990); and  

WHEREAS, the period of performance for these funds will be July 1, 2018 to June 30, 2019 regardless of the date on which ROAP funds are disbursed to the county.  

NOW, THEREFORE, by signing below, the duly authorized representatives of the County of Cabarrus North Carolina certify that the following statements are true and accurate:  

• The county employed a documented methodology for sub-allocating ROAP funds that involved the participation of eligible agencies and citizens. Outreach efforts to include the participation of the elderly and individuals with disabilities, persons with limited English proficiency, minorities and low income persons in the county’s sub-allocation decision have been documented.  

• The county will advise any sub-recipients about the source of the ROAP funds, specific program requirements and restrictions, eligible program expenses and reporting requirements. The county will be responsible for invoicing any sub-recipients for unexpended ROAP funds as needed.  

• The county will monitor ROAP funded services routinely to verify that ROAP funds are being spent on allowable activities and that the eligibility of service recipients is being properly documented. The county will maintain records of trips for at least five years that prove that an eligible citizen was provided an eligible transportation service on the billed date, by whatever conveyance at the specified cost.  

• The county will be responsible for monitoring the safety, quality and cost of ROAP funded services and assures that any procurements by subrecipients for contracted services will follow state and federal guidelines.  

• The county will conduct regular evaluations of ROAP funded passenger trips provided throughout the period of performance.

Revised 08-03-18
• The county will only use the ROAP funds to provide trips when other funding sources are not available for the same purpose or the other funding sources for the same purpose have been completely exhausted.

• The county assures that the required matching funds for the FY2019 ROAP can be generated from fares and/or provided from local funds.

• The county will notify the Mobility Development Specialist assigned to the county if any ROAP funded services are discontinued before the end of the period of performance due to the lack of funding. No additional ROAP funds will be available.

• The county will provide an accounting of trips and expenditures in quarterly milestone reports to NCDOT – Public Transportation Division or its designee. **Back-up documentation is required to support the quarterly reports and may be requested at an MDS site visit.**

• Any interest earned on the ROAP funds will be expended for eligible program uses as specified in the ROAP application. The County will include ROAP funds received and expended in its annual independent audit on the schedule of federal and state financial assistance. Funds passed through to other agencies will be identified as such.

• The county is applying for the following amounts of FY2019 Rural Operating Assistance Program funds:

<table>
<thead>
<tr>
<th>State-Funded Rural Operating Assistance Program</th>
<th>Allocated</th>
<th>Requested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elderly &amp; Disabled Transportation Assistance Program (EDTAP)</td>
<td>$98,650</td>
<td>$98,650</td>
</tr>
<tr>
<td>Employment Transportation Assistance Program (EMPL)</td>
<td>$41,683</td>
<td>$41,683</td>
</tr>
<tr>
<td>Rural General Public Program (RGP)</td>
<td>$67,982</td>
<td>$67,982</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$208,315</strong></td>
<td><strong>208,315</strong></td>
</tr>
</tbody>
</table>

WITNESS my hand and county seal, this _____ day of _____, 20_____.

____________________________  ______________________________
Signature of County Manager/Administrator  Signature of County Finance Officer

____________________________  ______________________________
Printed Name of County Manager/Administrator  Printed Name of County Finance Officer

State of North Carolina County of

Rev. 08-03-18
Application for Transportation Operating Assistance

**FY2019 Rural Operating Assistance Program Funds**

<table>
<thead>
<tr>
<th>Name of Applicant (County)</th>
<th>Cabarrus County</th>
</tr>
</thead>
<tbody>
<tr>
<td>County Manager</td>
<td>Michael Downs</td>
</tr>
<tr>
<td>County Manager’s Email Address</td>
<td><a href="mailto:mkdowns@CabarrusCounty.us">mkdowns@CabarrusCounty.us</a></td>
</tr>
<tr>
<td>County Finance Officer</td>
<td>Susan Fearrington</td>
</tr>
<tr>
<td>CFO’s Email Address</td>
<td><a href="mailto:sbfearrington@cabarruscounty.us">sbfearrington@cabarruscounty.us</a></td>
</tr>
<tr>
<td>CFO’s Phone Number</td>
<td>704-920-2894</td>
</tr>
<tr>
<td>Person Completing this Application</td>
<td>Robert Bushey</td>
</tr>
<tr>
<td>Person’s Job Title</td>
<td>Transportation Manager</td>
</tr>
<tr>
<td>Person’s Email Address</td>
<td><a href="mailto:rwbushey@cabarruscounty.us">rwbushey@cabarruscounty.us</a></td>
</tr>
<tr>
<td>Person’s Phone Number</td>
<td>704-920-2932</td>
</tr>
<tr>
<td>Community Transportation System</td>
<td>Cabarrus County Transportation</td>
</tr>
<tr>
<td>Name of Transit Contact Person</td>
<td>Robert Bushey</td>
</tr>
<tr>
<td>Transit Contact Person’s Email Address</td>
<td><a href="mailto:rwbushey@cabarruscounty.us">rwbushey@cabarruscounty.us</a></td>
</tr>
</tbody>
</table>

Application Completed by: ___________________________ Date: ________________

Signature

I certify that the content of this application is complete and accurately describes the county’s administration of the ROAP Program, and the use of the ROAP funds in accordance with applicable state guidelines. I certify and understand that if the quarterly milestone reports are not submitted on or before the due dates that ½ of 1 percent per business day, beginning the day after the due date until the date the report is received, will be deducted from the following quarter’s disbursement. I certify and understand that any quarterly unspent funds will be deducted from the following quarter’s allocation and the total amount of unspent funds at the end of the period of performance will be deducted from the following year’s allocation.

County Manager: ___________________________ Date: ________________

Signature

County Finance Officer: ___________________________ Date: ________________

Signature
Application Instructions

County officials should read the ROAP Program Administration Guide which contains guidance on the administration of the ROAP Program and information about the preparation of grant applications.

- The application must be completed by an official of the county or his/her designee.
- Click on the gray rectangle and type each answer. If necessary, the text will automatically wrap to the next row. The answer may wrap to the next page if necessary.
- If the county wishes to explain their response to any questions or provide more information, the county may include additional pages with this application form. All the pages of the application and any pages added by the applicant should be scanned into the same file.
- If there are questions regarding this application, contact the NCDOT-PTD Mobility Development Specialist assigned to the area served by the transit system.

FY2019 ROAP Program Schedule

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Deadline</td>
<td>August 27, 2018</td>
</tr>
<tr>
<td>Disbursement #1</td>
<td>September 15, 2018</td>
</tr>
<tr>
<td>Disbursement #2</td>
<td>January 15, 2019</td>
</tr>
</tbody>
</table>

Milestone Reports

<table>
<thead>
<tr>
<th>Quarter 1 Milestone Report due</th>
<th>October 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarter 2 Milestone Report due</td>
<td>January 31, 2019</td>
</tr>
<tr>
<td>Quarter 3 Milestone Report due</td>
<td>April 30, 2019</td>
</tr>
<tr>
<td>Quarter 4 Milestone Report due</td>
<td>August 31, 2019* (Annual)</td>
</tr>
</tbody>
</table>

County’s Management of ROAP Funds

County governments or regional public transportation authorities created pursuant to Article 25 or Article 26 of Chapter 160A of the General Statutes (upon written agreement with municipalities or counties served) are the only eligible applicants for ROAP funds. As a recipient of ROAP funds, the county must implement administrative processes that will ensure the following:

- ROAP funds are expended on needs identified through a public involvement and/or planning process
- **ROAP funds are expended on only eligible activities as described in Appendix A of the ROAP Guidance. A county that uses any ROAP funds for non-public transportation trips will have a penalty of 10% assessed on all amounts of ROAP funds misspent.**
- Supporting documentation of expenditures is maintained
- Service recipients meet eligibility requirements and their eligibility is documented
- Trips funded with ROAP funding are monitored and evaluated throughout the period of performance
- An accounting of trips and expenditures is provided in quarterly reports to NCDOT
- ROAP funds received and expended are included in the local annual audit

<table>
<thead>
<tr>
<th>Transportation Needs and Public Involvement in Funding Decisions</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Did the county ask the Community Transportation Advisory Board (TAB), which is affiliated with the Community Transportation System, to recommend how the ROAP funds should be sub-allocated?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>B. Were outreach efforts conducted to inform agencies about the availability of ROAP funds and to discuss transportation needs BEFORE the county decided how to sub-allocate the ROAP funds?</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Financial Management of ROAP Funds</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------</td>
<td>---</td>
</tr>
<tr>
<td>C.</td>
<td>Is the method used to sub-allocate the ROAP funds fair and equitable? Open and transparent?</td>
<td>NA</td>
</tr>
<tr>
<td>D.</td>
<td>Does the county pass through any ROAP funds to agencies or organizations that are not county governmental departments or agencies?</td>
<td></td>
</tr>
<tr>
<td>E.</td>
<td>If yes, does the county have a written agreement with these agencies that addresses the proper use, return and accountability of these funds? <em>(Include a sample agreement with application)</em></td>
<td></td>
</tr>
<tr>
<td>F.</td>
<td>Do any of the organizations or departments receiving ROAP funds plan to use private transit contractors to provide the ROAP funded trips? <em>(Their procurement practices will need to meet all federal and state requirements for procurement of professional services.)</em></td>
<td>x</td>
</tr>
<tr>
<td>G.</td>
<td>Are ROAP funds being deposited in an interest bearing account?</td>
<td>x</td>
</tr>
<tr>
<td>H.</td>
<td>Does the county provide any local funds for transportation operating assistance to any of the ROAP sub-recipients in addition to the state ROAP funds?</td>
<td>x</td>
</tr>
<tr>
<td>I.</td>
<td>Is supporting documentation maintained for all ROAP grant financial transactions for five years? IMPORTANT: <em>Yes is the only correct answer.</em></td>
<td>x</td>
</tr>
<tr>
<td>J.</td>
<td>Does the county require the subrecipients of ROAP funds to provide progress reports and statistical data about the trips provided with ROAP funds?</td>
<td>NA</td>
</tr>
<tr>
<td>K.</td>
<td>If progress reports and/or operating statistical reports are required by the county, how frequently are these provided to the county for evaluation?</td>
<td>NA</td>
</tr>
<tr>
<td>L.</td>
<td>Does the county require the subrecipients of ROAP funds to use the coordinated transportation services of the federally funded Community Transportation System operating in the county?</td>
<td>NA</td>
</tr>
<tr>
<td>M.</td>
<td>Is the county prepared to provide documentation that an eligible citizen was provided an eligible service or trip on the billed date, by whatever conveyance, at the specified cost?</td>
<td>x</td>
</tr>
</tbody>
</table>
The Elderly and Disabled Transportation Assistance Program (EDTAP), originally enacted by legislation in the 1989 Session of the North Carolina General Assembly (Article 2B, 136-44.27), provides operating assistance funds for the transportation of the state’s elderly and disabled citizens. This transportation assistance allows the elderly and disabled to reside for a longer period in their homes, thereby enhancing their quality of life.

<table>
<thead>
<tr>
<th>Organizations or Departments Receiving EDTAP Funds</th>
<th>How will the transportation services be provided</th>
<th>Name of Transportation Provider</th>
<th>EDTAP Suballocation</th>
<th>Estimated One Way</th>
<th>Avg. Cost of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cabarrus County</td>
<td>Doctor appointments</td>
<td>Cabarrus County</td>
<td>$ 98,650</td>
<td>3896</td>
<td>$ 16.21</td>
</tr>
</tbody>
</table>

**Elderly and Disabled Transportation Assistance Program Questions**

N. What will be the purposes of the trips provided with EDTAP funds? *(Check all that apply)*

- [x] Personal care activities, medical appointments, pharmacy pick-up, shopping, bill paying, meetings, classes, banking
- [ ] Job interviews, job fair attendance, job readiness activities or training, GED classes
- [ ] Transportation to workplace
- [ ] Group field trips/tours to community special events (Federal charter regulations apply to transit.)
- [ ] Overnight trips to out-of-county destinations (Federal charter regulations apply to transit)
- [ ] Human service agency appointments

**Elderly and Disabled Transportation Assistance Program Questions (con’t)**

O. Does the federally funded Community Transportation System operating in your county receive a sub-allocation of EDTAP funds?  

- [x]

P. Will any of the subrecipients use their EDTAP sub-allocation as matching funds for any of the following programs? *(Matching funds for operating assistance or purchase of service only.)*

- [x] 5310 – Elderly Individuals and Individuals with Disabilities Program
- [x] 5311 - Non-urbanized Area Formula Program
- [x] 5316 – Job Access and Reverse Commute Program (JARC)
- [x] 5317 – New Freedom Program

Q. Will any of the subrecipients of EDTAP funds charge a fare for an EDTAP funded trip?  

- [x]

R. EDTAP funded trips are expected to be provided throughout the entire year. If the EDTAP funds are expended in less than a year, will the county provide county funds to prevent the discontinuation of transportation trips?  

- [x]
Employment Transportation Assistance Program

The Employment Transportation Assistance Program (EMPL) is intended to help DSS clients that transitioned from Work First or TANF in the last 12 months, Workforce Development Program participants and/or the general public to travel to work, employment training and/or other employment related destinations.

<table>
<thead>
<tr>
<th>Organizations or Departments Receiving EMPL Funds</th>
<th>How will the transportation services be provided</th>
<th>Name of Transportation Provider</th>
<th>EMPL Suballocation</th>
<th>Estimated One Way Trips</th>
<th>Avg. Cost of Trip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cabarrus County</td>
<td>Cabarrus County</td>
<td>Cabarrus County</td>
<td>$41,683</td>
<td>128</td>
<td>$16.21</td>
</tr>
</tbody>
</table>

TOTAL

Employment Transportation Program Questions

S. What will be the purposes of the transportation services provided with EMPL funds? (Check all that apply)

- x Job interviews, job fair attendance, job readiness activities or training
- [ ] Transportation to workplace (Scheduled by the individual only. No agency scheduled trips.)
- x Child(ren) of working parent transported to Child Care

T. Describe the eligibility criteria to be used in this county to determine who will be provided EMPL funded trips.

DHS- work first transition

---

<table>
<thead>
<tr>
<th>Employment Transportation Assistance Program Questions (con’t)</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>U. Does the federally funded Community Transit System operating in your county receive a sub-allocation of EMPL funds?</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>V. Will any of the subrecipients of EMPL funds charge a fare for an EMPL funded trip?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>W. Has the county transferred any EMPL funds to EDTAP or RGP in the last two years?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>X. Will any of the subrecipients use their EMPL sub-allocation as matching funds for any of the following programs? <em>(Matching funds for operating assistance or purchase of service only.)</em></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>5310 – Elderly Individuals and Individuals with Disabilities Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5311 - Non-urbanized Area Formula Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5316 – Job Access and Reverse Commute Program (JARC)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5317 – New Freedom Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y. EMPL funded trips are expected to be provided throughout the entire year. If the EDTAP funds are expended in less than a year, will the county provide county funds to prevent the discontinuation of transportation trips?</td>
<td>x</td>
<td></td>
</tr>
</tbody>
</table>

Revised 08-03-18
Rural General Public Program

The Rural General Public Program assistance funds are intended to provide transportation services for individuals from the county who do not have a human service agency or organization to pay for the trip. The county, in consultation with the Community Transportation System, must determine the RGP services to be provided with the RGP funds. RGP funds are only available to Coordinated Transportation Systems offering general public transportation in the non-urbanized area of the county.

<table>
<thead>
<tr>
<th>Organizations or Departments Receiving RGP Funds</th>
<th>How will the transportation services be provided</th>
<th>Name of Transportation Provider</th>
<th>RGP Suballocation</th>
<th>Estimated One Way Trips</th>
<th>Avg. Cost of Trip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cabarrus County</td>
<td>Cabarrus County</td>
<td>Cabarrus County</td>
<td>$67,982</td>
<td>2591</td>
<td>$16.21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$</td>
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<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>$</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Rural General Public Transportation Program Questions

Z. What will be the trip purposes of the transportation services provided with RGP funds? (Check all that apply)

- [x] Personal care activities, medical appointments, pharmacy pick-up, shopping, bill paying, meetings, classes, banking
- [x] Job interviews, job fair attendance, job readiness activities or training, GED classes
- [x] Transportation to workplace (Scheduled by the individual only. No agency scheduled trips.)
- [x] Child(ren) of working parent transported to child care
- [ ] Group field trips/tours to community special events (Federal charter regulations apply to transit.)
- [ ] Overnight trips to out-of-county destinations (Federal charter regulations apply to transit.)
- [x] Human service agency appointments

Rural General Public Program Questions (con’t)

<table>
<thead>
<tr>
<th>Rural General Public Program Questions (con’t)</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>AA. Will RGP trips be provided for citizens who need transportation but don’t have a human service agency or organization to pay for the trip?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>AB. Since the subrecipient can only use RGP funds to pay for 90% of the cost of a trip, will the Community Transportation System use fare revenue to generate the local 10% match requirement for RGP funds?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>AC. Will RGP funded trips be coordinated on vehicles with human service agency trips?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>AD. Will the Community Transportation System use any of their RGP sub-allocation as matching funds for any of the following programs? (Matching funds for operating assistance or purchase of service only)</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>5310 – Elderly Individuals and Individuals with Disabilities Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5311 - Non-urbanized Area Formula Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5316 – Job Access and Reverse Commute Program (JARC)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5317 – New Freedom Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AE. Is any part of the county in an urbanized area according to the 2010 census?</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>AF. RGP funded trips are expected to be provided throughout the entire year. If the RGP funds are expended in less than a year, will the county provide county funds to prevent the discontinuation of transportation trips?</td>
<td>x</td>
<td></td>
</tr>
</tbody>
</table>

Revised 08-03-18
### Budget Revision/Amendment Request

**Date:** 9/17/2018  
**Amount:** $542.00

**Dept. Head:** Kristin Jones  
**Department:** County Manager's Office

- **Internal Transfer Within Department**
- **Transfer Between Departments/Funds**
- **Supplemental Request**

**Purpose:** FY 19 funding for the ROAP-rural general public program (RGP) was over-budgeted by $542. This budget amendment reduces the revenue and expenditure to match the funding authorization for the grant.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Indicator</th>
<th>Department/Object/Project</th>
<th>Account Name</th>
<th>Approved Budget</th>
<th>Increase Amount</th>
<th>Decrease Amount</th>
<th>Revised Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>001</td>
<td>6</td>
<td>5240/6338 ROAP/RGP</td>
<td></td>
<td>68,524.00</td>
<td></td>
<td>542.00</td>
<td>67,982.00</td>
</tr>
<tr>
<td>001</td>
<td>9</td>
<td>5240/9346 Fuel</td>
<td></td>
<td>148,000.00</td>
<td></td>
<td>542.00</td>
<td>147,458.00</td>
</tr>
</tbody>
</table>

**Total**  
$0.00

### Signature

- **Budget Officer**  
  - □ Approved  
  - □ Denied  
  
- **County Manager**  
  - □ Approved  
  - □ Denied  
  
- **Board of Commissioners**  
  - □ Approved  
  - □ Denied  

**Date**
AGENDA CATEGORY:
Discussion Items for Action at September 17, 2018 Meeting

SUBJECT:
Finance - Small Projects Fund Update for New Soil and Water Easement Grant, Project Write-offs and Legal Expenditures

BRIEF SUMMARY:
With the assistance of the NC Department of Agriculture, Cabarrus County will be awarded $116,516.50 in funding for a conservation easement named the Hill Farm Easement. The County match comes from surveys, legal work and other in-kind services that are budgeted. There is no need for a cash match at this time for the project. Included in the agenda, is the award document for your review. Also included with this agenda item, is a budget amendment and project ordinance to: 1) record the new easement, 2) write off completed Soil and Water projects, and 3) reallocate funds for additional legal expenditures related to Soil and Water easements.

REQUESTED ACTION:
Motion to accept the Hill Farm Easement and approve the related budget amendment and Project Ordinance for the easement, write-off of completed projects and reallocation for legal expenditures.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Susan Fearrington, Finance Director
Kelly Sifford, Planning and Development Director

BUDGET AMENDMENT REQUIRED:
Yes

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
☐ Hill Farm Easement
☐ Fd 460 Budget Amendment
☐ Fd 460 Project Ordinance
July 23, 2018

Mr. Daniel McClellan, Sr. Resource Conservation Specialist
Cabarrus SWCD
715 Cabarrus Avenue W.
Concord, NC 28027

NOTIFICATION OF FUNDING OFFER

Dear Mr. McClellan:

On behalf of Commissioner Steve Troxler and the North Carolina Department of Agriculture and Consumer Services - Farmland Preservation Division, I am pleased to inform you that $116,516.50 for your project, Hill Farm Easement 59.26 Acres, was approved under the ADFP Trust Fund.

Two original contract packets must be completed and returned to the NCDA&CS, making sure that the contracts and certain forms have been signed, dated, and witnessed, as applicable, before they are returned to the address provided below. By completing these documents, you are agreeing to the specific stipulations, the general terms and conditions and specific reporting requirements. Please return the two completed packets to:

Veronica Jamison, Office Manager
N.C. Department of Agriculture & Consumer Services, Farmland Preservation (USPS) 1001 Mail Service Center, Raleigh, NC 27699-1001
Or
(FedEx or UPS) 2 W. Edenton Street, Raleigh, NC 27601

All authorized representative signatures must be in blue ink. Use the Contract Check Off List to ensure all attachments are included and are in the correct order for each contract packet.

One fully executed, original contract will be returned to you for your records. If you have any questions about your contract or any of the forms contained in your offer packet, please call Veronica Jamison at 919-707-3071, or feel free to send an email to veronica.jamison@ncagr.gov.

I would like to take this opportunity to thank you for participating in the ADFP Trust Fund to encourage the preservation of qualifying agricultural, horticultural, and forestlands to foster the growth, development, and sustainability of family farms.

Sincerely,

N. David Smith
Chief Deputy Commissioner

Enclosures
cc: Melissa Madrid, Grant Manager

Email: David.Smith@ncagr.gov
1001 Mail Service Center, Raleigh, North Carolina, 27699-1001
(919) 707-3033 • Fax (919) 715-0026
An Equal Opportunity Affirmative Action Employer
INSTRUCTIONS: Check the "Yes" boxes in the left column for the document titles that are being returned with the two signed, dated and witnessed copies of the contract, with signatures in blue ink. Be sure to include all the other documents specified in your contract package. If "No" has been checked off for you, that document is not required for this grant program or project.

GRANTEE ORGANIZATION NAME: Cabarrus Soil and Water Conservation District

PROJECT TITLE/NAME: Hill Farm +/- 59.26 Acres Perpetual Conservation Easement, ADFP Trust Fund Tracking Number: ADM-ADFP-18-006

CONTRACT #: 17-095-4033

<table>
<thead>
<tr>
<th>GO Entities Only Check One Box</th>
<th>Document Title</th>
<th>Department Use - Documents Attached or On File</th>
<th>Grants and Contracts - Documents Attached or On File</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Contractual Check Off List for Grantee</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes</td>
<td>Contract Cover (To be signed, dated &amp; witnessed)</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes</td>
<td>Attachment A - General Terms and Conditions - Government/University</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes</td>
<td>Attachment B - Scope of Work (includes Timeline and Line Item Budget)</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes</td>
<td>Attachment C - Certifications and Assurances Section</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes</td>
<td>Attachment D - NC OpenBook Supplemental Information</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes</td>
<td>Attachment E - Signature Card</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes</td>
<td>Attachment F - W-9 Tax Information</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes</td>
<td>Attachment G - Vendor Electronic Payment Form</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes</td>
<td>Attachment H - FFATA Data Reporting Requirements (if applicable)</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Yes</td>
<td>Attachment I - Federal Regulations (if applicable)</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Rev. 6/17
Contract Tracking (Funding from the Department)

This form should always be the first page of an offer or award package submitted to Grants & Contracts Section for review and processing. The Grants & Contracts Section will issue the Contract numbers. The Division will add the NCGrants ID# and notify G&C of the ID# or directly enter it into WebGT. Attach this page to Page 1A, and/or Page 2 when amending or revising a current Contract, as applicable.

### CONTRACT TRACKING FORM

<table>
<thead>
<tr>
<th>Contract # : 17-095-4033</th>
<th>NCGrants ID #:</th>
</tr>
</thead>
</table>

1. **Division:** Farmland Preservation

2. **Parent Record:** 17-095-FP

3. **Grantee Name:** Cabarrus Soil and Water Conservation District

4. **Grantee Tax ID:** 56-6000281

5. **Grantee Type:**
   - Nonprofit
   - Government
   - For Profit
   - Individual

6. **Address PO/Street:** 715 Cabarrus Ave W

7. **City/State/Zip:** Concord, NC 28027

8. **Grantee County:** Cabarrus

9. **Grantee Fiscal Year End:** July 1

10. **Payee Name (if applicable):** Daniel McClellan, Cabarrus Soil and Water Conservation District

11. **Payee Tax ID (if applicable):** 56-6000281

12. **Record Type (check):**
   - Grant
   - Cost Share
   - Other

13. **Staff Contact:** Veronica Jamison

14. **CRIS Program Name:** 3341

15. **Division Contract # (optional):** ADM-ADFP-18-006

16. **Project Title:** Hill Farm +/- 59.26 Acres Perpetual Conservation Easement

17. **Project County (list one county; if multiple counties, enter “Regional” and list counties on NC Openbook Supplemental form; or list as “Statewide”):** Cabarrus

18. **Region:** n/a

19. **District #:** n/a

20. **Project Start Date:** October 1, 2018

21. **Project End Date:** September 30, 2020

22. **Grant Amount:** $116,516.50

23. **Cost Center:** 2108-1012-2019

24. **Account:** 536406

25. **Source:**
   - Federal
   - State
   - Fed/State
   - Other

26. **Match Required:**
   - Yes
   - Amount: $17,477.48 (minimum required match)

27. **Are Indirect Costs Allowable?**
   - Yes
   - % Rate:

28. **Cooperative Agreement/FAIN #:** n/a

29. **Grantee Contact and Title:** Daniel McClellan, Sr Resource Conservation Specialist

30. **Grantee Email:** wdmcclellan@cabarruscounty.gov

31. **Offer to Division:** 8/2/2018

32. **Award to Division:**

33. **Retainage:** 20% of Total Contract Award Withheld: $23,303.33

34. **Equipment in the Amount of $5,000 and Over to be purchased:**
   - Yes
   - No

35. **Tax Exempt Status Verified at Guidestar.org or IRS.gov - Initial & Date:** 7/24/18

36. **Federal Debarment Status Verified at SAM.gov – Initial & Date:** 7/24/18

---

(Grants & Contracts Section)

**Offer:**
- Award: 
- Is the Grantee on the State’s “Suspension of Funding List?”
  - Yes
  - No

**Tax Exempt Status Verified at Guidestar.org or IRS.gov - Initial & Date:** n/a

**Federal Debarment Status Verified at SAM.gov – Initial & Date:** n/a

---
### SALARY AND FRINGE INFORMATION

Total amount awarded for salaries & fringe benefits and/or wages: 

<table>
<thead>
<tr>
<th>POSITION TITLE</th>
<th>NUMBER OF WORK HRS EXPECTED</th>
<th>SALARY OR HOURLY RATE OF PAY WAGE</th>
<th>FRINGE BENEFITS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example: Consultant</td>
<td>60</td>
<td>$100 p/h</td>
<td>N/A</td>
<td>$6,000.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**GRAND TOTAL OF EACH COLUMN:**

### 26. LIST OF MATCH REQUIREMENTS

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>IN-KIND MATCH AMOUNT</th>
<th>CASH MATCH AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example: Travel</td>
<td>$1,000.00</td>
<td>$3,394.00</td>
</tr>
<tr>
<td>Stewardship Endowment</td>
<td>$4,000.00</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Survey</td>
<td>$2,500.00</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Appraisal</td>
<td>$5,000.00</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Environmental Assessment/Audit</td>
<td>$500.00</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Legal Fees</td>
<td>$113,122.50</td>
<td>$17,474.00</td>
</tr>
<tr>
<td>Closing Costs</td>
<td>$17,474.00</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Easement Purchase</td>
<td>$500.00</td>
<td>$2,000.00</td>
</tr>
</tbody>
</table>

*The $130,518.50 is the match listed by the grantee. $17,474.00 is the minimum required match for the grantee.*

**GRAND TOTALS OF EACH COLUMN:**

$113,122.50 $17,394.00

### EXPLAIN METHOD FOR TRACKING REQUIRED MATCH

- Individual Time Sheets
- Salary Registers
- Copies of Invoices
- Match Certification Statement from Grantee's Chief Financial Officer w/appropriate documentation attached
- Bank Deposits (Use of Cash Match Only)
- Travel Reimbursement Requests
- Other (Itemize Below)

1. 
2. 
3. 
4. 
5. 

### 34. LIST OF EQUIPMENT TO BE PURCHASED

<table>
<thead>
<tr>
<th>PRIOR APPROVAL OBTAINED ($5,000 &amp; OVER)</th>
<th>ITEM</th>
<th>COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>NO</td>
<td>PENDING</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### LIST EQUIPMENT TO BE RETURNED TO DEPARTMENT

<table>
<thead>
<tr>
<th>ITEM</th>
<th>ID # NUMBER</th>
<th>CONDITION</th>
<th>DATE RECEIVED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
North Carolina Department of Agriculture and Consumer Services  
Farmland Preservation Division  
ADFP Trust Fund – Government  

**CONTRACT # 17-095-4033**

This Contract is hereby entered by and between the North Carolina Department of Agriculture and Consumer Services, Farmland Preservation Division, (the "Agency") and, Cabarrus Soil and Water Conservation District ("Grantee") and referred to collectively as the "Parties." The Grantee's federal tax identification number is 56-6000281 and is physically located in Cabarrus County, and is further located at 715 Cabarrus Avenue W, Concord, NC 28027.

The purpose of this Contract is to encourage the preservation of qualifying agricultural, horticultural, and forestlands to foster the growth, development, and sustainability of family farms. The Grantee's project title is Hill Farm Easement 59.26 Acres. This Contract is funded by State appropriations. Funds awarded under this Contract must be used for the purposes for which they are intended.

The Grantee's fiscal year ends 06/30.

**Contract Documents:**

This Contract consists of the Grant Contract and its attachments, all of which are identified by name as follows:

1. This Contract  
2. General Terms and Conditions (Attachment A)  
3. Scope of Work, including Timeline, Line Item Budget and Budget Narrative (Attachment B)  
4. Certifications and Assurances Section (Attachment C)  
5. NC Openbook Supplemental Information (Attachment D)  
6. Signature Card (Attachment E)  
7. W-9 Tax Information (Attachment F)  
8. Vendor Electronic Payment Form (Attachment G)

These documents constitute the entire agreement between the Parties and supersede all prior oral or written statements or agreements.
I. Precedence Among Contract Documents:

In the event of a conflict between or among the terms of the Contract Documents, the terms in the
Contract Document with the highest relative precedence shall prevail. The order of precedence shall be
the order of documents as listed in Paragraph 1, above, with the first-listed document having the highest
precedence and the last-listed document having the lowest precedence. If there are multiple Contract
Amendments, the most recent amendment shall have the highest precedence and the oldest amendment
shall have the lowest precedence.

II. Effective Period:

This Contract shall be effective on October 1, 2018 and shall terminate on September 30, 2020 with the
option to extend, if mutually agreed upon, through a written amendment as provided for in the General
Terms and Conditions as described in Attachment A.

III. Grantee's Duties:

The Grantee shall provide the services as described in Attachment B, Scope of Work.

IV. Agency's Duties:

The Agency shall pay the Grantee in the manner and in the amounts specified in the Contract
Documents. The total amount paid by the Agency to the Grantee under this Contract shall not exceed
$116,516.50.

This amount consists of $116,516.50 in State funds.

[ ] a. There are no matching requirements from the Grantee.

[ ] b. There are no matching requirements from the Grantee; however, the Grantee has committed the
following match to this project:

<table>
<thead>
<tr>
<th>In Kind</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$</td>
</tr>
<tr>
<td>Other/Specify:</td>
<td>$</td>
</tr>
</tbody>
</table>

[ X ] c. The Grantee's matching requirement is $17,477.48, which consists of:

<table>
<thead>
<tr>
<th>In Kind</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$</td>
</tr>
<tr>
<td>Other/Specify: In Kind and Cash</td>
<td>$17,477.48</td>
</tr>
</tbody>
</table>

[ X ] d. The Grantee has committed to an additional $113,069.02 to complete the project as described in
Attachment B.

The contributions from the Grantee shall be sourced from non-federal funds.

The total Contract amount with matching funds is $247,063.00. commitment

V. Conflict of Interest Policy:

The Agency has determined that the Grantee is a government agency and is not subject to N.C.G.S. §
143C-6-23(b). Therefore, the Grantee is not required to file a Conflict of Interest Policy with the Agency
prior to disbursement of funds.
VI. Statement of No Overdue Tax Debts:

The Agency has determined that Grantee is a government agency and is not subject to N.C.G.S. § 143C-6-23(c). Therefore, the Grantee is not required to file a Statement of No Overdue Tax Debts with the Agency prior to disbursement of funds.

VII. Reversion of Unexpended Funds:

Any unexpended grant funds shall revert to the Agency upon termination of this Contract.

VIII. Reporting Requirements:

The Grantee shall provide the services as described in Attachment B, Scope of Work.

IX. Payment Provisions:

Upon execution of this Contract the Grantee shall submit to the Agency Contract Administrator a completed Request for Payment form, to be provided by the Agency. All Request for Payment forms should be received no more than monthly, with a certified invoice showing expenditures and matching funds, if applicable, for the current period and cumulatively for the entire project. Upon approval by the Agency, payment shall be made within 30 days. Twenty percent (20%) of the total funds awarded under this Contract shall be retained by the Agency until both the final performance and financial reports are submitted by the Grantee and approved by the Agency. All payments are subject to the availability of funds.

The Grantee shall expend funds in accordance with G.S. 143C-6-23 (f1)(f2)(j). The Grantee shall account for any income earned, which may result from any funds awarded under this Contract, on the Agency "Request for Reimbursement" form. Eligible uses of income earned are:

a) Expanding the project or program;

b) Continuing the project or program after grant ends; or

c) Supporting other projects or programs that further the broad objectives of the grant program.

