CABARRUS COUNTY

BOARD OF COMMISSIONERS WORK SESSION

March 2, 2026
5:00 PM

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1. CALL TO ORDER - CHAIRMAN

2. APPROVAL OF WORK SESSION AGENDA - CHAIRMAN

3. DISCUSSION ITEMS - NO ACTION

3.1. County Manager- Carolina Farm Stewardship Association Presentation Pg. 3

3.2. Presentation - Consolidated Human Services Agency (CHSA) - Consolidated Human Services Agency Overview Pg. 20

4. DISCUSSION ITEMS FOR ACTION

4.1. Boards and Committees - Active Living and Parks Commission - Removal Pg. 88

4.2. Boards and Committees - Active Living and Parks Commission - Appointment Pg. 91

4.3. Boards and Committees - Firefighter's Relief Fund Trustees - Appointments Pg. 94

4.4. Boards and Committees - Human Services Advisory Board - Appointment Pg. 96

4.5. Consolidated Human Services Agency - Home and Community Care Block Grant (HCCBG) - Budget Amendments Pg. 99

4.6. Consolidated Human Services Agency (CHSA) - Transportation - Drug and Alcohol Policy Pg. 105

4.7. Construction Standards - Request for Funds for Demolition Pg. 134

4.8. County Manager - Cabarrus Health Alliance Request for Exterior Alterations to Old Mount Pleasant Library Pg. 159

4.9. County Manager - Update on Holloway Group Pg. 174

4.10. Facilities Design and Construction - Presentation of Guaranteed Maximum Price #1 for Progress Place Renovation Pg. 175

4.11. Fair - Powers & Thomas Midway Entertainment Contract Pg. 186

4.12. Fair - Southern Rodeo Company Contract - Three Year Pg. 198

4.13. Finance - Refunding 2016 LOBs - Approval of Resolution Pg. 202

4.14. Legal - Adoption of ARPA Property Management Policy Pg. 310

4.15. Planning & Development - NCDOT Division 10 Request for BUILD Grant Application Support Letter Pg. 322

4.16. Sheriff's Office - Use of Asset Forfeiture Funds to Purchase Needed Investigation Equipment Upgrades Pg. 331

5. APPROVAL OF REGULAR MEETING AGENDA

5.1. BOC - Approval of Regular Meeting Agenda Pg. 337

6. CLOSED SESSION

6.1. Closed Session - Attorney Client Privilege and Personnel Pg. 341

7. RETURN TO OPEN SESSION

8. ADJOURN

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.

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items - No Action

SUBJECT:
County Manager- Carolina Farm Stewardship Association Presentation

BRIEF SUMMARY:
Starting in 2014, the Carolina Farm Stewardship Association (CFSA) has operated the 30 plus acre Elma Lomax Incubator Farm located on Atando Road in Concord. The most recent amendment to the agreement expires on June 30, 2026. Prior to conducting significant discussions with the CFSA about the potential additional amendment to the original agreement, staff wanted to give the current Board an opportunity to learn about the CFSA's operations and programs at the farm. County staff will be present to answer questions about the current agreement and the farm.

REQUESTED ACTION:
No action required.

EXPECTED LENGTH OF PRESENTATION:
15 Minutes

SUBMITTED BY:
Kyle Bilafer, Assistant County Manager

Karen McSwain, M.S, Associate Executive Director for Programs Carolina Farm Stewardship Association

Roland McReynolds, Executive Director at Carolina Farm Stewardship Association

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Original Operating Agreement with CFSA
- Agreement Extension with CFSA
- Presentation

STATE OF NORTH CAROLINA

COUNTY OF CABARRUS

TEMPORARY OPERATING AGREEMENT FOR ELMA C. LOMAX INCUBATOR FARM PARK

THIS TEMPORARY OPERATING AGREEMENT FOR THE ELMA C. LOMAX INCUBATOR FARM PARK ("TOA") is made and entered into effective the __day of July, 2014 by and between CABARRUS COUNTY ("County"), a body politic and political subdivision of the State of North Carolina and the CAROLINA FARM STEWARDSHIP ASSOCIATION ("CFSA"), an Internal Revenue Code §501(c)(3) recognized non-profit North Carolina corporation.

RECITALS

1. The County owns the Elma C. Lomax Incubator Farm Park ("Farm Park"), which has been utilized as a unique County park for training and developing local farmers as part of a larger local sustainability effort.

2. The Farm Park is located on 30.601 acres owned by the County and one acre leased from Franklin D. Lomax, with a physical address of 3435 - 3459 Atando Road, Concord, Cabarrus County, North Carolina.

3. The County's ownership of its Farm Park tract contains restrictions on its usage, which restrictions have been construed to include the farming activities on-going at the Farm Park.

4. CFSA is a member-based, farmer-driven, non-profit organization located in Pittsboro, North Carolina, with a mission to promote local and organic agriculture in the Carolinas, including education and support for new farmers.

5. The County's Board of Commissioners voted to discontinue County funding for the Farm Park for Fiscal Year 2015, except for certain expenses necessary to allow the existing farmers at the Farm Park to tend to and harvest their crops, pending transition of Farm Park operations to the private sector.

6. CFSA desires to operate the Farm Park on a temporary basis through this year's harvest, with the ultimate objective of a longer term arrangement or transitioning the operation of the Farm Park to a separate non-profit organization that would manage and operate the Farm Park on a longer-term basis.

7. Both parties desire to enter into this TOA to continue the present usage of the Farm Park, as more particularly described in the Terms contained below.

In consideration of these Recitals and Terms, which the parties agree are sufficient to make this TOA legally valid and binding, the parties agree as follows:

TERMS

1. Beginning September 1, 2014, CFSA shall assume and exercise management and operating control of the Farm Park. The County hereby transfers such management and operational control of the Farm Park to CFSA for the duration of this TOA. Unless earlier terminated, the duration of this TOA shall be December 31, 2014.

2. Such management and operation includes assumption of all expenses for and obligations of the Farm Park from September 1, 2014 going forward. This includes, but is not limited to, all utilities, supplies and the monthly lease payment to Franklin D. Lomax. To the extent that an expense or obligation is incurred for a period that bridges August 1, 2014 such obligation or expense shall be prorated as of September 1, 2014.

3. For the duration of this TOA, CFSA shall temporarily exercise the rights and assume the obligations under the lease agreement with Franklin D. Lomax and the agreements with the farmers utilizing the Farm Park. Any modifications of these agreements, including the Lomax lease agreement, or entry into any new agreement(s) with reference to the Farm Park must be approved in advance by the County.

4. CFSA shall be entitled to use without charge all tools, equipment, furniture and supplies owned by the County currently on hand at or being used at the Farm Park. An inventory of such items is attached as Schedule A. All such items shall continue to be owned by the County. CFSA at its expense shall timely and properly maintain and/or repair all such items, which except for consumable supplies shall be returned to the County in their present condition at the conclusion of this TOA, normal wear and tear excepted. Any items purchased by CFSA for use at the Farm Park shall remain the property of CFSA.

5. CFSA shall continue all existing programs and services presently in operation at the Farm Park. Any new programs and services shall be consistent with the current Lomax Program Development Plan. Any other programs or services must be approved in advance by the County.

6. CFSA shall use its best efforts to help formulate a plan for transition of the Farm Park to itself or a separate non-profit organization for the long term operation of the Park. Any such plan must be approved in advance by the County.

7. CFSA at its expense shall provide coverage through insurance for all insurable risks incident to its obligations under this TOA in coverage amounts as mutually determined by CFSA and the County's Risk Manager.

8. County Manager Michael K. Downs and CFSA Executive Director Roland McReynolds shall be the primary contacts for all matters relating to this TOA.

9. CFSA shall indemnify and hold the County harmless from any and all demands, claims, losses, damages, expenses and costs of whatever nature and kind, including any claims based on any environmental law or regulation, including attorneys fees, arising from this TOA and/or CFSA's management or operation of the Farm Park. Cabarrus County, its agents, officers and employees shall be named as an additional insured.

MKD 9/15/14

10. Should CFSA at any time fail to timely pay any amount or fulfill any other obligation imposed on it by this TOA or should it curtail or cease operation or management of the Farm Park, the County may, but it is not obligated to, upon ten (10) days prior notice to or demand upon CFSA, declare CFSA in default of this TOA and terminate it. Upon termination, CFSA shall immediately vacate the Farm Park and turn over to the County all of the County's assets.

11. CFSA may not assign this TOA without the prior written consent of the County.

12. This document represents the entire understanding of the parties with reference to this subject matter. There are no side deals or oral understandings. Any modification or

amendment to this TOA must be in writing and signed by both parties in order to be legally valid and effective.

IN WITNESS, the parties have executed this TOA as shown below, pursuant to authority previously given.

CABARRUS COUNTY

By: _____ Date: 9/15/14

Michael K. Downs
County Manager

CAROLINA FARM STEWARDSHIP ASSOCIATION

By: _____ Date: 7/22/14

Roland McReynolds
Executive Director

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

By: Susan B. Frampton
Interim Finance Director

Date: 9-5-14

STATE OF NORTH CAROLINA

COUNTY OF CABARRUS

SECOND
AMENDED AND RESTATED
OPERATING AGREEMENT
FOR THE ELMA C. LOMAX
INCUBATOR FARM PARK

This SECOND AMENDED AND RESTATED OPERATING AGREEMENT FOR THE ELMA C. LOMAX INCUBATOR FARM PARK ("Second Restated Agreement") is made and entered into effective the 1st day of July, 2021 by and between CABARRUS COUNTY ("County"), a body politic and political subdivision of the State of North Carolina and the CAROLINA FARM STEWARDSHIP ASSOCIATION ("CFSA"), an Internal Revenue Code §501(c)(3) recognized non-profit North Carolina corporation.

RECITALS

1. The County owns the Elma C. Lomax Research and Education Farm ("Farm Park"), which has been utilized as a unique County park for training and developing local farmers as part of a larger local sustainability effort.

2. The Farm Park is located on 30.601 acres owned by the County and one acre leased from Franklin D. Lomax, with a physical address of 3435 - 3459 Atando Road, Concord, Cabarrus County, North Carolina.

3. The County's ownership of its Farm Park tract contains restrictions on its usage, which restrictions have been construed to include the farming activities on-going at the Farm Park.

4. CFSA is a member-based, farmer-driven, non-profit organization located in Pittsboro, North Carolina, with a mission to promote local and organic agriculture in the Carolinas, including education and support for new farmers.

5. The County and CFSA agreed to operate the Farm Park on a temporary basis, until December 31, 2014, pursuant to a Operating Agreement ("OA").

6. On or about February 2, 2015, the County and CFSA entered into an Extension to the TOA, which extended the duration of the relationship between these parties to December 31, 2015. An Amended and Restated Operating Agreement was then entered into between the two parties for the period of July 1, 2015 to June 30, 2016.

7. The County's Board of Commissioners has approved funding of $80,000.00 in its budget for Fiscal Year 2022 (FY 2022) for the Farm Park and has tentatively committed to fund $80,000.00 for FY 2023 through FY 2026, provided funds are available-in the Deferred Tax Fund.

8. CFSA desires to continue to operate the Farm Park with the ultimate objective of establishing a long term arrangement for management and operation of the Farm Park on a permanent basis.

9. Both parties desire to amend and restate the previously modified TOA to continue the present arrangement for management and operation of the Farm Park, as more particularly described in the Terms contained below. Cabarrus

County, its agents, officers and employees shall be named as an additional insured.

In consideration of these Recitals and Terms, which the parties agree are sufficient to make this Second Restated Agreement legally valid and binding, the parties agree as follows:

TERMS

1. Beginning July 1, 2021, CFSA shall continue to assume and exercise management and operating control of the Farm Park. Unless earlier terminated, the duration of this Second Restated Agreement shall be June 30, 2026.

2. Such management and operation includes the continued assumption of all expenses for and obligations of the Farm Park. This includes, but is not limited to, all utilities, supplies and the monthly lease payment to Franklin D. Lomax.

3. For the duration of this Second Restated Agreement, CFSA shall exercise the rights and assume the obligations under the lease agreement with Franklin D. Lomax and the agreements with the farmers utilizing the Farm Park. Any modifications of these agreements, including the Lomax lease agreement, or entry into any new agreement(s) with reference to the Farm Park must be approved in advance in writing by the County. Notwithstanding, so long as CFSA uses the County-approved form for leases with Farm Park farmers, the individual farmer leases do not have to be separately approved by the County.

4. CFSA shall be entitled to use without charge all tools, equipment, furniture and supplies owned by the County currently on hand at or being used at the Farm Park. A list is attached as Schedule A. All such items shall continue to be owned by the County. CFSA at its expense shall timely and properly maintain and/or repair all such items, which except for consumable supplies shall be returned to the County in their present condition at the conclusion of this Second Restated Agreement, normal wear and tear excepted. Any items purchased by CFSA for use at the Farm Park shall remain the property of CFSA.

5. CFSA shall continue all existing programs and services presently in operation at the Farm Park. Any new programs and services shall be consistent with the current Lomax Program Development Plan. Any other programs or services must be approved in advance in writing by the County.

6. CFSA shall continue to use its best efforts to help formulate a plan for transition of the Farm Park to itself or to a separate non-profit organization for the permanent operation of the Park. Any such plan must be approved in advance by the County.

7. CFSA agrees that County funds received by it for operation of the Farm Park and for its programs shall only be used for the Farm Park and its programs. The County has the right to audit the books and records of the Farm Park in order to monitor usage of the funds.

8. CFSA at its expense shall provide coverage through insurance for all insurable risks incident to its obligations under this Second Restated Agreement in coverage amounts as mutually determined by CFSA and the County's Risk

Manager. Cabarrus County, its agents, officers and employees shall be named as an additional insured.

9. County Manager Michael K. Downs and CFSA Executive Director Roland McReynolds shall be the primary contacts for all matters relating to this Second Restated Agreement.

10. CFSA shall indemnify and hold the County harmless from any and all demands, claims, losses, damages, expenses or costs of whatever nature and kind, including any claims based on any environmental law or regulation, including attorneys fees, arising from the TOA or this Second Restated Agreement and/or CFSA's management or operation of the Farm Park.

11. Should CFSA at any time fail to timely pay any amount or fulfill any other obligation imposed on it by this Second Restated Agreement or should it curtail or cease operation or management of the Farm Park, the County may, but it is not obligated to, upon ten (10) days prior written notice to or demand upon CFSA, declare CFSA in default of this Second Restated Agreement and terminate it. Upon termination, CFSA shall immediately vacate the Farm Park and turn over to the County all of the County's assets.

12. CFSA acknowledges that the County cannot now fully bind its future boards of commissioners regarding future funding of the Farm Park. However, the County will provide the funding required by this Second Restated Agreement to the extent required to prevent a CFSA default on any grant or other funding commitment for the Farm Park for which the County has received written notice prior to CFSA having agreed to such funding requirements or conditions.

13. Should CFSA determine that continued operation or management of the Farm Park is not financially feasible, CFSA may terminate this Second Restated Agreement on thirty (30) days prior written notice.

14. CFSA may not assign this Second Restated Agreement without the prior written consent of the County.

15. The parties agree to review the provisions of this Second Restated Agreement if CFSA is able to secure funding for substantial capital improvements to the Farm Park.

16. This Second Restated Agreement represents the entire understanding of the parties with reference to this subject matter and supersedes the original TOA as modified or extended. There are no side deals or oral understandings. Any modification or amendment must be in writing and signed by both parties in order to be legally valid and effective.

IN WITNESS, the parties have executed this Second Restated Agreement as shown below, pursuant to authority previously given.

CABARRUS COUNTY

By: _____ Date: 6/21/21

Michael K. Downs
County Manager

CAROLINA FARM STEWARDSHIP ASSOCIATION

By: _____ Date: 06/01/2021

Roland McReynolds
Executive Director

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act; subject to future annual budget appropriations.

By: _____
Finance Director/Deputy Finance Director, Cabarrus County, NC

Date: 6/4/2021

carolina farm stewardship association

For Farms. For Food. For our Future.

Advancing sustainable food systems in the Carolinas centered on local and organic agriculture through technical assistance, education, and advocacy.

carolinafarmstewards.org

About CFSA

Who We Are: CFSA is a farmer-driven, membership-based nonprofit that helps people in North Carolina and South Carolina grow, eat, and enjoy local, organic food, flowers, and fibers.

Our Mission: CFSA advocates, educates, and builds connections to create sustainable food systems in the Carolinas centered on local and organic agriculture.

Our Vision: We are committed to building a sustainable regional food system that is good for all consumers, farmers, farmworkers, and ecosystems.

CFSA

carolina farm stewardship association
What We Do
Technical Assistance
Market Access
Food Safety
High Tunnel Production
Conservation Planning
Organic Production & Certification
Research & Education
Sustainable Agriculture Conference
Organic Commodities & Livestock Conference
Workshops and Training Events
On-Farm Organic Production Research
Elma C. Lomax Research & Education Farm
Farmers-in-Training Program
Local Food Systems
Resource Development
Piedmont Farm Tour
FarmsSHARE
FarmsSHARE Faith Initiative
Membership & Community Building
Advocacy
Farm Disaster Recovery
Farmer-to-Farmer Mentorship Program
Local-Level Community Organizing
State and Federal Legislative Advocacy
Member Advocacy Program

Production Activities

- **Farmers in Training:** Currently have 6 FITs growing a diverse range of vegetables on 2 acres selling at two farmers' markets.
- **Cabarrus County Master Gardeners:** growing garlic on 1/10th of an acre.
- **The Bulb:** nonprofit mobile farmers market that brings fresh, nutritious produce to underserved communities. They are currently growing on a quarter of an acre.
- **Growing for Donation:** Between 2021 and 2025, we grew and donated over 37,000 pounds of fresh produce to the Cooperative Christian Ministry, which provided food relief to residents of Cabarrus County.

Educational Activities

Annual Lomax Field Day

Hands-on-workshops

Host summer intern

Students' Outdoor Immersive Learning at Lomax (SOILL)
500 - 700 students annually

Corporate Volunteer Days

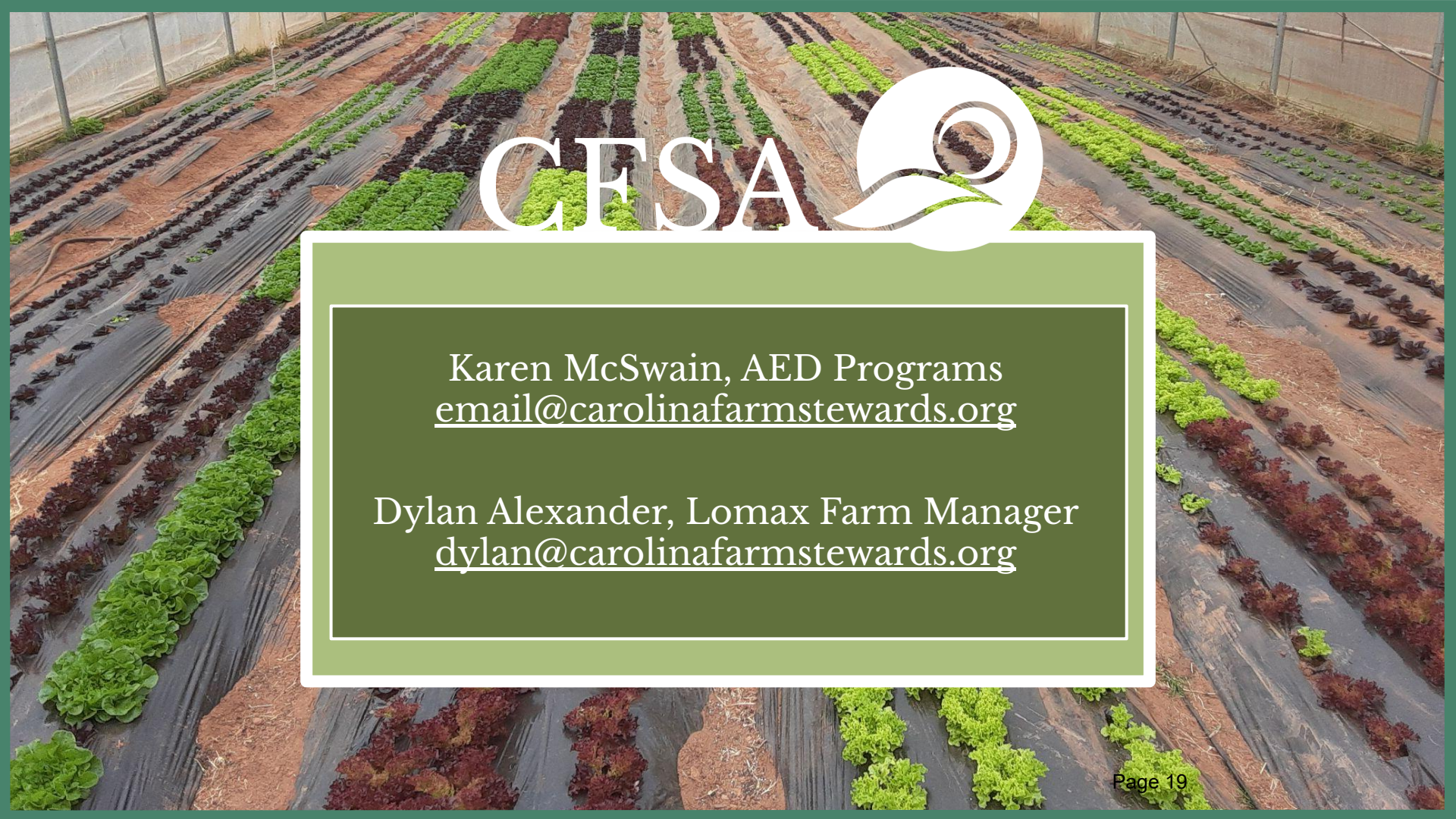
Research Activities

- Organic Seed Production Resources on Economics and Yield (OSPREY) (2025 - 2028)
- Evaluation of Cucumber High Tunnel Trellising Systems (2023 - 2024)
- Comparing No-Till Methods & Equipment for Different Scales (2020 - 2021)
- Evaluating the Efficacy of Organic Pesticides (2018 - 2019)
- Comparison of Grafted versus Non-Grafted Heirloom Tomatoes Grown Under Plastic (2016 - 2017).

Lease Renewal Budget

Line Item	Current Lease	Renewal Lease
Equipment, maintenance, repairs, inputs	$12,000	$15,000
CFSA Staff	$55,000	$85,000
Fuel, propane, and electricity	$6,000	$10,000
Community Programs and Activities	$7,000	$10,000
TOTAL	**$80,000**	**$120,000**

Unexpected costs to replace or repair equipment and infrastructure: hydraulic lift for the tractor ($550), gravel for the greenhouse ($950), walk in cooler system repair ($795), greenhouse gas valve ($475).



CFSA

Karen McSwain, AED Programs
email@carolinafarmstewards.org

Dylan Alexander, Lomax Farm Manager
dylan@carolinafarmstewards.org

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items - No Action

SUBJECT:
Presentation - Consolidated Human Services Agency (CHSA) - Consolidated Human Services Agency Overview

BRIEF SUMMARY:
To provide the Board of Commissioners with a high-level overview of the Cabarrus County Consolidated Human Services Agency (CHSA), including its organizational structure, core functions, and key programs that support Cabarrus County residents.

The presentation will include a brief introduction to CHSA, followed by an overview of major departments and programs, highlighting their primary roles and services.

Presentation Outline:

- **Introduction and Agency Overview**
  - Mission and purpose of CHSA
  - Overview of service delivery model and population served
- **Departmental and Program Overviews**
  - **HHS Business Services**
    - Administrative, financial, and operational support functions
  - **Department of Social Services**
    - **Customer Service**
      - Front-door access, intake, and client support
    - **Social Work Programs**
      - Child Welfare
      - Adult and Aging Services
    - **Economic & Family Services**
      - Medicaid

        - Food and Nutrition Services (FNS)
        - Family Services
    - **Senior Nutrition Services**
        - LunchPlus and related nutrition programs
- **Child Support**
    - Establishment, enforcement, and modification of child support orders
- **Behavioral Health**
    - Coordination and oversight of mental health, substance use, and developmental disability services
- **Veterans Services**
    - Advocacy and assistance for veterans and their families in accessing benefits and resources
- **Transportation**
    - Mobility services supporting access to medical care, nutrition sites, and essential services

REQUESTED ACTION:
For informational purposes only.

EXPECTED LENGTH OF PRESENTATION:
1 Hour or More

SUBMITTED BY:
Aalece Pugh, Human Services Director/Assistant County Manager

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Presentation

Cabarrus County Health & Human Services

Aalece Pugh, PhD
Assistant County Manager
Consolidated Human Services Agency Director

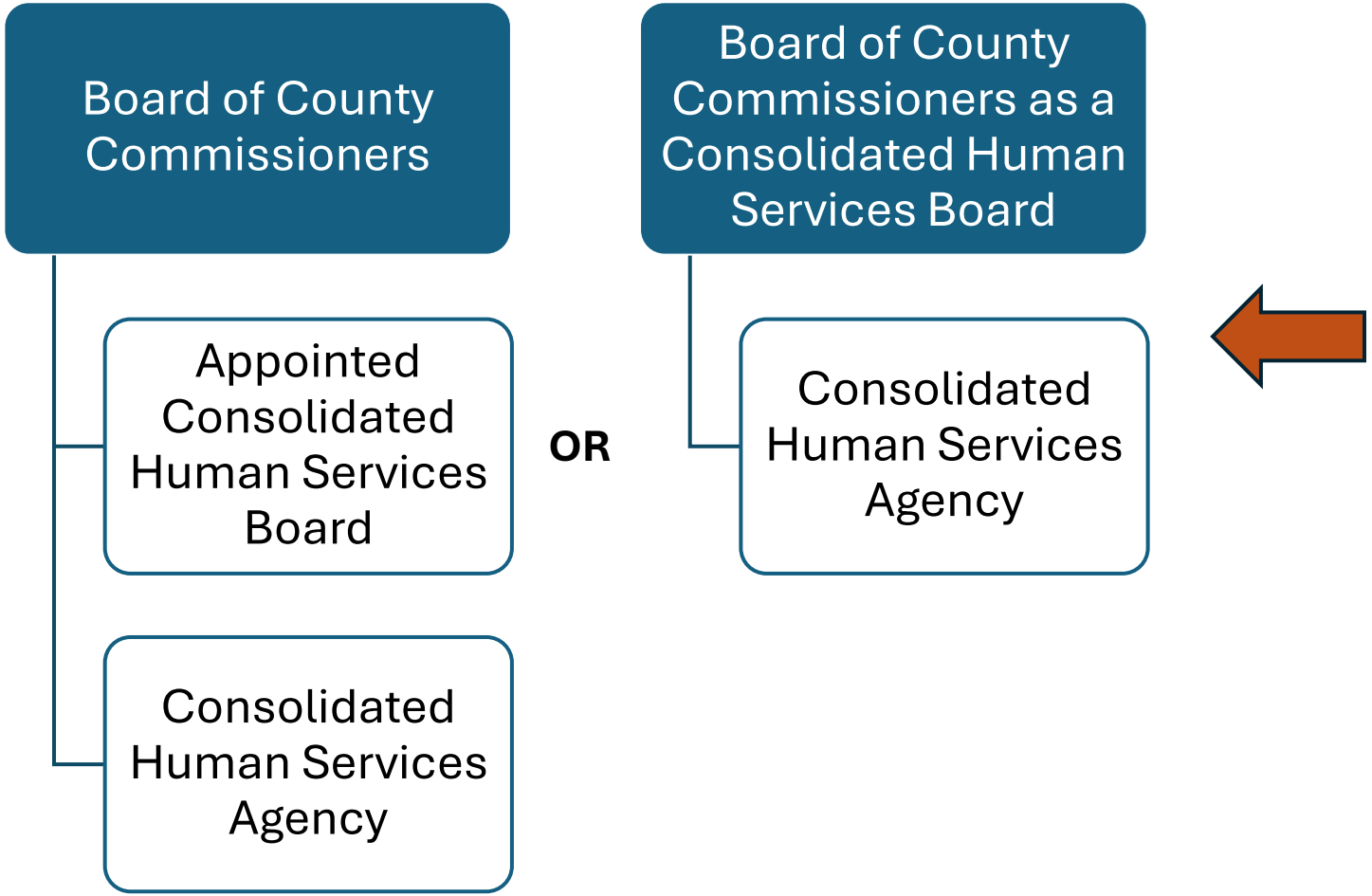
CABARRUS COUNTY
America Thrives Here

CABARRUS COUNTY
Health and Human Services
Social Services | Behavioral Health | Veterans Services | Transportation

History of Cabarrus' Consolidated Human Services Agency

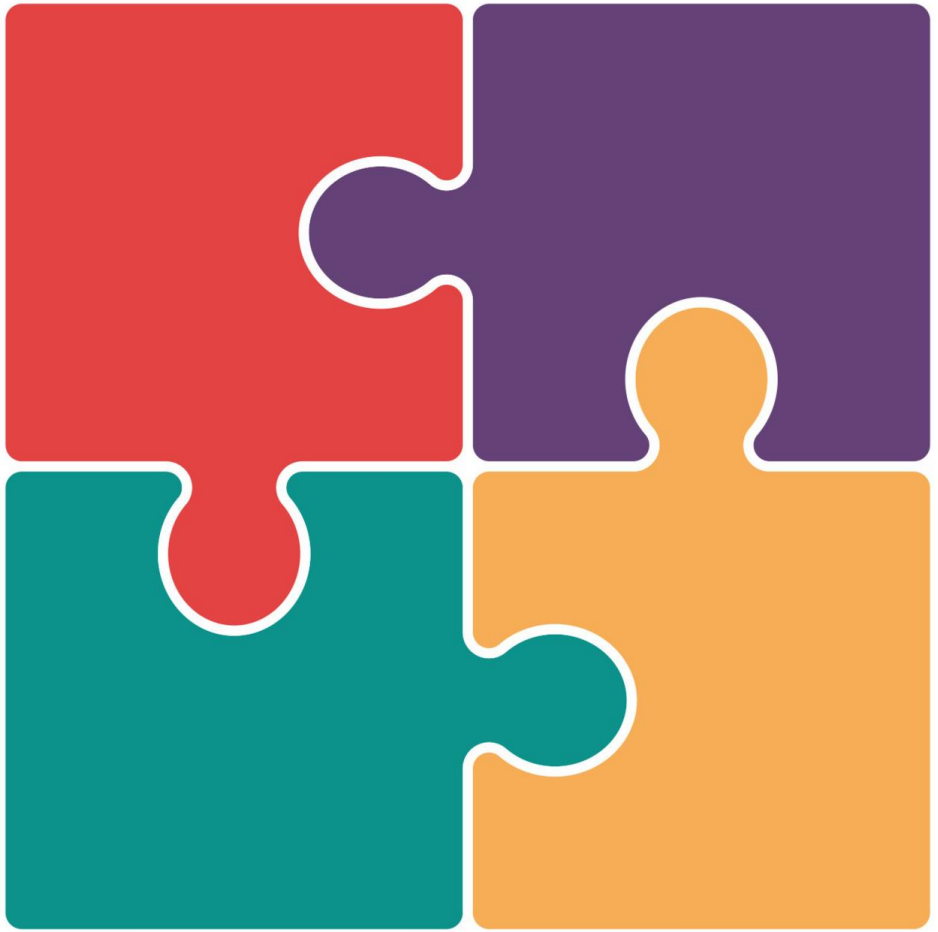
- CHSA created via resolution in June 2013 secondary to statutory change in 2012 (S.L. 2012-126)
  - BOCC can combine two or more human services functions under a single director to create a consolidated human services(CHS) agency
- Effective July 1, 2013
- Human Services Advisory Board Created

Consolidated Human Services Agencies G.S. 153A-77(b)



What programs go in a CHSA?

- Law does not require any particular mix of human services, although most CHSAs include public health and social services
- Must include at least two human services program areas
- Ours includes Social Services, Transportation, Child Support, Veterans Services, and Behavioral Health



Benefits of Consolidation

"…carry out the functions of any combination of commissions, boards, or agencies appointed by the board of county commissioners or acting under and pursuant to the authority of the board of county commissioners." G.S. 153A-77(b)

Benefits for Local Governments

Personnel Decisions for CHSAs:

- Operate under the County's personnel ordinances and policies
- Creates consistency across county employees
- Allows a county to apply a single set of policies and procedures to the majority of its employees.
- Exercise more control over employee grievance, discipline, and termination processes.

Benefits for Communities

- Streamlined services
- Cross-collaboration
- Whole-person service delivery

Current Direction

Areas of Focus

- Performance improvement
- Outcomes-driven
- Integrated services & care
- Cross-system collaboration
- Keeping families together
- Focus on prevention services
- Promoting self-actualization

CABARRUS COUNTY
Health and Human Services

Social Services | Behavioral Health | Veterans Services | Transportation

Aalece Pugh

Assistant County Manager/Human Services Director

Hollye McCallum

DSS Director

Kamilah McKissick

Behavioral Health Director

Chad Gurley

Veterans Services Director

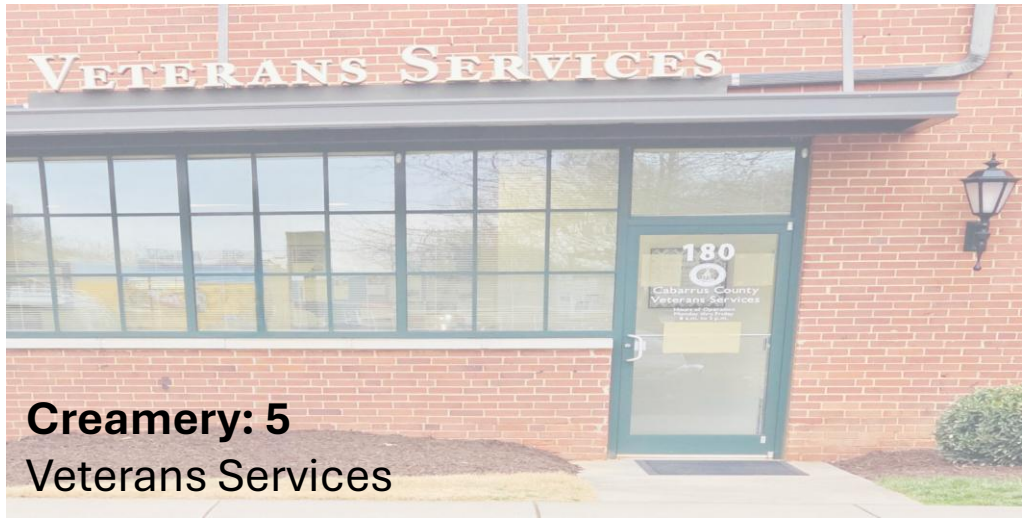
Suzanne Moose

HHS Business Services Director

Virginia Fagg

Opioid Settlement Project Manager

Current Human Services Locations



Creamery: 5
Veterans Services

Cannon: 249
- Child Welfare
- Child Support
- Customer Service
- Economic Services
- Transportation

Government Center: 25
- Child Support
- Legal

Milestone: 114
- Adult & Aging Services
- Medicaid
- Behavioral Health
- Business Services

Health and Human Services

Department of Business Services Operations

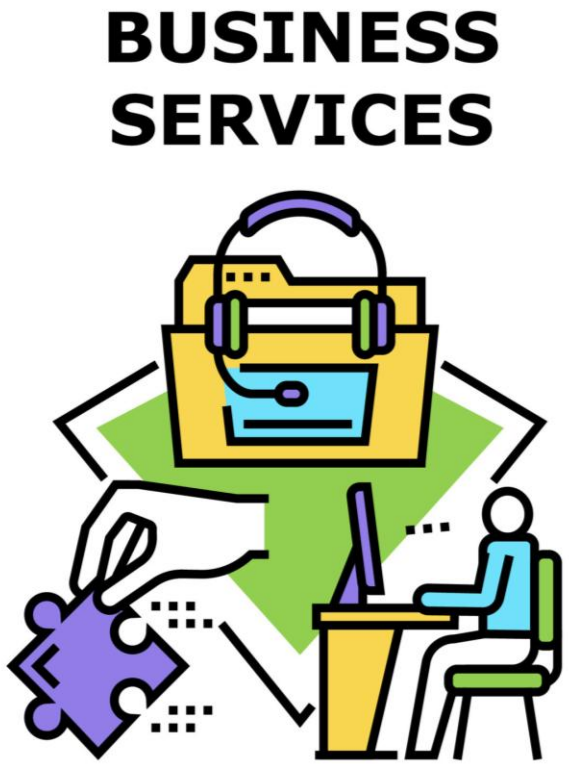
Suzanne Moose,
Business Services Director

CABARRUS COUNTY
America Thrives Here

CABARRUS COUNTY
Health and Human Services
Social Services | Behavioral Health | Veterans Services | Transportation

Business Services Core Vision

To be a strategic partner in achieving the organizational goals, providing date driven insights and recommendations that inform sound financial decisions.



Business Services Core Values

- Fiscal Responsibility: Accountable stewardship of resources through progressive internal controls and collaboration.
- Creativity Drives Ingenuity: Building on strengths through a process of collaborative exchange.
- Raising the Bar while Raising the Floor at the same time: Continuously striving for excellence.
- Connecting and Reconnecting by Aligning team with purpose: Passion, timeliness, accuracy, internal systems and policies and procedures.

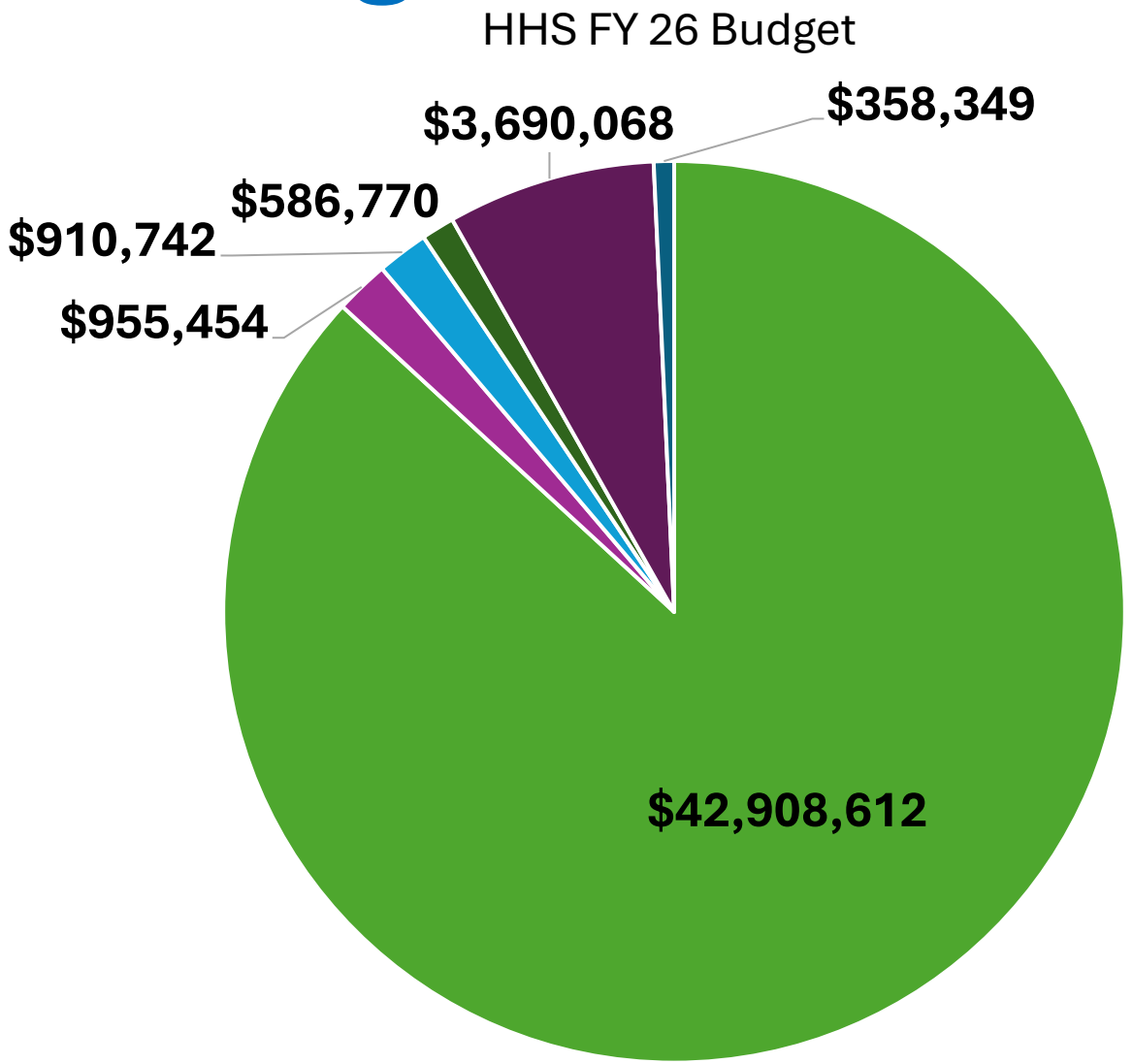
Service and Support Multiple Departments

Key Responsibilities

- Prepare and Monitor Budgets
- Grants
- Contract Management
- Procurement Cards
- Accounts Payable
- Accounts Receivable
- Daysheets
- Federal/State Reporting
- Auditing

Business Services Budgets

- Oversee 14 budgets
- State budget estimates are received in February of each year after county budgets are submitted.



Social Services Cost Share Model

Cost share means the county pays for DSS services first, and then the State and Federal governments reimburse the county for their share of those costs based on what was actually spent.

- The DSS 1571 is the process by which counties are reimbursed for allowable costs.
- DSS is reimbursed based on actual reported costs.
- Because DSS operates multiple programs, many costs must be distributed across funding sources through cost allocation.
- The due date is the 15th, or the following workday if the 15th is on a holiday or weekend. Every county is required to submit a monthly 1571.

1571 Consists of 3 parts:

Part I Personnel Cost

Each direct worker's Percentage of Time is combined with payroll data to distribute salary and benefits, drawing down federal and state funding allocations.

Part II Operating Cost and Indirect Cost

Operational costs from the general ledger

Part IV Purchased Services related to clients

Purchased services directly related to clients (In-home aides, adult day care, therapy, and psychological evaluations)

Total Reimbursement for DSS FY 25

$42,908,612 Requested Reimbursement

Federal: **$19,592,609 is 46%**
State: **$1,690,897 is 4%**
County: **$21,625,106 is 50%**

FNS Funding Explained

Part 1: County Administrative Costs

This is the "cost of doing business" – staff salaries, office space, and operations to run the FNS program.

CURRENT 50/50 SPLIT

NEW 75/25 SPLIT (H.R. 1)

The Impact: The federal share of admin costs is cut, and the county must pay an additional **$1.2 Million** annually.

Part 2: State Benefit Costs

This is the actual money for food that recipients get. This has always been 100% federally funded.

The Change (H.R. 1): The new law penalizes the **State** (not counties) if its Payment Error Rate (PER) is too high.

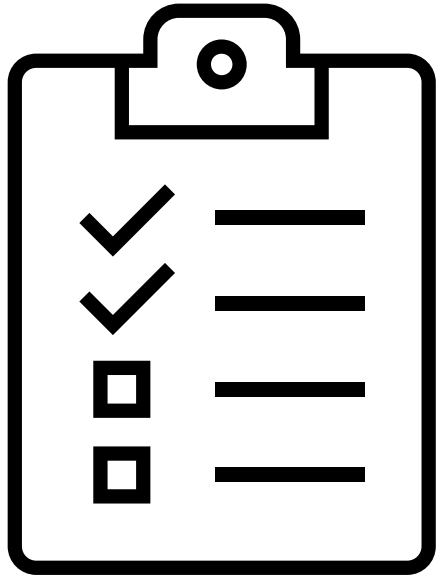
This creates the potential new cost to the state of:

$420+ Million

The Decision: The NC Legislature must decide whether to pay this cost or opt out of the FNS program entirely.

Audit

- Audited annually based on the fiscal year
  - Last audit was September 2025
  - One finding related to coding, which was corrected with no additional cost to the county
- Certain programs or services are audited monthly



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For further information about Business Services, please contact:

Suzanne Moose, Director, Business Services

Health and Human Services

ehmoose@cabarruscounty.us

704-920-1569

Cabarrus County
Health and Human Services

Department of Social Services

Hollye McCallum

Social Services Director

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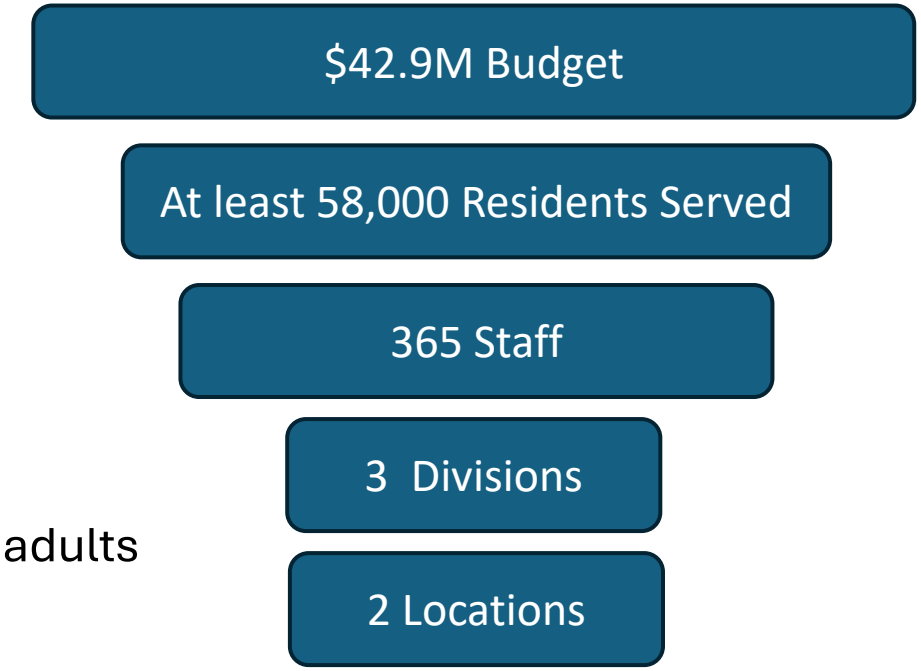
Department of Social Services

Chapter 108A of the N.C.G.S.

State Supervised – County Administered

Administration of public assistance programs

Protective & Well-Being services for children and adults



Social Services Governance

North Carolina has a federally mandated, state supervised, county administered social services system.

Federal government authorizes national programs and a majority of the funding.

State government provides oversight and support.

Local county departments of social services deliver the services and benefits.

The Journey Ahead

- **DSS Strategic Goal 1:** Establish a robust departmental infrastructure and implement streamlined processes to enhance efficiency, accountability, and successful outcomes
- **DSS Strategic Goal 2:** Create an environment where staff feel valued, supported, and empowered to contribute to our collective success and drive meaningful change throughout our community and in the workplace.
- **DSS Strategic Goal 3:** Build and sustain community partnerships and engagement to enhance service delivery

Focus Areas

Department Support & Coordination	Economic Family Support Services	Child Welfare	Adult & Aging Services
• New Employee Orientation • Customer Service Standards • Staff Engagement	• Virtual Services Expansion • Self-Service Portal • Health Fairs • Roadmaps	• PATHNC • Child & Family Specialty Plan (CFSP) • Streamlining Processes • Leadership Development	• Increasing Revenue • Medicare Open Enrollment Support • Community Outreach

Customer Service

Our team is the first point of contact for DSS, serving as the welcoming gateway to support and resources. Our mission is to serve the Cabarrus County community with compassion, respect, and integrity. We are dedicated to meeting customers where they are, listening with empathy, and providing clear, consistent, and accessible services that support the well-being of individuals and families.

- Front Desk Services
- Call Center & Switchboard Services
- Interpreter Services
- Mailroom Services

FY26 Snapshot-Monthly Averages YTD

Front Desk Services:

3,272 Customers **(in-person)**

Call Center & Switchboard:

5,747 Phone Calls

460 Voicemails

Interpreters:

504 Phone Calls

339 Interactions

36 Translations

Interpreters :

29 After-Hours Appointments With Social Workers

Mailroom:

1,693 Pieces Returned Mail

4,912 Incoming Mail & Drop Box Pieces

Economic & Family Services

- **Food & Nutrition Services (FNS)**
- **Medicaid**
- **Family Support Services**

FY26 Snapshot

MEDICAID ENROLLMENT

58,597

Recipients reaching vital healthcare services across the community.

MEDICAL EXPENDITURES

$145M+

Over $145 Million invested annually in comprehensive medical services.

FNS PARTICIPATION

25,118

Participants in Food and Nutrition Services programs monthly.

DIRECT SPENDING

$48M+

Annual direct spending dedicated to household nutrition and support.

AVERAGE MONTHLY TOTALS

Family Support Services

Program Name	Service Overview	Economic Investment
Child Care (SCCA)	Subsidized assistance enabling parents to maintain employment and access quality care for children.	$10,800,000.00 Childcare payments made
Energy Aid (LIEAP/CIP)	Vital heating and cooling assistance for seniors, disabled residents, and families in emergency crisis.	$1,167,988.00 Combined Program Allocation
Work First (WF/EA)	Short-term cash assistance and emergency support focused on workforce reentry and self-sufficiency.	$319,112.00 Direct Benefits & Emergency Aid
Prevention Services	Voluntary well-being support helping families navigate resources to prevent child abuse and neglect.	450+ Families Annual Service Reach

TOTAL COMMUNITY DIRECT INVESTMENT

$12.3 Million Annually

Child Welfare

- Intake
- Child Protective Services
- In-Home Services
- Foster Care
- Adoption
- Independent Living

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Philosophy of Care

Safety and Due Diligence

Prioritizing safety via evidence-informed, trauma-informed assessments that are responsive and tailored to unique community and family needs.

Partnership with Families

We engage families as true partners, recognizing their inherent strengths and involving them in all critical life-affecting decisions.

Excellence and Accountability

Upholding high standards of integrity and providing supervisors with reflective tools to guide staff toward consistent, high-quality practice.

Outcomes that Matter

Using data to drive improvements in stability and reunification, while remaining accountable to the families and community we serve.

FY26 Snapshot-Monthly Averages YTD

182 Children in Care

43 Foster Families

198 Reports Screened

266 CPS Assessments

Adult & Aging Services

- Adult Day Care and Health
- Adult Placement Services
- Adult Protective Services (APS)
- In-Home Aide Services
- Guardianship Services
- Special Assistance In-Home Services
- Adult Care Home Licensure & Monitoring

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FY26 Snapshot – Monthly Averages

2,409 LunchPlus Meals Served

49 reports received for Adult Protective Services (APS)

Outreach Events: Cabarrus Adult Protection Network

177 Special Assistance In-Home

379 on the In-Home aide waiting list
(with no funding increases)

769 Adult & Aging Services Inquiries

73 Citizens Receiving Guardianship Services

15 on the Adult Day Health waiting list
(with no funding increases)

156 Seniors' Health Insurance Information Program (SHIIP) sessions

Nutrition Services: LunchPlus

Is a wellness program promoting health, independence, and social engagement through activities, education, and exercise.

Reduces isolation and promotes healthy aging by helping older adults remain at home longer and avoid costly interventions like placement.

LunchPlus is a vital community resource and model of preventative support.

Average Monthly Meals
2409

Average Monthly Individual
237

Located in all municipalities

Department Contact List

Hollye McCallum – DSS Director

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Thomas Mitchell – Deputy Director, Economic & Family Support

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Rekita McDuffie – Deputy Director, Social Work Programs

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Natalia Weaver – Program Administrator, Customer Service

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Phone: 704-920-1642

Tammy Bare – Program Administrator, Adult & Aging Services

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Phone: 704-920-1671

Cabarrus County
Health and Human Services

Department of Child Support Services

Susan Dillon,

Child Support Program Administrator

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Child Support Program Overview

The Child Support Program is mandated by Title IVD of the Social Security Act of 1975. It is an entitlement program available to anyone responsible for a child, regardless of income.

The Child Support program is considered a federal-state program because it is financed mostly by the federal government and is subject to federal rules and regulations but is administered by the state and operated by the county.

Services Available through CSS:

(1) Location of non-custodial parents
(2) Paternity establishment for children born outside of marriage
(3) Establishment of child and medical support obligations
(4) Collection and distribution of support payments
(5) Enforcement of monetary, medical and spousal support obligations

Child Support Specialized Units

- ❑ Intake and Locate- Manages incoming cases and ensures a smooth process for those seeking child support services, and performs locates on non-custodial parents

- ❑ Paternity and Establishment- Works to establish legal paternity for children and establishes an order for monetary support and medical insurance coverage

- ❑ Enforcement- Monitors and enforces court orders for child support, medical insurance and spousal support

- ❑ Modifications- Reviews requests for modification of child support orders for potential changes to the child support order based on a change in circumstances or other relevant factors

- ❑ Intergovernmental (Interstate)- Manages cases where one party resides outside the State of North Carolina

Child Support Funding

The Child Support Program is a successful federal-state-tribal partnership that seeks to promote economic stability for children whose parents live apart. The program collects $4.24 for every $1.00 in public funds invested.

Current Child Support funding streams include:

- ❑ The federal government provides open-ended matching funds (66%) for child support expenditures.
- ❑ Federal incentive payments are distributed based on performance, which must be reinvested into the program. In FY 2026, Cabarrus County is estimated to receive $269,596.
- ❑ Reimbursement at **66%** for program application fees and federal tax intercept fees
- ❑ Reinvested collections for Work First and Foster Care arrears cases

Key Performance Indicators FY 2026

NC Child Support Continuous Quality Improvement meetings are held monthly with Federal audits of the child support program occurring annually. In addition, IRS inspections are held every two years at various child support locations across North Carolina for compliance with IRS Publication 1075.

MEASURE	FY 2026 MOU Goal	MOU Goals as of 2/1/2026
Percent of Paternity Established	50%	102.79%
Percent of Cases Under Order	50%	89.03%
Percent of Current Support Paid	40%	73.40%
Percent of Cases with Arrears Paid	40%	69.45%

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For further information about Child Support, please reach out:

Susan Dillon
Program Administrator, Child Support Services
sydillon@cabarruscounty.us
704-920-1483

Cabarrus County
Health and Human Services

Department of Behavioral Health

Kamilah M. McKissick, Psy.D.

Behavioral Health Director

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What is Behavioral Health...

Behavioral health includes the emotions and behaviors that affect your overall well-being. It refers to the connection between behaviors and the health of the body, mind, and spirit.

The RIPPLE EFFECT of Mental Illness

Having a mental illness can make it challenging to live everyday life and maintain recovery. Let's look at some of the ways mental illness can impact lives — and how the impact can ripple out.

PERSON

People with serious mental illness have an increased risk for chronic disease, like diabetes or cancer

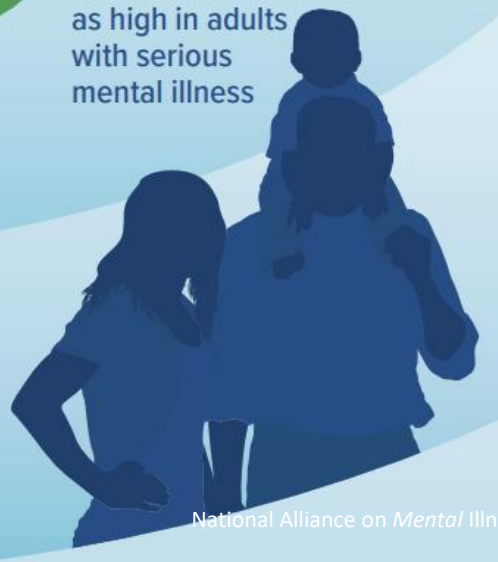
19% of U.S. adults with mental illness also have a substance use disorder

Rates of cardiometabolic disease are twice as high in adults with serious mental illness

FAMILY

At least **8.4 million** Americans provide care to an adult with an emotional or mental illness

Caregivers spend an average of **32 hours** per week providing unpaid care



National Alliance on *Mental* Illness

CabCo Behavioral Health Data

- From 7/1/25 to 12/31/25 Mobile Engagement served **593** Adults and **126** Children
- In 2025, EMS responded to **2839** calls related to behavioral health, psychiatric episodes, or substance use.
- In 2024, Emergency Room visits for mental health concerns included:
  - 5011 visits for anxiety
  - 4086 visits for depression
  - 1220 visits for suicidal ideation
  - 269 visits for self-inflicted injury
- In 2023, residents of Cabarrus County self-reported experiencing poor mental health for more than 16 days out of the past 30 days.

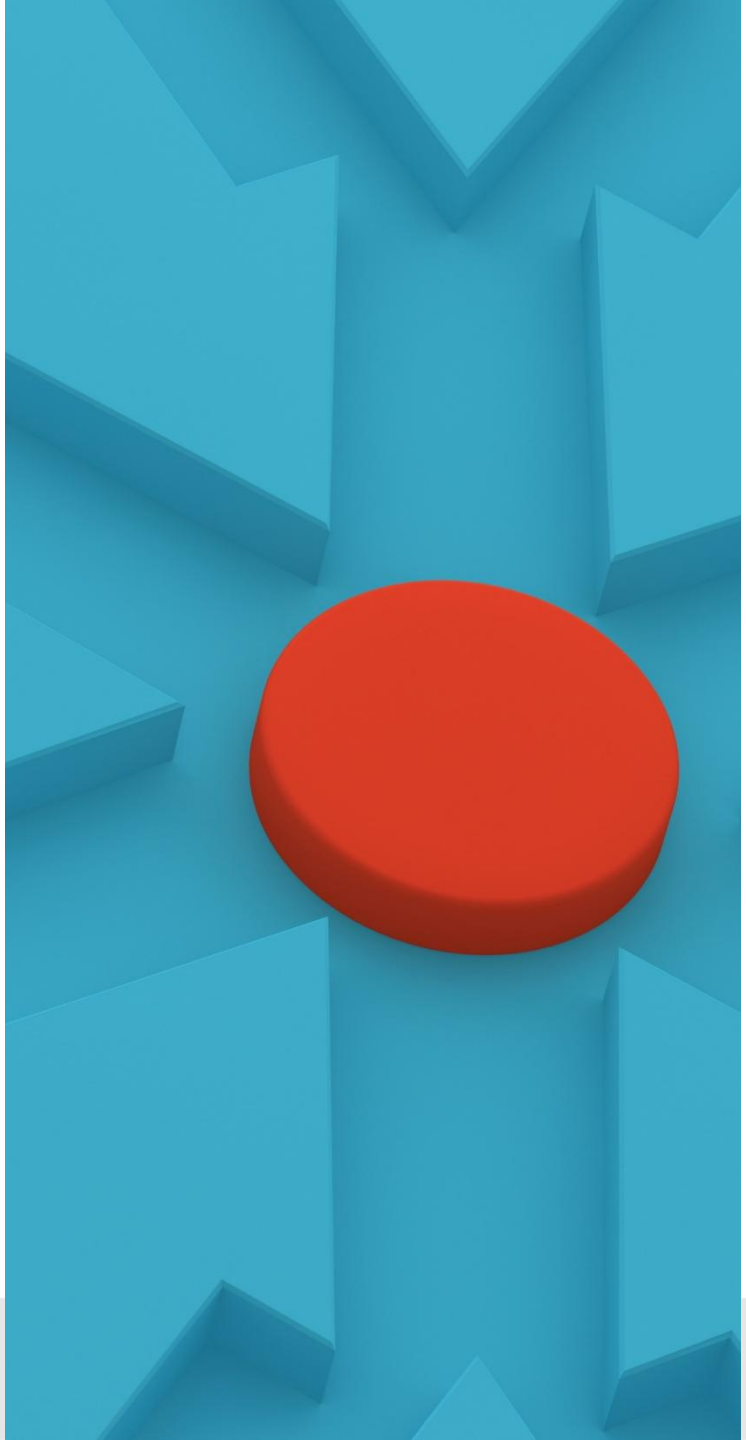
Our Focus

Reduce the burden of mental health issues for Cabarrus County residents

Provide guidance, knowledge, training and expertise to Cabarrus County's Human Services Department, and throughout the County and community, specific to BH issues and topics

Provide oversight of the construction, programming and development of the Regional Behavioral Health Center project

Serve as a liaison between Cabarrus County departments, and the assigned managed care organizations and health plans responsible for the management of publicly funded BH services and supports



Assess and Expand the Behavioral Health Landscape of CabCo

Community Collaborations

- Trauma-Informed Comprehensive Clinical Assessments (TiCCAs)-
- Mental Health Advisory Board
- Mental Health Taskforce
- Cabarrus County Crisis Collaborative
- Cabarrus County Community Collaborative
- MORES
- Cabarrus County Human Trafficking Taskforce
- Healthy Cabarrus Executive Board
- Cabarrus County Child Fatality and Prevention Team
- Safe Kids Cabarrus
- Local Interagency Coordinating Council
- Regional Behavioral Health Center Board
- Trauma-Informed Counties in Practice
- Behavioral Health member of the Multidisciplinary Team with the Cabarrus County Child Advocacy Center
- Cabarrus County Opioid Settlement Workgroup and Academy
- Human Services Advisory Board
- Community Needs Assessment Planning Council

Behavioral Health Trainings

- Resource Parenting Curriculum (RPC)
- Burnout and Self-Care
- Mental Health Education Topics
- Area Resources
- De-escalation Strategies
- Evidenced Based Practices
- Trauma-Informed Care
- Motivational Interviewing
- Mental Health First Aid
- Workplace Culture
- Support and help facilitate countywide initiatives focused on staff coping with civil incivility
- Design Your Own Training…

Regional Behavioral Health Center

Opening Summer 2026

If you have any additional questions, thoughts, etc., please contact:

Kamilah McKissick at:
kmmckissick@cabarruscounty.us

704-674-5255

Cabarrus County
Health and Human Services

Department of Transportation

Charles Ratliff

Transportation Manager

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Vision

Cabarrus County Transportation Services (CCTS) envisions a community where eligible individuals have reliable access to critical medical appointments and essential services. Through dedication, teamwork, and compassion, we strive to serve with excellence and make a meaningful, life-changing difference with every trip.