If this Contract is terminated prior to the original end date, the Grantee may submit a final Request for Payment form. All unexpended funds shall be returned by the Grantee to the Agency within 60 days of the Contract termination date with a complete final financial report, accompanied by either a final invoice or a refund of any funds received but not expended. The Agency shall have no obligation to honor requests for payment based on expenditure reports submitted later than 60 days after termination or expiration of the Contract period.

Reimbursement requests shall be completed on a "Request for Reimbursement" form furnished to the Grantee by the Agency. All reimbursement forms must include support documentation, including but not limited to: copies of invoices, individual time sheets and travel logs that have been signed by the employee and supervisor, salary registers or payrolls that include fringe benefits, hourly rates of pay, and signature of the Grantee's responsible financial person, cancelled checks and lease agreements.

Eligible expenditures for payment must be within the effective period noted in the Contract. Reimbursement may not be considered prior to the submission and final execution of the Contract.

All travel reimbursement shall be made in accordance with the current State rates, at the time of the expenditure, and shall be made in accordance with the "State Budget Manual".

All matching funds, including in-kind and cash, must be spent concurrently with funds provided by the Contract. Both types of matching funds expended shall be accounted for on the monthly certified invoices. Indirect costs are not allowable expenditures under this Contract.
X. **Contract Administrators:**

All notices permitted or required to be given by one Party to the other and all questions about the Contract from one Party to the other shall be addressed and delivered to the other Party's Contract Administrator. The name, post office address, street address, telephone number, fax number, and email address of the Parties' respective initial Contract Administrator are set out below. Either Party may change the name, post office address, street address, telephone number, fax number, or email address of its Contract Administrator by giving timely written notice to the other Party.

**For the Agency:**

<table>
<thead>
<tr>
<th>IF DELIVERED BY US POSTAL SERVICE</th>
<th>IF DELIVERED BY ANY OTHER MEANS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Veronica Jamison Administrative Officer I</td>
<td>Veronica Jamison Administrative Officer I</td>
</tr>
<tr>
<td>1001 Mail Service Center</td>
<td>2 West Edenton Street</td>
</tr>
<tr>
<td>Raleigh, NC 27699</td>
<td>Raleigh NC 27601</td>
</tr>
</tbody>
</table>

Telephone: 919-707-3071
Fax: 919-716-0105
Email: Veronica.Jamison@ncagr.gov

**For the Grantee:**

<table>
<thead>
<tr>
<th>Grantee Contract Administrator- Mailing Address</th>
<th>Grantee Principal Investigator or Key Personnel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: Daniel McClellan Title: Sr Resource Conservation Specialist</td>
<td>Name: Clint Brooks Title: Resource Conservation Specialist</td>
</tr>
<tr>
<td>Company Name: Cabarrus Soil and Water Conservation District</td>
<td>Company Name: Cabarrus Soil and Water Conservation District</td>
</tr>
</tbody>
</table>

Telephone: 704-920-3301
Fax: wdmcclellan@cabarruscounty.us

Telephone: 704-920-3303
Fax: clbrooks@cabarruscounty.us

XI. **Supplementation of Expenditure of Public Funds:**

The Grantee assures that funds received pursuant to this Contract shall be used only to supplement, not to supplant, the total amount of federal, State and local public funds that the Grantee otherwise expends for activities involved with specialty services and related programs. Funds received under this Contract shall be used to provide additional public funding for such services. The funds shall not be used to reduce the Grantee's total expenditure of other public funds for such services.

XII. **Disbursements:**

As a condition of this Contract, the Grantee acknowledges and agrees to make disbursements in accordance with the following requirements:

a. Will implement or already have implemented adequate internal controls over disbursements;

b. Pre-audit all invoices presented for payment to determine:
   - Validity and accuracy of payment
   - Payment due date

NCDA&CS (Govt Contract Cover) Rev. 7/14; 12/14; 8/17
• Adequacy of documentation supporting payment
• Legality of disbursement
c. Assure adequate control of signature stamps/plates;
d. Assure adequate control of negotiable instruments; and
e. Have procedures in place to ensure that account balance is solvent and to reconcile the account monthly.

XIII. Outsourcing:

The Grantee certifies that it has identified to the Agency all jobs related to the Contract that have been outsourced to other countries, if any. Grantee further agrees that it will not outsource any such jobs during the term of this Contract without providing prior notice to the Agency.

XIV. N.C.G.S. § 133-32 and Executive Order 24:

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

The undersigned represent and warrant that they are authorized to bind their principals to the terms of this Contract.

IN WITNESS WHEREOF, the Grantee and the Agency execute this Contract in **two (2)** originals, one (1) of which is retained by the Grantee and one (1) which is retained by the Agency.

**Grantee:** Cabarrus Soil and Water Conservation District

Daniel McCollom 8/2/18
Signature of Authorized Representative Date

Daniel McCollom Sr. Resource Conservation Specialist
Printed Name Title

Witness:

Janii R. Rensburg 8/2/18
Signature Date

Janii R. Rensburg
Printed Name

North Carolina Department of Agriculture and Consumer Services

Signature of Authorized Representative Date

N. David Smith, Chief Deputy Commissioner
Attachment A
Public Sector Contracts (Including Local Governments)

General Terms and Conditions

Definitions

Unless indicated otherwise from the context, the following terms shall have the following meanings in this Contract. All definitions are from 9 NCAC 3M.0102 unless otherwise noted. If the rule or statute that is the source of the definition is changed by the adopting authority, the change shall be incorporated herein:

1. "Agency" (as used in the context of the definitions below) shall mean and include every public office, public officer or official (State or local, elected or appointed), institution, board, commission, bureau, council, department, authority or other unit of government of the State or of any county, unit, special district or other political subagency of government. For other purposes in this Contract, “Agency” shall mean the entity identified as one of the parties hereto.

2. "Audit" means an examination of records or financial accounts to verify their accuracy.

3. "Certification of Compliance" means a report provided by the Agency to the Office of the State Auditor that states that the Grantee has met the reporting requirements established by this Subchapter and included a statement of certification by the Agency and copies of the submitted grantee reporting package.

4. "Compliance Supplement" refers to the North Carolina State Compliance Supplement, maintained by the State and Local Government Finance Agency within the North Carolina Department of State Treasurer that has been developed in cooperation with agencies to assist the local auditor in identifying program compliance requirements and audit procedures for testing those requirements.

5. "Contract" means a legal instrument that is used to reflect a relationship between the agency, grantee, and subgrantee.

6. "Fiscal Year" means the annual operating year of the non-State entity.

7. "Financial Assistance" means assistance that non-State entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance. Financial assistance does not include amounts received as reimbursement for services rendered to individuals for Medicare and Medicaid patient services.

8. "Financial Statement" means a report providing financial statistics relative to a given part of an organization’s operations or status.

9. "Grant" means financial assistance provided by an agency, grantee, or subgrantee to carry out activities whereby the grantor anticipates no programmatic involvement with the grantee or subgrantee during the performance of the grant.

10. "Grantee" has the meaning in G.S. 143C-6-23(a)(2): a non-State entity that receives a grant of State funds from a State agency, department, or institution but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission. For other purposes in this Contract, “Grantee” shall mean the entity identified as one of the parties hereto.

11. "Grantor" means an entity that provides resources, generally financial, to another entity in order to achieve a specified goal or objective.

12. "Non-State Entity" has the meaning in N.C.G.S. 143C-1-1(d)(18): Any of the following that is not a State agency: an individual, a firm, a partnership, an association, a county, a corporation, or any other organization acting as a unit. The term includes a unit of local government and public authority.

13. "Public Authority" has the meaning in N.C.G.S. 143C-1-1(d)(22): A municipal corporation that is not a unit of local government or a local governmental authority, board, commission, council, or agency that (i) is not a municipal corporation and (ii) operates on an area, regional, or multiunit basis, and the budgeting and accounting systems of which are not fully a part of the budgeting and accounting systems of a unit of local government.

14. "Single Audit" means an audit that includes an examination of an organization's financial statements, internal controls, and compliance with the requirements of federal or State awards.

15. "Special Appropriation" means a legislative act authorizing the expenditure of a designated amount of public funds for a specific purpose.

16. "State Funds" means any funds appropriated by the North Carolina General Assembly or collected by the State of North Carolina. State funds include federal...
financial assistance received by the State and transferred or disbursed to non-State entities. Both federal and State funds maintain their identity as they are subgranted to other organizations. Pursuant to N.C.G.S. 143C-6-23(a)(1), the terms “State grant funds” and “State grants” do not include any payment made by the Medicaid program, the Teachers’ and State Employees’ Comprehensive Major Medical Plan, or other similar medical programs.

(17) "Subgrantee" has the meaning in G.S. 143C-6-23(a)(3): a non-State entity that receives a grant of State funds from a grantee or from another subgrantee but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission.

(18) "Unit of Local Government has the meaning in G.S. 143C-1-1(d)(29): A municipal corporation that has the power to levy taxes, including a consolidated city-county as defined by G.S. 160B-2(1), and all boards, agencies, commissions, authorities, and institutions thereof that are not municipal corporations.

Relationships of the Parties

Independent Contractor: The Grantee is and shall be deemed to be an independent Contractor in the performance of this Contract and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Grantee represents that it has, or shall secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with, the Agency.

Subcontracting: The Grantee shall not subcontract any of the work contemplated under this Contract without prior written approval from the Agency. Any approved subcontract shall be subject to all conditions of this Contract. Only the subcontractors or subgrantees specified in the Contract documents are to be considered approved upon award of the Contract. The Agency shall not be obligated to pay for any work performed by any unapproved subcontractor or subgrantee. The Grantee shall be responsible for the performance of all of its subgrantees and shall not be relieved of any of the duties and responsibilities of this Contract.

Subgrantees: The Grantee has the responsibility to ensure that all subgrantees, if any, provide all information necessary to permit the Grantee to comply with the standards set forth in this Contract.

Assignment: No assignment of the Grantee’s obligations or the Grantee’s right to receive payment hereunder shall be permitted. However, upon written request approved by the issuing purchasing authority, the State may:

(a) Forward the Grantee’s payment check(s) directly to any person or entity designated by the Grantee, or

(b) Include any person or entity designated by the Grantee as a joint payee on the Grantee’s payment check(s).

In no event shall such approval and action oblige the State to anyone other than the Grantee and the Grantee shall remain responsible for fulfillment of all Contract obligations.

Beneficiaries: Except as herein specifically provided otherwise, this Contract shall inure to the benefit of and be binding upon the parties hereto and their respective successors. It is expressly understood and agreed that the enforcement of the terms and conditions of this Contract, and all rights of action relating to such enforcement, shall be strictly reserved to the Agency and the named Grantee. Nothing contained in this document shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of the Agency and Grantee that any such person or entity, other than the Agency or the Grantee, receiving services or benefits under this Contract shall be deemed an incidental beneficiary only.

Indemnity

Indemnification: The Grantee agrees to indemnify and hold harmless the Agency, including any of its Divisions, and any of its officers, agents and employees, from liability of any kind, and from any claims of third parties arising out of any act or omission of the Contractor in connection with the performance of this Contract to the extent permitted by law.

Default and Termination

Termination by Mutual Consent: The Parties may terminate this Contract by mutual consent with 60 days notice to the other party, or as otherwise provided by law.

Termination for Cause: If, through any cause, the Grantee shall fail to fulfill its obligations under this Contract in a timely and proper manner, the Agency shall have the right to terminate this Contract by giving written notice to the Grantee and specifying the effective date thereof. In that event, all finished or unfinished deliverable items prepared by the Grantee under this Contract...
shall, at the option of the Agency, become its property and the Grantee shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials, minus any payment or compensation previously made.

Notwithstanding the foregoing provision, the Grantee shall not be relieved of liability to the Agency for damages sustained by the Agency by virtue of the Grantee's breach of this agreement, and the Agency may withhold any payment due the Grantee for the purpose of setoff until such time as the exact amount of damages due the Agency from such breach can be determined. The filing of a petition for bankruptcy by the Grantee shall be an act of default under this Contract.

Waiver of Default: Waiver by the Agency of any default or breach in compliance with the terms of this Contract by the Grantee shall not be deemed a waiver of any subsequent default or breach and shall not be construed to be modification of the terms of this Contract unless stated to be such in writing, signed by an authorized representative of the Agency and the Grantee and attached to the Contract.

Availability of Funds: The parties to this Contract agree and understand that the payment of the sums specified in this Contract is dependent and contingent upon and subject to the appropriation, allocation, and availability of funds for this purpose to the Agency.

Force Majeure: Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

Survival of Promises: All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the Contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable federal or State statutes of limitation.

Intellectual Property Rights

Copyrights and Ownership of Deliverables: All deliverable items produced pursuant to this Contract are the exclusive property of the Agency. The Grantee shall not assert a claim of copyright or other property interest in such deliverables.

Compliance with Applicable Laws

Compliance with Laws: The Grantee shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, State, and local agencies having jurisdiction and/or authority.

Equal Employment Opportunity: The Grantee shall take affirmative action in complying with all federal and State statutes and all applicable requirements concerning fair employment of people with disabilities, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin or disability. For additional information see Title VI of the Civil Rights Act of 1964 (42 U.S.C., 2000d, 2000e-16), Title XI of the Education amendments of 1972, as amended (20 U.S.C. 1681-1683 and 1685-1686), and section 504 of the Rehabilitation Act of 1973 as amended (29 U.S.C. 794).

Executive Order 24: In accordance with Executive Order 24, issued by Governor Perdue, and N.C.G.S.§ 133-32, a vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, vendor, or grantee), is prohibited from making gifts or giving favors to any employee of the Agency of Agriculture and Consumer Services. This prohibition covers those vendors, contractors, and/or grantees who:

(a) have a Contract with a governmental Agency; or
(b) have performed under such a Contract within the past year; or
(c) anticipate bidding on such a Contract in the future.

For additional information regarding the specific requirements and exemptions, vendors, contractors, and/or grantees are encouraged to review Executive Order 24 and N.C.G.S. § 133-32.

Confidentiality

Confidentiality: Any information, data, instruments, documents, studies or reports given to or prepared or assembled by the Grantee under this agreement shall be kept as confidential and not divulged or made available to any individual or organization without the prior written approval of the Agency. The Grantee acknowledges that in receiving, storing, processing or otherwise dealing with any confidential information it will safeguard and not further disclose the information except as otherwise provided in this Contract.

Oversight

Access to Persons and Records: The State Auditor and the using agency's internal auditors shall have
access to persons and records as a result of all Contracts or grants entered into by State agencies or political subdivisions in accordance with General Statute 147-64.7 and Session Law 2010-194, Section 21 (i.e., the State Auditors and internal auditors may audit the records of the contractor during the term of the Contract to verify accounts and data affecting fees or performance).

Record Retention: Records shall not be destroyed, purged or disposed of without the express written consent of the Agency. State basic records retention policy requires all grant records to be retained for a minimum of five years or until all audit exceptions have been resolved, whichever is longer. If the Contract is subject to federal policy and regulations, record retention may be longer than five years since records must be retained for a period of three years following submission of the final Federal Financial Status Report, if applicable, or three years following the submission of a revised final Federal Financial Status Report. Also, if any litigation, claim, negotiation, audit, disallowance action, or other action involving this Contract has been started before expiration of the five-year retention period described above, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five-year period described above, whichever is later.

Miscellaneous

Choice of Law: The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the parties to this Contract, are governed by the laws of North Carolina. The Grantee, by signing this Contract, agrees and submits, solely for matters concerning this Contract, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purpose, that the exclusive venue for any legal proceedings shall be Wake County, North Carolina. The place of this Contract and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters whether sounding in Contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.

Headings: The Section and Paragraph headings in these General Terms and Conditions are not material parts of the agreement and should not be used to construe the meaning thereof.

Time of the Essence: Time is of the essence in the performance of this Contract.

Care of Property: The Grantee agrees that it shall be responsible for the proper custody and care of any property furnished to it for use in connection with the performance of this Contract and will reimburse the Agency for loss of, or damage to, such property. At the termination of this Contract, the Grantee shall contact the Agency for instructions as to the disposition of such property and shall comply with these instructions.

Amendment: This Contract may not be amended orally or by performance. Any amendment must be made in written form and executed by duly authorized representatives of the Agency and the Grantee.

Severability: In the event that a court of competent jurisdiction holds that a provision or requirement of this Contract violates any applicable law, each such provision or requirement shall continue to be enforced to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this Contract shall remain in full force and effect.

Travel Expenses: Reimbursement to the Grantee for travel mileage, meals, lodging and other travel expenses incurred in the performance of this Contract shall be reasonable and supported by documentation. State rates shall be used. International travel shall not be reimbursed under this Contract.

Sales/Use Tax Refunds: If eligible, the Grantee and all subgrantees shall: (a) ask the North Carolina Department of Revenue for a refund of all sales and use taxes paid by them in the performance of this Contract, pursuant to G.S. 105-164.14; and (b) exclude all refundable sales and use taxes from all reportable expenditures before the expenses are entered in their reimbursement reports.

Advertising: The Grantee shall not use the award of this Contract as a part of any news release or commercial advertising.

Indirect Costs Policy: The Agency has adopted a "Zero" policy that indirect costs are unallowable expenditures in all State funded grant applications and/or grant guidance, informational or directional documents.

Allowable Uses of State Funds: Expenditures of State funds by any grantee shall be in accordance with the Cost Principles outlined in the Office of Management and Budget (OMB) CFR Title 2, Part 200 Uniform Administrative Requirements, as applicable. If the grant funding includes federal sources, the grantee shall ensure adherence to the cost principles established by the Federal Office of Management and Budget. [09 NCAC 03M.020]
Attachment B
Contents of Attachment B:

Scope of Work
ADFP Trust Fund Conservation Easement Contract Grantee Duties and Reporting Requirements
Line Item Budget with Narrative and Project Timeline
The Conservation Easement Content
ADFP Trust Fund Monitoring Policies
Option to Purchase an ADFP Trust Fund Agricultural Easement
Scope of Work

The purpose of this contract is to place a perpetual agricultural conservation easement on +/- 59.26 acres of the Hill Farm in Cabarrus County.

Landowner name(s): Cletus Oliver Hill and Betty Jane Eudy Hill

Physical address:  
15831 Short Cut Rd. 
Concord, NC 28071

Parcel Identification Number (PIN): 66039630160000

Attached is a map of the proposed conservation easement:
Hill Farm Easement

ADFP Trust Fund Conservation Easement Contract Grantee Duties and Reporting Requirements

1. The Grantee agrees to the following timeline in the securing and recording the conservation easement:

<table>
<thead>
<tr>
<th>Deliverables (Documents)</th>
<th>Completion Date for Documents Provided to Agency by Grantee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preliminary Metes &amp; Bounds Survey</td>
<td>Within 180 days of beginning date of grant contract</td>
</tr>
<tr>
<td>Draft Easement Language</td>
<td>Within 180 days of beginning date of grant contract</td>
</tr>
<tr>
<td>Preliminary Baseline</td>
<td>Within 180 days of beginning date of grant contract</td>
</tr>
<tr>
<td>Applicable Conservation Plan</td>
<td>Within 180 days of beginning date of grant contract</td>
</tr>
<tr>
<td>Applicable Forestry Plan</td>
<td>Within 180 days of beginning date of grant contract</td>
</tr>
<tr>
<td>Environmental Audit including Hazardous Checklist</td>
<td>Within 180 days of beginning date of grant contract</td>
</tr>
<tr>
<td>Preliminary Title Opinion</td>
<td>Within 180 days of beginning date of grant contract</td>
</tr>
<tr>
<td>Preliminary Title Policy</td>
<td>Within 180 days of beginning date of grant contract</td>
</tr>
<tr>
<td>Certified Development Rights Appraisal</td>
<td>Within 240 days of beginning date of grant contract</td>
</tr>
<tr>
<td>Set target date for easement closing</td>
<td>Within 270 days of beginning date of grant contract</td>
</tr>
<tr>
<td>Request ADFPTF grant funding for easement closing</td>
<td>15 working days prior (21 calendar days) prior to set easement closing date</td>
</tr>
<tr>
<td>Preliminary HUD – Closing Statement</td>
<td>15 working days prior (21 calendar days) prior to set easement closing date</td>
</tr>
<tr>
<td>Recorded Easement</td>
<td>10 working days (14 calendar days) following closing and recording date of the conservation easement</td>
</tr>
<tr>
<td>Recorded Survey</td>
<td>10 working days (14 calendar days) following closing and recording date of the conservation easement</td>
</tr>
<tr>
<td>Final Title Opinion</td>
<td>10 working days (14 calendar days) following closing and recording date of the conservation easement</td>
</tr>
<tr>
<td>Final Title Policy</td>
<td>20 working days (28 calendar days) following closing and recording date of the conservation easement</td>
</tr>
<tr>
<td>Final Grant Payment Request with Required Financial and Programmatic Reports</td>
<td>20 working days (28 calendar days) following closing and recording date of the conservation easement</td>
</tr>
</tbody>
</table>

2. The Grantee shall provide the Agency with progress reports, both financial and programmatic. The following is based upon the Agency contract with the Grantee being two years in time.
For grant awards of less than $250,000, reports are due semi-annually. Refer to the table below for the reporting period and due dates for progress and budget reports:

<table>
<thead>
<tr>
<th>Contract Year</th>
<th>Reporting Period</th>
<th>Report Due Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>October 1 – March 31</td>
<td>April 10</td>
</tr>
<tr>
<td>Year 1</td>
<td>April 1 – September 30</td>
<td>October 10</td>
</tr>
<tr>
<td>Year 2</td>
<td>October 1 – March 31</td>
<td>April 10</td>
</tr>
<tr>
<td>Year 2</td>
<td>April 1 – September 30</td>
<td>October 10</td>
</tr>
</tbody>
</table>

For grant awards of $250,000 or more, reports are due quarterly. Refer to the table below for the reporting period and due dates for progress and budget reports:

<table>
<thead>
<tr>
<th>Contract Year</th>
<th>Reporting Period</th>
<th>Report Due Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>October 1 – December 31</td>
<td>January 10</td>
</tr>
<tr>
<td>Year 1</td>
<td>January 1 – March 31</td>
<td>April 10</td>
</tr>
<tr>
<td>Year 1</td>
<td>April 1 – June 30</td>
<td>July 10</td>
</tr>
<tr>
<td>Year 1</td>
<td>July 1 – September 30</td>
<td>October 10</td>
</tr>
<tr>
<td>Year 2</td>
<td>October 1 – December 31</td>
<td>January 10</td>
</tr>
<tr>
<td>Year 2</td>
<td>January 1 – March 31</td>
<td>April 10</td>
</tr>
<tr>
<td>Year 2</td>
<td>April 1 – June 30</td>
<td>July 10</td>
</tr>
<tr>
<td>Year 2</td>
<td>July 1 – September 30</td>
<td>October 10</td>
</tr>
</tbody>
</table>

In-kind and cash match shall be a part of the required financial reports, and documentation of the reported match shall be included with the reports. Documents shall be in the form of individual timesheets that have been signed by the individual employee and approved by the appropriate supervisor, travel logs and invoices for in-kind match; copies of checks, bank deposits and fund transfers for cash match. Other types of documents may be acceptable with the approval of the Agency Manager.

This grant contract is for the below marked amount:

- ✓ Less than $250,000
- □ $250,000 or more

3. The Grantee will use the selected easement template unless the exception category has been designated and approved by the Agency. Selection of appropriate template is based upon partnership funding used to secure the conservation easement. Unless clearly delineated in the proposed conservation easement map, the landowner waives the rights of creation of no more than three lots pursuant to N.C.G.S. 106-744(b)(1), therefore no lots shall be created in the easement area. The easement templates are downloadable at www.ncadfp.org

- □ ADFPTF-USDA-USAF Template Easement
- □ ADFPTF-USDA-MCIEAST Template Easement
- □ ADFPTF-USDA-Army Template Easement
- ✓ ADFPTF-USDA Template Easement
Hill Farm Easement

- ADFPTF-USAF Template Easement
- ADFPTF-MCIEAST Template Easement
- ADFPTF-Army Template Easement
- ADFPTF Perpetual Template Easement
- ADFPTF Term Template Easement
- Exception, including the creation of no more than three lots pursuant to N.C.G.S. 106-744(b)(1). (Copy of the revised conservation easement language must be attached hereto as an amendment to the NCDA&CS ADFPTF contract at time of approval)

The Agency legal counsel and Farmland Preservation Director must approve additions, omissions, or modifications of said template. The final “Conservation Easement” must meet with Agency approval to remain eligible for funding.

4. The Grantee shall provide the Agency with the appropriate reimbursement request (downloadable at www.ncadfp.org) and required documentation of performance and expenditures for associated grant reimbursement. The Agency shall make payments to the Grantee on the following guidance:
   a. No more than $25,000 if the grant award is $31,250 or greater and up to 80% of the grant if the grant award is less than $31,250 prior to the recording of the “Conservation Easement.”
   b. All payment requests must have documented purpose of use of grant funds and be within the approved amounts designated in the contract grant budget.
   c. At the time of a properly recorded “Conservation Easement,” the Agency shall pay to the Grantee no more than 80% of the awarded grant amount.
   d. The Agency shall decrease the contract award amount based on current conservation easement appraisal, if applicable.
   e. The Grantee shall ensure that 59.26 acres are placed under an agricultural easement with no more than a 5% variance in recorded easement acreage without prior written approval of the Agency.
   f. The division of the funds used to purchase the agricultural easement from matching resources and Agency resources must be maintained as noted in the grant contract budget. The Grantee may request the Agency for an exception to the division of funds if the Agency is the only entity providing easement funding.
   g. The Agency easement purchase shall not exceed 50% of the easement value. If the Agency is the only grantor of funds used to secure the conservation easement recording, the Grantee may request in writing with sound reasoning for the Agency payment to exceed 50% of the easement purchase value.
   h. At no time shall the total payment of grant funding exceed the grant contract value.
   i. All grantee payments must have receipts of expenditures to verify use of funding per contracted purposes.
5. The Grantee shall also submit a final grant report. Included in the final report, the Grantee shall provide an accounting of final match claimed by the Grantee to fulfill the match requirement mandated under N.C.G.S. 106-744(c1)(1). The Agency will retain 20% of the awarded grant amount until the final report, including cash match and in-kind documentation and a copy of a properly recorded easement, is received and approved by the Agency. The final report and all invoices are due by the 10th of the month following the ending date of the contract or within 20 working days (28 calendar days) following closing and recording date of the conservation easement if less in time. The Agency shall make the payment within 60 days of any grant reimbursement request by the Grantee with approved documentation. If the Grantee fails to provide final report and required supporting documentation within the required documentation period, the Grantee may not receive reimbursement and shall be considered ineligible for reimbursement.

6. The Grantee may request an extension of time of the grant contract period. The request must be in writing and submitted to the Farmland Preservation Director for review no later than 60 calendar days of the contract end date. Request must provide sound reason for such a request such as documented hardship and uncontrollable hindering issues.

7. After recording the “Conservation Easement” in the Register of Deeds Office, the Grantee shall annually notify the landowner and conduct a monitoring visit to the property to ensure that the easement agreement is being upheld. If structures are permitted under the easement, the Grantee shall review plans and monitor construction for compliance with the plans. Grantee monitoring shall be completed in accordance with the Agency “Conservation Easement Monitoring Policy and Guidelines” and amendments thereto. The Grantee shall complete and submit to the Agency the “Grantee Monitoring Checklist – Perpetual or Term Easement” to report its annual monitoring findings. The first “Grantee Monitoring Checklist – Perpetual or Term Easement” is due by December 31 of the following calendar year after the “Conservation Easement” recording, and annually thereafter.

8. The Grantee shall complete all reports in a prescribed format, which shall be provided by the Agency. Reports and required documentation must be up-to-date for the Grantee to receive payments.

9. All publicity and printed material regarding projects or activities supported in whole or in part by this shall contain the following language: “The project received support from the NCDA&CS ADFP Trust Fund.” The NCDA&CS ADFP Trust Fund logo (digital versions of which can be downloaded from the Agency website at www.ncadfp.org) shall be displayed in all the Grantee’s publicity and printed materials relating to this grant.

10. The Grantee will submit all reports and requested documents electronically unless instructed differently by Agency staff. Reports and documents may be submitted by
email to: ncadfp@ncagr.gov.

11. Non-compliance of grantee duties will result in an immediate suspension of existing Agency grant funding, and the Grantee shall be ineligible for further Agency grants until the noncompliance is corrected and the Agency has acknowledged the correction and the Grantee is in good standing. The Agency shall use the following guidance in placing a Grantee in non-compliance:

**ADFP Trust Fund Grantee Eligibility Classification**

ADFP grantees are classified by the following guidance.

<table>
<thead>
<tr>
<th>Classification</th>
<th>Grant Contract / Monitoring Status</th>
<th>Eligibility Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green</td>
<td>All budget, progress and monitoring reports on file and up to date with no incidents noted on the SOFL or other Department grant tracking forms.</td>
<td>No restrictions.</td>
</tr>
<tr>
<td>Yellow</td>
<td>Having a late budget, progress or monitoring report in the previous reporting period and with no incidents noted on the SOFL or other Department grant tracking forms.</td>
<td>All grant payments and proposed grant contracts frozen until reports filed and approved. Review of proposed grant requests (RFPs) may continue but no grant contract may be offered.</td>
</tr>
<tr>
<td>Red</td>
<td>Having late budget, progress or monitoring reports for two reporting periods and with no incidents noted on the SOFL or other Department grant tracking forms.</td>
<td>All grant payments and proposed grant contracts frozen until reports filed and approved. Review of proposed grant requests (RFPs) discontinued and no grant contract may be offered.</td>
</tr>
<tr>
<td>Black</td>
<td>Having a late budget, progress or monitoring reports for three or more reporting periods or found listed as being in compliant on the SOFL or other Department grant tracking forms.</td>
<td>All grant payments frozen. Grantee is not eligible for an ADFP Trust Fund grant application or contract.</td>
</tr>
</tbody>
</table>

Note: A grantee RFP with a yellow classification will be given lower selection rank in comparison to green classifications of equivalent evaluation. A grantee RFP with a red classification will be classified as not eligible if the red classification status continues for 30 days or more after submitting the RFP. Please see NCDA&CS ADFP grant contracts for required reports and schedule to submit.

12. Extensions to the contract due to hardship may be allowed. All extension requests must be filed in writing to the ADFP Trust Fund office no later than 60 days prior to the termination of the contract.

13. The grant contract budget and project timeline are as attached:
### Hill Farm Conservation Easement Budget Worksheet

<table>
<thead>
<tr>
<th>Expenditure Categories</th>
<th>ADFP Trust Fund Grant Funds</th>
<th>Secured Match (Written Letter of Commitment from matching funds source)</th>
<th>Unsecured Match (excluding potential USDA ALE funding) (All match will be considered unsecured unless accompanied by Letter of Commitment)</th>
<th>Potential USDA ALE Funding (Considered unsecured at this time)</th>
<th>Total Matching Funds</th>
<th>All Totals</th>
<th>Grant Contract Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>204 Travel (applicable state rates)</td>
<td></td>
<td></td>
<td>$</td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>207 Personnel and Administrative</td>
<td></td>
<td></td>
<td>$</td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>211 Stewardship Endowment</td>
<td>$ 3,394.00</td>
<td>$ 3,394.00</td>
<td>$ 3,394.00</td>
<td></td>
<td>$ 6,788.00</td>
<td>$</td>
<td>landowner cash</td>
</tr>
<tr>
<td>212 Survey</td>
<td>$ 4,000.00</td>
<td></td>
<td>$ 4,000.00</td>
<td></td>
<td>$ 4,000.00</td>
<td>$</td>
<td>county</td>
</tr>
<tr>
<td>213 Appraisal</td>
<td>$ 2,000.00</td>
<td></td>
<td>$ 2,000.00</td>
<td></td>
<td>$ 2,000.00</td>
<td>$</td>
<td>landowner cash</td>
</tr>
<tr>
<td>214 Baseline Documentation Report</td>
<td></td>
<td></td>
<td>$</td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>215 Environmental Assessment/Audit</td>
<td>$ 2,500.00</td>
<td></td>
<td>$ 2,500.00</td>
<td></td>
<td>$ 2,500.00</td>
<td>$</td>
<td>county</td>
</tr>
<tr>
<td>216 Legal Fees</td>
<td>$ 5,000.00</td>
<td></td>
<td>$ 5,000.00</td>
<td></td>
<td>$ 5,000.00</td>
<td>$</td>
<td>county</td>
</tr>
<tr>
<td>217 Closing Costs</td>
<td>$ 500.00</td>
<td></td>
<td>$ 500.00</td>
<td></td>
<td>$ 500.00</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>220 Easement Purchase</td>
<td>$ 113,122.50</td>
<td>$ 113,122.50</td>
<td>$ 226,245.00</td>
<td></td>
<td>$ 339,367.50</td>
<td>$ 452,490.00</td>
<td>59.26 contract acres, 25 percent in-kind.</td>
</tr>
</tbody>
</table>

| Total Project Budget                        | $ 116,516.50               | $ 130,516.50                                                             | $                                                                 | $ 226,245.00                                                   | $ 356,761.50         | $ 473,278.00 |

Signature of Grantee: Daniel McCollum 7/11/18
Signature of ADFP Director: [Signature] 7-9-18
Signature of ADFP Budget Officer: [Signature] 7-9-18
### Hill Farm Project Timeline - Cycle XI

<table>
<thead>
<tr>
<th>Quarter (Grant Year 1)</th>
<th>Tasks/Goals</th>
<th>Grant Funding to be Used</th>
<th>Matching Funds (cash or in-kind) to be Used</th>
<th>Total Funding to be Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 1, 2018 - December 31, 2018</td>
<td>Personnel and Administrative Duties</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>January 1, 2019 - March 31, 2019</td>
<td>Survey, Draft Easement Language, Baseline, Applicable Conservation and Forestry Plans, Environmental Audit, Preliminary Title Opinion and Policy</td>
<td>$3,394.00</td>
<td>$9,894.00</td>
<td>$13,288.00</td>
</tr>
<tr>
<td>April 1, 2019 - June 30, 2019</td>
<td>Certified Appraisal, Set target date for easement closing</td>
<td>$ -</td>
<td>$2,000.00</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>July 1, 2019 - September 30, 2019</td>
<td>Request Funds for closing, Preliminary HUD, Record Easement, Record Survey, Final Title Opinion and Policy, Final Payment Request, Legal Fees, Closing Costs</td>
<td>$113,122.50</td>
<td>$118,622.50</td>
<td>$231,745.00</td>
</tr>
</tbody>
</table>

**Grant Year 1 Subtotals** | $116,516.50 | $130,516.50 | $247,033.00 |

<table>
<thead>
<tr>
<th>Quarter (Grant Year 2)</th>
<th>Tasks/Goals</th>
<th>Grant Funding to be Used</th>
<th>Matching Funds (cash or in-kind) to be Used</th>
<th>Total Funding to be Used</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 1, 2019 - December 31, 2019</td>
<td></td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>January 1, 2020- March 31, 2020</td>
<td></td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>April 1, 2020 - June 30, 2020</td>
<td></td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>July 1, 2020 - September 30, 2020</td>
<td></td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>

**Grant Year 2 Subtotals** | $- | $- | $- |

**Entire Grant Period Totals** | $116,516.50 | $130,516.50 | $247,033.00 |
This instrument prepared by and return to:

STATE OF NORTH CAROLINA
COUNTY OF

WARRANTY
DEED OF AGRICULTURAL LAND EASEMENT

This Deed of Agricultural Land Easement ("ALE") is granted on this ___ day of __________ , 2017, by ___________________ having an address of __________, North Carolina 28025-7659 (collectively "Grantor"), to ___________________ having an address of __________, North Carolina 28027-6214 ("Grantee"), the North Carolina Department of Agriculture and Consumer Services (NCDA&CS) acting by and through the North Carolina Agriculture Development and Farmland Preservation Trust Fund ("NCDA&CS" or "ADFP Trust Fund") and with a right of enforcement to the United States of America ("the United States") acting by and through the United States Department of Agriculture, Natural Resources Conservation Service ("NRCS"), on behalf of the Commodity Credit Corporation (CCC) as its interest appears herein, for the purpose of forever conserving the agricultural productivity of the Protected Property and its value for resource preservation and as open space. The Grantor, Grantee, NCDA&CS, and the United States are collectively referred to as "the Parties".