Cabarrus County Transportation Services

- Cabarrus County Transportation Services (CCTS) offers transit services to eligible Cabarrus County residents in all municipalities.
- Service Types:
  - Non-Emergency Medical Transportation (NEMT) – funded by Medicaid: Provide safe, reliable transportation for individuals who need assistance traveling to and from medical appointments but do not require emergency care (e.g., medical, behavioral health, pharmacy, etc.)
  - Employment & career development (i.e., RCCC and other vocational opportunities)
  - Nutrition sites (i.e., LunchPlus)
  - Trips for residents in rural areas eligible for Rural General Public (RGP) funded services

Staffing

- 4 Member Management Team
- 4 Call Center Representatives
- 2 Dispatchers/Schedulers
- 21 Full-Time Drivers
- 1 Auxiliary Driver
- 1 Fleet Support Coordinator

Funding Sources FY26

- 5310 - 65 and older
- 5310 CHA – related to public health services (COC is direct recipient)
- Elderly and Handicapped- 60 and older or handicapped (requires medical provider approval)
- Department of Aging
- Department of Social Services 19 CAP - Medicaid for non-medical appointments
- Department of Social Services 19 - Medicaid for medical appointments
- Managed Care – Broker for select Medicaid recipients (ModivCare subcontractor)
- Rural General Public (RGP) - Must live in a rural area and complete an application – partly subsidized by residents
- Social Services - Services to the Social Services office

Grants for FY26

- The City of Concord is the direct recipient of the Federal 5310 grant funding, and we operate as a sub-recipient under their administration.

5310	Applied	Awarded	Match %
Admin	$260,000	$72,964	50/50
Capital	$25,000	$20,000	80/20

- The amount requested while applying was an estimate of the total cost to run 5310 trips in FY26.

Year-to-date FY26

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN
TRIPS	4,670	5,335	5,473	5,802	4,461	4,726	4,429
TRIPS PER HOUR	1.67	2.08	2.7	2.2	2.45	1.86	1.6
ON TIME %	97.9%	96%	96%	96%	97%	96%	98%
WILL CALL RETURN TIME (minutes)	38	42	44	42	40	38	36
TAXI TRIPS	468	475	592	454	532	498	437
TAXI COST	$16,490	$17,765	$21,642	$19,150	$18,874	$18,499	$14,449
Managed Care Trips	16	206	233	212	159	142	137

Year Over Year

- Medicare trips can and will fluctuate yearly due to the introduction of tailored plans.

- We continue to experience growing demands in several areas:
  - Rural General Public (+122)
  - Elderly and Handicapped (+2,659)
  - 5310 (+207)
  - Department of Aging 1 (+916).

Department Contact List

Charles Ratliff - Transportation Manager

Email: crratliff@cabarruscounty.us

Phone: 704-920-2925

Jamie Smith - Driver Supervisor

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Kelly Strong - Operation and Training Supervisor

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Phone: 704-920-2922

Randy Turner - Driver Supervisor

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Phone: 704-920-2935

Cabarrus County
Health and Human Services

Department of Veteran Services

Jairous C. Gurley, Director

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Overview

The Cabarrus County Veteran Services office advocates for Veterans and their families by presenting, processing, and providing proof for claims, privileges, and rights to benefits they are entitled to under federal, state, and local laws. Benefits include pension, disability compensation, healthcare, education, memorial, life insurance, and appellate representation.

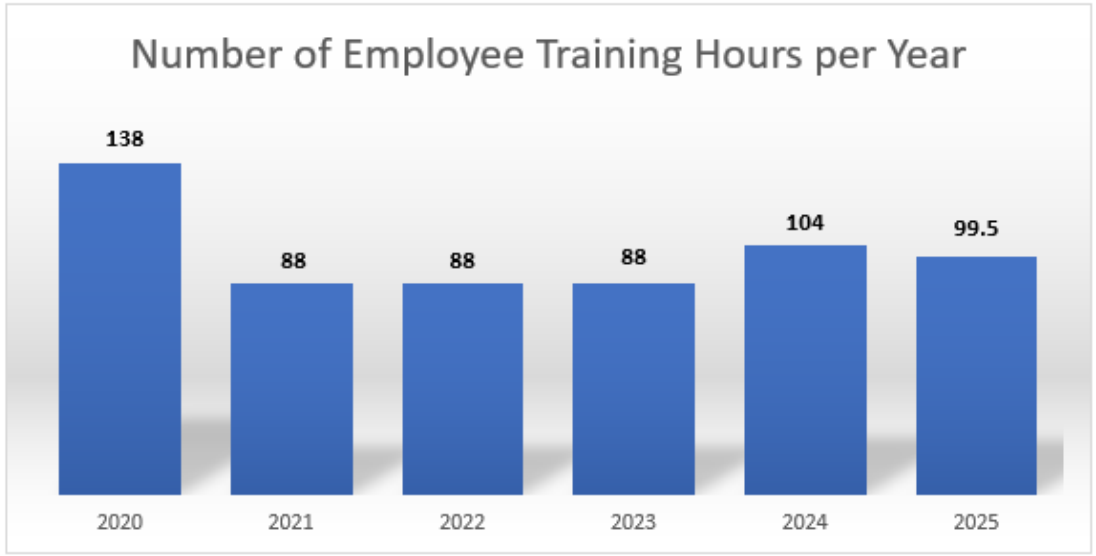
Programs Administered

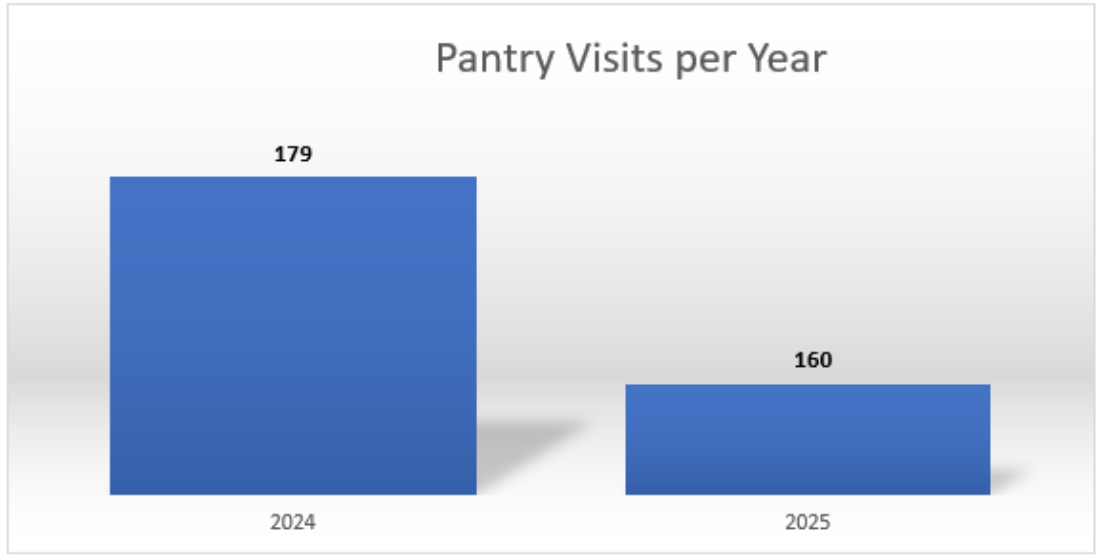
Disability Compensation	Veterans Pension/Survivors Pension
Veterans/Survivors/Dependent Education	Veterans Burial/Survivors Burial
Veterans Life Insurance/Medical/Dental	Housebound/Aid and Attendance/Will and Trust
Discharge Upgrades	Veterans/Survivors Pension
Disability Appellate Representation	ID Card Enrollment/Records Request

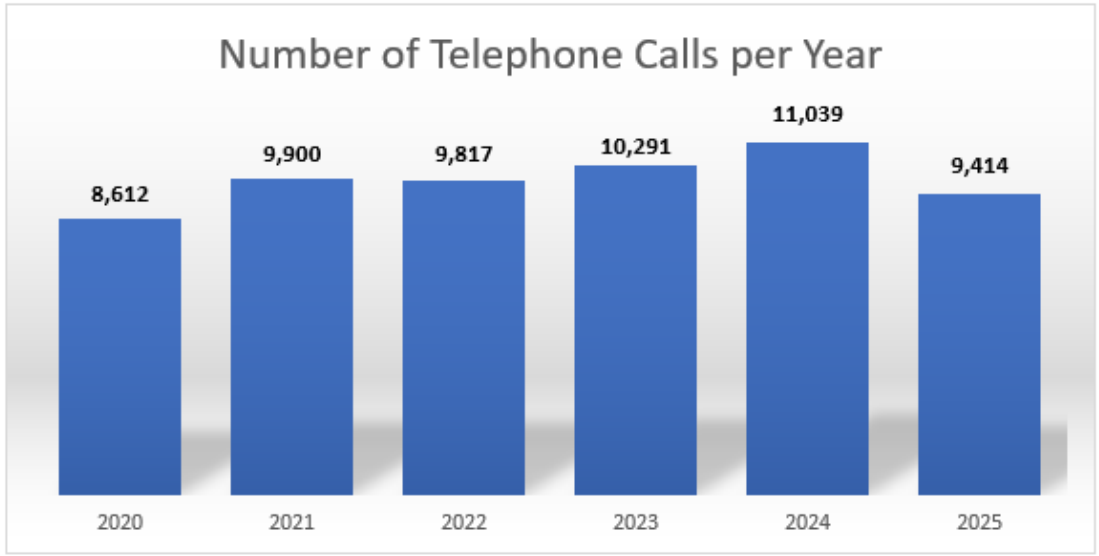
Legislative Changes Impacting Service Delivery

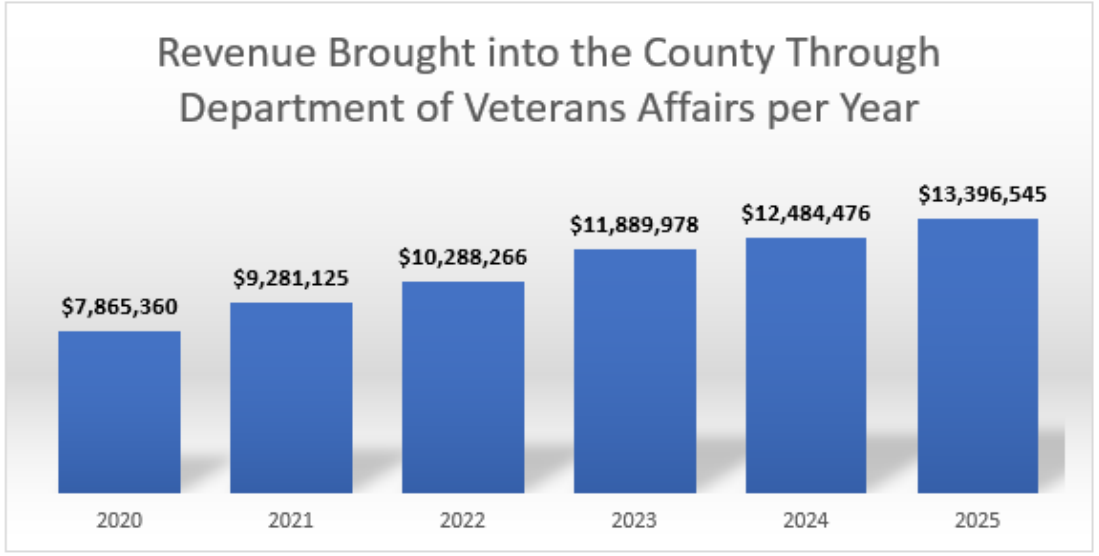
The Pact Act, signed into law in August 2022, was expanded on January 8, 2025. Its purpose is to extend VA health care and benefits to veterans exposed to burn pits in Iraq and Afghanistan, Agent Orange in Vietnam, contaminated water at Camp Lejeune, and toxins in the United States.
The Prioritizing Veterans' Survivors Act seeks to ensure that the VA gives priority to survivors' benefits, strengthening support for families of deceased veterans.
The Veterans Education Transparency and Training Act streamlines access to education benefits for veterans, eliminating lengthy waiting periods for job training or apprenticeships.

Five Year Performance Trends









For more information about Veteran Services please contact

Jairous C. Gurley, Director
Veterans Services, Cabarrus County
363 Church St. N, Concord, NC 28025
P.O. Box 707, Concord, NC 28026
O: 704-920-2868
F: 704-920-2870
www.cabarruscounty.us

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BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Boards and Committees - Active Living and Parks Commission - Removal

BRIEF SUMMARY:
Tim Cook has requested to be removed from his current appointment (term ending May 31, 2026) to the Midland Planning Area seat on the Active Living and Parks Commission due to moving out of planning district.

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:

Motion to remove Tim Cook from the Midland Planning Area seat on the Active Living and Parks Commission roster and thank him for his service.

EXPECTED LENGTH OF PRESENTATION:
1 Minute

SUBMITTED BY:
Byron Haigler - Active Living and Parks Director

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Membership List

Active Living and Parks Commission

Name	*Seat*	*Appointment*	*Term Expiration*
Active Living and Parks			
Emily Baldwin	Concord Planning Area	8/18/2025	1/31/2028
Patsy Brown	Eastern Planning Area	12/18/2023	1/31/2027
Ronnie Tucker	Senior Centers Adv. Committee	Perpetual	
	Cabarrus School Board	Perpetual	
Kenny Robinson	Central	8/18/2025	1/31/2028
Millicent Malit	Kannapolis	4/17/2023	4/30/2026
John Poole	At-Large	5/15/2023	5/31/2026
Kevin Clark	Kannpolis School Board	Perpetual	
Tim Cook	Midland	5/15/2023	5/31/2026
Megan Baumgardner	Northwest Cabarrus	8/18/2025	1/31/2026
Chad Roberts	Harrisburg	8/18/2025	1/31/2028

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Boards and Committees - Active Living and Parks Commission - Appointment

BRIEF SUMMARY:
Rebecca Chasteen applied for the Active Living and Parks Commission and is eligible to fulfill the unexpired term of Tim Cook's vacant Midland seat.

The Active Living and Parks Commission unanimously voted at the January 15, 2026 regular meeting to appoint Rebecca Chasteen for the remainder of that term.

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:

Motion to appoint Rebecca Chasteen to fill the unexpired term of the Midland Planning Area seat on the Active Living and Parks Commission ending May 31, 2026; and to include any necessary exceptions to the Appointment Policy.

EXPECTED LENGTH OF PRESENTATION:
1 Minute

SUBMITTED BY:
Byron Haigler - Active Living and Parks Director

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Membership List

Active Living and Parks Commission

Name	*Seat*	*Appointment*	*Term Expiration*
Active Living and Parks			
Emily Baldwin	Concord Planning Area	8/18/2025	1/31/2028
Patsy Brown	Eastern Planning Area	12/18/2023	1/31/2027
Ronnie Tucker	Senior Centers Adv. Committee	Perpetual	
	Cabarrus School Board	Perpetual	
Kenny Robinson	Central	8/18/2025	1/31/2028
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Kevin Clark	Kannpolis School Board	Perpetual	
Tim Cook	Midland	5/15/2023	5/31/2026
Megan Baumgardner	Northwest Cabarrus	8/18/2025	1/31/2026
Chad Roberts	Harrisburg	8/18/2025	1/31/2028

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Boards and Committees - Firefighter's Relief Fund Trustees - Appointments

BRIEF SUMMARY:
Annually participating fire departments in North Carolina must appoint trustees to oversee their relief fund. General statute requires the County Board of Commissioners to appoint two of the five member board for county volunteer fire departments. These departments submit a list of recommended names for consideration and appointment by the County Board of Commissioners.

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:

Motion to appoint Jerry Helms (Allen), David R. Blackwelder (Cold Water), Joey Houston (Flowes Store), Jeff Page (Georgeville), Joe Eudy (Midand), Jeff Russell (Mt. Mitchell), Steven Dixon (Mt. Pleasant Rural), Shawn Pike (Northeast Cabarrus), Danny Brown (Odell), and Dylan Ennis (Rimer) to terms expiring January 31st, 2028 and appoint James Isenhour (Northeast Cabarrus) to a term expiring January 31st, 2027 due to the current trustee no longer meeting general statute requirements to serve.

EXPECTED LENGTH OF PRESENTATION:
1 Minute

SUBMITTED BY:
Jacob Thompson, Fire Marshal

BUDGET AMENDMENT REQUIRED:

No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Boards and Committees - Human Services Advisory Board - Appointment

BRIEF SUMMARY:
Heather (Tonya) Anderson currently serves on the Human Services Advisory Board. Her term will expire February 28, 2026. It is recommended to reappoint her to a three-year term, which will expire February 28, 2029; and to include any necessary exceptions to the Appointment Policy.

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:

Motion to reappoint Heather (Tonya) Anderson the Human Services Advisory Board for a three-year term expiring February 28, 2029; and to include any necessary exceptions to the Appointment Policy.

EXPECTED LENGTH OF PRESENTATION:
1 Minute

SUBMITTED BY:
Aalece Pugh, Human Services Director/Assistant County Manager

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Membership List

Human Services Advisory Board

Name	*Seat*	*Appointment*	*Term Expiration*	*Number of Terms*	*Number of Boards Serving*
Human Services Advisory Board					
Dr. Heather Anderson	1	2/20/2023	2/28/2026	1	1
Erin Shoe	2	11/18/2024	6/30/2026		2
John Basilice	3	1/20/2026	12/31/2028	1	2
Patricia West	4	11/20/2023	12/31/2026	1	1
Angel Lugo	5	6/17/2024	6/30/2027	2	1

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Consolidated Human Services Agency - Home and Community Care Block Grant (HCCBG) - Budget Amendments

BRIEF SUMMARY:
The Home and Community Block Grant (HCCBG) provides funding for services to Senior programs, Transportation and Lunch Plus in Cabarrus County. The funding received for FY26 requires budget amendments to adjust the differences in the amounts.

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:

Motion to approve the budget amendments.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Tammy Bare, Adult and Aging Services Program Administrator

BUDGET AMENDMENT REQUIRED:
Yes

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Budget Amendment
- Budget Amendment
- Budget Amendment
- Allocation

Date: 3/16/2026 **Amount:** 7,106.00

Dept. Head: Hollye McCallum **Department:** Senior Services

☐ **Internal Transfer Within Department** ☐ **Transfer Between Departments/Funds** ☑ **Supplemental Request**

The county received an increase to the FY26 Home and Community Care Block Grant (HCCBF) funding plan. A budget amendment is requested to match the budget with the FY26 Funding Plan. There is a 10% local match.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
001	9	00195760-9445	Purchased Services	244,741.00	3,822.00		248,563.00
001	6	00165760-6215	HCCBG- In Home Aide	220,267.00	3,440.00		223,707.00
001	6	00165760-6901	Fund Balance Appropriate	-	382.00		382.00
001	9	00195760-9444	Adult Day Services	208,987.00	3,284.00		212,271.00
001	6	00165760-6301	HCCBG- Adult Day Services	188,088.00	2,956.00		191,044.00
001	9	00165760-6901	Fund Balance Appropriate	382.00	328.00		710.00
001	6						
001	6						
001	9						
001	9						
001							
001	6						
001	9						
001	6						
001	9						
							0.00
				862,465.00	14,212.00	-	876,677.00
						Total	0.00

Budget Officer

☐ Approved
☐ Denied

_____
Signature

_____
Date

County Manager

☐ Approved
☐ Denied

_____
Signature

_____
Date

Board of Commissioners

☐ Approved
☐ Denied

_____
Signature

_____
Date

Date: 3/16/2026 **Amount:** 24,975.00

Dept. Head: Hollye McCallum **Department:** Senior Services

☐ **Internal Transfer Within Department** ☐ **Transfer Between Departments/Funds** ☑ **Supplemental Request**

The county received the FY26 Home and Community Care Block Grant (HCCBF) funding plan. The Congregate Nutrition allotment was increased by $3,046 but USDA was decreased by $28, 021 for a total decrease to the budget of $24,975. A budget amendment is requested to match the budget with the FY26 Funding Plan. The 10% local match is included in the figures.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
001	6	00165750-6224-USDA	Congregate Nutrition	38,400.00		28,021.00	10,379.00
001	6	00165750-6224	Congregate Nutrition	135,604.00	3,046.00		138,650.00
001	9	00195750-9335	Food	206,169.08		16,169.08	190,000.00
001	9	00195750-9451	Host Agency Expenses	36,300.00		8,806.00	27,494.00
001							
001	6						0.00
001	9						0.00
001	6						
001	9						
							0.00
				416,473.08	3,046.00	52,996.08	366,523.00
						Total	0.00

Budget Officer

☐ Approved
☐ Denied

_____
Signature

_____
Date

County Manager

☐ Approved
☐ Denied

_____
Signature

_____
Date

Board of Commissioners

☐ Approved
☐ Denied

_____
Signature

_____
Date

Date: 3/16/2026 **Amount:** 4,920.00

Dept. Head: Hollye McCallum **Department:** Senior Services

☐ **Internal Transfer Within Department** ☐ **Transfer Between Departments/Funds** ☑ **Supplemental Request**

The county received an increase to the FY26 Home and Community Care Block Grant (HCCBF) funding plan. A budget amendment is requested to match the budget with the FY26 Funding Plan. There is a 10% local match.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
001	6	00165240-6223-HCCBG	Transportation Grant	233,089.00	4,920.00		238,009.00
001	9	00195240-9520	Auto & Truck Maintenance	430,435.00	4,920.00		435,355.00
001	9						0.00
001	9						0.00
001							
001	6						0.00
001	9						0.00
001	6						0.00
001	9						
							0.00
				663,524.00	9,840.00	-	673,364.00
						Total	0.00

Budget Officer

☐ Approved
☐ Denied

_____
Signature

_____
Date

County Manager

☐ Approved
☐ Denied

_____
Signature

_____
Date

Board of Commissioners

☐ Approved
☐ Denied

_____
Signature

_____
Date

HCCBG Budget

NAME AND ADDRESS
COMMUNITY SERVICE PROVIDER

Cabarrus County -combined
1303 S. Cannon Blvd
Kannapolis, NC 28083

FY26- increasse

Home and Community Care Block Grant for Older Adults

County Funding Plan

Provider Services Summary

DA-732 (Rev. 2/16)

County Cabarrus

July 1, 2025 through June 30, 2026

Revision# 732-1stAdj **Rev Date:** 09/01/25

FY26 - increase

			A				B	C	D	E	F	G	H	I
	Ser. Delivery (Check One)		Block Grant Funding				Required	Net*	USDA	Total	HCCBG	Projected Reimburse.	Projected HCCBG	
Services	Direct	Purch.	Access	In-Home	Other	Total	Local Match	Serv Cost	Subsidy	Funding	Units	Rate	Clients	
DSS-Adult Day Health		x	$ -	$191,044	$ -	$191,044	$ 21,227	$212,271	$ -	$212,271	2,564	$ 82.7895	21	
DSS-Congregate Nutrition		x	$ -	$ -	$138,650	$138,650	$ 15,406	$154,056	$10,379	$164,435	12,973	$ 11.8747	380	
DSS-In-Home Aide-Level II - PC		x	$ -	$67,980	$ -	$67,980	$ 7,553	$75,533	$ -	$75,533	3,589	$ 21.0475	15	
DSS-In-Home Aide-Level III - PC		x	$ -	$155,727	$ -	$155,727	$ 17,303	$173,030	$ -	$173,030	7,119	$ 24.3057	25	
DSS-Transportation (General)	x		$91,467	$ -	$ -	$91,467	$ 10,163	$101,630	$ -	$101,630	4,409	$ 23.0503	20	
DSS-Transportation (Medical)	x		$146,542	$ -	$ -	$146,542	$ 16,282	$162,824	$ -	$162,824	7,064	$ 23.0502	215	
DOC-Housing & Home Imprvmt		x	$ -	$ -	$61,945	$61,945	$ 6,883	$68,828	$ -	$68,828	-	$ -		
ALP-Senior Cntr Operation	x		$ -	$ -	$102,402	$102,402	$ 11,378	$113,780	$ -	$113,780	-	$ -		
MOW-Home Delivered Meals	x		$ -	$133,955	$ -	$133,955	$ 14,884	$148,839	$14,553	$163,392	18,191	$ 8.1822	300	
MOW-HDM NSIP	x		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	$ -	100	
						$ -	$ -	$ -	$ -	$ -	-	$ -	0	
						$ -	$ -	$ -		$ -	-	$ -	0	
			$ -			$ -	$ -	$ -		$ -				
Total			238,009	548,706	302,997	1,089,712	$121,079	$1,210,791	$24,931	$1,235,722	55909		1076	

Certification of required minimum local match availability. Required local match will be expended simultaneously with Block Grant Funding.

Authorized Signature, Title Community Service Provider — Date

Signature, County Finance Officer Required — Date

Signature, Chairman, Board of Commissioner Optional — Date

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Consolidated Human Services Agency (CHSA) - Transportation - Drug and Alcohol Policy

BRIEF SUMMARY:
Cabarrus County Transportation provides public transit and paratransit services for the residents of Cabarrus County. Part of our mission is to ensure that this service is delivered safely, efficiently, and effectively by establishing a drug and alcohol-free work environment and to ensure that the workplace remains free from the effects of drugs and alcohol in order to promote the health and safety of employees and the general public. In keeping with this mission, Cabarrus County Transportation declares that the unlawful manufacture, distribution, dispense, possession, or use of controlled substances or misuse of alcohol is prohibited by employees.

This policy is in accordance with United States Department of Transportation, Transportation Code "49 CFR Part 10".

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:

Motion to approve and adopt the Drug and Alcohol Policy.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Charles Ratliff, Transportation Manager

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Policy

DRUG AND ALCOHOL TESTING POLICY
Cabarrus County Transportation
Adopted as of 12/1/2025

A. PURPOSE

1) The Cabarrus County Transportation Services provides public transit and paratransit services for the residents of Cabarrus County. Part of our mission is to ensure that this service is delivered safely, efficiently, and effectively by establishing a drug and alcohol-free work environment, and to ensure that the workplace remains free from the effects of drugs and alcohol to promote the health and safety of employees and the public. In keeping with this mission, Cabarrus County Transportation Services declares that the unlawful manufacture, distribution, dispense, possession, or use of controlled substances or misuse of alcohol is prohibited for all employees.

2) Additionally, the purpose of this policy is to establish guidelines to maintain a drug and alcohol-free workplace in compliance with the Drug-Free Workplace Act of 1988, and the Omnibus Transportation Employee Testing Act of 1991. Covered employees shall abide by the terms of this policy statement as a condition of employment. This policy is intended to comply with all applicable Federal regulations governing workplace anti-drug and alcohol programs in the transit industry. Specifically, the Federal Transit Administration (FTA) of the U.S. Department of Transportation has published 49 CFR Part 655, as amended, that mandates drug and alcohol testing for safety-sensitive positions and prohibits performance of safety-sensitive functions when there is a positive test result, or a refusal to test. The U. S. Department of Transportation (USDOT) has also published 49 CFR Part 40, as amended, that sets standards for the collection and testing of specimens for drug and alcohol testing.

3) Any provisions set forth in this policy that are included under the sole authority of Cabarrus County Transportation Services and <u>are not</u> provided under the authority of the above-named Federal regulations are underlined. Tests conducted under the sole authority of Cabarrus County Transportation Services will be performed on non-USDOT forms and will be separate from USDOT testing in all respects.

B. APPLICABILITY

This Drug and Alcohol Testing Policy applies to all safety-sensitive employees (full- or part-time) when performing safety sensitive duties. See Attachment A for a list of employees and the authority under which they are included.

A safety-sensitive function is operation of public transit service including the operation of a revenue service vehicle (whether or not the vehicle is in revenue service), maintenance of a revenue service vehicle or equipment used in revenue service, security personnel who carry firearms, persons controlling the dispatch or movement of revenue service vehicles and any transit employee who operates a non-revenue service vehicle that requires a Commercial Driver's License to operate. Maintenance functions include the repair, overhaul, and rebuild of engines, vehicles and/or equipment used in revenue service. A list of safety-sensitive positions who perform one or more of the above-mentioned duties is provided in Attachment A. Supervisors are only safety sensitive if they perform one of the above functions. Volunteers are considered safety sensitive and subject to testing if they are required to hold a CDL or receive remuneration for service in excess of actual expense.

C. DEFINITIONS

Accident: An occurrence associated with the operation of a vehicle even when not in revenue service, if as a result:

a. An individual dies.
b. An individual suffers a bodily injury and immediately receives medical treatment away from the scene of the accident; or,
c. One or more vehicles incur disabling damage as the result of the occurrence and is transported away from the scene by a tow truck or other vehicle. For purposes of this definition, *disabling damage* means damage which precludes departure of any vehicle from the scene of the occurrence in its usual manner in daylight after simple repairs. Disabling damage includes damage to vehicles that could have been operated but would have been further damaged if so operated, but does not include damage which can be remedied temporarily at the scene of the occurrence without special tools or parts, tire disablement without other damage even if no spare tire is available, or damage to headlights, taillights, turn signals, horn, or windshield wipers that makes them inoperative.

Adulterated specimen: A specimen that has been altered, as evidence by test results showing either a substance that is not a normal constituent for that type of specimen or showing an abnormal concentration of an endogenous substance.

Alcohol: The intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohols contained in any beverage, mixture, mouthwash, candy, food, preparation or medication.

Alcohol Concentration: Expressed in terms of grams of alcohol per 210 liters of breath as indicated by a breath test under 49 CFR Part 40.

Aliquot: A fractional part of a specimen used for testing, it is taken as a sample representing the whole specimen.

Alternate specimen: An authorized specimen, other than the type of specimen previously collected or attempted to be collected.

Canceled Test: A drug or alcohol test that has a problem identified that cannot be or has not been corrected, or which is cancelled. A canceled test is neither positive nor negative.

Collection Site: A place selected by the employer where employees present themselves for the purpose of providing a specimen for a drug test.

Confirmatory Drug Test: A second analytical procedure performed on a different aliquot of the original specimen to identify and quantify a specific drug or drug metabolite.

Confirmatory Validity Test: A second test performed on a different aliquot of the original urine specimen to further support a validity test result.

Covered Employee Under FTA Authority: An employee who performs a safety-sensitive function including an applicant or transferee who is being considered for hire into a safety-sensitive function (See Attachment A for a list of covered employees).

Cutoff: The analytical value (e.g., drug or drug metabolite concentration) used as the decision point to determine a result (e.g., negative, positive, adulterated, invalid, or substituted) or the need for further testing.

Designated Employer Representative (DER): An employee authorized by the employer to take immediate action to remove employees from safety-sensitive duties and to make required decisions in testing. The DER also receives test results and other communications for the employer, consistent with the requirements of 49 CFR Parts 40 and 655.

DOT, The Department, DOT Agency: These terms encompass all DOT agencies, including, but not limited to, the Federal Aviation Administration (FAA), the Federal Railroad Administration (FRA), the Federal Motor Carrier Safety Administration (FMCSA), the Federal Transit Administration (FTA), the National Highway Traffic Safety Administration (NHTSA), the Pipeline and Hazardous Materials Safety Administration (PHMSA), and the Office of the Secretary (OST). For purposes of 49 CFR Part 40, the United States Coast Guard (USCG), in the Department of Homeland Security, is considered to be a DOT agency for drug testing purposes. These terms include any designee of a DOT agency.

Dilute specimen: A urine specimen with creatinine and specific gravity values that are lower than expected for human urine.

Disabling damage: Damage which precludes departure of any vehicle from the scene of the occurrence in its usual manner in daylight after simple repairs. Disabling damage includes damage to vehicles that could have been operated but would have been further damaged if so operated, but does not include damage which can be remedied temporarily at the scene of the occurrence without special tools or parts, tire disablement without other damage even if no spare tire is available, or damage to headlights, taillights, turn signals, horn, or windshield wipers that makes them inoperative.

Employee: Any person who is designated in a DOT agency regulation as subject to drug testing and/or alcohol testing. The term includes individuals currently performing safety-sensitive functions designated in DOT agency regulations and applicants for employment subject to pre-employment testing. For purposes of drug testing under 49 CFR Part 40, the term employee has the same meaning as the term "donor" as found on CCF and related guidance materials produced by the Department of Health and Human Services.

Evidential Breath Testing Device (EBT): A device approved by the NHTSA for the evidential testing of breath at the 0.02 and the 0.04 alcohol concentrations and appears on ODAPC's Web page for "Approved Evidential Breath Measurement Devices" because it conforms with the model specifications available from NHTSA.

Initial Drug Test: The first test used to differentiate a negative specimen from one that requires further testing for drugs or drug metabolites.

Initial Specimen Validity Test: The first test used to determine if a specimen is adulterated, diluted, substituted, or invalid

Invalid Result: The result reported by an HHS-certified laboratory in accordance with the criteria established by the HHS when a positive, negative, adulterated, or substituted result cannot be established for a specific drug or specimen validity test.

Laboratory: Any U.S. laboratory certified by HHS under the National Laboratory Certification Program as meeting the minimum standards of HHS; or, in the case of foreign laboratories, a laboratory approved for participation by DOT under 49 CFR Part 40.

Limit of Detection (LOD): The lowest concentration at which the analyte (e.g., drug or drug metabolite) can be identified.

Limit of Quantification (LOQ): For quantitative assays, the lowest concentration at which the identity and concentration of the analyte (e.g., drug or drug metabolite) can be accurately established.

Medical Review Officer (MRO): A licensed physician (medical doctor or doctor of osteopathy) responsible for receiving laboratory results generated by the drug testing program who has knowledge of substance abuse disorders and has appropriate medical training to interpret and evaluate an individual's confirmed positive test result, together with his/her medical history, and any other relevant bio-medical information.

Negative Dilute: A drug test result which is negative for the five drug/drug metabolites but has creatinine and specific gravity values that are lower than expected for human urine.

Negative result: The result reported by an HHS-certified laboratory to an MRO when a specimen contains no drug, or the concentration of the drug is less than the cutoff concentration for the drug or drug class and the specimen is a valid specimen. An alcohol concentration of less than 0.02 BAC is a negative test result.

Non-negative specimen: A specimen that is reported as adulterated, substituted, positive (for drug(s) or drug metabolite(s)), or invalid.

Oral Fluid Specimen: A specimen that is collected from an employee's oral cavity and is a combination of physiological fluids produced primarily by the salivary glands. An oral fluid specimen is considered to be a direct observation collection for all purposes of 49 CFR Part 40, as amended.

Oxidizing Adulterant: A substance that acts alone or in combination with other substances to oxidize drugs or drug metabolites to prevent the detection of the drug or metabolites or affects the reagents in either the initial or confirmatory drug test.

Performing (a safety-sensitive function): A covered employee is considered to be performing a safety-sensitive function and includes any period in which he or she is actually performing, ready to perform, or immediately available to perform such functions.

Positive result: The result reported by an HHS- Certified laboratory when a specimen contains a drug or drug metabolite equal or greater to the cutoff concentrations.

Primary specimen: In drug testing, the specimen bottle that is opened and tested by a first laboratory to determine whether the employee has a drug or drug metabolite in his or her system; and for the purpose of specimen validity

testing. The primary specimen is the portion of the donor's subdivided specimen designated as the primary (''A'') specimen by the collector to distinguish it from the split (''B'') specimen, as defined in 49 CFR Part 40, as amended.

Prohibited drug: Identified as marijuana, cocaine, opioids, amphetamines, or phencyclidine as specified in 49 CFR Part 40, as amended.

Reconfirmed: The result reported for a split (Bottle B) specimen when the second HHS-certified laboratory corroborates the original result reported for the primary (Bottle A) specimen.

Rejected for Testing: The result reported by an HHS- Certified laboratory when no tests are performed for specimen because of a fatal flaw or a correctable flaw that has not been corrected.

Revenue Service Vehicles: All transit vehicles that are used for passenger transportation service.

Safety-sensitive functions: Employee duties identified as:

(1) The operation of a transit revenue service vehicle even when the vehicle is not in revenue service.
(2) The operation of a non-revenue service vehicle by an employee when the operation of such a vehicle requires the driver to hold a Commercial Drivers License (CDL).
(3) Maintaining a revenue service vehicle or equipment used in revenue service.
(4) Controlling dispatch or movement of a revenue service vehicle and
(5) Carrying a firearm for security purposes.

Specimen: Fluid, breath, or other material collected from an employee at the collection site for the purpose of a drug or alcohol test.

Specimen Bottle: The bottle that, after being sealed and labeled according to the procedures in 49 CFR Part 40, is used to hold a primary ("A") or split ("B") specimen during the transportation to the laboratory. In the context of oral fluid testing, it may be referred to as a "vial," "tube," or "bottle."

Split Specimen: In drug testing, the specimen that is sent to a first laboratory and stored with its original seal intact, and which is transported to a second laboratory for retesting at the employee's request following MRO verification of the primary specimen as positive, adulterated or substituted.

Split specimen collection: A collection in which the single specimen collected is divided into two separate specimen bottles, the primary specimen (Bottle A) and the split specimen (Bottle B).

Substance Abuse Professional (SAP): A licensed physician (medical doctor or doctor of osteopathy) or licensed or certified psychologist, social worker, employee assistance professional, state-licensed or certified marriage and family therapist, or drug and alcohol counselor (certified by an organization listed at https://www.transportation.gov/odapc/sap) with knowledge of and clinical experience in the diagnosis and treatment of drug and alcohol related disorders.

Substituted specimen: An employee's specimen not consistent with a normal human specimen, as determined by HHS (e.g., a urine specimen, with creatinine and specific gravity values that are so diminished, or so divergent that they are not consistent with normal human urine).

Test Refusal: The following are considered a refusal to test if the employee:

(1) Fail to appear for any test (except a pre-employment test) within a reasonable time, as determined by the employer.
(2) Fail to remain at the collection site until the testing process is complete. An employee who leaves the testing site before the testing process commences for a pre-employment test has not refused to test.
(3) Fail to attempt to provide a specimen. An employee who does not provide a specimen because he or she has left the testing site before the testing process commenced for a pre-employment test has not refused to test.
(4) In the case of a directly observed or monitored urine collection in a drug test, fail to permit monitoring or observation of your provision of a specimen.
(5) Fail to provide a sufficient quantity of specimen without a valid medical explanation.
(6) Fail or decline to take an additional test as directed by the collector or the employer for drug testing.
(7) Fail to undergo a medical evaluation as required by the MRO or the employer's Designated Employer Representative (DER).
(8) Fail to cooperate with any part of the testing process.
(9) Fail to follow an observer's instructions to raise and lower clothing and turn around during a directly-observed urine collection.
(10) Possess or wear a prosthetic or other device used to tamper with the collection process.
(11) Admit to the adulteration or substitution of a specimen to the collector or MRO.
(12) Refuse to sign the certification at Step 2 of the Alcohol Testing Form (ATF).
(13) Fail to remain readily available following an accident.
(14) As a covered employee, if the MRO reports that you have a verified adulterated or substituted test result, you have refused to take a drug test.

Undiluted (neat) oral fluid: An oral fluid specimen to which no other solid or liquid has been added. For example: A collection device that uses a diluent (or other

component, process, or method that modifies the volume of the testable specimen) must collect at least 1 mL of undiluted (neat) oral fluid.

Urine specimen: Urine collected from an employee at the collection site for the purpose of a drug test.

Vehicle: A bus, electric bus, van, automobile, rail car, trolley car, trolley bus, or vessel. A public transit vehicle is a vehicle used for public transportation or for ancillary services.

Verified negative test: A drug test result reviewed by a medical review officer and determined to have no evidence of prohibited drug use at or above the minimum cutoff levels established by the Department of Health and Human Services (HHS).

Verified positive test: A drug test result reviewed by a medical review officer and determined to have evidence of prohibited drug use at or above the minimum cutoff levels specified in 49 CFR Part 40 as revised.

Validity testing: The evaluation of the specimen to determine if it is consistent with normal human urine. Specimen validity testing will be conducted on all specimens provided for testing under DOT authority. The purpose of validity testing is to determine whether certain adulterants or foreign substances were added to the specimen, if the specimen was diluted, or if the specimen was altered.

D. EDUCATION AND TRAINING

1) Every covered employee will receive a copy of this policy and will have ready access to the corresponding federal regulations including 49 CFR Parts 655 and 40, as amended. In addition, all covered employees will undergo a minimum of 60 minutes of training on the signs and symptoms of drug use including the effects and consequences of drug use on personal health, safety, and the work environment. The training also includes manifestations and behavioral cues that may indicate prohibited drug use.

2) All supervisory personnel or company officials who are in a position to determine employee fitness for duty will receive 60 minutes of reasonable suspicion training on the physical, behavioral, and performance indicators of probable drug use and 60 minutes of additional reasonable suspicion training on the physical, behavioral, speech, and performance indicators of probable alcohol misuse.

E. PROHIBITED SUBSTANCES

1) Prohibited substances addressed by this policy include the following.

a. Illegally Used Controlled Substance or Drugs Under the Drug-Free Workplace Act of 1988 any drug or any substance identified in Schedule I through V of Section 202 of the Controlled Substance Act (21 U.S.C. 812), and as further defined by 21 CFR 1308.11 through 1308.15 is prohibited at all times in the workplace unless a legal prescription has been written for the substance. This includes, but is not limited to marijuana, amphetamines, opioids, phencyclidine (PCP), and cocaine, as well as any drug not approved for medical use by the U.S. Drug Enforcement Administration or the U.S. Food and Drug Administration. Illegal use includes use of any illegal drug, misuse of legally prescribed drugs, and use of illegally obtained prescription drugs. It is important to note that the use of marijuana in any circumstances remains completely prohibited for any safety-sensitive employee subject to drug testing under USDOT regulations. The use of marijuana in any circumstance (including under state recreational and/or medical marijuana laws) by a safety-sensitive employee is a violation of this policy and a violation of the USDOT regulation 49 CFR Part 40, as amended.

   Federal Transit Administration drug testing regulations (49 CFR Part 655) require that all employees covered under FTA authority be tested for marijuana, cocaine, amphetamines, opioids, and phencyclidine as described in this policy. Illegal use of these five drugs is prohibited at all times and thus, covered employees may be tested for these drugs anytime that they are on duty.

b. Legal Drugs: The appropriate use of legally prescribed drugs and non-prescription medications is not prohibited. <u>However, the use of any substance which carries a warning label that indicates that mental functioning, motor skills, or judgment may be adversely affected must be reported to a Cabarrus County Transportation Services supervisor and the employee is required to provide a written release from his/her doctor or pharmacist indicating that the employee can perform his/her safety-sensitive functions.</u>

c. Alcohol: The use of beverages containing alcohol (including mouthwash, medication, food, candy) or any other substances containing alcohol in a manner which violates the conduct listed in this policy is prohibited.

F. <u>PROHIBITED CONDUCT</u>

1) Illegal use of the drugs listed in this policy and as defined in 49 CFR Part 40, as amended is prohibited at all times. All covered employees are prohibited from reporting for duty or remaining on duty if they have used a prohibited drug as defined in 49 CFR Part 40, as amended.

2) Each covered employee is prohibited from consuming alcohol while performing safety-sensitive job functions or while on-call to perform safety-sensitive job functions. If an on-call employee has consumed alcohol, they must acknowledge the use of alcohol at the time that they are called to report for duty. The covered employee will subsequently be relieved of his/her on-call responsibilities and subject to discipline for not fulfilling his/her on-call responsibilities.

3) The Transit Department shall not permit any covered employee to perform or continue to perform safety-sensitive functions if it has actual knowledge that the employee is using alcohol

4) Each covered employee is prohibited from reporting to work or remaining on duty requiring the performance of safety-sensitive functions while having an alcohol concentration of 0.04 or greater regardless of when the alcohol was consumed.

    a. An employee with a breath alcohol concentration which measures 0.02-0.039 is not considered to have violated the USDOT-FTA drug and alcohol regulations, provided the employee hasn't consumed the alcohol within four (4) hours of performing a safety-sensitive duty. However, if a safety-sensitive employee has a breath alcohol concentration of 0.02-0.039, USDOT-FTA regulations require the employee to be removed from the performance of safety-sensitive duties until:
        i. The employee's alcohol concentration measures less than 0.02; or
        ii. The start of the employee's next regularly scheduled duty period, but not less than eight hours following administration of the test.

5) No covered employee shall consume alcohol for eight (8) hours following involvement in an accident or until he/she submits to the post-accident drug/alcohol test, whichever occurs first.

6) No covered employee shall consume alcohol within four (4) hours prior to the performance of safety-sensitive job functions.

7) Cabarrus County Transportation Services, under its own authority, also prohibits the consumption of alcohol at all times the employee is on duty, or anytime the employee is in uniform.

8) Consistent with the Drug-free Workplace Act of 1988, all Cabarrus County Transportation Services employees are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of

prohibited substances in the workplace including transit system premises and transit vehicles.

G. DRUG STATUTE CONVICTION

Consistent with the Drug Free Workplace Act of 1998, all employees are required to notify the Cabarrus County Transportation Services management of any criminal drug statute conviction for a violation occurring in the workplace within five days after such conviction. Failure to comply with this provision shall result in disciplinary action as defined in this policy.

H. TESTING REQUIREMENTS

1) Drug testing and alcohol testing will be conducted as required by 49 CFR Part 40 as amended. All employees covered under FTA authority shall be subject to testing prior to performing safety-sensitive duty, for reasonable suspicion, following an accident, and random as defined in this policy, and return to duty/follow-up.

2) A drug test can be performed any time a covered employee is on duty. A reasonable suspicion, random, or follow-up alcohol test can only be performed just before, during, or after the performance of a safety-sensitive job function. Under Cabarrus County Transportation Services authority, a non-DOT alcohol test can be performed any time a covered employee is on duty.

All covered employees will be subject to drug testing and alcohol testing as a condition of ongoing employment with Cabarrus County Transportation Services. Any safety-sensitive employee who refuses to comply with a request for testing shall be removed from duty and subject to discipline as defined in this policy.

I. DRUG TESTING PROCEDURES

1) Testing shall be conducted in a manner to assure a high degree of accuracy and reliability and using techniques, equipment, and laboratory facilities which have been approved by the U.S. Department of Health and Human Service (HHS). All testing will be conducted consistent with the procedures set forth in 49 CFR Part 40, as amended. The procedures will be performed in a private, confidential manner and every effort will be made to protect the employee, the integrity of the drug testing procedure, and the validity of the test result.

2) The drugs that will be tested for include marijuana, cocaine, opioids, amphetamines, and phencyclidine. After the identity of the donor is checked using picture identification, a urine and/or oral fluid specimen will be collected as described in 49 CFR Part 40, as amended. Each specimen will be accompanied by a DOT Custody and Control Form and identified using a unique identification number that attributes the specimen to the correct individual. The specimen analysis will be conducted at a HHS certified laboratory. An initial drug screen and validity test will be conducted on the primary specimen. For those specimens that are not negative, a confirmatory test will be performed. The test will be considered positive if the amounts of the drug(s) and/or its metabolites identified by the confirmatory test are at or above the minimum thresholds established in 49 CFR Part 40, as amended.

3) The test results from the HHS certified laboratory will be reported to a Medical Review Officer. A Medical Review Officer (MRO) is a licensed physician with detailed knowledge of substance abuse disorders and drug testing. The MRO will review the test results to ensure the scientific validity of the test and to determine whether there is a legitimate medical explanation for a confirmed positive, substitute, or adulterated test result. The MRO will attempt to contact the employee to notify the employee of the non-negative laboratory result and provide the employee with an opportunity to explain the confirmed laboratory test result. The MRO will subsequently review the employee's medical history/medical records as appropriate to determine whether there is a legitimate medical explanation for a non-negative laboratory result. If no legitimate medical explanation is found, the test will be verified positive or refusal to test and reported to Cabarrus County Transportation Services If a legitimate explanation is found, the MRO will report the test result as negative.

4) If the test is invalid without a medical explanation, a retest will be conducted under direct observation. Employees do not have access to a test of their split specimen following an invalid result.

5) Any covered employee who questions the results of a required drug test may request that the split sample be tested. The split sample test must be conducted at a second HHS-certified laboratory. The test must be conducted on the split sample that was provided by the employee at the same time as the primary sample. The method of collecting, storing, and testing the split sample will be consistent with the procedures set forth in 49 CFR Part 40, as amended. The employee's request for a split sample test must be made to the Medical Review Officer within 72 hours of notice of the original sample verified test result. Requests after 72 hours will only be accepted at the discretion of the MRO if the delay was due to documentable facts that were beyond the control of the employee. Cabarrus County

Transportation Services will ensure that the cost for the split specimen analysis is covered in order for a timely analysis of the sample, however Cabarrus County Transportation Services will seek reimbursement for the split sample test from the employee.

6) If the analysis of the split specimen fails to confirm the presence of the drug(s) detected in the primary specimen, if the split specimen is not able to be analyzed, or if the results of the split specimen are not scientifically adequate, the MRO will declare the original test to be canceled.

7) Observed collections

   a. Consistent with 49 CFR Part 40, as amended, collection under direct observation with no advance notice will occur if:

      i. The laboratory reports to the MRO that a specimen is invalid, and the MRO reports to Cabarrus County Transportation Services that there was not an adequate medical explanation for the results

      ii. The MRO reports to Cabarrus County Transportation Services that the original positive, adulterated, or substituted test result had to be cancelled because the test of the split specimen could not be performed.

      iii. The laboratory reported to the MRO that the urine specimen was negative-dilute with a creatinine concentration greater than or equal to 2 mg/dL but less than or equal to 5 mg/dL, and the MRO reported the urine specimen as negative-dilute and that a second collection must take place under direct observation (see §40.197(b)(1)).

      iv. The collector observes materials brought to the collection site or the employee's conduct clearly indicates an attempt to tamper with a specimen.

      v. The temperature on the original urine specimen was out of range (See §40.65(b)(5)).

      vi. Anytime the employee is directed to provide another specimen because the original specimen appeared to have been tampered with (See §40.65(c)(1)).

      vii. All follow-up-tests; or

All return-to-duty tests ix. Urine collections that are required to be directly observed will be conducted by a person of the same gender as the donor as required by 49 CFR Part 40.67.

J. ALCOHOL TESTING PROCEDURES

1) Tests for breath alcohol concentration will be conducted utilizing a National Highway Traffic Safety Administration (NHTSA)-approved Evidential Breath Testing device (EBT) operated by a trained Breath Alcohol Technician (BAT). A list of approved EBTs can be found on ODAPC's Web page for "Approved Evidential Breath Measurement Devices". Alcohol screening tests may be performed using a non-evidential testing device (alcohol screening device (ASD)) which is also approved by NHTSA. A list of approved ASDs can be found on ODAPC's Web page for "Approved Screening Devices to Measure Alcohol in Bodily Fluids". If the initial test indicates an alcohol concentration of 0.02 or greater, a second test will be performed to confirm the results of the initial test. The confirmatory test must occur on an EBT. The confirmatory test will be conducted no sooner than fifteen minutes after the completion of the initial test. The confirmatory test will be performed using a NHTSA-approved EBT operated by a trained BAT. The EBT will identify each test by a unique sequential identification number. This number, time, and unit identifier will be provided on each EBT printout. The EBT printout, along with an approved alcohol testing form, will be used to document the test, the subsequent results, and to attribute the test to the correct employee. The test will be performed in a private, confidential manner as required by 49 CFR Part 40, as amended. The procedure will be followed as prescribed to protect the employee and to maintain the integrity of the alcohol testing procedures and validity of the test result.

2) A confirmed alcohol concentration of 0.04 or greater will be considered a positive alcohol test and in violation of this policy. The consequences of a positive alcohol test are described in this policy. Even though an employee who has a confirmed alcohol concentration of 0.02 to 0.039 is not considered positive, the employee shall still be removed from duty for at least eight hours or for the duration of the workday whichever is longer and will be subject to the consequences described in this policy. An alcohol concentration of less than 0.02 will be considered a negative test.

3) Cabarrus County Transportation Services affirms the need to protect individual dignity, privacy, and confidentiality throughout the testing process. If at any time the integrity of the testing procedures or the validity of the test results is compromised, the test will be canceled. Minor

inconsistencies or procedural flaws that do not impact the test result will not result in a cancelled test.

4) The alcohol testing form (ATF) required by 49 CFR Part 40 as amended, shall be used for all FTA required testing. Failure of an employee to sign step 2 of the ATF will be considered a refusal to submit to testing.

K. PRE-EMPLOYMENT TESTING

1) All applicants for covered transit positions shall undergo drug testing prior to performance of a safety-sensitive function.

   a. All offers of employment for covered positions shall be extended conditional upon the applicant passing a drug test. An applicant will not be allowed to perform safety-sensitive functions unless the applicant takes a drug test with verified negative results.

   b. An employee shall not be placed, transferred or promoted into a position covered under FTA authority or company authority until the employee takes a drug test with verified negative results.

   c. If an applicant fails a pre-employment drug test, the conditional offer of employment shall be rescinded, and the applicant will be provided with a list of at least two (2) USDOT qualified Substance Abuse Professionals. Failure of a pre-employment drug test will disqualify an applicant for employment for a period of at least one year. Before being considered for future employment the applicant must provide the employer proof of having successfully completed a referral, evaluation and treatment plan as described in section 655.62 of subpart G. The cost for the assessment and any subsequent treatment will be the sole responsibility of the applicant.

   d. When an employee being placed, transferred, or promoted from a non-covered position to a position covered under FTA authority or company authority submits a drug test with a verified positive result, the employee shall be subject to disciplinary action in accordance with this policy.

   e. If a pre-employment test is canceled, Cabarrus County Transportation Services will require the applicant to take and pass another pre-employment drug test.

   f. In instances where a FTA covered employee does not perform a safety-sensitive function for a period of 90 consecutive days or more

regardless of reason, and during that period is not in the random testing pool the employee will be required to take a pre-employment drug test under 49 CFR Part 655 and have negative test results prior to the conduct of safety-sensitive job functions.

g. Following a negative dilute the employee will be required to undergo another test. Should this second test result in a negative dilute result, the test will be considered a negative and no additional testing will be required unless directed to do so by the MRO.

h. Applicants are required (even if ultimately not hired) to provide Cabarrus County Transportation Services with signed written releases requesting USDOT drug and alcohol records from all previous, USDOT-covered, employers that the applicant has worked for within the last two years. Failure to do so will result in the employment offer being rescinded. Cabarrus County Transportation Services is required to ask all applicants (even if ultimately not hired) if they have tested positive or refused to test on a pre-employment test for a USDOT covered employer within the last two years. If the applicant has tested positive or refused to test on a pre-employment test for a USDOT covered employer, the applicant must provide Cabarrus County Transportation Services proof of having successfully completed a referral, evaluation and treatment plan as described in section 655.62 of subpart G.

L. REASONABLE SUSPICION TESTING

1) All Cabarrus County Transportation Services FTA covered employees will be subject to a reasonable suspicion drug and/or alcohol test when the employer has reasonable suspicion to believe that the covered employee has used a prohibited drug and/or engaged in alcohol misuse. Reasonable suspicion shall mean that there is objective evidence, based upon specific, contemporaneous, articulable observations of the employee's appearance, behavior, speech or body odor that are consistent with possible drug use and/or alcohol misuse. Reasonable suspicion referrals must be made by one or more supervisors who are trained to detect the signs and symptoms of drug and alcohol use, and who reasonably concludes that an employee may be adversely affected or impaired in his/her work performance due to possible prohibited substance abuse or alcohol misuse. A reasonable suspicion alcohol test can only be conducted just before, during, or just after the performance of a safety-sensitive job function. However, under Cabarrus County Transportation Services' authority, a non-DOT reasonable suspicion alcohol test may be performed any time the covered employee is

on duty. A reasonable suspicion drug test can be performed any time the covered employee is on duty.

2) Cabarrus County Transportation Services shall be responsible for transporting the employee to the testing site. Supervisors should avoid placing themselves and/or others into a situation which might endanger the physical safety of those present. The employee shall be placed on administrative leave pending disciplinary action described in this policy. An employee who refuses an instruction to submit to a drug/alcohol test shall not be permitted to finish his or her shift and shall immediately be placed on administrative leave pending disciplinary action as specified in this policy.

3) A written record of the observations which led to a drug/alcohol test based on reasonable suspicion shall be prepared and signed by the supervisor making the observation. This written record shall be submitted to the Cabarrus County Transportation Services

4) When there are no specific, contemporaneous, articulable objective facts that indicate current drug or alcohol use, but the employee (who is not already a participant in a treatment program) admits the abuse of alcohol or other substances to a supervisor in his/her chain of command, the employee shall be referred for assessment and treatment consistent with this policy. Cabarrus County Transportation Services shall place the employee on administrative leave in accordance with the provisions set forth under this policy. Testing in this circumstance would be performed under the direct authority of the Cabarrus County Transportation Services. **Since the employee self-referred to management, testing under this circumstance would not be considered a violation of this policy or a positive test result under Federal authority.** However, self-referral does not exempt the covered employee from testing under Federal authority as specified in this policy or the associated consequences.

M. POST-ACCIDENT TESTING

1) FATAL ACCIDENTS – A covered employee will be required to undergo drug and alcohol testing if they are involved in an accident with a transit vehicle, whether or not the vehicle is in revenue service at the time of the accident, that results in a fatality. This includes all surviving covered employees that are operating the vehicle at the time of the accident and any other whose performance could have contributed to the accident, as determined by the employer using the best information available at the time of the decision.

2) NON-FATAL ACCIDENTS – A post-accident test of the employee operating the public transportation vehicle will be conducted if an accident occurs and at least one of the following conditions is met:

   a. The accident results in injuries requiring immediate medical treatment away from the scene, unless the covered employee can be completely discounted as a contributing factor to the accident.
   b. One or more vehicles incurs disabling damage as a result of the occurrence and must be transported away from the scene, unless the covered employee can be completely discounted as a contributing factor to the accident

   In addition, any other covered employee whose performance could have contributed to the accident, as determined by the employer using the best information available at the time of the decision, will be tested.

As soon as practicable following an accident, as defined in this policy, the transit supervisor investigating the accident will notify the transit employee operating the transit vehicle and all other covered employees whose performance could have contributed to the accident of the need for the test. The supervisor will make the determination using the best information available at the time of the decision.

The appropriate transit supervisor shall ensure that an employee, required to be tested under this section, is tested as soon as practicable, but no longer than eight (8) hours of the accident for alcohol, and no longer than 32 hours for drugs. If an alcohol test is not performed within two hours of the accident, the Supervisor will document the reason(s) for the delay. If the alcohol test is not conducted within (8) eight hours, or the drug test within 32 hours, attempts to conduct the test must cease and the reasons for the failure to test documented.

Any covered employee involved in an accident must refrain from alcohol use for eight (8) hours following the accident, or until he/she undergoes a post-accident alcohol test.

An employee who is subject to post-accident testing who fails to remain readily available for such testing, including notifying a supervisor of his or her location if he or she leaves the scene of the accident prior to submission to such test, may be deemed to have refused to submit to testing.

Nothing in this section shall be construed to require the delay of necessary medical attention for the injured following an accident, or to prohibit an employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident, or to obtain necessary emergency medical care.

In the rare event that Cabarrus County Transportation Services is unable to perform an FTA drug and alcohol test (i.e., employee is unconscious, employee is detained by law enforcement agency), Cabarrus County Transportation Services may use drug and alcohol post-accident test results administered by local law enforcement officials in lieu of the FTA test. The local law enforcement officials must have independent authority for the test and the employer must obtain the results in conformance with local law.

N. RANDOM TESTING

1) All covered employees will be subjected to random, unannounced testing. The selection of employees shall be made by a scientifically valid method of randomly generating an employee identifier from the appropriate pool of safety-sensitive employees. Individuals who may be covered under company authority will be selected from a pool of non-DOT-covered individuals.

2) The dates for administering unannounced testing of randomly selected employees shall be spread reasonably throughout the calendar year, day of the week and hours of the day.

3) The number of employees randomly selected for drug/alcohol testing during the calendar year shall be not less than the percentage rates set each year by the FTA administrator. The current year testing rates can be viewed online at https://www.transportation.gov/odapc/random-testing-rates.

4) Each covered employee shall be in a pool from which the random selection is made. Each covered employee in the pool shall have an equal chance of selection each time the selections are made. Employees will remain in the pool and subject to selection, whether or not the employee has been previously tested. There is no discretion on the part of management in the selection.

5) Covered transit employees that fall under the Federal Transit Administration regulations will be included in one random pool maintained separately from the testing pool of non-safety-sensitive employees that are included solely under Cabarrus County Transportation Services authority.

6) Random tests can be conducted at any time during an employee's shift for drug testing. Alcohol random tests can only be performed just before, during, or just after the performance of a safety sensitive duty. However, under Cabarrus County Transportation Services authority, a non-DOT random alcohol test may be performed any time the covered employee is

on duty. Testing can occur during the beginning, middle, or end of an employee's shift.

7) Employees are required to proceed immediately to the collection site upon notification of their random selection.

O. RETURN-TO-DUTY TESTING

Cabarrus County Transportation Services will terminate the employment of any employee that tests positive or refuses a test as specified in this policy. However, in the rare event an employee is reinstated with court order or other action beyond the control of the transit system, the employee must complete the return-to-duty process prior to the performance of safety-sensitive functions. All covered employees who previously tested positive on a drug or alcohol test or refused a test, must test negative for drugs, alcohol (below 0.02 for alcohol), or both and be evaluated and released by the Substance Abuse Professional before returning to work. Following the initial assessment, the SAP will recommend a course of rehabilitation unique to the individual. The SAP will recommend the return-to-duty test only when the employee has successfully completed the treatment requirement and is known to be drug and alcohol-free and there are no undue concerns for public safety. The SAP will determine whether the employee returning to duty will require a return-to-duty drug test, alcohol test, or both.

P. FOLLOW-UP TESTING

Covered employees that have returned to duty following a positive or refused test will be required to undergo frequent, unannounced drug and/or alcohol testing following their return-to-duty test. The follow-up testing will be performed for a period of one to five years with a minimum of six tests to be performed the first year. The frequency and duration of the follow-up tests (beyond the minimums) will be determined by the SAP reflecting the SAP's assessment of the employee's unique situation and recovery progress. Follow-up testing should be frequent enough to deter and/or detect a relapse. Follow-up testing is separate and in addition to the random, post-accident, reasonable suspicion and return-to-duty testing.

In the instance of a self-referral or a management referral, the employee will be subject to non-USDOT follow-up tests and follow-up testing plans modeled using the process described in 49 CFR Part 40. However, all non-USDOT follow-up tests and all paperwork associated with an employee's return-to-work agreement that was not precipitated by a positive test result (or refusal to test) does not constitute a violation of the Federal regulations will be conducted under company authority and will be performed using non-DOT testing forms.

Q. RESULT OF DRUG/ALCOHOL TEST

1) Any covered employee that has a verified positive drug or alcohol test, or test refusal, will be immediately removed from his/her safety-sensitive position, informed of educational and rehabilitation programs available, and will be provided with a list of at least two (2) USDOT qualified Substance Abuse Professionals (SAP) for assessment, and will be terminated.

2) Following a negative dilute the employee will be required to undergo another test. Should this second test result in a negative dilute result, the test will be considered a negative and no additional testing will be required unless directed to do so by the MRO.

3) Refusal to submit to a drug/alcohol test shall be considered equivalent to a positive test result and a direct act of insubordination and shall result in termination and referral to a list of USDOT qualified SAPs. A test refusal is defined as any of the following circumstances:
    a. Fail to appear for any test (except a pre-employment test) within a reasonable time, as determined by the employer.
    b. Fail to remain at the collection site until the testing process is complete. An employee who leaves the testing site before the testing process commences for a pre-employment test has not refused to test.
    c. Fail to attempt to provide a specimen. An employee who does not provide a specimen because he or she has left the testing site before the testing process commenced for a pre-employment test has not refused to test.
    d. In the case of a directly observed or monitored urine collection in a drug test, fail to permit monitoring or observation of your provision of a specimen.
    e. Fail to provide a sufficient quantity of specimen without a valid medical explanation.
    f. Fail or decline to take an additional test as directed by the collector or the employer for drug testing.
    g. Fail to undergo a medical evaluation as required by the MRO or the employer's Designated Employer Representative (DER).
    h. Fail to cooperate with any part of the testing process.
    i. Fail to follow an observer's instructions to raise and lower clothing and turn around during a directly observed urine collection.
    j. Possess or wear a prosthetic or other device used to tamper with the collection process.
    k. Admit to the adulteration or substitution of a specimen to the collector or MRO.

l. Refuse to sign the certification at Step 2 of the Alcohol Testing Form (ATF).
m. Fail to remain readily available following an accident.
n. As a covered employee, if the MRO reports that you have a verified adulterated or substituted test result, you have refused to take a drug test.

4) An alcohol test result of ≥0.02 to ≤ 0.039 BAC shall result in the removal of the employee from duty for eight hours or the remainder or the workday whichever is longer. The employee will not be allowed to return to safety-sensitive duty for his/her next shift until he/she submits to a NONDOT alcohol test with a result of less than 0.02 BAC.

5) In the instance of a self-referral or a management referral, disciplinary action against the employee shall include:

a. Mandatory referral for an assessment by an employer approved counseling professional for assessment, formulation of a treatment plan, and execution of a return-to-work agreement;
b. Failure to execute or remain compliant with the return-to-work agreement shall result in termination from Cabarrus County Transportation Services employment.
    i. Compliance with the return-to-work agreement means that the employee has submitted to a drug/alcohol test immediately prior to returning to work; the result of that test is negative; the employee is cooperating with his/her recommended treatment program; and, the employee has agreed to periodic unannounced follow-up testing as described in this policy; however, all follow-up testing performed as part of a return-to-work agreement required under this policy is under the sole authority of Cabarrus County Transportation Services and will be performed using non-DOT testing forms.
c. Refusal to submit to a periodic unannounced follow-up drug/alcohol test shall be considered a direct act of insubordination and shall result in termination. **All tests conducted as part of the return-to-work agreement will be conducted under company authority and will be performed using non-DOT testing forms.**
d. **A self-referral or management referral to the employer's counseling professional that was not precipitated by a positive test result does not constitute a violation of the Federal regulations and will not be considered as a positive test result in relation to the progressive discipline defined in this policy**.
e. Periodic unannounced follow-up drug/alcohol testing conducted as a result of a self-referral or management referral which results in a

verified positive shall be considered a positive test result in relation to the progressive discipline defined in this policy.

f. A Voluntary Referral does not shield an employee from disciplinary action or guarantee employment with Cabarrus County Transportation Services.
g. A Voluntary Referral does not shield an employee from the requirement to comply with drug and alcohol testing.

6) Failure of an employee to report within five days a criminal drug statute conviction for a violation occurring in the workplace shall result in termination.

R. GRIEVANCE AND APPEAL

The consequences specified by 49 CFR Part 40.149 (c) for a positive test or test refusal is not subject to arbitration.

S. PROPER APPLICATION OF THE POLICY

Cabarrus County Transportation Services is dedicated to assuring fair and equitable application of this substance abuse policy. Therefore, supervisors/managers are required to use and apply all aspects of this policy in an unbiased and impartial manner. Any supervisor/manager who knowingly disregards the requirements of this policy, or who is found to deliberately misuse the policy in regard to subordinates, shall be subject to disciplinary action, up to and including termination.

T. INFORMATION DISCLOSURE

1) Drug/alcohol testing records shall be maintained by the Cabarrus County Transportation Services Drug and Alcohol Program Manager and, except as provided below or by law, the results of any drug/alcohol test shall not be disclosed without express written consent of the tested employee.

2) The employee, upon written request, is entitled to obtain copies of any records pertaining to their use of prohibited drugs or misuse of alcohol including any drug or alcohol testing records. Covered employees have the right to gain access to any pertinent records such as equipment calibration records, and records of laboratory certifications. Employees may not have access to SAP follow-up testing plans.

3) Records of a verified positive drug/alcohol test result shall be released to the Drug and Alcohol Program Manager, and other transit system management personnel on a need-to-know basis.

4) Records will be released to a subsequent employer only upon receipt of a written request from the employee.

5) Records of an employee's drug/alcohol tests shall be released to the adjudicator in a grievance, lawsuit, or other proceeding initiated by or on behalf of the tested individual arising from the results of the drug/alcohol test. The records will be released to the decision maker in the proceeding.

6) Records will be released to the National Transportation Safety Board during an accident investigation.

7) Information will be released in a criminal or civil action resulting from an employee's performance of safety-sensitive duties, in which a court of competent jurisdiction determines that the drug or alcohol test information is relevant to the case and issues an order to the employer to release the information. The employer will release the information to the decision maker in the proceeding with a binding stipulation that it will only be released to parties of the proceeding.

8) Records will be released to the DOT or any DOT agency with regulatory authority over the employer or any of its employees.

9) Records will be released if requested by a Federal, state or local safety agency with regulatory authority over Cabarrus County Transportation Services or the employee.

10) If a party seeks a court order to release a specimen or part of a specimen contrary to any provision of Part 40 as amended, necessary legal steps to contest the issuance of the order will be taken

11) In cases of a contractor or sub-recipient of a state department of transportation, records will be released when requested by such agencies that must certify compliance with the regulation to the FTA.

This Policy was adopted by the *Cabarrus County Board of Commissioners* on *3/2/2026.*

_____

Laura Lindsey, Chairman to Board of Commissioners

Attachment A

Job Title	***Job Duties***	***Testing Authority***
Driver Supervisor	Operation of a transit revenue service vehicle even when the vehicle is not in revenue service.	FTA
Operations and Training Supervisor	1) Operation of a transit revenue service vehicle even when the vehicle is not in revenue service. 2) Controlling the movement of a revenue service vehicle. 3) Maintaining a revenue service vehicle or equipment used in revenue service.	FTA
Transportation Driver	Operation of a transit revenue service vehicle even when the vehicle is not in revenue service.	FTA
Transportation Driver/Dispatcher	Controlling the movement of a revenue service vehicle.	FTA
Transportation Manager	1) Operation of a transit revenue service vehicle even when the vehicle is not in revenue service. 2) Controlling the movement of a revenue service vehicle. 3) Maintaining a revenue service vehicle or equipment used in revenue service.	FTA

Attachment B Contacts

Any questions regarding this policy or any other aspect of the substance abuse policy should be directed to the following individual(s).

Cabarrus County Transportation Services Drug and Alcohol Program Manager
Name: Kelly Strong
Title: Operations and Training Supervisor
Address: 1303 S Cannon Blvd Kannapolis, NC 28083
Telephone Number: 704-920-2922

Medical Review Officer
Name: Dr. Owensby
Title: MRO
Address: 681 Cabarrus Ave W Concord, NC 28027
Telephone Number: 800-451-3743

HHS Certified Laboratory Primary Specimen
Clinical Reference Lab
8433 Quivira, Lenexa, KS, 66215

Substance Abuse Professional #1
John Trombello
McLauglin Young Group
5925 Carnegie Blvd
Suite 350
Charlotte, NC 28209
704-529-1428

Substance Abuse Professional #2
Name: Cathy Norton
Title: Doctor, LPC, LCAS, SAP, CSOTP, SAE
Address: 3205 Randall Parkway, Suite 111 Wilmington NC 28403
Telephone: 910-408-7991

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Construction Standards - Request for Funds for Demolition

BRIEF SUMMARY:
On January 16, 2024, Cabarrus County adopted Ordinance No. 2024-01 due to receiving complaints regarding unsafe structure, public health nuisances and attractive nuisances that otherwise would not be able to be enforced using the Minimum Housing Code or the North Carolina Building Codes.

Construction Standards has declared a vacant building structure/manufactured home building located at 3445 Atando Drive, Concord North Carolina as an “Unsafe Structure” and has notified Cabarrus County (property owner) that we will be moving forward with condemnation of this structure. This structure has a dilapidated manufactured home that was added onto throughout the years. It has roof/floor and walls that are structurally damaged, no running water, electrical or HVAC, which violates both the Minimum Housing Code and the Unsafe Structure/Public Health Nuisance Ordinance.
Construction Standards recommends approval of funds from the Construction Standard’s Fund Balance for the cost of demolition and removal of property and debris at 3445 Atando Drive. Our lowest bid was in the amount of $31,800.00 and awarded to Cook’s Construction.

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:

Motion to approve moving $31,800 from the Construction Standards Fund Balance to the Construction Standards Purchased Services account and the budget amendment.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Matt Love, Construction Standards Director

BUDGET AMENDMENT REQUIRED:
Yes

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Memo
- Photos
- Minimum Housing Ordinance
- Adopted Nuisance/Safety Ordinance
- Budget Amendment

MEMORANDUM

To: Cabarrus County Board of Commissioners

From: Matt Love, Construction Standards Director

C.C: Kelly Sifford, Interim County Manager

Kyle Bilafer, Assistant County Manager

Date: 3/2/2026

Subject: Approval of Funds for Demolition of Property at 3445

On January 16, 2024, Cabarrus County adopted Ordinance No. 2024-01 due to having received complaints regarding Unsafe Structure, Public health nuisances and attractive nuisances that otherwise would not be able to be enforced using the Minimum Housing Code or the NC Building Codes.

Construction Standards has declared a vacant building structure/manufactured home building located at 3445 Atando Drive, Concord NC as an “Unsafe Structure” and has notified Cabarrus County (property owner) that we will be moving forward with condemnation of this structure. This structure has a dilapidated manufactured home that was added onto throughout the years that has roof/floor and walls are structurally damaged, no running water, electrical or HVAC which violates both the Minimum Housing Code and the Unsafe Structure/Public Health Nuisance Ordinance.

Construction Standards is recommending an approval of funds from the Construction Standard’s Fund Balance for the cost of demolition and removal of property and debris at 3445 Atando Drive. Our lowest bid was in the amount of $31,800.00 awarded to Cook’s Construction.

Attached with this memo is inspection photos, copy of ordinance as well as an Asbestos Survey. Please let me know if there are any questions.

Thanks,

Matt Love, Construction Standards Director

Chief Building Official

ARTICLE III. HOUSING CODE[1]

DIVISION 1. GENERALLY

Sec. 14-51. Purpose of article.

(a) Pursuant to G.S. 160D-1201, it is hereby declared that there exist in the county dwellings which are unfit for human habitation due to dilapidation; defects increasing the hazards of fire, accidents and other calamities; lack of ventilation, light and sanitary facilities; and other conditions rendering such dwellings unsafe or unsanitary, dangerous, and detrimental to the health, safety and morals, and otherwise inimical to the welfare of the residents of the county.

(b) In order to protect the health, safety and welfare of the residents of the county as authorized by part of G.S. 160D-202, it is the purpose of this article to establish minimum standards of fitness for the initial and continued occupancy of all buildings used for human habitation, as expressly authorized by G.S. 160D-1205.

(Ord. of 2-1-82, § I; Ord. No. 2021-32 , § 4, 12-20-21)

Sec. 14-52. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Basement means a portion of a dwelling which is located partly underground, having direct access to light and air from windows located above the level of the adjoining ground.

Cellar means a portion of a dwelling which is located partly or wholly underground having an inadequate access to light and air from windows located partly or wholly below of the adjoining ground.

Deteriorated means that a dwelling may be unfit for human habitation and can be repaired, altered, or improved to comply with all of the minimum standards established by this article at a cost not in excess of 50 percent of its value, as determined by finding of the chief building inspector.

Dilapidated means that a dwelling is unfit for human habitation and cannot be improved, repaired, or altered to comply with all of the minimum standards established by this article, except at a cost in excess of 50 percent of its value, as determined by the chief building inspector.

Dwelling means any building, structure, or part thereof which is wholly or partly used or intended to be used for living, sleeping or habitation by human occupants, and includes any outhouses and appurtenances belonging thereto or usually enjoyed therewith. Temporary housing shall not be regarded as a dwelling. The term shall include within its meaning the terms "roominghouse" and "rooming unit."

Dwelling unit means any room or group of rooms located within a dwelling and forming a single habitable unit with facilities which are used or intended to be used for living, sleeping, cooking and eating.

[1]State law reference(s)—Authority to adopt ordinances requiring minimum housing standards, G.S. 160A-443.

Extermination means the control and elimination of insects, rodents or other pests by removing or making inaccessible materials that may serve as their food; by poisoning, spraying, fumigating, or trapping; or by any other recognized and legal pest elimination methods approved by the chief building inspector.

Garbage means the waste resulting from the handling, preparation, cooking and consumption of food.

Habitable room means a room or enclosed floor space used or intended to be used for living, sleeping, cooking or eating purposes, excluding bathrooms, water closet compartments, laundries, heater rooms, foyers, or communicating corridors, closets and storage spaces.

Infestation means the presence, within or around a dwelling, of any insects, rodents or other pests in such number as to constitute a menace to the health, safety or welfare of the occupants or the public.

Multiple dwellings means any dwelling containing more than two dwelling units.

Occupant means any person over one year of age, living, sleeping, cooking or eating in, or having actual possession of a dwelling, dwelling unit or rooming unit.

Operator means any person who has charge, care or control of a building, or part thereof, in which dwelling units or rooming units are let.

Owner means any person who alone, jointly, or severally with others:

(1) Shall have title to any dwelling, dwelling unit or rooming unit, with or without accompanying actual possession thereof;

(2) Shall be a mortgagee of record for any dwelling, dwelling unit or rooming unit; or

(3) Shall have charge, care or control of any dwelling, dwelling unit or rooming unit, as owner or agent of the actual owner, or as executor, executrix, administrator, administratrix, trustee or guardian of the estate of the actual owner. Any such person thus representing the actual owner shall be bound to comply with the provisions of this article, and of rules and regulations adopted pursuant thereto, to the same extent as if he were the owner.

Party or parties in interest means all persons who have interests of record in a dwelling, dwelling unit or rooming unit and any persons who are in possession thereof.

Plumbing means and includes all of the following supplied facilities and equipment: gas pipes, gas burning equipment, water pipes, mechanical garbage disposal units (mechanical sink grinders), sewage disposal pipes, water closets, sinks, installed dishwashers, lavatories, bathtubs, shower baths, installed clothes washing machines, catchbasins, drains, vents, and any other similar supplied fixtures, together with all connections to water, sewer or gas lines.

Public authority means any officer who is in charge of any department or branch of the government of the county or the state relating to health, fire, building regulations or other activities concerning dwellings in the county.

Roominghouse means any dwelling, or that part of any dwelling containing one or more rooming units, in which space is let by the owner or operator to three or more persons who are not husband or wife, son or daughter, mother or father, or sister or brother of the owner or operator.

Rooming unit means any room or group of rooms forming a single habitable unit used or intended to be used for living and sleeping but not for cooking or eating purposes.

Rubbish means nonfood waste materials. The term shall include items such as: paper, rags, cartons, boxes, wood, excelsior, rubber, leather, tree branches, yard trimmings, tin cans, metals, mineral matter, glass and dust.

Supplied means paid for, furnished, provided by, or under the control of the owner or operator.

Temporary housing means any tent, trailer or other structure used for human shelter, which is designed to be transportable and which is not attached to the ground, to another structure, or to any utilities system on the same premises for more than 30 consecutive days.

Unfit for human habitation means that conditions exist in a dwelling, dwelling unit, roominghouse, or rooming unit which violate or do not comply with one or more of the minimum standards of fitness or one or more of the requirements established by this article.

Words having certain meaning. Whenever the words "dwelling, dwelling unit, roominghouse, rooming unit, premises" are used in this article, they shall be construed as though they were followed by the words "or any part thereof."

(Ord. of 2-1-82, § II)

Cross reference(s)—Definitions generally, § 1-2.

State law reference(s)—Similar definitions, G.S. 160A-442.

Sec. 14-53. Conflict of article with other provisions.

If any provision, standard, or requirement of this article is found to be in conflict with any provision of any other ordinance or code of the county, the provision which establishes the higher standard or more stringent requirement for the promotion and protection of the health and safety of the residents of the county shall prevail.

(Ord. of 2-1-82, § XX)

Sec. 14-54. Penalty for violation of article.

(a) It shall be unlawful for the owner of any dwelling or dwelling unit to fail, neglect, or refuse to repair, alter, or improve the same, or to vacate and close and remove or demolish and remove the same, upon order of the chief building inspector duly made and served as provided in this chapter, within the time specified in such order. Each day that any such failure, neglect, or refusal to comply with such order continues shall constitute a separate and distinct offense.

(b) It shall be unlawful for the owner of any dwelling or dwelling unit, with respect to which an order has been issued pursuant to section 14-98, to occupy or permit the occupancy of the same after the time prescribed in such order for its repair, alteration or improvement or its vacation and closing. Each day that such occupancy continues after such prescribed time shall constitute a separate and distinct offense.

(c) The violation of any provision of this article shall constitute a misdemeanor, as provided by G.S. 14-4.

(d) In addition to the penalty established by subsection (c) of this section, and the remedies provided by other provision of this article, this article may be enforced by an appropriate equitable remedy issued by a court of competent jurisdiction.

(Ord. of 2-1-82, § XXI)

Secs. 14-55—14-70. Reserved.

DIVISION 2. MINIMUM STANDARDS

Sec. 14-71. Fitness for dwellings and dwelling units.

(a) Every dwelling and dwelling unit used as a human habitation, or held out for use as a human habitation, shall comply with all of the minimum standards of fitness for human habitation and all of the requirements of sections 14-72 through 14-77.

(b) No person shall occupy as owner-occupant, or let to another for occupancy or use as a human habitation any dwelling or dwelling unit which does not comply with all of the minimum standards of fitness for human habitation and all of the requirements of sections 14-72 through 14-77.

(c) A violation of this section is punishable as a misdemeanor.

(Ord. of 2-1-82, § III; Ord. No. 2021-32 , § 4, 12-20-21)

Sec. 14-72. Structural condition.

The following standards shall constitute the minimum standards for structural condition of a dwelling or dwelling unit:

(1) Walls or partitions or supporting members, sills, joists, rafters, or other structural members shall not list, lean or buckle; shall not be rotten, deteriorated, or damaged; and shall not have holes or cracks which might admit rodents.

(2) Floors or roofs shall have adequate supporting members and strength to be reasonably safe for the purpose used.

(3) Foundations, foundation walls, piers or other foundation supports shall not be deteriorated or damaged.

(4) Steps, stairs, landings, porches, or other parts or appurtenances shall be maintained in such condition that they will not fail or collapse.

(5) Adequate facilities for egress in case of fire or panic shall be provided.

(6) Interior walls and ceilings of all rooms, closets and hallways shall be finished of suitable materials, which will, by use of reasonable household methods promote sanitation and cleanliness, and shall be maintained in such a manner so as to enable the occupants to maintain reasonable privacy between various spaces.

(7) The roof, flashings, exterior walls, floors, and all doors and windows exposed to the weather shall be constructed and maintained so as to be weathertight and watertight.

(8) There shall be no chimneys or parts thereof which are defective, deteriorated or in danger of falling, or in such condition or location as to constitute a fire hazard.

(9) There shall be no use of the ground for floors, or wood floors on the ground.

(Ord. of 2-1-82, § IV)

Sec. 14-73. Basic plumbing, heating and electrical equipment and facilities.

(a) *Plumbing system.* Every dwelling and dwelling unit shall have facilities for providing plumbing in accordance with the following:

(1) Each dwelling unit should be connected to a potable water supply and to a public sewer or other approved sewage disposal system.

(2) Each dwelling unit should contain not less than a kitchen sink, lavatory, tub or shower, water closet, and adequate supply of both cold water and hot water. All water shall be supplied through an approved pipe distribution system connected to a potable water supply.

(3) All existing plumbing fixtures shall meet the standards of the state plumbing code and shall be maintained in a state of good repair and in good working order.

(4) All existing required plumbing fixtures shall be located within the dwelling unit and be accessible to the occupants of such dwelling unit. The water closet and tub or shower shall be located in a room or rooms affording privacy to the user.

(b) *Heating system.* Every dwelling and dwelling unit shall have facilities for providing heat in accordance with the following:

(1) *Central and electric heating systems.* Every central or electric heating system shall be of sufficient capacity to heat all habitable rooms, bathrooms and water closet compartments in every dwelling unit to which it is connected with a minimum temperature of 60 degrees Fahrenheit, measured at a point three feet above the floor during ordinary winter conditions.

(2) *Other heating facilities.* Where a central or electric heating system is not provided, each dwelling and dwelling unit shall be provided with sufficient fireplaces, chimneys, flues, gas vents or other facilities to which heating appliances may be connected to heat all habitable rooms with a minimum temperature of 60 degrees Fahrenheit, measured three feet above the floor during ordinary winter conditions.

(c) *Electrical system.* Every dwelling and dwelling unit shall have facilities for providing electricity in accordance with the following:

(1) Every dwelling and dwelling unit shall be wired for electric lights and convenience receptacles. Every habitable room shall contain at least two floor or wall-type electric convenience receptacles, connected in such manner as determined by the state electrical code. There shall be installed in every bathroom, water closet room, laundry room and furnace room at least one supplied ceiling or wall-type electric light fixture.

(2) Every public hall and stairway in every multiple dwelling shall be adequately lighted by electric lights at all times when natural daylight is not sufficient.

(3) All fixtures, receptacles, equipment and wiring shall be maintained in a state of good repair, safe, capable of being used, and installed in accordance with the state electrical code.

(Ord. of 2-1-82, § V)

Sec. 14-74. Ventilation.

(a) *General.* Every habitable room shall have at least one window or skylight facing directly to the outdoors unless approved by the chief building inspector.

(b) *Habitable rooms.* Every habitable room shall have at least one window or skylight which can easily be opened, or such other device, such as air conditioning, as will adequately ventilate the room.

(c) *Bathroom and water closet rooms.* Every bathroom and water closet room shall comply with the light and ventilation requirements for habitable rooms, except that no window or skylight shall be required in adequately ventilated bathrooms and water closet rooms equipped with an approved ventilation system.

(Ord. of 2-1-82, § VI)

Sec. 14-75. Space, use and location.

(a) *Room sizes.* Every dwelling unit shall contain at least the minimum room size in each habitable room as required by the state residential building code. Every dwelling unit shall contain at least 150 square feet of habitable floor area for the first occupant, at least 100 square feet of additional habitable area for each of the next three occupants, and at least 75 square feet of additional habitable floor area for each additional occupant. Under this requirement, a family of four persons would need 450 square feet of habitable floor area or the equivalent of a 20-foot by 25-foot dwelling unit. In every dwelling unit and in every rooming unit, every room occupied for sleeping purposes by one occupant shall contain at least 70 square feet of floor area, and every room occupied for sleeping purposes by more than one occupant shall contain at least 50 square feet of floor area for each occupant 12 years of age and older and at least 35 square feet of floor area for each occupant under 12 years of age.

(b) *Cellar.* No cellar shall be used for living purposes.

(c) *Basements.* No basement shall be used for living purposes unless:

(1) The floor and walls are substantially watertight;

(2) Every habitable room shall have at least one window facing directly to the outdoors which can be easily opened. If other ventilation approved by the chief building inspector is provided, the window need not be openable;

(3) The window area of every habitable room is entirely above the grade adjoining such window area, except where the window or windows face a stairwell, window well or accessway.

(Ord. of 2-1-82, § VII)

Sec. 14-76. Safe and sanitary maintenance.

(a) *Exterior foundation, walls and roofs.* Every foundation wall, exterior wall and exterior roof shall be substantially weathertight and rodentproof; shall be capable of affording privacy; shall be safe to use and capable of supporting the load which normal use would cause to be placed thereon.

(b) *Interior floors, walls and ceilings.* Every floor, interior wall and ceiling shall be substantially rodentproof; shall be kept in sound condition and good repair; and shall be safe to use and capable of supporting load which normal use would cause to be placed thereon.

(c) *Windows and doors.* Every window, exterior door, basement or cellar door and hatchway shall be substantially weathertight, watertight, rodentproof and shall be kept in sound working condition and good repair.

(d) *Stairs, porches and appurtenances.* Every outside and inside stair, porch and any appurtenance thereto shall be safe to use and capable of supporting the load that normal use would cause to be placed thereon and shall be kept in sound condition and good repair.

(e) *Bathroom floors.* Every bathroom floor surface and water closet compartment floor surface shall be constructed and maintained so that it will be reasonably impervious to water and will permit such floor to be easily kept in a clean and sanitary condition.

(f) *Supplied facilities.* Every supplied facility, piece of equipment of utility which is required under this division shall be so constructed or installed that it will function safely and effectively and shall be maintained in satisfactory working condition.

(g) *Drainage.* Every yard shall be properly graded in order to obtain thorough drainage and to prevent the accumulation of stagnant water.

(h) *Egress.* Every dwelling unit shall be provided with adequate means of egress (exit), as required by the state residential building code.

(Ord. of 2-1-82, § VIII)

Sec. 14-77. Control of insects, rodents, and infestations.

(a) *Screens.* In every dwelling unit for protection against mosquitoes, flies and other insects, every door opening directly from a dwelling unit to outdoor space shall be equipped with screens and a self-closing device. If other ventilation, approved by the chief building inspector, is used, doors need not be screened. Every window or other device with openings to outdoor space, used or intended to be used for ventilation, shall likewise be equipped with screens.

(b) *Rodent control.* Every basement or cellar window used or intended to be used for ventilation and every other opening to a basement which might provide an entry for rodents shall be equipped with screens or such other approved device as will effectively prevent their entrance.

(c) *Infestation.* Every occupant of a dwelling containing a single dwelling unit shall be responsible for the extermination of any insects, rodents or other pests therein or on the premises; and every occupant of a dwelling unit shall be responsible for such extermination whenever his dwelling unit is the only one infested. Whenever infestation is caused by failure of the owner to maintain a dwelling in a rodentproof or reasonably insectproof condition, extermination shall be the responsibility of the owner. Whenever infestation exists in two or more of the dwelling units in any dwelling or in the shared or public parts of any dwelling containing two or more dwelling units, extermination shall be the responsibility of the owner.

(d) *Rubbish storage and disposal.* Every dwelling and every dwelling unit shall be supplied with approved containers and covers for storage of rubbish. The owner, operator or agent in control of such dwelling or dwelling unit shall be responsible for the removal of rubbish.

(e) *Garbage storage and disposal.* Every dwelling and every dwelling unit shall be supplied with an approved garbage disposal facility, which may be an approved outside garbage can or an adequate mechanical garbage disposal unit, mechanical sink grinder, in each dwelling unit.

(Ord. of 2-1-82, § IX)

Sec. 14-78. Applicable to roominghouses; exceptions.

All the provisions of this article and all of the minimum standards and requirements of this division shall be applicable to roominghouses, and to every person who operates a roominghouse, or who occupies or lets to another for occupancy and any rooming unit in any roominghouse, except as provided in the following subsections:

(1) *Water closet, hand lavatory and bath facilities.* At least one water closet, lavatory basin and bathtub or shower, properly connected to an approved water and sewer system and in good working condition, shall be supplied for each four rooms within a roominghouse, wherever these facilities are shared. All such facilities shall be located within the residence building served, shall be directly accessible from a common hall or passageway, and shall not be more than one story removed from any of the persons sharing such facilities. Every lavatory basin and bathtub or shower shall be supplied with hot and cold water at all times. Such required facilities shall not be located in a cellar.

(2) *Minimum floor area for sleeping purposes.* Every room occupied for sleeping purposes by one occupant shall contain at least 70 square feet of floor area, and every room occupied for sleeping purposes by more than one occupant shall contain at least 50 square feet of floor area for each occupant 12 years of age and over and at least 35 square feet of floor area for each occupant under 12 years of age.

(3) *Sanitary conditions.* The operator of every roominghouse shall be responsible for the sanitary maintenance of all walls, floors, and ceilings, and for the sanitary maintenance of every other part of the roominghouse. He shall be further responsible for the sanitary maintenance of the entire premises where the entire structure or building within which the roominghouse is contained is leased or occupied by the operator.

(4) *Sanitary facilities.* Every water closet, flush urinal, lavatory basin and bathtub or shower required by subsection (1) of this section shall be located within the roominghouse and within rooms which afford privacy, are separate from the habitable rooms, are accessible from a common hall, and are accessible without going outside the roominghouse or through any other room therein.

(Ord. of 2-1-82, § X)

Sec. 14-79. Responsibilities of owner and occupants.

(a) *Public areas.* Every owner of a dwelling containing two or more dwelling units shall be responsible for maintaining in a clean and sanitary condition the shared or public areas of the dwelling and premises thereof.

(b) *Cleanliness.* Every occupant of a dwelling or dwelling unit shall keep in a clean and sanitary condition that part of the dwelling, dwelling unit and premises thereof which he occupies and controls.

(c) *Rubbish and garbage.* Every occupant of a dwelling or dwelling unit shall dispose of all his rubbish and garbage in a clean and sanitary manner by placing it in the supplied storage facilities. In all cases, the owner shall be responsible for the availability of rubbish and garbage storage facilities.

(d) *Supplied plumbing fixtures.* Every occupant of a dwelling unit shall keep all supplied plumbing fixtures therein in a clean and sanitary condition and shall be responsible for the exercise of reasonable care in the proper use and operation of such plumbing fixtures.

(e) *Care of facilities, equipment and structure.* No occupant shall willfully destroy, deface, or impair any of the facilities or equipment, or any part of the structure of a dwelling or dwelling unit. Willful destruction of the premises by the occupant shall be deemed legal grounds for eviction.

(Ord. of 2-1-82, § XI)

Secs. 14-80—14-95. Reserved.

DIVISION 3. ADMINISTRATION AND ENFORCEMENT

Sec. 14-96. Powers and duties of the chief building inspector.

The chief building inspector is hereby designated as the housing inspector, the officer to enforce the provisions of this article and to exercise the duties and powers prescribed in this section. The chief building inspector shall have the following powers and duties:

(1) Investigate the conditions, and to inspect dwellings and dwelling units located in the county, in order to determine which dwellings and dwelling units are unfit for human habitation, and for the purpose of carrying out the objectives of this article with respect to such dwellings and dwelling units;

(2) Take such action, together with other appropriate departments and agencies, public and private, as may be necessary to effect rehabilitation of housing which is deteriorated;

(3) Keep a record of the results of inspections made under this article and an inventory of those dwellings that do not meet the minimum standards of fitness prescribed in this article;

(4) Administer oaths and affirmations, examine witnesses and receive evidence;

(5) Enter upon premises for the purpose of making examinations and inspections, provided such entries shall be made in accordance with section 14-97 and state law, and shall be made in such manner as to cause the least possible inconvenience to the persons in possession;

(6) Appoint and fix, upon approval of the county manager, the duties of such officers, agents, and employees as he deems necessary to assist in carrying out the purposes of this division, and to delegate any of his functions and powers to such officers, agents, and employees; and

(7) Perform such other duties as may be prescribed in this section or by the board of county commissioners.

(Ord. of 2-1-82, § XII)

Sec. 14-97. Inspections; duty of owners and occupants.

(a) For the purposes of making inspections, the chief building inspector is hereby authorized to enter, examine and survey at all reasonable times all dwellings, dwelling units, roominghouses, rooming units, and the premises associated therewith. The owner or occupant of every dwelling, dwelling unit, roominghouse or rooming unit, or the person in charge thereof, shall give the chief building inspector free access to such dwelling, dwelling unit, roominghouse or rooming unit and its premises at all reasonable times for the purposes of such inspection, examination and survey.

(b) Every occupant of a dwelling, dwelling unit, roominghouse or rooming unit shall give the owner thereof, or his agent or employee, access to any part of such dwelling or dwelling unit and its premises at all reasonable times for the purpose of making such repairs or alterations as are necessary to effect compliance with the provisions of this article or with any lawful order issued pursuant to the provisions of this article.

(c) A violation of this section is punishable as a misdemeanor.

(Ord. of 2-1-82, § XIII; Ord. No. 2021-32 , § 4, 12-20-21)

Sec. 14-98. Procedure for enforcement.

(a) *Preliminary investigation; notice; hearing.* Whenever a verified petition is filed with the chief building inspector by a public authority or by at least five residents of the county, at least 18 years of age, charging that any dwelling or dwelling unit is unfit for human habitation, or whenever it appears to the chief building inspector, upon inspection, that any dwelling or dwelling unit is unfit for human habitation he shall, if his preliminary investigation discloses a basis for such charges, issue and cause to be served upon the owner of and parties in interest in such dwelling or dwelling unit a complaint stating the charges and containing a notice that a hearing will be held before the chief building inspector at a place therein fixed, not less than ten nor more than 30 days after the serving of the complaint. The owner or any party in interest shall have the right to correct the violation, to file an answer to the complaint, and to appear in person or send a

representative and give testimony at the place and time fixed in the complaint. Notice of such hearing shall be given to at least one of the persons signing a petition relating to such dwelling. Any person desiring to do so may attend such hearing and give evidence relevant to the matter being heard. The rules of evidence prevailing in courts of law or equity shall not be controlling in hearings before the chief building inspector.

(b) *Procedure after hearing.* After such notice and hearing, the chief building inspector shall state in writing his determination whether the dwelling or dwelling unit is unfit for human habitation and, if so, whether it is deteriorated or dilapidated, and shall issue and serve orders regarding deterioration or dilapidation as follows:

(1) If the chief building inspector determines that the dwelling or dwelling unit is deteriorated, he shall state in writing his findings of fact in support of such determination, and shall issue and cause to be served upon the owner thereof an order directing and requiring the owner to repair, alter, or improve such dwelling or dwelling unit to comply with the minimum standards of fitness established by this article within 90 days. Such order may also direct and require the owner to vacate and close such dwelling or dwelling unit until such repairs, alterations, and improvements have been made.

(2) If the chief building inspector determines that the dwelling is dilapidated, he shall state in writing his finding of fact to support such determination, and shall issue and cause to be served upon the owner thereof an order directing and requiring the owner either to repair, alter or improve such dwelling or dwelling unit to comply with the minimum standards of fitness established by this article, or else to vacate and demolish and remove the dwelling or dwelling unit within 90 days. Such order may also direct and require the owner to vacate and close such within 30 days.

(c) *Failure to comply with order.* Failure to comply shall result in the following:

(1) *In personam remedy.* If the owner of any deteriorated dwelling or dwelling unit shall fail to comply with an order of the chief building inspector to repair, alter, or improve or to vacate and close same within the time specified therein, or if the owner of a dilapidated dwelling or dwelling unit shall fail to comply with an order of the chief building inspector to repair, alter, or improve or to vacate and close and remove or demolish and remove same within the time specified therein, the chief building inspector shall submit to the board of county commissioners at their next regular meeting a resolution directing the county attorney to petition the superior court for an order directing such owner to comply with the order of the chief building inspector, as authorized by G.S. 160D-1208(e).

(2) *In rem remedy.* After failure of an owner of a deteriorated or dilapidated dwelling or dwelling unit to comply with an order of the chief building inspector within the time specified therein, if injunctive relief has not been sought or has not been granted, as provided in the subsection (1) of this section, the chief building inspector shall submit to the board of county commissioners an ordinance ordering the chief building inspector to cause such dwelling or dwelling unit to be repaired, altered, improved, vacated, closed, removed or demolished and removed, as provided in the original order of the chief building inspector, and pending removal or demolition and removal, to place a placard on such dwelling as provided by G.S. 160D-1203.

(d) *Appeals from orders of the chief building inspector.* An appeal from any decision or order of the chief building inspector may be taken by any person aggrieved thereby. Any appeal from the chief building inspector shall be taken within ten days from the rendering of the decision or service of the order, and shall be taken by filing with the chief building inspector and with the planning and zoning commission, serving as the zoning board of adjustment, a notice of appeal which shall specify the grounds upon which the appeal is based. Upon the filing of any notice of appeal, the chief building inspector shall forthwith transmit to the commission all the papers constituting the record upon which the decision appealed from was made. When the appeal is from a decision of the chief building inspector refusing to allow the person aggrieved thereby to do any act, his decision shall remain in force until modified or reversed. When an appeal is from a decision of the chief building inspector requiring the person aggrieved to do any act, the appeal shall have the effect of

suspending the requirement until the hearing by the commission, unless the chief building inspector certifies to the commission, after the notice of appeal is filed with him, that by reason of the facts stated in the certificate, a copy of which shall be furnished the person who is appealing, a suspension of his requirement would cause imminent peril to life or property, in which case the requirement shall not be suspended except for due cause shown upon not less than one day's written notice to the chief building inspector, by the commission, or by a court of record upon petition made pursuant to G.S. 160D-1208(d) and subsection (e) of this section. The commission shall fix a reasonable time for the hearing of all appeals, shall give due notice to all the parties, and shall render its decision within a reasonable time. Any party may appear in person or by agent or attorney. The commission may reverse or affirm, wholly or partly, or may modify the decision or order appealed from, and may make such decision and order as in its opinion ought to be made in the matter, and to that end it shall have all the powers of the chief building inspector, but the concurring vote of 80 percent of the members of the commission shall be necessary to reverse or modify any decision or order of the chief building inspector. The commission shall have power also in passing upon appeals, in the case where there are practical difficulties or unnecessary hardships in a way of carrying out the strict letter of the ordinance, to adapt the application of the ordinance to the necessities of the case to the end that the spirit of the ordinance shall be observed, public safety and welfare secured and substantial justice done. Every decision of the commission shall be subject to review by proceedings in the nature of certiorari instituted within 15 days of the decision of the commission, but not otherwise.

(e) *Petition to superior court by owner.* Any person aggrieved by an order issued by the chief building inspector or a decision rendered by the commission shall have the right, within 30 days after issuance of the order or rendering of the decision, to petition the superior court for a temporary injunction restraining chief building inspector pending a final disposition of the cause, as provided by G.S. 160D-1208(d).

(Ord. of 2-1-82, § XIV; Ord. of 10-20-86, § 1; Ord. No. 2021-32 , § 4, 12-20-21)

Sec. 14-99. Methods of service of complaints and orders.

Complaints or orders issued by the chief building inspector shall be served upon persons either personally or by registered or certified mail. If the whereabouts of such persons are unknown and their whereabouts cannot be ascertained by the chief building inspector in the exercise of reasonable diligence, the chief building inspector shall make an affidavit to that effect, and the servicing of such complaint or order upon such person may be made by publishing the complaint or order once each week for two successive weeks in a newspaper having general circulation in the county. Where service is made by publication, a notice of the pending proceedings shall be posted in a conspicuous place on the premises affected by the complaint or order.

(Ord. of 2-1-82, § XV)

Sec. 14-100. In rem action by chief building inspector; placarding.

(a) After failure of an owner of a dwelling or dwelling unit to comply with an order of the chief building inspector issued pursuant to the provisions of this article, and upon adoption by the board of county commissioners of an ordinance authorizing and directing him to do so, as provided by G.S. 160D-1203(5) and section 14-98(c), the chief building inspector shall proceed to cause such dwelling or dwelling unit to be repaired, altered or improved to comply with the minimum standards of fitness established by this article, or to be vacated and closed and removed or demolished and removed, as directed by the ordinance of the board of county commissioners. The chief building inspector shall, immediately upon adoption of such ordinance, cause to be posted on the main entrance of such dwelling or dwelling unit a placard with the following words: "This building for human habitation is prohibited and unlawful." Occupation of a building so posted shall constitute a misdemeanor.

(b) Each ordinance shall be recorded in the office of the register of deeds of the county, and shall be indexed in the name of the property owner in the grantor index, as provided by G.S. 160D-1203(5).

(Ord. of 2-1-82, § XVI; Ord. No. 2021-32 , § 4, 12-20-21)

Sec. 14-101. Costs; a lien on premises.

As provided by G.S. 160D-1203(7), the cost of any repairs, alterations or improvements, or of vacating and closing, or removal or demolition and removal, caused to be made or done by the chief building inspector pursuant to section 14-100 shall be a lien against the real property upon which such cost was incurred. Such lien shall be filed, have priority, and be collected in the same manner as the lien for special assessments established by G.S. 160A-216 et seq.

(Ord. of 2-1-82, § XVII; Ord. No. 2021-32 , § 4, 12-20-21)

Sec. 14-102. Alternate remedies.

Neither this article nor any of its provisions shall be construed to impair or limit in any way the power of the county to define and declare nuisances as authorized by G.S. 14-4 and section 14-53 and the enforcement of any remedy provided in this section shall not prevent the enforcement of any other remedy or remedies provided in this section or in other ordinances or laws.

(Ord. of 2-1-82, § XVIII)

Sec. 14-103. Planning and zoning commission, serving as the zoning board of adjustment, to hear appeals.

(a) All appeals which may be taken from decisions or orders of the chief building inspector pursuant to section 14-98(d) shall be heard and determined by the planning and zoning commission, serving as the zoning board of adjustment. As the appeals body, the commission shall have the power to fix the times and places of its meetings, to adopt necessary rules of procedure and any other rules and regulations which may be necessary for the proper discharge of its duties. The commission shall perform the duties prescribed by section 14-98(d) and shall keep an accurate record of all its proceedings.

(b) The commission shall consist of nine members and three alternates to serve for three-year staggered terms who shall be appointed by the board of county commissioners. No member shall serve more than two full consecutive terms. Any member who fails to attend at least 75 percent of the regular and special meetings and hearings held by the commission during any one-year period shall be automatically removed from the commission. Vacancies resulting from a member's failure to attend the required number of meetings and hearings shall be filled by the same method as provided for appointments.

(Ord. of 2-1-82, § XIX)

WHEREAS, Section 153A-140 of the General Statutes of North Carolina authorizes counties to adopt ordinances to remove, abate, or remedy everything that is dangerous or prejudicial to the public health or safety.

WHEREAS, the purpose of this ordinance is to implement standards for what is considered a public health nuisance; to inspect such public health nuisances; and to mitigate the risk of injury, death or damage to the general public.

WHEREAS, the intent of this ordinance is to remove, abate, or remedy every condition that is dangerous or prejudicial to the public while promoting the health, safety, and welfare of the citizens of Cabarrus County.

NOW, THEREFORE BE IT ORDAINED that Chapter 14 of the code of Ordinances, Cabarrus County, North Carolina, is hereby amended to read as follows:

ARTICLE IV. – PUBLIC HEALTH NUISANCES[1]

Sec. 14-104. – Authority.

This is adopted pursuant to the authority set forth in N.C. Gen. Stat. §§ 153A-121(a) and 153A-140.

Sec. 14-105. – Application.

(a) *Jurisdiction*: This article shall be effective:

(1) Everywhere throughout the County outside corporate municipalities except for any areas that lie within the extraterritorial planning areas now or hereafter established for any such municipality; and

(2) Everywhere within the corporate limits or extraterritorial planning areas of any municipality that has adopted a resolution authorizing the Ordinance to be applicable within such areas.

Bona fide farms exempt: this article may not affect property used for bona fide farm purposes as defined by the North Carolina General Statute sec. 160D-903, as modified from time-to-time; provided, however, that this section does not limit regulation with respect to the conditions on farm property used for nonfarm purposes; or those regulations otherwise applicable by law.

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[1] *State Law reference – Authority to adopt ordinances defining nuisances, G.S. 153A-121.*

Sec. 14-106. - Nuisances Defined.

(a) *Public health nuisances* are defined as any action or condition that is dangerous or prejudicial to public health, welfare, or safety.

(b) An *attractive nuisance* is a dangerous condition or situation on a property that may attract children and pose a risk to their safety. (Examples: swimming pools, trampolines, construction equipment, abandoned housing, facilities, and old appliances).

(c) The following conditions on any lot or parcel of land shall be deemed to be dangerous, noxious, detrimental, and prejudicial to the public health and general welfare and/or shall constitute a public health nuisance under this article:

(1) Abandoned Manufactured Home: A Manufactured home that has not been used as a dwelling for at least 180 days and is in a wrecked, scrapped, disassembled, unusable, cannibalized, burnt, or inoperable state, or in need of extensive repair so as to be uninhabitable.

(2) Abandoned Real Property or Housing: Any structure, building, or condition that may invite occupancy, may cause entrapment, or that has been condemned by the county chief building inspector as unfit for human habitation, and/or is not capable of being repaired, altered, or improved in accordance with the State Building Code or as otherwise provided by law. Such conditions include but are not limited to attractive nuisances; dangerous buildings or structures; construction debris; temporary housing; uncovered structures; or portions of a building, dwelling, or structure remaining on a lot or parcel of land after damage by fire, wind, erosion or any combination thereof.

Any temporary housing, dwelling, structure, building, or parts thereof which presents a danger of falling, turning over, or collapsing, or which cannot be improved, repaired, or altered or is not capable of being repaired, altered, or improved in accordance with the State Building Code or as otherwise provided by law.

(3) Abandoned or incomplete construction sites for which no valid building permit exists or for which building permits have expired, or accumulations of unusable building materials including concrete, steel, masonry, wood, glass, wiring, plumbing supplies and other similar building materials.

(4) Abandoned vehicles: Any motor vehicle, recreational vehicle, or house trailer, as defined by Article 1, of Chapter 20 of the North Carolina General Statutes, and amended from time to time, that can invite occupancy or is currently occupied, and which does not display a current license tag and registration; or is partially dismantled or wrecked; or cannot be self-propelled or moved in a manner in which it originally was intended to move.

(5) Abandoned equipment: Any piece of equipment not currently awaiting repairs, or is partially dismantled or wrecked, or cannot function or operate in a manner in which it was originally manufactured or intended.

Sec. 14-107. – Notice to Owner and Removal of Nuisance.

(a) The County chief building inspector, or their designee, is delegated the authority to investigate alleged public health nuisances and to declare whether or not a public health nuisance exists.

(b) The chief building inspector shall notify the occupant and owner for each identified condition set forth herein, in writing, and such notice shall be sent to the person in the form of certified mail. In the event an inspector determines that a nuisance is an immediate detriment to human safety or welfare, the inspector may take appropriate action to abate the nuisance without notice.

Owner means any person who alone, jointly, or severally with others:

(1) Shall have title to any dwelling, dwelling unit or rooming unit, or vehicle, with or without accompanying actual possession thereof;

(2) Shall be a mortgagee of record for any dwelling, dwelling unit or rooming unit; or

(3) Shall have charge, care or control of any dwelling, dwelling unit or rooming unit, or vehicle, as owner or agent of the actual owner, or as executor, executrix, administrator, administratrix, trustee or guardian of the estate of the actual owner. Any such person thus representing the actual owner shall be bound to comply with the provisions of this article, and of rules and regulations adopted pursuant thereto, to the same extent as if he were the owner.

(c) Unknown or absent property Owner. In the event the Owner of the property is unknown or absent and has no known representative upon whom the notice can be served, the chief building inspector, or designee, shall post a written or printed notice on the property stating that, unless the nuisance is abated or removed within 60 days, the County will have the public health nuisance abated or removed at the expense of the owner under the provisions of this Chapter, or other applicable state or local law. The person providing the notice shall certify that the notice was provided, and the certificate shall be deemed conclusive in the absence of fraud.

(d) Removal of Nuisance.

(1) The owner, or responsible party – as set forth above – shall be given 60 days from receipt of the written notice of violation to dispose of the nuisance or nuisance conditions in a legal manner.

(2) If, upon the expiration of the 60 day period set forth above, the owner, or responsible party, fails to comply with the notice of violation, the County shall take any action it deems reasonably necessary to dispose of the nuisance, including entering the property where the nuisance is located and arranging to have the nuisance abated or disposed of, in a manner consistent with applicable law.

(3) A statement of the cost of removing, abating or remedying the nuisance shall be mailed to the Owner or shall be personally served on the Owner. These costs shall be paid within 30 days of receipt of the statement. If not paid, the amount of the

cost of abatement or removal or demolition shall be a lien against the real property upon which the cost was incurred, which lien shall be filed, have the same priority, and shall be collected as unpaid taxes.

Sec. 14-108. – Appeals.

(a) Within the 60-day period set forth in section (d) above, the owner of the property where the nuisance exists may appeal the findings of the chief building inspector to the Board of Commissioners by giving written notice of appeal to the chief building inspector. An appeal stays all proceedings and additional accrual of applicable fines in furtherance of the decision or determination appealed from until final determination by the Board of Commissioners. In the event no appeal is taken, the chief building inspector may proceed to abate the nuisance.

(b) The Board of Commissioners, in the event an appeal is taken, as provided in subsection (a) above, may, after hearing all interested persons and reviewing the findings of the chief building inspector, reverse the finding of a public nuisance, but if the Board of Commissioners shall determine that the findings of the chief building inspector are correct and proper, it shall declare the condition existing on the property to be dangerous or prejudicial to public health, welfare, or safety and a public health nuisance, and direct the chief building inspector to cause the conditions to be abated.

(c) The decision of the Board of Commissioners shall be subject to review at the instance of any aggrieved party to Superior Court for Cabarrus County. Such appeal must be in writing and filed within thirty (30) days of the filing of the decision. The notice of appeal must clearly state the basis for the appeal and be served in accordance with the North Carolina Rules of Civil Procedure

Adopted this 16th day of January, 2024

Stephen M. Morris, Chairman
Cabarrus County Board of Commissioners

Attest:

Clerk to the Board

Budget Revision/Amendment Request

Date: 3/16/2026 **Amount:** 31,800.00

Dept. Head: Matt Love **Department:** Construction Standards

☐ **Internal Transfer Within Department** ☐ **Transfer Between Departments/Funds** ☑ **Supplemental Request**

Transfer funds from Constructions Standards fund balance to cover demolition charges of a dilapiadated building.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
001	6	2410-6901	Fund Balance	2,343,990.00	31,800.00		2,375,790.00
001	9	2410-9445	Purchased Service	625,355.00	31,800.00		657,155.00

Budget Officer

☐ Approved

☐ Denied

_____

Signature

_____

Date

County Manager

☐ Approved

☐ Denied

_____

Sianature

_____

Date

Board of Commissioners

☐ Approved

☐ Denied

_____

Signature

_____

Date

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
County Manager - Cabarrus Health Alliance Request for Exterior Alterations to Old Mount Pleasant Library

BRIEF SUMMARY:
The old Mount Pleasant Library located at 8556 Cook Street in Mt. Pleasant was leased to the Cabarrus Health Alliance in early 2025. The building is approximately 3,600 square feet. The lease does allow for alterations without landlord's approval. However, major alterations do need landlord's approval. Cabarrus Health Alliance has approached the County about adding an RV pad, a shore line installation, a dumpster pad, and some landscaping alterations. Before moving forward with meetings with their engineers, local zoning, adjacent owners, etc. County staff seeks input and approval from the Board of Commissioners.

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:

Motion to approve the concept of the exterior alterations pending zoning approval and County staff approval.

EXPECTED LENGTH OF PRESENTATION:
10 Minutes

SUBMITTED BY:
Kyle Bilafer, Assistant County Manager

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Old MP Library Survey
- Executed Lease of Old MP Library to CHA
- Aerial Exhibit of alterations from CHA staff

VICINITY MAP

NCGS MONUMENT "LAMBERT"
N: 605,339.9098
E: 1,569,943.0510
N.C. GRID ~ NAD 83(2001)

EIP 1/2" PIPE

S85°10'20"E
2917.48' (GROUND)
2917.04' (GRID)
C.C.F. = 0.999849830

S77°46'41"E
93.72' (TIE)

EIP #5 REBAR
N: 605,094.4107
E: 1,572,849.7399
N.C. GRID ~ NAD 83(2001)

VIRGINIA E. FOIL
PIN: 5670-25-9387
DB. 529, PG. 409
ZONE: RM-1

BEFORE YOU DIG !
CALL 1-800-632-4949
N.C. ONE-CALL CENTER
IT'S THE LAW !

S77°46'41"E
100.26'

EIP #5 REBAR

N77°47'42"W
125.11' (TIE)

EIP #4 REBAR

BASIS OF BEARING
N.C. GRID ~ NAD 83(2001)

REFERENCES:

1. ALL DEEDS AND MAPS SHOWN HEREON.
2. MECKLENBURG COUNTY ON-LINE G.I.S. TAX MAP.

NOTES:

1. TRAVERSE ADJUSTED BY LEAST SQUARES ADJUSTMENT METHOD; RAW ERROR OF CLOSURE 1:20,000+.
2. AREA COMPUTED BY COORDINATE COMPUTATIONS.
3. ALL DISTANCES SHOWN ARE HORIZONTAL GROUND DISTANCES UNLESS OTHERWISE NOTED.
4. SUBJECT PROPERTY LOCATED IN ZONE X (AREAS DETERMINED TO BE OUTSIDE OUTSIDE 0.2% ANNUAL CHANCE FLOODPLAIN; AREAS DETERMINED TO BE OUTSIDE FUTURE CONDITIONS 1% ANNUAL CHANCE FLOOD PLAIN) AS PER F.I.R.M. PANELS 3710567000 J EFFECTIVE DATE NOVEMBER 5, 2008.
5. SOURCE OF UNDERGROUND UTILITY MARKINGS IS ON-TARGET UTILITY LOCATING SERVICE, (704) 531-8544; CESI LAND DEVELOPMENT SERVICES IS SOLELY RESPONSIBLE FOR THE LOCATION OF THE UTILITY MARKINGS AND NOT THE ACTUAL LOCATION OF THE UTILITIES BEING MARKED. THERE MAY BE MORE UNDERGROUND UTILITIES OTHER THAN THOSE SHOWN. BEFORE DOING ANY DIGGING, CALL N.C. ONE-CALL (1-800-632-4949).
6. CONTOUR INTERVAL IS ONE (1) FOOT.
7. ELEVATIONS TRANSFERRED FROM N.C.G.S. MONUMENT "Z78" HAVING AN ELEVATION OF 659.88'; VERTICAL DATUM IS NAVD 88.

TBM RR SPIKE IN POWER POLE ELEV. = 653.68'

BOOK RETURN BOX

18.63'

12.01'

CABARRUS COUNTY, A BODY OF POLITIC AND POLITICAL SUBDIVISION OF THE STATE OF NORTH CAROLINA
PIN: 5670-24-9903
DB. 2208, PG. 324
0.640 ACRES
ZONE: RM-1

N00°37'00"E
296.95'

S01°03'16"W
277.41'

40.70'

59.00'

1 STORY BRICK BLDG.

11.98'

FFE ELEV. = 652.66

18.18'

SEE DETAIL "A"

ZEBA H. BARRINGER AND HUSBAND, DAVID T. BARRINGER
PIN: 5670-24-7984
DB. 614, PG. 736
ZONE: RM-1

MR. PLEASANT PROPERTIES, LLC, A NCLLC
PIN: 5670-34-1972
DB. 2995, PG.205
ZONE: OI

S88°41'38"E
96.70' (TIE)

EIP (BENT) #5 REBAR

SIP #5 REBAR

N89°00'41"W
96.09'

EIP #5 REBAR

TBM RR SPIKE IN POWER POLE ELEV. = 649.98'

COOK STREET

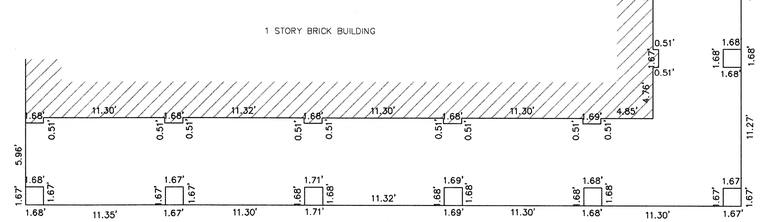
15" RCP

644.7

643.6

8" TERRACOTTA

SSMH
RIM = 648.93
INV IN = 646.36
INV OUT = 646.43



DETAIL "A"
NOT TO SCALE

LEGEND

- NO POINT SET
- SET IRON PIN (#5 REBAR)
- EXISTING IRON PIN (AS DESCRIBED)
- CONCRETE MONUMENT FOUND
- SPOT ELEVATION
- SANITARY SEWER MANHOLE
- POWER POLE
- LIGHT POLE
- GUY WIRE
- SIGN
- HOSE BIB
- WATER VALVE
- WATER METER
- ELECTRICAL VAULT
- ELECTRIC METER
- CLEAN OUT
- TREE
- TREE LINE
- SHRUB
- SHRUB LINE
- UNDERGROUND POWER LINE
- OVERHEAD POWER LINE
- UNDERGROUND TELEPHONE LINE
- OVERHEAD TELEPHONE LINE
- SANITARY SEWER LINE
- WATER LINE
- UNDERGROUND CABLE TV
- TIE LINE
- BOUNDARY AS SURVEYED
- BOUNDARY BY DEED OR PLAT
- RIGHT OF WAY
- EASEMENT
- MAJOR CONTOUR
- MINOR CONTOUR

I, JAMES E. CRADDOCK, CERTIFY THAT THIS PROJECT WAS COMPLETED UNDER MY DIRECT AND RESPONSIBLE CHARGE FROM AN ACTUAL GROUND SURVEY MADE UNDER MY SUPERVISION; THAT THIS TOPOGRAPHIC SURVEY WAS PERFORMED TO THE NATIONAL MAP ACCURACY STANDARDS AS APPLICABLE; THAT THE ORIGINAL DATA WAS OBTAINED ON 05/07/09; AND ALL COORDINATES ARE BASED ON LOCALIZED NAD 83(2001); VERTICAL DATUM IS NAVD 88.

NORTH CAROLINA PROFESSIONAL SEAL L-3039 LAND SURVEYOR JAMES E. CRADDOCK

PROFESSIONAL LAND SURVEYOR — LICENSE NO. L-3039

PLAT CERTIFICATION

I, JAMES E. CRADDOCK, CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION (DEED DESCRIPTIONS RECORDED IN REFERENCES AS SHOWN HEREON); THAT THE BOUNDARIES NOT SURVEYED ARE CLEARLY INDICATED AS DRAWN FROM INFORMATION AS SHOWN HEREON; THAT THE RATIO OF PRECISION AS CALCULATED IS 1:10,000+; THAT THIS PLAT WAS NOT PREPARED IN PREPARED IN ACCORDANCE WITH G. S. 47-30 AS AMENDED; AND THAT:

☒ C. ANY OF THE FOLLOWING:
1. THE SURVEY IS OF AN EXISTING PARCEL OR PARCELS OF LAND AND DOES NOT CREATE A NEW STREET OR CHANGE AN EXISTING STREET;
2. THE SURVEY IS OF AN EXISTING BUILDING OR OTHER STRUCTURE, OR NATURAL FEATURE, SUCH AS A WATERCOURSE; OR
3. THE SURVEY IS A CONTROL SURVEY.