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successor and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

The United States is providing $_________ toward the purchase of this Agricultural Land Easement, which amount represents ___% of the appraised fair market value of the rights conveyed by this Agricultural Land Easement ("Easement Value"). Grantor is donating ___% of the Easement Value $____ and the remaining ___% of the Easement Value is provided by the Grantee through the ADFP Trust Fund in the amount of $__________ with __________ contributing $; for a total cash consideration of $__________.

RECITALS
WHEREAS, Grantor is the sole owner in fee simple, of a certain farm property identified in Exhibit ___ located in ______ Township, _________ County, North Carolina and identified on the plat of property entitled “Plat Showing Boundary Survey & Conservation Easement” prepared by _______ which plat is recorded at Plat Book _____ Page ______, County Registry with such farm property totaling _____ acres covered by this Agricultural Land Easement (the “Protected Property”).

WHEREAS, the Protected Property consists primarily of productive agricultural land. The Protected Property also contains within its boundary buildings and/or improvements as shown on Exhibit ______ attached hereto and incorporated herein. The majority of the soils on the Protected Property have been classified as “prime” or “statewide important” soils by the NRCS, United States Department of Agriculture (“USDA,” also referred to as “United States”). It is the primary purpose of this Agricultural Land Easement to protect the agricultural soils and agricultural viability and productivity by limiting non-agricultural uses of the Protected Property.

WHEREAS, the Protected Property also includes outstanding woodland and riparian habitats for a variety of wildlife species of importance to the Grantor, the people of ______ County and the people of North Carolina.

WHEREAS, the Protected Property contains numerous tributaries that flow into the _____ Creek which flows into ______ River. It is a secondary purpose of this Agricultural Land Easement to protect these natural wildlife habitat, historical, and scenic resources. The agricultural, natural, wildlife habitat and scenic resources of the Protected Property are collectively referred to as the “Conservation Values” of the Protected Property.

WHEREAS, the specific Conservation Values of the Protected Property and its current use and state of improvement are described in a Baseline Documentation Report (“Report”) prepared by the Grantee with the cooperation of the Grantor, and acknowledged by both parties to be accurate as of the date of this Agricultural Land Easement. This Report may be used by the Grantee to document any future changes in the use or character of the Protected Property in order to ensure the terms and condition of the Agricultural Land Easement are fulfilled. This Report, however, is not intended to preclude the use of other evidence to establish the present condition of the Protected Property if there is a controversy over its use. The Grantor and Grantee have copies of this Report, and this Report will remain on file at the office of the Grantee.

WHEREAS, the Grantor and Grantee agree that the current agricultural use of, and improvements to, the Protected Property are consistent with the conservation purposes of this Agricultural Land Easement.

WHEREAS, the Grantor intends that the Conservation Values of the Protected Property be preserved and maintained, and further, Grantor intends to convey to the Grantee the right to preserve and protect the agricultural and other Conservation Values of the Protected Property in perpetuity.

WHEREAS, the Conservation Purposes of the Agricultural Land Easement are recognized by, and the grant of this Agricultural Land Easement will serve, the following clearly delineated governmental conservation policies:

1. This Agricultural Land Easement in perpetuity is acquired with funds provided, in part, under the Agricultural Conservation Easement Program (ACEP), 16 U.S.C. § 3865 et seq. and 7 CFR Part 1468 for the purpose of protecting the agricultural use
and future viability, and related conservation values, by limiting non-agricultural uses of the Protected Property;

2. N. C. Gen. Stat. § 139-2 et seq., which provides that "it is hereby declared ... that the farm, forest and grazing lands of the State of North Carolina are among the basic assets of the State and the preservation of these lands is necessary to protect and promote the health, safety and general welfare of its people... It is hereby declared to be the policy of the legislature to provide for the conservation of the soil and resources of this State;"

3. N. C. Gen. Stat. § 106-583 et seq., which states that "It is declared to be the policy of the State of North Carolina to promote the efficient production and utilization of the products of the soil as essential to the health and welfare of our people and to promote a sound and prosperous agriculture and rural life as indispensable to the maintenance of maximum prosperity;"

4. The Uniform North Carolina Conservation and Historic Preservation Agreements Act (N. C. Gen. Stat. § 121-34 et seq.) which provides for the enforceability of restrictions, easements, covenants or conditions "appropriate for retaining in land or water areas predominantly in their natural, scenic, or open condition or in agricultural, horticultural, farming or forest use;" and which provides for tax assessment of lands subject to such agreements "on the basis of the true value of the land and improvement less any reduction in value caused by the agreement;"

5. The establishment of the North Carolina Farmland Preservation Trust Fund established in 2005 (N.C. Gen Est § 106-744 (c)) to preserve important farmland in North Carolina; and

6. The special use assessment of farm and forest land as set forth in N. C. Gen. Stat. § 105-277.2 et seq.

WHEREAS, Grantor and Grantee have the common purpose of protecting the above described Conservation Values and current condition of the Protected Property and preventing conversion of the Protected Property to non-agricultural uses and Grantor agrees to create and implement an Agricultural Land Easement Plan ("ALE Plan").

As required by 16 U.S.C. § 3865a, agricultural production and related uses of the Protected Property are subject to an ALE Plan, as approved by NRCS, to promote the long-term viability of the land to meet the Agricultural Land Easement ("ALE") purposes. The ALE Plan must also be approved by the Grantor and the Grantee. Grantor agrees the use of the Property will be subject to the ALE Plan on the Protected Property.

The ALE Plan is incorporated by reference and must not include any provisions inconsistent with the conservation purposes of this ALE. The Grantee and Grantor agree to update the ALE Plan in the event the agricultural uses of the Protected Property change. A copy of the current ALE Plan is kept on file with the Grantee.

The Grantee must take all reasonable steps to secure compliance with the ALE Plan. In the event of substantial or ongoing noncompliance with the ALE Plan or the requirement to update the ALE Plan, NRCS may notify the Grantee. NRCS will give the Grantee and Grantor a reasonable amount of time, not to exceed 180 days, to take corrective action. If Grantee fails to enforce the
terms of the ALE, including, but not limited to compliance with the ALE Plan, the United States may exercise its right of enforcement.

WHEREAS, the Grantee is a body politic existing under Chapter 139 of the North Carolina General Statutes, and is qualified to hold Easements under the applicable laws of the State of North Carolina and is a qualified organization under I.R.C. Section 170(h).

NOW, THEREFORE, for $______ Dollars ($___) and for the reasons given and other good and valuable consideration and in consideration of their mutual covenants, terms, conditions and restrictions contained herein, the Grantor hereby voluntarily grants and conveys to the Grantee, and the Grantee hereby voluntarily accepts, a perpetual Agricultural Land Easement (ALE) in the Protected Property, which Agricultural Land Easement is an immediately vested interest in real property of the nature and character described herein. Grantor promises that they will not perform, nor knowingly allow others to perform, any act on or affecting the Protected Property that is inconsistent with the covenants contained herein. Grantor authorizes the Grantee to enforce these covenants in the manner described below.

ARTICLE I. GENERAL

1.1. Statement of Purpose. It is the primary purpose of this Agricultural Land Easement (ALE) to enable the Protected Property to remain in agricultural use by preserving and protecting its agricultural soils and agricultural viability and productivity by limiting nonagricultural uses of the Protected Property. No activity that would significantly impair the actual or potential agricultural use of the Protected Property, or that is otherwise inconsistent with the purposes of this Ale, shall be permitted. To the extent that the preservation and protection of the natural, historic, recreational, habitat or scenic values referenced in this Agricultural Land Easement are consistent with the primary purpose stated above, it is within the purpose of this Agricultural Land Easement to also protect those values, and no activity that would significantly impair those values shall be permitted.

The provisions of this ALE and associated exhibits will not be interpreted to restrict the types of agricultural operations that can function on the Protected Property, so long as the agricultural operations are consistent with the long-term agricultural viability of the Protected Property, ALE Plan and ALE purposes, and do not violate federal laws, including federal drug laws. No uses will be allowed that decrease the ALE’s protection for the agricultural use and future viability, and related conservation values of the Protected Property.

The production, processing, and marketing of agricultural crops and livestock is allowed provided it is conducted in a manner consistent with the terms of the ALE Plan.

1.2. Perpetual Duration. This ALE over the Protected Property as further described in Exhibit ____ shall be perpetual. It is an Agricultural Land Easement in gross, runs with the land and is enforceable by Grantee against Grantor as provided herein, and against Grantor’s representatives, successors, assigns, lessees, agents and licensees.

1.3. Extinction of Development Rights. Except as otherwise reserved to the Grantor in this Agricultural Land Easement, the parties agree that all development rights appurtenant to the Protected Property are hereby released, terminated and extinguished, and may not be used on or transferred to any portion of the Protected Property as it now or hereafter may be bounded or described, or used or transferred to any other property adjacent or otherwise, nor used for
the purpose of calculating permissible lot yield of the Protected Property or any other property by anyone including the Grantor and Grantee.

1.4. Compliance with other Regulatory Requirements. The Grantor is responsible for complying with any and all additional permits or regulation to use or develop the Protected Property under the terms of this Agricultural Land Easement, including County, State of North Carolina or Federal requirements, regardless of any reserved rights or permissions contained in this Agricultural Land Easement Document.

ARTICLE II. PROHIBITED AND RESTRICTED ACTIVITIES

Any activities inconsistent with the purposes of this ALE are prohibited.

The terms and conditions of this ALE run with the land and are binding upon the Grantor and Grantee and their respective heirs, successors, agents, assigns, lessees, and any other person claiming under them must comply with all terms and conditions of this Agricultural Land Easement, including the following:

2.1. Subdivision. Separate conveyance of a portion of the Protected Property or division or subdivision of the Protected Property is prohibited. Grantor hereby waives the right to subdivide three lots pursuant to North Carolina General Statute 106-744(b)(1) unless said lots have been clearly delineated and subdivided on that survey plat hereinabove referenced.

Even if the Protected Property consists of more than one parcel for real estate tax or any other purpose or if it was acquired previously as separate parcels, it will be considered one parcel for purposes of this Agricultural Land Easement, and the restrictions and covenants of this Agricultural Land Easement will apply to the Protected Property as a whole.

2.2. Industrial and Commercial Use. Industrial or commercial activities on the Protected Property are prohibited except: agricultural production and related uses conducted as described in the ALE Plan; the sale of excess power generated in the operation of renewable energy structures and associated equipment or other energy structures that Grantee approves in writing as being consistent with the conservation purposes of this Agricultural Land Easement; temporary or seasonal outdoor activities or events that do not harm the agricultural use, future viability, and related conservation values of the Protected Property herein protected; commercial enterprises related to agricultural or forestry including but not limited to agritourism, processing, packaging, and marketing of farm or forest products, farm machinery repair, and small-scale farm wineries; small-scale commercial enterprises compatible with agriculture or forestry, including but not limited to cafes, shops, and studios for arts or crafts. This restriction does not prohibit the use of the Protected Property or construction of improvements primarily for agricultural, horticultural, forestry, silvicultural and non-developed recreational purposes as more specifically defined herein.

2.3. Oil, Gas, or Mining Exploration and Extraction. Mining or extraction of soil, sand, gravel, oil, natural gas, fuel, coal, or any other mineral substance owned by Grantor as of the date of this ALE or later acquired by Grantor, using any surface mining, subsurface mining, or dredging method, from Protected Property is prohibited. There shall be no filling, excavation, dredging, mining or drilling, removal of topsoil, sand, gravel, rock, peat, minerals, hydrocarbons or other materials, and no change in the topography of the land in any manner except as necessary for the purpose of farming operations or combating erosion or flooding and as reasonably necessary for any permitted maintenance, construction or reconstruction on the Protected
Property. Disturbed areas for the purpose of removing topsoil, sand, gravel, rock, peat, minerals, or other materials shall be limited to one acre in total surface area as identified in Exhibit _, must not harm the conservation values or the agricultural uses of the Property and will be restored as soon as practicable after the disturbance. Any removal of material as provided for in this subsection shall be solely for the purposes of the Protected Property and shall not be removed and sold to a third party. Under no circumstances is the exploration, exploitation and/or drilling for oil, natural gas, coal and/or other hydrocarbons permitted in, on or to the Protected Property. If a third party owns or leases the oil, natural gas, or any other mineral substance at the time this ALE is executed, and their interests have not been subordinated to this ALE, the Grantor must require, to the greatest extent possible, that any oil, natural gas, and mineral exploration and extraction conducted by such third party is conducted in accordance with this paragraph.

2.4. Surface Alteration. Grading, blasting, filling, sod farming, earth removal, or any other activity that will disturb the soil surface or materially alter the topography, surface or subsurface water systems, or wetlands of the Protected Property is prohibited, except as follows: dam construction in accordance with the ALE Plan to create ponds for agricultural use, fire protection, or wildlife enhancement, including enhancement through wetland restoration, enhancement or creation; erosion and sediment control pursuant to a plan approved by the Grantee; soil disturbance activities required in the construction of approved buildings, structures, roads, and utilities provided that the required alteration has been approved in writing by Grantee as being consistent with the conservation purpose of this Agricultural Land Easement; or Agricultural activities conducted in accordance with the ALE Plan.

2.5. Motorized Vehicle Use. Grantor shall not use motor vehicles on the Protected Property or grant permission for such use except as necessary in the accomplishment of the agricultural, forestry, habitat management, law enforcement and public safety, or conservation uses of the Protected Property, provided that no use of motorized vehicles shall create impacts that are detrimental to the productivity of the soils on the Protected Property and the Statement of Purposes of the ALE; however, notwithstanding the foregoing, use of snowmobiles on snow is allowed on the Protected Property.

2.6. Dumping and Trash. Dumping or storage of soil, trash, refuse, debris, ashes, garbage, waste, abandoned vehicles or parts, appliances, machinery, or hazardous substances, or toxic or hazardous waste, is prohibited. The placement of underground or above ground storage tanks or other materials is prohibited, with the exception of agricultural products, byproducts (including the composting of biodegradable material for on-farm use) and agricultural equipment used on the Protected Property, so long as such storage is done in accordance with all applicable government laws and regulations and in such a manner so as to not impair the Conservation Values of the Protected Property.

2.7. Structures and Improvements. There shall be no building, tower, facility, mobile home, or other structure constructed or placed on the Protected Property, not otherwise specifically authorized herein, unless related specifically to a right reserved to the Grantor in Article III. Any structures permitted or reserved by Grantor shall be of such reasonable size, proportion, height and character so as not to significantly detract from the open space and agricultural purposes of this Agricultural Land Easement. Under no circumstances shall recreational fields, golf courses or ranges, airstrips or helicopter pads be constructed or permitted on the Protected Property.
2.8. **Signage.** Display to the public of billboards, signs or advertisements is prohibited on or over the Protected Property, except to state the name of the property and its farmland status, including its Agricultural Land Easement status, the name and address of the occupant, to advertise on-site activity, and to advertise the property for sale or rent, as allowed by the sign ordinance set forth in the _________ County Zoning and Subdivision Ordinance. Grantor shall be permitted to erect no trespassing signs, traffic or directional signs or warning signs as may be expedient and to post the property.

2.9. **Limitation on Impervious Surfaces.** Impervious surface will not exceed two percent (2%) of the Protected Property, excluding NRCS-approved conservation practices. Impervious surfaces are defined as material that does not allow water to percolate into the soil on the Protected Property, including, but not limited to, residential buildings, agricultural buildings with or without flooring, paved areas, paved driveways, paved walkways, paved farm roads, and any other surfaces that are covered by asphalt, concrete, or roofs. This limitation does not include public roads or other roads owned and controlled by parties with rights superior to those rights conveyed to Grantee by this ALE. Excluded from this definition are compacted dirt and gravel surfaces, including farm roads, driveways and other surfaces that do not fully restrict the percolation of water into the soil. This restriction shall apply to permanent and temporary structures and facilities, both existing and proposed. The granting or modification of easements for utilities and roads is prohibited when the utility or road will adversely impact the agricultural use and future viability and related conservation values of the Protected Property as determined by the Grantee in consultation with the Chief of NRCS.

**ARTICLE III. RIGHTS AND RESPONSIBILITIES RETAINED BY GRANTOR**

Notwithstanding any provisions of this Agricultural Land Easement to the contrary, the Grantor reserves to and for themselves and their successors all customary rights and privileges of ownership, including the rights to sell, lease, and devise the Protected Property, together with any rights not specifically prohibited by or limited by this Agricultural Land Easement, and consistent with the Section 1.1., “Statement of Purpose”. Unless otherwise specified below, nothing in this Agricultural Land Easement shall require the Grantor to take any action to restore the condition of the Protected Property after any Act of God or other event over which they have no control. Grantor understands that nothing in this Agricultural Land Easement relieves them of any obligation or restriction on the use of the Protected Property imposed by law.

3.1. **Right to Farm.** Grantor retains the right to farm, or to permit others to farm the Protected Property for farming or other agricultural activities that are consistent with the Conservation Values of the Protected Property and in accordance with applicable local, state and federal laws and regulations and in accordance with the ALE Plan. Subject to any prohibitions stated herein, farming, grazing, horticultural (provided such activity does not remove topsoil from the Protected Property) and animal husbandry operations are permitted only if conducted consistent with Best Management Practices promulgated by the State of North Carolina and in conformity with the ALE Plan as required in Section 4.5 hereafter.

3.2. **Right to Privacy.** Grantor retains the right to privacy and the right to exclude any member of the public from trespassing on the Protected Property. This Agricultural Land Easement is not intended to create any rights of the public in, on or to the Protected Property.
3.3. Right to Use the Protected Property for Customary Rural Enterprises. Grantor retains the right to use the Protected Property, for otherwise lawful and customary rural enterprises, such as, but not limited to, farm machinery repair, sawmills, firewood distribution, for nature and historic tours, equestrian activities, and other passive or “Ecotourism”, “Agritourism” and “Special Events” as defined herein, educational programs or farm meetings and like activities, so long as such activities are consistent with the County zoning regulations and permits required by and issued by County under its laws and ordinances. Any structures required for permitted purposes shall be located only within the Farmstead Areas, as shown on Exhibit . Any permanent or temporary structure or otherwise addition to the impervious surface shall not cause the total impervious surface restriction of the Protected Property to exceed two percent (2%).

Grantor has the right to establish and carry out customary rural enterprises provided such activities are compatible with the Conservation Purposes of this ALE and agriculture and forestry uses of the Protected Property, and are subordinate to the agricultural and residential use of the Protected Property. The enterprises shall be conducted in the buildings required for the agricultural use of the Protected Property or the residences in which full time employees of the farm reside. Enterprises which market petroleum or chemical products are prohibited.

For purposes herein, the term “Ecotourism” shall be broadly defined to mean tourism and activities that are carried out in a relatively undisturbed natural area that serves as a tool for the education, appreciation, and promotion of natural and cultural heritage that has minimal negative impacts on the environment and farming resources of the Protected Property and promotes conservation and best management practices and provides constructive ongoing contributions to and for the local community.

The term “Agritourism” shall be broadly defined to mean those farming activities and traditional rural activities that are carried out on any agricultural location, including horticultural and agribusiness operations, that allows members of the general public, for recreational, entertainment, active involvement, or educational purposes, to view or enjoy rural activities, including farming, ranching, historic, cultural, harvest-your-own activities, or natural activities and attractions, or “Special Events” as defined herein, that have minimal negative impacts upon the environment and the Conservation Values of the Protected Property and are limited to “de minimis” access to and uses of the Protected Property. An activity is an Agritourism activity whether or not the participant paid to participate in the activity.

The term “Special Events” shall be broadly defined to mean a one-time or infrequently occurring event outside normal “Agritourism” programs or activities that provides for an agriculturally based leisure, social or cultural experience outside the normal range of Agritourism choices or beyond the everyday agrarian experience such as but not limited to: seasonal festivals, harvest celebrations, field days, square dances, and the like. In no event shall “Special Events” exist on the Protected Property for more than seven (7) days per twelve (12) month period nor exist in a manner that negatively impacts the soils or Conservation Values. Any parking associated with such events shall be located within the Farmstead Areas and/or existing farm roads as depicted in Exhibit .

3.4. Construction on the Protected Property - procedure to Construct Buildings and Other Improvements. The Grantor’s rights to construct or reconstruct/repair buildings and other improvements are described in subparagraphs (a) through (e) below. Any construction or reconstruction not permitted below is prohibited. All new structures and improvements must be located within the Farmstead Area, containing approximately 8.033 acres and described in
Exhibit __, which is appended to and made a part of the ALE. Before undertaking any construction or reconstruction that requires advance permission, the Grantor shall notify the Grantee and obtain written permission. All construction or reconstruction is subject to ___________ County Zoning and Subdivision Ordinances and must be consistent with permits required by and issued by ___________ County under applicable laws and ordinances for such construction activities. Any building that may be constructed under this Section may be repaired and replaced.

The boundaries and location of the Farmstead Area may be adjusted if Grantee, The NCDA&CS Commissioner of Agriculture, and the Chief of NRCS provide prior written approval of the adjusted boundaries and location. The Farmstead Area may not increase in size and the adjusted Farmstead Area must provide equal or greater protection of the agricultural use and future viability and related conservation values of the Protected Property.

Utilities to serve approved buildings or structures, including on-farm energy structures allowed and agricultural structures that neither individually nor collectively have an adverse impact on the agricultural use and future viability and related conservation values of the Protected Property, may be built outside of the Farmstead Area with prior written approval of the Grantee provided that the utilities or agricultural structures are consistent with the ALE Plan.

Grantor further understands that the two percent (2%) maximum impervious surface limit set by the USDA Agricultural Conservation Easement Program-ALE disallows the construction of any new structures or impervious roads or other improvements to the Protected Property or replacement of said structures that would increase the total impervious surface area above the two percent (2%) maximum. All permanent construction and/or placement upon the Protected Property of any impervious surface must be approved in writing by the Grantee to ensure the maximum impervious limit is not exceeded.

a) Fences – Existing fences may be maintained and replaced, and new fences may be installed if they are necessary for the agricultural operations on the Protected Property or to mark the boundaries of the Protected Property.

b) Paving and Road Construction – Construction and maintenance of unpaved farm roads that may be reasonably necessary and incidental to carrying out the improvements and uses permitted on the Protected Property by this Agricultural Land Easement are permitted. Such roads shall be located so as to minimize impact to prime and unique soils on the Protected Property. No portion of the Protected Property shall be paved or otherwise covered with concrete, asphalt, or any other impervious paving material, without the advance written permission of the Grantee. New roads may be constructed if they are approved in advance by Grantee, within impervious surface limits, and necessary to carry out the agricultural operations or other allowed uses on the Protected Property. Maintenance of existing roads documented in the Baseline Documentation Report is allowed; however, existing roads may not be widened or improved unless widening and improving is within impervious surface limits, approved in advance by Grantee, and necessary to carry out the agricultural operation or other allowed uses on the Protected Property.

c) Farm Structures & Improvements – New buildings, barns, sheds and other structures and improvements to be used primarily for agricultural purposes, including the processing or sale of farm products predominantly grown or raised on the Protected Property may be
built within the "Farmstead Area" as shown on Exhibit __, after written approval from the Grantee is obtained. The Grantee shall give such approval within a reasonable time, unless it determines that the proposed building, structure or improvement would exceed the total maximum impervious surface restriction by the USDA Agricultural Conservation Easement Program-ALE, significantly diminish or impair the Conservation Values of the Protected Property or otherwise be inconsistent with the purposes of this Agricultural Land Easement. Existing buildings/barns/sheds and greenhouses as depicted in Exhibit ____ may be repaired or reconstructed in accordance with all other Agricultural Land Easement provisions.

Any temporary structures proposed for locations outside the Farmstead Areas shall be for agricultural purposes only and may only be erected with the advance written permission of the Grantee. The Grantee shall give such permission within a reasonable time and ensure the proposed temporary structure is erected in a way that minimizes any negative impact to the soils, diminishes and/or in any way is inconsistent with the Conservation Values of the Agricultural Land Easement Deed.

d) Farm Support Housing - No more than a total of one (1) new single-or multi-family dwelling to house farm tenants, employees or others engaged in agricultural production or other farm support uses on the Protected Property may be built on the Protected Property. The dwelling must be no greater than 1,500 square feet in floor size and shall be located within that area identified and marked as the "Farmstead Area" identified on Exhibit __.

e) Single-Family Residential Dwellings - In accordance with North Carolina General Statutes 106-744(b)(1) not more than three lots that meet applicable county and municipal zoning and subdivision regulations may be created.

*Landowner chooses one of the following*

(Initial) The lots have been clearly subdivided and delineated on that plat referenced on Page One of this Conservation Easement.

(Initial) The right to subdivide three lots is hereby waive by Landowner.

The Agricultural Land Easement includes ______ existing single-family residential dwellings within the Farmstead Area shown on Exhibit __. These residences may be renovated or enlarged so long as the construction is first approved by the Grantee to determine that it does not exceed the maximum impervious surface restriction designated by the USDA Agricultural Conservation Easement Program-ALE. The residential dwellings shall be no greater than four thousand (4000) square feet each, including heated and unheated space. All residential structures and appurtenant structures such as garages and sheds shall be contained in the Farmstead Area.

No additional single family residential dwellings may be built anywhere on the Protected Property.
The land on which this residential dwelling stands may not be subdivided from the Protected Property. Grantee’s participation in or the signing of this Agricultural Land Easement in no way constitutes approval of the permitting of these residential dwellings. All appurtenant structures shall be contained within the Farmstead Area. Any septic system and field to provide for domestic effluent shall be contained within the Farmstead Areas. In the event that a suitable site for the system and field cannot be located within the Farmstead Area, a suitable location outside the Farmstead Area may be utilized with the written approval of the Grantee, the NCDA&CS and NRCS.

3.5. Recreational Improvements. Grantor expressly reserves the right to engage in low impact, non-developed recreational activities such as hunting, fishing, hiking, bird watching, etc. and to control access of all persons for the purpose of hunting and fishing, hiking, bird watching, etc., provided that these activities do not impact the protection and conservation of any animal habitat or other Conservation Values of the Protected Property.

3.6. Utility Services, Septic Systems, and Fuel Storage. Installation, maintenance, repair, replacement, removal and relocation of electric, gas, and water facilities, sewer lines and/or other public or private utilities, including telephone or other communication services over or under the Protected Property for the purpose of providing electrical, gas, water, sewer, or other utilities to serve improvements permitted herein, and the right to grant easements over and under the Protected Property for such purposes, is permitted. Installation, maintenance, repair or improvement of a septic system or other underground sanitary system for the benefit of any of the improvements permitted herein, is permitted. Above-ground storage tanks for fuels or any other materials for residential or on-site agricultural use are permitted up to a maximum size of one thousand (1000) gallons. Any such tanks are required to be located within the Farmstead Area, shall be constructed to minimize any pollution to land or water, and in accordance with applicable local, state and federal laws and regulations. All other utilities are prohibited on the Protected Property, but not limited to, communication towers or structures. Notwithstanding the previous sentence, with advance written permission from Grantee, Grantor retains the right to construct a wind turbine or similar device for the purpose of generating electricity to be used for the permitted improvements and farming operations occurring on the Protected Property.

On-farm energy production/renewable energy production is allowed for the purpose of generating energy for the agricultural and residential needs of the Protected Property. Renewable energy sources must be built and maintained within impervious surface limits, with minimal impact on the conservation values of the Protected Property and consistent with the purposes of the ALE.

3.7. Forest Management and Timber Harvest. Forest management and timber harvesting is allowed, provided it is carried out to the extent practicable, in accordance with current, generally accepted best management practices for the sites, soils, and terrain of the Protected Property. In addition, if the Protected Property contains 40 contiguous acres of forest or 20 percent of the Protected Property is forestland then forest management and timber harvesting must be performed in accordance with a written forest management plan. The forest management plan must be prepared by a professional resource manager, in consultation with the Grantee. A forest management plan will not be required for the following allowed non-commercial activities: cutting of trees for the construction of allowed roads, utilities, buildings and structures on the Protected Property, cutting of trees for trail clearing, cutting of trees for domestic use as firewood or for other domestic uses by Grantor, removal of trees
posing an imminent hazard to the health or safety of person or livestock, or removal of invasive species.

Pursuant to a forest management plan trees may be removed, cut and otherwise managed (to control insects, for pasture restoration, for firewood and other non-commercial uses, including construction of permitted improvements, cutting of trees for trail clearing, removal of trees posing an imminent hazard to the health or safety of persons or livestock, removal of invasive species, and fences) on the Protected Property. Trees may be planted, harvested and removed within the areas identified and marked as “Farmstead Area” on Exhibit ___ without the advance written permission of the Grantee.

Any other cutting, removal or harvesting of trees may be undertaken within the areas identified and marked as “Forest” on Exhibit ___ only under one or both of the following conditions:

a) The purpose is for clearing land for cultivation or use by livestock, and it occurs outside of a 50-foot buffer along both sides of any intermittent streams which run through the Protected Property and are identified on Exhibit ___ within these stream buffer areas are excluded from this provision unless the buffer area becomes re-vegetated for a period of 10 years or more in which case this provision shall apply,

b) The purpose is for commercial harvesting of trees if in accordance with the ALE Plan referenced in Section 4.5 herein and a forest management plan that is consistent with the above-referenced ALE Plan and prepared by a professional forester approved by Grantee, such approval to not be unreasonably withheld.

3.8 Water Rights. Grantor shall retain and reserve the right to use any appurtenant water rights sufficient to maintain the agricultural productivity of the Protected Property. Grantor shall not transfer, encumber, lease, sell or otherwise separate such water rights from title to the Protected Property itself.

3.9 Land Application. The land application, storage and placement on the Protected Property of domestic septic effluent and municipal, commercial or industrial sewage sludge or liquid generated from such sources for agricultural purposes may be undertaken only if in accordance with all applicable federal, state and local laws and regulations and in accordance with the ALE Plan. Spray irrigation of domestic septic effluent to serve the Protected Property’s dwelling(s) is prohibited.

3.10 Natural Resource Restoration and Enhancement Activities. Notwithstanding any terms contained in this Agricultural Land Easement, Grantor may engage or contract others to engage in any activity designed to repair, restore, or otherwise enhance the natural resources found or once present on the Protected Property, that are consistent with the Conservation Values of this Agricultural Land Easement and the ALE Plan and subject to the written approval of Grantee.

3.11 Pond Creation, and Wetland Restoration. The Grantor is permitted to construct ponds and restore wetlands in accordance with the ALE Plan and NRCS standards and specifications. Ponds must support agricultural operations such as irrigation, livestock water supplies, or fire control. Wetlands must be either used to treat agricultural waste or support critical habitat needs for wildlife species. The size of ponds and wetlands must be supported by appropriate documentation in the ALE Plan.
3.12. Grassland Use of the Protected Property. Grantors are allowed to graze, hay harvest for hay and noncrop seed production, mow, construct fire breaks, conduct fire suppression and rehabilitation activities, and conduct common grazing practices, including cultural practices, consistent with the provisions and conservation purposes of this ALE. The term “common grazing practices” means those practices customary to the region where the Protect Property is located to livestock grazing, forage management, and maintenance of infrastructure required to conduct livestock grazing on the Protected Property. Grantors must not hay, mow, or harvest for seed during certain nesting seasons for birds whose populations are in significant decline as identified by Grantee or NRCS in the ALE plan. Determinations of nesting seasons for birds whose populations are in significant decline will be made in writing to the Grantors, or set forth within the ALE Plan for the Protected Property.

ARTICLE IV. ONGOING RESPONSIBILITY OF GRANTOR AND GRANTEE

Other than as specified herein, this Agricultural Land Easement is not intended to impose any legal or other responsibility on the Grantee or the United States, or in any way to affect any existing obligation of the Grantor as owners of the Protected Property.

Due to the State’s interest in this Agricultural Land Easement other than as specified herein, this Agricultural Land Easement is not intended to impose any legal or other responsibility on the NCDA&CS, or in any way to affect any existing obligation of the Grantor as owners of the Protected Property.

Among other things, this shall apply to:

4.1. Taxes. The Grantor shall continue to be solely responsible for payment of all taxes and assessments levied against the Protected Property. If the Grantee is ever required to pay any taxes or assessments on its interest in the Protected Property, the Grantor shall upon demand reimburse the Grantee for the same.