WITNESS MY ORIGINAL SIGNATURE, REGISTRATION NUMBER AND SEAL THIS 13 DAY OF MAY, 2009 A.D.

NORTH CAROLINA PROFESSIONAL SEAL L-3039 LAND SURVEYOR JAMES E. CRADDOCK

PROFESSIONAL LAND SURVEYOR — LICENSE NO. L-3039

BOUNDARY AND TOPOGRAPHIC SURVEY OF:

MT. PLEASANT LIBRARY

MT. PLEASANT, CABARRUS COUNTY, NORTH CAROLINA

FOR CLIENT:
ATTN: SHERRI BARNHARDT
CABARRUS COUNTY
P.O. BOX 707
CONCORD, NC 28026

DATE: 5/7/09
SCALE: 1" = 20'
JOB NO.: 090420.000
COMPUTED BY: DLH
DRAWN BY: DLH
CHECKED BY: JEC

SCALE IN FEET
20 0 20 40

CESI LAND DEVELOPMENT SERVICES
45 SPRING STREET SW
CONCORD, NC 28025
CONCORD (704) 786-5404
FAX (704) 786-7454
© CESI 2009

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LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is made as of this [___] day of December, 2024, by and between **CABARRUS COUNTY**, a body politic and political subdivision of the State of North Carolina ("Landlord"), and **THE PUBLIC HEALTH AUTHORITY OF CABARRUS COUNTY d/b/a CABARRUS HEALTH ALLIANCE** ("Tenant") (Tenant and Landlord each being a "Party" and collectively, the "Parties").

RECITALS

WHEREAS, Landlord is the current owner of certain premises located at 8556 Cook Street, Mt. Pleasant, Cabarrus County, North Carolina 28124 (the "Premises"), which Premises consists of the land described in Exhibit A attached hereto (the "Land") and the buildings and improvements constructed thereon (the "Improvements"); and

WHEREAS, Landlord desires to lease to Tenant, and Tenant desires to lease from Landlord, the Premises, as more fully set forth herein.

NOW THEREFORE, intending to be legally bound, Landlord and Tenant hereby agree as follows:

1. Premises and Term. Landlord hereby lets and demises to Tenant and Tenant hereby takes and hires from Landlord the Premises for a term of ten (10) years (the "Lease Term") beginning on January 1, 2025 (the "Commencement Date") and expiring without further notice or act on December 31, 2034. Notwithstanding the foregoing or anything in this Lease to the contrary, Tenant is required to begin providing a minimum level of services in the Premises no later than 36 months after the Commencement Date.

2. Rent. Tenant shall pay to Landlord annual rental in the amount of $1.00 ("Rent"), payable in full in advance on the Commencement Date.

3. Taxes. Landlord shall pay prior to delinquency all taxes and all other governmental charges, if any, which during the Lease Term may be assessed with respect to the Premises (collectively, "Taxes"); provided, however, that Tenant (i) shall reimburse Landlord for all such Taxes within thirty (30) days after demand for payment (including applicable tax bills), and (ii) shall be responsible for paying all personal property taxes, if any, with respect to Tenant's personal property at the Premises.

4. Utilities. During the Lease Term, Tenant will pay for all water, gas, electricity, telephone, and other utilities used by Tenant in the Premises.

5. Maintenance and Repair. Throughout the Lease Term, Tenant (at its sole cost and expense) shall be responsible for and shall keep and maintain all portions of the Premises in good order and condition and shall make all repairs and replacements necessary to keep the Premises in good order and condition, except to the extent that repairs are made necessary due to the negligence or willful misconduct of Landlord, its employees or contractors, in which event such repairs shall be Landlord's responsibility. In addition to the foregoing, throughout the Lease Term, Tenant (at its sole cost and expense), shall be responsible for trash removal, pest control, janitorial service, snow and ice removal and other similar services required by Tenant. Notwithstanding the foregoing, Landlord shall be responsible for all exterior maintenance, including landscaping services, at the Premises until such time as Tenant begins providing services in the Premises.

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6. Use. Tenant shall have the right to use the Premises for any lawful purpose, including office uses for medical, dental, behavioral health, and/or WIC.

7. Compliance with Law. Except as otherwise set forth herein, Tenant agrees that during the Lease Term, it will comply with all applicable federal, state, county, and municipal regulations and ordinances governing the use and occupancy of the Premises (collectively, "Legal Requirements"). Notwithstanding anything to the contrary in this Lease, Tenant shall in no event have any obligation to do any of the following, all of which shall be Landlord's obligations which Landlord shall promptly perform at its sole cost and expense: (a) correct, remedy, repair or replace any condition (including without limitation any environmental problem or condition) or violation of Legal Requirements which first existed or arose prior to the Commencement Date; (b) correct or remedy any, environmental problem or condition or investigate, remediate or remove any hazardous substance which was not caused, created or introduced by Tenant during the Lease Term; and (c) make any repair or replacement required in order to keep the Premises in compliance with all Legal Requirements affecting the Premises.

8. Sublease and Assignment.

(a) Tenant shall have the right to sublease all or any portion of the Premises or assign this Lease with the prior written approval of Landlord, which approval shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Tenant shall have the right to sublease all or any portion of the Premises or assign this Lease to any parent, subsidiary, affiliate, related entity, successor entity (including without limitation successors by way of merger, consolidation or restructuring), or entity which controls, is controlled by or is under common control with Tenant, without the consent of Landlord.

(b) Notwithstanding anything to the contrary contained herein, Tenant shall be permitted to license space within the Premises, without the consent of Landlord and without complying with the provisions of Section 8(a) hereof, provided that (i) the aggregate space to be licensed by Tenant shall not exceed 20% percent of the usable area of the Premises, (ii) the proposed licensees shall have a substantial relationship with Tenant, (iii) the proposed licensees shall observe all of the terms and conditions of this Lease, (iv) Tenant shall remain fully liable for its obligations under this Lease, and (v) Tenant shall notify Landlord in writing no later than ten (10) days after the effective date of any such licensing made pursuant to this Section 8(b).

9. Fire or Other Casualty.

(a) The term "Major Casualty" as used in this Section means any fire or other casualty which causes damage to or destruction of the Premises of such an extent that it would require one hundred twenty (120) days or more, from the date of such damage or destruction, to restore the Premises to the condition which existed prior to the Major Casualty. The term "Minor Casualty" as used in this Section means any fire or other casualty which causes damage to or destruction of the Premises of such an extent that it would require less than one hundred twenty (120) days, from the date of such damage or destruction, to restore the Premises to the condition which existed prior to the Minor Casualty. The term "Casualty" as used in this Section means either a Minor or Major Casualty.

(b) Upon the occurrence of a Casualty, Tenant shall give notice thereof to Landlord promptly, and Landlord shall, within ten (10) days after receipt of Tenant's notice, advise Tenant in writing whether the Casualty is a Major or Minor Casualty ("Landlord's Casualty Notice").

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(c) If the Casualty is a Minor Casualty, Landlord shall promptly and diligently proceed to restore the Premises to their condition prior to the occurrence of the Minor Casualty. Notwithstanding the provisions of Section 30 below, if such restoration of the Premises is not complete within one hundred fifty (150) days after the occurrence of the Minor Casualty, then Tenant may terminate this Lease by delivering written notice of termination to Landlord, and upon delivery of such notice to Landlord this Lease shall terminate and neither Party shall have any further liability or obligation to the other under this Lease, except those obligations which survive the termination or expiration of this Lease.

(d) If the Casualty is a Major Casualty, Tenant may elect to terminate this Lease by giving notice of termination to Landlord within thirty (30) days after receipt of Landlord's Casualty Notice. If Tenant elects to terminate this Lease, then this Lease shall terminate upon delivery of such termination notice to Landlord and neither Party shall have any further liability or obligation to the other under this Lease, except those obligations which survive the termination or expiration of this Lease. If Tenant does not terminate this Lease within such thirty (30) day period, Landlord shall promptly and diligently proceed to restore the Premises to their condition prior to the occurrence of the Major Casualty. Notwithstanding the provisions of Section 30 below, if such restoration of the Premises is not complete within three hundred (300) days after the occurrence of the Major Casualty, then Tenant may terminate this Lease by delivering written notice of termination to Landlord, and upon delivery of such notice to Landlord this Lease shall terminate and neither Party shall have any further liability or obligation to the other under this Lease, except those obligations which survive the termination or expiration of this Lease.

(e) In the event that there occurs any Casualty, and this Lease is not terminated by Tenant, Tenant's obligation to pay Rent shall abate from the date of the Casualty until the date that the Premises has been fully restored and may be occupied by Tenant for its intended use. In the event that there occurs any Casualty, and this Lease is terminated pursuant to Section 9(c) or 9(d) above, Tenant's obligation to pay Rent shall abate from the date of the Casualty until the date of termination of this Lease.

10. Insurance.

(a) During the Lease Term, the following insurance coverage shall be maintained:

(i) Tenant shall maintain, at its sole cost and expense, "all risk" or "special form-causes of loss" property insurance for the Premises, naming Landlord as an additional insured; and

(ii) Tenant shall maintain, at its sole cost and expense, commercial general liability insurance for the Premises, on an occurrence basis, insuring against claims for personal injury, bodily injury, death and property damage, with a combined single limit with respect to each occurrence in an amount not less than $1,000,000, and not less than $2,000,000 in the aggregate, naming Landlord as an additional insured.

(b) All such insurance shall be carried with companies licensed to do business in the State of North Carolina. All such policies shall provide for at least thirty (30) days written notice to Tenant before cancellation or material modification and shall provide that the insurer waives any rights of subrogation it may have and consents to the releases from liability contained in Section 10(d) below.

(c) Landlord and Tenant each may (but shall have no obligation to) maintain at its own cost and expense such other insurance policies as each may so desire, provided that each such policy provides that the insurer waives any rights of subrogation it may have and consents to the releases from liability contained in Section 10(d) below.

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(d) Landlord and Tenant, respectively, hereby release each other from any and all liability or responsibility to the other, or anyone claiming through or under it or them by way of subrogation or otherwise, for any claim, loss or damage covered by any insurance then in force or any insurance required by this Lease (including, without limitation, any claim, loss or damage which would have been covered if the insurance required by this Lease had been maintained), even if such claim, loss or damage shall have been caused by the fault or negligence of the other Party, or anyone for whom such Party may be responsible.

11. Alterations and Additions. Tenant may, at Tenant's sole cost and expense, make alterations and additions to the Premises at any time and from time to time without Landlord's approval; provided, however, that Tenant shall not make any Major Alteration (as hereinafter defined) to the Improvements or any alterations and/or additions to the Improvements which materially affect the exterior visual appearance of the Improvements from Cook Street, without first securing Landlord's written approval, which approval shall not be unreasonably withheld, conditioned or delayed. The term "Major Alteration" means any alteration and/or addition which could adversely affect the roof, any structural component, or any mechanical system of the Improvements. Any alterations and/or additions made by Tenant shall be performed in a good and workmanlike manner. Tenant shall have the right (but not the obligation) to remove any alterations and/or additions which Tenant makes; provided, however, that Tenant shall repair any damage caused by such removal by Tenant.

12. Condemnation.

(a) The term "Total Taking" as used herein means any taking of all or a portion of the Premises by condemnation or other governmental proceeding as a result of which it is unreasonable or impossible for Tenant to properly conduct its business in the Premises. The term "Partial Taking" means any taking of a portion of the Premises, other than a Total Taking. The term "Taking" means either a Total Taking or a Partial Taking.

Following a Taking the entire proceeds of any condemnation award or compensation shall belong to Landlord, except as hereinafter provided. Tenant shall and hereby does assign all right, title and interest in any condemnation award or compensation to Landlord, except as hereinafter provided, and Tenant shall and hereby does waive in favor of Landlord any interest therein, except as hereinafter provided. In addition, Tenant shall have the right to claim from the condemning authorities such compensation as may be separately awarded or recoverable by Tenant in its own right on account of any and all damages to Tenant's business by reason of the condemnation and for or on account of any cost or a loss to which Tenant might be put in relocating its business or in removing Tenant's personalty.

(b) In the event of a Total Taking, this Lease shall terminate on the date the possession of the Premises is delivered to the condemning authority.

(c) In the event of a Partial Taking, Landlord shall, using due diligence, promptly repair and restore the balance of the Premises remaining after the condemnation as nearly as possible to the condition prior to the Partial Taking, and Tenant's obligation to pay Rent shall abate from the date the portion of the Premises is delivered to the condemning authority until the date that the balance of the Premises remaining after the condemnation has been fully restored and may be occupied by Tenant for its intended use. Following a Partial Taking, Rent shall be equitably adjusted in the event that Tenant's use of the Premises is adversely affected by such Partial Taking.

13. Indemnification. Tenant covenants and agrees to exonerate, indemnify, defend, protect and save harmless Landlord from and against any and all claims, demands, expenses, losses, penalties, fines, reasonable attorney fees, court costs, suits and damages as may be occasioned by reason of (i)

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injury to persons or damage to property caused by the negligence or otherwise tortious act of Tenant or Tenant's agents, employees, contractors, licensees or invitees, (ii) any breach by Tenant of any covenant, agreement, representation or warranty made by Tenant pursuant to this Lease, and (iii) any hazardous substances brought on to the Premises by Tenant during the Lease Term in violation of applicable Legal Requirements.

Landlord covenants and agrees to exonerate, indemnify, defend, protect and save harmless Tenant from and against any and all claims, demands, expenses, losses, penalties, fines, reasonable attorney fees, court costs, suits and damages as may be occasioned by reason of (i) injury to persons or damage to property caused by the negligence or otherwise tortious act of Landlord or Landlord's agents, employees, contractors, licensees or invitees, (ii) any breach of any covenant, agreement, representation or warranty made by Landlord pursuant to this Lease, (iii) matters and conditions and violations of Legal Requirements affecting the Premises first occurring or existing prior to the Commencement Date, and (iv) the presence or release of any hazardous substances in, on, at, to, from or under the Premises except to the extent introduced or brought on to the Premises by Tenant during the Lease Term. All of the indemnities set forth in this Lease shall expressly survive expiration or termination of this Lease.

14. Default by Tenant. The occurrence of any one of the following shall constitute an event of default by Tenant (a "Tenant Default"):

(a) failure by Tenant to pay any installment of Rent within ten (10) days after Tenant receives written notice from Landlord that the same is past due;

(b) failure by Tenant to perform or comply with any other covenant or condition of this Lease to be performed or complied with by Tenant within thirty (30) days after written notice thereof from Landlord and such additional time, if any, as is reasonably necessary to cure such failure, provided Tenant commences to cure such failure within such thirty (30) day period and thereafter prosecutes such cure to completion with reasonable diligence; or

(c) the filing of a petition against Tenant for adjudication of it as a bankrupt or insolvent, or for its reorganization or the appointment of a receiver or trustee for the benefit of its creditors, if such petition is not dismissed within sixty (60) days of filing; or the filing of such a petition by Tenant; or an assignment by Tenant for the benefit of creditors; or the taking of possession of the property of Tenant by any governmental officer or agency pursuant to statutory authority for the dissolution or liquidation of Tenant.

15. Landlord's Remedies.

In addition to all other remedies available to Landlord at law or equity, if a Tenant Default under this Lease shall have occurred and be continuing, Landlord at its option, may:

(i) terminate this Lease and all the estate of Tenant in the Premises by giving Tenant fifteen (15) days' written notice of termination, and, upon the date specified in such notice, the Lease Term and the estate hereby granted shall expire and terminate with the same force and effect as if the date set forth in such notice were the date herein before fixed for the expiration of the Lease Term;

(ii) terminate this Lease pursuant to the immediately preceding subparagraph (i) and recover from Tenant, and Tenant shall pay to Landlord within thirty (30) days after demand, as and for liquidated and agreed final damages for Tenant's Default and in lieu of all current damages beyond the date of such demand (it being agreed that it would be impracticable or extremely difficult to

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fix the actual damages), an amount equal to six monthly installments of Rent (at the then current monthly installment amount) or, if less than six months remain in the Lease Term at the time of such demand, an amount equal to the Rent which would be payable under this Lease for the remainder of the Lease Term. If any statute or rule of law shall validly limit the amount of such liquidated final damages to less than the amount above agreed upon, Landlord shall be entitled to the maximum amount allowable under such statute or rule of law; or

(iii) perform for the account of Tenant any obligation to be performed by Tenant pursuant to the provisions of this Lease which Tenant has failed to perform, and Landlord may reenter such part of the Premises as may be necessary to perform such obligation. Tenant shall pay to Landlord within thirty (30) days after demand the amount reasonably paid or expended by Landlord to perform the obligation or otherwise cure the Tenant Default. In the event of any Tenant Default, Landlord shall use commercially reasonable efforts to mitigate its damages.

16. Default by Landlord.

(a) The following shall be an event of default by Landlord (a "Landlord Default"):

(i) Landlord's violation of Section 18 of this Lease;

(ii) failure by Landlord to pay any sum required to be paid by Landlord pursuant to this Lease within ten (10) days after Landlord receives notice from Tenant that the same is past due;

(iii) failure by Landlord to perform or comply with any other covenant or condition of this Lease to be performed or complied with by Landlord within thirty (30) days after written notice thereof from Tenant and such additional time, if any, as is reasonably necessary to cure such failure, provided Landlord commences to cure such failure within such thirty (30) day period and thereafter prosecutes such cure to completion with reasonable diligence.

(b) Upon the occurrence of a Landlord Default, Tenant may, at its election, (i) terminate this Lease by delivering written notice of termination to Landlord, and (ii) perform the obligation which Landlord has failed to perform for the account of Landlord. Notwithstanding the foregoing, in case of an emergency where there is an immediate threat to the Premises or Tenant's property therein as a result of Landlord's failure to perform any obligation under this Lease, Tenant shall have the right to perform any obligation that Landlord has failed to perform, without giving the notice and opportunity for cure required for such failure to constitute a Landlord Default. Tenant shall, however, give such notice as may be reasonable under the circumstances (which notice may, for this purpose, consist of telephonic notice).

Landlord shall pay Tenant upon demand all reasonable costs incurred by Tenant in performing Landlord's obligations under clause (ii) in the preceding paragraph.

The rights and remedies granted to Tenant pursuant to this Section are in addition to all other rights and remedies which Tenant may have at law or equity on account of a failure by Landlord to perform its obligations under this Lease or breach by Landlord of its representations, warranties, covenants and agreements under this Lease.

17. Quiet Possession. Landlord covenants and agrees that, so long as Tenant keeps and performs each and every covenant and condition contained herein to be kept and performed by Tenant,

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Tenant shall quietly possess and enjoy the Premises without hindrance or molestation by Landlord or any party claiming through, under or by Landlord.

18. No Transfer or Encumbrance by Landlord.

(a) Landlord hereby represents and warrants to Tenant that as of the date hereof (i) Landlord owns fee simple title to the Premises, (ii) there are no ground or superior leases affecting the Premises and (iii) there are no mortgages, deeds of trust, judgments or liens encumbering the Premises.

(b) Any transfer by Landlord of its interest in the Premises shall be made subject to this Lease, and Landlord's transferee shall be bound by all of the terms and provisions of this Lease.

19. Inspection and Access.

(a) Landlord shall have the right upon reasonable notice and at reasonable times during business hours to inspect all parts of the Premises. Landlord shall not in any way interfere with or disrupt the operation of Tenant's business in the exercise by Landlord of its rights under this Section.

(b) Tenant and its employees, officers, contractors, agents, licensees, subtenants, visitors, clients and members shall have access to the Premises on a 24 hour-per-day, 7 day-per-week, 365 day-per-year basis.

20. Surrender. At the expiration or earlier termination of the Lease Term, Tenant shall surrender and deliver possession of the Premises in accordance with the terms and conditions of this Lease. Tenant shall repair any damage to the Premises caused by Tenant's removal of its property.

21. Signs. Tenant shall have the right to place signs upon the Premises (including the exterior of the Improvements) identifying Tenant, provided such signs comply with the local ordinances and regulations. Upon the expiration of the Lease Term, Tenant shall remove all signage not existing on the Commencement Date and shall restore and repair any damage caused by the installation or removal of such signs.

22. Notices. All notices to be given to either Party hereunder shall be in writing and shall be sent to the following addresses:

If to Landlord:	65 Church Street S Concord, NC 28025 Attn: County Manager
If to Tenant:	300 Mooresville Road Kannapolis, NC 28081 Attn: Public Health Director

Notices shall be sufficient if sent by registered or certified mail, by hand delivery or by reputable overnight courier service (with receipted proof of delivery). Notices shall be effective on the date of delivery (if a business day) or the next business day after delivery (if delivery does not occur on a business day). The Party to whom notice is to be given may change the address for the giving of notices set forth above by delivering notice of such change to the other Party.

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23. Memorandum of Lease. Concurrently with the execution of this Lease, Landlord and Tenant shall execute, acknowledge, deliver and record a memorandum of lease. Tenant shall be responsible for the costs of recording the memorandum of lease.

24. Representations and Warranties. Landlord, to induce Tenant to enter into this Lease and to lease the Premises from Landlord, represents and warrants to Tenant as follows:

(a) The entry by Landlord into this Lease, and the observance and performance of each of Landlord's agreements and obligations hereunder, have been duly approved by all necessary action on the part of Landlord. This Lease constitutes the valid and binding obligations of Landlord, enforceable in accordance with its terms;

(b) There are no judgments, orders, suits, actions, garnishments, attachments or proceedings of any nature by or before any court, commission, board or other governmental body pending, or, to the best knowledge of Landlord, threatened, which involve or affect, or will involve or affect, the Premises or the validity or enforceability of this Lease or involve any risk of judgment or liability being imposed upon Landlord that could adversely affect the financial condition of Landlord or Landlord's ability to observe or perform fully its agreements and obligations hereunder;

(c) There is no existing agreement, commitment, option or right with, in or to any person to lease, or transfer the fee interest of, all or any portion of the Premises, other than the leasing of the Premises pursuant to this Lease;

(d) Landlord has no knowledge of any notice from any governmental authority of any violations of any Legal Requirements affecting any portion of the Premises. The Premises is in compliance with all applicable environmental, zoning and land use laws, and all other applicable Legal Requirements, and all applicable easements, rights of way, covenants, restrictions and other matters of record;

(e) There is not currently and in the past there has not been any spill, leakage, discharge or release of any hazardous substances in, on or under the Premises; and

(f) The Land constitutes one single parcel of real estate which has been validly subdivided (to the extent legally required) in compliance with all applicable laws, regulations and ordinances, and the Land is a whole and separate tax parcel.

25. Brokers. Landlord covenants, represents and warrants to Tenant that Landlord has had no dealing or negotiations with any broker or agent or finder in connection with respect to this Lease. Tenant covenants, represents and warrants to Landlord that Tenant has had no dealing or negotiations with any broker or agent or finder in connection with respect to this Lease. Landlord and Tenant each covenant and agree to pay, hold harmless and indemnify the other from and against any and all costs, expenses, including reasonable attorneys' fees, and liability for any compensation, commissions or charges claimed by any broker or agent with whom the indemnifying Party has had any dealings or negotiations with respect to this Lease.

26. Waiver. Any particular waiver by Landlord or Tenant of any covenant or condition of this Lease shall extend to that particular case only in the manner specified and shall not be construed as applying to or in any manner waiving any further or other rights hereunder. The receipt of Rent by Landlord, with knowledge of any breach of this Lease by Tenant or of any default on the part of Tenant in

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any of the conditions or covenants of this Lease, shall not be deemed to be a waiver of any provision of this Lease.

27. Tenant Holding Over. Any hold over by Tenant beyond the expiration of the Lease Term shall give rise to a tenancy from month-to-month, cancellable on thirty (30) days' written notice by either Party, notwithstanding the provisions of any law or rule to the contrary.

28. Estoppel Certificates. Each of the Parties hereby agrees to deliver to the other, from time to time, within twenty (20) days after request therefor, an estoppel certificate certifying that this Lease is in full force and effect and that the requesting Party is not in default under the terms hereof (or if the foregoing is not the case, giving an explanation thereof).

29. Delivery for Examination. The submission of this instrument for review and examination does not constitute an offer by the Party submitting the same to lease the Premises. This instrument shall not become effective as a lease, nor shall Landlord or Tenant have any obligation hereunder, unless and until this instrument has been executed by and delivered to the Parties.

30. Force Majeure. If either Party shall be delayed or hindered in or prevented from the performance of any condition required under this Lease by reason of strikes, lockouts, labor trouble, inability to procure materials, failure of electrical power, governmental laws or regulations, riots, insurrection, war, pandemic, epidemic, or other similar or dissimilar reasons beyond such Party's reasonable control (other than financial inability), such Party's performance of such act shall be excused for the period of the delay caused thereby and the period, or date, for the performance of any such act shall be extended for a period equivalent to the period of such delay.

31. Pre-Existing Conditions. Notwithstanding anything to the contrary in this Lease, in no event will Tenant have any obligations or liabilities with respect to matters or conditions (including without limitation environmental conditions or the presence or release of hazardous substances) first affecting or on, at, in, under or released to or from the Premises prior to the Commencement Date.

32. No Consequential Damages. Notwithstanding anything to the contrary in this Lease, in no event will Tenant or Landlord be liable for any indirect, special, punitive or consequential damages.

33. Waiver of Landlord's Lien. Landlord shall have no security interest in Tenant's equipment, furniture and other personal property (including without limitation trade fixtures) located at the Premises, and Landlord hereby expressly waives any statutory or common law landlord's lien that Landlord may have on Tenant's personal property. Tenant shall have the right to finance and/or lease its equipment, furniture and other personal property (including without limitation trade fixtures) located at the Premises at any time and from time to time, and Landlord shall, upon Tenant's request and at no cost to Tenant, enter into commercially reasonable agreements with Tenant's lender(s) and/or lessor(s) to acknowledge and confirm Landlord's waiver of any statutory or common law landlord's lien that Landlord may have on Tenant's personal property (including without limitation trade fixtures) as set forth above and expressly permit Tenant's lender(s) and/or lessor(s) to enter the Premises for purposes of exercising its rights against its collateral and/or leased property.

34. Miscellaneous.

(a) If any term or other provision of this Lease is held by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced under any applicable law in any particular respect or under any particular circumstances, then, so long as the economic or legal substance of the Lease is not affected in any manner materially adverse to any Party, (i) such term or provision shall

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nevertheless remain in full force and effect in all other respects and under all other circumstances, and (ii) all other terms, conditions and provisions of this Lease shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Lease so as to effect the original intent of the Parties as closely as possible in an acceptable manner so that this Lease is fulfilled to the fullest extent possible.

(b) This Lease may be amended, modified or supplemented only by a written instrument duly executed by each of the Parties. This Lease shall be binding upon and inure to the benefit of and be enforceable by the respective legal representatives, successors and assigns of the Parties, subject to Sections 8 and 18 above. Nothing in this Lease shall confer any rights upon any person or entity other than the Parties and their respective heirs, legal representatives, successors and assigns, subject to Sections 8 and 18 above. Any term or provision of this Lease may be waived at any time by the Party entitled to the benefit thereof by a written instrument duly executed by such Party. Neither the failure nor the delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver of such right, power or privilege, and no single or partial exercise of any such right, power or privilege shall preclude any other or further exercise of any such right, power or privilege or the exercise of any other right, power or privilege.

(c) This Lease shall be governed by and construed in accordance with the laws of the state in which the Premises is located, without regard to any choice of law or conflict of law, choice of forum or provision, rule or principle that might otherwise refer construction or interpretation of this Lease to the substantive law of another jurisdiction. This Lease shall be construed without regard to any presumption or other rule requiring construction against the Party causing this Lease to be drafted. Each covenant, agreement, obligation or other provision of this Lease shall be deemed and construed as a separate and independent covenant, not dependent on any other provision of this Lease.

(d) If the time for performance hereunder falls on a Saturday, Sunday or a day that is recognized as a holiday in the State of North Carolina, then such time shall be deemed extended to the next day that is not a Saturday, Sunday or holiday in said state.

(e) It is the intention of this Lease to create the relation of landlord and tenant between the Parties and no other relation whatsoever and nothing herein contained shall be construed to make the Parties partners or joint venturers or to render either Party liable for any of the debts or obligations of the other Party.

(f) All exhibits attached hereto shall be deemed to be a part hereof and are hereby incorporated herein.

(g) This Lease may be executed in two or more counterparts (delivery of which may occur via facsimile or electronic mail attachment in "pdf" or similar format), each of which shall be binding as of the date first written above, and all of which shall constitute one and the same instrument. Each such copy shall be deemed an original, and it shall not be necessary in making proof of this instrument to produce or account for more than one such counterpart.

[Remainder of page intentionally left blank; signature page follows]

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IN WITNESS WHEREOF, the Parties have caused this Lease to be executed the day and year first above written.

LANDLORD:

CABARRUS COUNTY

By: Kelly F. Sifford
Name: Kelly F. Sifford
Title: Deputy County Manager

Attest:

By: Lauren Linker
Lauren Linker, County Clerk

TENANT:

THE PUBLIC HEALTH AUTHORITY OF CABARRUS COUNTY

Signed by:
By: Erin Shoe, Health Director & CEO
45C36F13305644D...
Name: Erin Shoe
Title: Public Health Director
1/17/2025 | 07:21:26 PST

DocuSigned by:
Sue Yates, CFO
AA0C86F0482746B...
Sue Yates, CFO

Chief Financial Officer

1/17/2025 | 08:49:58 PST

THIS INSTRUMENT HAS BEEN PREAUDITED IN THE MANNER REQUIRED BY THE LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACT.

James Howden
FINANCE DIRECTOR

Google Maps

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
County Manager - Update on Holloway Group

BRIEF SUMMARY:
This item was tabled to March from the November 3, 2025 meeting.

REQUESTED ACTION:
Receive input.

EXPECTED LENGTH OF PRESENTATION:
10 Minutes

SUBMITTED BY:
Kelly Sifford, Interim County Manager

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Facilities Design and Construction - Presentation of Guaranteed Maximum Price #1 for Progress Place Renovation

BRIEF SUMMARY:
Staff will present GMP 1 for the Progress Place Renovation, which is for procurement of long lead time items.

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:

Motion to approve the bid award and authorize the County Manager to execute the contract between Cabarrus County and Messer Construction, subject to review and revision by the County Attorney.

EXPECTED LENGTH OF PRESENTATION:
10 Minutes

SUBMITTED BY:
Michael Miller, Design and Construction Director

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Progress Place Renovation GMP1

AIA® Document A133® – 2019 Exhibit A

Guaranteed Maximum Price Amendment

This Amendment dated the 2nd day of February in the year 2026 , is incorporated into the accompanying AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price dated the 12th day of May in the year 2025 (the "Agreement")
(In words, indicate day, month, and year.)

for the following **PROJECT:**
(Name and address or location)

Cabarrus County Department of Social Services
1000 Progress Place NE, Concord, NC 28025

THE OWNER:
(Name, legal status, and address)

Cabarrus County
P.O. Box 707
Street Address: 65 Church Street South, Concord, NC 28025
Phone: 704-920-3206

THE CONSTRUCTION MANAGER:
(Name, legal status, and address)

Messer Construction Co.
2400 Executive Street
Charlotte, NC 28208
Phone: 704-679-6000

TABLE OF ARTICLES

A.1 GUARANTEED MAXIMUM PRICE

A.2 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

A.3 INFORMATION UPON WHICH AMENDMENT IS BASED

A.4 CONSTRUCTION MANAGER'S CONSULTANTS, CONTRACTORS, DESIGN PROFESSIONALS, AND SUPPLIERS

ARTICLE A.1 GUARANTEED MAXIMUM PRICE

§ A.1.1 Guaranteed Maximum Price

Pursuant to Section 3.2.6 of the Agreement, the Owner and Construction Manager hereby amend the Agreement to establish a Guaranteed Maximum Price. As agreed by the Owner and Construction Manager, the Guaranteed Maximum Price is an amount that the Contract Sum shall not exceed. The Contract Sum consists of the Construction Manager's Fee plus the Cost of the Work, as that term is defined in Article 6 of the Agreement.

§ A.1.1.1 The Contract Sum is guaranteed by the Construction Manager not to exceed One Million Seven Hundred and One Thousand Five Hundred and Thirty Nine Dollars ($

ADDITIONS AND DELETIONS:
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™–2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

AIA Document A133 – 2019 Exhibit A. Copyright © 1991, 2003, 2009, and 2019. All rights reserved. "The American Institute of Architects," "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are trademarks of The American Institute of Architects. This document was produced at 10:56:04 on 02/11/2026 under Order No.20250122096 which expires on 04/19/2026, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail docinfo@aiacontracts.com.
User Notes: (1194023233)

1,701,539), subject to additions and deductions by Change Order as provided in the Contract Documents.

§ A.1.1.2 Itemized Statement of the Guaranteed Maximum Price. Provided below is an itemized statement of the Guaranteed Maximum Price organized by trade categories, including allowances; the Construction Manager's contingency; alternates; the Construction Manager's Fee; and other items that comprise the Guaranteed Maximum Price as defined in Section 3.2.1 of the Agreement.
(Provide itemized statement below or reference an attachment.)

See Attached Exhibit 1 – GMP Cost Breakdown

§ A.1.1.3 The Construction Manager's Fee is set forth in Section 6.1.2 of the Agreement.

§ A.1.1.4 The method of adjustment of the Construction Manager's Fee for changes in the Work is set forth in Section 6.1.3 of the Agreement.

§ A.1.1.5 Alternates
§ A.1.1.5.1 Alternates, if any, included in the Guaranteed Maximum Price:

(Table deleted)
See Attached Exhibit 1 – GMP Cost Breakdown

§ A.1.1.5.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Exhibit A. Upon acceptance, the Owner shall issue a Modification to the Agreement.
(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)
(Row deleted)

N/A

§ A.1.1.6 Unit prices, if any:
(Identify the item and state the unit price and quantity limitations, if any, to which the unit price will be applicable.)
(Row deleted)

N/A

ARTICLE A.2 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION
§ A.2.1 The date of commencement of the Work shall be:
(Check one of the following boxes.)

[X] The date of execution of this Amendment.

[ ] Established as follows:
(Insert a date or a means to determine the date of commencement of the Work.)

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of execution of this Amendment.

§ A.2.2 Unless otherwise provided, the Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work. The Contract Time shall be measured from the date of commencement of the Work.

§ A.2.3 Substantial Completion
§ A.2.3.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Construction Manager shall achieve Substantial Completion of the entire Work:
(Check one of the following boxes and complete the necessary information.)

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[ ] Not later than ( ) calendar days from the date of commencement of the Work.

[X] By the following date: 5/10/2027

§ A.2.3.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work are to be completed prior to Substantial Completion of the entire Work, the Construction Manager shall achieve Substantial Completion of such portions by the following dates:
(Row deleted)

N/A

§ A.2.3.3 If the Construction Manager fails to achieve Substantial Completion as provided in this Section A.2.3, liquidated damages, if any, shall be assessed as set forth in Section 6.1.6 of the Agreement.

ARTICLE A.3 INFORMATION UPON WHICH AMENDMENT IS BASED

§ A.3.1 The Guaranteed Maximum Price and Contract Time set forth in this Amendment are based on the Contract Documents and the following:

§ A.3.1.1 The following Supplementary and other Conditions of the Contract:
(Row deleted)

N/A

§ A.3.1.2 The following Specifications:
(Either list the Specifications here, or refer to an exhibit attached to this Amendment.)

See Attached Exhibit 3 – Specifications List

§ A.3.1.3 The following Drawings:
(Either list the Drawings here, or refer to an exhibit attached to this Amendment.)

See Attached Exhibit 4 – Drawing List

§ A.3.1.4 The Sustainability Plan, if any:
(If the Owner identified a Sustainable Objective in the Owner's Criteria, identify the document or documents that comprise the Sustainability Plan by title, date and number of pages, and include other identifying information. The Sustainability Plan identifies and describes the Sustainable Objective; the targeted Sustainable Measures; implementation strategies selected to achieve the Sustainable Measures; the Owner's and Construction Manager's roles and responsibilities associated with achieving the Sustainable Measures; the specific details about design reviews, testing or metrics to verify achievement of each Sustainable Measure; and the Sustainability Documentation required for the Project, as those terms are defined in Exhibit C to the Agreement.)
(Row deleted)

N/A

Other identifying information:

§ A.3.1.5 Allowances, if any, included in the Guaranteed Maximum Price:
(Identify each allowance.)
(Row deleted)

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N/A

§ A.3.1.6 Assumptions and clarifications, if any, upon which the Guaranteed Maximum Price is based:
(Identify each assumption and clarification.)

See Attached Exhibit 2 - Clarifications

§ A.3.1.7 The Guaranteed Maximum Price is based upon the following other documents and information:
(List any other documents or information here, or refer to an exhibit attached to this Amendment.)

Addendum 1 dated January 20th, 2026
Addendum 2 dated January 23rd, 2026

ARTICLE A.4 CONSTRUCTION MANAGER'S CONSULTANTS, CONTRACTORS, DESIGN PROFESSIONALS, AND SUPPLIERS

§ A.4.1 The Construction Manager shall retain the consultants, contractors, design professionals, and suppliers, identified below:
(List name, discipline, address, and other information.)

See Attached Exhibit 1 – Cost Breakdown

This Amendment to the Agreement entered into as of the day and year first written above.

	MESSER CONSTRUCTION CO
OWNER *(Signature)*	**CONSTRUCTION MANAGER** *(Signature)*
Kelly Sifford Interim County Manager	Chris Malinowski Vice President
(Printed name and title)	*(Printed name and title)*

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PROJECT: Cabarrus County DSS GMP-1 MEP Direct Purchase
February 2nd, 2026

Exhibit 1 - GMP Cost Breakdown
Overall Project Recap

PKG#	Description	Value	Subcontractor	MBE %	Local Contractor
23A	Cooling Tower	$ 166,544	ElitAire, LLC (BAC)	0.0%	-
23B	SWUD & WSHP's	$ 1,069,107	ElitAire, LLC (AAON / Daikin)	0.0%	-
23C	Rooftop Units	$ 208,650	Carrier	0.0%	-
	General Conditions	$ 12,360			
	General Requirements/Hoisting/Safety	$ -			
	Subtotal	**$ 1,456,661**		0.0%	0.0%
	SDI - 1.25%	$ 18,054		$ -	$ -
	CMaR Contingency - 3%	$ 43,700		MBE Spend	Local Spend
	Escalation	$ -			
	BR - DIC - 0.11%	$ 1,804			
	CM Bond - 0.6%	$ 9,842			
	CCIP - 2.50%	$ 41,009			
	Fee - 3.15% +2% Direct Purchase Fee	$ 80,910			
	Owner Contingency 3%	$ 49,559			
	GMP Total	**$ 1,701,539**			

Exhibit 1 - GMP Cost Breakdown
General Conditions and General Requirements

General Conditions - Staffing

Name	Hours	Rate	Cost
Alec Carnes - BSG Executive	80	$ 154.50	$ 12,360.00
		Total:	**$12,360.00**

EXHIBIT 2
Qualifications and Clarifications

1. GMP includes $0 in Minority Spend which equals 0% of the total contract.
2. GMP includes an estimated $0 in spend with local Cabarrus County Companies which equals 0% of the total contract.
3. Sales tax is included.
4. Messer Construction is providing a Contractor Controlled Insurance Program (CCIP) for this work.
5. Messer Construction is providing Subcontractor Default Insurance (SDI) for this work.
6. Cabarrus County will provide the Builder's Risk insurance for this project. Messer Construction has included the cost of a Difference in Coverage Policy (DIC).
7. Messer Construction has included an owner contingency as outlined in Exhibit 1.
8. General conditions are based Alec Carnes time for this package. The balance of our staff for this package are funded through our existing Preconstruction agreement. No on-site staff time has been included in this package.
9. This package includes the direct purchase of equipment as required to maintain the overall project schedule. A limited amount of on-site labor is included for start-up, commissioning, etc. Cost associated with delivery to the site, lifting/rigging, on-site installation, connections to the building, supporting structure, etc. will be included as part of a future Bid Package and subsequent change to the contract.
10. Warranties for all equipment have been purchased as listed in the specification and will extend from the established date of substantial completion 5/10/2027.
11. GMP excludes design or engineering costs with the exception of the following delegated design items identified in the project specifications:
    i. Cooling Tower Wind Load Certification & Support Calculations
    ii. RTU Wind Load Certification & Curb Support Calculations
12. Determination of resultant stresses and forces to the surrounding building structure and their proper design and/or modifications are not included for any delegated design elements.

Exhibit 3 - Specification List

Specification No.	Specification Description/Title	Revision #	Release Date
	CMAR BIDDER'S MANUAL		
00 00 00	Cover Sheet		1.12.26
00 00 01	Table of Contents		1.12.26
00 10 00	Prequalification of 1st Tier Subcontractors		1.12.26
00 21 13	Instructions To Bidders	Add. 2	1.23.26
00 24 13	Bid Category Descriptions		1.12.26
00 30 10	MBE Provisions and Forms		1.12.26
00 31 13	Preliminary Schedules and Project Phasing		1.12.26
00 41 00	Bid Forms		1.12.26
00 43 13	Bid Security Bond		1.12.26
00 52 00	Agreement Forms		1.12.26
00 62 76.13	Sales Tax Form		1.12.26
00 73 19	Health and Safety Requirements		1.12.26
01 11 11	Virtual Design & Construction Coordination		1.12.26
01 23 00	Alternates		1.12.26
01 29 00	Payment Procedures		1.12.26
01 77 00	Closeout Procedures		1.12.26
01 78 36	Warranties		1.12.26
	CREECH & ASSOCIATES - TECHNICAL SPECIFICATIONS		
23 05 00	Common Work Results for HVAC		12.17.25
23 05 13	Common Motor Requirements for HVAC Equipment		12.17.25
23 05 48	Vibration & Seismic Controls for HVAC Piping & Equipment		12.17.25
23 05 53	Identification for HVAC Piping & Equipment		12.17.25
23 65 00	Cooling Towers		12.17.25
23 74 13	Packaged, Outdoor, Central-Station Air-Handling Units	Add. 1	1.20.26
23 81 19	Self-Contained Air-Conditioners		12.17.25
23 81 46	Water Source Unitary Heat Pumps		12.17.25

Exhibit 4 - Drawing List

Sheet Number	Sheet Description/Drawing Title	Revision #	Sheet Date
ER-M0.2	Mechanical Schedules, Notes, Legends, and Details		12.17.25
ER-MD1.02	Demolition Mechanical Roof Plan		12.17.25
ER-M1.02	Mechanical Roof Plan		12.17.25
ER-M0.1	Mechanical Legend, Notes & Schedules	Rev. 1	12.17.25
ER-MD1.15	Penthouse Mechanical Demolition Plan		12.17.25
ER-M1.15	New Penthouse Mechanical Plan		12.17.25
ER-MD3.01	Enlarged Mechanical Demolition Plans		12.17.25
ER-M3.01	Enlarged Mechanical Plans		12.17.25
ER-M4.11	Mechanical Details		12.17.25
ER-E1.01	Roof Equipment Connections Plan		12.17.25
ER-E2.01	Electrical Schedules		12.17.25
ER-E3.10	New Basement Equipment Connections Plan		12.17.25
ER-E3.12	New Second Floor Equipment Connections Plan		12.17.25
ER-E3.13	New Third Floor Equipment Connections Plan		12.17.25
ER-E3.14	New Fourth Floor Equipment Connections Plan		12.17.25
ER-E3.15	New Penthouse Equipment Connections Plan		12.17.25
ER-E5.01	Electrical Diagrams		12.17.25
ER-E7.01	Panel Schedules		12.17.25
ER-E7.02	Panel Schedules		12.17.25

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Fair - Powers & Thomas Midway Entertainment Contract

BRIEF SUMMARY:
Discussion of the proposed extension of the existing 5-year contract with the provider of the midway entertainment for the Cabarrus County Fair.

Major Changes:
- Addition of Car Load Night special- 70/30 split on the gate receipts
- $4,000 paid to County for trash removal vs. $2,000
- $25 RV Space Rental per day paid to county vs. $18

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:

Motion to approve and execute the contract with Power and Thomas Midway Entertainment upon review and revision by legal.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Courtney Wyatt, Fair Executive Director

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Contract

STATE OF NORTH CAROLINA

COUNTY OF CABARRUS

CABARRUS COUNTY
FAIR AGREEMENT
FAIR YEARS 2027-2031

THIS AGREEMENT is made and entered into effective the _____ day_____ 2026 by and between **CABARRUS COUNTY, NORTH CAROLINA**, a North Carolina governmental entity, P.O. Box 707, Concord, N.C. 28026-0707 (herein referred to as the "County") and **Powers/Thomas Midway Entertainment, LLC, 7741 Bonaventure Drive, Wilmington, N.C. 28411** (herein referred to as the "Show"); (hereafter, the "Agreement").

W I T N E S S E T H :

WHEREAS, the County is authorized by the Cabarrus County Board of Commissioners to stage the annual Cabarrus County Agricultural Fair (hereafter referred to as the "Fair") at the Cabarrus Arena and Events Center (the "Center") in accordance with the North Carolina General Statutes governing agricultural societies and fairs (N.C.G.S. 106.505 et al.) as monitored by the North Carolina Department of Agriculture and Consumer Services; and

WHEREAS, the Show is in the business of providing and operating amusement rides, shows, games and concessions and desires to provide such attractions for the Fair;

NOW THEREFORE, in consideration of the mutual promises and agreements set forth herein, the County and the Show agree as follows:

I. TERM / DATES.

The term of this Agreement shall be for the period of Six (6) consecutive annual Fair weeks in Cabarrus County, North Carolina. Fair weeks will begin on the Friday following Labor Day of each year and end nine (9) days later on Saturday at closing time. The parties agree that the 2027 Fair shall run from 4:00p.m. Friday, September 10, 2027 through closing time on Saturday, September 18, 2027; the 2028 Fair shall run from 4:00 p.m. Friday, September 8, 2028 through closing time on Saturday, September 16, 2028; the 2029 Fair shall run from 4:00 p.m. Friday, September 7, 2029 through closing time on Saturday, September 15, 2029; the 2030 Fair shall run from 4:00 p.m. Friday, September 6, 2030 through closing time on Saturday, September 14, 2030; the 2031 Fair shall run from 4:00 p.m. Friday, September 5, 2031 through closing time on Saturday, September 13, 2031.

"Closing time" is generally understood to be 11pm, however, the County in its sole discretion may alter the closing time earlier or later depending on evening attendance numbers being high or low, thereby affecting demand for midway attractions.

The Show and County agree and acknowledge that, subject to any previously existing contractual agreements the Show may have with any third party, the County and Show may mutually agree to modify the dates and length of the Fair listed above. It is understood by both parties that any change would need to be made in a timely manner to facilitate all planning, programs, and promotions. In the event the County deems safe operation of the Fair is prevented at any time due to an act of God, a governmental act or regulation, epidemic, strikes, civil unrest, terrorism attack or war conditions or emergencies beyond the control of the County or the Show, the Show agrees to work with the County on the cancelation of Fair plans and operations.

II. COUNTY DUTIES AND PRIVILEGES.

A. Fair Location. The County shall provide the location for the Fair and will provide a midway area suitable for the Show to set up rides, concessions, shows, games and all equipment attendant thereto, subject to the terms and conditions of this Agreement (hereafter, sometimes collectively referred to as the "Show Attraction(s)"). The County will provide Show advance personnel with a free designated space in which to park his/her motor home or recreational vehicle during the advance promotional work.

The County will provide a designated area for employees of the Show to park all motor homes, trailers, recreational vans and bunkhouses. Parking shall be limited to the temporary housing described above. Show will pay County $25.00 per unit, per day, for such temporary units. This County designated area contains water, electric and sewer hookups. Show agrees that no dumping of sewage, gray water, garbage or refuse shall be permitted upon County property. The County shall provide designated containers for trash and garbage for use by Show employees. The Show will provide the camping layout to the Fair Director by September 1 each year.

B. County Attractions Permitted. The County may book third party straight sale concession and other types of stands on the Fair grounds, including without limitation, auction wagons, mug joints, confectionary stands and other food item stands. The County may also book any type of grandstand show(s), a live pony ride and one show for the County's independent midway (hereafter, such attractions may sometimes be collectively referred to as "County Attractions") and may allocate such Fair space to any organization approved by the County.

C. County Suspension of Show Attractions. The County shall have the right to suspend any Show Attractions from the Fair grounds that the County, in its sole and absolute discretion, feels to be unsafe, unlawful or harmful to the Fair or its patrons. The County reserves the right, in its sole discretion, to close down at any time any Show Attractions the County deems unsafe or which may become unsafe or hazardous to operate due to other conditions.

III. SHOW DUTIES AND PRIVILEGES.

A. Show Attractions. The Show will provide the Fair Director with a complete list and recent photograph of all Show Attractions which will be located on the fairgrounds for the Fair by August 1st each year. The Show will provide all necessary personnel and equipment to properly operate and man the Rides and Show Attractions at all times during the Fair operating hours. To be included without limitation, are ticket booths, trash receptacles, hand sanitizing units, benches, and all necessary electrical equipment and power. If Show requires County to provide any additional electrical power, the Show's General Manager and Fair Director will agree on the rate to be paid for said electric by the Show before the Fair opens.

B. **Show Layout.** The Show, in cooperation with the Fair Director, will lay out the midway area in order to provide Fair patrons with a continuous lineup of Show Attractions on both the inside and outside of the walkways. The Show shall provide a minimum of 1,000 linear feet of concession booths and games to be operated in the Fair midway area. The Show agrees to secure prior approval of the County for the layout of all Show Attractions. The County shall also be entitled to allow local organizations approved by the County to operate concession stands and other attractions in other mutually agreed designated areas. The Show acknowledges that in addition to approval of the County, the layout of all Show attractions is subject to approval of all applicable regulatory bodies, including without limitation, local fire and electrical inspection authorities. The County reserves the right, in its sole discretion, to reduce the number of amusement rides and/or concession booths and games to meet or address safety concerns, without fines to the Show.

C. Show Attractions Setup. The Show will have all equipment and personnel with regard to every Show Attraction fully set up and operational by 4:00 p.m. on the Friday when the Fair opens each year. The Show will provide all electrical power sufficient to operate its own equipment. There shall be a "sufficient" number of rides and attractions set up in the judgment of the County, taking into consideration fairgrounds space and safety constraints. The County reserves the right, in its sole discretion, to reduce the number of proposed amusement rides to meet or address safety concerns. At least 90% of the erected rides and attractions shall be operational for all of the Fair hours each date, or the Show will pay to the County a $500.00 fine per day that this threshold is not reached.

D. Show Attractions. In addition to the requisite minimum of 1,000 linear feet of concession booths and games, the Show will provide a minimum of 40 amusement rides and shows, including an assortment from kiddie rides to "spectaculars" with the same general quality as the State Fair in Raleigh, N.C. The County reserves the right, in its sole discretion, to reduce the number of amusement rides and/or concession booths and games to meet or address safety concerns, without fines to the Show.

The Show may provide additional rides and shows if it so desires, within space and safety limitations. All Show Attractions shall have a clearly posted and stated price. There shall be no "donation" or "ding" shows. All games shall be for prizes of merchandise and not for money. All games operated by the Show will be games of skill only. The Show will not operate any games of chance, such as penny falls. The Show agrees that no Show Attractions will contain nudity or burlesque-type entertainment, or violate any local ordinance, rule or regulation. The Show acknowledges that it is prohibited from operating concession sales of novelties, tobacco, cigarettes and alcohol at the Fair.

E. Show Fees/Costs/Expenses.

1. Midway Space: During the Fair, the Show shall pay the County for midway space at $20.00 per linear foot. No charge shall be assessed the Show for awning space, with the exception that there will be a charge for space taken for framework, as measured along the walkway. Front footage on single-sided access concessions or games shall be charged for the number of feet along the midway. However, for pricing purposes hereunder, concessions stands or games having two or more sides will be measured on the long side and one-half of one short side. (For example, for pricing purposes hereunder, a 20' x 10' concession area shall be designated as having a 25-foot frontage.)

2. Gross Receipts/Rides: During the Fair, the Show will pay the County 35% of all gross ride receipts unless there is some other promotional rate in effect as set forth in this Contract, or as agreed upon by the parties pursuant to the terms of this Contract. The Show will provide the County with a daily report of the gross ride receipts at the close of each business day.

3. Tickets/Passes/Advertising: The Show agrees to pay the following amounts to the County prior to the conclusion of the Fair each year: a minimum of Five Thousand Dollars ($5,000.00) per Fair year to assist in defraying the County's Fair advertising costs, plus the Show agrees to pay the County the following: a) Four Thousand Dollars ($4,000.00) to be applied to garbage removal, b) One Thousand Five Hundred Dollars ($1,500.00) to help provide security and discount tickets/ride promotion, and c) Two Thousand Dollars ($2,000.00) towards capital improvements. In addition, the Show shall furnish at its sole expense all necessary ticket stock or other forms of passes used for all rides, shows and games, including coupons, wristbands or hand stamps. The Show will provide the County with a reasonable number of free ride passes for use or delegation by the Fair Director. The County may designate one or more dates of each Fair as "Carload Night" specials, during which dates the Show will retain 70% of the gate receipts, and the County will retain 30% of the gate receipts. At least 90 days prior to Fair opening day, the County and Show will mutually agree on the prices for any other ride coupons and pay-one-price ride promotions.

4. Re-negotiation of Fees/Costs/Expenses. At least 180 days prior to the 2027 through 2031 "Fair Weeks", the County and the Show agree to use good faith efforts to re-negotiate the sums to be paid the County by the Show set forth in (1) through (3) above. However, in no event shall the Show pay the County less than the amounts set forth in this Contract for the Fair.

F. Compliance With Laws.

The Show agrees to comply with all federal, state or local laws, rules, regulations and ordinances applicable to the Show, Show Attractions, Show personnel, agents and representatives and Show operations in general, including without limitation; the American Disabilities Act. The Show agrees to insure that its personnel do not violate any local, state or federal laws, rules, regulations or ordinances.

G. Licenses/Permits. The Show shall be solely responsible for obtaining, at its sole expense, all the necessary federal, state or local licenses, certificates or permits required for the operation of all Show Attractions.

IV. FAIR HOURS OF OPERATION.

Hours of operation for the Show Attractions shall be from 4:00 p.m. to closing on Fridays; 1:00 p.m. to closing on Saturdays, 1:00 p.m. to closing on Sundays, and 4:00 p.m. until closing Monday, Tuesday, Wednesday and Thursday. The County reserves the right, in its sole discretion, to change or modify the hours of operation for any reason including without limitation, due to weather conditions, changes in attendance and safety concerns. "Closing" is generally understood to be 11:00 p.m., but the County in its sole discretion and judgment may amend the closing time each date earlier or later to respond to crowd size and demand for midway attractions.

V. FAIR SET-UP/TEAR-DOWN; MAINTENANCE AND CLEANUP.

A. Set-up/Tear Down. The Show may commence set-up of all Show Attractions six (6) days in advance of the opening day of the Fair. Tear down and removal must be completed no later than seventy-two (72) hours following the closing day. Requests for additional time for set-up or tear down should be submitted to the Fair Director in writing, which consent shall not be unreasonably withheld.

B. **Maintenance.** All Show Attractions shall be maintained and operated in accordance with all applicable laws, regulations, rules and ordinances of the City of Concord, Cabarrus County, the State of North Carolina and any applicable federal law, rule or regulation, including without limitation, the North Carolina Department Labor and any rules promulgated or adopted thereby. The Show shall cooperate with and make any Show Attractions available for inspection by North Carolina Department of Labor or any other inspector designated by the County. The Show agrees that all of its property and all property belonging to its personnel, including without limitation, house trailers, campers and concession trailers, shall all be fully contained and there shall be no drainage of any kind onto the County's property. The Show agrees that its personnel shall park their trailers and vehicles in an area designated by the County and shall at all times maintain the area in an orderly and sanitary fashion.

C. Cleanup. The Show will maintain and keep the midway area clean throughout each day/night during the hours the general public is in attendance. The Show will do nightly cleanup of the midway area immediately upon closing the Fair at the end of each business day. The Show will place all garbage and waste in containers provided by the County.

VI. SHOW PERSONNEL/AGENTS/REPRESENTATIVES/GUESTS.

Prior to opening day for the Fair, the Show will provide the County with a complete list of all Show personnel and/or agents (including without limitation, independent contractors) working at the Fair. The Show hereby represents that all ticket sellers, ticket takers, persons participating in the shows, concessionaires, game operators, service and maintenance personnel, independent contractors, ride operators, equipment operators and any other Show personnel, agents and representatives are properly trained, skilled, qualified and knowledgeable in their respective Fair duties, possessing the requisite expertise and experience to safely and effectively perform their respective duties and shall perform their duties in a competent and safe manner at all times.

The Show shall be solely responsible for the payment of any salary or wages due its employees, representatives and/or agents. The safety and conduct of all Show employees, agents, representatives and guests while on County property shall be the sole obligation and responsibility of the Show. The Show shall be solely responsible for the conduct and personal appearance of Show personnel, agents, representatives and guests. All Show personnel, agents and representatives shall be clean, neatly dressed, orderly and polite in their conduct and speech at all times. Intoxication or the illegal use of controlled substances by the Show's personnel, representatives, agents or guests, or any impolite, discourteous, obscene or other socially unacceptable conduct or speech by such parties, as determined by the County and/or the Cabarrus County Sheriff's Department or any other law enforcement authority, is strictly prohibited. Any conduct of the Show's personnel, agents and/or guests deemed unacceptable by the County may result in such person being immediately and permanently removed from the County property.

VII. INSURANCE/INDEMNITY.

A. Insurance. The Show will purchase an insurance policy insuring against personal and bodily injury (including without limitation, death) and property damage in an amount of no less than five million dollars ($5,000,000.00), naming the County, its agents, officers and assigns as an additional named insured. The Shows' insurance coverage(s) shall be on a primary basis or a primary and non- contributory basis over any other insurance that may be available to Cabarrus County with respect to this Agreement. In addition, the Show will insure that any entity or individual leasing, loaning or in any manner allowing the Show to use any equipment as part of the Show Attractions, also provides the County with a similar policy. The policy (ies) shall contain a written provision that it cannot be cancelled without ten (10) days prior written notice to the County. The policy (ies) shall be issued by a carrier or company acceptable to the County and properly licensed to do business in North Carolina. A certificate of insurance or other proof of coverage acceptable to the County shall be provided to the Fair Director by August 1st each year.

B. Indemnity. The Show hereby indemnifies and holds harmless the County, the Fair, the Center and/or any of their employees, representatives and agents from and against any and all demands, damages, liabilities, costs or expenses of any kind or nature (including without limitation, attorneys' fees and legal costs) as they are incurred or awarded, arising out of or in any way attributable to the Show, the Show Attractions and/or the actions or failure to act by Show personnel, representatives, agents and/or guests. This indemnity shall survive termination of this Agreement. For purposes of any Show liability and/or indemnities provided hereunder, in addition to any recourse the County, its agents, officers and assigns may have against any third parties, the Show acknowledges that it has direct responsibility and liability for and management and control over all Show Attractions which it owns, leases or uses at the Fair.

VIII. INDEPENDENT CONTRACTOR.

The Show acknowledges and agrees that it is an independent contractor and is in no way operating as an agent of or joint venturer with the County, the Center or the Fair.

IX. SEVERABILITY/PARAGRAPH HEADINGS.

Each provision of this Agreement shall be separate and independent of any other and the breach of any Agreement provision by either party shall not relieve the other party from its obligations to perform each and every covenant hereunder. If the provision herein or the application to any person or circumstances shall to any extent be found invalid or unenforceable, the remaining provisions applicable to persons or circumstances other than to those to which it is invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and enforceable to the extent permitted by the law. Paragraph headings hereunder arc for convenience only and shall not be deemed to be a controlling part of this Agreement.

X. NOTICES/RENEWAL/ASSIGNMENT/REPESENTATIONS/TERMINATION.

A. Notices. All notices, demands, requests, consents, approvals and other instruments required or permitted under this Agreement shall be in writing and shall be deemed to have been properly delivered when hand-delivered or sent by the U.S. registered or certified mail, return receipt requested, postage prepaid. With respect to the County, the notice shall be addressed to:

Cabarrus County Fair
P.O. Box 707
Concord, N.C. 28026-0707
Attention: Fair Manager

With respect to the Show, the notice shall be addressed to:

Powers/Thomas Midway Entertainment, LLC
7741 Bonaventure Drive
Wilmington, N.C. 28411

B. Renewal. This Agreement may be renewed upon mutual written consent of the parties hereto. This Agreement does not automatically renew.

C. **Assignment; Show Representations.** The parties agree that the physical, on-site presence during each "Fair Week" of the owner of the Show at the time this Agreement is executed or an owner- approved representative of the Show (which the County may in its sole discretion approve or disapprove) is a condition precedent to the performance of this Agreement. In the event any owner(s) of the Show at the time this Agreement is executed should, at any time during the term of this Agreement:

(1) enter into an agreement to sell or transfer all or any part of their interest(s) in the Show; or (2) cease to be active in the day-to-day management of the Show; the Show must give the County sixty (60) days advance written notice of such change in ownership or management. ln the event any current owner's interest passes by reason of death or incompetence during the term of this Agreement, the personal representative of such owner (or his or her estate) must provide the County with written notice of such event within 30 days of the owner's incompetence or death. In any or the above events, the County reserves the right, in its sole discretion, to terminate this Agreement by giving the Show thirty (30) days advance written notice and the County shall not be deemed to be in default hereunder. It is further agreed that the rights, privileges, obligations and responsibilities of the Show provided herein may not be assigned or transferred in any manner without prior written approval of County. The County has considered certain important factors in the selection of the Show, including without limitation, the following representations and warranties made by the Show hereunder by its execution of this Agreement: (i) the Show is a valid and active New York corporation, properly authorized to do business in all territories in which it operates; (ii) the financial status of the Show is sound, including its financial ability to fulfill its indemnity obligations to the County hereunder; (iii) the safety record of the Show pertaining to the Show Attractions and its compliance with ride safety and inspections in all states and provinces where the Show has performed in the past five (5) years is outstanding; (iv) the Show represents that its personnel has satisfactorily performed services in direct contact with the public at the venues where the Show has pc1formed in the last five (5) years; (v) the Show has an outstanding record for compliance with all applicable federal, state and local laws, rules, regulations and ordinances in locations where it has performed in the past five (5) years; and (vi) the Show has not had any involvement in any material or significant criminal and/or civil litigation during the past five (5) years.

D. **Termination Of Agreement.** This Agreement may be terminated by either party at any time from the date of execution of this Agreement through the 2031 Fair Week in the event the other party hereto: (i) becomes unable to pay its debts as they become due; or (ii) files for bankruptcy or has filed against it an action in bankruptcy; or (iii) has a trustee or receiver appointed to oversee its operations; or (iv) defaults in its obligations hereunder or breaches the terms of this Agreement and upon receipt of written notice from the non-defaulting party, fails to correct such default within fifteen (15) of such notice. In addition, the County shall be entitled to terminate this Agreement immediately in the event either of the following occur at any time from date of execution of this Agreement through the 2031 Fair Week: (i) any representation or warranty provided by the Show hereunder proves to be false or materially misleading; or (ii) the Show becomes the subject of a lawsuit alleging negligence, fraud, misconduct, and/or failure to honor a contractual obligation and such lawsuit is not dismissed as against the Show within ninety (90) days of filing.

E. **Modifications.** Any modifications or ancillary to this Agreement must be in writing, signed by both parties hereto. There are no oral or other understandings between the parties with regard to the subject matter of this Agreement, and all understandings between the parties with regard to the matters set forth herein which are contained in this instrument.

F. **E-Verify:** The Show shall comply with all requirements of Article 2 of Chapter 64 of the North Carolina General Statutes and shall require any subcontractor utilized for this contract to also comply.

G. **Iran Divestment Act Certification:** The Show hereby certifies that the Show, and all subcontractors, are not on the Iran Final Divestment List ("List") created by the North Carolina State Treasurer pursuant to N.C.G.S. 143-6A-4. The Show shall not utilize any subcontractor that is identified on the List.

H. **Governing Law.** This Agreement is to be performed in Cabarrus County, North Carolina; and it is mutually and expressly agreed that this Agreement shall be construed under the laws of the State of North Carolina. In the event of any dispute with regard to the terms of this Agreement, the Show specifically agrees to the jurisdiction of the Courts of Cabarrus County, North Carolina without application of any conflicts of law provisions of any state and expressly consent that any legal action based upon this Agreement will be heard only in the courts of Cabarrus County, North Carolina, which determination shall be deemed final and binding.

IN WITNESS WHEREOF, the duly authorized representatives of the Cabarrus County, North Carolina and Powers/Thomas Midway Entertainment, LLC have caused this Agreement to be executed as of the day and year first above written.

CABARRUS COUNTY, NORTH CAROLINA

By: _____(Seal)
Kelly F. Sifford, Interim County Manager

Date: _____, 2026

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

By: _____
Finance Director, Cabarrus County, NC

Date: _____

POWERS/THOMAS MIDWAY ENTERTAINMENT, LLC

By: _____(Seal)
Edward L. Powers, President

Date: _____, 2026

ATTEST:

_____(Corporate Seal)
Tracy Thomas, Secretary

NORTH CAROLINA
CABARRUS COUNTY

I, _____, a Notary Public of the aforesaid County and State, certify that Kelly F. Sifford personally came before me this day and acknowledged that she is Interim County Manager for Cabarrus County, North Carolina and that by authority duly given to her and as the act of Cabarrus County, North Carolina, the foregoing instrument was signed by her in her official capacity for the purposes therein expressed.

WITNESS my hand and official seal, this the _____ day of _____, 2026.

My commission expires: _____

_____
Notary Public

NORTH CAROLINA
_____ COUNTY

I, _____, a Notary Public of the aforesaid County and State, certify that Tracy Thomas personally came before me this day and acknowledged that she/he is Secretary of Powers/Thomas Midway Entertainment, LLC and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by Edward L. Powers, its President, sealed with its corporate seal and attested by Tracy Thomas as its Secretary.

.

WITNESS my hand and official seal, this the _____ day of _____, 2026.

My Commission expires:_____

_____
Notary Public

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Fair - Southern Rodeo Company Contract - Three Year

BRIEF SUMMARY:
Discussion of the proposed extension of the existing contract with the provider of the rodeo entertainment for the Cabarrus County Fair.

Major Changes:
- A 3-year contract vs. 1 year

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:

Motion to approve and execute the three-year contract with Southern Rodeo Company upon review and revision by legal.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Courtney Wyatt, Fair Executive Director

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Contract

Southern Rodeo Company

1555 Hutchings Mountain Road

Rockmart, GA 30153

Josh Brooks 404-597-5449 / Robin Brooks 404-597-5463

Contract for Cabarrus County Fair Rodeo 2026

Southern Rodeo Company (SRC) is entering into this contract with Cabarrus County Fair (CCF) to produce two professional rodeos. These rodeos will be held on the 1st weekend after Labor Day and the following weekend. CCF Rodeo will have all 8 professional rodeo events.

Southern Rodeo Company will provide:

- Portable Arena / Bucking Chutes / Panels
- Adequate number of livestock for rodeo (bulls, horses, calves & steers)
- Sound & music coordinator
- Announcer
- Clown
- Rodeo Judges (2)
- Bullfighters (2)
- Pickup men (2)
- Contestant Gate worker/s
- Secretary
- Timer
- Livestock handlers / Labor (7)
- Arena director
- Liability Insurance
- Setup and tear down in a timely manner
- Marketing & advertising advice
- Provide $8,000.00 cash prize money for each rodeo – total of $16,000.00

Cabarrus County Fair will provide:

- Location to produce rodeo
- Putting dirt in and hauling dirt out of the arena
- Equipment to unload portable arena and work the arena dirt
- Provide access to electricity and water
- Handle all ticket sales and admission gate
- Provide security during the rodeo performances
- Provide ambulance service during the completion of the rodeos
- All marketing, sponsorship sales and advertising for the rodeos

Southern Rodeo Company will be able to advise on the following

- Sponsorship (Provide example packages)
- Advertising – social media videos $200/video
- Build event poster - $100/poster
- List of vendors (food, t-shirts, boutiques, etc.)
- Any aspect of the rodeos

Cabarrus County Fair agrees to pay Southern Rodeo Company $81,000.00 total for the two rodeos each year for the next 3 years. This will include the prize money provided by SRC.

This contract is for 3 years starting in 2026 and ending in 2028. We will revisit this contract after the performance in 2028 for continued events.

Rodeo dates are as followed

September 11th & 12th, 2026 and September 18th & 19th, 2026

September 10th & 11th, 2027 and September 17th & 18th, 2027

September 8th & 9th, 2028 and September 15th & 16th, 2028

Cabarrus County Fair Representative	Date
	2/3/26
Southern Rodeo Company Representative	Date

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Finance - Refunding 2016 LOBs - Approval of Resolution

BRIEF SUMMARY:
County staff has identified an opportunity to achieve potential debt service savings in connection with refunding its outstanding Limited Obligation Bonds, Series 2016. The attached resolution (the "Approving Resolution") authorizes the sale and issuance of limited obligation bonds and the delivery of a Trust Agreement and a First Supplemental Trust Agreement, a Deed of trust and related documents in connection with the refunding of the 2016 Bonds and the issuance and delivery of the 2026 Bonds. The approving Resolution will also approve the sale of the 2026 Bonds and the preparation and distribution of an Official Statement to potential purchasers of the 2026 Bonds. A public hearing was held on the refunding bonds at the February 17 Board meeting.

REQUESTED ACTION:
Recommended Motions:

Motion to suspend the Rules of Procedure.

Motion to approve the Approving Resolution and the execution of any related necessary documents upon review and revision by legal.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Jim Howden, Finance Director

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Approving Resolution
- Trust Agreement
- Deed of Trust

The Board of Commissioners for the County of Cabarrus, North Carolina, held a work session in the Multipurpose Room at the Cabarrus County Governmental Center located at 65 Church Street S in Concord, North Carolina, the regular place of meeting, at 5:00 p.m. on March 2, 2026.

Present: Chair Laura Blackwell Lindsey, presiding, and Commissioners

Absent: Commissioners

Also Present:

* * * * * *

_____ introduced the following resolution the title of which was read and a copy of which had been previously distributed to each Commissioner:

RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST AGREEMENT, A DEED OF TRUST AND RELATED DOCUMENTS IN CONNECTION WITH THE REFINANCING OF CERTAIN INSTALLMENT FINANCING AGREEMENT PAYMENT OBLIGATIONS OF THE COUNTY OF CABARRUS, NORTH CAROLINA

BE IT RESOLVED by the Board of Commissioners (the "Board") for the County of Cabarrus, North Carolina (the "County"):

Section 1. The Board does hereby find and determine as follows:

(a) The County has previously entered into an Installment Financing Contract, dated as of March 1, 2016 (the "Contract"), between the County and the Cabarrus County Development Corporation (the "Corporation"), pursuant to which the County financed a portion of the costs of (i) acquiring, constructing and equipping Kannapolis Middle School and Mount Pleasant Middle School and expanding, rehabilitating, renovating and equipping Royal Oaks Elementary School and (ii) various real and personal property improvements relating to the foregoing (collectively, the "2016 Project").

(b) For the purpose of obtaining the moneys to finance the advancements to the County under the Contract, the Corporation entered into an Indenture of Trust, dated as of March 1, 2016 (the "Indenture"), with the trustee named therein, pursuant to which $73,785,000 Limited Obligation Bonds (County of Cabarrus, North Carolina Installment Financing Contract), Series

2016 (the "2016 Bonds"), were executed and delivered, such 2016 Bonds representing the rights of the owners thereof to receive the installment payments under the Contract.

(c) After a public hearing and due consideration, the Board has determined that the most efficient manner of refinancing the County's obligations under the Contract and causing the redemption of the 2016 Bonds will be through the execution and delivery of a Trust Agreement, to be dated as of April 1, 2026 (the "Trust Agreement"), between the County and Regions Bank, as trustee (the "Trustee"), pursuant to which the County will issue limited obligation bonds thereunder in an aggregate principal amount not to exceed $37,000,000 (the "Bonds") to provide funds, together with any other available funds, to (i) refinance the County's obligations under the Contract and (ii) pay the fees and expenses incurred in connection with the sale and issuance of the Bonds.

(d) In order to secure the payment of principal of and interest on the Bonds and the performance of its other obligations under the Trust Agreement, the County will execute and deliver a Deed of Trust, to be dated as of April 1, 2026 (the "Deed of Trust"), to the deed of trust trustee named therein for the benefit of the Trustee, granting a first lien of record on all or a portion of the site of 2016 Project, together with any existing and all future improvements and fixtures located or to be located thereon (the "Mortgaged Property").

(e) The Bonds will initially be sold to BofA Securities, Inc. (the "Underwriter"), pursuant to the terms of a Bond Purchase Agreement, to be dated the date of delivery thereof (the "Bond Purchase Agreement"), between the County and the Underwriter.

(f) In connection with the offering and sale of the Bonds by the Underwriter, there will be prepared and distributed to potential purchasers a Preliminary Official Statement, to be dated as of the date of delivery thereof (the "Preliminary Official Statement"), relating to the offering and sale of the Bonds and the Official Statement (hereinafter defined).

(g) There have been presented to the Board drafts of the following documents relating to the transaction hereinabove described:

(1) the Trust Agreement, together with the form of the Bonds attached as Exhibit B thereto;

(2) the Deed of Trust;

(3) the Lease Agreement, between the County and the Kannapolis City Board of Education (the "Board of Education"), to be dated as of April 1, 2026 (the "Lease Agreement"), pursuant to which the County will lease the Mortgaged Property to the Board of Education;

(4) the Bond Purchase Agreement; and

(5) the Preliminary Official Statement.

Section 2. In order to provide for the refinancing of the County's obligations under the Contract, the County is hereby authorized to enter into the Trust Agreement and issue the Bonds

thereunder in an aggregate principal amount not to exceed $37,000,000. The actual principal amount of the Bonds shall be determined by the County at the time of execution of the Bond Purchase Agreement, such execution and delivery of the Bond Purchase Agreement to constitute approval by the County of the principal amount of the Bonds as set forth in the Bond Purchase Agreement. The principal amount of the Bonds shall be the amount that, in the best judgment of the person executing the Bond Purchase Agreement, shall be the amount necessary to provide sufficient funds, together with any other available funds, to (a) refinance the County's obligations under the Contract and (b) pay the fees and expenses incurred in connection with the sale and issuance of the Bonds. The interest rates on the Bonds shall be determined by the County at the time of the execution by the County of the Bond Purchase Agreement; provided, however, that such interest rates shall not result in a true interest cost in excess of 4.00% per annum, such execution and delivery of the Bond Purchase Agreement to constitute approval by the County of the interest rates on the Bonds.

Section 3. The Bonds shall be sold to the Underwriter pursuant to the Bond Purchase Agreement. The Bonds may be sold to the Underwriter at a discount below the amount of the principal amount of the Bonds, such discount not to exceed 98% of the principal amount of the Bonds; provided, however, that if all or any of the Bonds are to be sold to the public by the Underwriter at original issue discount (resulting in lower interest costs of the interest on the Bonds), then the Bonds may be sold at a further discount in the amount necessary to cover such original issue discount. The final maturity of the Bonds shall not be later than December 31, 2036.

Section 4. The Board hereby approves the forms of the Trust Agreement, the Deed of Trust, the Lease Agreement and the Bond Purchase Agreement in substantially the forms presented at this meeting. The Chair or Vice Chair of the Board, the County Manager and the Finance Director of the County are each hereby authorized to execute and deliver on behalf of the County the Trust Agreement, the Deed of Trust, the Lease Agreement and the Bond Purchase Agreement in substantially the forms presented at this meeting, containing such modifications as the person executing such documents shall approve, such execution to be conclusive evidence of approval by the Board of any such changes. The Clerk to the Board or any assistant or deputy Clerk to the Board is hereby authorized to affix the official seal of the County to each of said documents and to attest the same to the extent so required.

Section 5. The Board hereby approves the Preliminary Official Statement in substantially the form presented at this meeting and hereby approves the distribution thereof by the Underwriter in connection with the offering and sale of the Bonds. Upon the sale of the Bonds to the Underwriter, a final Official Statement, to be dated as of the date of the Bond Purchase Agreement (the "Official Statement"), will be prepared substantially in the form of the Preliminary Official Statement and will contain such information relating to the pricing terms of the Bonds and such additional information as may be necessary. The Board hereby approves the delivery of the Official Statement on behalf of the County by the Chair or Vice Chair of the Board, the County Manager or the Finance Director and the distribution thereof by the Underwriter in connection with the offering and sale of the Bonds.

Section 6. No deficiency judgment may be rendered against the County in any action for breach of any contractual obligation under the Trust Agreement, and the taxing power of the

County is not and may not be pledged directly or indirectly to secure any moneys due under the Trust Agreement.

Section 7. The Chair or Vice Chair of the Board, the County Manager, the Finance Director and the County Attorney are hereby authorized to cooperate with the Underwriter in preparing and filing such filings under state securities or "blue sky" laws as the Underwriter may request; provided, however, that the County shall not be required to consent to the jurisdiction of any state in which it is not now subject unless the County Attorney shall determine that such consent is in the best interest of the County.

Section 8. The County Manager or the Finance Director are each hereby authorized to determine on the date of sale of the Bonds whether it is in the best economic interests of the County to refinance all or a portion of the County's installment financing contract obligations under the Contract and cause the redemption of the related 2016 Bonds. If the Bonds are issued to refinance all or a portion of the County's installment financing contract obligations under the Contract, the Board hereby directs that the applicable portions of the Contract shall be prepaid on as directed by the Finance Director, and directs the trustee with respect to such obligations to provide notice of such prepayment at the times and in the manner directed by the applicable financing documents and to cause the related redemption of the 2016 Bonds. In connection with such prepayment and redemption, the County Manager and the Finance Director are hereby authorized to negotiate and execute any escrow deposit agreement or letter of instructions (the "Escrow Deposit Agreement") to cause such prepayment and redemption.

Section 9. The Chair or Vice Chair of the Board, the County Manager, the Finance Director, the County Attorney and the Clerk to the Board, and any other officers, agents and employees of the County, are hereby authorized and directed to take such actions and to deliver such certificates, opinions and other items of evidence as shall be deemed necessary to consummate the transactions described in this resolution, including, without limitation, any additional lease arrangements with the applicable school board for the 2016 Project. The officers, employees and agents of the County are hereby authorized and directed to do all acts and things required of them by the provisions of this resolution for the full, punctual and complete performance of the terms, covenants and provisions of the Trust Agreement, the Bond Purchase Agreement, the Escrow Agreement, the Deed of Trust and any other documents contemplated by this resolution.

Section 10. This resolution shall take effect immediately upon its adoption.

Upon motion of Commissioner _____, the foregoing resolution entitled "RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST AGREEMENT, A DEED OF TRUST AND RELATED DOCUMENTS IN CONNECTION WITH THE REFINANCING OF CERTAIN INSTALLMENT FINANCING AGREEMENT PAYMENT OBLIGATIONS OF THE COUNTY OF CABARRUS, NORTH CAROLINA" was adopted by the following vote:

Ayes:_____

_____

Noes:_____

_____

* * * * * *

I, Ariadne Olvera, Clerk to the Board of Commissioners for the County of Cabarrus, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Board at a work session held on March 2, 2026, as it relates in any way to the adoption of the foregoing resolution approving and authorizing the execution and delivery of a trust agreement, a deed of trust and related documents in connection with the refinancing of certain installment financing agreement payment obligations of said County and that said proceedings are recorded in the minutes of said Board.

I DO HEREBY FURTHER CERTIFY that proper notice of such meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said County this 2nd day of March, 2026.

_____
Clerk to the Board of Commissioners

[SEAL]

Draft No. 1
February 10, 2026

TRUST AGREEMENT

Dated as of April 1, 2026

Between

COUNTY OF CABARRUS, NORTH CAROLINA

and

REGIONS BANK,
as Trustee

County of Cabarrus, North Carolina
Limited Obligation Bonds

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TRUST AGREEMENT

This TRUST AGREEMENT, dated as of April 1, 2026, between the COUNTY OF CABARRUS, NORTH CAROLINA, a body corporate and politic and a political subdivision of the State of North Carolina (the "County"), and REGIONS BANK, a state banking corporation duly organized and existing under the laws of the State of Alabama, which is authorized under such laws to exercise trust powers (the "Trustee");

WITNESSETH:

WHEREAS, the County is a body corporate and politic and a political subdivision duly organized and existing under the Constitution and laws of the State of North Carolina;

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended (the "Act"), the County may finance or refinance (a) the purchase of real or personal property or (b) the construction of fixtures or improvements on real property by contracts that create in the property so acquired or in the fixtures or improvements, or in all or some portion of the property upon which the fixtures or improvements are located, or in both, a security interest to secure repayment of the moneys advanced or made available for such purchase or construction;

WHEREAS, the County has previously entered into an Installment Financing Contract, dated as of March 1, 2016 (the "2016 Contract"), with Cabarrus County Development Corporation (the "Corporation"), to finance a portion of the costs of (a) acquiring, constructing and equipping Kannapolis Middle School and Mount Pleasant Middle School and expanding, rehabilitating, renovating and equipping Royal Oaks Elementary School and (b) various real and personal property improvements relating to the foregoing (collectively, the "2016 Project"), under an arrangement in which the Corporation would agree from time to time to make advancements to the County to pay a portion of the costs of the 2016 Project and the County agreed to repay such advancements, with interest, in installments ("Installment Payments");

WHEREAS, for the purpose of obtaining the moneys to finance the advancements to the County under the Contract, the Corporation entered into an Indenture of Trust, dated as of March 1, 2016 (the "2016 Indenture"), with Regions Bank, as trustee (the "2016 Trustee"), pursuant to which the Corporation assigned and transferred substantially all of its rights under the 2016 Contract, including the right to receive Installment Payments, and the 2016 Trustee was directed to sell participations in the rights to receive the Installment Payments to provide the funds for the advancements, pursuant to which the 2016 Trustee executed and delivered $73,785,000 Limited Obligation Bonds (County of Cabarrus, North Carolina Installment Financing Contract), Series 2016 (the "2016 Bonds"), representing the rights of the owners thereof to receive the Installment Payments under the 2016 Contract;

WHEREAS, at present, the unpaid principal amount of the Installment Payments under the 2016 Contract, and the corresponding unpaid principal balance of the 2016 Bonds, is $**[36,895,000]**;

WHEREAS, the County has developed a plan of finance under which the County will enter into this Trust Agreement with the Trustee providing for the issuance by the County from time to time of limited obligation bonds, each such limited obligation bond constituting a contract

between the County and the owners of such limited obligation bonds to provide funds to the County for the purpose of financing or refinancing all or a portion of the costs of various capital projects, the payments thereunder to be secured on a parity with all other bonds issued pursuant to the provisions hereof by the security created hereunder, and for the County to repay such financings as herein provided;

WHEREAS, the County currently desires to provide for the issuance of the Series 2026 Bonds (hereinafter defined) as provided in this Trust Agreement to provide funds, together with any other available funds, to (a) refinance all of the County's outstanding installment financing agreement payment obligations under the 2016 Contract and (b) pay the fees and expenses incurred in connection with the sale and issuance of the Series 2026 Bonds;

WHEREAS, the County may hereafter desire to refinance or finance various other capital projects pursuant to the provisions of this Trust Agreement or to refund certain outstanding Bonds (hereinafter defined) issued hereunder by issuing additional Bonds as provided hereunder and by entering into Derivative Agreements (hereinafter defined) related thereto;

WHEREAS, in order to secure such repayment and the performance by the County of its other obligations hereunder and certain of its obligations under any Derivative Agreements, the County will execute and deliver the Deed of Trust (hereinafter defined) granting a lien on all or a portion of the sites where the 2016 Project or any Additional Project will be located, together with all improvements and fixtures located and to be located thereon, all as more particularly described in the Deed of Trust (the "Mortgaged Property");

WHEREAS, under the Constitution and laws of the State of North Carolina, including the Act, the County is authorized to enter into this Trust Agreement, to issue the Bonds as hereinafter provided and to do or cause to be done all the acts and things herein provided or required to be done as hereinafter covenanted;

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of North Carolina to happen, exist and be performed precedent to and in the execution and delivery of this Trust Agreement have happened, exist and have been performed as so required to make this Trust Agreement a valid and binding agreement of the County; and

WHEREAS, the Trustee has accepted the trusts created by this Trust Agreement and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 101 Meaning of Words and Terms. In addition to words and terms elsewhere defined in this Trust Agreement, the following words and terms as used in this Trust Agreement shall have the following meanings, unless some other meaning is plainly intended:

"Additional Payments" means the additional payments required to be made by the County pursuant to Section 801.

"Additional Project" means any building, facility, fixture or other improvement financed or refinanced with the proceeds of Bonds, other than the 2016 Project.

"Authorized Officer" means the County Manager, the Finance Director, or any other person designated from time to time to perform the duties imposed on an Authorized Officer by this Trust Agreement pursuant to an Officer's Certificate containing the specimen signature of such designated person filed with the Trustee for such purpose.

"Board of Commissioners" means the Board of Commissioners for the County.

"Board of Education" means the _____, a body corporate organized and existing under the laws of North Carolina, which body is vested with general control and supervision of all matters pertaining to public schools within the County.

"Bond" or "Bonds" means the Series 2026 Bonds and any other bonds or notes issued under the provisions of Section 208 and secured on a parity with each other by this Trust Agreement.

"Bond Counsel" means an attorney or firm of attorneys of nationally recognized standing in matters pertaining to the validity of, and the tax-exempt status of interest on, obligations issued by states and their political subdivisions and acceptable to the County and the Trustee.

"Bond Fund" means the fund created and designated the "County of Cabarrus, North Carolina Limited Obligation Bonds Bond Fund" by Section 501.

"Bond Year" means, with respect to the Series 2026 Bonds, the period commencing on April 1 of any year and ending on March 31 of the following year and with respect to any other Series of Bonds, shall have the meaning as set forth in the related Supplemental Trust Agreement.

"Business Day" means a day on which the Trustee and the New York Stock Exchange are open for the purpose of conducting their businesses.

"Certificate of Completion" means the certificate of an Authorized Officer stating that any Additional Project (or any component thereof financed with a particular Series of Bonds) has been completed as required by Section 405.

"County" means the County of Cabarrus, North Carolina, a body corporate and politic and a political subdivision of the State, and any successor thereto.

"Deed of Trust" means the Deed of Trust, of even date herewith, from the County to the Deed of Trust Trustee for the benefit of the Trustee, granting a lien on the Mortgaged Property, including any amendment or supplement thereto as permitted thereby and by this Trust Agreement. Initially, the Mortgaged Property consists of the site of _____.

"Deed of Trust Trustee" means the trustee serving from time to time under the Deed of Trust.

"Defaulted Interest" means Defaulted Interest as defined in Section 202.

"Defeasance Obligations" means non-callable Government Obligations.

"Derivative Agreement" means an interest rate swap, cap, collar, floor, forward, option, put, call or other agreement, arrangement or security however denominated, entered into by the County in order to hedge interest rate fluctuations on all or a portion of the Bonds or to provide debt management by changing the interest payments on any of the Bonds to be made by the County with a goal of achieving lower interest costs or reducing interest rate risk.

"Derivative Agreement Additional Payments" means payments required to be paid by the County under a Derivative Agreement other than Derivative Agreement Scheduled Payments, including termination payments required to be paid in connection with the early termination of a Derivative Agreement, whether voluntarily or upon the occurrence of an event of default, termination event or similar event thereunder.

"Derivative Agreement Scheduled Payments" means scheduled payments required to be paid by the County under a Derivative Agreement that are based upon a fixed or variable imputed rate on a notional amount set forth in the Derivative Agreement and which are intended by the County to correspond to interest on the underlying Bonds to which the Derivative Agreement relates.

"DTC" means The Depository Trust Company.

["Escrow Agent" means the escrow agent from time to time serving under the Escrow Agreement, whether the original or any successor.

"Escrow Agreement" means the Escrow Deposit Agreement, dated as of April 1, 2026, between the County and the Escrow Agent, relating to the refinancing of all or a portion of the County's installment financing agreement payment obligations under the 2016 Contract as evidenced by the 2016 Bonds.]

"Event of Default" means each of those events of default set forth in Section 902.

"Event of Nonappropriation" means (a) the failure by the Board of Commissioners to budget and appropriate in its budget for any Fiscal Year moneys sufficient to pay all payments of principal and interest on the Bonds (reasonably estimated in the case of any Bonds issued bearing

a variable interest rate) and the reasonably estimated Additional Payments coming due in such Fiscal Year or (b) the deletion by the Board of Commissioners from its duly adopted budget of any appropriation made for the purposes specified in clause (a) above. In the event that during any Fiscal Year, Additional Payments shall become due and payable that were not included in the County's current budget, and if there are no moneys available to pay such Additional Payments within sixty (60) days subsequent to the date upon which such Additional Payments are due and payable, an Event of Nonappropriation shall not be deemed to have occurred until notice has been given by the Trustee to the County to such effect.

"Fiscal Year" means the period commencing on the first day of July of any year and ending on the last day of June of the following year.

"Fitch" means Fitch Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the County by notice to the Trustee.

"Government Obligations" means direct obligations of, or obligations the principal of and the interest on which are fully and unconditionally guaranteed by, the United States of America in either certificated or book-entry form, including (a) to the extent permitted by law, evidences of ownership of, or fractional undivided interests in, future interest and principal payments on such obligations and (b) to the extent permitted by law, obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank Act, as amended by Section 511(a) of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, and commonly known as "interest strips" of the Resolution Funding Corporation.

"Interest Account" means the account in the Bond Fund created and so designated by Section 501.

"Interest Payment Date" means, with respect to the Series 2026 Bonds, each April 1 or October 1, as the case may be, commencing October 1, 2026, and with respect to any other Series of Bonds, each of the interest payment dates provided for in the Supplemental Trust Agreement relating to such Series.

"Investment Obligations" means any investments which at the time of investment are authorized by Section 159-30 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, except as may otherwise be modified in a Supplemental Trust Agreement.

"Issuance Costs" means and further includes all items of expense directly or indirectly payable by or reimbursable to the County relating to the sale and issuance of the Bonds, including, but not limited to, filing and recording costs, settlement costs, printing costs, word processing costs, reproduction and binding costs, initial fees and expenses of the Trustee, bond insurance premiums, initial credit facility or liquidity facility fees, Trustee, remarketing and tender agent fees, legal fees, costs and expenses, financing and other professional consultant fees, costs of rating agencies and costs of providing information to such rating agencies, fees for execution,

transportation and safekeeping of the Bonds and charges, fees and expenses in connection with the foregoing.

"Lease" means the **[Lease Agreement, dated as of _____ __, 20__, between the County and the Board of Education]**, pursuant to which the County leased the site of the 2016 Project to the Board of Education, including any amendment or supplement thereto permitted thereby. The Lease shall be subordinate to the Deed of Trust.

"Local Government Commission" means the Local Government Commission, a division of the Department of the State Treasurer of the State.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the County by notice to the Trustee.

"Mortgaged Property" means the property subject to the lien created by the Deed of Trust, and all improvements and fixtures located and to be located thereon.

"Net Proceeds" means any proceeds of insurance or taking by eminent domain or condemnation paid with respect to the Mortgaged Property remaining after payment therefrom of any expenses (including attorneys' fees) incurred in the collection thereof.

"Net Proceeds Fund" means the fund by that name established and held by the Trustee pursuant to Section 507.

"Officer's Certificate" means a certificate signed by an Authorized Officer.

"Outstanding" when used with reference to Bonds means, as of a particular date, all Bonds theretofore authenticated and delivered under this Trust Agreement, except:

(a) Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(b) Bonds deemed to be no longer Outstanding pursuant to Section 304;

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under this Trust Agreement;

(d) Bonds deemed to have been paid in accordance with Article XIII; and

(e) Bonds deemed to have been purchased in accordance with the provisions herein for the Series 2026 Bonds or of the applicable Supplemental Trust Agreement for any other Series of Bonds in lieu of which other Bonds have been delivered hereunder for the Series 2026 Bonds or under such applicable Supplemental Trust Agreement for any other Series of Bonds.

"Owner" means a person or entity in whose name a Bond is registered in the registration books provided for in Section 205.

"Permitted Encumbrances" means and includes (a) liens for taxes, assessments and other governmental charges due but not yet payable; (b) landlord's, warehouseman's, carrier's, worker's, vendor's, mechanic's and materialmen's liens and similar liens incurred in the ordinary course of business remaining undischarged for not longer than sixty (60) days from the filing thereof; (c) attachments remaining undischarged for not longer than sixty (60) days from the making thereof; (d) liens in respect of pledges or deposits under workers' compensation laws, unemployment insurance or similar legislation and in respect of pledges or deposits to secure bids, tenders, contracts (other than contracts for the payment of money), leases or statutory obligations, or in connection with surety, appeal and similar bonds incidental to the conduct of litigation; (e) the lien created by the Deed of Trust, the Lease or any other lease of all or any portion of the Mortgaged Property permitted by Section 1207; (f) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the date the property subject to such encumbrance becomes Mortgaged Property and that the County certifies to the Trustee in writing will not materially impair the use of such Mortgaged Property for its intended purpose; (g) this Trust Agreement or any Supplemental Trust Agreement; and (h) any other encumbrances described in a policy of title insurance required by Section 604.

"Prior Bonds" of any particular Bond means every previous Bond evidencing all or a portion of the same debt as that evidenced by such particular Bond, and for purposes of this definition, any Bond authenticated and delivered under Section 210 in lieu of a lost, destroyed or stolen Bond shall be deemed to evidence the same debt as the lost, destroyed or stolen Bond.

"Principal Account" means the account in the Bond Fund created and so designated by Section 501.

"Project Costs" means, with respect to any item or portion of any Additional Project, the contract price paid or to be paid therefor upon construction, acquisition, remodeling, improvement or equipping thereof, in accordance with a purchase order or contract therefor. Project Costs include payment or the reimbursement of the County for the payment of the administrative, engineering, legal, financial and other costs incurred by the County in connection with the construction, acquisition, remodeling, improvement or equipping of any Additional Project, all costs incurred for the payment of interest on a Series of Bonds during the period of acquisition, construction or equipping of any Additional Project, and include all applicable sales taxes and other charges resulting from such construction, acquisition, remodeling or improvement of any Additional Project.

"Project Fund" means the fund created and designated the "County of Cabarrus, North Carolina Limited Obligation Bonds Project Fund" by Section 401.

"Rating Agency" means, individually and collectively, Fitch, Moody's and S&P to the extent that such entity is then maintaining a rating on any of the Bonds.

"Redemption Account" means the account in the Bond Fund created and so designated by Section 501.

"Redemption Price" means, with respect to Bonds, the principal amount of such Bonds called for redemption plus the applicable premium, if any, payable upon redemption thereof.

"Regular Record Date" means, with respect to the Series 2026 Bonds, the 15th day of the month preceding any Interest Payment Date, whether or not a Business Day, and with respect to any other Series of Bonds, the regular record date, if any, provided for in the Supplemental Trust Agreement relating to such Series of Bonds.

"S&P" means S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, and its successors and assigns, and if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the County by notice to the Trustee.

"Securities Depository" means DTC, or any other recognized securities depository selected by the County, which maintains a book-entry system in respect of a Series of Bonds, and shall include any substitute for or successor to the securities depository initially acting as Securities Depository.

"Securities Depository Nominee" means, as to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the registration books maintained by the Trustee the Bond certificates to be delivered to and immobilized at such Securities Depository during the continuation with such Securities Depository of participation in its book-entry system.

"Serial Bonds" means the Bonds of any Series that are stated to mature in consecutive annual installments.

"Series", whenever used herein with respect to Bonds, means all of the Bonds designated as being of the same series.

"Series 2026 Bonds" means the County of Cabarrus, North Carolina Limited Obligation Refunding Bonds, Series 2026, dated April 9, 2026.

"Series 2026 Term Bonds" means the Series 2026 Bonds maturing on April 1, 20__.

"Sinking Fund Account" means the account in the Bond Fund created and so designated by the provisions of Section 501.

"Sinking Fund Requirement" means, with respect to the Series 2026 Term Bonds, the Sinking Fund Requirement provided in Section 301 and, for any other Series of Bonds, the Sinking Fund Requirement provided in the Supplemental Trust Agreement relating to such Series.

"Special Record Date" means a date fixed by the Trustee for determining the Owner of Bonds for the payment of Defaulted Interest pursuant to Section 202.

"State" means the State of North Carolina.

"Supplemental Trust Agreement" means any supplemental trust agreement executed and delivered by the County authorizing the issuance of any particular Series of Bonds that is required to be executed and delivered by this Trust Agreement prior to the issuance of any such Series.

"Term Bonds" means the Bonds of any Series, other than Serial Bonds, that are designated as such herein for the Series 2026 Bonds or in the Supplemental Trust Agreement for such Series.

"Trust Agreement" means collectively, this Trust Agreement, each Supplemental Trust Agreement and any supplements and amendments hereto and thereto permitted hereby or thereby.

"Trustee" means the Trustee serving as such under this Trust Agreement, whether original or successor.

"2016 Bonds" means the Limited Obligation Bonds (County of Cabarrus, North Carolina Installment Financing Contract), Series 2016, dated March 31, 2016.

"2016 Contract" means the Installment Financing Contract, dated as of March 1, 2016, between the County and the Corporation.

"2016 Indenture" means the Indenture of Trust, dated as of March 1, 2016, between the Corporation and the 2016 Trustee.

"2016 Project" means of the (a) acquisition, construction and equipping of Kannapolis Middle School and Mount Pleasant Middle School and the expansion, rehabilitation, renovation and equipping of Royal Oaks Elementary School and (b) various real and personal property improvements relating to the foregoing.

"2016 Trustee" means Regions Bank.

Section 102 Rules of Construction. (a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words used herein shall include the plural as well as the singular number.

(b) References herein to particular articles or sections are references to articles or sections of this Trust Agreement unless some other reference is indicated.

(c) References herein to specific sections or chapters of the General Statutes of North Carolina or to specific legislative acts are intended to be references to these sections, chapters or acts as amended and as they may be amended from time to time by the General Assembly of North Carolina, or any successor statute.

(d) Provisions calling for the redemption of Bonds or the calling of Bonds for redemption do not mean or include the payment of Bonds at a stated maturity or maturities.

ARTICLE II

THE BONDS

Section 201 Limitation on Issuance of Bonds. No Bonds may be issued under this Trust Agreement except in accordance with the provisions of this Article. The principal of, the interest on and the redemption premium, if any, on all Bonds issued under the provisions of this Trust Agreement shall be payable solely as described by this Trust Agreement and any respective Supplemental Trust Agreements for their payment. All covenants, agreements and provisions of this Trust Agreement shall be for the benefit and security of all present and future Owners of Bonds without preference, priority or distinction as to lien or otherwise, except as otherwise hereinafter or in any Supplemental Trust Agreement provided, of any one Bond over any other Bond by reason of priority in the issue, sale or negotiation thereof, or otherwise.

Section 202 Details of Bonds. Bonds authorized hereunder may be issued in one or more Series that may be delivered from time to time. The County shall by Supplemental Trust Agreement authorize such Series and shall specify, to the extent appropriate, (a) the authorized principal amount of such Series, (b) the date and terms of maturity or maturities of the Bonds of such Series, or the dates of payment of the Bonds on the demand of the Owner; (c) the interest rate or rates of the Bonds of such Series, which may include variable, adjustable, convertible or other rates, original issue discount, capital appreciation bonds, municipal multipliers or other deferred interest arrangements and zero interest rate bonds, provided that the interest cost of such Series shall never exceed for such Series the maximum interest rate, if any, permitted by law in effect at the time such Series is issued; (d) the Interest Payment Dates for such Series of Bonds; (e) the denominations, numbering, lettering and series designation of such Series of Bonds; (f) the place or places of payment of such Bonds; (g) the redemption dates and Redemption Prices for such Series of Bonds and any terms of redemption not inconsistent with the provisions of this Trust Agreement, which may include mandatory redemption at the election of the Owner thereof to the extent permitted by law; (h) the terms of any optional or mandatory tender requirement, if any, for such Series of Bonds; (i) the use to be made of proceeds of such Series of Bonds, including, without limitation, the deposits required to be made into the Project Fund or appropriate subaccount of the Interest Account or any debt service reserve fund; (j) provisions relating to any collateral security, bond insurance or a credit facility or liquidity facility for such Series and (k) any other terms or provisions applicable to the Series of Bonds not inconsistent with the provisions of this Trust Agreement or the Act. All of the foregoing may be added by Supplemental Trust Agreements executed at any time or from time to time prior to the issuance of such Series of Bonds. Additional details of the Series 2026 Bonds are provided in Section 208 of this Trust Agreement.

Each Bond shall bear interest from the Interest Payment Date next preceding the date on which it is authenticated unless it is (a) authenticated on an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (b) authenticated prior to the first Interest Payment Date, in which event it shall bear interest from its date or such later date as is specified in the Supplemental Trust Agreement providing for its issuance; provided, however, that if at the time of authentication of any Bond interest is in default, such Bond shall bear interest from the date to which interest has been paid.

Unless otherwise provided in a Supplemental Trust Agreement, the principal of and the interest and premium, if any, on the Bonds shall be payable in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. The payment of interest on each Bond shall be made (a) by the Trustee on each Interest Payment Date to the person or entity appearing on the registration books of the Trustee as the registered owner thereof as of the Regular Record Date by check mailed to the registered owner at his address as it appears on such registration books, or (b) by such additional or alternative means as is provided in any Supplemental Trust Agreement providing for the issuance of such Bond. Unless otherwise provided in a Supplemental Trust Agreement, payment of the principal of all Bonds shall be made upon the presentation and surrender of such Bonds at the designated corporate trust office of the Trustee as the same become due and payable (whether at maturity or by redemption, acceleration or otherwise).

Any interest on any Bond of any Series which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Owner on the relevant Regular Record Date solely by virtue of such Owner having been such Owner; and such Defaulted Interest may be paid by the County, at its election in each case, as provided in subsection A or B below:

A. The County may elect to make payment of any Defaulted Interest on the Bonds of any Series to the persons or entities in whose names such Bonds (or their respective Prior Bonds) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The County shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and at the same time, the County shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons or entities entitled to such Defaulted Interest as in this Subsection provided. Thereupon, the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment and not less than ten (10) days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the County of such Special Record Date and, in the name and at the expense of the County, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor (i) to be mailed first-class postage prepaid, to each Owner at his address as it appears in the registration books maintained under Section 205 and (ii) to be posted to the corresponding Series of Bonds on the Electronic Municipal Market Access website (currently https://emma.msrb.org/), each such notice to be provided not less than ten (10) days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons or entities in whose names the Bonds (or their respective Prior Bonds) are registered on such Special Record Date and shall no longer be payable pursuant to the following subsection B below.

B. The County may make payment of any Defaulted Interest on the Bonds of any Series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Bonds may be listed and upon such notice as may be required by such exchange, if, after notice given by the County to the Trustee of the proposed payment pursuant to this Subsection, such payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section, each Bond delivered under this Trust Agreement upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond and each such Bond shall bear interest from such date, that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

Section 203 Execution and Form of Bonds. The Bonds shall be signed by, or bear the manual or facsimile signatures of, the Chair or Vice Chair of the Board of Commissioners or the County Manager of the County and the official seal of the County shall be impressed, or a facsimile thereof imprinted, on the Bonds and attested by the manual or facsimile signature of the Clerk or any Deputy or Assistant Clerk to the Board of Commissioners for the County. In case any officer whose signature or a facsimile of whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature or such facsimile nevertheless shall be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and any Bond may bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution of such Bond are the proper officers to execute such Bond although at the date of such Bond such persons may not have been such officers.

The definitive Bonds are issuable as permitted or required by the respective Supplemental Trust Agreement providing for the issuance of Bonds of any Series. Bonds may be issued under a book-entry system and held by a Securities Depository. All Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the applicable rules and regulations of any governmental authority or any securities exchange on which the Bonds may be listed or to any requirement of law with respect thereto.

Section 204 Exchange of Bonds. Bonds, upon surrender thereof at the designated corporate trust office of the Trustee, together with an assignment duly executed by the Owner or his attorney or legal representative, or legal representative of his estate if the Owner is deceased, in such form as shall be satisfactory to the Trustee, may, at the option of the Owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same Series and maturity, of any denomination or denominations authorized herein for the Series 2026 Bonds or by the Supplemental Trust Agreement pursuant to which such Bonds were issued, bearing interest at the same rate and in the same form as the Bonds surrendered for exchange.

The County shall make provision for the exchange of Bonds at the designated corporate trust office of the Trustee.

Section 205 Transfer and Registration of Transfer of Bonds; Book-Entry Records of Ownership. (a) Unless provided to the contrary in a Supplemental Trust Agreement, and as permitted by law, the Trustee shall keep books for the registration and the registration of transfer of the Bonds. The registration books shall be available at all reasonable times for inspection by

the County and any Owner of such Bonds and may be copied by either of the foregoing and their agents or representatives.

The transfer of any Bond may be registered only upon the books kept for the registration and registration of transfer of Bonds upon presentation thereof to the Trustee together with an assignment duly executed by the Owner or his attorney or legal representative, or legal representative of his estate if the Owner is deceased, in such form as shall be satisfactory to the Trustee. No transfer of any Bond shall alter the ownership of such Bond for purposes of this Trust Agreement unless such transfer is registered with the Trustee. Upon any such registration of transfer, the County shall, if necessary, execute and the Trustee shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this Trust Agreement or the Supplemental Trust Agreement pursuant to which such Bond was issued, in the aggregate principal amount equal to the principal amount of such Bond surrendered or exchanged, of the same maturity and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the County shall, if necessary, execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Trust Agreement. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Trustee. No service charge shall be made for any registration, transfer or exchange of Bonds, but the County and the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds. Unless otherwise required by the applicable Supplemental Trust Agreement, neither the County nor the Trustee shall be required (a) to issue, transfer or exchange Bonds during a period beginning at the opening of business fifteen (15) days before the day of the mailing of a notice of redemption of Bonds and ending at the close of business on the day of such mailing or (b) to transfer or exchange any Bond so selected for redemption in whole or in part.

(b) Unless otherwise provided in a Supplemental Trust Agreement with respect to the Bonds authorized thereby, all Bonds shall be issued by means of a book-entry system with no physical distribution of bond certificates to be made except as hereinafter provided. One bond certificate with respect to each date on which the Bonds of a Series are stated to mature, in the aggregate principal amount of Bonds of such Series stated to mature on such date, and registered in the name of Cede & Co., as nominee of DTC, shall be issued and required to be deposited with DTC or its designee and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in the principal amount of $5,000 or any whole multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. The principal of and interest on the Bonds shall be payable to Cede & Co. or any other person appearing on the registration books of the County as the registered owner of such Bonds or its registered assigns or legal representatives. Transfer of principal and interest to participants of DTC will be the responsibility of DTC, and transfer of principal and interest payments to beneficial owners of the Bonds by participants of DTC will be the responsibility of such participants and other nominees of such beneficial owners. The County and the Trustee shall not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing records maintained by DTC, its participants or persons acting through such participants.

In the event that (1) DTC determines not to continue to act as Securities Depository for the Bonds or (2) the County determines that continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the County shall discontinue the book-entry system with DTC. If the County identifies another qualified Securities Depository to replace DTC, the County shall make arrangements with DTC and such other Securities Depository to effect such replacement and deliver replacement bonds registered in the name of such other Securities Depository or its Securities Depository Nominee in exchange for the outstanding Series 2026 Bonds, and the references to DTC or Cede & Co. in this Trust Agreement shall thereupon be deemed to mean such other Securities Depository or its Securities Depository Nominee. If the County fails to identify another qualified Securities Depository to replace DTC, the County shall deliver replacement bonds in the form of fully registered certificates in the denomination of $5,000 or any whole multiple thereof in exchange for the outstanding Bonds as required by DTC and others.

Section 206 Ownership of Bonds. The County, the Trustee and any agent of the County or the Trustee, may treat the person or entity in whose name any Bond is registered, including, without limitation, any Securities Depository Nominee, as the Owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest on such Bond, and for all other purposes whatsoever, whether or not such Bond be overdue, and, to the extent permitted by law, neither the County, the Trustee, nor any such agent shall be affected by notice to the contrary.

Section 207 Authentication of Bonds. Only such Bonds as have endorsed thereon a certificate of authentication substantially in the following form, duly executed by the Trustee, shall be entitled to any benefit or security under this Trust Agreement:

CERTIFICATE OF AUTHENTICATION

This bond is a Bond of the Series designated therein and issued under the provisions of the within mentioned Trust Agreement [and Supplemental Trust Agreement].

_____, as Trustee

By:_____
Authorized Signatory

Date of authentication: _____

No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication on the Bond has been duly executed and dated, and such certificate upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Trust Agreement. The certificate of authentication on any Bond shall be deemed to have been duly executed and dated if signed by an authorized officer of the Trustee, but it shall not be

necessary that the same officer sign the certificate of authentication on all of the Bonds or any Series thereof that may be issued hereunder at any one time.

Section 208 Terms and Conditions for Issuance of Bonds. (a) For the purpose of providing funds, together with any other available funds, to (i) refinance all of the County's installment financing agreement payment obligations under the 2016 Contract and (ii) pay the Issuance Costs in connection with the Series 2026 Bonds, there shall be issued, under and pursuant to the Constitution and the laws of the State, and this Trust Agreement, a Series of Bonds of the County designated "County of Cabarrus, North Carolina Limited Obligation Refunding Bonds, Series 2026" in the aggregate principal amount of $_____. The definitive Series 2026 Bonds are issuable in fully registered form in denominations of $5,000 or any whole multiple thereof, shall be lettered "R-" and shall be numbered from 1 consecutively upward. The definitive Series 2026 Bonds shall be substantially in the form set forth in Exhibit B attached hereto and made a part hereof, with such appropriate variations, omissions and insertions as are permitted or required by this Trust Agreement.

The Series 2026 Bonds shall be dated the date of their issuance, shall bear interest (computed on the basis of a 360-day year consisting of twelve 30-day months) until their payment such interest to the maturity thereof being payable semiannually on each Interest Payment Date, and shall be stated to mature on April 1 (subject to the right of prior redemption in the case of the Series 2026 Bonds), as follows:

Year of Maturity	Principal Amount	Interest Rate

The Series 2026 Bonds shall be issued by means of a book-entry system with no physical distribution of bond certificates to be made except as hereinafter provided.

The Series 2026 Bonds shall be executed substantially in the form and in the manner hereinabove set forth and shall be deposited with the Trustee for authentication, but before the Bonds shall be authenticated and delivered to the County for redelivery to the purchasers thereof, there shall be filed with the Trustee the following:

(i) an executed copy of this Trust Agreement;

(ii) an executed copy of the Deed of Trust, and evidence satisfactory to the Trustee that the Deed of Trust has been or will be recorded in the office of the Register of Deeds of Cabarrus County, North Carolina;

(iii) a copy, certified by the Clerk to the Board of Commissioners, of the resolution authorizing the issuance and delivery of the Series 2026 Bonds;

(iv) a copy, certified by the Secretary or Deputy Secretary of the Local Government Commission, of the resolution(s) or order(s) of the Local Government Commission approving this Trust Agreement and the Series 2026 Bonds; and

(v) an opinion of Bond Counsel in substantially the form provided as Appendix **[D]** to the Official Statement of the County of Cabarrus, dated April 2, 2026, relating to the Series 2026 Bonds.

When the documents mentioned in subsections (i) to (v), inclusive, shall have been filed with the Trustee and when the Series 2026 Bonds shall have been executed and authenticated as required by this Trust Agreement, the Trustee shall deliver the Series 2026 Bonds at one time to or upon the order of the County for redelivery to or upon the order of the purchasers thereof, but only upon payment to the Trustee of the purchase price of the Series 2026 Bonds in the amount of $_____ (representing the $_____ principal amount of the Series 2026 Bonds, [plus] [less] [a net] [an] original issue [premium] [discount] of $_____ and less an underwriter's discount of $_____).

[In addition, simultaneously with the issuance of the Series 2026 Bonds, the City shall transfer to the Escrow Agent for deposit to the Escrow Fund established pursuant to the Escrow Agreement the sum of $_____. The aggregate of such amounts shall be applied as follows:

(1) $_____ shall be deposited with the Escrow Agent to be applied, **[together with other available funds of the County,]** as directed in the Escrow Agreement; and

(2) the balance of the proceeds in the amount of $_____ shall be deposited directly with the County to pay Issuance Costs incurred in connection with the Series 2026 Bonds.

(b) In addition to the Series 2026 Bonds, and subject to the further provisions hereof, Bonds may be issued for the purpose of providing funds, with any other available funds, for paying:

(1) the cost improvements to the 2016 Project,

(2) the cost of acquisition or construction of any Additional Project, and

(3) the cost (including financing costs) of refunding any Bonds or, to the extent permitted by law, indebtedness other than Bonds.

Before any additional Bonds shall be issued pursuant to this subsection (b), the County shall execute and deliver a Supplemental Trust Agreement authorizing the issuance of such Series of Bonds, fixing the amount and the details thereof and describing in brief and general terms the purpose for issuing such Bonds. Unless otherwise provided in the Supplemental Trust Agreement, the Bonds of each Series shall be designated "County of Cabarrus, North Carolina Limited Obligation Bonds, Series ____" (inserting the year such Bonds are issued and any other distinctive letter or number), shall be stated to mature, subject to the right of prior redemption as therein set forth, on the date or dates specified therein, in such year or years not later than forty (40) years from their date, shall bear interest at a rate or rates not exceeding the maximum rate then permitted by law, shall be numbered and shall have such redemption provisions (subject to the provisions of Article III), all as provided in the Supplemental Trust Agreement. Except to the extent described in Section 202, all such Bonds shall be on a parity with each other and shall be entitled to the same benefit and security of this Trust Agreement.

The form of the definitive Bonds authorized by this subsection shall be as set forth in the Supplemental Trust Agreement authorizing the issuance thereof and substantially in the form of Exhibit B hereto, with such appropriate variations, omissions and insertions as are permitted or required by this Trust Agreement.

Following the issuance of the Series 2026 Bonds, no Bonds may be issued hereunder unless in connection with the issuance thereof there is delivered to the Trustee an Officer's Certificate to the effect that, following the issuance of such additional Bonds, taking into account the estimated value of any additional property to be added to the Mortgaged Property in connection with the issuance thereof, and taking into account the expected value of the Mortgaged Property following the completion of the improvements being financed or refinanced thereby, the expected value of the Mortgaged Property will not be less than 50% of the aggregate principal amount of Bonds that will be Outstanding. The estimate of the value of the Mortgaged Property may be based on such estimates as the Authorized Officer delivering the Officer's Certificate may deem reasonable, including, but not limited to, reliance on (A) an appraisal of the Mortgaged Property prepared by a certified MAI-approved appraiser, (B) the insured value of the Mortgaged Property, (C) the assessed tax valuation of the Mortgaged Property, (D) the estimated cost of the improvements to be installed on the real property constituting the Mortgaged Property, or (E) any combination of the foregoing.

Any additional Bonds shall be executed substantially in the form and in the manner hereinabove set forth and shall be deposited with the Trustee for authentication, but before the Bonds shall be authenticated and delivered to the County for redelivery to the purchasers thereof, there shall be filed with the Trustee the following:

(i) an executed copy of the Supplemental Trust Agreement for the particular Series of Bonds;

(ii) an executed copy of any modifications to the Deed of Trust that may be entered into in connection with the issuance of such Series of Bonds, and evidence satisfactory to the Trustee that such modifications have been or will be recorded in the office of the Register of Deeds of Cabarrus County, North Carolina;

(iii) a copy, certified by the Clerk to the Board of Commissioners, of the resolution authorizing the particular Series of Bonds;

(iv) a copy, certified by the Secretary or Deputy Secretary of the Local Government Commission, of the resolution(s) or order(s) of the Local Government Commission approving this Trust Agreement and the Supplemental Trust Agreement relating to a particular Series of Bonds, if so required by the Act;

(v) an opinion of Bond Counsel to the effect that such Bonds (a) have been duly authorized, executed and delivered and constitute valid and binding obligations of the County, enforceable in accordance with their terms, subject to customary exceptions for bankruptcy, insolvency, reorganization and similar laws affecting creditor's rights and (b) if applicable, that such Bonds are exempt from federal and State of North Carolina income taxation of interest with respect to such Bonds; and

(vi) such other documents as are required to be delivered to the Trustee pursuant to the Supplemental Trust Agreement or as the Trustee may reasonably request.

When the documents mentioned in subsections (i) to (vi), inclusive, of this Section shall have been filed with the Trustee and when the additional Bonds shall have been executed and authenticated as required by this Trust Agreement, the Trustee shall deliver the additional Bonds at one time to or upon the order of the County for redelivery to or upon the order of the purchasers thereof, but only upon payment to the Trustee or other persons or entities as provided in the Supplemental Trust Agreement of the purchase price of the Bonds and the accrued interest, if any, thereon to the date of issuance.

The proceeds (including accrued interest, if any) of the Bonds shall be applied simultaneously with the delivery of the Bonds as provided in the Supplemental Trust Agreement.

Section 209 Mutilated, Destroyed, Lost or Stolen Bonds. The County shall cause to be executed, and the Trustee shall authenticate and deliver a new Bond of like date, number and tenor in exchange and substitution for and upon the cancellation of any mutilated Bond, or in lieu of and in substitution for any destroyed, lost or stolen Bond, and the Owner shall pay the reasonable expenses and charges of the County in connection therewith. Prior to the delivery of a substitute Bond, the Owner of any Bond which was destroyed, lost or stolen shall file with the Trustee evidence satisfactory to it of the destruction, loss or theft of such Bond and of the Owner's ownership thereof and shall furnish to the County and to the Trustee such security or indemnity as may be required by them to save each of them harmless from all risks, however remote.

Every Bond issued pursuant to the provisions of this Section in exchange or substitution for any Bond which is mutilated, destroyed, lost or stolen shall constitute an additional contractual obligation of the County, whether or not the destroyed, lost or stolen Bonds are found at any time or are enforceable by anyone, and shall be entitled to all the benefits and security hereof equally

and proportionately with any and all other Bonds of the same Series duly issued under this Trust Agreement.

Section 210 Bonds Constitute Installment Contracts Under Act. Bonds issued under and pursuant to the terms hereof, together with corresponding obligations under this Trust Agreement and the Deed of Trust relating thereto, shall constitute installment contracts or contracts within the meaning of the Act entered into by the County for the purpose of financing or refinancing the acquisition of real or personal property or the construction or repair of improvements thereon. The payment by the County of the Bonds constituting such installment contracts shall be secured on a parity by the lien on the Mortgaged Property created under the Deed of Trust and by the other security provided for hereunder to the extent provided herein.

ARTICLE III

REDEMPTION

Section 301 Redemption Generally. (a) The Bonds of any Series issued under this Trust Agreement may be made subject to redemption, at such times and prices, as may be provided herein or by the Supplemental Trust Agreement authorizing the issuance of such Bonds.

(b) The Series 2026 Bonds maturing on or prior to April 1, 20__ are not subject to optional redemption prior to their respective maturities. The Series 2026 Bonds maturing on or after April 1, 20__ are subject to redemption prior to their respective maturities, at the option of the County, from any moneys that may be available for such purpose, either in whole or in part on any date on or after April 1, 20__, at a Redemption Price equal to 100% of the principal amount of the Series 2026 Bonds to be redeemed, plus accrued interest, if any, to the redemption date.

(c) The Series 2026 Term Bonds maturing on April 1, 20__ are subject to mandatory redemption in part on April 1, 20__ and at maturity, in the amount of the Sinking Fund Requirement for such April 1 from moneys deposited to the credit of the Sinking Fund Account, at a Redemption Price equal to 100% of the principal amount of such Series 2026 Term Bonds to be redeemed, plus accrued interest to the redemption date. The Sinking Fund Requirements for such Series 2026 Term Bonds for each April 1 shall be as follows:

Year	Amount

_____
* Maturity

Section 302 Selection of Bonds or Portions Thereof to be Redeemed. (a) The Series 2026 Bonds shall be redeemed only in whole multiples of $5,000. If less than all the Series 2026 Bonds are called for redemption, the Series 2026 Bonds of each maturity to be so redeemed shall be called for redemption in the manner set forth in an Officer's Certificate filed with the Trustee.

(b) If less than all of the Series 2026 Bonds of any one maturity are to be called for redemption, the Trustee shall select such Series 2026 Bonds to be redeemed by lot, each $5,000 portion of principal being counted as one Series 2026 Bond for this purpose; provided, however, that so long as the only Owner of the Series 2026 Bonds is Cede & Co., such selection shall be made by DTC. The Trustee shall promptly notify the County in writing of the Series 2026 Bonds so selected for redemption.

Section 303 Redemption Notice. At least thirty-five (35) days prior to the redemption date of any Series 2026 Bonds to be redeemed pursuant to Section 301(b), the County shall notify the Trustee of its intention to redeem such Series 2026 Bonds. The County and the Trustee may mutually agree to a shorter time period for such notice to the Trustee. At least thirty (30) days but not more than sixty (60) days prior to the redemption date of any Series 2026 Bonds to be redeemed, whether such redemption be in whole or in part, the Trustee shall cause a notice of any such redemption to be mailed, first class, postage prepaid, to all Owners of Series 2026 Bonds to

be redeemed in whole or in part, provided that notice to any Securities Depository shall be sent in such manner authorized or required by such Securities Depository and provided further that failure to mail any such notice to any Owner or any defect in such notice shall not affect the validity of the proceedings for such redemption as to the Series 2026 Bonds of any other Owner to whom notice was properly given. The Trustee shall also provide a copy of such notice to the Local Government Commission at the same time as such notice is provided to the Owners of the Series 2026 Bonds to be redeemed; provided, however, that failure to provide a copy of such notice to the Local Government Commission or any defect in such notice shall not affect the validity of the proceedings for such redemption.

Each such notice shall set forth the CUSIP numbers of the Series 2026 Bonds to be redeemed, the date fixed for redemption, the Redemption Price to be paid, the address and phone number of the Trustee, the date of the redemption notice, the maturities of the Series 2026 Bonds to be redeemed and, if less than all of the Series 2026 Bonds of any one maturity then Outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such Series 2026 Bonds to be redeemed and, in the case of Series 2026 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Series 2026 Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Series 2026 Bond, a new Series 2026 Bond in principal amount equal to the unredeemed portion of such Series 2026 Bond will be issued.