4.2. Upkeep and Maintenance. The Grantor shall continue to be solely responsible for the upkeep and maintenance of the Protected Property, to the extent it may be required by law. The Grantee and the United States shall have no obligation for the upkeep or maintenance of the Protected Property. Due to the State’s interest in this Agricultural Land Easement, NCDA&CS shall have no obligation for the upkeep or maintenance of the Protected Property.

4.3. Transfer of Protected Property. The Grantor agrees to incorporate by reference the terms of this Agricultural Land Easement in any deed or other legal instrument by which they transfer or divest themselves of any interest, including leasehold interests, in the Protected Property. The Grantor shall notify the Grantee in writing at least thirty (30) days before conveying the Protected Property, or any interest therein. Failure of Grantor to do so shall not impair the validity of this Agricultural Land Easement or limit its enforceability in any way.

4.4. Transfer of Agricultural Land Easement. Subject to the right of enforcement of the United States as specified in Section 4.8 and other pertinent paragraphs herein, and with timely written notice to and prior written approval of the United States, the Grantee shall have the right to transfer the rights created by this Agricultural Land Easement to any public agency or to any private nonprofit organization approved by Grantor, such approval to not be unreasonably withheld, that, at the time of transfer, is a qualified organization under Section 170(h) of the Internal Revenue Code, as amended and under N. C. Gen. Stat. § 121-34 et seq., provided the agency or organization expressly agrees to assume the responsibility imposed on
the Grantee by this Agricultural Land Easement. If the Grantee ever ceases to exist or no longer qualifies under Section 170(h) of the U.S. Internal Revenue Code, or applicable state law, and the United States declines to exercise its contingent rights, a court with jurisdiction may transfer this Agricultural Land Easement to another qualified organization having similar purposes that agrees to assume the responsibility imposed by this Agricultural Land Easement.

Subject to the contingent rights of the State of North Carolina with timely written notice and approval of the NCDA&CS, the Grantee shall have the right to transfer this Agricultural Land Easement to any public agency or private nonprofit organization that, at the time of transfer, is a qualified organization under 26 U.S.C. § 170(h) of the Internal Revenue Code, as amended and under N. C. Gen. Stat. § 121-34 et seq., provided the agency or organization expressly agrees to assume the responsibility imposed on the Grantee by this Agricultural Land Easement. As a condition of such transfer, Grantee shall require that the conservation purposes intended to be advanced hereunder shall be continued to be carried out. If the Grantee ever ceases to exist or no longer qualifies under 26 U.S.C. § 170(h) of the Internal Revenue Code, or applicable state law, a court with jurisdiction shall transfer this Agricultural Land Easement to another qualified organization having similar purposes that agrees to assume the responsibility imposed by the Agricultural Land Easement.

4.5 Conservation Practices. As required by Section 12381 of the Food Security Act of 1985, as amended, the Grantor, their heirs, successors, or assigns, shall conduct agricultural operations on the Protected Property in a manner consistent with the ALE Plan prepared by Grantor in consultation with NRCS and approved by the Grantor. This ALE Plan shall be developed using the standards and specifications of the NRCS Field Office Technical Guide and 7 CFR Part 12 that are in effect on the date of execution of this Agricultural Land Easement. However, the Grantor may develop and implement an ALE Plan that proposes a higher level of conservation and is consistent with the NRCS Field Office Technical Guide standards and specifications. NRCS shall have the right to enter upon the Protected Property, with advance notice to the Grantor, in order to monitor compliance with the ALE Plan.

In the event of noncompliance with the ALE Plan, NRCS shall work with the Grantor to explore methods of compliance and give the Grantor a reasonable amount of time, not to exceed twelve months, to take corrective action. If the Grantor does not comply with the ALE Plan, NRCS will inform the Grantee of the Grantor’s non-compliance. The Grantee shall take all reasonable steps (including efforts at securing voluntary compliance and, if necessary, appropriate legal action) to secure compliance with the ALE Plan, following written notification from NRCS that (a) there is a substantial, ongoing event or circumstance of noncompliance with the ALE Plan, (b) NRCS has worked with the Grantor to correct such noncompliance, and (c) Grantor has exhausted their appeal rights under applicable NRCS regulations.

If the NRCS standards and specifications for highly erodible land are revised after the date of this Agricultural Land Easement based on an Act of Congress, NRCS will work cooperatively with the Grantor to develop and implement a revised ALE Plan. The provisions of this section apply to the highly erodible land conservation requirement of the ACEP-ALE and are not intended to affect any other natural resources conservation requirements to which the Grantor may be or become subject.

4.6 Inspection and Access. With reasonable advance notice to the Grantor or with the Grantor’s prior verbal consent, Grantee or NCDA&CS, its employees and agents and its successors and assigns, shall have the right to enter the Protected Property for the purpose of inspecting the
Protected Property to determine whether the Grantor, its successors or assigns are complying with the terms, conditions and restrictions of this Agricultural Land Easement.

4.7. **Enforcement.** The Grantee shall have the primary responsibility for management and enforcement of the terms of this Agricultural Land Easement.

Due to the State’s interest in this Agricultural Land Easement, the Grantee shall have the primary responsibility for management, monitoring, and enforcement of the terms of this Agricultural Land Easement, subject to the rights of the NCDA&CS. Grantee shall complete and file the annual monitoring reports as stipulated in the ADFP Grant, a copy of which is kept on file with the NCADFP Trust Fund. The terms of such contract are hereby incorporated by reference as if fully set forth herein.

Grantee shall have the right to prevent violations and remedy violations of the terms of this Agricultural Land Easement through judicial action, which shall include, without limitation, the right to bring proceedings in law or in equity against any party or parties attempting to violate the terms of this Agricultural Land Easement. Except when an ongoing or imminent violation could irreversibly diminish or impair the Conservation Values of the Protected Property, the Grantee shall give the Grantor and NCDA&CS written notice of the violation and Grantor shall have thirty (30) days to cure the violation, before commencing any legal proceedings. If a court with jurisdiction determines that a violation may exist or has occurred, the Grantee may obtain an injunction to stop the violation, temporarily or permanently.

Grantor, Grantee and NCDA&CS agree that a court may issue an injunction or order requiring the Grantor to restore the Protected Property to its condition prior to the violation, as restoration of the Protected Property may be the only appropriate remedy. The failure of the Grantee to discover a violation or to take immediate legal action shall not bar it from doing so at a later time. In any case where a court finds no such violation has occurred, Grantor, Grantee and NCDA&CS shall bear its own costs.

4.8. **Rights of the State of North Carolina.**

Subject to the United States’ right of enforcement in Paragraph 4.9 below, in the event that the Grantee fails to enforce any of the terms of this Agricultural Land Easement, as determined in the discretion of the NCDA&CS, the said Commissioner of Agriculture and his or her successors and assigns shall have the right to enforce the terms of this Agricultural Land Easement through any and all authorities available under federal or state law.

4.9. **United States Right of Enforcement.** Pursuant to 16 U.S.C. § 3865 et seq., the United States is granted the right of enforcement that it may exercise only if the terms of the ALE are not enforced by the Grantee. The Secretary of the United States Department of Agriculture ("USDA") or his or her assigns, on behalf of the United States, may exercise this right of enforcement under any authority available under state or federal law if Grantee, or its successors or assigns, fails to enforce any of the terms of this ALE, as determined in the sole discretion of such Secretary.

In the event the United States exercises this right of enforcement to recover any and all administrative and legal costs associated with any enforcement or remedial action related to the enforcement of this Easement from the Grantor, including, but not limited to, attorney’s fees and expenses related to Grantor’s violations. In the event the United States exercises this right of enforcement, it is entitled to recover any and all administrative and legal costs associated with any enforcement of this Easement from the Grantee, including, but not limited
to, attorney’s fees and expenses related to Grantee’s violations or failure to enforce the easement against the Grantor up to the amount of the United States contribution to the purchase of the ALE.

The Grantee will annually monitor compliance and provide the United States with an annual monitoring report that documents that the Grantee and Grantor are in compliance with the ALE and ALE Plan. If the annual monitoring report is insufficient or is not provided annually, or if the United States has evidence of an unaddressed violation, as determined by the Secretary, the United States may exercise its right of inspection. For purposes of inspection and enforcement of the ALE, the ALE Plan, and the United States Cooperative Agreement with the Grantee, the United States will have reasonable access to the Protected Property with advance notice to Grantee and Grantor or Grantor’s representative.

In the event of an emergency, the United States may enter the Protected Property to prevent, terminate, or mitigate a potential or unaddressed violation of these restrictions and will give notice to Grantee and Grantor or Grantor’s representative at the earliest practicable time.

Additionally, in the event that Grantee fails to enforce any of the terms of this Agricultural Land Easement, as determined in the sole discretion of the Commissioner of Agriculture for North Carolina, the Commissioner of Agriculture and his or her successors and assigns shall have the right to enforce the terms of this Agricultural Land Easement through any and all authorities available under federal or state law. In the event that Grantee attempts to terminate, transfer, or otherwise divest itself of any rights, title, or interests of this Agricultural Land Easement without the prior consent of the Commissioner of Agriculture and payment of consideration to the State of North Carolina, then, at the option of the Commissioner of Agriculture, all right, title, and interest in the Agricultural Land Easement shall become vested in the State of North Carolina. Notwithstanding the foregoing, nothing in this paragraph shall affect the United States Right of Enforcement as set forth above.

ARTICLE V. REPRESENTATIONS OF THE PARTIES

5.1. Grantor’s Title Warranty. The Grantor covenants and represents that the Grantor is the sole owner and is seized of the Protected Property in fee simple and has good right to grant and convey this Agricultural Land Easement; that the Protected Property is free and clear of any and all encumbrances, including but not limited to, any mortgages not subordinated to this Agricultural Land Easement, and that the Grantee shall have the use of and enjoy all the benefits derived from and arising out of this Agricultural Land Easement subject to existing easements for roads and public and private utilities.

5.2. Grantor’s Environmental Warranty. Grantor warrants that Grantor is in compliance with, and will remain in compliance with, all applicable Environmental Laws. Grantor warrants that there are no notices by any governmental authority of any violation or alleged violation of, noncompliance or alleged noncompliance with, or any liability under, any Environmental Law relating to the operations or conditions of the Protected Property. Grantor further warrants that they have no actual knowledge of a release or threatened release of Hazardous Materials, as such substances and wastes are defined by applicable Federal and State law.

Moreover Grantor hereby promises to hold harmless and indemnify the Grantee and the United States against all litigation, claims, demands, penalties and damages, including
reasonable attorneys fees, arising from or connected with the release or threatened release of any Hazardous Materials on, at, beneath or from the Protected Property, or arising from or connected with a violation of any Environmental Laws by Grantor or any other prior owner of the Protected Property. Grantee’s indemnification obligation shall not be affected by any authorizations provided by Grantee to Grantor with respect to the Protected Property or any restoration activities carried out by Grantee at the Protected Property; provided, however, that Grantee shall be responsible for any Hazardous Materials contributed after this date to the Protected Property by Grantee.

Furthermore, Grantor warrants the information disclosed to Grantee and United States regarding any past violations or non-compliance with Environmental Laws and associated remedial actions, or any past releases of Hazardous Materials and any associated remedial actions is complete and accurate.

Due to the State’s interest in this Agricultural Land Easement, the Grantor hereby promises to hold harmless and indemnify the NCDA&CS against all litigation, claims, demands, penalties and damages, including reasonable attorneys fees, arising from or connected with the release or threatened release of any Hazardous Materials on, at, beneath or from the Protected Property, or arising from or connected with a violation of any Environmental Laws by Grantor or any other prior owner of the Protected Property.

“Environmental Law” or “Environmental Laws” means any and all federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, guidelines, policies or requirements of any governmental authority regulating or imposing standards of liability or standards of conduct (including common law) concerning air, water, solid waste, hazardous materials, worker and community right-to-know, hazard communication noise, radioactive material, resource protection, subdivision, inland wetlands and watercourses, health protection and similar environmental health, safety, building and land use as may now or at any time hereafter be in effect.

“Hazardous Materials” means any petroleum, petroleum products, fuel oil, waste oils, explosives, reactive materials, ignitable materials, corrosive materials, hazardous chemicals, hazardous wastes, hazardous substances, extremely hazardous substances, toxic substances, toxic chemicals, radioactive materials, infectious materials and any other element, compound, mixture, solution or substance which may pose a present or potential hazard to human health or the environment.

5.3. General Disclaimer, Grantor Warranty, Liability and Indemnification. The United States, its employees, agents, and assigns disclaim and will not be held responsible for Grantee’s or Grantor’s negligent acts or omissions or Grantee’s or Grantor’s breach of any representation, warranty, covenant, or agreements contained in this ALE, or violations of any federal, state or local laws, including all Environmental Laws including, without limitation, those that give rise to liabilities, claims, demands, losses, expenses, damages, fines, fees, penalties, suits, proceedings, actions, costs of actions, or sanctions asserted by or on behalf of any person or governmental authority, and other liabilities (whether legal or equitable in nature and including, without limitation, court costs, and reasonable attorneys fees and attorneys fees on appeal) to which the United States may be subject or incur relating to the Protected Property.

Grantor agrees to indemnify and hold the Grantee, the State of North Carolina and the United States harmless from any and all costs, claims or liability, including but not limited to reasonable attorney’s fees arising from any personal injury, accidents, negligence or damage
relating to the Protected Property, or any claim thereof, unless due to the negligence of
Grantee or its agents, in which case liability shall be apportioned accordingly. Grantor is
responsible for obtaining liability insurance covering the Protected Property with limits
deemed necessary by Grantor, in their sole discretion.

Grantor must indemnify and hold harmless the United States, its employees, agents, and
assigns for any and all liabilities, claims, demands, losses, expenses, damages, fines, fees,
penalties, suits, proceedings, actions, and costs of actions, sanctions asserted by or on behalf
of any person or governmental authority, and other liabilities (whether legal or equitable in nature
and including, without limitation, court costs, and reasonable attorneys fees and attorneys fees
on appeal) to which Grantee may be subject or incur relating to the Protected Property, which
may arise from, but are not limited to, Grantor’s negligent acts or omissions or Grantor’s
breach of any representation, warranty, covenant or agreement contained in this Agricultural
Land Easement, or violations of any federal, state, or local laws, including all Environmental
Laws.

Due to the State’s interest in this Agricultural Land Easement, Grantor agrees to indemnify
and hold Grantee and the State of North Carolina harmless from any and all costs, claims or
liability, including but not limited to reasonable attorney’s fees arising from any personal
injury, accidents, negligence or damage relating to the Protected Property, or any claim
thereof, unless due to the negligence of Grantee or its agents, in which case liability shall be
apportioned accordingly.

ARTICLE VI. MISCELLANEOUS

6.1. Recording. Grantee shall record this instrument in a timely fashion in the official record of
________ County, North Carolina, and may re-record it at any time as may be required to
preserve the rights of the Grantee, the State of North Carolina and the United States under this
Agricultural Land Easement.

6.2. Survival of Terms/Merger of Fee and Easement. The Grantor and Grantee agree that the
terms of this Agricultural Land Easement shall survive any merger of this fee and easement
interest in the Protected Property. In the event the Grantee becomes owner of the Protected
Property, or any portion thereof, Grantee shall transfer any right, title and interest in this
Agricultural Land Easement to a third party in accordance with Section 4.4.

6.3. Amendment of Easement. This ALE may be amended only if, in the sole and exclusive
judgement of the Grantee and United States, by and through the Chief of NRCS, such
amendment is consistent with the purposes of this ALE and complies with all applicable laws
and regulations. The Grantee must provide timely written notice to the Chief of NRCS and
Commissioner of the North Carolina Department of Agriculture and Consumer Services of
any proposed amendments. Prior to the signing and recordation of the amended ALE, such
amendments must be mutually agreed upon by the Grantee, Grantor, and the United States, by
and through the Chief of NRCS. Any purported amendment that is recorded without the prior
approval of the United States and Commissioner of the North Carolina Department of
Agriculture and Consumer Services is null and void.

Due to the State’s interest, this Agricultural Land Easement may be amended only with the
prior written consent of the Grantee and the Grantor and approved by the Commissioner of the
North Carolina Department of Agriculture and Consumer Services and the Secretary of the
United States Department of Agriculture by and through the Chief of NRCS. Any such
amendment shall be consistent with Section 1.1, “Statement of Purpose” and with the Grantee’s easement amendment policies, and shall comply with Section 1670(h) of the Internal Revenue Code or any regulations promulgated in accordance with that section. Any such amendment shall be duly recorded in the __________ County Registry. Grantee must provide to NRCS and the North Carolina Commissioner of Agriculture timely notice in writing of the proposed amendment prior to signing and recordation. No substantive amendment shall be made and recorded without the express written approval of NRCS.

Due to the State’s interest in the Agricultural Land Easement, the Grantee must provide NCDA&CS timely notice in writing of the proposed amendment prior to signing and recordation and, must receive written consent prior to awarding the Agricultural Land Easement.

6.4 Boundary Line Adjustments. Boundary line adjustments are permitted only in the case of technical errors made in the survey or legal description. In such cases, boundary line adjustments cannot exceed two (2) acres for the entire Protected Property. A correction deed containing the revised legal description shall be properly executed and duly recorded after approval of the amendment in accordance with Section 6.3.

6.5 Procedure in the Event of Extinguishment, Termination, and Condemnation. The interests and rights under this Agricultural Land Easement may only be extinguished or terminated with written approval of the Grantee and the United States. Due to the Federal interest in this Agricultural Land Easement, the United States must review and approve any proposed extinguishment, termination, or condemnation action that may affect its Federal interest in the Protected Property.

If it determines that conditions on or surrounding the Protected Property change so much that it becomes impossible to fulfill the conservation purposes of this Agricultural Land Easement, a court with jurisdiction may, at the joint request of both the Grantor and the Grantee and with prior written consent of the United States, as provided herein, terminate or modify the Agricultural Land Easement in accordance with applicable state law.

Due to the State’s interest in this Agricultural Land Easement, prior written consent must be provided to NCDA&CS prior to termination or modification of this Agricultural Land Easement, in accordance with applicable state law.

If the Agricultural Land Easement is terminated and the Protected Property is sold then as required by Section 1.1 70A-14(g) (6) of the IRS regulations, the Grantee, NC ADFP Trust Fund shall be entitled to recover the proceeds of the Agricultural Land Easement based on the appraised fair market value of the Agricultural Land Easement at the time the easement is extinguished or terminated, subject to any applicable law which expressly provides for a different disposition of the proceeds.

With respect to a proposed extinguishment, termination, or condemnation action, the Grantee and the United States stipulate that the fair market value of the ALE is _50%_ percent, hereinafter the “Proportionate Share,” of the fair market value of the land unencumbered by this ALE. The Proportionate Share will remain constant over time.

If this ALE is extinguished, terminated, or condemned, in whole or in part, then the Grantor must reimburse Grantee and the United States an amount equal to the Proportionate Share of the fair market value of the land unencumbered by this ALE. The fair market value will be
determined at the time all or a part of this ALE is terminated, extinguished, or condemned by an appraisal that meets the Uniform Standards of Professional Appraisal Practice (USPAP) or Uniform Acquisition Standards or Federal Land Acquisition (USFLA). The appraisal must be completed by a certified general appraiser and be approved by the Grantee and the United States.

The allocation of the Proportionate Share between the Grantee, the United States and NCDA&CS will be as follows: (a) to the Grantee or its designee, _____ percent of the Proportionate Share; (b) to the United States _____ percent of the Proportionate Share; and (c) to NCDA&CS _____ percent of the Proportionate Share; (d) ____________ %. Until such time as the Grantee, the United States and NCDA&CS receive the Proportionate Share from the Grantor or the Grantor’s successor or assign, the Grantee, the United States and NCDA&CS each have a lien against the Protected Property for the amount of the Proportionate Share due each of them. If proceeds from termination, extinguishment, or condemnation are paid directly to Grantee, the Grantee must reimburse the United States for the amount of the Proportionate Share due to the United States, NCDA&CS, and _____.

6.6. Procedure in the Event of Condemnation or Eminent Domain. Grantor and Grantee recognize that the sale of this Agricultural Land Easement, or any part thereof, gives rise to a property right, immediately vested in the Grantee and the United States, with a fair market value equal to the proportionate value that the Agricultural Land Easement bears to the value of the Protected Property prior to the restrictions imposed by the Agricultural Land Easement. Accordingly, if any condemnation or eminent domain action shall be taken, on all or part of the Protected Property, by any authorized public authority, said authority shall be liable to the Grantee for the value of the property right vested in the Grantee at the time of the signing of this Agricultural Land Easement. Due to the federal interest in this Agricultural Land Easement, the United States must consent to any such condemnation action. Due to the State’s interest in this Agricultural Land Easement, NCDA&CS must consent to any such condemnation action.

If condemnation or a taking by eminent domain of a part of the Protected Property or the entire Protected Property by a public authority renders it impossible to fulfill any of the conservation purposes of this Agricultural Land Easement on all or part of the Protected Property, the Easement may be terminated through condemnation proceedings. If the Agricultural Land Easement is terminated and any or all of the Protected Property is sold or taken for public use, then, as required by Section 1 of 170A-14(g) (6) of the IRS regulations, the Grantee shall be entitled to the proportionate value of the ALE, which has been predetermined as the Protected Property’s unrestricted value, subject to any applicable law which expressly provides for a different disposition of the proceeds. The Grantee shall use its proceeds consistently with the general conservation purposes of this Agricultural Land Easement.

If this ALE is extinguished or terminated, the Parties shall receive compensation as described in paragraph 6.5 above.

6.7. Interpretation. This Agricultural Land Easement shall be interpreted under the laws of the State of North Carolina and the United States of America, resolving any ambiguities and questions of the validity of specific provisions so as to give maximum effect to its conservation purposes.
6.8. **Perpetual Duration; Severability.** This Agricultural Land Easement shall be a servitude running with the land in perpetuity. Every provision of this Agricultural Land Easement that applies to the Grantor or the Grantee shall also apply to their respective agents, heirs, executors, administrators, assigns, and all other successors as their interests may appear. Invalidity of any of the covenants, terms or conditions of this Agricultural Land Easement, or any part thereof by court order or judgment shall in no way affect the validity of any of the other provisions hereof which shall remain in full force and effect.

6.9. **Subsequent Liens on Protected Property.** No provision of this Agricultural Land Easement should be construed as impairing the ability of Grantor to use the Protected Property as collateral for subsequent borrowing. Any such liens shall be and remain subordinate to this Agricultural Land Easement.

6.10. **Subsequent Easements/Restrictions on the Protected Property.** The grant of any easements or use restrictions that might diminish or impair the agricultural viability or productivity of the Protected Property or otherwise diminish or impair the Conservation Values of the Protected Property is prohibited. Any such easements or restrictions shall be subordinated to this Agricultural Land Easement.

6.11. **Notices.** Any notices required by this Agricultural Land Easement shall be in writing and shall be personally delivered or sent by first class mail to the Grantor, Grantee, NCDA&CS, and the United States, respectively, at the following addresses, unless a party has been notified in writing by the other of a change of address.

To the Grantor:  
To the United States:  
State Conservationist  
4407 Bland Rd., Suite 117  
Raleigh, NC 27609-6387

To State of North Carolina:  
N.C. Dept. of Agriculture & Consumer Services  
NC ADFP Trust Fund  
2 West Edenton Street  
Raleigh, NC 27601

6.12. **Approval by Grantee.** In any case where the terms of this Agricultural Land Easement require the approval of the Grantee, unless otherwise stated herein, such approval shall be requested in writing to the Grantee, and the United States and NCDA&CS if required, in accordance with Section 6.10. In any provision of this Agricultural Land Easement in which the Grantor is required to provide advance notice to the Grantee of any activity on the Protected Property, such notice shall be given not less than thirty (30) calendar days prior to the planned commencement of the activity. If the Grantee’s approval is required, such approval shall be deemed withheld/disapproved unless Grantee provides to the Grantor written notice of approval within 30 calendar days of receipt of such request. If Grantor has received no response within such 30 calendar days, Grantor may send a second written notice to Grantee requesting a statement of the reasons for the disapproval and the Grantee shall respond within 30 calendar days with an explanation for the specific reasons and basis for its decision to disapprove.
6.13. **Entire Agreement.** This instrument sets forth the entire agreement of the Parties with respect to the Agricultural Land Easement and supersedes all prior discussions, negotiations, understandings or agreements relating to the Agricultural Land Easement. If any provision is found to be invalid, the remainder of the provisions of this Agricultural Land Easement, and the application of such provision to persons of circumstances other than those as to which it is found to be invalid, shall not be affected thereby.

6.14. **Availability or Amount of Tax Benefits.** Grantee and NCDA&CS, acting by and through the NCADFP Trust Fund make no warranty, representation or other assurance regarding the availability, amount or effect of any deduction, credit or other benefit to Grantor or any other person or entity under United States or any state, local or other tax law to be derived from the donation of this Agricultural Land Easement or other transaction associated with the donation of this Agricultural Land Easement. This donation is not conditioned upon the availability or amount of any such deduction, credit or other benefit. Grantee and NCDA&CS make no warranty, representation or other assurance regarding the value of this Agricultural Land Easement or of the Protected Property. As to all of the foregoing, Grantor is relying upon Grantor’s own legal counsel, accountant, financial advisor, appraiser or other consultant and not upon Grantee or NCDA&CS or any legal counsel, accountant, financial advisor, appraiser or other consultant of Grantee or NCDA&CS. In the event of any audit or other inquiry of a governmental authority into the effect of this donation upon the taxation or financial affairs involving Grantor or Grantor’s heirs, successors or assigns or other similar matter, then Grantee and NCDA&CS shall be reimbursed and indemnified for any cost or expense of any kind or nature whatsoever incurred by Grantee in responding or replying thereto.

6.15. **Warranties and Representations of Grantor.** By signing this Agricultural Land Easement, Grantor acknowledges, warrants and represents to Grantee that:

(a) Grantor has had the opportunity to be represented by counsel of Grantor’s choice and fully understands that Grantor is hereby permanently relinquishing property rights which would otherwise permit Grantor to have a fuller use and enjoyment of the Protected Property.

(b) There are no recorded or unrecorded leases or other agreements for the production of minerals or removal of timber from the Protected Property which would, if any of the activities permitted under such lease or other agreement was undertaken by Grantor, violate the covenants or restrictions in this Agricultural Land Easement or otherwise defeat the conservation Purpose.

TO HAVE AND TO HOLD this Deed of Agricultural Land Easement unto Grantee and the United States and their successors and assigns, forever.

IN WITNESS, the Grantor and Grantee, intending to legally bind themselves, have set their hands on the date first written above.

**GRANTOR:**

By: ___________________________ ________________

Date: _______________ Date: ________________
STATE OF NORTH CAROLINA
COUNTY OF ______________ __

I, _______________________, a Notary Public in and for the aforesaid County and State, do hereby certify that __________________ personally appeared before me this day and acknowledge the due execution of the foregoing instrument.

Witness my hand and official stamp or seal this ___ day of ______________, 20__.

Notary Public
My commission expires: ______________________

STATE OF NORTH CAROLINA
COUNTY OF ______________ __

I, _______________________, a Notary Public in and for the aforesaid County and State, do hereby certify that __________________ personally appeared before me this day and acknowledge the due execution of the foregoing instrument.

Witness my hand and official stamp or seal this ___ day of ______________, 20__.

Notary Public
My commission expires: ______________________

GRANTEE:

By: _______________________(Title)
NORTH CAROLINA
COUNTY OF _____________

I, ____________________________, a Notary Public of ____________________ County, North Carolina do hereby certify that __________________________ person personally appeared before me this day and acknowledged that (s)he is ____________ of the Board of the ____________ and that by authority duly given and as the act of the District, the foregoing instrument was signed by ___ in behalf of the ________________________

Witness my hand and official stamp or seal this ___ day of _____________, 20____.

_____________________________ (stamp)
Notary Public
My commission expires: ____________

ACCEPTANCE OF PROPERTY INTEREST BY THE NATURAL RESOURCES
CONSERVATION SERVICE ON BEHALF OF THE UNITED STATES OF AMERICA
ACCEPTANCE OF PROPERTY INTEREST BY THE NORTH CAROLINA DEPARTMENT
OF AGRICULTURE & CONSUMER SERVICES

The North Carolina Department of Agriculture and Consumer Services, an agency of the State of North Carolina, hereby accepts and approves the foregoing Agricultural Land Easement, and the rights conveyed therein, on behalf of the State of North Carolina.

By: ____________________________
    Jonathan T. Lanier
    N.C. Department of Agriculture and Consumer Services

NORTH CAROLINA
COUNTY OF _____________

I, ____________________________, a Notary Public in and for the aforesaid County and State, do hereby certify that Jonathan T. Lanier, personally appeared before me this day and acknowledged that due execution of the foregoing instrument.

Witness my hand and official stamp or seal this ___ day of _____________, 20____.

_____________________________
Notary Public
My commission expires: ____________
List of Exhibits

EXHIBIT A – Legal Documents
   Exhibit A-1: Legal Description of the Protected Property
   Exhibit A-2: Plat Showing A Boundary Survey & Conservation Easement

EXHIBIT B – Overview Maps
   Exhibit B-1: Regional Context Map
   Exhibit B-2: Multi-Easement Context Map
   Exhibit B-3: Easement Area Context Map

EXHIBIT C – Current Conditions and Description Map
   Exhibit C-1: Easement Area Description Map
   Exhibit C-2: Easement Area Soils Map
   Exhibit C-3: Current Conditions & Natural Resources Inventory Certification

EXHIBIT D – Easement Farmstead Locations
   Exhibit D-1: Easement Area Farmstead 1 Map

EXHIBIT E - Easement Existing Impervious Surfaces
   Exhibit E-1: Easement Existing Impervious Surface Map
   Exhibit E-2: Easement Impervious Surface Calculations
I. Purpose

The N.C. Agricultural Development and Farmland Preservation (ADFP) Trust Fund, administered by the Farmland Preservation Division of the N.C. Department of Agriculture & Consumer Services, provides grants for agricultural conservation easements on family farms throughout the state of North Carolina.

The ADFP Trust Fund will "hold grantees accountable for the expenditure of State funds by performing monitoring and oversight functions," in accordance with Administrative Code 09 NCAC 03M “Uniform Administration of State Grants” and Subsection .0400, pursuant to N.C.G.S. 143C-6-22 & 23. The ADFP Trust Fund will work with the grantee to ensure compliance with the terms and conditions of the easement. Monitoring is necessary to make certain the easements are maintained while ensuring a productive relationship between the funding source (ADFP Trust Fund), grantee (counties or private nonprofit conservation organizations, according to N.C.G.S. 106-744), and landowner.

II. Definition of Agricultural Conservation Easements

According to N.C.G.S. 106-744, an “agricultural conservation easement” means a negative easement in gross restricting residential, commercial, and industrial development of land for the purpose of maintaining its agricultural production capability. Agricultural conservation easements may be perpetual or term-limited in duration. The agricultural conservation easement may permit the creation of not more than three lots that meet applicable county zoning and subdivision regulations, provided it is allowed in the original recorded easement.

III. Involved Parties

The ADFP Trust Fund, administered by the Commissioner of Agriculture, is the funding source for purchasing conservation easements. The ADFP Trust Fund has full-time staff administratively located in Raleigh, North Carolina. Part-time field staff members are located remotely throughout the state. The ADFP Trust Fund Document Specialist is the monitoring program manager, unless otherwise designated by the Farmland Preservation Division Director. Field staff members will conduct on-site monitoring, unless otherwise directed by the Document Specialist.

The ADFP Trust Fund Advisory Committee is administratively located within the N.C. Department of Agriculture and Consumer Services. The Advisory Committee will advise the Commissioner on the prioritization and allocation of funds, the development of criteria for awarding funds, guidelines for monitoring easements and projects, program planning, and other areas where monies from the ADFP Trust Fund can be used to promote the growth and development of family farms in North Carolina.

Grantees are counties or private nonprofit conservation organizations. Grantees are the first point of contact for monitoring conservation easements and discussing potential violations of contracts and/or recorded easements. Grantees are required to monitor the easement at least once a year and complete annual monitoring reports for the length of the term of the easement.

Landowners will work with grantees to ensure compliance with the terms and conditions of conservation easements and will be notified of site visits by the grantee.
IV. ADFP Trust Fund Monitoring Roles and Responsibilities

The ADFP Trust Fund monitoring methods include, but not limited to:
- Site visit: ADFP Trust Fund staff will make every effort to coordinate site visits with the grantee’s monitoring schedule. ADFP Trust Fund staff will physically visit easement. ADFP Trust Fund staff will notify grantee and seek permission from landowner.
- In-office: ADFP Trust Fund staff will review grantee monitoring reports and verify information.

Site visit protocol for ADFP Trust Fund staff:
- Contact grantee about site visit. Site visits will be coordinated to the extent possible with the grantee’s annual monitoring visit schedule.
- Review completed “Grantee Monitoring Checklist – Perpetual or Term Easement.”
- Ensure landowner has been notified of site visit.
- Site visit can be conducted on foot or by vehicle.
- Compile documentation, including, but not limited to, photographs and data.
- Complete “ADFP Trust Fund Staff Monitoring Report – Perpetual or Term Easement.”
- Complete “ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement” if necessary.
- Site visit will occur every three (3) years, unless otherwise directed.

In-office monitoring protocol for ADFP Trust Fund staff:
- Review completed “Grantee Monitoring Checklist – Perpetual or Term Easement.”
- Review the most current aerial photography data available (e.g. GIS via Multi-Hazard Threat Database [MHTD], Google Earth, etc.).
- Complete “ADFP Trust Fund Staff In-Office Monitoring Report – Perpetual or Term Easement.”
- Complete “ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement” if necessary.
- In-office monitoring will be completed in the years when site visits do not occur.

Incident report protocol for ADFP Trust Fund staff:
- The “ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement” must be filed if a grantee reports a violation or if ADFP Trust Fund staff discovers a violation during a site visit or in-office monitoring.
- The completed “ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement” will be submitted to the Program Director for review, investigation, and/or corrective action.
- If an incident report is filed, the subsequent year a site visit will occur. The monitoring schedule (site visit, in-office, in-office, site visit) will be reset each time an incident report is filed.
- The appropriate NCDA&CS staff will formally notify grantee via letter of violation or potential violation.
- Thirty days from the date of notification of a violation, the grantee, with landowner cooperation, shall submit a Plan of Corrective Action to the ADFP Trust Fund Staff. The Plan of Corrective Action must be a comprehensive plan detailing the corrective action that will be taken to remedy all violations and bring the easement area back in compliance. The ADFP Trust Fund staff will work with grantee and landowner for correction.

V. Grantee Monitoring Responsibilities and Expectations

Grantees will complete and submit “Grantee Monitoring Checklist – Perpetual or Term Easement” to ADFP Trust Fund office annually on or before December 31. In January, ADFP Trust Fund staff will coordinate to the extent possible with the grantee’s annual monitoring visit schedule for easements due for a site visit. Grantees are encouraged to submit tentative site visit schedule to ADFP Trust Fund office.
ninety (90) days prior to first scheduled site visit. As subsequent site visits are scheduled throughout the year by the grantee, the ADFP Trust Fund office will be notified in a timely manner of site visits due for that calendar year.

Failure to file annual monitoring reports on or before December 31 of each year shall constitute a violation of the easement and the grant contract.

VI. Additional Guidance and Reference – Dispute Resolutions

For issues in dispute, the ADFP Trust Fund Staff will report such differences to the Farmland Preservation Director. If the Farmland Preservation Director is unable to find a resolution, the Director will review with the appropriate NCDA&CS management for assistance and instruction, e.g. Office of the General Counsel, Chief Deputy Commissioner, and Commissioner of Agriculture. See chart below.

ADFP Trust Fund Staff are to follow appropriate approved ADFP Trust Fund Policies and Guidelines as directed by the ADFP Trust Fund Advisory Committee and the Commissioner of Agriculture, i.e. ADFP Trust Fund Grantee Eligibility Classification.

VII. Monitoring Documents

The following documents will be used for the monitoring of conservation easements:
- Grantee Monitoring Checklist – Perpetual or Term Easement
- ADFP Trust Fund Staff Monitoring Report – Perpetual or Term Easement
- ADFP Trust Fund Staff In-Office Monitoring Report – Perpetual or Term Easement
- ADFP Trust Fund Staff Incident Report – Perpetual or Term Easement

VIII. Document Filing, Retention, and Disposal

All completed reports, including maps from GIS and supplemental documentation from grantees, will be scanned for electronic storage and printed for paper files. The North Carolina State Property Office, Land Asset Maintenance database (http://www.ncspo.com/fis/dbLandAsset.aspx) lists all ADFP Trust Fund funded easements. Electronic copies of monitoring documents will be stored on the ADFP Trust Fund server and SharePoint page.

All monitoring documents will be filed, retained, and disposed pursuant to the ADFP Trust Fund records retention schedule.
OPTION TO PURCHASE AN AGRICULTURAL CONSERVATION EASEMENT

THIS OPTION TO PURCHASE A CONSERVATION EASEMENT ("Option") is made this day of January, 2017 by and between Cletus Oliver Hill and Betty Jane Eudy Hill ("Seller"); and the Cabarrus Soil and Water Conservation District ("Buyer").

RECITALS

A. For the purposes of notice, the addresses of the parties to this Option are:

SELLER:
16270 Glenmore Rd.
Gold Hill, NC 28071-8687

BUYER:
715 Cabarrus Ave., W., Rm 301
Concord, NC 28027-6214

B. Property legal description as described at Register of Deeds (County Deed Book and Page)

<table>
<thead>
<tr>
<th>County</th>
<th>Deed Book</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cabarrus</td>
<td>656</td>
<td>58</td>
</tr>
</tbody>
</table>

C. It is the intention of both the Seller and Buyer that +/- 59.26 acres of the Property is preserved with conservation easements and maintained for the preservation of use as crop, horticulture or forestry as described in N.C. General Statue 106 Article 61.

D. Seller acknowledges that Buyer enters into this Option in its own right.

E. Buyer is a conservation organization having among its purposes the acquisition on behalf of the public of open space, scenic, and recreational lands.

F. Seller acknowledges that Buyer enters into this Option Agreement as an initial step in the purchase of a conservation easement on +/- 59.26 acres of the Property. The value of the conservation easement shall be determined by an appraisal performed to the Uniform Standards of Professional Appraisals Practice (USPAP) with confirmation approval by the North Carolina Department of Agriculture ADFP Trust Fund and other funding partner agencies such as USDA or military.

G. By entering into this Option, Seller acknowledges that it will obtain independent tax counsel and be solely responsible for compliance with any requirement of the Code to substantiate the value of the conservation easement if claiming an IRS charitable contribution.

NOW, THEREFORE, for the reasons given and other good and valuable consideration and in consideration of their mutual covenants, terms, conditions and restrictions contained herein, the receipt and legal sufficiency of which are hereby acknowledged, the Seller hereby voluntarily grants and conveys to the Buyer, and the Buyer hereby voluntarily accepts the exclusive and irrevocable option to Purchase a Conservation Easement on +/- 59.26 acres on the Property.

This option is given on the following terms and conditions:
1. **OPTION PERIOD.** This option shall remain in effect through four years from the date of the signatures in this contract.

2. **EXERCISE.** All rights granted by this Option shall be exercised upon posting, by certified mail, a written notice to the Seller at the first address stated in the Recitals above. Exercise shall be deemed timely if such written notice is mailed on or before the date set forth in Paragraph 1 above.

3. **CONSERVATION EASEMENTS.** The Conservation Easement on the Property to be conveyed by Seller to Buyer, should Buyer exercise the Option granted herein, shall be in a form similar to the form of the draft conservation easement of the ADFP Trust Fund Model Conservation Easement or other applicable partnering conservation easements as described in this contract and at [www.ncadfp.org](http://www.ncadfp.org) with such additional changes or modifications requested by Seller or Buyer, and agreed to by both parties with confirmation approval by the North Carolina Department of Agriculture ADFP Trust Fund and applicable funding conservation partners.

4. **PURCHASE PRICE.** The total purchase price of the Conservation Easement +/− 59.26 acres shall be payable in cash at closing. The fair market value of the Conservation Easement shall be determined by an appraisal performed to the Uniform Standards of Professional Appraisals Practice (USPAP) with confirmation approval by the North Carolina Department of Agriculture ADFP Trust Fund and applicable funding conservation partners. The Conservation Easement shall be fixed as noted on the attached land map.

5. **CLOSING.** Closing will take place at the offices of the Buyer’s closing attorney or at such other place as the parties may mutually agree when the conditions for closing set out in this Option have been met.

6. **TITLE.**
   (a) At closing, the Seller will convey the Conservation Easements to the Buyer. At the time of conveyance, the Property shall be free and clear of all liens, encumbrances, restrictions, rights or exceptions except for exceptions of record approved by Buyer.
   (b) During the period of time between execution of this Option and the recordation of the Conservation Easements, should Buyer exercise the Option granted herein, Seller shall not encumber the Property nor shall they grant any interest in the Property to a third party without the prior written consent of Buyer.

7. **TITLE DEFECTS.** Buyer, at its expense, will have the title to the Properties examined. If for any reason the Seller cannot deliver the Conservation Easements at closing with title to the Properties in the condition required by Section 6 of this Option, Buyer may elect to: (a) accept the Conservation Easements with title to the Property as it is; (b) refuse to accept the Conservation Easements in which case the consideration paid for this Option shall be refunded; or (c) allow the Seller additional time to pursue all reasonable efforts to correct the problem, including bringing any necessary quiet title actions or other lawsuits. If Buyer elects to refuse to accept the Conservation Easements, or Seller desires to not pursue reasonable efforts to correct the problem, the rights pursuant to the Option granted herein shall be null and void and the rights of the parties hereto shall terminate, with neither party hereto having any further right or obligation one against the other pursuant to the terms hereof.
8. DOCUMENTS FOR CLOSING. The Seller shall execute and deliver at closing the Conservation Easements, any owner’s affidavits or documents required by the Buyer’s title insurance company to remove the standard title policy exceptions, and any other documents necessary to close in accordance with the terms of this Option.

9. ACCESS. The Buyer’s obligations under this Option (if exercised) are contingent upon the Property having recorded, appurtenant, insurable legal access to a public road sufficient to allow the Buyer access to the Property to monitor the Conservation Easements.

10. CONDITION OF PROPERTY. During the period of time between execution of this Option and exercise of this Option, Seller shall do nothing to or with regard to the Property that shall damage or degrade the property, significantly alter its present appearance and value, or otherwise violate the terms of the proposed Conservation Easements. In the event of any adverse change in the condition of the Property, the Buyer may refuse to accept the Conservation Easements, in which case the consideration paid for this Option shall be refunded.

11. ENCUMBRANCES. Seller shall not during the period of time this Option remains in effect sell, contract to sell, encumber or lease the Property, or do any other act which might affect the title or value of the property or the ability to enter the Conservation Easements.

12. RIGHT OF ENTRY AND INSPECTION. During the period of time this Option remains in effect, Buyer shall have the right, at its expense, to enter upon the Property at reasonable times to conduct an environmental inspection and assessment to detect hazardous or toxic substances, to have the title to the Property examined, and for other reasonable purposes related to this transaction. Buyer shall give notice in writing to Seller of any defects and objections to the title and Seller shall clear the title of defects and objections so specified within forty-five (45) days after notice thereof. In the event Seller cannot correct defects in or objections to the title so as to be able to deliver good and merchantable title free and clear of all liens, encumbrances, restrictions, and easements, Buyer may, at its election, cancel this Option, in which case the consideration paid for this Option shall be refunded. Based upon the results of the environmental inspection and assessment, the Buyer may elect to refuse to accept the conservation easement, in which case consideration paid for this Option shall be refunded.

13. SELLER’S REPRESENTATIONS AND WARRANTIES. The Seller hereby warrants and represents to Buyer the following matters and agrees to indemnify, defend and hold Buyer harmless from any loss or liability relating to these matters, with the intent that these representations, warranties and indemnities shall survive closing.

a. Title to the Property/Authority. Seller is the sole legal owner of the Property in fee simple. The Property is not now subject to any written or oral lease, option, or agreement of sale. To the best of Seller’s knowledge and belief, the Property is not now subject to any claim or legal proceeding except as set forth herein. Seller has the full power and authority to execute this Option and all agreements and documents referred to in this Option and to fully perform as required by this Option.

b. Condition of Property. Seller is not aware of any facts that would have adverse effect on the efficacy of the Conservation Easements in protecting the conservation values set forth
in the Conservation Easements.

c. Hazardous Materials. The Property is not now nor, to the best of the knowledge and belief of the Seller, has it ever been used for the manufacture, use, storage or disposal of any hazardous or toxic substance, material or waste within the meaning of any applicable environmental statute, ordinance, or regulation. No hazardous or toxic substance, material or waste, including without limitation asbestos or material containing or producing polychlorinated biphenyls (PCBs), is presently stored or located on the Property at levels greater than natural background concentrations. The Property is not subject to any “superfund” or similar lien or any claim by any government regulatory agency or third party related to the release or threatened release of any hazardous or toxic substance, material, or waste.

d. No Condemnation. There are no condemnation proceedings pending with regard to any portion of the Property and Seller does not know of or have reason to know of any proposed condemnation proceedings with regard to any portion of the Property.

e. Non-foreign Status. To inform Buyer that withholding of tax is not required under Section 1445 of the Internal Revenue Code and under penalties of perjury, Seller hereby certifies that Seller is not a non-resident alien or a foreign corporation, foreign partnership, foreign trust or foreign estate as those terms are defined for purposes of federal income tax law. Seller understands that this certification may be disclosed to the Internal Revenue Service and that any false statement made could be punished by fines, imprisonment, or both.

f. No brokers. Seller represents that they have not engaged the services of a real estate broker in the sale or purchase, respectively, of any interest in this Property, and agree to indemnify Buyer from all such claims or liabilities resulting therefrom.

14. NOTICE. Any notice, consent or other communication permitted or required by this Option shall be in writing, and shall be given to the applicable party, at the address set forth below, in the following manner: (a) personal delivery, (b) reputable overnight delivery service with proof of delivery, or (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested. Each such notice shall be deemed to have been given upon receipt or refusal to accept delivery. Unless and until changed by written notice to the other party hereto, the addresses for notices given pursuant to this Option shall be the addresses listed for each party in Paragraph A of the Recitals above.

15. LIQUIDATED DAMAGES; DEFAULT; SPECIFIC PERFORMANCE.

a. Liquidated Damages. In the event that (i) all of the conditions to this Option for the benefit of the Buyer shall have been satisfied, or waived by the Buyer, (ii) Seller shall have fully performed or tendered performance of their obligations under this Option, and (iii) Buyer shall be unable or shall fail to perform its obligations under this Option, then the entire amount of the consideration paid for this Option shall be retained by Seller as liquidated damages under this Option, and Buyer shall have no further liability to Seller. Buyer and Seller hereby acknowledge and agree that Seller’s damages would be difficult or impossible to determine, that the amount of the consideration for this Option is the parties’ best and most accurate estimate of the damages Seller would suffer in the event the transaction provided for in this Option fails to close, and that it is reasonable under the circumstances existing as of the date of this Option. Buyer and Seller agree that Seller’s right to retain the consideration shall be the sole remedy of Seller in the event of a breach
b. **Default and Specific Performance.** If Seller defaults under this Agreement and fails to cure the same within thirty (30) days of written notice thereof, BUYER may elect, at Buyer’s sole option: (i) to terminate this Option and be released from its obligations hereunder, in which event the consideration paid shall be returned to Buyer; or (ii) to proceed against Seller for specific performance of this Option. In either event, Buyer shall have the right to seek and recover from Seller all damages suffered by Buyer as a result of Seller’s default in the performance of its obligations hereunder.

c. **Other remedies.** In addition to any other remedy specifically set forth in this Option, Buyer has the right to enforce the provisions of this Option through an action for injunctive relief or damages or through other proceedings in law or equity. The election of any one remedy available to Buyer under this Option shall not constitute a waiver of other available remedies.

16. **BINDING EFFECT.** This Option becomes effective when signed by parties hereto and shall then apply to and bind Seller and Buyer and their respective, heirs, executors, administrators, successors, and assigns.

17. **COMPLETE AGREEMENT.** This Option constitutes the sole and complete agreement between the parties and cannot be changed except by written amendment. No representation or promise not included in this Option or any written amendment shall be binding upon the parties.

18. **NOTICE OF OPTION.** Should this Option Agreement not be recorded, the parties agree to execute a Memorandum of Option for recording purposes if requested by either of the parties hereto, to be prepared and recorded at the expense of the requesting party.

19. **MISCELLANEOUS.**

a. **No waiver.** No provision of the Option shall be deemed amended or waived unless such amendment or waiver is set forth in a writing signed by both parties. No act or failure to act by a party shall be deemed a waiver of its rights hereunder, and no waiver in any one circumstance or of any one provision shall be deemed a waiver in other circumstances or of other provisions.

b. **Holidays.** If any date set forth in this Option or computed pursuant to this Option falls on a Saturday, Sunday, or national holiday, such date shall be deemed automatically amended to be the first business day following such weekend day or holiday.

c. **Attorneys’ fees.** In the event of any breach or default hereof by a party, the non-defaulting party shall be entitled to bring an action to recover its costs and expenses of litigation and settlement, including, without limitation, attorneys’ fees and expenses, court costs, settlement costs, and experts’ costs and fees.

d. **Survivability.** The provisions of this Option shall survive the closing of the Conservation Easement donation to Buyer.

e. **Successors.** This option and the contract resulting from the exercise thereof shall bind and inure to the benefit of the heirs, administrators, executors, successors and assigns of the respective parties.
IN TESTIMONY THEREOF, the parties have hereunto set their hands and seals, or if corporate have caused this instrument to be executed in their corporate names by their duly authorized representatives as of the dates indicated below.

SELLER:

Printed Names: Cletus Oliver Hill and Betty Jane Eudy Hill

Signature: [Signature]

BUYER:

Printed Name: Daniel McClellan

Signature: [Signature]

My commission expires: 11/13/2021

My commission expires: 11/13/2021
Conservation Easement Option Map:
Map to provide total estimated acres to receive to agricultural conservation easement. Any areas not receive the agricultural conservation easement such as farmsteads must also be defined.
Certifications and Assurances

CERTIFICATIONS REGARDING LOBBYING, NONPROCUREMENT, DEBARMENT, SUSPENSION AND DRUG-FREE WORKPLACE

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Signature of this form provides for compliance with certification requirements under 2 CFR, Subtitle B, Chapter IV, Part 417, "Nonprocurement Debarment and Suspension," Part 418, "New Restrictions on Lobbying," and Part 421, "Requirements for Drug-Free Workplace (Financial Assistance)," and 2 CFR Part 180. The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Agriculture & Consumer Services determines to award the covered transaction, grant, or cooperative agreement.

1. LOBBYING

As required by authority: 31 U.S.C. 1352 and U.S.C. 301 and implemented at 2 CFR Part 180, for persons entering into a grant or cooperative agreement over $100,000, as defined at 2 CFR Section 418.110, the applicant certifies that to the best of their knowledge and belief, that:

1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal contract, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form -LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

2. NONPROCUREMENT DEBARMENT AND SUSPENSION

As required by Executive Order 12549, Debarment and Suspension, and implemented at 2 CFR Part 180 and 2CFR Part 417, for prospective participants in primary covered transactions, as defined at 2 CFR 180.435 and Subpart C, 417.332, the applicant certifies that it and its principals:

a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph 2. (a)(b) of this certification.

d) Have not within a three-year period preceding this application had one or more public transaction (Federal, State, or local) terminated for cause or default.

e) Agree to include a term or condition in lower tier covered transactions requiring lower tier participants to comply with subpart C of the OMB guidance in 2 CFR part 180, as supplemented by subpart C of Part 417.

Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this certification.

3. DRUG-FREE WORKPLACE (GRANTEES OTHER THAN INDIVIDUALS)

As required by the Drug-Free Workplace Act of 1988, and implemented at 2 CFR Part 182, Subparts B, and C, for grantees:

The applicant certifies that it will:

a) Make a good faith effort, on a continuing basis, to maintain a drug-free workplace. You must agree to do so as a condition for receiving any award covered by this part.

b) Publish a drug-free workplace statement and establish a drug-free awareness program for your employees (see Sections 182.205 through 182.220); and

c) Take actions concerning employees who are convicted of violating drug statutes in the workplace (see Section 182.225), including notification to any Federal agency on whose award the convicted employee was working and within 30 days take appropriate personnel action against the employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended; or require the employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for these purposes by a Federal, State or local health, law enforcement, or other appropriate agency.

d) You must identify all known workplaces under your Federal awards (see Section 182.230).

The grantee must provide the location site(s) for the performance of work done in connection with the specific grant.

Place(s) of Performance (Street address, city, county, state, zip code)

16270 Glenmore Road
Gold Hill, NC 28071-8687

DRUG-FREE WORKPLACE (GRANTEES WHO ARE INDIVIDUALS)

As required by the Drug-Free Workplace Act of 1988, and implemented at 2 CFR Part 182:

A. As a condition of the grant, I certify that I will comply with drug-free workplace requirements in Subpart B (or Subpart C, if the recipient is an individual) of part 421, which adopts the Government-wide implementation (2 CFR part 182) of sec. 5152-5158 of the Drug Free Workplace Act of 1988 (Pub.L.100-690, Title V, Subtitle D; 41 U.S.C. 701-707).
B. I agree to notify the agency as required by 2 CFR 182.300(b) of any conviction for a criminal drug offense within ten days.

Notice shall include the identification number(s) of each affected grant.

As the duly authorized representative of the Grantee, I hereby certify and state to the best of my knowledge and belief, that the Grantee will comply with the above certifications.

[Signature]

[Printed Name]

Grantee Organization Name

[Signature]

[Printed Name]

Date

Title
Instructions: Complete the information below and return it to the Contract Administrator identified in your original contract. This information must be submitted as part of your contract. If you have questions, please contact the Contract Administrator or the Alternate Contact as reflected in your contract.

DUNS Number: 965929263
Contract Number: Amendment Number: 
Grantee Name: Cabarrus Soil and Water Conservation District
TAX ID Number: 56-6000281
Fiscal Year Ends: 

1. Brief Description and Background/History of your Organization.

Be sure to include the number of years in existence, number of employees, mission and goals of your organization.

Cabarrus SWCD was formed in 1963 and is currently served by 3 staff. The Cabarrus SWCD's mission is to initiate and carry out a local program to assist and educate landowners, land users, responsible institutions, and various groups in the community to plan, apply and maintain sound conservation practices and land uses. Cabarrus SWCD exist to encourage the informed and responsible stewardship of the land and all its natural resources.

2. Current project timeline: Begin 10/1/18 End 9/30/2020

3. Expected outcomes and specific deliverables.

(Example: Expected Outcome: Aquaculture operation will remain in business. Deliverable: Healthy food made available for human consumption.)

Keeping the core land unit and buffer the existing operations of Hill's Farm, Existence of permanent agriculture conservation easement on a portion of Hill's Farm farming operation will improve the ranking of future applications/ proposals for and protection in the Northeast corner of Cabarrus County.

4. The Grantee’s WEB URL: https://www.cabarruscounty.us/departments/s

5. * Grantee County of Residence: Cabarrus Congressional District#: 8

(CONGRESSIONAL DISTRICT # MUST BE IDENTIFIED)

6. **County of Benefit: Single County: □ Yes □ No County Name: Cabarrus

Statewide: □ Yes □ No
Regional: □ Yes □ No

7. If the answer to question number 6 is more than one county or “Regional”, list the counties receiving benefit.

Cabarrus
*Grantee County of Residence: County in which grantee is located.

**County of Benefit: List only county or counties in which funding will be spent and/or food commodities will be received.
Attachment E
## CONTRACT & FINANCIAL DOCUMENTS

**INSTRUCTIONS:** Please read and fill in the required information to the right of each field where applicable. Signatures must match the Contract signatures. In the event the affixed signature(s) are no longer valid, a revised form must be submitted prior to processing any contractual documents or submitting "Request for Payments" or any other financial documents. If more than two people will sign for the organization, this form may be duplicated.

### SECTION I.

<table>
<thead>
<tr>
<th>Date:</th>
<th>8/2/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal Applicant Organization/Agency Name:</td>
<td>Cabarrus Soil and Water Conservation District</td>
</tr>
<tr>
<td>Federal Tax Identification Number:</td>
<td>56-6000281</td>
</tr>
</tbody>
</table>

### SECTION II.

Certification:

By affixing my signature below, I certify that person(s) identified are designated having legal authorization to sign on behalf of the organization named in Section I., above, for purposes of executing contractual documents and preparing, approving and executing all financial documents; including "Requests for Payments." I understand the legal implications of any and all misrepresentation, which include but are not limited to defrauding the State of North Carolina, and certify that the person signing below has full authority to execute this Agreement on behalf of the named organization.

#### NON-GOVERNMENTAL ORGANIZATIONS ONLY (Must match Contract signature)

<table>
<thead>
<tr>
<th>Board Chair, Executive Director, etc.</th>
<th>Financial Representative, Treasurer, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Print Name &amp; Title:</td>
<td>Print Name &amp; Title:</td>
</tr>
<tr>
<td>Signature:</td>
<td>Signature:</td>
</tr>
</tbody>
</table>

#### GOVERNMENTAL ENTITIES (Must match Contract signature)

<table>
<thead>
<tr>
<th>Authorized Governmental Official</th>
<th>Chief Fiscal Officer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Print Name &amp; Title:</td>
<td>Print Name &amp; Title:</td>
</tr>
<tr>
<td>Signature:</td>
<td>Signature:</td>
</tr>
<tr>
<td>Date:</td>
<td>8/6/18</td>
</tr>
</tbody>
</table>
## Budget Revision/Amendment Request

**Date:** 9/17/2018  
**Amount:** $953,315.06  
**Dept. Head:** Kelly Sifford  
**Department:** Planning & Development  

<table>
<thead>
<tr>
<th>Fund</th>
<th>Indicator</th>
<th>Department/ Object/ Project</th>
<th>Account Name</th>
<th>Approved Budget</th>
<th>Increase Amount</th>
<th>Decrease Amount</th>
<th>Revised Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>460</td>
<td>6</td>
<td>3270-6365-Hill</td>
<td>Soil &amp; Water Grant - Hill</td>
<td>-</td>
<td>116,516.50</td>
<td>116,516.50</td>
<td>116,516.50</td>
</tr>
<tr>
<td>460</td>
<td>9</td>
<td>3270-9698-Hill</td>
<td>Soil &amp; Water Dist Activities - Hill</td>
<td>-</td>
<td>116,516.50</td>
<td>116,516.50</td>
<td>116,516.50</td>
</tr>
<tr>
<td>460</td>
<td>6</td>
<td>3270-6365-CLCR</td>
<td>Soil &amp; Water Grant Rev - Clark Creek</td>
<td>28,014.01</td>
<td>28,014.01</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>460</td>
<td>9</td>
<td>3270-9416-CLCR</td>
<td>Soil &amp; Water Grant Exp-Clark Creek</td>
<td>1,222.44</td>
<td>1,222.44</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>460</td>
<td>9</td>
<td>3270-9860-CLCR</td>
<td>Equipment &amp; Furniture - Clark Creek</td>
<td>26,791.57</td>
<td>26,791.57</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>460</td>
<td>6</td>
<td>3270-6365-CWM</td>
<td>Soil &amp; Water Grant Rev - Cox Mill Park</td>
<td>515,017.55</td>
<td>515,017.55</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>460</td>
<td>6</td>
<td>3270-6902-CWM</td>
<td>Contribution from General Fund-Cox Mill Park</td>
<td>14,800.00</td>
<td>14,800.00</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>460</td>
<td>9</td>
<td>3270-9606-CWM</td>
<td>Engineer - Cox Mill Park</td>
<td>142,197.00</td>
<td>142,197.00</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>460</td>
<td>9</td>
<td>3270-9820-CWM</td>
<td>Construction - Cox Mill Park</td>
<td>387,620.55</td>
<td>387,620.55</td>
<td>0.00</td>
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<tr>
<td>460</td>
<td>6</td>
<td>3270-621201-PORT2</td>
<td>NC ADFP Trust - Porter 2</td>
<td>228,112.50</td>
<td>228,112.50</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>460</td>
<td>6</td>
<td>3270-6902-PORT2</td>
<td>Contribution from General Fund-Porter 2</td>
<td>38,854.50</td>
<td>38,854.50</td>
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<tr>
<td>460</td>
<td>9</td>
<td>3270-9698-PORT2</td>
<td>Soil &amp; Water Dist Activities - Porter 2</td>
<td>266,967.00</td>
<td>266,967.00</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>460</td>
<td>9</td>
<td>3270-9698</td>
<td>Soil &amp; Water Dist Activities</td>
<td>112,145.50</td>
<td>12,000.00</td>
<td>100,145.50</td>
<td>0.00</td>
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<tr>
<td>460</td>
<td>9</td>
<td>3270-9445</td>
<td>Purchased Services (for legal services)</td>
<td>100,000.00</td>
<td>12,000.00</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This budget amendment will 1) record the Hill Farm easement, 2) write off completed Soil and Water projects, and 3) reallocate funds for additional legal expenditures related to Soil and Water easements.
BE IT ORDAINED, by the Board of County Commissioners of the County of Cabarrus, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section I.

A. The project authorized is for the purpose of accumulating and appropriating general fund revenues and federal and state grants funds received specifically for use by the appropriate Cabarrus County Department who has received the funds.

B. The officers of this unit are hereby directed to proceed with this capital project within the terms of the guidelines as set forth by the federal and state government, Generally Accepted Accounting Principles (GAAP) and the budget contained herein.

C. It is estimated that the following revenues will be available to complete capital projects as listed:

<table>
<thead>
<tr>
<th>Department</th>
<th>Revenue Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board of Elections</td>
<td>Interest on Investments</td>
<td>$34,098</td>
</tr>
<tr>
<td></td>
<td>Contribution from General Fund</td>
<td>$61,484</td>
</tr>
<tr>
<td></td>
<td>Contribution from Capital Reserve</td>
<td>150,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$245,582</strong></td>
</tr>
<tr>
<td>Register of Deeds</td>
<td>Register of Deeds Fees</td>
<td>$1,543,669</td>
</tr>
<tr>
<td></td>
<td>Interest on Investments</td>
<td>$43,351</td>
</tr>
<tr>
<td></td>
<td>Contribution from General Fund</td>
<td>77,504</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$1,664,524</strong></td>
</tr>
<tr>
<td>Soil and Water Department</td>
<td>Other Improvement Projects</td>
<td>$216,737</td>
</tr>
<tr>
<td></td>
<td>EEP Contract</td>
<td>16,900</td>
</tr>
<tr>
<td></td>
<td>ADFP Grant</td>
<td>60,146</td>
</tr>
<tr>
<td></td>
<td>Drill Program Fees</td>
<td>16,735</td>
</tr>
<tr>
<td></td>
<td>Suther Farm Project</td>
<td>780,000</td>
</tr>
<tr>
<td></td>
<td>Hill Farm Project</td>
<td>116,516</td>
</tr>
<tr>
<td></td>
<td>Stewardship Fund</td>
<td>36,421</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$1,243,455</strong></td>
</tr>
<tr>
<td>Local Agricultural Preservation Projects:</td>
<td>Contribution from General Fund</td>
<td>$13,800</td>
</tr>
<tr>
<td></td>
<td>Deferred Farm Tax Collections</td>
<td>1,928,988</td>
</tr>
<tr>
<td></td>
<td>Deferred Farm Tax Interest</td>
<td>304,382</td>
</tr>
<tr>
<td></td>
<td>Interest on Investments</td>
<td>32,751</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$2,279,921</strong></td>
</tr>
</tbody>
</table>

**TOTAL REVENUES** **$5,433,482**

D. The following appropriations are made as listed:

<table>
<thead>
<tr>
<th>Department</th>
<th>Appropriation Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board of Elections</td>
<td>Board of Elections Equipment and Furniture</td>
<td>$245,582</td>
</tr>
</tbody>
</table>
Register of Deeds Department:
  Register of Deeds Automation & Preservation $1,664,524

Soil and Water Department:
  Other Improvement Projects $216,737
  EEP Contract 16,900
  ADFP Conservation Easement 60,146
  Drill Repair & Maintenance 16,735
  Suther Farm Project 780,000
  Hill Farm Project 116,516
  Stewardship 36,421

  $1,243,455

Local Agricultural Preservation Projects:
  Other Improvement Projects $2,279,921

TOTAL EXPENDITURES $5,433,482

GRAND TOTAL – REVENUES $5,433,482
GRAND TOTAL – EXPENDITURES $5,433,482

Section II.

A. Special appropriations to non-profit organizations shall be distributed after the execution of an agreement which ensures that all County funds are used for statutorily permissible public purposes.

B. The County Manager or designee is hereby authorized to transfer appropriations within or between funds, or modify revenue and expenditure projections as contained herein under the following conditions:

1. The County Manager may transfer amounts between objects of expenditures and revenues within a function without limitation.

2. The County Manager may transfer amounts up to $100,000 between functions of the same fund.

3. The County Manager may transfer amounts between contingency funds which are set aside for a specific project for budgetary shortfalls or upon the appropriate approval of a change order.

4. The County Manager is authorized to transfer funds from the General Fund or Capital Reserve Fund to the appropriate fund for projects approved within the Capital Improvement Plan for the current fiscal year.

5. Upon notification of funding increases or decreases to existing grants or revenues, or the award of grants or revenues, the Manager or designee may adjust budgets to match, including grants that require a County match for which funds are available.

6. The County Manager or designee may adjust debt financing from estimated projections to actual funds received.
7. The County Manager may enter into and execute change orders or amendments to County construction contracts in amounts less than $90,000 when the appropriate annual budget or capital project ordinance contains sufficient appropriated but unencumbered funds.

8. The County Manager may award and execute contracts which are not required to be bid or which G.S. 143-131 allows to be let on informal bids so long as the annual budget or appropriate capital project ordinance contains sufficient appropriated but unencumbered funds for such purposes.

9. The County Manager may execute contracts with outside agencies to properly document budgeted appropriation to such agencies where G.S. 153 A-248(b), 259.449 and any similar statutes require such contracts.

10. The County Manager may reject formal bids when deemed appropriate and in the best interest of Cabarrus County pursuant to G.S. 143-129 (a).

11. The County Manager may reduce revenue projections consistent with prevailing economic conditions, and also reduce expenditures correspondingly.

Section III.

This ordinance and the budget documents shall be the basis of the financial plan for the County of Cabarrus.

a. The Finance Director is hereby directed to maintain within the Capital Projects Fund sufficient detailed accounting records to satisfy the requirements of the law.

b. The Finance Officer is directed to report, at the request of the Board, on the financial status of each project element in Section I and on the total revenues received or claimed.

c. Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board, and to the Finance Director for direction in carrying out this project.

d. At the completion of a construction project, all unrestricted excess funds are transferred to the General Fund and the portion of the Capital Project Ordinance associated with the project is closed.

Adopted this 17th day of September, 2018.

CABARRUS COUNTY BOARD OF COMMISSIONERS

BY: _______________________________________
    Stephen M. Morris, Chairman

ATTEST:

______________________________________
    Clerk to the Board
AGENDA CATEGORY:
Discussion Items for Action at September 17, 2018 Meeting

SUBJECT:
Finance - Write-off of Ambulance Receivables for FY 2014 - $1,146,625

BRIEF SUMMARY:
As allowed in North Carolina General Statute 44.51.4, the County may treat the amount due for ambulance services the same as if it were a tax due to the county. The County’s policy is to keep three years of ambulance receivables plus the current year’s receivables on the General Ledger. This policy allows the outstanding receivable balance of $1,146,625 for Fiscal Year 2014 to be written off. The Emergency Medical Services Department has exhausted all means of collections for the Fiscal Year 2014 bills.

REQUESTED ACTION:
Motion to authorize the Finance Department to write-off the outstanding receivable for Fiscal Year 2014 ambulance bills.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Susan Fearrington, Finance Director
James Lentz, EMS Director

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
☐ EMS Write off Memo
☐ EMS Write off Calculation
To: Susan B Fearrington, Finance Director
Copy: Jimmy Lentz, EMS Director
From: Suzanne Burgess, Finance, Assistant Finance Director
Date: August 06, 2018
Subj: Write-off of Uncollectible Accounts Receivable - Ambulance

Cabarrus County’s year-end procedure includes adjusting the Accounts Receivable-Ambulance balance to include the outstanding balances for the closing year plus the three preceding fiscal years. Therefore, at June 30, 2018, the Accounts Receivable-Ambulance balance should include outstanding amounts owed for fiscal years 2015 through 2018, totaling $8,938,520.