Any notice of redemption of the Series 2026 Bonds, except a notice of redemption in respect of a Sinking Fund Requirement, may state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys or Defeasance Obligations sufficient to pay the Redemption Price of and interest on the Series 2026 Bonds to be redeemed, and that if such moneys or Defeasance Obligations are not so received, such notice shall be of no force or effect and such Series 2026 Bonds shall not be required to be redeemed. In the event that moneys or Defeasance Obligations sufficient to pay the Redemption Price of and interest on such Series 2026 Bonds are not received by the Trustee on or prior to the redemption date, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

The requirements for notice of redemption of any additional Bonds shall be set forth in the Supplemental Trust Agreement for such Series of Bonds.

Section 304 Effect of Calling for Redemption. On or before the date upon which Bonds are to be redeemed, the County shall deposit with the Trustee money or Defeasance Obligations, or a combination of both, that will be sufficient to pay on the redemption date the Redemption Price of and interest accruing on the Bonds to be redeemed on such redemption date.

On the date fixed for redemption, notice having been given in the manner and under the conditions provided herein or in the applicable Supplemental Trust Agreement, the Bonds or portions thereof called for redemption shall be due and payable at the Redemption Price provided therefor, plus accrued interest to such date, and if moneys sufficient to pay the Redemption Price of the Bonds or portions thereof to be redeemed plus accrued interest thereon to the date of redemption are held by the Trustee in trust for the Owners of Bonds to be redeemed, interest on

the Bonds or portions thereof called for redemption shall cease to accrue; such Bonds or portions thereof shall cease to be entitled to any benefits or security under this Trust Agreement or to be deemed Outstanding; and the Owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the Redemption Price thereof, plus accrued interest to the date of redemption.

Bonds and portions of Bonds for which irrevocable instructions to pay on one or more specified dates or to call for redemption on any one or more dates as determined by the County have been given to the Trustee in form satisfactory to it shall not thereafter be deemed to be Outstanding under this Trust Agreement and shall cease to be entitled to the security of or any rights under this Trust Agreement, and the Owners shall have no rights in respect of the same other than to receive payment of the principal or Redemption Price thereof and accrued interest thereon, to be given notice of redemption in the manner provided in Section 303, and to the extent hereinafter provided, to receive Bonds for any unredeemed portions of Bonds if money or Defeasance Obligations (that have maturity dates or redemption dates which, at the option of the holder of such Defeasance Obligations, shall not be later than the date or dates on which moneys will be required to effect such payment or redemption), or a combination of both, sufficient to pay the principal or Redemption Price of such Bonds or portions thereof, together with accrued interest thereon to the date upon which such Bonds are to be paid or redeemed, are held in separate accounts by the Trustee in trust for the Owners of such Bonds.

Any Supplemental Trust Agreement may provide that any notice of redemption, except a notice of redemption in respect of a Sinking Fund Requirement, may state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys or Defeasance Obligations sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed, and that if such moneys or Defeasance Obligations are not so received, such notice shall be of no force or effect and such Bonds shall not be required to be redeemed. In the event that such notice contains such a condition and moneys or Defeasance Obligations sufficient to pay the Redemption Price and interest on such Bonds are not received by the Trustee on or prior to the redemption date, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received. The Supplemental Trust Agreement may also provide for the giving of notice of insufficient money prior to the redemption date and such other provisions as the County may determine.

Section 305 Redemption of a Portion of Bonds. If less than all of an Outstanding Bond is selected for redemption, the Owner thereof or his attorney or legal representative, or legal representative of his estate if the Owner is deceased, shall present and surrender such Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the redemption premium, if any, on such principal amount, and the County shall, if necessary, execute and the Trustee shall authenticate and deliver to or upon the order of such Owner or his attorney or legal representative, without charge, for the unredeemed portion of the principal amount of the Bond so surrendered, a new Bond of the same Series and maturity, bearing interest at the same rate and of any denomination or denominations authorized herein for the Series 2026 Bonds or by Supplemental Trust Agreement for such Bond.

Section 306 Cancellation. Bonds presented and surrendered in accordance with the provisions of this Article shall be canceled upon the surrender thereof.

ARTICLE IV

PROJECT FUND

Section 401 Project Fund. The Trustee shall establish a special fund designated as the "County of Cabarrus, North Carolina Limited Obligation Bonds Project Fund" and shall keep the Project Fund separate and apart from all other funds and moneys held by it and shall administer such fund as herein provided. When a Series of additional Bonds is issued under this Trust Agreement, the Trustee may establish separate accounts and subaccounts within the Project Fund to account for the proceeds of such Series of Bonds and any other funds. The moneys deposited in the Project Fund shall be held and applied by the Trustee in accordance with the provisions of this Article.

The County hereby grants to the Trustee for the benefit of the Owners of respective Series of Bonds a lien on and a security interest in all monies and securities in the applicable accounts or subaccounts of the Project Fund relating to that Series of Bonds. The money in each such account or subaccount shall be held by the Trustee in trust and, pending application to the payment of the applicable Project Costs and/or Issuance Costs shall, to the extent permitted by law, be subject to a lien and charge in favor of the Owners of the respective Series of Bonds issued and Outstanding under this Trust Agreement and shall be held for the security of such Owners, except as otherwise provided herein or in any Supplemental Trust Agreement.

Section 402 Deposits to Project Fund; Payments from Project Fund. There shall be credited to the applicable account or subaccount of the Project Fund the proceeds of the sale of a Series of Bonds as required to be deposited therein pursuant hereto or the applicable Supplemental Trust Agreement. There shall also be credited to the applicable account or subaccount of the Project Fund the proceeds of performance and labor and materials payment bonds paid to the Trustee pursuant to Section 706, all investment earnings on moneys held in the Project Fund and any other funds from time to time deposited with the Trustee for such purposes.

Payment of Project Costs and Issuance Costs shall be made from the applicable accounts and/or subaccounts of the Project Fund. All payments from the Project Fund shall be subject to the provisions and restrictions set forth in this Article, and the County shall not cause or agree to permit to be paid from the Project Fund any sums except in accordance with such provisions and restrictions.

Section 403 Requisitions from Project Fund. Payments from the Project Fund shall be made in accordance with the provisions of this Section.

Upon request of the County, the Trustee shall pay Issuance Costs and/or Project Costs directly from the appropriate account or subaccount of the Project Fund, but before any payment shall be made there shall be filed with the Trustee a requisition, in substantially the form set forth in Exhibit A attached hereto, signed by an Authorized Officer.

Upon receipt of each requisition, the Trustee shall pay the obligations set forth in such requisition out of money in the applicable account or subaccount of the Project Fund, and each such obligation shall be paid by wire transfer or by check signed by one or more officers or employees of the Trustee designated for such purpose by the Trustee. If for any reason the County

should decide prior to the payment of any item in a requisition not to pay such item, it shall give timely written notice of such decision to the Trustee, and thereupon the Trustee shall not make such payment.

Section 404 Reliance upon Requisitions. All requisitions and opinions received by the Trustee as conditions of payment from the Project Fund may be relied upon by the Trustee. Such requisitions and opinions shall be retained by the Trustee for so long as the Bonds are Outstanding and shall be subject at all reasonable times during the normal business hours of the Trustee to examination by the County and the Owners of Bonds then Outstanding.

Section 405 Completion of Project. The County shall use its best efforts to cause the acquisition, construction and equipping of any Additional Project to be completed with all reasonable dispatch. Upon the completion of any Additional Project (or the applicable component thereof), the County shall prepare and deliver to the Trustee a Certificate of Completion. The Certificate of Completion shall state that such Additional Project (or applicable component thereof) has been completed and that there are no mechanic's or other liens against such Additional Project (or applicable component thereof) for labor or materials furnished in connection therewith.

Section 406 Transfers of Unexpended Proceeds. Subject to the provisions of any Supplemental Trust Agreement, upon the County's filing of a Certificate of Completion with the Trustee as described in Section 405, the Trustee shall withdraw all remaining moneys in the applicable account or subaccount of the Project Fund (other than any moneys retained therein to pay Project Costs and Issuance Costs not then due and payable) and deposit such moneys in the applicable account of the Bond Fund to be applied to the next succeeding payment of principal of or interest on the Series of Bonds from which excess moneys are derived; provided, however, that if the Trustee receives a certificate of an Authorized Officer directing that the proceeds of such Bonds be applied to pay the cost of other components of any Additional Project, as the case may be, or any other capital project of the County, accompanied by an opinion of Bond Counsel to the effect that such application will not violate the laws of the State, including the Act, and will not cause the interest on such Series of Bonds to be includable in the gross income of the owners thereof for purposes of federal income taxation (to the extent so intended), then the Trustee shall apply the remaining moneys in such account or subaccount of the Project Fund to the purposes so directed. In the event that following completion of any Additional Project (or any component thereof), the Trustee shall not have received a Certificate of Completion, the Trustee may request the same in writing from the County and, if such Certificate of Completion is not delivered to the Trustee within forty-five (45) days, and if during such forty-five (45) day period the Trustee receives no notice from the County to the effect that any Additional Project (or such component thereof) is not complete, then the Trustee may treat the 45th day following the Trustee's transmittal of the request for a Certificate of Completion as the day such certificate is received by the Trustee.

ARTICLE V

OTHER FUNDS AND ACCOUNTS; PAYMENT OF DEBT SERVICE

Section 501 Establishment of Bond Fund. In addition to the Project Fund, there is hereby established the County of Cabarrus, North Carolina Limited Obligation Bonds Bond Fund, in which there are established the Interest Account, the Principal Account, the Sinking Fund Account and the Redemption Account. The Bond Fund and the accounts and subaccounts therein shall be established with and held by the Trustee.

The money in all of the accounts of the Bond Fund shall be held in trust and applied as hereinafter provided and, pending such application, the money in the Bond Fund and the accounts and subaccounts therein shall be subject to a pledge, charge and lien in favor of the Owners of each of the respective Series of Bonds issued and Outstanding under this Trust Agreement and for the further security of such Owners, except as otherwise provided herein or in any Supplemental Trust Agreement.

A Supplemental Trust Agreement may provide for the creation of such other funds and accounts as the County may determine for the Series of Bonds authorized by such Supplemental Trust Agreement.

Section 502 Payment of Debt Service. Subject to the limitations described in Section 801, the County shall make the following payments to the Trustee in the following manner and order:

(a) for deposit into the Interest Account, on or before the 25th day of the month immediately preceding on each Interest Payment Date, the interest payable on the Bonds on such Interest Payment Date;

(b) for deposit into the Principal Account and the Sinking Fund Account, on or before the 25th day of the month immediately preceding each maturity date of Bonds or date that Bonds are subject to redemption in accordance with the Sinking Fund Requirement therefor, the principal maturing or subject to sinking fund redemption on such date.

On or before the 45th day next preceding any date on which Serial Bonds are to mature or Term Bonds are to be redeemed pursuant to Sinking Fund Requirements therefor or are to mature, the County may satisfy all or a portion of its obligation to make the payments required by subsections (a) and (b) of this Section by delivering to the Trustee Serial Bonds maturing or Term Bonds maturing or required to be redeemed on such date. Upon such delivery, the County shall receive a credit against amounts required to be deposited into the Interest Account and the Principal Account or the Sinking Fund Account, as the case may be, on account of such Bonds with respect to all interest payments for the remainder of the Fiscal Year and in the amount of 100% of the principal amount of any such Serial Bonds or Term Bonds so delivered.

Section 503 Application of Money in Interest Account. Not later than 10:00 A.M. on each Interest Payment Date, date for the payment of Defaulted Interest or date upon which Bonds are to be redeemed, or on such other date as may be specified in the applicable Supplemental Trust Agreement, the Trustee shall withdraw from the applicable subaccount in the Interest Account and

remit or otherwise set aside the amount due and payable to the Owners as provided herein or in the Supplemental Trust Agreements.

If there shall be deposited in the Interest Account proceeds of a Series of Bonds that are to be used to finance interest payments with respect to such Bonds as provided in a Supplemental Trust Agreement, on the date of issuance of such Series of Bonds, an Authorized Officer shall deliver to the Trustee a schedule of payments to be made on each Interest Payment Date from the applicable subaccount of the Interest Account for the payment of such interest.

Unless otherwise provided by a Supplemental Trust Agreement, if the County fails to deposit with the Trustee the amounts required to be deposited in the Interest Account as provided in Section 502, or if the balance in the Interest Account on the Business Day next preceding an Interest Payment Date is insufficient to pay interest becoming due on the Bonds on such Interest Payment Date, the Trustee shall notify the County of the amount of the deficiency and request the County to immediately cure such deficiency.

Section 504 Application of Money in Principal Account. Not later than 10:00 A.M. on each principal payment date, the Trustee shall withdraw from the Principal Account and remit or otherwise set aside the amount due and payable to the Owners of the Bonds due on such date.

If on any date there is money in the Principal Account and no Serial Bonds are then Outstanding or if on any principal payment date money remains therein after the payment of the principal of Serial Bonds then due, the Trustee shall withdraw such money therefrom and shall apply the same in the following order: (a) deposit into the Sinking Fund Account the amount then required to be paid thereto by the County pursuant to Section 502 and (b) deliver all remaining amounts to the County.

If the County fails to deposit with the Trustee the amounts required to be deposited in the Principal Account as provided in Section 502, or if the balance in the Principal Account on the Business Day next preceding a principal payment date is insufficient to pay principal coming due on the Serial Bonds on such principal payment date, the Trustee shall notify the County of the amount of the deficiency and request the County to immediately cure such deficiency.

Section 505 Application of Money in Sinking Fund Account. Money held for the credit of the Sinking Fund Account shall be applied to the retirement, purchase, redemption or payment of Term Bonds. Not later than 10:00 A.M. on each date Bonds are to be redeemed pursuant to the Sinking Fund Requirement therefor, the Trustee shall withdraw from the Sinking Fund Account and remit or otherwise set aside the amount due and payable to the Owners on such date. If the County fails to deposit with the Trustee the amount required to be deposited in the Sinking Fund Account, or if the balance in the Sinking Fund Account on the Business Day next preceding a sinking fund payment date is insufficient to retire Term Bonds on such date as required herein or by a Supplemental Trust Agreement, the Trustee shall notify the County of the amount of the deficiency and request the County to immediately cure such deficiency.

Section 506 Application of Money in the Redemption Account. The Trustee shall apply money in the Redemption Account to the purchase or redemption of Bonds as follows:

(a) Subject to the provisions of subsection (c) of this Section, and if instructed to do so by an Authorized Officer, the Trustee shall endeavor to purchase and cancel Bonds or portions thereof, whether or not such Bonds or portions thereof are then subject to redemption, at the direction of an Authorized Officer, provided that the purchase price of each Bond, plus accrued interest to the date of purchase, shall not exceed the Redemption Price that would be payable on the next redemption date to the Owners of such Bonds under the provisions herein for the Series 2026 Bonds or of the applicable Supplemental Trust Agreement plus accrued interest to the redemption date if such Bond or such portion thereof were called for redemption on such redemption date from the money in the applicable subaccount of the Redemption Account. The Trustee shall pay the interest accrued on such Bonds or portions thereof to the date of settlement from the applicable subaccount of the Interest Account and the purchase price from the applicable subaccount of the Redemption Account, but no such purchase shall be made by the Trustee from money in the applicable subaccount of the Redemption Account within the period of forty-five (45) days immediately preceding any date on which such Bonds or portions thereof are to be redeemed except from moneys other than the moneys set aside in the applicable subaccount of the Redemption Account for the redemption of Bonds.

(b) Subject to the provisions of subsection (c) of this Section, the Trustee shall call for redemption on a date permitted herein for the Series 2026 Bonds or by the applicable Supplemental Trust Agreement such amount of Bonds or portions thereof as, with the redemption premium, if any, will exhaust the moneys then held in the applicable subaccount of the Redemption Account as nearly as may be; provided, however, that not less than Fifty Thousand Dollars ($50,000) principal amount of Bonds shall be called for redemption at any one time unless the Trustee is so instructed by the County. The Trustee shall pay the accrued interest on the Bonds or portions thereof to be redeemed to the date of redemption from the applicable subaccount of the Interest Account and the Redemption Price of such Bonds or portions thereof from the applicable subaccount of the Redemption Account. On or before the redemption date, the Trustee shall withdraw from the applicable subaccount of the Redemption Account and the applicable subaccount of the Interest Account and the respective amounts required to pay the Redemption Price and accrued interest to the redemption date of the Bonds or portions thereof so called for redemption.

(c) Money in the Redemption Account may be applied by the Trustee in each Fiscal Year to the purchase or the redemption of Bonds of any one or more Series then Outstanding in accordance with the latest Officer's Certificate filed with the Trustee (i) designating one or more Series of Bonds to be purchased or redeemed, (ii) if more than one Series of Bonds is so designated, setting forth the aggregate principal amount of Bonds of each Series to be purchased or redeemed, and (iii) unless the Supplemental Trust Agreement relating to the Bonds to be redeemed specifies the order of redemption, designating the Bonds to be redeemed within each Series, and if such Bonds are Term Bonds, the years in which future Sinking Fund Requirements are to be reduced as a result of such redemption and the amount of such reduction in each such year. In the event no such certificate is filed and unless the Supplemental Trust Agreement relating to the Bonds to be redeemed specifies otherwise, (A) the Trustee shall apply such money to the redemption of Bonds bearing the highest rate of interest, (B) if Bonds of more than one maturity bear the same interest rate, the Trustee will redeem such Bonds in the inverse order of maturities, and (C) if the Bonds bearing the highest rate of interest are Term Bonds, the Trustee will reduce Sinking Fund Requirements for such Term Bonds in inverse order of the scheduled

redemption of such Term Bonds. All Bonds shall be redeemed as provided herein for the Series 2026 Bonds or in the applicable Supplemental Trust Agreement.

Money held for the credit of the subaccounts in the Redemption Account shall be applied to the purchase or redemption of Bonds in the manner provided in the applicable Supplemental Trust Agreement.

Section 507 Net Proceeds Fund.

(a) Establishment of Net Proceeds Fund; Deposits. There is hereby established with the Trustee a special fund designated as the "County of Cabarrus, North Carolina Limited Obligation Bonds Net Proceeds Fund" to be maintained and held in trust for the benefit of the Owners as provided herein. The Trustee shall deposit Net Proceeds relating to casualty and theft and title insurance in the Net Proceeds Fund promptly upon receipt thereof. The County shall transfer to the Trustee for deposit in the Net Proceeds Fund any other Net Proceeds received by the County in the event of any damage, destruction, theft or taking by eminent domain or condemnation with respect to the Mortgaged Property.

(b) Disbursements. The Trustee shall disburse Net Proceeds for replacement or repair of the Mortgaged Property as provided in subsection (c)(1) and (c)(3) below, or transfer such proceeds to the Redemption Account upon notification of an Authorized Officer as provided in subsection (c)(2) or (c)(4) below. Any balance of Net Proceeds remaining after receipt by the Trustee of a certificate of an Authorized Officer stating that any such replacement or repair has been completed shall be placed into the Bond Fund and applied to the next payment of principal and interest on the Bonds. Any funds remaining in the Net Proceeds Fund after the redemption of all Bonds Outstanding, including accrued interest and payment of any applicable fees to the Trustee pursuant to Section 1005 or provision made therefor satisfactory to the Trustee, shall be withdrawn by the Trustee and remitted to the County.

(c) (1) Upon receipt of a certification from an Authorized Officer that the Net Proceeds available for such purpose, together with any other funds to be provided by the County in its discretion for such purpose, are sufficient to repair or replace the Mortgaged Property to a condition substantially similar to its condition prior to the loss, casualty or other event giving rise to receipt of such Net Proceeds, the Trustee shall disburse moneys in the Net Proceeds Fund to the person, firm or corporation named in the requisition as authorized by subsection (b) above. The Authorized Officer must state in the requisition with respect to each payment to be made (A) the requisition number, (B) the name and address of the person, firm or corporation to whom payment is due, (C) the amount to be paid and (D) that each obligation mentioned therein has been properly incurred, is a proper charge against the Net Proceeds Fund, has not been the basis of any previous withdrawal, and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation.

Any balance of Net Proceeds remaining after such replacement or repair has been completed shall be transferred to the Bond Fund and applied to make payments of principal and interest on the Bonds as the same become due. After payment or provision

for payment of all Bonds Outstanding as provided in this section, any balance of Net Proceeds shall be paid to the County.

(2) If an Authorized Officer notifies the Trustee in writing that (A) the certification required by subsection (c)(1) of this Section cannot be made or (B) replacement or repair of the Mortgaged Property is not economically feasible or in the best interest of the County, then the Trustee, upon the direction of the County, shall promptly transfer the Net Proceeds to the Redemption Account as provided in this Section and apply such Net Proceeds, together with any other available moneys provided by County in its discretion to the Trustee for deposit to the Redemption Account (subject to the limitation set forth below), to the redemption in whole of all of the Outstanding Bonds as provided in Section 301 and the applicable Supplemental Trust Agreements; provided, however, that if any of the Bonds are not subject to redemption at that time, then the amount deposited in the Redemption Account may be invested in Defeasance Obligations which, together with investment earnings thereon and any moneys not so invested, shall be sufficient to pay all interest on such Bonds until their respective maturities or redemption dates and to pay the principal of and premium, if any, on such Bonds on the respective maturities or redemption dates.

(3) If there are sufficient Net Proceeds to comply with the provisions of subsections (c)(1) or (c)(2) of this Section, the County must comply with either of such provisions. However, if the certification required by subsection (c)(1) of this Section cannot be made and if the Net Proceeds and other funds made available by the County are insufficient to redeem or defease all of the Bonds in whole as required by subsection (c)(2) of this Section, the Trustee shall apply the Net Proceeds and any other funds made available by the County in the County's discretion to the replacement and repair of the Mortgaged Property with such changes as may be necessary to cause the replacement and repair to be made from the funds available therefor; provided, however, that no change may be made that would result in a use of the Mortgaged Property different from that which existed prior to the event giving rise to the receipt of Net Proceeds. If Net Proceeds are applied for such purpose, moneys shall be disbursed from the Net Proceeds Fund in the manner provided in subsection (c)(1) of this Section.

(4) If the County and the Trustee are unable to comply with subsections (c)(1), (c)(2) or (c)(3) of this Section, then the County shall direct the Trustee to transfer the Net Proceeds to the Redemption Account to be used to redeem in part the Bonds Outstanding pursuant to the redemption provisions herein for the Series 2026 Bonds or of any Supplemental Trust Agreements in such manner specified in an Officer's Certificate filed with the Trustee; provided, however, that if any of such Bonds are not subject to redemption at that time, then the amount deposited in the Redemption Account may be invested in Defeasance Obligations which, together with investment earnings thereon and any moneys not so invested, shall be sufficient to pay all interest on such Bonds until their respective maturities or redemption dates and to pay the principal of and premium, if any, on such Bonds on the respective maturities or redemption dates.

(d) Cooperation. The Trustee shall cooperate fully with the County, at the expense of the County, in filing any proof of loss with respect to any insurance policy maintained pursuant to

Article VI hereof and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Mortgaged Property or any item or portion thereof.

Section 508 Escheat. All money that the Trustee shall have withdrawn from the Bond Fund or shall have received from any other source and set aside or delivered to the Trustee for the purpose of paying any of the Bonds issued hereunder, either at maturity or by purchase or call for redemption, shall be held in trust for the respective Owners.

Any money that is so set aside and that remains unclaimed by the Owners for a period of five (5) years after the date on which such Bonds have become payable shall be presumed to be abandoned for purposes of Section 116B-53 of the General Statutes of North Carolina, and the Trustee shall report and remit this property to the State Treasurer pursuant to the requirements of, Article 4 of Chapter 116B of the General Statutes of North Carolina, and thereafter the Owners shall look only to the State Treasurer for payment and then only to the extent of the amounts so received, without any interest thereon, and the Trustee and the County shall have no responsibility with respect to such money.

Section 509 Cancellation of Bonds. Upon receipt of the same, the Trustee shall cancel all Bonds paid, redeemed or purchased by the Trustee or purchased by the County and delivered to the Trustee, and all Bonds delivered to the Trustee in exchange for other Bonds or delivered to the Trustee upon the transfer of any Bond if a new Bond is delivered upon such transfer. The Trustee shall certify to the County the details of all Bonds so canceled. All Bonds canceled under any of the provisions of this Trust Agreement either shall be delivered to the County or destroyed by the Trustee, as the County directs. Upon destruction of any Bonds, the Trustee shall execute a certificate in duplicate, describing the Bonds so destroyed; and one executed certificate shall be filed with the County and the other executed certificate shall be retained by the Trustee.

Section 510 Disposition of Fund Balances. After provision is made for the payment of all Outstanding Bonds, including the interest thereon and for the payment of all other obligations, expenses and charges required to be paid under or in connection with this Trust Agreement, the Trustee shall pay all amounts in any fund, account or subaccount then held by it under this Trust Agreement to the County. If a continuing lien has been imposed on such balance by another resolution, bond order, any other agreement, by court order or decree, or by law, the Trustee shall pay such balance to such person or entity as is entitled to receive the same by law or under the terms of such resolution, bond order, agreement, court order, or decree.

ARTICLE VI

INSURANCE

Section 601 Comprehensive General Liability. (a) The County shall maintain or cause to be maintained throughout the term of this Trust Agreement a comprehensive general liability policy or policies in protection of the County, its officers, agents and employees. Said policy shall cover such losses and for such amounts and shall have such deductible amounts as shall be satisfactory to the Board of Commissioners and, in the judgment of the Board of Commissioners, shall protect the County against losses not protected under the principles of sovereign immunity.

(b) The net proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the insurance proceeds shall have been paid.

Section 602 Workers' Compensation. The County shall maintain workers' compensation insurance to insure its employees against liability for compensation under the laws now in force in the State, or any act hereafter enacted as an amendment or supplement thereto or in lieu thereof. The proceeds of such workers' compensation insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the insurance proceeds shall have been paid.

Section 603 Casualty and Theft Insurance. (a) The County shall procure and maintain, or cause to be procured and maintained (by the Board of Education or any other applicable parties), throughout the term of this Trust Agreement insurance against loss or damage to any portion of the Mortgaged Property by fire and lightning, with extended coverage, and vandalism and malicious mischief insurance. Said extended coverage insurance shall, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance policies shall name the Trustee as a loss payee and additional insured. To the extent that any contractor shall provide an insurance policy or certificate of insurance (naming the Trustee as a loss payee and an additional insured) demonstrating that the same coverage as is required by this subsection is being carried by such contractor with respect to the Mortgaged Property or any part thereof and adequately protects the interest of the County and the Trustee, the insurance provided for by this subsection shall not be required with respect to the Mortgaged Property or such part thereof while the Mortgaged Property or such part thereof is so covered by such other insurance.

(b) Such insurance shall be in an amount equal to 100% of the replacement cost of the Mortgaged Property (except that such insurance may be subject to a reasonable and customary deductible clause for any one loss).

(c) The Net Proceeds of such insurance shall be deposited in the Net Proceeds Fund and applied as provided in Section 507.

Section 604 Title Insurance. The County shall obtain at the time of execution of this Trust Agreement, and cause to be maintained, a mortgagee's title insurance policy on the Mortgaged Property, insuring the County's fee simple interest in said property, subject only to Permitted Encumbrances, in the amount of $_____, naming the Trustee as the named insured. The Net Proceeds of such insurance shall be deposited in the Net Proceeds Fund and applied as provided in Section 507.

Section 605 General Insurance Provisions. (a) The County shall pay or cause to be paid when due the premiums for all insurance policies required by this Trust Agreement.

(b) Except as otherwise provided in subsection (d) of this Section, all insurance policies required by this Article shall be issued by a responsible carrier authorized to do business under the laws of the State.

(c) The Trustee shall not be responsible for the sufficiency or adequacy of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss.

(d) In lieu of obtaining the policies of insurance required by Section 601, Section 602 and Section 603, the County may adopt alternative risk management programs which it determines to be reasonable, including, without limitation, to self-insure in whole or in part, individually or in connection with other units of local government or other institutions, to participate in programs of captive insurance companies, to participate with other units of local government or other institutions in mutual or other cooperative insurance or other risk management programs, to participate in State or federal insurance programs, to take advantage of State or federal laws now or hereafter in existence limiting liability, or to establish or participate in other alternative risk management programs, all as may be reasonable and appropriate risk management by the County and that provide comparable coverages required by such sections. In addition, any insurance coverage pursuant to this Article (other than Section 604) may be pursuant to a program whereby the County self-insures against certain losses up to a stated loss amount, and retains excess coverage from an insurer meeting the requirements of this Article.

(e) The insurance coverage required under Section 603 may be maintained under a blanket policy covering other properties of the County.

(f) The County shall cause to be delivered to the Trustee annually on or about July 1 of each year a certificate stating that the insurance policies or alternative risk management programs required or permitted by this Trust Agreement are in full force and effect.

(g) The County shall cooperate fully with the Trustee in filing any proof of loss with respect to any insurance policy maintained pursuant to this Article and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Mortgaged Property or any portion thereof.

(h) Any agreement herein by the County to provide insurance and to pay the cost thereof may be carried out by the Board of Education with the same force and effect as if carried out by the County. The Board of Education may participate in the risk management program administered by the North Carolina School Boards Association to fulfill these obligations.

ARTICLE VII

DEPOSITARIES OF MONEY; SECURITY FOR DEPOSITS; INVESTMENT OF FUNDS AND COVENANTS OF THE COUNTY

Section 701 Security for Deposits. Any and all money deposited with the Trustee shall be trust funds under the terms hereof, and, to the extent permitted by law in the case of the Project Fund, shall not be subject to any lien or attachment by any creditor of the County.

All money deposited with the Trustee hereunder in excess of the amount guaranteed by the Federal Deposit Insurance Corporation or other federal agency shall be continuously secured, for the benefit of the County and the Owners of Bonds, either (a) by lodging with a bank or trust company chosen by the Trustee or, if then permitted by law, by setting aside under control of the trust department of the bank or trust company holding such deposit, as collateral security, Government Obligations or other marketable securities eligible as security for the deposit of trust funds under regulations of the Comptroller of the Currency of the United States or applicable State law or regulations, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) if the furnishing of security as provided in clause (a) above is not permitted by applicable law, then in such other manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Trustee to give security for the deposit of any money with it for the payment of the principal of or the redemption premium or the interest on any Bonds, or for the Trustee to give security for any money that shall be represented by Investment Obligations purchased under the provisions of this Article as an investment of such money.

All money deposited with the Trustee shall be credited to the particular fund, account or subaccount to which such money belongs.

Section 702 Investment of Money. Money held for the credit of all funds, accounts and subaccounts shall be continuously invested and reinvested by the Trustee in Investment Obligations or held as cash to the extent investment or reinvestment in Investment Obligations is not practicable. Except as hereinafter provided in this Section with respect to the disposition of investment income, the particular investments to be made and other related matters in respect of investments may, as to each Series of Bonds, be provided in the applicable Supplemental Trust Agreement.

Investment Obligations shall mature or be redeemable at the option of the holder thereof not later than the respective dates when the money held for the credit of such funds, accounts and subaccounts will be required for the purposes intended.

Notwithstanding the forgoing, no Investment Obligations pertaining to any Series in any fund, account or subaccount shall mature on a date beyond the latest maturity date of the respective Series of Bonds Outstanding at the time such Investment Obligations are deposited. For purposes of this Section, the maturity date of any repurchase agreement shall be deemed to be the stated maturity date of such agreement and not the maturity dates of the underlying obligations.

An Authorized Officer or his designee shall give to the Trustee written directions respecting the investment of any money required to be invested hereunder, subject, however, to the provisions of this Article, and the Trustee shall then invest such money as so directed. The Trustee may request additional direction or authorization from the Authorized Officer or his designee in writing with respect to the proposed investment of money under the provisions of this Trust Agreement, upon which instructions the Trustee may rely as to the appropriate maturity or redemption date of any directed investments. Upon receipt of such directions, the Trustee shall invest, subject to the provisions of this Article, such money in accordance with such directions. To the extent that the Trustee has not received written directions from an Authorized Officer regarding investment of moneys, the Trustee shall, until such written directions are received, invest such moneys pursuant to a standing written instruction, designating a specific investment, that is delivered to the Trustee by the County upon the original issuance of the Bonds, as such standing written instruction may be amended from time to time in writing by an Authorized Officer; provided however, if no such written standing instruction is received by the Trustee or are no longer valid for any reason, then such funds shall be held uninvested as cash. The Trustee shall have no liability for investments made in accordance with this Section.

Investment Obligations acquired with money in or credited to any fund, account or subaccount established under this Trust Agreement shall be deemed at all times to be part of such fund, account or subaccount. Any loss realized upon the disposition or maturity of such Investment Obligations shall be charged against such funds, accounts or subaccounts. The interest accruing on any such Investment Obligations and any profit realized upon the disposition or maturity of such Investment Obligations shall be credited to such funds, accounts or subaccounts.

Any such interest accruing and any such profit realized shall be transferred upon the receipt thereof by the Trustee pursuant to the provisions of this Trust Agreement.

The Trustee shall sell or reduce to cash a sufficient amount of such Investment Obligations whenever it is necessary to do so to provide money to make any payment from any such fund, account or subaccount. The Trustee shall not be liable or responsible for any loss resulting from any such action.

Whenever a transfer of money between two or more of the funds, accounts or subaccounts established under this Trust Agreement is permitted or required, such transfer may be made as a whole or in part by transfer of one or more Investment Obligations at a value determined at the time of such transfer in accordance with this Article, provided that the Investment Obligations transferred are those in which money of the receiving fund, account or subaccount could be invested at the date of such transfer.

For purposes of making any investment hereunder, the Trustee may consolidate money held by it in any fund, account or subaccount with money in any other fund, account or subaccount. Transfers from any fund, account or subaccount to the credit of any other fund, account or subaccount provided for in this Trust Agreement may be effectuated on the books and records of the Trustee and the County without any actual transfer of funds or liquidation of investments. Investment Obligations purchased with consolidated funds shall be allocated to each fund, account or subaccount on a pro rata basis in accordance with the initial amount so invested from each such fund, account or subaccount.

Unless otherwise directed by the County, Investment Obligations may be purchased by the Trustee through its own investment division or other bank facilities established for such purpose and the Trustee may charge its usual and customary fees for such investments.

So long as the Trustee provides periodic reports as to the funds, accounts and investments held hereunder, it shall not be required to furnish brokerage statements as to any investment activity hereunder.

Section 703 Valuation. For the purpose of determining the amount on deposit in any fund, account or subaccount, Investment Obligations in which money in such fund, account or subaccount is invested shall be valued by the Trustee (a) at face value if such Investment Obligations mature within twelve (12) months from the date of valuation thereof and (b) if such Investment Obligations mature more than twelve (12) months after the date of valuation thereof, at the price at which such Investment Obligations are redeemable by the holder at its option, if so redeemable, or, if not so redeemable, at the lesser of (i) the cost of such Investment Obligations minus the amortization of any premium or plus the amortization of any discount thereon and (ii) the market value of such Investment Obligations.

All Investment Obligations in all of the funds, accounts and subaccounts created hereunder shall be valued as of the last day of each Fiscal Year. When a valuation is made by the Trustee, the Trustee shall report the result of such valuation to the County within thirty (30) days after such valuation. In addition, Investment Obligations shall be valued at any time requested by the County on reasonable notice to the Trustee (which period of notice may be waived or reduced by the Trustee); provided, however, that the Trustee shall not be required to value Investment Obligations more than once in any calendar month.

Section 704 Continuing Disclosure. The County hereby undertakes, for the benefit of the beneficial owners of the Series 2026 Bonds, to provide to the Municipal Securities Rulemaking Board (the "MSRB"):

(a) by not later than seven months from the end of each Fiscal Year, beginning with the Fiscal Year ending June 30, 2026, audited financial statements of the County for such Fiscal Year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or, if such audited financial statements of the County are not available by seven months from the end of such Fiscal Year, unaudited financial statements of the County for such Fiscal Year to be replaced subsequently by audited financial statements of the County to be delivered within fifteen (15) days after such audited financial statements become available for distribution;

(b) by not later than seven months from the end of each Fiscal Year, beginning with the Fiscal Year ending June 30, 2026, the financial and statistical data as of a date not earlier than the end of the preceding Fiscal Year for the type of information included under the **headings ["THE COUNTY OF CABARRUS - Debt Information and - Tax Information" (excluding any information on underlying units) in Appendix A]** to the Official Statement, dated April 2, 2026, relating to the Series 2026 Bonds (the "Official Statement"), to the extent that such items are not included in the audited financial statements referred to in (a) above.

(c) in a timely manner, not in excess of ten business days after the occurrence of the event, notice of any of the following events with respect to the Series 2026 Bonds:

(1) principal and interest payment delinquencies:

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

(5) substitution of credit or liquidity providers, or their failure to perform;

(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2026 Bonds or other material events affecting the tax status of the Series 2026 Bonds;

(7) modification to the rights of the beneficial owners of the Series 2026 Bonds, if material;

(8) bond calls, other than pursuant to mandatory sinking fund redemption, if material, and tender offers;

(9) defeasances;

(10) release, substitution or sale of any property securing repayment of the Series 2026 Bonds, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the County;

(13) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(14) appointment of a successor or additional Trustee or the change of name of the Trustee, if material;

(15) incurrence of a financial obligation (as defined below) of the County, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the County, any of which affect beneficial owners of the Series 2026 Bonds, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the County, any of which reflect financial difficulties;

(d) in a timely manner, notice of a failure of the County to provide required annual financial information described in (a) or (b) above on or before the date specified.

All information provided to the MSRB as described in this Section shall be provided in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

The County may meet the continuing disclosure filing requirement described above by complying with any other procedure that may be authorized or required by the United States Securities and Exchange Commission.

For the purposes of this Section, "financial obligation" means (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of either clause (a) or (b). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12 issued under the Securities Exchange Act of 1934 ("Rule 15c2-12").

If the County fails to comply with the undertaking described above, the Trustee or any beneficial owner of the Series 2026 Bonds may take action to protect and enforce the rights of all beneficial owners with respect to such undertaking, including an action for specific performance; provided, however, that failure to comply with such undertaking shall not be an Event of Default under this Trust Agreement and shall not result in any acceleration of the Series 2026 Bonds. All actions shall be instituted, had and maintained in the manner provided in this paragraph for the benefit of all beneficial owners of the Series 2026 Bonds.

The County reserves the right to modify from time to time the information to be provided to the extent necessary or appropriate in the judgment of the County, provided that:

(a) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the County;

(b) the information to be provided, as modified, would have complied with the requirements of Rule 15c2-12 issued under the Securities Exchange Act of 1934 ("Rule 15c2-12") as of the date of the Official Statement, after taking into account any amendments or interpretations of Rule 15c2-12, as well as any changes in circumstances; and

(c) any such modification does not materially impair the interests of the beneficial owners of the Series 2026 Bonds, as determined by the Trustee or Bond Counsel, or by approving vote of the Owners of a majority in principal amount of the Series 2026 Bonds then Outstanding pursuant to the terms of this Trust Agreement at the time of the amendment.

In the event that the County makes such a modification, the annual financial information containing the modified operating data or financial information shall explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Section shall terminate upon payment, or provision having been made for payment, in a manner consistent with Rule 15c2-12, in full of the principal of and interest on all of the Series 2026 Bonds.

Section 705 Covenant as to Arbitrage. The County covenants that so long as any of the Bonds remain Outstanding, money on deposit in any fund, account or subaccount maintained in connection with the Bonds, regardless of whether such money was derived from the proceeds of the sale of the Bonds or from any other sources, will not be used in a manner that would cause any of the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable regulations promulgated from time to time thereunder, except for moneys on deposit in such funds, accounts or subaccounts with respect to any Series of Bonds not intended to be tax-exempt under the provisions of the Code. The County further covenants and agrees to comply with the requirements of Section 148 of the Code and applicable regulations promulgated from time to time thereunder with respect to any Series of Bonds intended to be tax-exempt under the provisions of the Code.

Section 706 Construction. The County shall comply with the provisions of applicable law and enter into one or more contracts or purchase orders providing for the acquisition, construction and equipping of any Additional Project. The County shall require the acquisition, construction and equipping of any Additional Project to be carried on expeditiously in accordance with the plans and specifications therefor, all applicable ordinances and statutes, and in accordance with the requirements of all regularly constituted authorities having jurisdiction over same.

Section 707 Installation of Additional Improvements; Modification of Mortgaged Property. (a) The County may at any time and from time to time, in its sole discretion and at its own expense, construct or cause to be constructed additional improvements and install or permit to be installed items of equipment or other personal property in or upon any portion of the Mortgaged Property that do not materially impair the effective use, nor materially decrease the value, of the Mortgaged Property. All such items shall be subject to the lien of the Deed of Trust to the extent provided therein. The County shall repair and restore at its own expense any and all damage resulting from the construction or installation of such improvements or equipment.

(b) The County shall have the right, at its own expense, to make modifications and improvements to any portion of the Mortgaged Property if such modifications or improvements are necessary or beneficial for the use of the Mortgaged Property. Such modifications or improvements shall not in any way damage any portion of the Mortgaged Property (unless such damage is to be repaired as provided in subsection (a) of this Section) or cause it to be used for purposes other than those authorized under the provisions of State and federal law or which would impair the exclusion from gross income for federal income tax purposes of the interest on the Bonds intended to be exempt for federal income tax purposes; and the Mortgaged Property, upon completion of any modifications or improvements made pursuant to this Section, shall be of a

value which is not less than the value of the Mortgaged Property immediately prior to the making of such modifications and improvements.

(c) Except for Permitted Encumbrances, the County will not permit any mechanic's or other lien to be established or remain against the Mortgaged Property for labor or materials furnished in connection with any modifications or improvements made by the County pursuant to this Section; provided, however, that if any such lien is established, the County may in good faith contest any lien filed or established against the Mortgaged Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide the Trustee with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Trustee.

Section 708 Access to Mortgaged Property. The County agrees that the Trustee, and any of its officers, agents, employees or representatives, shall have the right at all reasonable times to enter upon the Mortgaged Property or any portion thereof to inspect the Mortgaged Property. The County shall cause any contractor or subcontractor to cooperate with the Trustee, and any of their officers, agents, employees or representatives, during such inspections.

No right of inspection contained herein shall be deemed to impose upon the Trustee any duty or obligation whatsoever to undertake any inspection. No inspection made shall be deemed to impose upon the Trustee any duty or obligation whatsoever to identify or correct any defects in the Mortgaged Property or to notify any person or entity with respect thereto, and no liability shall be imposed upon the Trustee and no warranties (either express or implied) are made by the Trustee as to the quality or fitness of any improvement, any such inspection and approval being given solely for the benefit of the Trustee.

Section 709 Maintenance, Utilities, Taxes and Assessments. (a) The County shall provide for the repair and replacement of any portion of the Mortgaged Property necessary on account of ordinary wear and tear or want of care.

(b) The County shall also pay or cause to be paid all utilities, taxes, assessments or other charges of any type or nature levied, assessed or charged against any portion of the Mortgaged Property; provided, however, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the County shall be obligated to pay only such installments as are required to be paid as and when the same become due.

(c) The County may, at its expense and in its name, in good faith contest any such utilities, taxes, assessments or other charges and, in the event of any such contest, may permit such utilities, taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom; provided, however, that prior to such nonpayment it shall furnish to the Trustee a written opinion of counsel to the effect that, by nonpayment of any such items, the interest of the Trustee as beneficiary under the Deed of Trust will not be materially endangered and that the Mortgaged Property will not be subject to loss or forfeiture. Otherwise, the County shall promptly pay such utilities, taxes, assessments or charges or make provisions for the payment thereof.

Section 710 Encumbrances. Except as provided in this Article or in the Deed of Trust, the County shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim, as applicable, on or with respect to the Mortgaged Property, other than Permitted Encumbrances, and shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim for which it is responsible if the same shall arise at any time; provided, however, that the County may contest any such mortgage, pledge, lien, charge, encumbrance or claim if it desires to do so and shall provide the Trustee with full security against any loss or forfeiture which might arise from the nonpayment of any such item in form satisfactory to the Trustee.

Section 711 Indemnification. To the extent permitted by law, the County covenants to defend, indemnify and hold harmless the Trustee and its directors, officers and employees (collectively, the "Indemnified Party") against any and all losses, claims, damages or liabilities, joint or several, including reasonable fees and expenses incurred in connection therewith, to which such Indemnified Party may become subject under any statute or at law or in equity or otherwise in connection with any Additional Project or the Mortgaged Property and the transactions contemplated by this Trust Agreement or the Deed of Trust and shall reimburse any such Indemnified Party for any legal or other fees, costs and expenses incurred by it in connection with investigating any claims against it and defending any actions, insofar as such losses, claims, damages, liabilities or actions arise out of the transactions contemplated by this Trust Agreement or the Deed of Trust, whether such loss or claim is asserted prior to termination of this Trust Agreement or thereafter. In particular, without limitation, the County shall and hereby agrees to indemnify and save the Indemnified Party harmless from and against all claims, losses and damages, including reasonable legal fees, costs and expenses, arising out of any breach or default on the part of the County in the performance of any of its obligations under this Trust Agreement. The indemnifications provided herein shall survive the termination of this Trust Agreement or the sooner resignation or removal of the Trustee and shall inure to the benefit of the Trustee's successors and assigns.

Section 712 Release of Mortgaged Property. At any time and from time to time, so long as no Event of Default has occurred and is continuing hereunder or under the Deed of Trust, the Deed of Trust Trustee and the Trustee, as beneficiary under the Deed of Trust, shall be required to release a portion of the Mortgaged Property from the lien and security interest created by the Deed of Trust when and if the following requirements have been met:

(a) there is filed with the Trustee a certified copy of a resolution of the Board of Commissioners or an Officer's Certificate stating that the County desires the release of such portion of the Mortgaged Property, giving an adequate description of the portion of the Mortgaged Property to be released, requesting such release and providing for the payment by the County of all expenses in connection with such release;

(b) either (i) the estimated value of the Mortgaged Property remaining after the proposed release (as such value is evidenced as hereinafter provided) is not less than 50% of the aggregate principal amount of Bonds then Outstanding or (ii) the County provides for substitution other property (the "Substitute Property") that will be made subject to the lien of the Deed of Trust that has an estimated value such that the combined estimated value of the remaining Mortgaged

Property and the Substitute Property immediately before the proposed substitution is not less than 50% of the aggregate principal amount of Bonds then Outstanding;

(c) there is filed with the Trustee an opinion of bond counsel to the County to the effect that the substitution of such property is permitted by law and is permitted under the terms of this Trust Agreement and the Deed of Trust and for any Bonds with respect to which interest is intended to be excludable from the gross income of the owners thereof for federal or state income tax purposes, that such release and substitution will not adversely affect the exclusion of interest on such Bonds from the gross income of the owners thereof for federal or state income tax purposes; and

(d) there is filed with the Trustee an Officer's Certificate to the effect that such release shall not prohibit the County's ingress, egress and regress to and from the remainder of the Mortgaged Property not being released, or materially interfere with the use of the remainder of the Mortgaged Property not being released.

The estimated value of the Mortgaged Property or any Substitute Property required by (b) shall be evidenced by an Officer's Certificate as to such estimated value, and may be based on such assumptions as the Authorized Officer may deem reasonable, including, but not limited to, reliance on (i) an appraisal prepared by a certified MAI-approved appraiser, (ii) the insured value of the property subject to the valuation, (iii) the assessed tax valuation of the remaining Mortgaged Property, or (iv) a combination of the foregoing. If any improvements are then being installed on any portion of property that will be included in the Mortgaged Property, the estimated value of the Mortgaged Property may take into account the expected value of the Mortgaged Property following the completion of the improvements.

The County shall provide notice to each Rating Agency of the substitution or release of any of the Mortgaged Property pursuant to this Section.

ARTICLE VIII

PAYMENT OF BONDS; LIMITED OBLIGATION; BUDGETING

Section 801 Payment of Bonds; Limited Obligation; Budgeting. The County shall cause to be paid, when due, the principal of (whether at maturity, by acceleration, by call for redemption or otherwise) and the premium, if any, and interest on the Bonds at the places, on the dates and in the manner provided herein and in the Bonds and the documentation securing such Bonds, according to the true intent and meaning thereof.

The County shall also pay to such persons or entities as are entitled thereto such amounts ("Additional Payments") as shall be required for the payment of all administrative and other costs relating to any Additional Project or the Bonds, including, without limitation, (i) all costs, expenses, compensation and indemnity of the Trustee, the Local Government Commission, the provider of any bond insurance policy, credit facility or liquidity facility relating to any Bonds and any fiscal agents required to administer the terms of any Bonds (such as remarketing agents, auction agents, tender agents or paying agents); (ii) fees of auditors, accountants, attorneys or engineers; (iii) any Derivative Agreement Scheduled Payments or Derivative Agreement Additional Payments; (iv) all other necessary administrative costs of the County or to indemnify any Indemnified Party; and (v) any other payments specified as Additional Payments herein or under a Supplemental Trust Agreement.

The County shall promptly file with the Trustee copies of any Derivative Agreement entered into by the County relating to the Bonds.

The County Manager of the County (or any other officer at any time charged with the responsibility for formulating budget proposals) shall include in the budget proposals for review and consideration by the Board of Commissioners in each Fiscal Year in which this Trust Agreement shall be in effect, items for all payments of principal of, premium, if any, and interest due on the Bonds (reasonably estimated in the case of any Bonds issued bearing interest at a variable interest rate and taking into account the effect of any Derivative Agreement) and reasonably estimated Additional Payments required for such Fiscal Year under this Trust Agreement. Any budget item referred to in this paragraph shall be deleted from the applicable budget by the Board of Commissioners only by the adoption of a resolution to such effect containing a statement of its reasons therefor, which resolution shall be adopted by roll-call vote. The County shall furnish to the Trustee within thirty (30) days of the adoption by the County of its annual budget a certificate of an Authorized Officer certifying that such annual budget includes items for all payments of principal of, premium, if any, and interest on the Bonds and the reasonably estimated Additional Payments for the Fiscal Year to which the annual budget relates. In addition the County shall promptly provide to the Trustee notice of any amendments to its annual budget affecting appropriations for payments of principal of, premium, if any, and interest on the Bonds or Additional Payments. The County shall promptly provide notice of any Event of Nonappropriation to the Trustee, the Local Government Commission and each Rating Agency.

In order to secure the County's obligation hereunder and under any Supplemental Trust Agreement, including payment of principal of, premium, if any, and interest on the Bonds, and to further secure the County's obligations under any Derivative Agreement, the County has delivered

the Deed of Trust creating a lien on the Mortgaged Property, subject only to Permitted Encumbrances, and hereby grants to the Trustee a security interest in all money and securities held by or on behalf of the Trustee in all of the funds, accounts or subaccounts established pursuant to this Trust Agreement, except those funds, accounts and subaccounts that are expressly pledged in a Supplemental Trust Agreement as security only for a specified Series of Bonds and solely in strict compliance with the terms hereof.

NO PROVISION OF THIS TRUST AGREEMENT OR THE DEED OF TRUST SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE FAITH AND CREDIT OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION. NO PROVISION OF THIS TRUST AGREEMENT OR THE DEED OF TRUST SHALL BE CONSTRUED OR INTERPRETED AS CREATING A DELEGATION OF GOVERNMENTAL POWERS NOR AS A DONATION BY OR A LENDING OF THE CREDIT OF THE COUNTY WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE. THIS TRUST AGREEMENT OR THE DEED OF TRUST SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE COUNTY TO MAKE ANY PAYMENTS BEYOND THOSE APPROPRIATED IN THE SOLE DISCRETION OF THE COUNTY FOR ANY FISCAL YEAR IN WHICH THIS TRUST AGREEMENT OR THE DEED OF TRUST IS IN EFFECT; PROVIDED, HOWEVER, THAT ANY FAILURE OR REFUSAL BY THE COUNTY TO APPROPRIATE FUNDS, WHICH RESULTS IN THE FAILURE BY THE COUNTY TO MAKE ANY PAYMENT COMING DUE UNDER THIS TRUST AGREEMENT WILL IN NO WAY OBVIATE THE OCCURRENCE OF THE EVENT OF DEFAULT RESULTING FROM SUCH NONPAYMENT. NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE COUNTY IN ANY ACTION FOR BREACH OF A CONTRACTUAL OBLIGATION UNDER THIS TRUST AGREEMENT OR THE DEED OF TRUST, AND THE TAXING POWER OF THE COUNTY IS NOT AND MAY NOT BE PLEDGED DIRECTLY OR INDIRECTLY OR CONTINGENTLY TO SECURE ANY MONEYS DUE UNDER THIS TRUST AGREEMENT OR THE DEED OF TRUST. No provision of this Trust Agreement or the Deed of Trust shall be construed to pledge or to create a lien on any class or source of the County's moneys, nor shall any provision of this Trust Agreement restrict the future issuance of any of the County's bonds or other indebtedness. To the extent of any conflict between this Section and any other provision of this Trust Agreement or the Deed of Trust, this Section shall take priority.

Section 802 No Set-Off or Recoupment. Subject to the provisions of Section 801, the obligation of the County to pay the principal of (whether at maturity, by acceleration, by call for redemption or otherwise) and the premium, if any, and interest on the Bonds and the Additional Payments under this Trust Agreement and to perform and observe the other covenants set forth in this Trust Agreement shall be absolute and unconditional, and the County shall pay without abatement, diminution or deduction all such amounts regardless of any cause or circumstance whatsoever, including, without limitation (a) any damage, destruction or taking by eminent domain of the 2016 Project, any Additional Project or the Mortgaged Property or (b) any defense, set-off, recoupment or counterclaim that the County may have against the Trustee or any Owner of the Bonds.

ARTICLE IX

REMEDIES

Section 901 Right to Enforce Payment of Bonds Unimpaired. Nothing in this Article shall affect or impair the right of any Owner of Bonds to enforce the payment of the principal of and interest on his Bonds or the obligation of the County to pay the principal of and interest on each Bond to the Owner thereof at the time and place specified in said Bonds.

Section 902 Events of Default. Each of the following events is hereby declared an Event of Default:

(a) payment of the principal of and the redemption premium, if any, on any of the Bonds is not made when the same are due and payable, either at maturity or by redemption or otherwise;

(b) payment of the interest on any of the Bonds is not made when the same is due and payable;

(c) receipt by the Trustee of notice from the County of the occurrence of an Event of Nonappropriation pursuant to Section 801;

(d) the occurrence of an event of default as provided in the Deed of Trust;

(e) the occurrence of any event specified in a Supplemental Trust Agreement as being an "Event of Default" under this Trust Agreement; or

(f) receipt of written notice from any counterparty under a Derivative Agreement that the County shall have failed to make any Derivative Agreement Scheduled Payment or Derivative Agreement Additional Payment within ten (10) days of the same becoming due and payable.

Section 903 Acceleration of Maturities. Upon the happening and continuance of any Event of Default specified in Section 902, then and in every case the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall, by a notice in writing to the County, declare the principal of all the Bonds then Outstanding (if not then due and payable) to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable, anything contained in the Bonds or this Trust Agreement to the contrary notwithstanding; provided, however, that if at any time after the principal of the Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Trust Agreement or the Deed of Trust, moneys shall have accumulated in the Bond Fund sufficient to pay the principal of all matured Bonds and all arrears of interest, if any, upon all the Bonds then Outstanding (except the principal of any Bonds not then due and payable by their terms and the interest accrued on such Bonds since the last interest payment date) and sufficient to satisfy the Sinking Fund Requirement, if any, for any Term Bonds then Outstanding, for the then current Fiscal Year, and the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and all other amounts then payable by the County hereunder or under the Deed of Trust shall have been paid or a sum sufficient to pay the same shall have been deposited with the

Trustee, and every other default known to the Trustee in the observance or performance of any covenant, condition, agreement or provision contained in the Bonds, this Trust Agreement (other than a default in the payment of the principal of such Bonds then due and payable only because of a declaration under this Section) or the Deed of Trust shall have been remedied to the satisfaction of the Trustee, then and in every such case the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Bonds not then due and payable by their terms and then Outstanding shall, by written notice to the County, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

Section 904 Remedies. Upon the happening and continuance of any Event of Default specified in Section 902, then and in every such case the Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall, proceed (subject to the provisions of Section 1002) to protect and enforce its rights and the rights of the Owners of the Bonds under applicable laws and under this Trust Agreement or the Deed of Trust by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, chosen by the Trustee, shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under this Trust Agreement or the Deed of Trust, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any Event of Default becoming, and at any time remaining, due from the County for principal, interest or otherwise under any of the provisions of this Trust Agreement, the Deed of Trust or of the Bonds unpaid, with interest on overdue payments of principal at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Owners of the Bond, and to recover and enforce any judgment or decree against the County, but solely as provided herein and in such Bonds, for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect (but solely from moneys in the funds and accounts pledged to secure the Bonds under the provisions of this Trust Agreement and any Supplemental Trust Agreement and any other moneys available for such purpose) in any manner provided by law, the moneys adjudged or decreed to be payable.

The provisions of this Section 904 are subject to the provisions of Section 801, and the Trustee is not authorized to pursue any action to collect any deficiency for the amounts owed to the Owners of the Bonds or any other party pursuant to the provisions of this Trust Agreement following the realization of the remedies available under the Deed of Trust and the application of the proceeds thereof, and any other amounts held hereunder, to the payment thereof. When the Trustee incurs costs or expenses (including legal fees, costs and expenses) or renders services after the occurrence of an Event of Default, such costs and expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Section 905 Application of Funds. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the Trustee and the Deed of Trust Trustee (including attorney's fees, costs and expenses), and after satisfaction of all costs and expenses of the Trustee and the Deed of Trust Trustee, of the Owners in declaring such Event of Default, including, to the extent permitted by law, reasonable compensation to its or their agents, attorneys and counsel, be deposited to the credit of the Bond Fund. Anything in this Trust Agreement to the contrary notwithstanding, if at any time the money in the Bond Fund is not sufficient to pay the interest on or the principal of the Bonds as the same become due and payable (either by their terms or by acceleration of maturities under the provisions of Section 903), such money, together with any money then available or thereafter becoming available for such purposes (except for such money that has already been deposited in subaccounts of the Interest Account, the Principal Account or the Sinking Fund Account for a particular Series of Bonds pursuant to the provisions of Section 502), whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied as follows:

(a) if the principal of all Series of Bonds shall not have become or shall not have been declared due and payable, all such money shall be applied as follows:

first: to the payment to the persons or entities entitled thereto of all installments of interest on Bonds then due and payable and all Derivative Agreement Scheduled Payments in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably according to the amounts due on such installments, to the persons or entities entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in such Bonds;

second: to the payment to the persons or entities entitled thereto of the unpaid principal of any Bonds that shall have become due and payable (other than Bonds deemed to have been paid pursuant to the provisions of Section 1301 of this Trust Agreement), in the order of their due dates, with interest on the overdue principal at a rate equal to the rate on such Bonds, and, if the amount available shall not be sufficient to pay in full all of the amounts due on the Bonds on any date, together with such interest, then to the payment ratably according to the amount of such principal due on such date, to the persons or entities entitled thereto, without any discrimination or preference;

third: to the payment of the interest on and the principal of Bonds, to the purchase and retirement of Bonds, and to the redemption of Bonds, all in accordance with the provisions of this Trust Agreement; and

fourth: to the payment of persons or entities entitled thereto of all Additional Payments, including Derivative Agreement Additional Payments, then due, and if the amount available shall not be sufficient to pay in full all such Additional Payments, then to the payment thereof ratably according to the amounts due thereon, to the persons or entities entitled thereto, without any discrimination or preference.

(b) If the principal of all of the Series of Bonds shall have become or shall have been declared due and payable, all such money shall be applied:

first: to the payment of principal and interest then due upon such Bonds and Derivative Agreement Scheduled Payments, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons or entities entitled thereto without any discrimination or privilege; and

second: to the payment of persons or entities entitled thereto of all Additional Payments, including Derivative Agreement Additional Payments, then due, and if the amount available shall not be sufficient to pay in full all such Additional Payments, then to the payment thereof ratably according to the amounts due thereon, to the persons or entities entitled thereto, without any discrimination or preference.

(c) If the principal of all of the Series of Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled under the provisions of Section 903 of this Trust Agreement, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all of the Series of Bonds shall later become due and payable or be declared due and payable, the money then remaining in and thereafter accruing to the Bond Fund shall be applied in accordance with the provisions of paragraph (a) of this Section.

Whenever money is to be applied by the Trustee pursuant to the provisions of this Section, (a) such money shall be applied by the Trustee at such times and from time to time as the Trustee in its sole discretion shall determine, having due regard for the amount of money available for such application and the likelihood of additional money becoming available for such application in the future, (b) setting aside such money as provided herein in trust for the proper purpose shall constitute proper application by the Trustee and (c) the Trustee shall incur no liability whatsoever to the County, to any Owner or to any other person or entity for any delay in applying any such money so long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with such provisions of this Trust Agreement as may be applicable at the time of application by the Trustee. Whenever the Trustee exercises such discretion in applying such money, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date and shall not be required to make payment to the Owner of any Bond until such Bond is surrendered to the Trustee for appropriate endorsement or for cancellation if fully paid. The Trustee shall be entitled to rely upon written certificates supplied to both the County and the Trustee by any counterparty under a Derivative Agreement with respect to the amount of Derivative Agreement Scheduled Payments and Derivative Agreement Additional Payments due and payable thereunder.