The current Accounts Receivable-Ambulance general ledger balance is $10,085,145 and needs to be adjusted by writing off a total of $1,146,625.

The proposed write-off amount represents unpaid account balances for fiscal year 2014. Historical analyses indicate amounts are no longer collectible in the fourth year following billing.

The County’s third-party billing company, EMS Management & Consultants, is responsible for ensuring all claims are filed timely with insurance companies. In addition, the County’s Emergency Medical Services staff are diligent in attempting to collect past-due balances through the use of a collection agency, garnishments and the State’s Debt Setoff program.

Please submit the write-off request to the Board of Commissioners for approval. Writing-off the fiscal year 2014 balance does not prevent the collection of these outstanding balances. It simply allows the Finance Department to adjust the Accounts Receivable-Ambulance balance to accurately reflect the balance which is considered collectible.
### CABARRUS COUNTY
### ACCOUNTS RECEIVABLE - AMBULANCE
### Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th>Description</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Billing</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges, net of contractual allowances</td>
<td>5,087,519</td>
<td>5,623,877</td>
<td>6,727,260</td>
<td>7,275,293</td>
<td>7,066,004</td>
<td>31,779,953</td>
</tr>
<tr>
<td><strong>Collections</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Accounts Receivable - Ambulance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unpaid balances at June 30, 2017</td>
<td>1,146,625</td>
<td>1,382,429</td>
<td>2,093,561</td>
<td>2,426,116</td>
<td>3,036,414</td>
<td>10,085,145</td>
</tr>
<tr>
<td><strong>Proposed Write-off</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncollectible, fiscal year 2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(1,146,625)</td>
</tr>
<tr>
<td><strong>Adjusted Accounts Receivable - Ambulance, June 30, 2018</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8,938,520</td>
</tr>
</tbody>
</table>

**Prepared by:**
Suzanne Burgess, Cabarrus County Finance Department

**Notes:**
Historical data show that the percentage of collectibility is about 56 percent in the year billed, 15 percent in the year following billing, one percent in the second year following billing, and one percent in the third year following billing. Accounts are fully uncollectible in the fourth year following billing. The County’s third-party billing company, EMS Management & Consultants, typically writes-off an account balance when it is unpaid after approximately 90 days. Cabarrus County Emergency Medical Services staff continue collection procedures, so the County does not consider amounts to be uncollectible at this time, thus requiring the above analysis and adjustment.
AGENDA CATEGORY:
Discussion Items for Action at September 17, 2018 Meeting

SUBJECT:
Planning and Development - HOME program Comprehensive Annual Performance and Evaluation Report (CAPER)

BRIEF SUMMARY:
As a participant in the Cabarrus/Iredell/Rowan HOME Consortium, Cabarrus County is required to report annually on HOME program activities through the Comprehensive Annual Performance Evaluation Report (CAPER). Attached is the report for the last year. There are only fair housing and public hearing activities listed for the year as we have been working on finalizing the multi-jurisdictional senior housing project, Prosperity Ridge. Cabarrus County expended $784 dollars on fair housing and public hearing advertising for the 2017-2018 year.

REQUESTED ACTION:
Motion to hold a public hearing.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Kelly Sifford, AICP
Planning and Development
BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
☐ CAPER Report
☐ Public Hearing Notice - Newspaper
☐ Public Hearing Notice - Website
HOME Recipients  
End of Program Year CAPER Report  
Covering July 1, 2017 to June 30, 2018

Please provide detailed information regarding your HOME-assisted projects from July 1, 2017 to June 30, 2018. Complete a separate form for each HOME-assisted activity. Please provide at least one picture of each project listed. Use as much space as needed to answer the questions.

*Please return this form to Pepper Bego no later than August 20, 2018.

Agency Name: Cabarrus County  
Contact Person: Kelly Sifford

2017-2018 HOME-ASSISTED ACTIVITIES

1. Proposed Activities (per Action Plan):
No proposed activities for this year, no funding accepted due to outstanding project.

2. Describe how you provided decent housing and a suitable living environment for low and moderate-income persons and how it made an impact on identified needs.

Working on a long term project for senior housing with other consortium members.

3. Activities and Accomplishments: (Please state whether you met your goals/objectives this year.)

Participated in quarterly fair housing activities such as providing technical assistance to other agencies, holding fair housing and homeownership forums with other jurisdictions, radio, newspaper and website advertisements regarding fair housing.

Please complete the following table.
4. Describe actions taken to eliminate barriers to affordable housing.

Participated in forums with other consortium members to advance fair housing and homeownership. The homeownership forums included information about down payment assistance and good loan practices.

5. Describe actions taken to overcome the effects of impediments to fair housing.

Several members of the consortium held a multijurisdictional forum to educate citizens on fair housing laws and who to contact if they encountered problems. Staff provided technical support to other agencies such as the Department of Human Services regarding tenant issues to help staff determine fair housing versus landlord tenant issues.

6. Please provide the following statistics by Person (P) or Household (H)

| HOME ACTIVITY  
<table>
<thead>
<tr>
<th>Description of Accomplishment</th>
<th>Activity Location</th>
<th>Number of Households Assisted</th>
</tr>
</thead>
<tbody>
<tr>
<td>n/a</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
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<tr>
<td></td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

PLEASE REMEMBER TO ATTACH PICTURES OF YOUR WORK
7. Budget Information

(Please provide the information requested below.)

- Funds expended this period were on advertising for Fair Housing and Public Hearings

<table>
<thead>
<tr>
<th>RACE</th>
<th># of Households</th>
<th># of People</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Black/African American</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Asian</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>American Indian/Alaskan Native</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Native Hawaiian/Pacific Islander</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Am Indian/Alaskan Native and White</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Asian &amp; White</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Black/African American and White</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Am Indian/Alaska Native and Black</td>
<td>0</td>
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<tr>
<td>Other Multi-Racial</td>
<td>0</td>
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<tr>
<td>Hispanic Ethnicity</td>
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<table>
<thead>
<tr>
<th>Income</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Less than 30% AMI</td>
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<td>0</td>
</tr>
<tr>
<td>31% - 50% AMI</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>51% - 80% AMI</td>
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<tr>
<td>80% - AMI</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Family Status and Special Needs</th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Female-Headed</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Disabled (not elderly)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Elderly</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Homeless</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>AIDS/HIV+</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BUDGET INFORMATION</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>HOME Funds Budgeted this period</td>
<td>2017-18</td>
<td>0</td>
</tr>
<tr>
<td>HOME Funds Expended this period</td>
<td></td>
<td>$784</td>
</tr>
<tr>
<td>HOME Funds Balance as of June 30, 2018</td>
<td></td>
<td>$252,305</td>
</tr>
<tr>
<td>Other Federal Funds Expended this period</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Non-Federal Funds Expended this period</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Total Project Funds Expended this period</td>
<td></td>
<td>0</td>
</tr>
</tbody>
</table>
AGENDA CATEGORY:
Discussion Items for Action at September 17, 2018 Meeting

SUBJECT:
Sheriff's Department - Contract Approval for Radio Network Ethernet Backhaul

BRIEF SUMMARY:
We are looking for approval to accept the Motorola proposal to upgrade the Cabarrus County Radio Communications Network. Currently, our radio system is a T1 based legacy network. By 2019/2020 all routers on the system will have to be Ethernet capable, doing away with our current T1 connections. The total cost in this phase of the project is $984,600. The cost of system updates is shared between the City of Concord 40%, the City of Kannapolis 20%, and Cabarrus County 40%, based on the number of towers and the number of users on the system. Cabarrus County’s cost for this phase of the project is approximately $393,840. Additionally, we will have to also fund installation costs for the first phase of this project. The total cost for installation of the phase 1 equipment is $40,000. The Cabarrus County portion is $16,000. The total cost for Cabarrus County for both phases is $409,840. Funding was provided through the capital improvement budget for FY19.

REQUESTED ACTION:
Motion to approve the bid award and authorize the County Manager to execute the contract between Cabarrus County and Motorola Solutions, subject to revision by the County Attorney.

EXPECTED LENGTH OF PRESENTATION:
10 Minutes

SUBMITTED BY:
Mike Downs, County Manager
Sergeant Travis McGhee

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
☐ Motorola Contract
☐ CIP Item
BACKHAUL REFRESH PHASE II
August 4, 2018

Sgt. Travis McGhee
Cabarrus County Sheriff’s Office
30 Corban Ave
Concord NC 28025

Subject: Proposal for an addition of the new ASTRO 25 Edge Availability feature

Dear Travis McGhee

Motorola Solutions, Inc. (“Motorola”) is pleased to have the opportunity to provide Cabarrus County with quality communications equipment and services. The Motorola project team has taken great care to propose a solution that will meet your needs and provide unsurpassed value.

To best meet the functional and operational specifications of this solution, Motorola’s solution includes a combination of hardware, software, and services. Specifically, this solution is for the Cabarrus County Backhaul Refresh for their aging Exault Microwave System.

This proposal consists of this cover letter and the Communications System Agreement (CSA), together with its Exhibits. This proposal shall remain valid for a period of 45 days from the date of this cover letter. Motorola would be pleased to address any concerns Cabarrus County may have regarding the proposal. Any questions can be directed to your Motorola Account Executive, Scott Hopkins, at (980)254-0273.

We thank you for the opportunity to furnish Cabarrus County with “best in class” solutions and we hope to strengthen our relationship by implementing this project. Our goal is to provide you with the best products and services available in the communications industry.

Sincerely,

Motorola Solutions, Inc.

Ed Harr
Motorola Solutions
Territory Vice President
# TABLE OF CONTENTS

Section 1 Statement of Work .................................................................
Section 2 Pricing ..................................................................................
Section 3 Contractual Documentation ..................................................
Section 4 Our commitment .................................................................
SECTION 1
STATEMENT OF WORK

This Statement of Work ("SOW") outlines the Services that were assumed to be performed by Motorola Solutions in support of the Cabarrus County NC Phase 2.

1. GENERAL

1.1 Motorola will not be obligated to perform any addition, deletion, or change to the Installation and Test Scope of Work that has a cost impact unless the addition, deletion or change has been documented in a writing signed by Motorola and Cabarrus County.

1.2 Motorola will take reasonable efforts to minimize the impact of any delays and lost time to the overall project schedule.

1.3 All Installation & Test pricing is based on a continuous work effort. Additional mobilization costs have not been factored into the cost proposal if Cabarrus County delays the project.

1.4 Motorola’s proposal anticipates the use of industry standard materials and performance of the work during normal business hours, which are between 8:00 a.m. and 6:00 p.m. at the job site. Business days consist of 10 hours per day, Monday through Saturday excluding all Motorola observed holidays.

1.5 The tower known today as “Weddington” as a part of the Cabarrus County Radio Network, is included in this proposal to be upfitted with the equipment as listed in this proposal. Due to a potential site change of the tower, the equipment will be installed on the tower at a later unknown date. Motorola and its subcontractors agree as part of the proposal and statement of work, the equipment, installation, and all SI services will be done at no additional cost to Cabarrus County, the City of Concord, or the City of Kannapolis. This statement pertains only to the scope of the work, equipment, and SI Services stated in this proposal.

2. EQUIPMENT WARRANTY & POST INSTALLATION SUPPORT

2.1 When formal path surveys are completed by Motorola, Motorola warrants, for a period of 12 months from the date of Acceptance, that Motorola’s recommended radio paths conform to Cabarrus County’s availability requirement for normal atmospheric multipath fading set forth in the following design criteria:

<table>
<thead>
<tr>
<th>Design Criteria</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Availability Objective</td>
<td>99.999%</td>
</tr>
<tr>
<td>1-way or 2-way Objective</td>
<td>2-way</td>
</tr>
<tr>
<td>Bit Error Rate at Threshold</td>
<td>$10^{-6}$ BER</td>
</tr>
</tbody>
</table>

Nokia warrants its 9500 MPR products, for a period of 12 months from Acceptance when installed by or a Nokia certified installer, that radio Equipment will be free from defects in materials and workmanship and perform in accordance with its specifications. All other Nokia manufactured...
Equipment carries a warranty for a period of 12 months from Acceptance. If Motorola does not perform the installation work, the applicable warranty period commences on the date of shipment from Nokia. OEM equipment and software (“OEM Product”) warranties will be provided directly from the manufacturer of the OEM Product.

2.2 During the warranty period, Nokia will repair or replace any Nokia Product that does not substantially conform to Product specifications. Cabarrus County is responsible for obtaining a Material Return Authorization (MRA) number from Nokia and ship the unit to the Nokia repair facility in Longview, Texas. Nokia will return the unit to Cabarrus County at Nokia’s cost as promptly as practicable. Typical turnaround time is twenty-one (21) Nokia Business Days from the time of receipt. Advance Replacement and Emergency Replacement Services are available only for an additional charge at Nokia’s then-current rates.

2.3 During the applicable warranty or post-warranty maintenance period, Nokia will provide CTAC remote support in accordance with then current Nokia policies.

- Nokia will use its reasonable commercial efforts to provide effective telephone assistance which results in timely answers to technical questions involving applications, operations and maintenance of Nokia radio Equipment. This involves defining, isolating and reproducing system problems. All calls to Nokia CTAC are logged and tracked.

- Access to Nokia CTAC is available by phone at 1-888-252-2832 or by email at ml-tac.support@Nokia.com.

2.4 Nokia CTAC can provide on-Site assistance for operations and maintenance issues that cannot be resolved effectively by telephone. This service is available only for an additional charge.

2.5 Nokia CTAC can provide database support by addressing additions to and maintenance of the Cabarrus County’s database. This includes collection of any network information required to allow the Product to perform its specified functions. This service is available only for an additional charge.

2.6 Nokia provides factory repair Services for all Nokia manufactured Equipment. These Services are available during the applicable warranty period (and the applicable post-warranty period if Cabarrus County has purchased post-warranty services) through Nokia’s Repair and Return (R&R) department. Access to the R&R department is available by calling 1-888-252-2832.

2.7 Motorola offers Cabarrus County the resources of fully staffed Technical Training Centers to provide initial and ongoing Product training. Skilled, qualified instructors offer hands-on experience in the use of every Nokia Product group that goes beyond textbook learning. This service is available only for an additional charge. Motorola will quote training prices upon Cabarrus County’s request.
3. **SCOPE OF WORK**

3.1 **MICROWAVE NETWORK DESCRIPTION**

The project comprises of six microwave paths in Cabarrus County, NC. All paths are designed with the Nokia Wavence (9500 MPR) microwave radio with all indoor MPT-HLC transceivers and Nokia 7705 Service Aggregation Router (SAR). The 7705 SAR will both provide microwave awareness (MWA) for the Wavence microwave radios, as well as provide MPLS fast re-route for sub 50ms ring switching.

The microwave paths have been designed to operate in a 30MHz channel bandwidth at 128QAM, which will deliver 161 Mbps of layer 2 data throughput.

Four of the paths have been designed in the lower 6 GHz band and two of the paths have been designed in the 11 GHz band. The ring of this network will be a non-standby radio configuration. The one spur path from Fire Station 3 to Cabarrus Dispatch will use a hot-standby transceiver configuration.

The 7705 SAR-8 include redundant Control and Switch Modules (CSM) and Packet Microwave Cards (PMC). Two 16 port DS1 cards with an RJ-45 patch panel interface are included.

This integrated MW/MPLS solution includes a 7705 SAR equipped with Packet Microwave Cards (PMCs) to provide direct connectivity and MWA for the Wavence MPT-HLC microwave transceivers. The PMC not only provides connectivity and MWA for the Wavence microwave transceivers, but it also includes traffic interfaces for both electrical and optical connections.

RFS dishes, waveguide, and dehydrator will be provided.

An Eltek FlatPack S -48VDC power and battery plant will be provided for all sites. The DC plants are designed with a growth factor of 10% and a backup battery power time of eight hours with a 24-hour recharging period.

The Wavence microwave radios and 7705 SARs will be monitored by the Nokia Network Fault Manager (NFM-P) that was previously purchased by the city of Charlotte.
4. TRANSMISSION ENGINEERING SERVICES

Motorola will undertake the responsibilities assigned to them.

<table>
<thead>
<tr>
<th>M</th>
<th>Motorola Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>Customer Responsibility</td>
</tr>
<tr>
<td>NA</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

4.1 PATH FEASIBILITY STUDIES

4.1.1 Feasibility studies are prepared using preliminary and unverified information provided by the Cabarrus County or other sources. Feasibility studies are prepared by Motorola in order to form the baseline equipment and radio frequency system design and budgetary estimates. Feasibility studies include the following responsibilities:

<table>
<thead>
<tr>
<th>Feasibility Studies</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providing system topology maps;</td>
<td></td>
<td>X</td>
<td>NA</td>
</tr>
<tr>
<td>Providing preliminary path profiles, path calculations and availability calculations;</td>
<td></td>
<td>X</td>
<td>NA</td>
</tr>
<tr>
<td>Providing a technical report summarizing system design considerations and Equipment requirements.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Latitude and Longitude of the proposed microwave sites</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Existing tower heights if known</td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

4.1.2 Feasibility studies provide preliminary assumptions and are not intended to be final designs.

4.2 PATH SURVEYS
4.2.1 Formal microwave path surveys are recommended to determine or verify site coordinates, ground elevation, on-path obstructions (location and height), tower information, and other parameters required to engineer the final design of a radio link. The present and anticipated future effect of on-path obstructions, such as tree growth, is evaluated and incorporated into the path design where applicable. Microwave path surveys include the following responsibilities:

<table>
<thead>
<tr>
<th>Path Surveys</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide documents relating to previous path calculations and frequency coordination;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide information to the surveyors to locate the proposed microwave sites</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Arrange for surveyor access to the proposed microwave sites</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Verify site elevations above sea level;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Verify site longitude and latitude;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide existing tower description and information;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide general survey observations, comments and site photographs;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide site layouts including towers with antennas at proposed center lines.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4.2.2 Geodetic coordinates should be accurate to within 1-second of latitude and 1-second of longitude. Ground elevations are accurate to within 5-feet and that on-path obstructions at critical points are identified and present heights are accurate to within 5-feet.

4.3 SITE SURVEYS

<table>
<thead>
<tr>
<th>Site Surveys</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Determine and document locations for new equipment rack at each site.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Determine, measure, and document DC power interface locations and cable routes.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Determine, measure, and document Ethernet and T1 interface locations and cable routes.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete facility drawings, floor plans, cable running sheets and wall elevations relative to the new Equipment.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide info on any environmental alarms that are required to monitor</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Determine, measure, and document cable routes from the equipment rack to the customer provided 66 block.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineer and document fuse any AC breaker types, sizes and assignments.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete outside plant general survey and document.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepare Customer Survey documentation and Installation Specification.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4.4 PATH DESIGN

4.3.1 When conducted by Motorola, path design services are based on formal field survey data gathered under task 4.2. Path designs are considered final. The Project can move to the implementation stage based on the recommendations within the final design report. Path design Services include the following responsibilities:

<table>
<thead>
<tr>
<th>Path Design</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Select frequency band and capacity requirements for each path;</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Determine antenna centerline heights based on Motorola’s path clearance criteria;</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Design paths to protect against ground-based reflections;</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Select radio types, antenna sizes and types, power output, and protection scheme required to meet Customer availability and capacity requirements;</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Calculate path availability using industry accepted models for predicting outages and countermeasure improvements associated with normal atmospheric multi-path fading, up-fading, rain fading and obstruction fading;</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Submit a final path design report, including system maps, path profiles and availability calculations.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

4.3.3 In addition to warranty exclusions set forth in the agreement Motorola is not responsible for excessive outages or degraded performance due to abnormal fading conditions that include, but are not limited to:

- Formation of extreme radio refractivity gradients associated with:
  - Exceptionally large temperature inversions,
  - Abnormal temperature/humidity layers,
  - Fog formation,
  - Signal trapping caused by surface or atmospheric ducting;
- Reflections from unidentifiable off-path terrain features or physical structures;
- Rain fading due to rainfall rates that are more than the published rates or charts used to predict rain induced outages;

If Motorola suspects abnormal propagation conditions are causing degraded system performance, Motorola will reasonably assist Cabarrus County in verifying the conditions leading to the degraded system performance. After the problem has been identified, Motorola will support Cabarrus County in identifying possible solutions to the problem, and assess the incremental improvement expected from corrective actions. Implementation of corrective action required to remedy this type of problem shall be the sole responsibility of Cabarrus County.

The stated rain model applies for systems that are eight (8) gigahertz and higher. Cabarrus County may request a copy of Motorola’s path design model.
4.5 FREQUENCY PLANNING AND LICENSING

4.4.1 Frequency planning Services include frequency selection, prior coordination, interference case resolution, and FCC license application documentation preparation. Interference studies will be conducted utilizing industry accepted methods, hardware, and software to build a database that is as accurate as possible at the time of the study. Frequency planning Services include the following responsibilities:

<table>
<thead>
<tr>
<th>Frequency Planning and Licensing</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete frequency selection and provide frequency coordination data sheets;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete the Prior Coordination Notice and associated Supplemental Showing documents under FCC Part 101.103(d) rules;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete the FCC 601 license application;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>File the license application with the FCC;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment of FCC license fees.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4.4.2 In the event harmful frequency interference is detected during the acceptance testing of a radio system and Motorola provided the frequency planning Services, Motorola’s total responsibility for correcting the problem is limited to selecting new frequencies.

4.4.3 If harmful interference occurs after the radio system has been installed and accepted, corrective action is the sole responsibility of Cabarrus County.

5 Facilities and Towers
Motorola and Cabarrus County will undertake the responsibilities assigned to them, respectively, in this Section 5.

5.1 **CIVIL WORK**

<table>
<thead>
<tr>
<th>Civil Work</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide as built documentation including plot plans and architectural blueprints for towers and shelters.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Provide structural analysis report on existing towers or facilities to ensure they are structurally sound to accommodate new radio and antenna equipment.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide survey documentation with proposed tower locations, property boundaries, true north, landscape details, fences and other details necessary for new towers.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Provide soil analysis report and foundation design for new towers and shelters.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide foundation design and tower design drawings and other technical data i.e. tower mapping of existing appurtenances.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete necessary documentation (formal survey &amp; 2C letter) for FCC and FAA filing for approval and obtaining building permits.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5.2 **TOWERS**

<table>
<thead>
<tr>
<th>Towers</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct or modify tower in accordance with approved final design and the applicable version of EIA/TIA RS-222(G), including painting, tower lights, safety climb ladders and lightning rods.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide and connect adequate earth ground in accordance with final design and the applicable version of EIA/TIA RS-222(G).</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide antenna and waveguide support systems including waveguide ladder, waveguide bridge, and ground bus bars.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide and install footing hardware and building modifications required to accommodate tripod or antenna mount on building rooftop or side wall if applicable.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5.3 SHELTERS & FACILITIES

<table>
<thead>
<tr>
<th>Shelters and Facilities</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities will have adequate space, heating and air conditioning to meet the operational requirements of new Equipment proposed herein.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Provide 110 VAC or 220 VAC power to the DC system.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Provide attachment for station ground within the maximum distance of fifteen (15) feet of the proposed Equipment location. Existing facility grounding is a single point configuration.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Provide and install AC/DC rectifiers and battery backup systems.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Provide a ground ring or plate as recommended by local practices.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Provide a 66 block for any environmental alarms to be monitored over the microwave</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Provide a timing source for synchronization of and TDM traffic over the backhaul network</td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

6 Project Services

Motorola and Cabarrus County will undertake the responsibilities assigned to them, respectively, in this Section 6.

6.1 PROJECT MANAGEMENT

<table>
<thead>
<tr>
<th>Project Management</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide PM Services for duration of project for Motorola’s deliverables only. Utilize a Project Manager who will function as single point of contact (SPOC) and coordinate project activities through final delivery of all contracted-for elements, coordinating all in-scope tasks until project closeout.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Collaborate to develop a baseline Project Management Plan &amp; Schedule Management Plan (Project Timeline) with baseline schedule that includes critical paths &amp; key milestones.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Gain consensus/approval on a Communication Management Plan which includes status meeting location/duration/frequency, and reporting content &amp; format with distribution list &amp; media type. The plan will also include exception reporting and escalations.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Establish a Change Management Plan, which is a change control system of formal documented procedures that define how project deliverables are controlled, changed, and approved.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Manage Resources – allocate staff and other resources (e.g., equipment, laboratories, etc.), and gain commitment to project schedule.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Analyze &amp; track project risks to verify that risks are identified, status is reported, and appropriate risk response plans are executed. Escalate &amp; issue jeopardies as necessary.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Manage close-out activities before any necessary resources are released. Verify that all activities within scope of Motorola’s responsibility under accepted purchase orders have been completed.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>
## 6.2 MICROWAVE ENGINEERING AND DESIGN

<table>
<thead>
<tr>
<th>Microwave Engineering</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providing system designs that meet Cabarrus County’s specifications and requirements. Defining demarcation points for Motorola’s related work;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defining technical requirements and interfaces of Motorola provided outside vendor purchased items;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designing and engineering a frequency channel plan;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Providing functional system and equipment drawing;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Providing a bill of materials for the Project;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developing manufacturing systems test, integration and field test requirements to ensure the system operates as per the design intent;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Providing systems and network engineering support during Equipment manufacturing and field deployment phases of the Project.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide as built drawings and system documentation.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## 6.2 MPLS ENGINEERING AND DESIGN

<table>
<thead>
<tr>
<th>IP/MPLS Engineering</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead a services and technical requirements gathering workshop with the Customer to obtain the required information to start the architecture and design process. The two day workshop will take place (remotely via conference call).</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defining technical requirements and interfaces outside vendor purchased items;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Develop a system design of the IP/MPLS network and services architecture based upon the requirements captured in the design workshop and provide a High Level Design (HLD) document.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Develop a configuration file for each network element in the system design.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide as built drawings and system documentation.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## 6.3 MICROWAVE AND MPLS SYSTEM STAGING

<table>
<thead>
<tr>
<th>MPLS Staging</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide a staging facility with appropriate power at the location</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide an appropriately sized 48VDC plant at the staging facility</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Load the configuration file on each network element.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perform advanced configuration, including interfaces and services, as needed.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Validate the connections to the microwave radios.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Validate the routing configuration on a network-wide basis.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Validate the establishment of MPLS paths, as needed.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Test end to end network connectivity.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### 6.4 GENERAL PROJECT RESPONSIBILITIES

<table>
<thead>
<tr>
<th>General Project Responsibilities</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obtain building permits and construction licenses required for the implementation of this</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project. Notices will be posted at the applicable sites prior to the commencement of work.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide Motorola access to the installation sites on an as needed basis. Work will be</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>performed by Motorola and/or subcontracted personnel at Motorola’s sole discretion.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide storage &amp; staging warehouse for radio Equipment and associated Equipment.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide normal road conditions accessible by standard construction vehicles to the installation</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>sites.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Equipment for installation is not included (i.e. cranes, helicopters, boom trucks etc.)</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>. Usage of this Equipment will be at additional cost to Customer and documented through a</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subcontract Change Order prior to commencement of work.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
7 Installation and Testing Services

Motorola and Cabarrus County will undertake the responsibilities assigned to them, respectively, in this Section 7.

7.1 ANTENNA & WAVEGUIDE SYSTEMS INSTALLATION

<table>
<thead>
<tr>
<th>Antenna &amp; Waveguide Systems Installation</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Antennas, waveguide and mounting Equipment delivered to site and inventoried.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assemble antennas, rig towers and de-rig towers upon completion.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide and install standard leg pipe mounts.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide and install steel support members for side braces as required.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide and install ice shields.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Penetrate building wall or roof for waveguide entry ports and install entry plates as required.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Install antennas and radomes at centerlines per final path design. Waveguide lengths additional waveguide and labor, if required per the final design will result in additional charges.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Install waveguide runs, hanger kits and ground kits in accordance with manufacturer’s specifications.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Terminate waveguide runs within two feet of proposed radio location.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perform antenna and waveguide sweep tests to confirm compliance with manufacturer’s specifications.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Install pressurization system equipment and calibrate.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perform antenna alignment. Performance objectives of path will be set to performance calculation sheets.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7.2 MICROWAVE RADIO INSTALLATION

<table>
<thead>
<tr>
<th>Microwave Radio Installation</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Radio and antenna equipment delivered to site and inventoried. Uncrate radio and locate in general vicinity of final Equipment location.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Install new radio in existing rack or install new radio in new rack. Bolt rack to floor and install rack top support. It is assumed the customer will provide all cable ladders to run cable, waveguide and top support to the radio rack.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete power connections at radio location and circuit breaker within 50 feet of radio locations.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete radio ground connection to station ground ring or bus bar within 50 feet of radio location.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete radio / waveguide interface connection.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Install DS1 cabling between radio and the DSX patch panel</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power on radio, warm up and provision.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conduct and record the Acceptance Test Plan (ATP) as documented in this SOW in accordance with the instructions contained in the applicable radio instruction books:</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
7.3 MPLS EQUIPMENT INSTALLATION

<table>
<thead>
<tr>
<th>IP/MPLS Equipment Installation</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>MPLS equipment delivered to site and inventoried.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Install all in-scope system hardware purchased in existing rack or other existing assigned location per installation documents. Includes shelves, cards, circuit packs, modules, system cables, etc.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Run and connect shelf power drops to existing fuse panel or power source in same rack - 10' maximum.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Run and connect shelf ground drop to existing ground point in same rack - 10' maximum.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Label equipment and cables per required Customer requirements and technical practices.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perform basic power-up and green light testing of in-scope system equipment purchased prior to integration.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Download the configuration files</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conduct and record the Acceptance Test Plan (ATP) as documented in Appendix Four in accordance with the instructions contained in the applicable instruction manuals.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7.4 ANCILLARY EQUIPMENT INSTALLATION

<table>
<thead>
<tr>
<th>Ancillary Equipment Installation</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Install and test DC power system &amp; batteries</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Install and test DSX cross connect panels.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete cabling from the radio to the customer provided 66 block for any environmental alarms to be monitored</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete alarm wiring from the 66 block to any ancillary equipment to be monitored over the microwave</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7.5 NFM-P INSTALLATION

<table>
<thead>
<tr>
<th>NFM-P Equipment Installation</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Verify all network elements are discovered by the NFM-P.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conduct and record the Acceptance Test Plan (ATP) as documented in Appendix Four in accordance with the instructions contained in the applicable instruction manuals.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### 7.6 MICROWAVE PATH ACCEPTANCE TEST

<table>
<thead>
<tr>
<th>Microwave Path Acceptance Test</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop a Method of Procedure (MOP), which will specify the activities to be performed and include a standard Acceptance Test Plan (ATP).</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Record measurements and complete test documentation</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Conduct over the path one way T1 Bit Error Rate Test (BERT) of 2 hours per transmitter or in accordance with agreed to requirements.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete RFC2544 testing of 2 hours per path or in accordance with agreed to requirements</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensure all facilities have been connected to the installed equipment and found to be error free.</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

### 7.7 IP/MPLS NETWORK ACCEPTANCE TEST

<table>
<thead>
<tr>
<th>IP/MPLS Acceptance Test</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop a Method of Procedure (MOP), which will specify the activities to be performed and include a standard Acceptance Test Plan (ATP).</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Validate the routing configuration on a network-wide basis.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Validate the establishment of MPLS paths, as needed.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Verify end to end traffic from two (2) representative sites.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Test network resiliency components and path redundancy.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensure all facilities have been connected to the installed equipment and found to be error free.</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>
8 System Acceptance Procedures

8.1 Motorola will notify Cabarrus County of work completion and system ready for Cabarrus County Acceptance.
8.2 Motorola will complete a site walk through with the Cabarrus County to inspect the installation work. A punch list of reasonable deficiencies will be prepared and agreed to by both Motorola and Cabarrus County. Punch list items affecting Cabarrus County’s traffic will be listed as critical.
8.3 Within reasonable time frames Motorola will work to clear the punch list items concentrating on critical items first.
8.4 If deemed necessary by the Cabarrus County or Motorola, a final walk through will be completed to verify completion of the punch list items.
8.5 Motorola will generate a PCA including the results of equipment tests and end to end system tests. Cabarrus County will sign PCA acknowledging completion and system Acceptance.
8.6 Final System Acceptance occurs when anyone of the following items have been completed:

- Cabarrus County has taken beneficial use of system;
- Installation, test and turn-up of Equipment is complete at all contracted sites;
- Tests have been completed and test data provided to the Cabarrus County or
- Traffic affecting punch list items have been reasonably addressed.

9 SYSTEM TRAFFIC CUT-OVER

<table>
<thead>
<tr>
<th>System Traffic Cutover</th>
<th>M</th>
<th>C</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepare cut-over plan</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Schedule cut-over of traffic. Ensure minimal disruption to existing traffic.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Complete cut-over and circuit wiring.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Validate cut-over completed successfully with no adverse effect to Customer traffic.</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

10 Assumed Site Specific Scope of Work

1.1 1. PER SITE

1.1.1 Site Work Synopsis:
- Transport/deliver all equipment and materials to the site.
- Protect the existing facilities in the radio room from damage or unscheduled service interruption
- Assemble & Install the antenna system:
- Run and terminate new waveguide run from the microwave dish to the top of the radio rack.
- Path align the new antennas using a path box.
- Install rack consisting of Wavence (9500 MPR) radios, secured appropriately to the floor. Ground rack per standards.
- Install rack grounding from the new rack to the existing building ground.
- Install DC power plant
- Power up the new digital equipment for lamp test and appropriate burn-in; configure and/or provision the equipment per Nokia/manufacturer guidelines
- Perform the hop tests per Nokia procedure and record the results on Nokia’s Wavence (9500 MPR) Test Data sheets; provide copies
- Take Closeout photos
- Clean the site, remove and appropriately dispose of all trash
1.2 CABARRUS COUNTY RESPONSIBILITIES

Cabarrus County will assume responsibility for the installation and performance of all other equipment and work necessary for completion of this project that is not provided by Motorola. Cabarrus County general responsibilities include the following:

- Provide all buildings, equipment shelters, and towers required for system installation
- Coordinate the activities of all Cabarrus County vendors or other contractors.
- Remove, relocate or dispose of obsolete communications equipment as required.