The provisions of this Section are subject to the provisions of Section 801.

Section 906 Effect of Discontinuance of Proceedings. If any proceeding taken by the Trustee or Owners of Bonds on account of any Event of Default is discontinued or abandoned for

any reason, then and in every such case, the County, the Trustee and the Owners of Bonds shall be restored to their former positions and rights hereunder, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceedings had been taken.

Section 907 Control of Proceedings. Anything in this Trust Agreement to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of Bonds at any time Outstanding shall have the right, subject to the provisions of Section 1002, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall be in accordance with law and the provisions of this Trust Agreement.

Section 908 Restrictions Upon Action. Except as provided in Section 913, no Owner of Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Bonds or for the execution of any trust hereunder or for any other remedy hereunder unless such Owner of Bonds previously (a) has given to the Trustee written notice of the Event of Default on account of which suit, action or proceeding is to be instituted, (b) has requested the Trustee to take action after the right to exercise such powers or right of action, as the case may be, shall have accrued, (c) has afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceedings in its or their name, and (d) has offered to the Trustee reasonable security and satisfactory indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Trust Agreement or to any other remedy hereunder. Notwithstanding the foregoing provisions of this Section and without complying therewith, the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding may institute any such suit, action or proceeding in their own names for the benefit of all Owners of Bonds. It is understood and intended that, except as otherwise above provided, no one or more Owners of Bonds shall have any right in any manner whatsoever by his or their action to affect, disturb or prejudice the security of this Trust Agreement or to enforce any right hereunder except in the manner provided, that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all Owners of Bonds and that any individual rights of action or other right given to one or more of such Owners by law are restricted by this Trust Agreement to the rights and remedies herein provided.

Section 909 Enforcement of Rights of Action. All rights of action (including the right to file proof of claim) under this Trust Agreement or under any Bonds may be enforced by the Trustee without the possession of any Bonds or the production thereof in any proceedings relating thereto, and any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Owners of Bonds, and any recovery of judgment shall be for the equal benefit of the Owners of Bonds, subject to the provisions of Section 801.

Section 910 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Owners of Bonds is intended to be exclusive of any other remedy or remedies herein provided, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity.

Section 911 Delay Not a Waiver. No delay or omission by the Trustee or of any Owner of Bonds in the exercise of any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein, and every power or remedy given by this Trust Agreement to the Trustee and to the Owners of Bonds may be exercised from time to time and as often as may be deemed expedient.

The Trustee may, and upon written request of the Owners of not less than a majority in principal amount of the Bonds then Outstanding shall, waive any Event of Default which in its opinion has been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Trust Agreement or before the completion of the enforcement of any other remedies under this Trust Agreement, but no such waiver shall extend to or affect any other existing or subsequent Event of Default or impair any rights or remedies consequent thereon.

Section 912 Notice of Default. The Trustee shall mail to the County, the Local Government Commission and to all Owners at their addresses as they appear on the registration books written notice of the occurrence of any Event of Default within thirty (30) days after the Trustee has actual knowledge or notice that any such Event of Default shall have occurred. The Trustee shall not be subject to any liability to any Owner by reason of its failure to mail any such notice.

Except upon the happening of any Event of Default specified in clauses (a) or (b) of Section 901, the Trustee shall not be obliged to take notice or be deemed to have notice of any Event of Default, unless specifically notified in writing of such Event of Default by the County or the Owners of not less than twenty-five percent (25%) of a majority in aggregate principal amount of Bonds at any time Outstanding.

ARTICLE X

TRUSTEE

Section 1001 Acceptance of Trusts. The Trustee by execution hereof accepts and agrees to fulfill the trusts imposed upon it by this Trust Agreement, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Trust Agreement, to all of which the County, the Trustee and the respective Owners of the Bonds agree. Prior to the occurrence of any Event of Default and after the curing of all such Events of Default that may have occurred, the Trustee shall perform such duties and only such duties of the Trustee as are specifically set forth in this Trust Agreement. Upon the occurrence and during the continuation of any Event of Default, the Trustee shall use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs. The Trustee shall not be required to execute any amendment to this Trust Agreement that modifies the standard of care set forth in the preceding sentence.

No provision of this Trust Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(a) prior to any such Event of Default hereunder, and after the curing of any Event of Default that may have occurred:

(i) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Trust Agreement, and the Trustee shall not be liable except for the performance of such duties and obligations of the Trustee as are specifically set forth in this Trust Agreement, and no implied covenants or obligations shall be read into this Trust Agreement against the Trustee and no permissive right of the Trustee under this Trust Agreement shall impose any duty on the Trustee to take such action, and

(ii) in the absence of willful misconduct on its part, the Trustee may conclusively rely, as to the accuracy of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to it conforming to the requirements of this Trust Agreement, but in the case of any such certificate or opinion which by any provision hereof is specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not on its face it conforms to the requirements of this Trust Agreement; and

(b) at all times, regardless of whether or not any such Event of Default shall exist:

(i) the Trustee shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts, and

(ii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of not less than 25% or a majority, as this Trust Agreement shall require, in aggregate principal amount of the Bonds then Outstanding relating to the time, method and place of conducting any proceeding for

any remedy available to the Trustee, or exercising any power conferred upon the Trustee under this Trust Agreement.

None of the provisions contained in this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

Section 1002 Indemnification of Trustee as Condition for Remedial Action. The Trustee shall be under no obligation to institute any suit or to take any remedial proceeding (including, but not limited to, the appointment of a receiver or the acceleration of the maturity date of any or all Bonds under this Trust Agreement) or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of any of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified, to the extent permitted by law, to its satisfaction against any and all costs and expenses, outlays and counsel fees, costs and expenses and other reasonable disbursements, and against all liability; including, but not limited to, any liability arising directly or indirectly under any federal, state or local statute, rule, law or ordinance related to the protection of the environment or hazardous substances. The Trustee nevertheless may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the County, at the request of the Trustee, shall reimburse the trustee for all costs, expenses, outlays and counsel fees, costs and expenses and other reasonable disbursements properly incurred in connection therewith. If the County shall fail to make such reimbursement, the Trustee may reimburse itself from any money in its possession under the provisions of this Trust Agreement and shall be entitled to a preference therefor over any Bonds Outstanding.

Section 1003 Limitations on Obligations and Responsibilities of Trustee. (a) The Trustee shall be under no obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the County, or to report, or make or file claims or proof of loss for, any loss or damage insured against or that may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. Except as to the acceptance of the trusts under this Trust Agreement, the Trustee shall have no responsibility in respect of the validity or sufficiency of this Trust Agreement, or in respect of the validity of Bonds or the due execution or issuance thereof. The Trustee shall be under no obligation to see that any duties herein, in any Supplemental Trust Agreement, the Deed of Trust, the Lease or any related agreement imposed upon the County or any party other than itself, or any covenants herein, in any Supplemental Trust Agreement, the Deed of Trust, the Lease or any related agreement contained on the part of any party other than itself to be performed, shall be done or performed, and the Trustee shall be under no obligation for failure to see that any such duties or covenants are so done or performed.

(b) The Trustee shall have no duty or responsibility to examine or review, and shall have no liability for, the contents of any documents submitted or delivered to any Owner in the nature of a preliminary or final placement memorandum, official statement, offering circular or similar disclosure document; the Trustee shall not be liable for any debts contracted or for damages to persons or to property injured or damaged, or for salaries or nonfulfillment of contracts, relating to the acquisition, construction or equipping of any Additional Project; and the Trustee shall have no duty to inspect or oversee the acquisition, construction or equipping of any Additional Project, or,

except as provided in Section 1001(a)(ii), to verify the truthfulness or accuracy of the certifications made by the County with respect to the Trustee's disbursements for Project Costs or Issuance Costs in accordance with this Trust Agreement.

(c) Notwithstanding any provision of this Trust Agreement to the contrary, the Trustee shall not be liable or responsible for any calculation or determination which may be required in connection with or for the purpose of complying with Section 148 of the Code or any applicable Treasury regulations, including, without limitation, the calculation of amounts required to be paid to the United States under the provisions of Section 148 of the Code and the applicable Treasury regulations, the maximum amount which may be invested in "non-purpose obligations" as defined in the Code and the fair market value of any investments made hereunder, and the sole obligation of the Trustee with respect to investment of funds hereunder shall be to invest the monies received by the Trustee in accordance with Article VII pursuant to instructions from an Authorized Officer of the County and to maintain appropriate records relating to the investments so made.

(d) The Trustee shall not be responsible or liable for the environmental condition or any contamination of the Mortgaged Property or any other property which secures the County's obligations under this Trust Agreement or the Bonds or for any diminution in value of any such property as a result of any contamination of the property by any hazardous substance, hazardous material, pollutant or contaminant. The Trustee shall not be liable for any claims by or on behalf of the Owners or any other person or entity arising from contamination of the Mortgaged Property or any other property which secures the County's obligations under this Trust Agreement or the Bonds by any hazardous substance, hazardous material, pollutant or contaminant, and shall have no duty or obligation to assess the environmental condition of any such property or with respect to compliance of any such property under state or federal laws pertaining to the transport, storage, treatment or disposal of, hazardous substances, hazardous materials, pollutants, or contaminants or regulations, permits or licenses issued under such laws.

(e) The Trustee shall not be liable if and to the extent its performance under this Trust Agreement is prevented by reason of "force majeure." For purposes of this provision, "force majeure" means an occurrence beyond the control of the Trustee and could not have been avoided by exercising due care, including, without limitation, acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar circumstances.

(f) The permissive right of the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty.

(g) The Trustee agrees to accept and act upon instructions or directions pursuant to this Trust Agreement sent by the County by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the County shall provide to the Trustee an incumbency certificate listing designated persons with the authority to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the County elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling, in the absence of negligence or willful misconduct of the Trustee. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and

compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction in the absence of negligence or willful misconduct of the Trustee.

Section 1004 Trustee Not Liable for Failure of County to Act. The Trustee shall not be liable or responsible because of the failure of the County or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the County. The Trustee shall not be responsible for the application of any of the proceeds of Bonds or any other money deposited with it and invested, paid out, withdrawn or transferred hereunder if such application, investment, payment, withdrawal or transfer shall be made in accordance with the provisions of this Trust Agreement. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

Section 1005 Compensation and Indemnification of Trustee. Subject to the provisions of any contract between the County and the Trustee relating to the compensation of the Trustee, the County shall pay to the Trustee reasonable compensation for all services performed by them hereunder and also all their reasonable expenses, charges and other disbursements and those of their attorneys, agents and employees incurred in and about the administration and the performance of their powers and duties hereunder and, to the extent permitted by law, shall indemnify and save the Trustee harmless against any liabilities that they may incur in the proper exercise and performance of their powers and duties hereunder. If the County shall fail to cause any payment required by this Section to be made, the Trustee may make such payment from any money in its possession under the provisions of this Trust Agreement and shall be entitled to a preference therefor over any Bonds Outstanding hereunder. The County covenants that it shall promptly deposit or cause to be deposited to the credit of the respective fund or account the amount withdrawn therefrom by the Trustee to make any such payment.

Section 1006 Monthly Statements from Trustee. It shall be the duty of the Trustee, on or before the 10th day of each month, to file with the County a statement setting forth in respect of the preceding calendar month:

(a) the amount withdrawn or transferred by it and the amount deposited with it on account of each fund, account or subaccount held by it under the provisions of this Trust Agreement,

(b) the amount on deposit with it at the end of such month in each such fund, account or subaccount,

(c) a brief description of all obligations held by it as an investment of money in each such fund, account or subaccount,

(d) the amount applied to the payment, purchase or redemption of Bonds under the provisions of Article V and a description of the Bonds or portions thereof so paid, purchased or redeemed, and

(e) any other information that the County may reasonably request.

All records and files pertaining to Bonds in the custody of the Trustee not otherwise restricted or excluded from disclosure by the terms of this Trust Agreement, including, without

limitation, Section 1102, shall be open at all reasonable times during the normal business hours of the Trustee to the inspection of the County and its agents and representatives.

Section 1007 Trustee May Rely on Certificates. If at any time it shall be necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action or doing or not doing anything as such Trustee, and in any case in which this Trust Agreement provides for permitting or taking any action, the Trustee may rely upon any certificate required or permitted to be filed with it under the provisions of this Trust Agreement, and any such certificate shall be evidence of such fact or protect the Trustee in any action that it may or may not take or in respect of anything it may or may not do, in absence of willful misconduct, by reason of the supposed existence of such fact. Except as otherwise provided in this Trust Agreement, any request, notice, certificate or other instrument from the County to the Trustee shall be deemed to have been signed by the proper party or parties if signed by any Authorized Officer, and the Trustee may accept and rely upon a certificate signed by any Authorized Officer as to any action taken by the County.

Section 1008 Trustee Not Responsible for Recitals. The recitals, statements and representations contained herein and in the Bonds shall be taken and construed as made by and on the part of the County and not by the Trustee, and the Trustee assumes and shall be under no responsibility for the correctness of the same.

Section 1009 Trustee Protected in Relying on Certain Documents. The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in absence of willful misconduct, reasonably and in accordance with the terms of this Trust Agreement, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Trust Agreement, or upon the written opinion of any attorney, engineer or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Trustee shall not be under any obligation to see to the recording or filing of this Trust Agreement or otherwise to the giving to any person of notice of the provisions hereof.

Section 1010 Trustee May Pay Taxes and Assessments. In case the County shall fail to pay or cause to be paid any lawful tax, assessment or governmental charge or other charge upon any part of the County to the extent, if any, that the County may be deemed by the Trustee liable for same, the Trustee may pay such tax, assessment or governmental charge, without prejudice, however, to any rights of the Trustee or the Owners of Bonds arising in consequence of such failure; and any amount at any time so paid under this Section shall be repaid upon demand by the Trustee by the County, but the Trustee shall be under no obligation to make any such payment from sources provided in this Trust Agreement unless it shall have available or be provided with adequate funds for the purpose of such payment.

Section 1011 Resignation and Removal of Trustee Subject to Appointment of Successor. No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to

this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 1014 and approval by the Local Government Commission.

Section 1012 Resignation of Trustee. Subject to the provisions of Section 1011, the Trustee may resign and thereby become discharged from the trusts hereby created, by notice in writing given to the County, and mailed, postage prepaid, at the Trustee's expense, to each Owner of Bonds, not less than sixty (60) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Trustee hereunder if such new Trustee shall be appointed before the time limited by such notice and shall then accept the trusts hereof.

Section 1013 Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing (i) executed by the Owners of not less than a majority in aggregate principal amount of Bonds then Outstanding and filed with the County or (ii) executed by an Authorized Officer, so long as no Event of Default shall have occurred and be continuing, in either case filed with the Trustee not less than sixty (60) days before such removal is to take effect as stated in said instrument of instruments. A photographic copy of any order, instrument or instruments filed with the County under the provisions of this paragraph shall be delivered promptly by the County to the Trustee.

The Trustee may also be removed at any time for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Trust Agreement with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the County or the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding.

Section 1014 Appointment of Successor Trustee. If at any time hereafter the Trustee shall resign, be removed, be dissolved or otherwise become incapable of acting, or the bank or trust company acting as Trustee shall be taken over by any governmental official, agency, department or board, the positions of Trustee shall thereupon become vacant. If the position of Trustee shall become vacant for any reason, the County shall appoint a Trustee to fill such vacancy. A successor Trustee shall not be required if the Trustee shall sell or assign substantially all of its trust business and the vendee or assignee shall continue in the trust business, or if a transfer of the trust department of the Trustee is required by operation of law, provided that such vendee, assignee or transferee is (i) a bank or trust company within or without the County which is duly authorized to exercise corporate trust powers and subject to examination by federal or State authority, (ii) of good standing, and (iii) having a combined capital, surplus and undivided profits aggregating not less than One Hundred Million Dollars ($100,000,000). The appointment of any successor Trustee shall be subject to the approval of the Local Government Commission. The County shall mail notice of any such appointment made by it, postage prepaid, to all Owners of Bonds.

At any time within sixty (60) days after any such vacancy shall have occurred, the Owners of not less than 25% in principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing, executed by such Owners and filed with the County, may nominate a successor Trustee, which the County shall appoint and which shall supersede any Trustee theretofore appointed by the County. Photographic copies of each such instrument shall

be delivered promptly by the County to the predecessor Trustee and to the Trustee so appointed by the Owners.

If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within sixty (60) days after any vacancy shall have occurred, any Owner hereunder or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Any successor Trustee hereafter appointed shall be (i) a bank or trust company within or without the County which is duly authorized to exercise corporate trust powers and subject to examination by federal or State authority, (ii) of good standing and (iii) having a combined capital, surplus and undivided profits aggregating not less than One Hundred Million Dollars ($100,000,000).

Section 1015 Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it is a party or any company to which the Trustee sells or transfers all or substantially all of its corporate trust business, provided such company is a trust company or bank which is qualified to be a successor to the Trustee under Section 1014 and is authorized by law to perform all the duties imposed on it by this Trust Agreement, will be the successor to the Trustee without the execution or filing of any paper or the performance of any further act, anything herein to the contrary notwithstanding.

Section 1016 Vesting of Duties in Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the County, an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, shall become fully vested with all the rights, immunities and powers, and subject to all the duties and obligations, of its predecessor; but such predecessor shall nevertheless, on the reasonable written request of its successor or of the County and upon payment of the expenses, charges and other disbursements of such predecessor that are payable pursuant to the provisions of Section 1005, execute and deliver an instrument transferring to such successor Trustee all the rights, immunities and powers of such predecessor hereunder; and every predecessor Trustee shall deliver all property and money held by it hereunder to its successor. Should any instrument in writing from the County be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, immunities, powers and trusts hereby vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will, on request, be executed, acknowledged and delivered by the County.

Section 1017 E-Verify. The Trustee hereby certifies that the Trustee understands that "E-Verify" is a federal program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with Section 64-25(5) of the General Statutes of North Carolina, as amended. The Trustee uses E-Verify to verify the work authorization of its employees in accordance with Section 64-26(a) of the General Statutes of North Carolina, as amended. The Trustee shall require that any subcontractor that it

uses in connection with the performance of its obligations under this Trust Agreement to certify to such subcontractor's compliance with E-Verify.

ARTICLE XI

EXECUTION OF INSTRUMENTS BY OWNERS, PROOF OF OWNERSHIP OF BONDS, AND DETERMINATION OF CONCURRENCE OF OWNERS

Section 1101 Execution of Instruments. Any request, direction, consent or other instrument in writing required or permitted by this Trust Agreement or any Supplemental Trust Agreement to be signed or executed by any Owners of Bonds may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Owners or their attorneys or legal representatives or legal representative of his estate if the Owner is deceased. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose of this Trust Agreement or any Supplemental Trust Agreement and shall be conclusive in favor of the Trustee and the County with regard to any action taken by either under such instrument if made in the following manner:

(a) The fact and date of the execution by any person of any such instrument may be proved by the verification, by any officer in any jurisdiction who by the laws thereof has power to take affidavits within such jurisdictions, to the effect that such instrument was subscribed and sworn to before him or by an affidavit of a witness to such execution. Where such execution is on behalf of a person other than an individual, such verification or affidavit shall also constitute sufficient proof of the authority of the signer thereof.

(b) The ownership of Bonds shall be proved by the registration books kept under the provisions of Section 205.

Nothing contained in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient. Any request or consent of any Owner of Bonds shall bind every future Owner of the same Bonds in respect of anything done by the Trustee in pursuance of such request or consent.

Notwithstanding any of the foregoing provisions of this Section, the Trustee shall not be required to recognize any person as an Owner of Bonds or to take any action at such an Owner's request unless such Bonds shall be deposited with it.

Section 1102 Preservation of Information; Communications. (a) The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Owners received by the Trustee.

(b) If an Owner which is a Securities Depository Nominee or three or more Owners which are not Securities Depository Nominees (hereinafter collectively referred to as "applicants") apply in writing to the Trustee and furnish reasonable proof that each such applicant has owned a Bond for a period of at least six months preceding the date of such application, and such application states that the applicants desire to communicate with other Owners with respect to their rights under this Trust Agreement or under the Bonds and such application, at its election, either

(i) afford such applicants access to the information preserved at the time by the Trustee in accordance with subsection (a) of this Section, or

(ii) inform such applicants as to the approximate number of Owners whose names and addresses appear in the information preserved at the time by the Trustee in accordance with sub-section (a) of this Section , and as to the approximate cost of mailing to such Owners the form of communication, if any, specified in such application.

If the Trustee shall elect not to afford such applicants access to such information, the Trustee shall, upon the written request of such applicants, mail to each Owner whose name and address appears in the information preserved at the time by the Trustee in accordance with subsection (a) of this Section a copy of the form of communication which is specified in such request, with reasonable promptness after a tender to the Trustee of the material to be mailed and of payment, or provision for the payment, of the reasonable expenses of mailing.

(c) Every Owner, by receiving and holding one or more Bonds, agrees with the County and the Trustee that neither the County nor the Trustee shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Owners in accordance with subsection (b) of this Section, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under such subsection.

ARTICLE XII

AMENDMENTS AND SUPPLEMENTS; ASSIGNMENTS AND LEASING

Section 1201 Supplements and Amendments Without Consent. This Trust Agreement and the Deed of Trust, and the rights and obligations of the parties thereto, may be amended or supplemented at any time by an amendment or supplement thereto without the consent of any Owners, provided that, in the opinion of the Trustee, who may rely upon a written opinion of legal counsel, such amendment or supplement shall not materially adversely affect the interest of the Owners:

(a) to cure any ambiguity or formal defect or omission, to correct or supplement any provision herein that may be inconsistent with any other provision herein, to make any other provisions with respect to matters or questions arising under this Trust Agreement or the Deed of Trust, or to modify, alter, amend, add to or rescind, in any particular, any of the terms or provisions contained in this Trust Agreement or the Deed of Trust, or

(b) to grant or to confer upon the Trustee, for the benefit of the Owners, any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners or the Trustee, or

(c) to add to the provisions of this Trust Agreement or the Deed of Trust other conditions, limitations and restrictions thereafter to be observed, or

(d) to add to the covenants and agreements of the County in this Trust Agreement or the Deed of Trust other covenants and agreements thereafter to be observed by the County or to surrender any right or power herein reserved to or conferred upon the County, or

(e) to permit the qualification of this Trust Agreement or the Deed of Trust under any federal statute now or hereafter in effect or under any state blue sky law, and, in connection therewith, if the County so determines, to add to this Trust Agreement, any Supplemental Trust Agreement or the Deed of Trust such other terms, conditions and provisions as may be permitted or required by such federal statute or blue sky law.

At least thirty (30) days prior to the execution and delivery of any such supplement or amendment for any of the purposes of this Section, the Trustee shall cause a notice of the proposed supplement or amendment to be mailed, postage prepaid, to all Owners of Bonds and to each Rating Agency. Such notice shall briefly set forth the nature of the proposed supplement or amendment and shall state that copies thereof are on file at the designated corporate trust office of the Trustee for inspection by all Owners of Bonds. A failure on the part of the Trustee to mail the notice required by this Section shall not affect the validity of such supplement or amendment.

Section 1202 Supplements and Amendments With Consent. Subject to the terms and provisions contained in this Section, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding that will be affected by a proposed supplement or amendment to this Trust Agreement or the Deed of Trust (as defined in Section 1203) shall have the right, from time to time, anything contained in this Trust Agreement or the Deed of Trust to the contrary notwithstanding, to consent to and approve the execution and

delivery of such supplement or amendment as are deemed necessary or desirable by the County for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Trust Agreement or the Deed of Trust; provided, however, that nothing herein contained shall permit, or be construed as permitting (a) an extension of the maturity of the principal of or the interest on any Bonds without the consent of the Owner of such Bond and the approval of the Local Government Commission, (b) a reduction in the principal amount of any Bonds or the redemption premium or the rate of interest on any Bonds without the consent of the Owner of such Bond, (c) a preference or priority of any Bonds over any other Bonds without the consent of the Owners of all Bonds then Outstanding or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such supplement or amendment without the consent of the Owners of all Bonds then Outstanding. Nothing herein contained, however, shall be construed as making necessary the approval by Owners of Bonds of the execution and delivery of any supplement or amendment to this Trust Agreement or the Deed of Trust as authorized in Section 1201.

If at any time the County and the Trustee determine that it is necessary or desirable to execute and deliver any supplement or amendment to this Trust Agreement or the Deed of Trust for any of the purposes of this Section, the Trustee shall cause notice of the proposed supplement or amendment to be mailed, postage prepaid, to all Owners at their addresses as they appear on the registration books as of the date of mailing such notice and to each Rating Agency. Such notice shall briefly set forth the nature of the proposed supplement or amendment and shall state that copies thereof are on file at the designated corporate trust office of the Trustee for inspection by all Owners of Bonds. The Trustee shall not, however, be subject to any liability to any Owner of Bonds by reason of its failure to cause the notice required by this Section to be mailed, and any such failure to cause the notice required by this Section to be mailed shall not affect the validity of such supplement or amendment when consented to and approved as provided in this Section.

Whenever, at any time within three (3) years after the date of the mailing of such notice, the County delivers to the Trustee an instrument or instruments in writing purporting to be executed by the Owners of not less than a majority in aggregate principal amount of Bonds then Outstanding that are affected (as defined in Section 1203) by a proposed supplement or amendment, which instrument or instruments shall refer to the proposed supplement or amendment described in such notice and shall specifically consent to and approve the execution and delivery thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the County and the Trustee, as applicable, may execute and deliver such supplement or amendment to this Trust Agreement or the Deed of Trust in substantially such form, without liability or responsibility to any Owner of Bonds whether or not such Owner shall have consented thereto.

If the Owners of not less than a majority in aggregate principal amount of Bonds then Outstanding at the time of the execution and delivery of such supplement or amendment and that are affected (as defined in Section 1203) by a proposed supplement or amendment to this Trust Agreement or the Deed of Trust have consented to and approved the execution and delivery thereof as herein provided, to the extent permitted by law, no Owner of Bonds shall have any right to object to the execution and delivery of such supplement or amendment, to object to any of the terms and provisions contained therein or the operation thereof, to question the propriety of the execution and delivery thereof, or to enjoin or restrain the County and the Trustee, as applicable,

from executing and delivering the same or from taking any action pursuant to the provisions thereof.

Section 1203 Bonds Affected. For purposes of this Trust Agreement, Bonds shall be deemed to be "affected" by a supplement or amendment to this Trust Agreement or the Deed of Trust if the same adversely affects or diminishes the rights of the Owners of such Bonds against the County or the rights of such Owners in the security for such Bonds. The Trustee may in its discretion determine (which such determination may be based upon advice of counsel) whether any Bonds would be affected by any such supplement or amendment, and any such determination shall be conclusive upon the Owners of all Bonds, whether theretofore or thereafter issued or incurred. The Trustee shall not be liable for any such determination made in good faith.

Section 1204 Supplements and Amendments Part of Trust Agreement and Deed of Trust. Any supplement or amendment to this Trust Agreement or the Deed of Trust executed and delivered in accordance with the provisions of this Article shall thereafter form a part of this Trust Agreement and the Deed of Trust, as applicable, and this Trust Agreement and the Deed of Trust shall be and be deemed to be modified and amended in accordance therewith. Thereafter the respective rights, duties and obligations under this Trust Agreement and the Deed of Trust of the County, the Trustee and all Owners of Bonds then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of this Trust Agreement and the Deed of Trust as so supplemented and amended. If any supplement or amendment to this Trust Agreement or the Deed of Trust is executed and delivered, Bonds issued thereafter may contain an express reference to such supplements or amendments if deemed necessary or desirable by the County.

Section 1205 Supplemental Trust Agreements. For purpose of this Article XII, a Supplemental Trust Agreement that relates only to a particular Series of Bonds and that does not purport to alter or amend the rights or security of any Owners of any Bonds of any other Series shall not be deemed or considered to be a supplement or amendment to this Trust Agreement for purposes of this Article.

Section 1206 Exclusion of Bonds. Bonds owned or held by or for the account of the County shall not be deemed Outstanding Bonds for the purpose of any consent or other action or any calculation of Outstanding Bonds provided for in this Article, and the County as Owner of such Bonds shall not be entitled to consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the County shall furnish the Trustee an Officer's Certificate upon which the Trustee may rely, describing all Bonds so to be excluded.

Section 1207 Assignment and Lease by the County. (a) This Trust Agreement may not be assigned by the County.

(b) The County may lease all or any portion of the 2016 Project, any Additional Project or the Mortgaged Property, subject to all of the following conditions:

(i) the obligation of the County to pay the principal of, premium, if any, and interest on the Bonds and the Additional Payments hereunder shall remain obligations of the County;

(ii) the County shall, at least ten (10) days prior to the execution and delivery of any such lease, furnish or cause to be furnished to the Trustee a true and complete copy of such lease;

(iii) no lease by the County shall cause the 2016 Project, any Additional Project or the Mortgaged Property to be used for a purpose other than a governmental or proprietary function authorized under the provisions of the Constitution and laws of the State;

(iv) no lease shall cause the interest on the Bonds intended to be exempt for federal income tax purposes to become includable in gross income for federal income taxation purposes; and

(v) in the case of a lease of any of the Mortgaged Property, the Trustee shall have received evidence satisfactory to the Trustee that such lease is subordinate in all respects to the lien of the Deed of Trust.

Notwithstanding the foregoing, the County may enter into the Lease or any other lease of school property being improved by the County constituting a portion of the 2016 Project or any Additional Project to the applicable board of education to be used for school purposes (the "Additional School Lease") without complying with the foregoing conditions; provided that the Lease or any Additional School Lease is related to property that is not part of the Mortgaged Property or such lease is subordinate to the lien created by the Deed of Trust.

ARTICLE XIII

DEFEASANCE

Section 1301 Release of Trust Agreement. When:

(a) the Bonds issued hereunder shall have become due and payable in accordance with their terms or otherwise as provided in this Trust Agreement, and the whole amount of the principal and the interest and premium, if any, so due and payable upon all Bonds shall be paid, and

(b) if the Bonds shall not have become due and payable in accordance with their terms, the Trustee shall hold, sufficient (i) money or (ii) Defeasance Obligations or a combination of (i) and (ii) of this clause (b), the principal of and the interest on which, when due and payable, will provide sufficient money to pay the principal of, and the interest and redemption premium, if any, on all Bonds then Outstanding to the maturity date or dates of such Bonds or to the date or dates specified for the redemption thereof, and there shall have been delivered to the Trustee an opinion of Bond Counsel that such deposit of money or Defeasance Obligations will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds, and

(c) if Bonds are to be called for redemption, irrevocable instructions to call the Bonds for redemption shall have been given by the County to the Trustee, and

(d) sufficient funds shall also have been provided or provision made for paying all other obligations payable hereunder by the County;

then and in that case the right, title and interest of the Trustee in the funds, accounts and subaccounts mentioned in this Trust Agreement shall thereupon cease, determine and become void and, upon being furnished with an opinion, in form and substance satisfactory to the Trustee, of counsel approved by the Trustee, to the effect that all conditions precedent to the release of this Trust Agreement and the Deed of Trust have been satisfied, the Trustee shall release this Trust Agreement and the Deed of Trust and shall execute such documents to evidence such release as may be required by such counsel, and the Trustee shall turn over to the County any surplus in, and all balances remaining in, all funds, accounts and subaccounts other than money held for the redemption or payment of Bonds. If the Bonds to be paid by the moneys or Defeasance Obligations deposited with the Trustee will not be retired within six months of the date of the deposit, then in addition to the requirements set forth in (a) through (d) above, such deposit shall be accompanied by a report of an independent verification agent or certified public accountant to the effect that the principal of and the interest on the Defeasance Obligations when due and payable, together with any money deposited, will provide sufficient money to pay the principal of, and the interest and redemption premium, if any, on, all Bonds then Outstanding to the maturity date or dates of such Bonds or to the date or dates specified for the redemption thereof. Otherwise, this Trust Agreement shall be, continue and remain in full force and effect; provided, however, that (i) if the Bonds to be paid by the moneys or Defeasance Obligations deposited with the Trustee will not be retired within thirty days of the date of the deposit, then in addition to the requirements set forth in Article III, the Trustee, within thirty (30) days after such moneys or Defeasance Obligations shall have been deposited with it, shall cause a notice signed by the

Trustee to be mailed, postage prepaid, to all Owners of Bonds, setting forth (a) the date or dates, if any, designated for the redemption of the Bonds, (b) a description of the Defeasance Obligations so held by it, and (c) that this Trust Agreement has been released in accordance with the provisions of this Section, and (ii) (a) the Trustee shall nevertheless retain such rights, powers and privileges under this Trust Agreement as may be necessary and convenient in respect of the Bonds for the payment of the principal, interest and any premium for which such Defeasance Obligations have been deposited and (b) the Trustee shall retain such rights, powers and privileges under this Trust Agreement as may be necessary and convenient for the registration, transfer and exchange of Bonds; provided, however, that failure to mail such notice to any Owner or to the Owners, or any defect in such notice so mailed, shall not affect the validity of the release of this Trust Agreement.

All money and Defeasance Obligations held by the Trustee pursuant to this Section shall be held in trust and applied to the payment, when due, of the obligations payable therewith.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 1401 Successorship of County. In the event the County for any reason shall be dissolved or its legal existence shall otherwise be terminated, all of the covenants, stipulations, obligations and agreements contained in this Trust Agreement by or on behalf of or for the benefit of the County shall bind or inure to the benefit of the successor of the County from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the term "County" as used in this Trust Agreement shall include such successor or successors.

Section 1402 Payment Due on Holidays. If the date for making any payment or the last day for performance of any act or the exercising of any right as provided in this Trust Agreement is not a Business Day, such payment may be made or act performed or right exercised on the next Business Day with the same force and effect as if done on the date provided in this Trust Agreement.

Section 1403 Manner of Giving Notice. All notices, demands and requests to be given to or made hereunder by the County or the Trustee shall be given or made in writing and shall be deemed to be properly given or made if sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

(a) As to the County--

County of Cabarrus, North Carolina
65 Church Street S, Suite 288
Concord, North Carolina 28025
Attention: Finance Director

(b) As to the Trustee--

Regions Bank
[1180 West Peachtree Street, Suite 1200
Atlanta, Georgia 30309
Attention: Corporate Trust Department]

(c) As to the Local Government Commission--

North Carolina Local Government Commission
3200 Atlantic Avenue
Raleigh, North Carolina 27604
Attention: Secretary

Any such notice, demand or request may also be transmitted to the appropriate above-mentioned parties by electronic mail ("email") to the email address specified by such parties, provided such email includes a document in portable document format (pdf) signed by an

Authorized Officer (in the case of the County) or other authorized representative of the transmitting party. Such email communications shall be deemed to be received once an email acknowledging receipt of such email is sent by the receiving party.

Any such notice, demand or request may also be transmitted to the appropriate above-mentioned party by telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change in the manner provided above to the other parties by the party effecting the change.

All documents received by the Trustee under the provisions of this Trust Agreement, or photographic copies thereof, shall be retained in its possession until this Trust Agreement shall be released under the provisions of Section 1301, subject at all reasonable times to the inspection of the County, any Owner and the agents and representatives thereof.

Section 1404 Substitute Mailing. If, because of the temporary or permanent suspension of postal service, the County or the Trustee shall be unable to mail any notice required to be given by the provisions of this Trust Agreement, the County or the Trustee shall give notice in such other manner as in the judgment of the County or the Trustee shall most effectively approximate mailing, and the giving of notice in such manner shall for all purposes of this Trust Agreement be deemed to be in compliance with the requirement for the mailing thereof.

Section 1405 Parties, Owners and Local Government Commission Alone Have Rights Under this Trust Agreement. Except as herein or in a Supplemental Trust Agreement otherwise expressly provided, nothing in this Trust Agreement, express or implied, is intended or shall be construed to confer upon any person, firm or corporation, other than the Trustee, the County, the Owners of Bonds and the Local Government Commission any right, remedy or claim, legal or equitable, under or by reason of this Trust Agreement or any provision being intended to be and being for the sole and exclusive benefit of the Trustee, the County, the Owners of Bonds and the Local Government Commission.

Section 1406 Effect of Partial Invalidity. In case any one or more of the provisions of this Trust Agreement or the Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Trust Agreement or the Bonds, but this Trust Agreement and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. In case any covenant, stipulation, obligation or agreement contained in the Bonds or this Trust Agreement shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the County to the full extent permitted by law.

Section 1407 Effect of Covenants; Governing Law; Venue. All covenants, stipulations, obligations and agreements of the County contained in this Trust Agreement shall be deemed to be covenants, stipulations, obligations and agreements of the County to the full extent permitted by the Constitution and laws of the State. This Trust Agreement is executed and delivered with the

intent that the laws of the State shall govern this construction, without regard to conflict of law principles. The exclusive forum and venue for all actions arising out of this Trust Agreement are with the North Carolina General Court of Justice in Cabarrus County, North Carolina or the U.S. District Court for the Western District of North Carolina, Concord Division. Any attempt to contravene this Section shall be an express violation of this Trust Agreement.

Section 1408 No Recourse Against Members, Officers or Employees of County or the Local Government Commission. No recourse under, or upon, any statement, obligation, covenant or agreement contained in this Trust Agreement, or in any Bonds issued hereunder, or in any document or certification whatsoever, or under any judgment obtained against the County, or by the enforcement of any assessment, or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, shall be had against any member, officer or employee of the County or the Local Government Commission, either directly or through the County for the payment for or to, the County or any receiver of either of them, or for, or to, any Owner of Bonds or otherwise, of any sum that may be due and unpaid upon any such Bonds. Any and all personal liability of every nature, whether at common law or in equity or by statute or by constitution or otherwise, of any such member, officer or employee to respond by reason of any act or omission on his or her part or otherwise, for the payment for, or to, the County or the Local Government Commission or any receiver of either of them, or for, or to, any Owner of Bonds, or otherwise, of any sum that may remain due and unpaid upon the Bonds hereby secured or any of them, is hereby expressly waived and released as an express condition of, and in consideration for, the adoption of this Trust Agreement and the issuance of the Bonds.

Section 1409 Dealing in Bonds. The Trustee and its directors, officers, employees or agents, and any officer, employee or agent of the County, may in good faith, buy, sell, own, hold and deal in any Bonds and may join in any action which any Owner thereof may be entitled to take with like effects as if such Trustee were not a Trustee.

Section 1410 Headings. Any heading preceding the text of the several articles hereof, any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Trust Agreement, nor shall they affect its meaning, construction or effect.

Section 1411 Further Authority. The officers of the County, attorneys and other agents or employees of the County are hereby authorized to do all acts and things required of them by this Trust Agreement for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Bonds and this Trust Agreement.

Section 1412 Multiple Counterparts. This Trust Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the County and the Trustee have caused this Trust Agreement to be executed in their respective names by their respective duly authorized representatives all as of the date first written above.

COUNTY OF CABARRUS, NORTH CAROLINA

[SEAL]

By:_____
Chair of the Board of Commissioners

Attest:

_____
Clerk to the Board of Commissioners

REGIONS BANK, as Trustee

By:_____
Vice President

[Counterpart signature page to the Trust Agreement, dated as of April 1, 2026, between the County of Cabarrus, North Carolina and Regions Bank]

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The foregoing Trust Agreement has been approved under the provisions of Section 160A-20 and Article 8 of Chapter 159 of the General Statutes of North Carolina, as amended.

_____

Secretary, Local Government Commission of North Carolina

EXHIBIT A

Requisition No. ____

REQUISITION AND CERTIFICATE

_____, 20__

Regions Bank
[1180 West Peachtree Street, Suite 1200
Atlanta, Georgia 30309
Attention: Corporate Trust Department]

Dear Sir or Madam:

On behalf of the County of Cabarrus, North Carolina (the "County"), in connection with $_____ County of Cabarrus, North Carolina Limited Obligation Bonds, Series ____ (the "Bonds") issued by the County, I hereby requisition from you funds held in the _____ Project Account of the County of Cabarrus, North Carolina Limited Obligation Bonds Project Fund (the "Project Fund") in accordance with the Trust Agreement, dated as of April 1, 2026 (the "Trust Agreement"), between the County and yourself, as trustee (the "Trustee), and the _____ Supplemental Trust Agreement, dated as of _____, 20__ (the "Supplemental Trust Agreement"), between the County and the Trustee, the sum of $_____ payable to _____.

I hereby certify that the obligation to make such payment was incurred by the County in connection with the [____] Project as defined in the [Supplemental] Trust Agreement or is an Issuance Cost relating to the issuance of the Bonds, is presently due and payable, is a proper charge against the Project Fund and has not been the basis for any prior requisition which has been paid.

All capitalized terms not otherwise defined herein shall have the same meaning in the Trust Agreement.

_____
Authorized Officer

EXHIBIT B

FORM OF SERIES 2026 BONDS

Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the County of Cabarrus, North Carolina or its agent for registration or transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

R-__ $_____

United States of America
State of North Carolina

COUNTY OF CABARRUS, NORTH CAROLINA
LIMITED OBLIGATION REFUNDING BOND
SERIES 2026

Interest Rate	Maturity Date	CUSIP
_____%	April 1, 20__	

The County of Cabarrus, North Carolina (the "County"), for value received, hereby promises to pay, but solely from the sources and in the manner hereinafter provided, to

CEDE & CO.

or registered assigns or legal representative, on the maturity date set forth above (or earlier as hereinafter referred to), upon the presentation and surrender hereof at the designated corporate trust office of Regions Bank (the "Trustee"), the principal sum specified above. The County also promises to pay, but solely from said sources, interest on this bond (calculated on the basis of a 360-day year consisting of twelve 30-day months) from the interest payment date next preceding the date on which it is authenticated, unless it is authenticated on an interest payment date, in which event it shall bear interest from such interest payment date, or it is authenticated prior to October 1, 2026, in which event it shall bear interest from its date, payable on April 1 and October 1 of each year, beginning October 1, 2026, at the rate per annum set forth above until the principal sum hereof is paid. The interest so payable and punctually paid or duly provided for on any interest payment date will be paid to the person in whose name this bond is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a Business Day) of the calendar month next preceding such interest payment date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Regular Record Date, and may be paid to the person in whose name this bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof being given to the registered owners of the Series 2026 Bonds (hereinafter defined) not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the

requirements of any securities exchange on which the Series 2026 Bonds may be listed and upon such notice as may be required by such exchange, or as more fully provided in the Trust Agreement (hereinafter defined). All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

This bond is one of a duly authorized series of limited obligation bonds of the County designated "County of Cabarrus, North Carolina Limited Obligation Refunding Bonds, Series 2026" (the "Series 2026 Bonds"), issued under and pursuant to the Constitution and laws of the State of North Carolina, a resolution of the Board of Commissioners for the County adopted on March 2, 2026, authorizing the sale and issuance of the Series 2026 Bonds and a Trust Agreement, dated as of April 1, 2026 (the "Trust Agreement"), between the County and the Trustee. The Series 2026 Bonds are being issued for the purpose of providing funds, together with any other available funds, to (a) refinance all of the County's installment financing agreement payment obligations under the 2016 Contract (as defined in the Trust Agreement) and (b) pay the costs and expenses incurred in connection with the sale and issuance of the Series 2026 Bonds. Capitalized terms used herein and not otherwise defined have the meanings given such terms in the Trust Agreement.

The Series 2026 Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Trust Agreement. One bond certificate with respect to each date on which the Series 2026 Bonds are stated to mature, in the aggregate principal amount of the Series 2026 Bonds stated to mature on such date and registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), is being issued and required to be deposited with DTC or its designee and immobilized in its custody. The book-entry system will evidence ownership of the Series 2026 Bonds in the principal amount of $5,000 or any whole multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Transfer of principal and interest payments to beneficial owners of the Series 2026 Bonds by participants of DTC will be the responsibility of such participants and other nominees of such beneficial owners. The County and the Trustee will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. While Cede & Co. is the registered owner of this bond, notwithstanding the provisions hereinabove contained, payments of principal of and interest on this bond shall be made in accordance with the existing arrangements between the Trustee and DTC.

The Series 2026 Bonds are limited obligations of the County payable during any Fiscal Year solely from funds appropriated for that purpose by the Board of Commissioners for the County in its discretion and from certain other moneys made available therefor under the Trust Agreement and amounts received under the hereinafter mentioned Deed of Trust. Neither the faith and credit nor the taxing power of the County is pledged to the payment of the principal of, premium, if any, and the interest on the Series 2026 Bonds.

The Trust Agreement provides for the issuance from time to time under the conditions, limitations and restrictions set forth therein of additional Bonds which shall be equally and ratably secured with the Series 2026 Bonds and any other additional Bonds hereafter issued pursuant to

the Trust Agreement (the Series 2026 Bonds and any additional Bonds herein referred to collectively as the "Bonds").

As security for the payment of the Bonds and the performance by the County of its other obligation under the Trust Agreement, the County has executed and delivered a Deed of Trust, dated as of April 1, 2026 (the "Deed of Trust"), granting to the Trustee for the benefit of the Owners a lien on the Mortgaged Property, subject only to Permitted Encumbrances.

Reference is made to the Trust Agreement and the Deed of Trust for a more complete statement of the provisions thereof and of the rights of the County, the Trustee and the registered owners of the Series 2026 Bonds. Copies of the Trust Agreement and the Deed of Trust are available for inspection by any registered owner of the Series 2026 Bonds at all reasonable times at the designated corporate trust office of the Trustee. By the purchase and acceptance of this bond, the registered owner hereof signifies assent to all of the provisions of the Trust Agreement and the Deed of Trust.

This bond, together with corresponding obligations under the Trust Agreement and the Deed of Trust relating thereto, constitutes an installment contract or contract within the meaning of the Section 160A-20, as amended, of the General Statutes of North Carolina entered into by the County for the purpose of financing the acquisition of real or personal property or the construction or repair of improvements thereon.

At the designated corporate trust office of the Trustee, in the manner and subject to the conditions provided in the Trust Agreement, the Series 2026 Bonds may be exchanged for an equal aggregate principal amount of Series 2026 Bonds of the same maturity, of any denomination or denominations authorized by the Trust Agreement and bearing interest at the same rate.

The Trustee shall keep at its designated corporate trust office books for the registration of transfer of the Series 2026 Bonds. The transfer of this bond may be registered only upon such books and as otherwise provided in the Trust Agreement upon the surrender hereof to the Trustee together with an assignment duly executed by the registered owner hereof or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such registration of transfer, the Trustee shall deliver in exchange for this bond a new Series 2026 Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by the Trust Agreement, in an aggregate principal amount equal to the principal amount of this bond, of the same maturity and bearing interest at the same rate.

The Series 2026 Bonds maturing on or prior to April 1, 20__ are not subject to optional redemption prior to their respective maturities. The Series 2026 Bonds maturing on or after April 1, 20__ are subject to redemption prior to their respective maturities, at the option of the County, from any moneys that may be available for such purpose, in whole or in part on any date on or after April 1, 20__, at a Redemption Price equal to 100% of the principal amount of the Series 2026 Bonds to be redeemed, plus accrued interest, if any, to the redemption date, all in the manner provided in the Trust Agreement.

The Series 2026 Bonds maturing on April 1, 20__ are subject to mandatory redemption on April 1, 20__ and at maturity in accordance with the Sinking Fund Requirements therefor as set forth in the Trust Agreement.

At least thirty (30) days but not more than sixty (60) days prior to the redemption date of any Series 2026 Bonds to be redeemed, whether such redemption is in whole or in part, the Trustee shall cause a notice of any such redemption to be mailed, first class, postage prepaid, to all registered Owners of Series 2026 Bonds to be redeemed in whole or in part, provided that failure to mail any such notice to any registered owner or any defect in such notice shall not affect the validity of the proceedings for such redemption as to the Series 2026 Bonds of any other registered owner to whom such notice is properly given.

On the date designated for redemption, notice having been given as aforesaid, the Series 2026 Bonds or portions thereof so called for redemption shall become due and payable at the Redemption Price provided for the redemption of such Series 2026 Bonds or such portions thereof on such date plus accrued interest to such date.

The Series 2026 Bonds shall be redeemed only in whole multiples of $5,000. If less than all the Series 2026 Bonds are called for redemption, the Series 2026 Bonds of each maturity to be so redeemed shall be called for redemption in the manner set forth in an Officer's Certificate filed with the Trustee.

If less than all of the Series 2026 Bonds of any one maturity are to be called for redemption, the Trustee shall select the Series 2026 Bonds to be redeemed by lot, each $5,000 portion of principal being counted as one Series 2026 Bond for this purpose; provided, however, that so long as the only registered owner of the Series 2026 Bonds is a Securities Depository Nominee, such selection shall be made by the Securities Depository by lot in accordance with its operating rules and procedures.

Any notice of redemption, except a notice or redemption in respect of a Sinking Fund Requirement, may state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys or Defeasance Obligations sufficient to pay the Redemption Price of and interest on the Series 2026 Bonds to be redeemed, and that if such moneys or Defeasance Obligations are not so received, such notice shall be of no force or effect and such Series 2026 Bond shall not be required to be redeemed. In the event that moneys or Defeasance Obligations sufficient to pay the Redemption Price of and interest on such Series 2026 Bonds are not received by the Trustee on or prior to the redemption date, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

The registered owner of this bond shall have no right to enforce the provisions of the Trust Agreement or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Trust Agreement, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Trust Agreement.

Supplements or amendments to the Trust Agreement and the Deed of Trust may be made only to the extent and in the circumstances permitted by the Trust Agreement.

This bond, notwithstanding the provisions for registration of transfer stated herein and contained in the Trust Agreement, at all times shall be, and shall be understood to be, an investment security within the meaning of and for all the purposes of Article 8 of the Uniform Commercial Code of North Carolina. This bond is issued with the intent that the laws of the State of North Carolina shall govern its construction.

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this bond and the execution and delivery of the Trust Agreement have happened, exist and have been performed as so required.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Trust Agreement until it shall have been authenticated by the execution by the Trustee of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the County of Cabarrus, North Carolina, by resolution duly adopted by its Board of Commissioners, has caused this bond to be manually signed by the Chair and attested to by the Clerk to the Board of Commissioners and the official seal of the County to be impressed hereon, all as of the ____ day of April, 2026.

COUNTY OF CABARRUS, NORTH CAROLINA

[SEAL]

By:_____
Chair of the Board of Commissioners

Attest:

_____
Clerk to the Board of Commissioners

CERTIFICATE OF AUTHENTICATION

This bond is a Bond of the Series designated therein and issued under the provisions of the within mentioned Trust Agreement.

REGIONS BANK, as Trustee

By:_____
Authorized Signatory

Date of authentication: _____

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The County of Cabarrus, North Carolina Limited Obligation Refunding Bonds, Series 2026 hereinabove mentioned has been approved under the provisions of Section 160A-20 and Article 8 of Chapter 159 of the General Statutes of North Carolina, as amended.

_____
Secretary, Local Government Commission of North Carolina

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____

_____

_____

PLEASE INSERT SOCIAL SECURITY NUMBER
OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

_____

_____

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE

_____

the within bond and all right thereunder, and hereby irrevocably constitutes and appoints _____ _____, attorney, to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:_____
In the presence of:

_____
NOTICE: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

_____
The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Prepared by and Return to:

Jonathan T. Mize, Esq.
Womble Bond Dickinson (US) LLP
555 Fayetteville Street, Suite 1100
Raleigh, North Carolina 27601

STATE OF NORTH CAROLINA
COUNTY OF CABARRUS

DEED OF TRUST

This DEED OF TRUST, dated as of April 1, 2026 (the "Deed of Trust"), from the COUNTY OF CABARRUS, NORTH CAROLINA, a body politic and corporate existing under the Constitution and laws of the State of North Carolina (the "County"), to THE FIDELITY COMPANY, as trustee (the "Deed of Trust Trustee"), for the benefit of REGIONS BANK, as trustee (the "Trustee) under the Trust Agreement (hereinafter defined), and its successors and assigns (the "Beneficiary");

WITNESSETH:

WHEREAS, the County and the Trustee have entered into a Trust Agreement, dated as of April 1, 2026 (the "Trust Agreement" and, together with any amendments or supplements thereto, the "Trust Agreement"), pursuant to which the County is authorized to issue limited obligation bonds (the "Bonds") from time to time to provide funds for the purpose of refinancing the 2016 Project (as defined in the Trust Agreement) and acquiring, constructing and equipping any Additional Projects (both as defined in the Trust Agreement) and refunding Bonds issued under the Trust Agreement and other indebtedness of the County, and the County has agreed to pay principal of, premium, if any, and interest on the Bonds as described in the Trust Agreement and to pay certain additional payments as more fully provided for therein;

WHEREAS, the County and the Trustee contemplate that each series of Bonds to be issued by the County will be issued pursuant to the Trust Agreement or a supplement to the Trust Agreement;

COLLATERAL IS OR INCLUDES FIXTURES

WHEREAS, pursuant to the Trust Agreement the County is issuing its $_____ Limited Obligation Refunding Bonds, Series 2026 (the "Series 2026 Bonds") for the purpose of refinancing the costs of the 2016 Project;

WHEREAS, the County is obligated to pay debt service on the Series 2026 Bonds with the final Series 2026 Bond maturing and being due and payable on April 1, 2036;

WHEREAS, the Trust Agreement provides that the County may, under the conditions set forth therein, issue additional Bonds (as described in Section 208 the Trust Agreement) for the purposes specified in the Trust Agreement; and

WHEREAS, the County desires to secure (a) the payment of the principal of, premium, if any, and interest on the Series 2026 Bonds and any additional Bonds issued under the Trust Agreement; (b) the payment by the County of all additional amounts required to be paid by the County as Additional Payments under the Trust Agreement and the performance by the County of all of its other obligations under the Trust Agreement; (c) the payment of any and all other indebtedness or obligations which this Deed of Trust by its terms secures; and (d) the performance by the County of the covenants and agreements contained in this Deed of Trust;

NOW, THEREFORE, the County, subject to Permitted Encumbrances (as defined in the Trust Agreement), as security for (a) the payment of the principal of, premium, if any, and interest on the Series 2026 Bonds and any additional Bonds issued under the Trust Agreement; (b) the payment by the County of all additional amounts required to be paid by the County under the Trust Agreement and the performance by the County of all of its other obligations under the Trust Agreement; (c) the payment of any and all other indebtedness or obligations which this Deed of Trust by its terms secures; and (d) the performance by the County of the covenants and agreements contained in this Deed of Trust; and in further consideration of the sum of $1.00 paid to the County by the Deed of Trust Trustee, receipt and sufficiency of which are hereby acknowledged, has given, granted, bargained and sold, and by these presents does give, grant, bargain, sell and convey unto the Deed of Trust Trustee, its successors and assigns, in trust, with power of sale, the real property lying and being in the County of Cabarrus in the State of North Carolina, constituting so much thereof as constitutes real property or fixtures, and more particularly described as set forth in Schedule I attached hereto and made a part hereof (collectively, the "Site"); TOGETHER with any real property or fixtures that may be hereafter added to the lien created by this Deed of Trust by an supplement, amendment or modification hereof; TOGETHER with all buildings, improvements and fixtures of every kind and description now or hereafter erected or located thereon, all rights, appurtenances, easements, privileges, remainders and reversions appertaining thereto and all materials intended for construction, reconstruction, alteration and repair of such buildings and improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the Site hereby conveyed or any additional premises added thereto immediately upon the delivery thereof to the aforesaid real property, and all apparatus, equipment, fixtures and articles of personal property now or hereafter attached thereto as fixtures, and replacements thereof, including, but not limited to, all heating, refrigerating, air conditioning, gas, plumbing, telephone and electric apparatus and equipment, all boilers, engines, motors, power equipment, piping and plumbing fixtures, pumps, tanks, lighting equipment and systems, fire prevention and sprinkling equipment and systems, and other things now or hereafter thereon or therein, including all interests of any owner

thereof in any of such items, and all renewals or replacements thereof or articles in substitution thereof; TOGETHER with all rents, issues, profits and revenues of the aforesaid real property, fixtures and other property and all of the right, title and interest of the County in and to any and all leases and contracts now or hereafter affecting the real property, fixtures and other property covered hereby or any part thereof; TOGETHER with all proceeds of any of the foregoing real property, fixtures and other property including, without limitation, proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including, without limitation, all awards and other payments as a result of or in lieu or in anticipation of the exercise of the right of condemnation or eminent domain by any governmental authority ("Eminent Domain"), all insurance proceeds and claims therefor as a result of damage to or destruction of all or any part of any of the foregoing, and all proceeds of title insurance with respect to all or any part of any of the foregoing (the real property, fixtures, other property and proceeds granted to the Deed of Trust Trustee pursuant to the foregoing provisions hereof being collectively referred to as the "Mortgaged Property");

TO HAVE AND TO HOLD the Mortgaged Property, with all the rights, privileges and appurtenances thereunto belonging or appertaining to the Deed of Trust Trustee, its heirs, successors and assigns, in fee simple forever, upon the trusts and for the uses and purposes herein set forth;

AND THE COUNTY COVENANTS to and with the Deed of Trust Trustee and the Beneficiary that the County is seized of the Site in fee simple, that the County has the right to convey the Site in fee simple, that the Site is free and clear from all encumbrances and restrictions other than the encumbrances specifically mentioned in Schedule II attached hereto and made a part hereof, and that the County does hereby forever warrant and will forever defend the title to the Site (except for those matters set forth in Schedule II) against the claims of all persons whatsoever; provided, however, that

THIS CONVEYANCE IS MADE UPON THIS SPECIAL TRUST, that if the County shall make all of the payments of principal of, premium, if any, and interest on the Bonds and all other amounts secured hereby in accordance with the terms thereof, together with interest thereon and all taxes, charges, assessments and any premiums for insurance hereby secured, and, further, shall comply with all the covenants, terms and conditions of this Deed of Trust and the Trust Agreement, and any amendments and supplements hereto and thereto, then this conveyance shall be null and void and may be canceled of record at the request and at the cost of the County.

This Deed of Trust secures an obligation incurred for the construction of an improvement on the real property covered hereby and as such constitutes a "construction mortgage" under Section 25-9-334 of the General Statutes of North Carolina.

THE COUNTY FURTHER COVENANTS, REPRESENTS AND AGREES AS FOLLOWS:

Section 1. Amount Secured. This Deed of Trust secures all present and future obligations owing by the County under the Bonds and the Trust Agreement. The amount of the present obligations secured hereby is $_____ and the maximum principal amount of the obligations

which may be secured hereby at any one time is $150,000,000. The time period within which such future obligations may be incurred is the period between the date hereof and the date thirty (30) years from the date hereof.

Section 2. Additions to the Mortgaged Property. The County may from time to time execute and deliver one or more supplements or amendments to this Deed of Trust under which the County may subject to the lien and security interest created by this Deed of Trust such additional real or personal property, or interest therein as shall be agreed to between the County and Beneficiary in connection with the issuance of additional Bonds under the Trust Agreement. Upon the effective date of such supplement or amendment, the property so conveyed by the supplement or amendment hereto shall immediately become subject to this Deed of Trust and become part of the Mortgaged Property, except as otherwise may be provided therein.

Section 3. Maintenance and Modification of Mortgaged Property by County. The Deed of Trust Trustee shall not be under any obligation to operate, maintain or repair the Mortgaged Property. The County agrees that it will at its own expense (a) keep the Mortgaged Property in as reasonably safe condition as its operations shall permit, (b) keep the Mortgaged Property in good repair and in good operating condition, (c) comply with all applicable governmental requirements imposed upon the Mortgaged Property or in connection with its use, and (d) make from time to time all necessary repairs thereto.

The County may, also at its own expense, make from time to time any additions, modifications or improvements to the real property covered hereby that it may deem desirable for its governmental or proprietary purposes and that do not materially impair the effective use, nor materially decrease the value, of the Mortgaged Property. All such additions, modifications and improvements so made by the County within the boundaries of the Mortgaged Property shall become a part of the Mortgaged Property. The County will do, or cause to be done, all such things as may be required by law in order to fully protect the security and all rights of the Beneficiary under this Deed of Trust. The County shall not cause or permit the lien of this Deed of Trust to be impaired in any way.

Section 4. Grant and Release of Easements; Release of Mortgaged Property. (a) If no Event of Default under this Deed of Trust shall have occurred and shall continue to exist, the County may at any time or times grant easements, licenses, rights of way and other rights or privileges in the nature of easements with respect to any part of the Mortgaged Property, and the County may release existing interests, easements, licenses, rights of way and other rights or privileges with or without consideration, and the Beneficiary agrees that it shall execute and deliver and will cause, request or direct the Deed of Trust Trustee to execute and deliver any instrument necessary or appropriate to grant or release any such interest, easement, license, right of way or other right or privilege but only upon receipt of (a) a copy of the instrument of grant or release, (b) a written application signed by the County requesting such instrument and (c) a certificate executed by the County that the grant or release (i) is not detrimental to the proper conduct of the operations of the County at the Mortgaged Property and (ii) will not impair the effective use of or interfere with the operations of the County at the Mortgaged Property and will not impair the value of the security under this Deed of Trust in contravention of the provisions hereof.

(b) At any time and from time to time, so long as no Event of Default has occurred and is continuing, the Deed of Trust Trustee and the Beneficiary shall be required to release a portion of the Mortgaged Property from the lien and security interest created by this Deed of Trust when and if the requirements set forth in Section 712 of the Trust Agreement have been met.