Motorola has made several assumptions in preparing this proposal, which are noted below. In order to provide a firm quote, Motorola will need to verify all assumptions or seek alternate solutions in the case of invalid assumptions.

- All existing sites or equipment locations will have sufficient space available for the system described as required/specify by R56.
- All existing sites or equipment locations will have adequate electrical power in the proper phase and voltage and site grounding to support the requirements of the system described.
- Any site/location upgrades or modifications are the responsibility of Cabarrus County.
- Approved local, State or Federal permits as may be required for the installation and operation of the proposed equipment are the responsibility of Cabarrus County.
- Any required system interconnections not specifically outlined here will be provided by Cabarrus County. These may include dedicated phone circuits, or other types of connectivity.
Motorola is pleased to provide the following equipment and services to Cabarrus County, NC:

- **Description**
  - System Price
  - Discounted Price

| Total Equipment and SI / Service | $1,100,494.00 | $1,024,599.00 |

Note: The SI Services include engineering, installation, configuration, licensing, optimization, project management and first year warranty.
Communications System Agreement

Motorola Solutions, Inc. ("Motorola") and Cabarrus County will enter into this “Agreement,” pursuant to which Cabarrus County will purchase and Motorola will sell the System, as described below. Motorola and Customer may be referred to individually as a “Party” and collectively as the “Parties.” For good and valuable consideration, the Parties agree as follows:

Section 1 EXHIBITS

The exhibits listed below are incorporated into and made a part of this Agreement. In interpreting this Agreement and resolving any ambiguities, the main body of this Agreement takes precedence over the exhibits and any inconsistency between Exhibits A through E will be resolved in their listed order.

Exhibit A Motorola “Software License Agreement”
Exhibit B “Payment Schedule”
Exhibit C “Technical and Implementation Documents”
   C-1 “System Description” dated _______________
   C-2 “Equipment List” dated _______________
   C-3 “Statement of Work” dated _______________
   C-4 “Acceptance Test Plan” or “ATP” dated _______________
   C-5 “Performance Schedule” dated _______________
Exhibit D Service Statement(s) of Work and “Service Terms and Conditions” (if applicable)
Exhibit E “System Acceptance Certificate”

Section 2 DEFINITIONS

Capitalized terms used in this Agreement have the following meanings:


2.2. “Administrative User Credentials” means an account that has total access over the operating system, files, end user accounts and passwords at either the System level or box level. Customer’s personnel with access to the Administrative User Credentials may be referred to as the Administrative User.

2.3. “Beneficial Use” means when Customer first uses the System or a Subsystem for operational purposes (excluding training or testing).

2.4. “Confidential Information” means any information that is disclosed in written, graphic, verbal, or machine-recognizable form, and is marked, designated, or identified at the time of disclosure as being confidential or its equivalent; or if the information is in verbal form, it is identified as confidential at the time of disclosure and is confirmed in writing within thirty (30) days of the disclosure. Confidential Information does not include any information that: is or becomes publicly known through no wrongful act of the receiving Party; is already known to the receiving Party without restriction when it is disclosed; is or becomes, rightfully and without breach of this Agreement, in the receiving Party’s possession without any obligation restricting disclosure; is independently developed by the receiving Party without breach of this Agreement; or is explicitly approved for release by written authorization of the disclosing Party.

2.5. “Contract Price” means the price for the System, excluding applicable sales or similar taxes and freight charges.
2.6. “Effective Date” means that date upon which the last Party executes this Agreement.

2.7. “Equipment” means the equipment that Customer purchases from Motorola under this Agreement. Equipment that is part of the System is described in the Equipment List.

2.8. “Force Majeure” means an event, circumstance, or act of a third party that is beyond a Party’s reasonable control (e.g., an act of God, an act of the public enemy, an act of a government entity, strikes or other labor disturbances, hurricanes, earthquakes, fires, floods, epidemics, embargoes, war, and riots).

2.9. “Infringement Claim” means a third party claim alleging that the Equipment manufactured by Motorola or the Motorola Software directly infringes a United States patent or copyright.

2.10. “Motorola Software” means Software that Motorola or its affiliated company owns.

2.11. “Non-Motorola Software” means Software that another party owns.

2.12. “Open Source Software” (also called “freeware” or “shareware”) means software with either freely obtainable source code, license for modification, or permission for free distribution.

2.13. “Proprietary Rights” means the patents, patent applications, inventions, copyrights, trade secrets, trademarks, trade names, mask works, know-how, and other intellectual property rights in and to the Equipment and Software, including those created or produced by Motorola under this Agreement and any corrections, bug fixes, enhancements, updates or modifications to or derivative works from the Software whether made by Motorola or another party.

2.14. “Software” means the Motorola Software and Non-Motorola Software, in object code format that is furnished with the System or Equipment.

2.15. “Specifications” means the functionality and performance requirements that are described in the Technical and Implementation Documents.

2.16. “Subsystem” means a major part of the System that performs specific functions or operations. Subsystems are described in the Technical and Implementation Documents.

2.17. “System” means the Equipment, Software, and incidental hardware and materials that are combined together into an integrated system; the System is described in the Technical and Implementation Documents.

2.18. “System Acceptance” means the Acceptance Tests have been successfully completed.

2.19. “Warranty Period” means one (1) year from the date of System Acceptance or Beneficial Use, whichever occurs first.

Section 3 SCOPE OF AGREEMENT AND TERM

3.1. SCOPE OF WORK. Motorola will provide, install and test the System, and perform its other contractual responsibilities, all in accordance with this Agreement. Customer will perform its contractual responsibilities in accordance with this Agreement.

3.2. CHANGE ORDERS. Either Party may request changes within the general scope of this Agreement. If a requested change causes an increase or decrease in the cost or time required to perform this Agreement, the Parties will agree to an equitable adjustment of the Contract Price, Performance Schedule, or both, and will reflect the adjustment in a change order. Neither Party is obligated to perform requested changes unless both Parties execute a written change order.
3.3. TERM. Unless terminated in accordance with other provisions of this Agreement or extended by mutual
agreement of the Parties, the term of this Agreement begins on the Effective Date and continues until the date of
Final Project Acceptance or expiration of the Warranty Period, whichever occurs last.

3.4. ADDITIONAL EQUIPMENT OR SOFTWARE. For three (3) years after the Effective Date, Customer may order
additional Equipment or Software if it is then available. Each order must refer to this Agreement and must specify
the pricing and delivery terms. Notwithstanding any additional or contrary terms in the order, the applicable
provisions of this Agreement (except for pricing, delivery, passage of title and risk of loss to Equipment, warranty
commencement, and payment terms) will govern the purchase and sale of the additional Equipment or Software.
Title and risk of loss to additional Equipment will pass at shipment, warranty will commence upon delivery, and
payment is due within twenty (20) days after the invoice date. Motorola will send Customer an invoice as the
additional Equipment is shipped or Software is licensed. Alternatively, Customer may register with and place orders
through Motorola Online ("MOL"), and this Agreement will be the "Underlying Agreement" for those MOL
transactions rather than the MOL On-Line Terms and Conditions of Sale. MOL registration and other information
may be found at http://www.motorola.com/businessandgovernment/ and the MOL telephone number is (800) 814-
0601.

3.5. MAINTENANCE SERVICE. During the Warranty Period, in addition to warranty services, Motorola will provide
maintenance services for the Equipment and support for the Motorola Software pursuant to the Statement of Work
set forth in Exhibit D. Those services and support are included in the Contract Price. If Customer wishes to
purchase additional maintenance and support services for the Equipment during the Warranty Period, or any
maintenance and support services for the Equipment either during the Warranty Period or after the Warranty Period,
the description of and pricing for the services will be set forth in a separate document. If Customer wishes to
purchase extended support for the Motorola Software after the Warranty Period, it may do so by ordering software
subscription services. Unless otherwise agreed by the parties in writing, the terms and conditions applicable to
those maintenance, support or software subscription services will be Motorola’s standard Service Terms and
Conditions, together with the appropriate statements of work.

3.6. MOTOROLA SOFTWARE. Any Motorola Software, including subsequent releases, is licensed to Customer
solely in accordance with the Software License Agreement. Customer hereby accepts and agrees to abide by all
of the terms and restrictions of the Software License Agreement.

3.7. NON-MOTOROLA SOFTWARE. Any Non-Motorola Software is licensed to Customer in accordance with the
standard license, terms, and restrictions of the copyright owner on the Effective Date unless the copyright owner
has granted to Motorola the right to sublicense the Non-Motorola Software pursuant to the Software License
Agreement, in which case it applies and the copyright owner will have all of Licensor’s rights and protections under
the Software License Agreement. Motorola makes no representations or warranties of any kind regarding Non-
Motorola Software. Non-Motorola Software may include Open Source Software. All Open Source Software is
licensed to Customer in accordance with, and Customer agrees to abide by, the provisions of the standard license
of the copyright owner and the Software License Agreement. Upon request by Customer, Motorola will use
commercially reasonable efforts to determine whether any Open Source Software will be provided under this
Agreement; and if so, identify the Open Source Software and provide to Customer a copy of the applicable standard
license (or specify where that license may be found); and provide to Customer a copy of the Open Source Software
source code if it is publicly available without charge (although a distribution fee or a charge for related services may
be applicable).

3.8. SUBSTITUTIONS. At no additional cost to Customer, Motorola may substitute any Equipment, Software, or
services to be provided by Motorola, if the substitute meets or exceeds the Specifications and is of equivalent or
better quality to the Customer. Any substitution will be reflected in a change order.

3.9. OPTIONAL EQUIPMENT OR SOFTWARE. This paragraph applies only if a "Priced Options" exhibit is shown
in Section 1, or if the parties amend this Agreement to add a Priced Options exhibit. During the term of the option
as stated in the Priced Options exhibit (or if no term is stated, then for one (1) year after the Effective Date),
Customer has the right and option to purchase the equipment, software, and related services that are described in
the Priced Options exhibit. Customer may exercise this option by giving written notice to Seller which must
designate what equipment, software, and related services Customer is selecting (including quantities, if applicable).
To the extent they apply, the terms and conditions of this Agreement will govern the transaction; however, the
parties acknowledge that certain provisions must be agreed upon, and they agree to negotiate those in good faith
promptly after Customer delivers the option exercise notice. Examples of provisions that may need to be negotiated are: specific lists of deliverables, statements of work, acceptance test plans, delivery and implementation schedules, payment terms, maintenance and support provisions, additions to or modifications of the Software License Agreement, hosting terms, and modifications to the acceptance and warranty provisions.

Section 4 PERFORMANCE SCHEDULE

The Parties will perform their respective responsibilities in accordance with the Performance Schedule. By executing this Agreement, Customer authorizes Motorola to proceed with contract performance.

Section 5 CONTRACT PRICE, PAYMENT AND INVOICING

5.1. CONTRACT PRICE. The Contract Price in U.S. dollars is $________________________. If applicable, a pricing summary is included with the Payment Schedule. Motorola has priced the services, Software, and Equipment as an integrated system. A reduction in Software or Equipment quantities, or services, may affect the overall Contract Price, including discounts if applicable.

5.2. INVOICING AND PAYMENT. Motorola will submit invoices to Customer according to the Payment Schedule. Except for a payment that is due on the Effective Date, Customer will make payments to Motorola within twenty (20) days after the date of each invoice. Customer will make payments when due in the form of a wire transfer, check, or cashier’s check from a U.S. financial institution. Overdue invoices will bear simple interest at the maximum allowable rate. For reference, the Federal Tax Identification Number for Motorola Solutions, Inc. is 36-1115800.

5.3. FREIGHT, TITLE, AND RISK OF LOSS. Motorola will pre-pay and add all freight charges to the invoices. Title to the Equipment will pass to Customer upon shipment. Title to Software will not pass to Customer at any time. Risk of loss will pass to Customer upon delivery of the Equipment to the Customer. Motorola will pack and ship all Equipment in accordance with good commercial practices.

5.4. INVOICING AND SHIPPING ADDRESSES. Invoices will be sent to the Customer at the following address:
________________________________________________________________________________________
________________________________________________________________________________________
The address which is the ultimate destination where the Equipment will be delivered to Customer is:
________________________________________________________________________________________
The Equipment will be shipped to the Customer at the following address (insert if this information is known):
________________________________________________________________________________________
Customer may change this information by giving written notice to Motorola.

Section 6 SITES AND SITE CONDITIONS

6.1. ACCESS TO SITES. In addition to its responsibilities described elsewhere in this Agreement, Customer will provide a designated project manager; all necessary construction and building permits, zoning variances, licenses, and any other approvals that are necessary to develop or use the sites and mounting locations; and access to the work sites or vehicles identified in the Technical and Implementation Documents as reasonably requested by Motorola so that it may perform its duties in accordance with the Performance Schedule and Statement of Work. If the Statement of Work so indicates, Motorola may assist Customer in the local building permit process.

6.2. SITE CONDITIONS. Customer will ensure that all work sites it provides will be safe, secure, and in compliance with all applicable industry and OSHA standards. To the extent applicable and unless the Statement of Work states to the contrary, Customer will ensure that these work sites have adequate: physical space; air conditioning and other environmental conditions; adequate and appropriate electrical power outlets, distribution, equipment and connections; and adequate telephone or other communication lines (including modem access and adequate interfacing networking capabilities), all for the installation, use and maintenance of the System. Before installing
the Equipment or Software at a work site, Motorola may inspect the work site and advise Customer of any apparent deficiencies or non-conformities with the requirements of this Section. This Agreement is predicated upon normal soil conditions as defined by the version of E.I.A. standard RS-222 in effect on the Effective Date.

6.3. SITE ISSUES. If a Party determines that the sites identified in the Technical and Implementation Documents are no longer available or desired, or if subsurface, structural, adverse environmental or latent conditions at any site differ from those indicated in the Technical and Implementation Documents, the Parties will promptly investigate the conditions and will select replacement sites or adjust the installation plans and specifications as necessary. If change in sites or adjustment to the installation plans and specifications causes a change in the cost or time to perform, the Parties will equitably amend the Contract Price, Performance Schedule, or both, by a change order.

Section 7 TRAINING

Any training to be provided by Motorola to Customer will be described in the Statement of Work. Customer will notify Motorola immediately if a date change for a scheduled training program is required. If Motorola incurs additional costs because Customer reschedules a training program less than thirty (30) days before its scheduled start date, Motorola may recover these additional costs.

Section 8 SYSTEM ACCEPTANCE

8.1. COMMENCEMENT OF ACCEPTANCE TESTING. Motorola will provide to Customer at least ten (10) days notice before the Acceptance Tests commence. System testing will occur only in accordance with the Acceptance Test Plan.

8.2. SYSTEM ACCEPTANCE. System Acceptance will occur upon successful completion of the Acceptance Tests. Upon System Acceptance, the Parties will memorialize this event by promptly executing a System Acceptance Certificate. If the Acceptance Test Plan includes separate tests for individual Subsystems or phases of the System, acceptance of the individual Subsystem or phase will occur upon the successful completion of the Acceptance Tests for the Subsystem or phase, and the Parties will promptly execute an acceptance certificate for the Subsystem or phase. If Customer believes the System has failed the completed Acceptance Tests, Customer will provide to Motorola a written notice that includes the specific details of the failure. If Customer does not provide to Motorola a failure notice within thirty (30) days after completion of the Acceptance Tests, System Acceptance will be deemed to have occurred as of the completion of the Acceptance Tests. Minor omissions or variances in the System that do not materially impair the operation of the System as a whole will not postpone System Acceptance or Subsystem acceptance, but will be corrected according to a mutually agreed schedule.

8.3. BENEFICIAL USE. Customer acknowledges that Motorola’s ability to perform its implementation and testing responsibilities may be impeded if Customer begins using the System before System Acceptance. Therefore, Customer will not commence Beneficial Use before System Acceptance without Motorola’s prior written authorization, which will not be unreasonably withheld. Motorola is not responsible for System performance deficiencies that occur during unauthorized Beneficial Use. Upon commencement of Beneficial Use, Customer assumes responsibility for the use and operation of the System.

8.4 FINAL PROJECT ACCEPTANCE. Final Project Acceptance will occur after System Acceptance when all deliverables and other work have been completed. When Final Project Acceptance occurs, the parties will promptly memorialize this final event by so indicating on the System Acceptance Certificate.

Section 9 REPRESENTATIONS AND WARRANTIES

9.1. SYSTEM FUNCTIONALITY. Motorola represents that the System will perform in accordance with the Specifications in all material respects. Upon System Acceptance or Beneficial Use, whichever occurs first, this System functionality representation is fulfilled. Motorola is not responsible for System performance deficiencies that are caused by ancillary equipment not furnished by Motorola which is attached to or used in connection with the System or for reasons or parties beyond Motorola’s control, such as natural causes; the construction of a building that adversely affects the microwave path reliability or radio frequency (RF) coverage; the addition of frequencies at System sites that cause RF interference or intermodulation; or Customer changes to load usage or configuration outside the Specifications.
9.2. EQUIPMENT WARRANTY. During the Warranty Period, Motorola warrants that the Equipment under normal use and service will be free from material defects in materials and workmanship. If System Acceptance is delayed beyond six (6) months after shipment of the Equipment by events or causes within Customer’s control, this warranty expires eighteen (18) months after the shipment of the Equipment.

9.3. MOTOROLA SOFTWARE WARRANTY. Unless otherwise stated in the Software License Agreement, during the Warranty Period, Motorola warrants the Motorola Software in accordance with the terms of the Software License Agreement and the provisions of this Section 9 that are applicable to the Motorola Software. If System Acceptance is delayed beyond six (6) months after shipment of the Motorola Software by events or causes within Customer’s control, this warranty expires eighteen (18) months after the shipment of the Motorola Software. TO THE EXTENT, IF ANY, THAT THERE IS A SEPARATE LICENSE AGREEMENT PACKAGED WITH, OR PROVIDED ELECTRONICALLY WITH, A PARTICULAR PRODUCT THAT BECOMES EFFECTIVE ON AN ACT OF ACCEPTANCE BY THE END USER, THEN THAT AGREEMENT SUPERCEDES THIS SOFTWARE LICENSE AGREEMENT AS TO THE END USER OF EACH SUCH PRODUCT.

9.4. EXCLUSIONS TO EQUIPMENT AND MOTOROLA SOFTWARE WARRANTIES. These warranties do not apply to: (i) defects or damage resulting from: use of the Equipment or Motorola Software in other than its normal, customary, and authorized manner; accident, liquids, neglect, or acts of God; testing, maintenance, disassembly, repair, installation, alteration, modification, or adjustment not provided or authorized in writing by Motorola; Customer’s failure to comply with all applicable industry and OSHA standards; (ii) breakage of or damage to antennas unless caused directly by defects in material or workmanship; (iii) Equipment that has had the serial number removed or made illegible; (iv) batteries (because they carry their own separate limited warranty) or consumables; (v) freight costs to ship Equipment to the repair depot; (vi) scratches or other cosmetic damage to Equipment surfaces that does not affect the operation of the Equipment; and (vii) normal or customary wear and tear.

9.5. WARRANTY CLAIMS. To assert a warranty claim, Customer must notify Motorola in writing of the claim before the expiration of the Warranty Period. Upon receipt of this notice, Motorola will investigate the warranty claim. If this investigation confirms a valid warranty claim, Motorola will (at its option and at no additional charge to Customer) repair the defective Equipment or Motorola Software, replace it with the same or equivalent product, or refund the price of the defective Equipment or Motorola Software. That action will be the full extent of Motorola’s liability for the warranty claim. If this investigation indicates the warranty claim is not valid, then Motorola may invoice Customer for responding to the claim on a time and materials basis using Motorola’s then current labor rates. Repaired or replaced product is warranted for the balance of the original applicable warranty period. All replaced products or parts will become the property of Motorola.

9.6. ORIGINAL END USER IS COVERED. These express limited warranties are extended by Motorola to the original user purchasing the System for commercial, industrial, or governmental use only, and are not assignable or transferable.

9.7. DISCLAIMER OF OTHER WARRANTIES. THESE WARRANTIES ARE THE COMPLETE WARRANTIES FOR THE EQUIPMENT AND MOTOROLA SOFTWARE PROVIDED UNDER THIS AGREEMENT AND ARE GIVEN IN LIEU OF ALL OTHER WARRANTIES. MOTOROLA DISCLAIMS ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Section 10 DELAYS

10.1. FORCE MAJEURE. Neither Party will be liable for its non-performance or delayed performance if caused by a Force Majeure. A Party that becomes aware of a Force Majeure that will significantly delay performance will notify the other Party promptly (but in no event later than fifteen days) after it discovers the Force Majeure. If a Force Majeure occurs, the Parties will execute a change order to extend the Performance Schedule for a time period that is reasonable under the circumstances.

10.2. PERFORMANCE SCHEDULE DELAYS CAUSED BY CUSTOMER. If Customer (including its other contractors) delays the Performance Schedule, it will make the promised payments according to the Payment Schedule as if no delay occurred; and the Parties will execute a change order to extend the Performance Schedule
and, if requested, compensate Motorola for all reasonable charges incurred because of the delay. Delay charges may include costs incurred by Motorola or its subcontractors for additional freight, warehousing and handling of Equipment; extension of the warranties; travel; suspending and re-mobilizing the work; additional engineering, project management, and standby time calculated at then current rates; and preparing and implementing an alternative implementation plan.

Section 11 DISPUTES

The Parties will use the following procedure to address any dispute arising under this Agreement (a “Dispute”).

11.1. GOVERNING LAW. This Agreement will be governed by and construed in accordance with the laws of the State in which the System is installed.

11.2. NEGOTIATION. Either Party may initiate the Dispute resolution procedures by sending a notice of Dispute (“Notice of Dispute”). The Parties will attempt to resolve the Dispute promptly through good faith negotiations including 1) timely escalation of the Dispute to executives who have authority to settle the Dispute and who are at a higher level of management than the persons with direct responsibility for the matter and 2) direct communication between the executives. If the Dispute has not been resolved within ten (10) days from the Notice of Dispute, the Parties will proceed to mediation.

11.3 MEDIATION. The Parties will choose an independent mediator within thirty (30) days of a notice to mediate from either Party (“Notice of Mediation”). Neither Party may unreasonably withhold consent to the selection of a mediator. If the Parties are unable to agree upon a mediator, either Party may request that American Arbitration Association nominate a mediator. Each Party will bear its own costs of mediation, but the Parties will share the cost of the mediator equally. Each Party will participate in the mediation in good faith and will be represented at the mediation by a business executive with authority to settle the Dispute.

11.4. LITIGATION, VENUE and JURISDICTION. If a Dispute remains unresolved for sixty (60) days after receipt of the Notice of Mediation, either Party may then submit the Dispute to a court of competent jurisdiction in the state in which the System is installed. Each Party irrevocably agrees to submit to the exclusive jurisdiction of the courts in such state over any claim or matter arising under or in connection with this Agreement.

11.5. CONFIDENTIALITY. All communications pursuant to subsections 11.2 and 11.3 will be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and any additional confidentiality protections provided by applicable law. The use of these Dispute resolution procedures will not be construed under the doctrines of laches, waiver or estoppel to affect adversely the rights of either Party.

Section 12 DEFAULT AND TERMINATION

12.1 DEFAULT BY A PARTY. If either Party fails to perform a material obligation under this Agreement, the other Party may consider the non-performing Party to be in default (unless a Force Majeure causes the failure) and may assert a default claim by giving the non-performing Party a written and detailed notice of default. Except for a default by Customer for failing to pay any amount when due under this Agreement which must be cured immediately, the defaulting Party will have thirty (30) days after receipt of the notice of default to either cure the default or, if the default is not curable within thirty (30) days, provide a written cure plan. The defaulting Party will begin implementing the cure plan immediately after receipt of notice by the other Party that it approves the plan. If Customer is the defaulting Party, Motorola may stop work on the project until it approves the Customer’s cure plan.

12.2. FAILURE TO CURE. If a defaulting Party fails to cure the default as provided above in Section 12.1, unless otherwise agreed in writing, the non-defaulting Party may terminate any unfulfilled portion of this Agreement. In the event of termination for default, the defaulting Party will promptly return to the non-defaulting Party any of its Confidential Information. If Customer is the non-defaulting Party, terminates this Agreement as permitted by this Section, and completes the System through a third Party, Customer may as its exclusive remedy recover from Motorola reasonable costs incurred to complete the System to a capability not exceeding that specified in this Agreement less the unpaid portion of the Contract Price. Customer will mitigate damages and provide Motorola with detailed invoices substantiating the charges.

Section 13 INDEMNIFICATION
13.1. GENERAL INDEMNITY BY MOTOROLA. Motorola will indemnify and hold Customer harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against Customer to the extent it is caused by the negligence of Motorola, its subcontractors, or their employees or agents, while performing their duties under this Agreement, if Customer gives Motorola prompt, written notice of any the claim or suit. Customer will cooperate with Motorola in its defense or settlement of the claim or suit. This section sets forth the full extent of Motorola’s general indemnification of Customer from liabilities that are in any way related to Motorola’s performance under this Agreement.

13.2. GENERAL INDEMNITY BY CUSTOMER. Customer will indemnify and hold Motorola harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against Motorola to the extent it is caused by the negligence of Customer, its other contractors, or their employees or agents, while performing their duties under this Agreement, if Motorola gives Customer prompt, written notice of any the claim or suit. Motorola will cooperate with Customer in its defense or settlement of the claim or suit. This section sets forth the full extent of Customer’s general indemnification of Motorola from liabilities that are in any way related to Customer’s performance under this Agreement.

13.3. PATENT AND COPYRIGHT INFRINGEMENT.

13.3.1. Motorola will defend at its expense any suit brought against Customer to the extent it is based on a third-party claim alleging that the Equipment manufactured by Motorola or the Motorola Software ("Motorola Product") directly infringes a United States patent or copyright ("Infringement Claim"). Motorola’s duties to defend and indemnify are conditioned upon: Customer promptly notifying Motorola in writing of the Infringement Claim; Motorola having sole control of the defense of the suit and all negotiations for its settlement or compromise; and Customer providing to Motorola cooperation and, if requested by Motorola, reasonable assistance in the defense of the Infringement Claim. In addition to Motorola’s obligation to defend, and subject to the same conditions, Motorola will pay all damages finally awarded against Customer by a court of competent jurisdiction for an Infringement Claim or agreed to, in writing, by Motorola in settlement of an Infringement Claim.

13.3.2. If an Infringement Claim occurs, or in Motorola's opinion is likely to occur, Motorola may at its option and expense: (a) procure for Customer the right to continue using the Motorola Product; (b) replace or modify the Motorola Product so that it becomes non-infringing while providing functionally equivalent performance; or (c) accept the return of the Motorola Product and grant Customer a credit for the Motorola Product, less a reasonable charge for depreciation. The depreciation amount will be calculated based upon generally accepted accounting standards.

13.3.3. Motorola will have no duty to defend or indemnify for any Infringement Claim that is based upon: (a) the combination of the Motorola Product with any software, apparatus or device not furnished by Motorola; (b) the use of ancillary equipment or software not furnished by Motorola and that is attached to or used in connection with the Motorola Product; (c) Motorola Product designed or manufactured in accordance with Customer’s designs, specifications, guidelines or instructions, if the alleged infringement would not have occurred without such designs, specifications, guidelines or instructions; (d) a modification of the Motorola Product by a party other than Motorola; (e) use of the Motorola Product in a manner for which the Motorola Product was not designed or that is inconsistent with the terms of this Agreement; or (f) the failure by Customer to install an enhancement release to the Motorola Software that is intended to correct the claimed infringement. In no event will Motorola’s liability resulting from its indemnity obligation to Customer extend in any way to royalties payable on a per use basis or the Customer's revenues, or any royalty basis other than a reasonable royalty based upon revenue derived by Motorola from Customer from sales or license of the infringing Motorola Product.

13.3.4. This Section 13 provides Customer’s sole and exclusive remedies and Motorola’s entire liability in the event of an Infringement Claim. Customer has no right to recover and Motorola has no obligation to provide any other or further remedies, whether under another provision of this Agreement or any other legal theory or principle, in connection with an Infringement Claim. In addition, the rights and remedies provided in this Section 13 are subject to and limited by the restrictions set forth in Section 14.

Section 14 LIMITATION OF LIABILITY
Except for personal injury or death, Motorola's total liability, whether for breach of contract, warranty, negligence, strict liability in tort, indemnification, or otherwise, will be limited to the direct damages recoverable under law, but not to exceed the price of the Equipment, Software, or services with respect to which losses or damages are claimed. **ALTHOUGH THE PARTIES ACKNOWLEDGE THE POSSIBILITY OF SUCH LOSSES OR DAMAGES, THEY AGREE THAT MOTOROLA WILL NOT BE LIABLE FOR ANY COMMERCIAL LOSS; INCONVENIENCE; LOSS OF USE, TIME, DATA, GOOD WILL, REVENUES, PROFITS OR SAVINGS; OR OTHER SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES IN ANY WAY RELATED TO OR ARISING FROM THIS AGREEMENT, THE SALE OR USE OF THE EQUIPMENT OR SOFTWARE, OR THE PERFORMANCE OF SERVICES BY MOTOROLA PURSUANT TO THIS AGREEMENT.** This limitation of liability provision survives the expiration or termination of the Agreement and applies notwithstanding any contrary provision. **No action for contract breach or otherwise relating to the transactions contemplated by this Agreement may be brought more than one (1) year after the accrual of the cause of action, except for money due upon an open account.**

**Section 15 CONFIDENTIALITY AND PROPRIETARY RIGHTS**

15.1. **CONFIDENTIAL INFORMATION.** During the term of this Agreement, the parties may provide each other with Confidential Information. Each Party will: maintain the confidentiality of the other Party’s Confidential Information and not disclose it to any third party, except as authorized by the disclosing Party in writing or as required by a court of competent jurisdiction; restrict disclosure of the Confidential Information to its employees who have a “need to know” and not copy or reproduce the Confidential Information; take necessary and appropriate precautions to guard the confidentiality of the Confidential Information, including informing its employees who handle the Confidential Information that it is confidential and is not to be disclosed to others, but these precautions will be at least the same degree of care that the receiving Party applies to its own confidential information and will not be less than reasonable care; and use the Confidential Information only in furtherance of the performance of this Agreement. Confidential Information is and will at all times remain the property of the disclosing Party, and no grant or assignment of any proprietary rights in the Confidential Information is given or intended, including any express or implied license, other than the limited right of the recipient to use the Confidential Information in the manner and to the extent permitted by this Agreement.

15.2. **PRESERVATION OF MOTOROLA’S PROPRIETARY RIGHTS.** Motorola, the third party manufacturer of any Equipment, and the copyright owner of any Non-Motorola Software own and retain all of their respective Proprietary Rights in the Equipment and Software, and nothing in this Agreement is intended to restrict their Proprietary Rights. All intellectual property developed, originated, or prepared by Motorola in connection with providing to Customer the Equipment, Software, or related services remain vested exclusively in Motorola, and this Agreement does not grant to Customer any shared development rights of intellectual property. Except as explicitly provided in the Software License Agreement, Motorola does not grant to Customer, either directly or by implication, estoppel, or otherwise, any right, title or interest in Motorola’s Proprietary Rights. Customer will not modify, disassemble, peel components, decompile, otherwise reverse engineer or attempt to reverse engineer, derive source code or create derivative works from, adapt, translate, merge with other software, reproduce, distribute, sublicense, sell or export the Software, or permit or encourage any third party to do so. The preceding sentence does not apply to Open Source Software which is governed by the standard license of the copyright owner.

**Section 16 GENERAL**

16.1. **TAXES.** The Contract Price does not include any excise, sales, lease, use, property, or other taxes, assessments or duties, all of which will be paid by Customer except as exempt by law. If Motorola is required to pay any of these taxes, Motorola will send an invoice to Customer and Customer will pay to Motorola the amount of the taxes (including any interest and penalties) within twenty (20) days after the date of the invoice. Customer will be solely responsible for reporting the Equipment for personal property tax purposes, and Motorola will be solely responsible for reporting taxes on its income or net worth.

16.2. **ASSIGNABILITY AND SUBCONTRACTING.** Except as provided herein, neither Party may assign this Agreement or any of its rights or obligations hereunder without the prior written consent of the other Party, which consent will not be unreasonably withheld. Any attempted assignment, delegation, or transfer without the necessary consent will be void. Notwithstanding the foregoing, Motorola may assign this Agreement to any of its affiliates or its right to receive payment without the prior consent of Customer. In addition, in the event Motorola separates one or more of its businesses (each a “Separated Business”), whether by way of a sale, establishment of a joint venture, spin-off or otherwise (each a “Separation Event”), Motorola may, without the prior written consent of the
other Party and at no additional cost to Motorola, assign this Agreement such that it will continue to benefit the Separated Business and its affiliates (and Motorola and its affiliates, to the extent applicable) following the Separation Event. Motorola may subcontract any of the work, but subcontracting will not relieve Motorola of its duties under this Agreement.

16.3 WAIVER. Failure or delay by either Party to exercise a right or power under this Agreement will not be a waiver of the right or power. For a waiver of a right or power to be effective, it must be in a writing signed by the waiving Party. An effective waiver of a right or power will not be construed as either a future or continuing waiver of that same right or power, or the waiver of any other right or power.

16.4. SEVERABILITY. If a court of competent jurisdiction renders any part of this Agreement invalid or unenforceable, that part will be severed and the remainder of this Agreement will continue in full force and effect.

16.5. INDEPENDENT CONTRACTORS. Each Party will perform its duties under this Agreement as an independent contractor. The Parties and their personnel will not be considered to be employees or agents of the other Party. Nothing in this Agreement will be interpreted as granting either Party the right or authority to make commitments of any kind for the other. This Agreement will not constitute, create, or be interpreted as a joint venture, partnership or formal business organization of any kind.

16.6. HEADINGS AND SECTION REFERENCES. The section headings in this Agreement are inserted only for convenience and are not to be construed as part of this Agreement or as a limitation of the scope of the particular section to which the heading refers. This Agreement will be fairly interpreted in accordance with its terms and conditions and not for or against either Party.

16.7. ENTIRE AGREEMENT. This Agreement, including all Exhibits, constitutes the entire agreement of the Parties regarding the subject matter of the Agreement and supersedes all previous agreements, proposals, and understandings, whether written or oral, relating to this subject matter. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which shall constitute one and the same instrument. A facsimile copy or computer image, such as a PDF or tiff image, or a signature shall be treated as and shall have the same effect as an original signature. In addition, a true and correct facsimile copy or computer image of this Agreement shall be treated as and shall have the same effect as an original signed copy of this document. This Agreement may be amended or modified only by a written instrument signed by authorized representatives of both Parties. The preprinted terms and conditions found on any Customer purchase order, acknowledgment or other form will not be considered an amendment or modification of this Agreement, even if a representative of each Party signs that document.

16.8. NOTICES. Notices required under this Agreement to be given by one Party to the other must be in writing and either personally delivered or sent to the address shown below by certified mail, return receipt requested and postage prepaid (or by a recognized courier service, such as Federal Express, UPS, or DHL), or by facsimile with correct answerback received, and will be effective upon receipt:

Motorola Solutions, Inc. Customer
Attn: ______________________________ Attn: ______________________________
__________________________________ __________________________________
fax: ______________________________ fax: ______________________________

16.9. COMPLIANCE WITH APPLICABLE LAWS. Each Party will comply with all applicable federal, state, and local laws, regulations and rules concerning the performance of this Agreement or use of the System. Customer will obtain and comply with all Federal Communications Commission ("FCC") licenses and authorizations required for the installation, operation and use of the System before the scheduled installation of the Equipment. Although Motorola might assist Customer in the preparation of its FCC license applications, neither Motorola nor any of its employees is an agent or representative of Customer in FCC or other matters.

16.10. AUTHORITY TO EXECUTE AGREEMENT. Each Party represents that it has obtained all necessary approvals, consents and authorizations to enter into this Agreement and to perform its duties under this Agreement; the person executing this Agreement on its behalf has the authority to do so; upon execution and delivery of this Agreement by the Parties, it is a valid and binding contract, enforceable in accordance with its terms; and the
execution, delivery, and performance of this Agreement does not violate any bylaw, charter, regulation, law or any other governing authority of the Party.

16.11. ADMINISTRATOR LEVEL ACCOUNT ACCESS. Motorola will provide Customer with Administrative User Credentials. Customer agrees to only grant Administrative User Credentials to those personnel with the training or experience to correctly use the access. Customer is responsible for protecting Administrative User Credentials from disclosure and maintaining Credential validity by, among other things, updating passwords when required. Customer may be asked to provide valid Administrative User Credentials when in contact with Motorola System support. Customer understands that changes made as the Administrative User can significantly impact the performance of the System. Customer agrees that it will be solely responsible for any negative impact on the System or its users by any such changes. System issues occurring as a result of changes made by an Administrative User may impact Motorola’s ability to perform its obligations under the Agreement or its Maintenance and Support Agreement. In such cases, a revision to the appropriate provisions of the Agreement, including the Statement of Work, may be necessary. To the extent Motorola provides assistance to correct any issues caused by or arising out of the use of or failure to maintain Administrative User Credentials, Motorola will be entitled to bill Customer and Customer will pay Motorola on a time and materials basis for resolving the issue.

16.12. SURVIVAL OF TERMS. The following provisions will survive the expiration or termination of this Agreement for any reason: Section 3.6 (Motorola Software); Section 3.7 (Non-Motorola Software); if any payment obligations exist, Sections 5.1 and 5.2 (Contract Price and Invoicing and Payment); Subsection 9.7 (Disclaimer of Implied Warranties); Section 11 (Disputes); Section 14 (Limitation of Liability); and Section 15 (Confidentiality and Proprietary Rights); and all of the General provisions in Section 16.
The Parties hereby enter into this Agreement as of the Effective Date.

**Motorola Solutions, Inc.**

By: ______________________________
Name: ___________________________
Title: ____________________________
Date: ____________________________

**Customer**

By: ______________________________
Name: ___________________________
Title: ____________________________
Date: ____________________________
Exhibit A

SOFTWARE LICENSE AGREEMENT

This Exhibit A Software License Agreement ("Agreement") is between Motorola Solutions, Inc., ("Motorola"), and ______________________________________ ("Licensee").

For good and valuable consideration, the parties agree as follows:

Section 1 DEFINITIONS

1.1 "Designated Products" means products provided by Motorola to Licensee with which or for which the Software and Documentation is licensed for use.

1.2 "Documentation" means product and software documentation that specifies technical and performance features and capabilities, and the user, operation and training manuals for the Software (including all physical or electronic media upon which such information is provided).

1.3 "Open Source Software" means software with either freely obtainable source code, license for modification, or permission for free distribution.

1.4 "Open Source Software License" means the terms or conditions under which the Open Source Software is licensed.

1.5 "Primary Agreement" means the agreement to which this exhibit is attached.

1.6 "Security Vulnerability" means a flaw or weakness in system security procedures, design, implementation, or internal controls that could be exercised (accidentally triggered or intentionally exploited) and result in a security breach such that data is compromised, manipulated or stolen or the system damaged.

1.7 "Software" (i) means proprietary software in object code format, and adaptations, translations, de-compilations, disassemblies, emulations, or derivative works of such software; (ii) means any modifications, enhancements, new versions and new releases of the software provided by Motorola; and (iii) may contain one or more items of software owned by a third party supplier. The term "Software" does not include any third party software provided under separate license or third party software not licensable under the terms of this Agreement.

Section 2 SCOPE

Motorola and Licensee enter into this Agreement in connection with Motorola’s delivery of certain proprietary Software or products containing embedded or pre-loaded proprietary Software, or both. This Agreement contains the terms and conditions of the license Motorola is providing to Licensee, and Licensee’s use of the Software and Documentation.

Section 3 GRANT OF LICENSE

3.1. Subject to the provisions of this Agreement and the payment of applicable license fees, Motorola grants to Licensee a personal, limited, non-transferable (except as permitted in Section 7) and non-exclusive license under Motorola’s copyrights and Confidential Information (as defined in the Primary Agreement) embodied in the Software to use the Software, in object code form, and the Documentation solely in connection with Licensee’s use of the Designated Products. This Agreement does not grant any rights to source code.

3.2. If the Software licensed under this Agreement contains or is derived from Open Source Software, the terms and conditions governing the use of such Open Source Software are in the Open Source Software Licenses of the copyright owner and not this Agreement. If there is a conflict between the terms and conditions of this Agreement and the terms and conditions of the Open Source Software Licenses governing Licensee’s use of the Open Source Software, the terms and conditions of the license grant of the applicable Open Source Software Licenses will take precedence over the license grants in this Agreement. If requested by Licensee, Motorola will use commercially reasonable efforts to: (i) determine whether any Open Source Software is provided under this Agreement; (ii) identify
Section 4  LIMITATIONS ON USE

4.1. Licensee may use the Software only for Licensee's internal business purposes and only in accordance with the Documentation. Any other use of the Software is strictly prohibited. Without limiting the general nature of these restrictions, Licensee will not make the Software available for use by third parties on a "time sharing," "application service provider," or "service bureau" basis or for any other similar commercial rental or sharing arrangement.

4.2. Licensee will not, and will not allow or enable any third party to: (i) reverse engineer, disassemble, peel components, decompile, reprogram or otherwise reduce the Software or any portion to a human perceptible form or otherwise attempt to recreate the source code; (ii) modify, adapt, create derivative works of, or merge the Software; (iii) copy, reproduce, distribute, lend, or lease the Software or Documentation to any third party, grant any sublicense or other rights in the Software or Documentation to any third party, or take any action that would cause the Software or Documentation to be placed in the public domain; (iv) remove, or in any way alter or obscure, any copyright notice or other notice of Motorola's proprietary rights; (v) provide, copy, transmit, disclose, divulge or make the Software or Documentation available to, or permit the use of the Software by any third party or on any machine except as expressly authorized by this Agreement; or (vi) use, or permit the use of, the Software in a manner that would result in the production of a copy of the Software solely by activating a machine containing the Software. Licensee may make one copy of Software to be used solely for archival, back-up, or disaster recovery purposes; provided that Licensee may not operate that copy of the Software at the same time as the original Software is being operated. Licensee may make as many copies of the Documentation as it may reasonably require for the internal use of the Software.

4.3. Unless otherwise authorized by Motorola in writing, Licensee will not, and will not enable or allow any third party to: (i) install a licensed copy of the Software on more than one unit of a Designated Product; or (ii) copy onto or transfer Software installed in one unit of a Designated Product onto one other device. Licensee may temporarily transfer Software installed on a Designated Product to another device if the Designated Product is inoperable or malfunctioning, if Licensee provides written notice to Motorola of the temporary transfer and identifies the device on which the Software is transferred. Temporary transfer of the Software to another device must be discontinued when the original Designated Product is returned to operation and the Software must be removed from the other device. Licensee must provide prompt written notice to Motorola at the time temporary transfer is discontinued.

4.4. When using Motorola’s Radio Service Software ("RSS"), Licensee must purchase a separate license for each location at which Licensee uses RSS. Licensee's use of RSS at a licensed location does not entitle Licensee to use or access RSS remotely. Licensee may make one copy of RSS for each licensed location. Licensee shall provide Motorola with a list of all locations at which Licensee uses or intends to use RSS upon Motorola's request.

4.5. Licensee will maintain, during the term of this Agreement and for a period of two years thereafter, accurate records relating to this license grant to verify compliance with this Agreement. Motorola or an independent third party ("Auditor") may inspect Licensee’s premises, books and records, upon reasonable prior notice to Licensee, during Licensee’s normal business hours and subject to Licensee’s facility and security regulations. Motorola is responsible for the payment of all expenses and costs of the Auditor. Any information obtained by Motorola and the Auditor will be kept in strict confidence by Motorola and the Auditor and used solely for the purpose of verifying Licensee's compliance with the terms of this Agreement.

Section 5  OWNERSHIP AND TITLE

Motorola, its licensors, and its suppliers retain all of their proprietary rights in any form in and to the Software and Documentation, including, but not limited to, all rights in patents, patent applications, inventions, copyrights, trademarks, trade secrets, trade names, and other proprietary rights in or relating to the Software and Documentation (including any corrections, bug fixes, enhancements, updates, modifications, adaptations, translations, de-compilations, disassemblies, emulations to or derivative works from the Software or Documentation, whether made by Motorola or another party, or any improvements that result from Motorola’s processes or, provision of information services). No rights are granted to Licensee under this Agreement by
implication, estoppel or otherwise, except for those rights which are expressly granted to Licensee in this Agreement. All intellectual property developed, originated, or prepared by Motorola in connection with providing the Software, Designated Products, documentation or related services, remains vested exclusively in Motorola, and Licensee shall not have any shared development or other intellectual property rights.

Section 6 LIMITED WARRANTY; DISCLAIMER OF WARRANTY

6.1. The commencement date and the term of the Software warranty will be a period of ninety (90) days from Motorola's shipment of the Software (the "Warranty Period"). If Licensee is not in breach of any of its obligations under this Agreement, Motorola warrants that the unmodified Software, when used properly and in accordance with the Documentation and this Agreement, will be free from a reproducible defect that eliminates the functionality or successful operation of a feature critical to the primary functionality or successful operation of the Software. Whether a defect occurs will be determined by Motorola solely with reference to the Documentation. Motorola does not warrant that Licensee's use of the Software or the Designated Products will be uninterrupted, error-free, completely free of Security Vulnerabilities, or that the Software or the Designated Products will meet Licensee's particular requirements. Motorola makes no representations or warranties with respect to any third party software included in the Software.

6.2 Motorola's sole obligation to Licensee and Licensee's exclusive remedy under this warranty is to use reasonable efforts to remedy any material Software defect covered by this warranty. These efforts will involve either replacing the media or attempting to correct significant, demonstrable program or documentation errors or Security Vulnerabilities. If Motorola cannot correct the defect within a reasonable time, then at Motorola's option, Motorola will replace the defective Software with functionally-equivalent Software, license to Licensee substitute Software which will accomplish the same objective, or terminate the license and refund the Licensee's paid license fee.

6.3. Warranty claims are described in the Primary Agreement.

6.4. The express warranties set forth in this Section 6 are in lieu of, and Motorola disclaims, any and all other warranties (express or implied, oral or written) with respect to the Software or Documentation, including, without limitation, any and all implied warranties of condition, title, non-infringement, merchantability, or fitness for a particular purpose or use by Licensee (whether or not Motorola knows, has reason to know, has been advised, or is otherwise aware of any such purpose or use), whether arising by law, by reason of custom or usage of trade, or by course of dealing. In addition, Motorola disclaims any warranty to any person other than Licensee with respect to the Software or Documentation.

Section 7 TRANSFERS

Licensee will not transfer the Software or Documentation to any third party without Motorola's prior written consent. Motorola's consent may be withheld at its discretion and may be conditioned upon transferee paying all applicable license fees and agreeing to be bound by this Agreement. If the Designated Products are Motorola's radio products and Licensee transfers ownership of the Motorola radio products to a third party, Licensee may assign its right to use the Software (other than RSS and Motorola's FLASHport® software) which is embedded in or furnished for use with the radio products and the related Documentation; provided that Licensee transfers all copies of the Software and Documentation to the transferee, and Licensee and the transferee sign a transfer form to be provided by Motorola upon request, obligating the transferee to be bound by this Agreement.

Section 8 TERM AND TERMINATION

8.1 Licensee's right to use the Software and Documentation will begin when the Primary Agreement is signed by both parties and will continue for the life of the Designated Products with which or for which the Software and Documentation have been provided by Motorola, unless Licensee breaches this Agreement, in which case this Agreement and Licensee's right to use the Software and Documentation may be terminated immediately upon notice by Motorola.

8.2 Within thirty (30) days after termination of this Agreement, Licensee must certify in writing to Motorola that all copies of the Software have been removed or deleted from the Designated Products and that all copies of the Software and Documentation have been returned to Motorola or destroyed by Licensee and are no longer in use by Licensee.
8.3 Licensee acknowledges that Motorola made a considerable investment of resources in the development, marketing, and distribution of the Software and Documentation and that Licensee's breach of this Agreement will result in irreparable harm to Motorola for which monetary damages would be inadequate. If Licensee breaches this Agreement, Motorola may terminate this Agreement and be entitled to all available remedies at law or in equity (including immediate injunctive relief and repossessing of all non-embedded Software and associated Documentation unless Licensee is a Federal agency of the United States Government).

Section 9 UNITED STATES GOVERNMENT LICENSING PROVISIONS

This Section applies if Licensee is the United States Government or a United States Government agency. Licensee’s use, duplication or disclosure of the Software and Documentation under Motorola’s copyrights or trade secret rights is subject to the restrictions set forth in subparagraphs (c)(1) and (2) of the Commercial Computer Software-Restricted Rights clause at FAR 52.227-19 (JUNE 1987), if applicable, unless they are being provided to the Department of Defense. If the Software and Documentation are being provided to the Department of Defense, Licensee’s use, duplication, or disclosure of the Software and Documentation is subject to the restricted rights set forth in subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013 (OCT 1988), if applicable. The Software and Documentation may or may not include a Restricted Rights notice, or other notice referring to this Agreement. The provisions of this Agreement will continue to apply, but only to the extent that they are consistent with the rights provided to the Licensee under the provisions of the FAR or DFARS mentioned above, as applicable to the particular procuring agency and procurement transaction.

Section 10 CONFIDENTIALITY

Licensee acknowledges that the Software and Documentation contain Motorola’s valuable proprietary and Confidential Information and are Motorola’s trade secrets, and that the provisions in the Primary Agreement concerning Confidential Information apply.

Section 11 LIMITATION OF LIABILITY

The Limitation of Liability provision is described in the Primary Agreement.

Section 12 NOTICES

Notices are described in the Primary Agreement.

Section 13 GENERAL

13.1. COPYRIGHT NOTICES. The existence of a copyright notice on the Software will not be construed as an admission or presumption of publication of the Software or public disclosure of any trade secrets associated with the Software.

13.2. COMPLIANCE WITH LAWS. Licensee acknowledges that the Software is subject to the laws and regulations of the United States and Licensee will comply with all applicable laws and regulations, including export laws and regulations of the United States. Licensee will not, without the prior authorization of Motorola and the appropriate governmental authority of the United States, in any form export or re-export, sell or resell, ship or reship, or divert, through direct or indirect means, any item or technical data or direct or indirect products sold or otherwise furnished to any person within any territory for which the United States Government or any of its agencies at the time of the action, requires an export license or other governmental approval. Violation of this provision is a material breach of this Agreement.

13.3. ASSIGNMENTS AND SUBCONTRACTING. Motorola may assign its rights or subcontract its obligations under this Agreement, or encumber or sell its rights in any Software, without prior notice to or consent of Licensee.

13.4. GOVERNING LAW. This Agreement is governed by the laws of the United States to the extent that they apply and otherwise by the internal substantive laws of the State to which the Software is shipped if Licensee is a...
sovereign government entity, or the internal substantive laws of the State of Illinois if Licensee is not a sovereign
In the event that the Uniform Computer Information Transaction Act, any version of this Act, or a substantially similar
law (collectively "UCITA") becomes applicable to a party's performance under this Agreement, UCITA does not
govern any aspect of this Agreement or any license granted under this Agreement, or any of the parties' rights or
obligations under this Agreement. The governing law will be that in effect prior to the applicability of UCITA.

13.5. THIRD PARTY BENEFICIARIES. This Agreement is entered into solely for the benefit of Motorola and
Licensee. No third party has the right to make any claim or assert any right under this Agreement, and no third
party is deemed a beneficiary of this Agreement. Notwithstanding the foregoing, any licensor or supplier of third
party software included in the Software will be a direct and intended third party beneficiary of this Agreement.

13.6. SURVIVAL. Sections 4, 5, 6.4, 7, 8, 9, 10, 11 and 13 survive the termination of this Agreement.

13.7. ORDER OF PRECEDENCE. In the event of inconsistencies between this Exhibit and the Primary
Agreement, the parties agree that this Exhibit prevails, only with respect to the specific subject matter of this Exhibit,
and not the Primary Agreement or any other exhibit as it applies to any other subject matter.

13.8 SECURITY. Motorola uses reasonable means in the design and writing of its own Software and the
acquisition of third party Software to limit Security Vulnerabilities. While no software can be guaranteed to be free
from Security Vulnerabilities, if a Security Vulnerability is discovered, Motorola will take the steps set forth in Section
6 of this Agreement.
Exhibit A

PAYMENT SCHEDULE

Except for a payment that is due on the Effective Date, Customer will make payments to Motorola within twenty (20) days after the date of each invoice. Customer will make payments when due in the form of a check, cashier’s check, or wire transfer drawn on a U.S. financial institution and in accordance with the following milestones.

1. 25% of the Contract Price due upon contract execution;

2. 60% of the Contract Price due upon shipment of equipment;

3. 5% of the Contract Price due upon installation of equipment;

4. 5% of the Contract Price upon system acceptance or start of beneficial use; and

5. 5% of the Contract Price due upon Final Acceptance.

Motorola reserves the right to make partial shipments of equipment and to request payment upon shipment of such equipment. In addition, Motorola reserves the right to invoice for installations or civil work completed on a site-by-site basis, when applicable.
Exhibit B
System Acceptance Certificate

Customer Name: ______________________________________________________

Project Name: ______________________________________________________

This System Acceptance Certificate memorializes the occurrence of System Acceptance. Motorola and Customer acknowledge that:

1. The Acceptance Tests set forth in the Acceptance Test Plan have been successfully completed.
2. The System is accepted.

Customer Representative: ____________________________________________
Motorola Representative: ____________________________________________

Signature: ____________________________ Signature: ____________________________
Print Name: ___________________________ Print Name: ___________________________
Title: ________________________________ Title: ________________________________
Date: ________________________________ Date: ________________________________

FINAL PROJECT ACCEPTANCE:
Motorola has provided and Customer has received all deliverables, and Motorola has performed all other work required for Final Project Acceptance.

Customer Representative: ____________________________________________
Motorola Representative: ____________________________________________

Signature: ____________________________ Signature: ____________________________
Print Name: ___________________________ Print Name: ___________________________
Title: ________________________________ Title: ________________________________
Date: ________________________________ Date: ________________________________
Motorola Solutions connects people through technology. Businesses and government agencies around the world turn to Motorola Solutions innovations when they want highly connected teams that have the information they need throughout their workdays and in the moments that matter most to them.

You can find Motorola Solutions products and services in a wide range of workplaces. From the retail floor to the warehouse floor, and from the small town police station to the most secure government offices, our products support customers who make up the diverse global economy. We are proud that our products support mobile transactions of all kinds, as well as the safety and security of citizens everywhere.

Our customers rely on us for the expertise, services and solutions we provide, trusting our years of invention and innovation experience. By partnering with customers and observing how our products can help in their specific industries, we are able to enhance our customers’ experience every day.

Motorola Solutions—An Industry Leader
Motorola Solutions serves both enterprise and government customers with core markets in public safety government agencies and commercial enterprises. Our leadership in these areas includes public safety communications from infrastructure to applications and devices such as radios as well as task-specific mobile computing devices for enterprises. We produce advanced data capture devices such as barcode scanners and RFID (radio-frequency identification) products for business. We make professional and commercial two-way radios for a variety of markets, and we also bring unlicensed wireless broadband capabilities and wireless local area networks – or WLAN – to retail enterprises.

Pioneering New Areas of Cognitive Research
As an industry leader in government and public safety, we design and develop devices including radios and the infrastructure that supports them. Our mission-critical design philosophy led to our new High Velocity Human Factors investigation, an area of cognitive research that helps us develop products for first responders by working with them in crisis situations to study their communication needs. We take what we learn in the field and bring it back to the lab to create products that will function under extreme conditions and networks that will reliably support those products.

Our Focus: Our Customers
Working with our global channel partner community, Motorola Solutions reaches an extensive customer base, from small businesses to Fortune 500 companies. Our focus is on developing integrated end-to-end solutions that deliver a clear return on investment, and our products empower individuals through seamless connectivity.

Upon request, your Motorola account executive can provide a firm proposal tailored to meet your solution needs.
Capital Improvement Plan

Department: Sheriff's Department
Function: Public Safety
Project Title: Radio Network Ethernet Backhaul and Edge
Type: Replacement
Status: Future
Total Cost: $2,020,000

Project Description
The radio P25 network upgrade is required to convert the system backhaul to ethernet capable. Doing so will allow us to utilize new Motorola technology called "Edge" (Master Site Redundancy). This upgrade is required to utilize new market technology.

Background & Justification/Status
The Cabarrus County P25 radio system was put into service in 2012. Ethernet capability for the system was not available when it was installed. T1 lines are currently leased for various connections for the radio system. Exhalt Microwaves were installed at the time at a lower price point, as the main goal was to create a ring with the tower sites and to remove the tower from the old Sheriff's Department. In order for Cabarrus County to backhaul the radio system to ethernet capability, the microwaves will need to be replaced to a recommended microwave Alcatel 9500. The City of Charlotte Radio shop is looking to upgrade the radio system to version 7.17 as early as summer of 2017, which makes available several capabilities that benefit Cabarrus County. With the system ethernet capable, as well as MPLS, ITS can utilize these connections to be able to send and receive data through the microwave system. Cabarrus will be able to utilize "Edge" redundant master site, which creates redundancy. In the event that the master site experiences a problem, the Cabarrus County

Impact If Not Funded and Maximum Time it Can be Delayed
As 1/3 of the shareholder in the system, if we delay, it will also cause a delay for Concord and Kannapolis if they wish to utilize these upgrades for the system. If not funded, we do not have fail over redundancy for the master site.

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Funding Sources
General Fund                   |                 |                  |                  |                  |                  |                  |              |
Capital Reserve Fund            |                 |                  |                  |                  |                  |                  |              |
Multi Year Fund                 |                 |                  |                  |                  |                  |                  |              |
Debt                            |                 |                  |                  |                  |                  |                  |              |
Grants                          |                 |                  |                  |                  |                  |                  |              |
Permits/Fees                    | 1,210,000       | 810,000          |                  |                  |                  |                  |              |
Other-TBD                       |                 |                  |                  |                  |                  |                  |              |
Total                           | $               | $1,210,000       | $810,000         | $                | $                | $                | $            |

Operating Budget Impact
Salaries & Benefits             |                 |                  |                  |                  |                  |                  |              |
Materials & Supplies             |                 |                  |                  |                  |                  |                  |              |
Contracts & Services            |                 |                  |                  |                  |                  |                  |              |
Capital Outlay                  |                 |                  |                  |                  |                  |                  |              |
Other                           |                 |                  |                  |                  |                  |                  |              |
Total                           | $               | $                | $                | $                | $                | $                | $            |
AGENDA CATEGORY:
Discussion Items for Action at September 17, 2018 Meeting

SUBJECT:
BOC - NCACC Solicitation of County Legislative Goals

BRIEF SUMMARY:
Every two years, North Carolina Association of County Commissioners (NCACC) members engage in a process to determine the legislative goals that are in the best interest of counties. The NCACC goals-setting process begins in August of even-numbered years and consists of five stages: beginning with the solicitation of county proposals and ending with the adoption of the legislative agenda at the Legislative Goals Conference.

The submission deadline for legislative goals is September 21, and goals submitted by or before the deadline will be referred to a steering committee for review and consideration.

REQUESTED ACTION:
Motion to approve the 2018-19 proposed legislative goals for submission to the North Carolina Association of County Commissioners.

EXPECTED LENGTH OF PRESENTATION:
10 Minutes

SUBMITTED BY:
Lauren Linker, Clerk to the Board
BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
☐ 2016-18 Goals Submission
Cabarrus County Legislative Goals Submission

Cabarrus County 2016-2017 Legislative Goals

1. Request Federal and State legislatures to stop passing on unfunded mandated programs to local governments.
2. Schools - Return North Carolina Lottery revenues to the schools’ operating and capital improvement budgets. Return to original allotment structure and funding levels.
3. Board of Elections –
   a. Allow for the creation of larger voting districts.
   b. Allow county to reduce amount of operational voting precincts.
   c. Continue to permit Early and One Stop voting programs.
4. Require/permit state administrative offices to provide “sales tax” information when requested by counties/cities for their budgeting purposes.
5. Allow local public health departments/alliances to create and collect fees for restaurant inspections.
6. Oppose collective bargaining programs for local government employees.
7. Oppose shift of NCDOT (N.C. Department of Transportation) responsibilities to the counties.
8. Support the State’s Pilot Project to Benefit Local Farmers and Lower Income Households.
9. Maintain Medicaid funding at current levels.
10. Reinstate sales tax exemption for public schools.
11. Study the impact to local government finances of exempting nonprofits from the requirement of paying property taxes and review possible payment in lieu of taxes requirements.
12. Address current unfunded mandates (DSS, Schools, Jail, etc.) by providing additional funding or additional funding sources.
13. Change NC Rural Center’s grant/loan award criteria to more closely match the USDA Rural Development aid requirements (specifically, remove the prohibition against aid to municipalities in Tier 3 counties).
14. Authorize local option revenue sources already given to any other jurisdiction.
15. Revise current tier structure for counties to become more equitable with respect to the recruitment of and expansion of jobs within North Carolina.
16. Protect Soil & Water Conservation grants and/or funding streams per the “2016 Policies, Positions & Action Items”.
17. Reinstate the Asset Test to Determine eligibility for the Food and Nutrition Program.
18. Reinstate full funding for school growth based on Average Daily Membership (ADM).
19. Increase State funding within the Adult Protective Services Area, including funding for guardianship services.
20. Improve policies within the Child Care Fraud Area to hold harmless counties in pursuit of fraudulent activities by clients.
21. Support local input and citizen involvement through requiring a referendum prior to legislative action to redistrict county commission boards.
22. Maintain the 1115 Waiver to provide NC Medicaid Cost Report Settlements to municipal EMS agencies.
23. Pursue Medicaid reimbursement options for community paramedic services.
24. Continue to support NCACC goal TF-5 “Support legislation to restore state aid funding of public libraries to the pre-2011 level of $15.7 million and eliminate special provisions that distribute state aid outside of the equitable formula developed by the State Library Commission.
25. Oppose any shifts of charter school capital costs to counties.
26. Support the adjustment of local contributions to match the services that charter schools are required to provide.
27. Support flexibility for local boards of elections to re-organize precincts in order to create more uniform precinct sizes.
CABARRUS COUNTY
BOARD OF COMMISSIONERS
REGULAR MEETING
SEPTEMBER 17, 2018
6:30 P.M.

MISSION STATEMENT
THROUGH VISIONARY LEADERSHIP AND GOOD STEWARDSHIP, WE WILL ADMINISTER STATE REQUIREMENTS, ENSURE PUBLIC SAFETY, DETERMINE COUNTY NEEDS, AND PROVIDE SERVICES THAT CONTINUALLY ENHANCE QUALITY OF LIFE

CALL TO ORDER BY THE CHAIRMAN

PRESENTATION OF COLORS
AIR FORCE JROTC
NORTHWEST CABARRUS HIGH SCHOOL

INVOCATION
REVEREND DANIEL R. WILSON
BOGERS CHAPEL UNITED METHODIST CHURCH

A. APPROVAL OR CORRECTION OF MINUTES
   1. Approval or Correction of Meeting Minutes

B. APPROVAL OF THE AGENDA

C. RECOGNITIONS AND PRESENTATIONS
   1. EMS - Recognition of Dr. Craig Corey
   2. BOC - Red Ribbon Week 2018 Proclamation
   3. Constitution Week - Proclamation

D. INFORMAL PUBLIC COMMENTS (Each speaker is limited to 3 minutes)
E. OLD BUSINESS
1. Infrastructure and Asset Management - Surplus of Historic Items to Historic Cabarrus

F. CONSENT AGENDA
(Items listed under Consent are generally of a routine nature. The Board may take action to approve/disapprove all items in a single vote. Any item may be withheld from a general action, to be discussed and voted upon separately at the discretion of the Board.)
1. BOC - NCACC Solicitation of County Legislative Goals
2. Cabarrus County Schools - Contingency Fund Request for Hickory Ridge Elementary School Project - $600,000
3. County Manager - Central Area Plan Interlocal Agreement Modification
4. County Manager - Proposed Wireless Telecommunications Tower at the Cabarrus Arena
5. County Manager - Reappropriation of Funds for Ongoing Projects, Grants and Commitments
6. Department of Human Services - FY19 Home and Community Care Block Grant (HCCBG) Funding Plan Revision
7. Department of Human Services - Transportation FY19 ROAP Application
8. Finance - Small Projects Fund Update for New Soil and Water Easement Grant, Project Write-offs and Legal Expenditures
10. Sheriff's Department - Contract Approval for Radio Network Ethernet Backhaul
11. Tax Administration - Refund and Release Reports - August 2018
12. Tax Administration - Write-off of Outstanding Real and Personal Taxes for 2008

G. NEW BUSINESS
1. Planning and Development - HOME program CAPER - Public Hearing 6:30 p.m.

H. APPOINTMENTS TO BOARDS AND COMMITTEES
1. Appointments - Cardinal Innovations Healthcare Solutions Community Oversight Committee
2. Appointments - Library Board of Trustees
3. Appointments and Removals - Juvenile Crime Prevention Council

I. REPORT
1. BOC - Receive Updates from Commission Members Who Serve as Liaisons to Municipalities or on Various Boards/Committees
2. BOC - Request for Applications for County Boards/Committees
3. County Manager - Monthly Building Activity Reports
4. County Manager - Monthly New Development Report
5. EDC - August 2018 Monthly Summary Report
6. Finance - Monthly Financial Update
J. GENERAL COMMENTS BY BOARD MEMBERS

K. WATER & SEWER DISTRICT OF CABARRUS COUNTY

L. CLOSED SESSION

M. ADJOURN

IN ACCORDANCE WITH ADA REGULATIONS, ANYONE WHO NEEDS ANY ACCOMMODATION TO PARTICIPATE IN THE MEETING SHOULD NOTIFY THE ADA COORDINATOR AT 704-920-2100 AT LEAST 48 HOURS PRIOR TO THE MEETING.

Scheduled Meetings:

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<th>Date</th>
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<tr>
<td>October 1</td>
<td>Work Session</td>
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<td>October 15</td>
<td>Regular Meeting</td>
<td>6:30 p.m.</td>
<td>BOC Meeting Room</td>
</tr>
<tr>
<td>November 5</td>
<td>Work Session</td>
<td>4:00 p.m.</td>
<td>Multipurpose Room</td>
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<tr>
<td>November 19</td>
<td>Regular Meeting</td>
<td>6:30 p.m.</td>
<td>BOC Meeting Room</td>
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</table>

Mission: Through visionary leadership and good stewardship, we will administer state requirements, ensure public safety, determine county needs, and provide services that continually enhance quality of life.

Vision: Our vision for Cabarrus is a county where our children learn, our citizens participate, our dreams matter, our families and neighbors thrive, and our community prospers.

Cabarrus County Television Broadcast Schedule
Cabarrus County Board of Commissioners' Meetings

The most recent Commissioners’ meeting is broadcast on the following days and times. Agenda work sessions begin airing after the 1st Monday of the month, and are broadcast for two weeks up until the regular meeting. Then the regular meeting begins airing live the 3rd Monday of each month, and is broadcast up until the next agenda work session.

<table>
<thead>
<tr>
<th>Day</th>
<th>Time</th>
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<tbody>
<tr>
<td>Sunday - Saturday</td>
<td>1:00 P.M.</td>
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<tr>
<td>Sunday - Tuesday</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>Thursday &amp; Friday</td>
<td>6:30 P.M.</td>
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</tbody>
</table>
AGENDA CATEGORY:
Closed Session

SUBJECT:
Closed Session - Pending Litigation and Acquisition of Real Property

BRIEF SUMMARY:
A closed session is needed to discuss matters related to pending litigation and acquisition of real property as authorized by NCGS 143-318.11(a)(3) and (5).

REQUESTED ACTION:
Motion to go into closed session to discuss matters related to pending litigation and acquisition of real property as authorized by NCGS 143-318.11(a)(3) and (5).

EXPECTED LENGTH OF PRESENTATION:
30 Minutes

SUBMITTED BY:
Mike Downs, County Manager

BUDGET AMENDMENT REQUIRED:
No
COUNTY MANAGER’S RECOMMENDATIONS / COMMENTS:

ATTACHMENTS:
ADDITIONS:

Discussion Items for Action at September 17, 2018 Meeting
4.10 Cabarrus County Schools – Contingency Fund Request for Hickory Ridge Elementary School Project - $600,000
   *(Already included in the Agenda.)*

4.11 BOC – NCACC Solicitation of County Legislative Goals
   *(Already included in the Agenda.)*

TABLED:

Discussion Items – No Action