Section 5. Remedies of the Deed of Trust Trustee Upon Default. (a) If any of the following events shall occur:

(i) default in the payment of principal of, premium, if any, or interest on the Bonds and the expiration of any applicable grace or notice periods provided in the Bonds or the Trust Agreement;

(ii) default in any payment under the Trust Agreement or any of the other terms or conditions of the Trust Agreement secured hereby and the expiration of any applicable grace or notice periods provided thereby;

(iii) failure by the County to observe and perform any warranty, covenant, condition or agreement on the part of the County under this Deed of Trust other than Section 8 hereof for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to the County by the Beneficiary unless the Beneficiary shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be reasonably corrected within the applicable period, and if corrective action is instituted by the County within the applicable period and diligently pursued, the County shall have an additional period following such written notice to correct the failure; or

(iv) any lien, charge or encumbrance prior to or affecting the validity of this Deed of Trust is found to exist, other than Permitted Encumbrances, or proceedings are instituted to enforce any lien, charge or encumbrance against any of said Mortgaged Property and such lien, charge or encumbrance would be prior to the lien of this Deed of Trust;

then and in any of such events (hereinafter referred to as an "Event of Default"), all payments under the Trust Agreement shall, at the option of the Beneficiary, become at once due and payable, regardless of the maturity date or other due date thereof.

(b) Upon the occurrence of an Event of Default:

(i) To the extent permitted by law, the Deed of Trust Trustee shall have the right to enter upon the Mortgaged Property to such extent and as often as the Deed of Trust Trustee, in his sole discretion, deems necessary or desirable in order to cure any default by the County. The Deed of Trust Trustee may take possession of all or any part of the Mortgaged Property and may hold, operate and manage the same, and from time to time make all needful repairs and improvements as shall be deemed expedient by the Deed of Trust Trustee; and the Deed of Trust Trustee may lease any part of the Mortgaged Property in the name of and for the account of the County, and collect, receive and sequester the rent, revenues, receipts, earnings, income, products and profits therefrom, and out of the same and from any moneys received from any receiver of any part thereof

pay, and set up proper reserves for the payment of, all proper costs and expenses of so taking, holding and managing the same, including reasonable compensation to the Deed of Trust Trustee, his agents and counsel, and any taxes and assessments and other charges prior to the lien of this Deed of Trust which the Deed of Trust Trustee may deem it proper to pay, and all expenses of such repairs and improvements, and apply the remainder of the moneys so received in accordance with the provisions hereof.

(ii) To the extent permitted by law, the Deed of Trust Trustee shall have the right after an Event of Default to the appointment of a receiver to collect the rents and profits from the Mortgaged Property without consideration of the value of the premises or the solvency of any person liable for the payment of the amounts then owing, and all amounts collected by the receiver shall, after expenses of the receivership, be applied to the payment of the obligations hereby secured, and the Deed of Trust Trustee, at his option, in lieu of an appointment of a receiver, shall have the right to do the same. If such receiver should be appointed or if there should be a sale of the said premises, as provided below, the County, or any person in possession of the premises thereunder, as tenant or otherwise, shall become a tenant at will of the receiver or of the purchaser and may be removed by a writ of ejectment, summary ejectment or other lawful remedy.

(iii) The Deed of Trust Trustee shall have the right to assign to any other person, for lawful consideration, any rents, revenues, earnings, income, products and profits receivable under this Deed of Trust, provided that the proceeds of any such assignment shall be applied as provided in this Deed of Trust.

(iv) The Deed of Trust Trustee is hereby authorized and empowered to expose to sale and to sell the Mortgaged Property or such part or parts thereof or interests therein as the Deed of Trust Trustee deems prudent at public auction for cash, and upon collection of the proceeds from such sale to make and deliver a deed therefor, after first having complied with all applicable requirements of North Carolina law with respect to the exercise of powers of sale contained in deeds of trust. The County agrees that in the event of a sale hereunder, the Beneficiary shall have the right to bid at it and to become the purchaser. The Deed of Trust Trustee may require the successful bidder at any sale to deposit immediately with the Deed of Trust Trustee cash or a certified check in an amount not to exceed five percent (5%) of his bid, provided notice of such requirement is contained in the advertisement of the sale. The bid may be rejected if the deposit is not immediately made and thereupon the next highest bidder may be declared to be the successful bidder. Such deposit shall be refunded in case a resale is had; otherwise it shall be applied to the purchase price. The sale of the Mortgaged Property or any part thereof or any interest therein, whether pursuant to judicial foreclosure, foreclosure under power of sale or otherwise under this Deed of Trust, shall forever bar any claim with respect to the Mortgaged Property by the County.

(v) To the extent permitted by law, the Beneficiary, immediately and without additional notice and without liability therefor to the County, may do or cause to be done any or all of the following: (A) take physical possession of the Mortgaged Property; (B) exercise its right to collect the rents and profits thereof; (C) enter into contracts for the completion, repair and maintenance of the Mortgaged Property; (D) expend any rents,

income and profits derived from the Mortgaged Property for payment of any taxes, insurance premiums, assessments and charges for completion, repair and maintenance of the Mortgaged Property, preservation of the lien of this Deed of Trust and satisfaction and fulfillment of any liabilities or obligations of the County arising out of or in any way connected with the Mortgaged Property whether or not such liabilities and obligations in any way affect, or may affect, the lien of this Deed of Trust; (E) enter into leases demising the Mortgaged Property or any part thereof; (F) take such steps to protect and enforce the specific performance of any covenant, condition or agreement in this Deed of Trust or the Trust Agreement or to aid the execution of any power herein granted; and (G) generally, supervise, manage, and contract with reference to the Mortgaged Property as if the Beneficiary were the equitable owner of the Mortgaged Property. The County also agrees that any of the foregoing rights and remedies of the Beneficiary may be exercised at any time independently of the exercise of any other such rights and remedies, and the Beneficiary may continue to exercise any or all such rights and remedies until the Event(s) of Default of the County are cured with the consent of the Beneficiary or until foreclosure and the conveyance of the Mortgaged Property to the high bidder or until the indebtedness secured hereby is otherwise satisfied or paid in full.

(vi) The Beneficiary may proceed against the fixtures referred to in Section 14 as provided in and in accordance with the applicable provisions of the Uniform Commercial Code as adopted by the State of North Carolina, as amended (the "UCC") or, at its election, may proceed and may instruct the Deed of Trust Trustee to proceed as to the portion of the Mortgaged Property constituting fixtures, in accordance with its rights and remedies with respect thereto and those granted to the Deed of Trust Trustee, all as set forth in this Deed of Trust. Subject to any limitations imposed by the applicable provisions of the UCC, the Beneficiary may sell, lease, or otherwise dispose of all or any part of the fixtures, at public or private sale, for cash or on credit, as a whole or in part, and the Beneficiary may at such sale or sales purchase the fixtures or any part thereof. The proceeds of such sale, lease, collection or other disposition shall be applied first to the costs and expenses of the Beneficiary incurred in connection with such sale, lease, collection or other disposition, and then to such outstanding balance due on any and all indebtedness owed to the Beneficiary. Further, the Beneficiary may require the County to assemble the fixtures, or evidence thereof, and make them reasonably available to the Beneficiary at one or more places to be designated by the Beneficiary which are reasonably convenient to the Beneficiary, and the Beneficiary may take possession of the fixtures and hold, prepare for sale, lease or other disposition and sell, lease or otherwise dispose of the fixtures. Any required notice by the Beneficiary of sale or other disposition or default, when mailed to the County at its address set forth herein, shall constitute reasonable notice to the County. In addition to, but not in limitation of, any of the foregoing, the Beneficiary may exercise any or all of the rights and remedies afforded to the Beneficiary by the provisions of the UCC or otherwise afforded to the Beneficiary under this Deed of Trust, with all such rights and remedies being cumulative and not alternative, and the County agrees, to the extent permitted by law, to pay the reasonable costs of collection, including, in addition to the costs and disbursements provided by statute, reasonable attorneys' fees, costs and expenses and legal costs and expenses which may be incurred by the Beneficiary subject to the procedures and limitations set forth in Section 6-21.2 of the General Statutes of North Carolina, as amended.

In all such cases, the Beneficiary shall have the right to direct the Deed of Trust Trustee to exercise the remedies granted hereunder.

(c) The County hereby waives, to the full extent it lawfully may, the benefit of all appraisement, valuation, stay, moratorium, exemption from execution, extension and redemption laws and any statute of limitations, now or hereafter in force and all rights of marshalling in the event of the sale of the Mortgaged Property or any part thereof or any interest therein.

(d) Except as set forth in subsection (e) of this Section, the foregoing shall in no way be construed to limit the powers of sale or to restrict the discretion the Deed of Trust Trustee may have under the provisions of Article 2A of Chapter 45 of the General Statutes of North Carolina, as amended. Each legal, equitable or contractual right, power or remedy of the Deed of Trust Trustee now or hereafter provided herein or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power and remedy, and the exercise or beginning of the exercise by the Deed of Trust Trustee of any one or more of such rights, powers and remedies shall not preclude the simultaneous or later exercise of any or all such other rights, powers and remedies.

(e) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, NO DEFICIENCY JUDGMENT SHALL BE RENDERED AGAINST THE COUNTY IN ANY ACTION FOR BREACH BY THE COUNTY OF ITS OBLIGATIONS WITH RESPECT TO THE BONDS OR OTHERWISE UNDER THE TRUST AGREEMENT OR THIS DEED OF TRUST; THE REMEDIES PROVIDED UNDER THIS DEED OF TRUST, INCLUDING FORECLOSURE AND SALE OF THE MORTGAGED PROPERTY UNDER THIS DEED OF TRUST, BEING THE SOLE REMEDIES GRANTED HEREBY. THE TAXING POWER OF THE COUNTY IS NOT AND MAY NOT BE PLEDGED IN ANY WAY, DIRECTLY OR INDIRECTLY, TO SECURE THE PAYMENT OF ANY MONEYS DUE UNDER THE TRUST AGREEMENT, INCLUDING THE PAYMENT OF THE BONDS OR ANY ADDITIONAL PAYMENTS BY THE COUNTY UNDER THE TRUST AGREEMENT, THIS DEED OF TRUST OR ANY OTHER INSTRUMENT CONTEMPLATED HEREBY OR THEREBY.

Section 6. Application of Proceeds. The proceeds of (a) the operation and management of the Mortgaged Property pursuant to Section 5 hereof, (b) any sale of the Mortgaged Property or any interest therein, whether pursuant to judicial foreclosure, foreclosure under power of sale or otherwise, and (c) any insurance policies or eminent domain awards or other sums (other than awards or sums to which the County is entitled to under the Trust Agreement) retained by the Deed of Trust Trustee upon the occurrence of an Event of Default shall be applied to pay:

First: The costs and expenses of sale, reasonable attorneys' fees, costs and expenses actually incurred to the extent permitted by Section 6-21.2 of the General Statutes of North Carolina, as amended, the Beneficiary's fees and expenses, court costs, any other expenses or advances made or incurred in the protection of the rights of the Beneficiary or in the pursuance of any remedies hereunder and the Deed of Trust Trustee's commission payable under Section 7 hereof;

Second: All taxes and assessments then constituting a lien against said premises other than those advertised and sold subject to;

Third: Any indebtedness or other obligation secured by this Deed of Trust and at the time due and payable (whether by acceleration or otherwise) in the manner and subject to the priority provided in the Trust Agreement; and

Fourth: The balance, if any, to the persons then entitled thereto under the Trust Agreement.

Section 7. Deed of Trust Trustee's Commission. In the event of a consummated sale under the power of sale contained herein, the Deed of Trust Trustee's commission shall be one-half of one percent (0.5%) of the successful bid thereat.

It is further provided that in the event foreclosure is terminated upon the request of the County prior to delivery of the deed by the Deed of Trust Trustee, the County shall pay the Deed of Trust Trustee all costs and expenses incident to the foreclosure, including as compensation for services an amount equal to one-half of one percent (0.5%) of the outstanding indebtedness in accordance with the following schedule: one-fourth (1/4) thereof before the Deed of Trust Trustee issues a notice of hearing on the right to foreclose; one-half (1/2) thereof after issuance of said notice; three-fourths (3/4) thereof after such hearing; and the full commission if such termination is at any time after the initial sale; together with attorneys' fees actually incurred to the extent permitted by Section 6-21.2 of the General Statutes of North Carolina, as amended.

It is further provided that the compensation herein allowed to the Deed of Trust Trustee shall constitute a lien on the Mortgaged Property immediately upon request of sale.

Section 8. General Covenant. The County shall pay the principal of and interest on the Bonds and all other amounts due under the Trust Agreement and shall observe and perform all covenants, conditions and agreements contained in the Trust Agreement, and any amendments and supplements thereto.

Section 9. Payment of Costs, Attorneys' Fees, Costs and Expenses. As between the Beneficiary, the Deed of Trust Trustee and the County, the County shall pay, to the extent permitted by law, any and all costs, attorneys' fees, costs and expenses and other costs and expenses of whatever kind incurred by the Beneficiary or the Deed of Trust Trustee in connection with (a) obtaining possession of the Mortgaged Property, (b) the protection and preservation of the Mortgaged Property, (c) the collection of any sum or sums secured hereby, (d) any litigation involving the Mortgaged Property, this trust, any benefit accruing by virtue of the provisions hereof, or the rights of the Deed of Trust Trustee or the Beneficiary, (e) the presentation of any claim under any administrative or other proceeding in which proof of claim is required by law to be filed, (f) any additional examination of the title to the Mortgaged Property which may be reasonably required by the Beneficiary or the Deed of Trust Trustee, (g) taking any steps whatsoever in enforcing this Deed of Trust, claiming any benefit accruing by virtue of the provisions hereof, or exercising the rights of the Beneficiary hereunder, or (h) any proceeding, legal or otherwise, which the Beneficiary shall deem necessary to sustain the lien of this Deed of Trust or its priority. If the County shall fail to make any payment required to be

made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 5 of this Deed of Trust.

Section 10. Insurance and Taxes. Pursuant to the Trust Agreement, the County has covenanted to obtain and maintain certain insurance and will pay all lawful taxes, assessments and charges, if any, at any time levied or assessed upon or against the Mortgaged Property or any part thereof; provided, however, that nothing contained in this Deed of Trust shall require the maintenance of insurance or the payment of any such taxes, assessments or charges if the same are not required to be paid under the Trust Agreement. If the County shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 5 of this Deed of Trust.

Section 11. No Assignment or Encumbrance of Mortgaged Property. Except in accordance with Section 4 hereof and the Trust Agreement, the County shall not sell, transfer, exchange, lease, mortgage, encumber, pledge, assign or otherwise dispose of the Mortgaged Property, or any interest therein or any part thereof, without the prior written consent of the Beneficiary. Any such disposition or encumbrance of the Mortgaged Property, or any interest therein or any part thereof, without such prior written consent shall, at the option of the Beneficiary, constitute a default hereunder, giving rise to all of the remedies herein provided for an Event of Default.

Section 12. Advances by Beneficiary. The Beneficiary is authorized, for the account of the County, to make any required payments under any lien prior hereto or under this Deed of Trust, the non-payment of which would constitute a default, including but not limited to principal payments, interest payments, premium payments, if any, taxes and insurance premiums. All sums so advanced shall attach to and become part of the debt secured hereby, shall become payable at any time on demand therefor and, from the date of the advance to the date of repayment, any sum so advanced shall bear interest at a rate of six percent (6%) per annum. The failure to make payment on demand shall, at the option of the Beneficiary, constitute a default hereunder, giving rise to all of the remedies herein provided for an Event of Default. If the County shall fail to make any payment required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 5 hereof.

Section 13. The Deed of Trust Trustee. The Deed of Trust Trustee shall be under no duty to take any action hereunder except as expressly required, or to perform any act which would involve him in expense or liability or to institute or defend any suit in respect hereof, unless properly indemnified to its satisfaction by the Beneficiary. All reasonable expenses, charges, counsel fees and other disbursements incurred by the Deed of Trust Trustee in and about the administration and execution of the trusts hereby created, and the performance of its duties and powers hereunder, shall, to the extent permitted by law, be payable at any time on demand therefor, be secured by this Deed of Trust prior to the indebtedness represented by the Trust Agreement, and such amounts not paid when due shall, to the extent permitted by law, bear interest at a rate of six percent (6%) per annum. If the County shall fail to make any payment

required to be made by the foregoing covenant, however, such amount shall be payable solely from the amounts realized upon the enforcement of the remedies set forth in Section 5 hereof.

Section 14. Security Interest in Fixtures. COLLATERAL IS OR INCLUDES FIXTURES. With respect to any portion of the Mortgaged Property which is or may become fixtures, this Deed of Trust shall constitute a financing statement filed as a fixture filing. The lien upon fixtures granted herein and perfected hereby shall be in addition to and not in lieu of any lien upon fixtures acquired under real property law. The fixtures are located on the Site described on Schedule I, and the County is the record owner of that Site. The name and address of the City, as debtor, and the Beneficiary, as secured party, are set forth in Section 18. This Deed of Trust is intended to be a security agreement pursuant to the UCC.

Section 15. Additional Documents. The County agrees to execute and deliver to the Beneficiary, concurrently with the execution of this Deed of Trust and upon the request of the Beneficiary from time to time hereafter, all financing statements and other documents reasonably required to perfect and maintain the lien or security interest created hereby. For the period in which the indebtedness of the County to the Beneficiary remains unpaid, the County hereby irrevocably makes, constitutes and appoints the Beneficiary as the true and lawful attorney in fact of the County to sign the name of the County on any financing statement, continuation of financing statement or similar document required to perfect or continue such security interests.

Section 16. Substitution of Deed of Trust Trustee. The Deed of Trust Trustee may resign at any time without liability by providing written notice to the County and the Beneficiary. The County and the Deed of Trust Trustee covenant and agree to and with the Beneficiary that in case the Deed of Trust Trustee, or any successor trustee, shall die, become incapable of acting, renounce his trust, or for any reason the holder the Beneficiary desires to replace the Deed of Trust Trustee, then the Beneficiary may appoint, in writing, a trustee to take the place of the Deed of Trust Trustee; and upon the probate and registration of the same, the trustee thus appointed shall succeed to all rights, powers and duties of the Deed of Trust Trustee. This granting of power to the Beneficiary is coupled with an interest and is irrevocable.

Section 17. Environmental Issues. Based upon investigation and inquiry, the County for itself, its successors and assigns represents, warrants and agrees that, except as disclosed to the Beneficiary by the County, (a) neither the County nor any other person has improperly used or installed any Hazardous Material (as hereinafter defined) on the Site or received any notice from any governmental agency, entity or other person with regard to Hazardous Materials on, from or affecting the Site; (b) neither the County nor any other person has violated any applicable Environmental Laws (as hereinafter defined) relating to or affecting the Site; (c) the Site is presently in compliance with all Environmental Laws and there are no circumstances presently existing upon or under the Site, or relating to the Site which may violate any applicable Environmental Laws, and there is not now pending, or threatened, any action, suit, investigation or proceeding against the County relating to the Site (or against any other party relating to the Site) seeking to enforce any right or remedy under any of the Environmental Laws; (d) the Mortgaged Property shall not be used to generate, manufacture, refine, transport, treat, store, handle, dispose, produce or process Hazardous Materials except in accordance with all applicable Environmental Laws; (e) the County shall not cause nor permit the improper installation of Hazardous Materials in the Mortgaged Property nor a release of Hazardous

Materials on the Mortgaged Property; (f) the County shall at all times comply with and ensure compliance by all other parties with all applicable Environmental Laws relating to or affecting the Mortgaged Property and shall keep the Mortgaged Property free and clear of any liens imposed pursuant to any applicable Environmental Laws; (g) the County has obtained and will at all times continue to obtain and/or maintain all licenses, permits, and/or other governmental or regulatory actions necessary to comply with Environmental Laws with respect to the Site (the "Permits"), and the County is in full compliance with the terms and provisions of the Permits and will continue to comply with the terms and provisions of the Permits; (h) the County shall immediately give the Beneficiary oral and written notice in the event that the County receives any notice from any governmental agency, entity, or any other party with regard to Hazardous Materials on, from or affecting the Mortgaged Property and shall conduct and complete, or cause the responsible party to conduct and complete, all investigations, sampling, and testing, and all remedial, removal, and other actions necessary to clean up and remove all Hazardous Materials on, from or affecting the Mortgaged Property in accordance with all applicable Environmental Laws. In connection with the execution and delivery of any supplement to this Deed of Trust pursuant to Section 2, the County shall set forth representations with respect to the property covered thereby to the effect set forth in items (a), (b), (c) and (g), unless the Beneficiary shall consent to the absence of such representations.

To the extent permitted by law, the County hereby agrees to defend and indemnify the Deed of Trust Trustee and the Beneficiary and hold them harmless from and against any and all losses, liabilities, damages, injuries (including, without limitation, attorneys' fees, costs and expenses) and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against the Deed of Trust Trustee or the Beneficiary for, with respect to, or as a direct or indirect result of (a) the presence on, or under, or the escape, spillage, emission or release from the Mortgaged Property of any Hazardous Material regardless of whether or not caused by or within the control of the County, (b) the violation of any Environmental Laws relating to or affecting the Mortgaged Property, whether or not caused by or within the control of the County, (c) the failure by the County to comply fully with the terms and provisions of this paragraph, or (d) any warranty or representation made by the County in this paragraph being false or untrue in any material respect. In the event that the Beneficiary elects to control, operate, sell or otherwise claim property rights in the Mortgaged Property, the County shall, to the extent feasible, deliver the Mortgaged Property free of any and all Hazardous Materials so that the condition of the Mortgaged Property shall conform with all applicable Environmental Laws, or otherwise, shall agree to undertake remediation action in accordance with all applicable regulatory standards, designed to render the property free of hazardous Materials and in conformity with all applicable Environmental Laws. Prior to any such delivery of the Mortgaged Property, the County shall pay to the Beneficiary from its own funds any amounts required to be paid under the indemnification provisions set forth above. For purposes of this Deed of Trust, "Hazardous Material" means and includes petroleum products, any flammable explosives, radioactive materials, hazardous materials, asbestos or any material containing asbestos, and/or any hazardous, toxic or dangerous waste, substance or material defined as such in (or for the purpose of) the Environmental Laws. For the purposes of this Deed of Trust, "Environmental Laws" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Hazardous Materials Transportation Act, the Oil Pollution Act of 1990, the Emergency Planning and Right-to-Know Act, the Clean Water Act, the Clean Air Act, the Toxic Substance Control Act, the Resource Conservation and Recovery Act, any "Super Fund" or "Super Lien"

law (including in all cases any regulations promulgated thereunder), or any other federal, state, or local law, regulation or decree regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Materials, as may now or at any time hereafter be in effect. The obligations and liabilities of the County under this paragraph shall survive the foreclosure of the Deed of Trust, the delivery of a deed in lieu of foreclosure, and the cancellation of this Deed of Trust; or if otherwise expressly permitted in writing by the Beneficiary, the sale or alienation of any part of the Mortgaged Property; or the sooner resignation or removal of the Beneficiary as Trustee under the Trust Agreement and shall inure to the benefit of the Beneficiary's successors and assigns.

Section 18. Miscellaneous. (a) Notices. All notices, approvals, consents, requests and other communications hereunder shall be in writing and, unless otherwise provided herein, shall be deemed to have been given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows: (a) if to the County, at County of Cabarrus, 65 Church Street S, Concord, North Carolina 28025, Attention: Finance Director; (b) if to the Beneficiary, at Regions Bank, **[1180 West Peachtree Street, Suite 1200, Atlanta, Georgia 30309, Attention: Corporate Trust Department]**, and (c) if to the Deed of Trust Trustee, at The Fidelity Company, 555 Fayetteville Street, Suite 1100, Raleigh, North Carolina 27601, Attention: John Cooke. The County, the Beneficiary and the Deed of Trust Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, approvals, consents, requests or other communications shall be sent or persons to whose attention the same shall be directed.

(b) Successors and Assigns. This Deed of Trust shall inure to the benefit of and be enforceable by the Deed of Trust Trustee and the Beneficiary and their respective successors and assigns.

(c) Amendments and Supplements. This Deed of Trust may be amended and supplemented only as provided in the Trust Agreement. Notwithstanding the foregoing, this Deed of Trust may be supplemented in writing to add additional property hereafter acquired by the County to this Deed of Trust by an instrument signed by the County only, without the joinder of any other party.

(d) Applicable Law. This Deed of Trust shall be governed by and construed in accordance with the laws of the State of North Carolina, without regard to conflict of law principles.

(e) Severability. In the event any term, provision or covenant herein contained or the application thereof to any circumstances or situation shall be invalid or unenforceable in whole or in part, the remainder hereof and the application of said term or provision or covenant to any other circumstances or situation shall not be affected thereby, and every other term, provision or covenant herein shall be valid and enforceable to the full extent permitted by law.

IN WITNESS WHEREOF, the County has caused this Deed of Trust to be executed in its name by its duly authorized representatives all as of the date first above written.

COUNTY OF CABARRUS, NORTH CAROLINA

[SEAL]

By:_____
Chair of the Board of Commissioners

Attest:

_____
Clerk to the Board of Commissioners

ACKNOWLEDGEMENT FOR COUNTY

STATE OF NORTH CAROLINA

COUNTY OF CABARRUS

This ____ day of _____, 2026, personally came before me, a Notary Public in and for the said County and State, Ariadne Olvera, who, being by me duly sworn, says that she is the Clerk to the Board of Commissioners for the County of Cabarrus, North Carolina, a body politic and corporate existing under the Constitution and laws of the State of North Carolina and acting through its Board of Commissioners, and by authority duly given and as the act of said County, the foregoing instrument was signed in its name by Laura Blackwell Lindsey, as Chair of the Board of Commissioners for said County, sealed with its seal, and attested by herself as the Clerk to said Board.

WITNESS my hand and notarial seal this ____ day of _____, 2026.

_____
Notary Public

Printed Name:_____

My commission expires:

_____(SEAL)

SCHEDULE I

LEGAL DESCRIPTION OF THE SITE

SCHEDULE II

LIST OF ENCUMBRANCES

All exceptions to title listed in _____, _____ of the following title insurance commitment issued by _____: Commitment No. _____.

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Legal - Adoption of ARPA Property Management Policy

BRIEF SUMMARY:
The County serves as the pass-through agent for ARPA grants. A grant recipient has posed a question about selling real property they acquired and improved with ARPA money. This policy is needed to govern such situations, and calculate the repayment needed in the event of such requests. The proposed policy is a model policy for this purpose from the UNC School of Government.

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:
Motion to retroactively adopt this policy and authorize execution of relevant documents upon legal review and revision.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Doug Hall, County Attorney and General Counsel

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Property Management Policy

Uniform Grant Property Management Policy for the expenditure of ARP/CSLFRF funds.

WHEREAS Cabarrus County has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF); and

WHEREAS the funds may be used for projects within these categories, to the extent authorized by state law:

1. Support COVID-19 public health expenditures, by funding COVID-19 mitigation and prevention efforts, medical expenses, behavioral healthcare, preventing and responding to violence, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harm to households, small businesses, non-profits, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors;
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet; and
6. Invest in certain disaster response/mitigation, Title I, and Surface Transportation projects; and

WHEREAS the ARP/CSLFRF are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Sect. 200 (UG), as provided in the Assistance Listing; and

WHEREAS the Compliance and Reporting Guidance for the State and Local Fiscal Recovery Funds (v4.1 June 2022) provides, in relevant part:

> **Equipment and Real Property Management.** Any purchase of equipment or real property with SLFRF funds must be consistent with the Uniform Guidance at 2 CFR Part 200, Subpart D. Equipment and real property acquired under this program must be used for

the originally authorized purpose. Consistent with 2 CFR 200.311 and 2 CFR 200.313, any equipment or real property acquired using SLFRF funds shall vest in the non-Federal entity. Any acquisition and maintenance of equipment or real property must also be in compliance with relevant laws and regulations.

WHEREAS Subpart D of the UG dictates title, use, management, and disposal of real property, equipment, and supplies acquired in whole or in part with ARP/CSLFRF funds;

NOW, THEREFORE, BE IT RESOLVED that the governing board of Cabarrus County hereby adopts and enacts the following Uniform Grant Property Management Policy for the expenditure of ARP/CSLFRF funds.

Sample Property Standards for Real Property, Equipment, and Supplies Acquired with American Rescue Plan Act of 2021 Coronavirus State and Local Fiscal Recovery Funds Policy

I. POLICY OVERVIEW

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, commonly called Uniform Guidance (UG), specifically Subpart D, details post award requirements related to property management of property acquired or updated, in whole or in part, with funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF).

2 CFR 200.311 through 2 CFR 200.316, as modified by US Treasury ARP/CSLFRF Final Rule FAQs 13.15 & 13.16, detail property standards related to the expenditure of ARP/CLSFRF funds. Cabarrus County shall adhere to all applicable property standards, as detailed below.

This Policy shall be retroactive and apply to all Cabarrus County ARPA recipients.

II. DEFINITIONS

The definitions in 2 CFR 200.1 apply to this policy, including the following:

Computing devices: machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or "peripherals") for printing, transmitting and receiving, or storing electronic information. See also the definitions of supplies and information technology systems in this section.

Equipment: tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the [county/City/Town/Village] for financial statement purposes, or $5,000.

Information technology systems: computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. See also the definitions of computing devices and equipment in this section.

Intangible property: property having no physical existence, such as trademarks, copyrights, patents and patent applications and property, such as loans, notes and other debt instruments, lease agreements, stock and other instruments of property ownership (whether the property is tangible or intangible).

Personal property: property other than real property. It may be tangible, having physical existence, or intangible.

Property: real property or personal property.

Real property: land, including land improvements, structures and appurtenances thereto, but excludes moveable machinery and equipment.

Supplies: all tangible personal property other than those described in the definition of equipment in this section. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the local government for financial statement purposes or $5,000, regardless of the length of its useful life. See also the definitions of computing devices and equipment in this section.

III. REAL PROPERTY

Title to Real Property: Title to real property acquired or improved with ARP/CSLFRF funds vests with Cabarrus County or an authorized Subrecipient, if approved by Cabarrus County. 2 CFR 200.311(a).

Use of Real Property: During the period of performance of the ARP/CSLFRF award, the County or Subrecipient may use real property purchased or improved with ARP/CSLFRF funds for a purpose other than the purpose for which it was purchased or improved if such other purpose is also consistent with the ARP/CSLFRF eligible use requirements.

If the County or Subrecipient changes the use of the real property to an ineligible use or sells the real property prior to the end of the period of performance, then it must follow the disposition procedures detailed in the Disposition of Real Property section below.

After the period of performance of the ARP/CSLFRF award, the County or the Subrecipient must use the real property consistent with the purpose for which it was purchased or improved or for any other eligible purpose in the same category as the purpose reported to US Treasury as of the final reporting period, as set forth in the table below:

Category	Use Requirements
Public Health and Assistance to Households and Individuals	Property, supplies, or equipment last reported as being used to respond to the public health impacts of the public health emergency, as outlined in 31 CFR 35.6(b)(3)(i), or being used for the provision of services to households provided in 31 CFR 35.6(b)(3)(ii)(A), are authorized to fulfill any eligible use of funds provided in these subparagraphs of the Final Rule.
Assistance to Small Businesses, Nonprofits, and Impacted Industries	Property, supplies, or equipment last reported as being used for the provision of services to small businesses, nonprofits, and impacted industries outlined in 31 CFR 35.6(b)(3)(ii)(B)-(D) are authorized to fulfill any eligible use of funds outlined in the public health and negative economic impacts eligible use category.
Water, Sewer, or Broadband Infrastructure	Property, supplies, or equipment last reported as being used to make investments in water, sewer, or broadband infrastructure pursuant to 31 CFR 35.6(e) are authorized to fulfill any eligible use of funds outlined in the water, sewer, and broadband infrastructure eligible use category.
Government Services/Revenue Loss	N/A
Premium Pay	N/A

If the real property's use shifts outside the parameters of the eligible purpose according to this table after the period of performance, then the County and any Subrecipients must follow the disposition procedures in the Disposition of Real Property section below.

The County is responsible for being able to substantiate its determination on whether the use of the real property is authorized and maintain a record of that determination in accordance with the requirements set forth in the financial assistance agreement accepted in connection with the ARP/CSLFRF award.

The County is not required to seek or obtain the approval of US Treasury prior to changing the use within the parameters of these authorized purposes.

Insurance of Real Property: The County or Subrecipient must provide the equivalent insurance coverage for real property acquired or improved with ARP/CSLFRF funds as provided to other property owned by the County. 2 CFR 200.310.

No Encumbrance of Real Property: The County or Subrecipient may not encumber the real property unless authorized by US Treasury. 2 CFR 200.311(b).

Disposition of Real Property: If the County or Subrecipient changes the use of real property to an ineligible use or sells the asset during the period of performance of the ARP/CSLFRF award or changes the use of the asset outside the eligible category after the period of performance ends, then the County must obtain disposition instructions from US Treasury. The instructions must provide for one of the following alternatives:

1. The County or Subrecipient retains title after compensating US Treasury. The amount paid to US Treasury will be computed by applying US Treasury's percentage of participation in the cost of the original purchase (and costs of any improvements) to the fair market value of the property. However, in those situations where the County or Subrecipient is disposing of real property acquired or improved with ARP/CSLFRF funds and acquiring replacement real property under the ARP/CSLFRF, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.
2. The County or Subrecipient sells the property and compensates US Treasury. The amount due to US Treasury will be calculated by applying US Treasury's percentage of participation in the cost of the original purchase (and cost of any improvements) to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the ARP/CSLFRF award has not been closed out, the net proceeds from sale may be offset against the original cost of the property. When the County or Subrecipient is directed to sell property, sales procedures must be followed that provide for competition to the extent practicable and result in the highest possible return.
3. The County or Subrecipient transfers title to US Treasury or to a third party designated/approved by US Treasury. The County or Subrecipient is entitled to be paid an amount calculated by applying the County or Subrecipient's percentage of participation in the purchase of the real property (and cost of any improvements) to the current fair market value of the property. 2 CFR 200.311(c).

IV. EQUIPMENT

Title to Equipment: Title to equipment acquired or improved with ARP/CSLFRF funds vests with the County or Subrecipient. 2 CFR 200.313(a).

Use of Equipment: During the period of performance of the ARP/CSLFRF award, the County or Subrecipient may use equipment purchased or improved with ARP/CSLFRF funds for a purpose other than the purpose for which it was purchased or improved if such other purpose is also consistent with the ARP/CSLFRF eligible use requirements.

If the County or Subrecipient changes the use of equipment to an ineligible use or sells the equipment prior to the end of the period of performance, then it must follow the disposition procedures detailed in the Disposition of Equipment section below.

After the period of performance of the ARP/CSLFRF award, the County or Subrecipient must use equipment consistent with the purpose for which it was purchased or improved or for any other

eligible purpose in the same category as the purpose reported to US Treasury as of the final reporting period, as set forth in the table below:

Category	**Use Requirements**
Public Health and Assistance to Households and Individuals	Property, supplies, or equipment last reported as being used to respond to the public health impacts of the public health emergency, as outlined in 31 CFR 35.6(b)(3)(i), or being used for the provision of services to households provided in 31 CFR 35.6(b)(3)(ii)(A), are authorized to fulfill any eligible use of funds provided in these subparagraphs of the Final Rule.
Assistance to Small Businesses, Nonprofits, and Impacted Industries	Property, supplies, or equipment last reported as being used for the provision of services to small businesses, nonprofits, and impacted industries outlined in 31 CFR 35.6(b)(3)(ii)(B)-(D) are authorized to fulfill any eligible use of funds outlined in the public health and negative economic impacts eligible use category.
Water, Sewer, or Broadband Infrastructure	Property, supplies, or equipment last reported as being used to make investments in water, sewer, or broadband infrastructure pursuant to 31 CFR 35.6(e) are authorized to fulfill any eligible use of funds outlined in the water, sewer, and broadband infrastructure eligible use category.
Government Services/Revenue Loss	N/A
Premium Pay	N/A

If the equipment's use shifts outside the parameters of the eligible purpose according to this table after the period of performance, then the County or Subrecipient must follow the disposition procedures in the Disposition of Equipment section below.

The County or Subrecipient is responsible for being able to substantiate its determination on whether the use of equipment is authorized and maintain a record of that determination in accordance with the requirements set forth in the financial assistance agreement accepted in connection with the ARP/CSLFRF award.

The County or Subrecipient is not required to seek or obtain the approval of US Treasury prior to changing the use within the parameters of these authorized purposes.

During the time that equipment is used on the project for which it was acquired, the County or Subrecipient must also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, provided that such use will not interfere with the work on the project for which it was originally acquired. First preference for other use must be

given to other programs or projects supported by US Treasury and second preference must be given to programs or projects under Federal awards from other Federal awarding agencies. Use for non-federally-funded programs or projects is also permissible. User fees should be considered if appropriate. 2 CFR 200.313(c)(2).

Noncompetition: The County or Subrecipient must not use equipment acquired with the ARP/CSLFRF funds to provide services for a fee that is less than private companies charge for equivalent services unless specifically authorized by Federal statute for as long as the Federal Government retains an interest in the equipment. 2 CFR 200.313(c)(3).

No Encumbrance: The County or Subrecipient may not encumber the equipment without approval of US Treasury. 2 CFR 200.313(a)(2).

Replacement Equipment: When acquiring replacement equipment, the County or Subrecipient may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property. 2 CFR 200.313(c)(4).

Management of Equipment: The County or Subrecipient will manage equipment (including replacement equipment) acquired in whole or in part with ARP/CSLFRF funds according to the following requirements.

1. The County or Subrecipient will maintain sufficient records that include
   a) a description of the property,
   b) a serial number or other identification number,
   c) the source of funding for the property (including the Federal Award Identification Number (FAIN)),
   d) who holds title,
   e) the acquisition date,
   f) cost of the property,
   g) percentage of Federal participation in the project costs for the Federal award under which the property was acquired,
   h) the location, use and condition of the property, and
   i) any ultimate disposition data including the date of disposal and sale price of the property.

2. The County or Subrecipient will conduct a physical inventory of the property and reconcile results with its property records at least once every two years.

3. The County or Subrecipient will develop a control system to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft will be investigated by the County or Subrecipient.

4. The County or Subrecipient will develop and implement adequate maintenance procedures to keep the property in good condition.

5. If the County or Subrecipient is authorized or required to sell the property, it will establish proper sales procedures to ensure the highest possible return, in accordance with state and federal law.

Insurance of Equipment: The County or Subrecipient must provide the equivalent insurance coverage for equipment acquired or improved with ARP/CSLFRF funds as provided to property owned by the County or Subrecipient. 2 CFR 200.310.

Disposition of Equipment: If the County or Subrecipient changes the use of the equipment to an ineligible use or sells the equipment during the period of performance of the ARP/CSLFRF award or changes the use of the equipment outside the eligible category after the period of performance ends, then the County or Subrecipient may either make the equipment available for use in other activities funded by a Federal agency, with priority given to activities funded by US Treasury, dispose of the equipment according to instructions from US Treasury, or follow the procedures below. 2 CFR 200.313(e).

1. Equipment with a per-item fair market value of less than $5,000 may be retained, sold or transferred by the County or Subrecipient, in accordance with state law, with no additional responsibility to US Treasury;
2. If no disposal instructions are received from US Treasury, equipment with a per-item fair market value of greater than $5,000 may be retained or sold by the County or Subrecipient. The County or Subrecipient must establish proper sales procedures, in accordance with state law, to ensure the highest possible return. The County or Subrecipient must reimburse US Treasury for its federal share. Specifically, US Treasury is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the ARP/CSLFRF funding percentage of participation in the cost of the original purchase. If the equipment is sold, US Treasury may permit the County or Subrecipient to deduct and retain from the Federal share $500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.
3. Equipment may be transferred to US Treasury or to a third-party designated by US Treasury in return for compensation to the County or Subrecipient for its attributable compensation for its attributable percentage of the current fair market value of the property.

V. SUPPLIES

Title to Supplies. Title to supplies acquired with ARP/CSLFRF funds vests with the County or Subrecipient upon acquisition. 2 CFR 200.314(a).

Use of Supplies: During the period of performance of the ARP/CSLFRF award, the County or Subrecipient may use supplies purchased or improved with ARP/CSLFRF funds for a purpose other than the purpose for which it was purchased or improved if such other purpose is also consistent with the ARP/CSLFRF eligible use requirements.

If the County or Subrecipient changes the use of supplies to an ineligible use or sells the supplies prior to the end of the period of performance, then it must follow the disposition procedures detailed in the Disposition of Supplies section below.

After the period of performance of the ARP/CSLFRF award, the County or Subrecipient must use supplies consistent with the purpose for which they were purchased or improved or for any other eligible purpose in the same category as the purpose reported to US Treasury as of the final reporting period, as set forth in the table below:

Category	**Use Requirements**
Public Health and Assistance to Households and Individuals	Property, supplies, or equipment last reported as being used to respond to the public health impacts of the public health emergency, as outlined in 31 CFR 35.6(b)(3)(i), or being used for the provision of services to households provided in 31 CFR 35.6(b)(3)(ii)(A), are authorized to fulfill any eligible use of funds provided in these subparagraphs of the Final Rule.
Assistance to Small Businesses, Nonprofits, and Impacted Industries	Property, supplies, or equipment last reported as being used for the provision of services to small businesses, nonprofits, and impacted industries outlined in 31 CFR 35.6(b)(3)(ii)(B)-(D) are authorized to fulfill any eligible use of funds outlined in the public health and negative economic impacts eligible use category.
Water, Sewer, or Broadband Infrastructure	Property, supplies, or equipment last reported as being used to make investments in water, sewer, or broadband infrastructure pursuant to 31 CFR 35.6(e) are authorized to fulfill any eligible use of funds outlined in the water, sewer, and broadband infrastructure eligible use category.
Government Services/Revenue Loss	N/A
Premium Pay	N/A

If the supplies use shift outside the parameters of the eligible purpose according to this table after the period of performance, then the County or Subrecipient (and any subSubrecipients) must follow the disposition procedures in the Disposition of Supplies section below.

The County or Subrecipient is responsible for being able to substantiate its determination on whether the use of supplies is authorized and maintain a record of that determination in accordance with the requirements set forth in the financial assistance agreement accepted in connection with the ARP/CSLFRF award.

The County or Subrecipient is not required to seek or obtain the approval of US Treasury prior to changing the use within the parameters of these authorized purposes.

Noncompetition. As long as the Federal Government retains an interest in the supplies, the County or Subrecipient must not use supplies acquired under the ARP/CSLFRF to provide services to other organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute. 2 CFR 200.314(b)**.**

Disposition of Supplies. If there is a residual inventory of unused supplies exceeding $5,000 in total aggregate value upon termination or completion of the project and the supplies are not needed for any other Federal award, the non-Federal entity must retain the supplies for use on other activities or sell them, but must, in either case, compensate the Federal Government for its share. The amount of compensation must be computed in the same manner as for equipment. 2 CFR 200.314(a).

VI. PROPERTY TRUST RELATIONSHIP

Real property, equipment, and intangible property, that are acquired or improved with ARP/CSLFRF funds must be held in constructive trust by the County or Subrecipient as trustee for the beneficiaries of the project or program under which the property was acquired or improved. US Treasury may require the County or Subrecipient to record liens or other appropriate notices of record to indicate that personal or real property has been acquired or improved with a Federal award and that use and disposition conditions apply to the property. 2 CFR 200.316.

VII. IMPLEMENTATION OF POLICY

Cabarrus County Finance shall adopt procedures to track all real property, equipment, and supplies (collectively, property) acquired or improved in whole or in part with ARP/CLSFRF funds. At a minimum, those procedures must address the following:

- Ensure proper insurance of property
- Document proper use of property
- Record and maintain required data records for equipment
- Conduct periodic inventories of equipment, at least every two years
- Create processes for replacement and disposition of property
- Establish other internal controls to safeguard and properly maintain property.

Adopted this ____ day of _____, 2026.

_____
Laura Blackwell Lindsey, Chair
Cabarrus County Board of Commissioners

ATTEST:

_____
Ariadne Olvera, Clerk to the Board

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Planning & Development - NCDOT Division 10 Request for BUILD Grant Application Support Letter

BRIEF SUMMARY:
The U.S. Department of Transportation's (USDOT) Better Utilizing Investments to Leverage Development (BUILD) grant program provides grants for surface transportation infrastructure projects with significant local or regional impact. The eligibility requirements of BUILD allow project sponsors, including state and local governments, counties, Tribal governments, transit agencies, and port authorities, to pursue multi-modal and multi-jurisdictional projects that are more difficult to fund through other grant programs.

The BUILD program, previously known as the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) and Transportation Investment Generating Economic Recovery (TIGER) discretionary grants, was established under the American Recovery and Reinvestment Act of 2009 and operated under annual appropriations acts until authorized in November 2021.

Due to declining funds collected from the gas tax, NCDOT is exploring additional revenue sources to assist with the costs of project implementation. NCDOT Division 10 is again requesting that local jurisdictions consider providing a letter of support for NCDOT to apply for a BUILD grant that will be used to replace bridges or culverts in the Division. The proposed project includes a bundle of 15 bridge replacements with at least one bridge in each Division 10 County. There are currently two proposed projects on the list in Cabarrus County. One is on Penninger Road, and the other is on Peach Orchard Road. Both are in unincorporated Cabarrus County.

A letter of support that follows the template provided by NCDOT is attached for the Board of

Commissioner’s consideration.

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:

Motion to consider approving the letter of support for inclusion in NCDOT BUILD Grant Application.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Susie Morris, Planning & Development Director

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- NCDOT Request
- Bridge List
- Maps
- Draft Letter of Support

Susie Morris

From: Ghitea, Theo <tghitea@ncdot.gov>
Sent: Tuesday, February 10, 2026 1:19 PM
To: Len Sossamon; Lucas, Andrew M; Yessika King; Susie Morris; Michael.Bryant@MeckNC.gov; Bjorn Hansen; Carroll, Justin; Cook, Robert; Burke, Neil; pconrad; LSNUGGS (Guest)
Cc: Ma, Yanwei
Subject: BUILD Letter of Support Request
Attachments: Bridge List.pdf; Zoomed Out_20260210.jpg; Letter of Support_Div10.docx

CAUTION: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe!

Good Afternoon,

NCDOT Division 10 is again pursuing a BUILD grant for a bundle of bridge replacement projects. This is the same list as last year however the application has been refined based on USDOT feedback after last year's application. Many of you provided a letter of support last year and it would be appreciated if you could do the same this year. A sample letter of support is attached as well as the bridge list and map of bridges. Please try to get the letter back by next Friday if possible. Feel free to reach out with any questions.

Here is the link to last year's application for reference.
https://connect.ncdot.gov/resources/BUILD2025-Div10/Pages/default.aspx

Thank you,

Theo Ghitea, PE
DM-STIP Project Manager
Division 10
North Carolina Department of Transportation

980-262-6292 office
tghitea@ncdot.gov

Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties.

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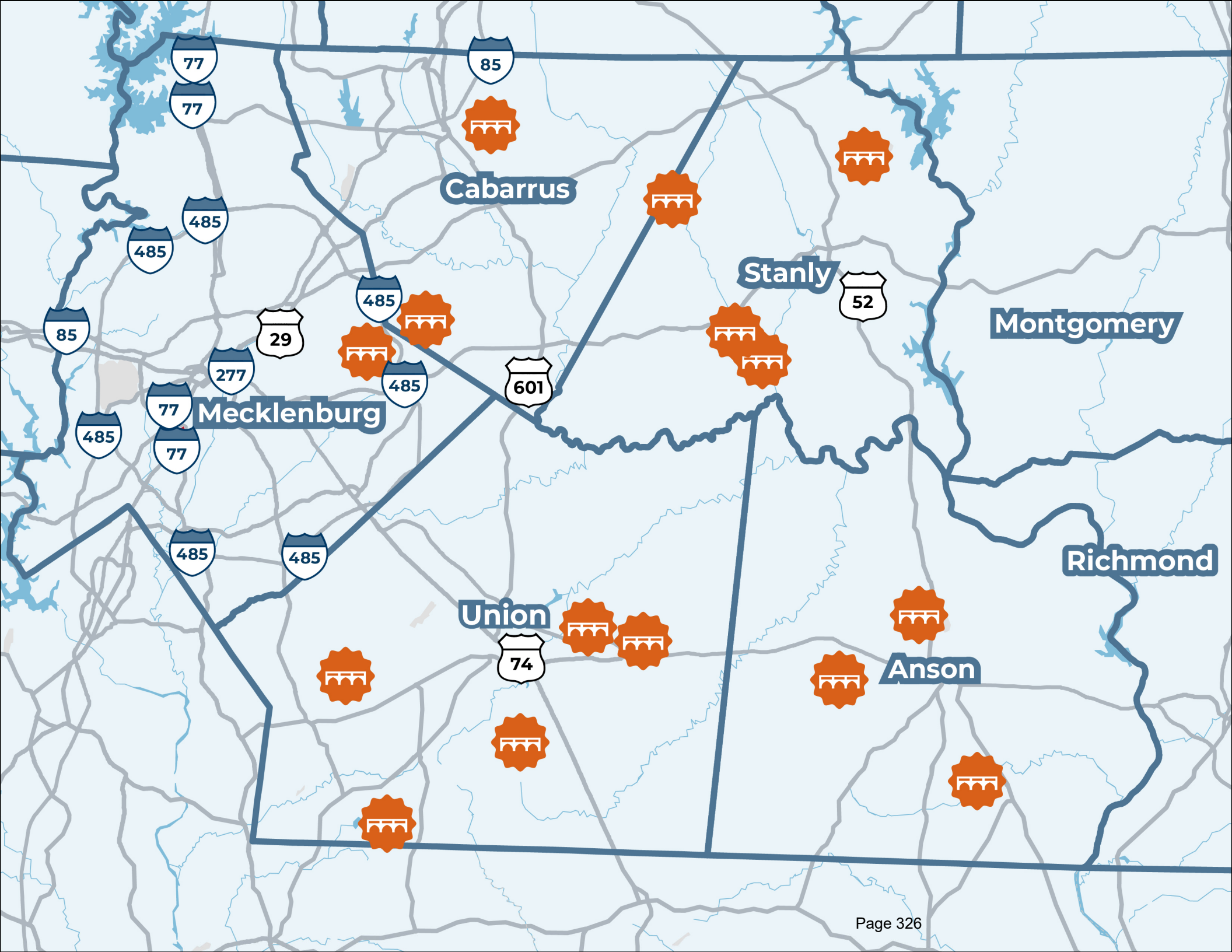
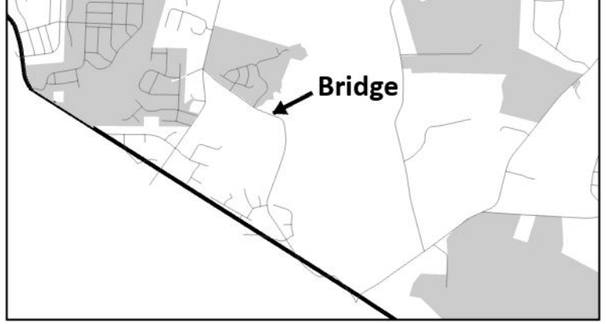
Table 1: Bridge Details

County	Bridge #	Federal #	Road Name	Crossing	Year Constructed	Sufficiency Rating
Anson	030148	0070148	Mills Rd.	Little Brown Creek	1945	41.1%
Anson	030265	0070265	Robinson Rd.	S. Fork of Jones Creek	1961	53.4%
Anson	030161	0070161	Lockhart Rd.	Goulds Fork Creek	1956	55.8%
Cabarrus	120173	0250173	Peach Orchard Rd.	McKee Creek	1961	51.5%
Cabarrus	120050	0250050	Penninger Rd.	UT to Cold Water Creek	1983	73.0%
Mecklenburg	590060	1190060	Robinson Church Rd.	UT to Reedy Creek	1981	63.4%
Stanly	830200	1670200	Bridgeport Rd.	Bear Creek	1958	63.9%
Stanly	830106	1670106	Booger Hollar Rd.	Bear Creek	1962	64.8%
Stanly	830081	1670081	Bridge Rd.	Little Bear Creek	1949	60.0%
Stanly	830012	1670012	Mountain Creek Rd.	Little Mountain Creek	1968	38.34%
Union	890170	1790170	Potters Rd.	Cane Creek	1973	49.1%
Union	890144	1790144	Stack Rd.	Little Richardson Creek	1963	48.5%
Union	890074	1790074	Monroe-Ansonville Rd.	Meadow Branch	1963	56.0%
Union	890312	1790312	Shannon Rd.	E. Fork of Twelve Mile Creek	1962	72.3%
Union	890067	1790067	Austin Grove Church Rd.	Salem Creek	1982	72.6%

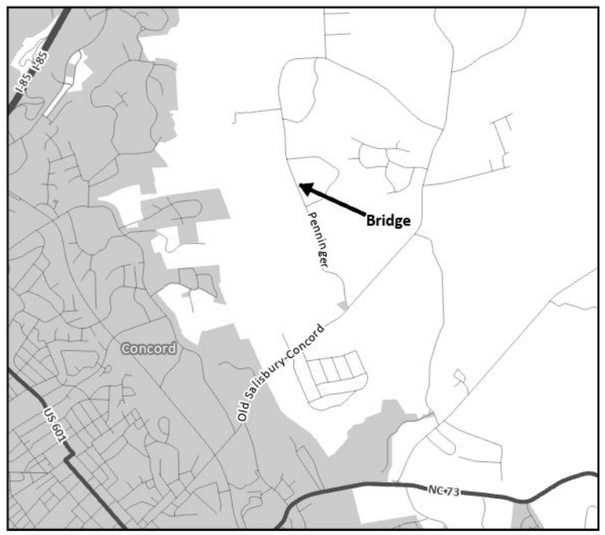

77
77
85
Cabarrus
485
485
Stanly
52
Montgomery
485
85
29
277
601
485
77
Mecklenburg
485
77
485
485
Richmond
Union
74
Anson

Peach Orchard Road
NCDOT Proposed
Bridge Replacement



Cabarrus County shall not be held liable for any errors in this data. This includes errors of omission, commission, errors concerning the content of the data, and relative and positional accuracy of the data. These data cannot be construed to be a legal document. Primary sources from which these data were compiled must be consulted for verification of information contained within the data. Map prepared by Cabarrus County Planning and Development January, 2025

Penninger Road
NCDOT Proposed
Replacement Bridge



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March 16, 2025

The Honorable Sean Duffy
U.S. Secretary of Transportation
United States Department of Transportation
1200 New Jersey Avenue SE
Washington, DC 20590

Secretary Duffy:

On behalf of the Cabarrus County Board of Commissioners, I would like to express my strong support for the North Carolina Department of Transportation's (NCDOT's) Bridges not Barriers – A collaborative Bridge Bundle Replacement Project ("the Project" hereafter) application to the U.S. Department of Transportation's Better Utilizing Investments to Leverage Development (BUILD) Grant Program. The Project offers an opportunity to replace 15 bridges maintained by NCDOT across Division 10 in North Carolina. Division 10 is comprised of Anson County, Cabarrus County, Mecklenburg County, Stanly County, and Union County. The project is part of a coordinated effort to replace primarily rural bridges in communities with persistent poverty across the Division.

The Project focuses on the replacement of bridges with a variety of problems including flooding, drift, and/or scour. Four of the bridges are low water bridges and are especially susceptible to extreme weather events. Twelve bridges are load posted and six of the bridges are considered structurally deficient. Nine bridges experience scour, and five experience significant drift that needs to be regularly cleared out, significantly increasing operations and maintenance costs. The bridges range from 43 years to 81 years old, with sufficiency ratings between 41 and 73 percent.

The Project will provide an opportunity to replace aged bridges that otherwise might not be replaced in a timely manner due to their prioritization level compared to other bridge projects in the Division. The removal of recurring flooding, scour, and drift issues will reduce regular maintenance, decreasing cost burdens to the State. This will allow NCDOT to stretch resources further and allocate them to other areas in need across the Division and State.

DRAFT

65 Church Street S (28025) • P.O. Box 707 Concord, NC 28026-0707
Phone: 704.920.2100 • Fax: 704.920.2820
Website: www.cabarruscounty.us

The implementation of the Project is expected to foster increased accessibility to community members and foster improved emergency response that is not burdened by detours in the event extreme weather events. These bridge replacements are extremely important to the local community and region, as well as benefit impoverished residents within the project area. In fact, four bridges are located within disadvantaged census tracts and six are located within Areas of Persistent Poverty.

For these reasons, I, along with those I represent, strongly urge you to support the Bridges not Barriers – A collaborative Bridge Bundle Replacement Project and the NCDOT's application for federal Better Utilizing Investments to Leverage Development (BUILD) Grant Program funding to accelerate construction.

Respectfully,

Laura Lindsey, Chair
Cabarrus County Board of Commissioners

DRAFT

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Discussion Items for Action

SUBJECT:
Sheriff's Office - Use of Asset Forfeiture Funds to Purchase Needed Investigation Equipment Upgrades

BRIEF SUMMARY:
The Cabarrus County Sheriff's Office proactively investigates and charges criminals who victimize the citizens or visitors of our county. To operate at the highest efficiency, we often work with other agencies, to include federal agencies and then charge the perpetrators in the appropriate court, whether state or federal to achieve justice for the victims and hold the offenders accountable at the highest level. When charged at the federal level, the Asset Forfeiture Program encompasses the seizure and forfeiture of assets that represent the proceeds of, or were used to facilitate, federal crimes. Equitable sharing allows the Attorney General to share federally forfeited property with participating tribal, state and local law enforcement agencies.

As a participating agency of the Asset Forfeiture Program and Equitable sharing, that regularly investigates cases with various federal agencies, as well as having officers that are deputized as federal agents in the various federal law enforcement agencies, we have accumulated funds in a designated account that by federal law must be used to purchase equipment or needs that will be used to investigate further criminal activity.

The Cabarrus County Sheriff's Office is requesting the Boards approval to use Asset Forfeiture funds to purchase equipment that fits Asset Forfeiture requirements. The first piece of equipment is an FSIS II Color Lab System Camera used to photograph evidence such as fingerprints, gunshot residue and other evidence that can only be processed without disturbance with a camera such as this. The cost of this camera is $88,542.45. The second requested purchase is for the upfitting and upgrade of three Talino computer towers that are used in the examination and investigation of computer devices. These computers have been

used by the sheriff's office for over ten years in every type of investigation from homicides to the victimization of children, however, they are in need of upgrading. The cost of upgrading one unit is $17,841.98. The cost of upgrading all three is $53,525.94. The total expenditure request for the camera and upgrading 3 Talino computer towers is $142,068.39.

REQUESTED ACTION:
Recommended Motion for the Regular Meeting:

Motion to approve the expenditure of Asset Forfeiture funds to purchase investigative equipment needs.

EXPECTED LENGTH OF PRESENTATION:
5 Minutes

SUBMITTED BY:
Chief Deputy Tessa Burchett

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Quote Crime Scene Camera
- Quote for One Talino Tower Upgrade

ARROWHEAD FORENSICS
a Thomas Scientific, LLC company
11006 Strang Line Rd, Lenexa, KS 66215
arrowheadforensics.com | 913-894-8388 | FEIN: 61-1853692

Quote

Date	Quote #
1/29/2026	45305

Bill To	Ship To
CABARRUS COUNTY SHERIFF'S OFFICE ATTN: INV ASHLEY BEEKER 30 CORBAN AVE SE CONCORD, NC 28025	CABARRUS COUNTY SHERIFF'S OFFICE ATTN: INV. ASHLEY BEEKER 30 CORBAN AVENUE SE CONCORD, NC 28025

Rep	Terms	Phone Number	E-mail
DSH	Net 30	704-918-0143	ABEEKER@CABARRUSCOUNTY.US

Item	Description	Qty	Cost	Total
A-FSC-1-PC-30	FSIS II COLOR LAB SYSTEM FSC 20MP COLOR CAMERA, 50MM UV LENS, PC BASED COMPUTER RUNNING WINDOWS 11, 27-INCH HIGH RESOLUTION TOUCH-SCREEN MONITOR, 254NM UV LAMP, 3 POS FILTER SLIDE SET: (254NM BANDPASS FILTER, OG550 ORANGE FILTER, 830NM IR FILTER) 365NM BANDPASS FILTER, 445NM BLUE FILTER, 695NM IR FILTER, 365NM-525NM-455NM-625NM-850NM FLASHLIGHTS, WALL AND CAR CHARGER FOR FLASHLIGHTS, UNIVERSAL FILTER ADAPTER, IMAGE CAPTURING SOFTWARE, CAMERA INTERFACE CABLES, HYDRAULIC ARTICULATING ARM, FOOT PEDAL, PELICAN CASE WITH CUSTOM CUT FOAM | TRAINING AND INSTALL (ON-SITE OR DIGITAL) | 2 YEAR MANUFACTUER WARRANTY SERIAL #:	1	82,307.69	82,307.69T
A-6518	UV FACE SHIELD		0.00	0.00
Shipping	FREIGHT CHARGE		234.76	234.76T

Subtotal	$82,542.45
Sales Tax (7.0%)	$5,777.97
Total	$88,320.42

THIS QUOTE IS GOOD FOR 30 DAYS FROM THIS DATE.

PLEASE REFERENCE QUOTE NUMBER WHEN PLACING ORDER.

Southeastern Computer Supply, LLC

11155 Callisto Ct
Midland NC 28107

Estimate

Date	Estimate #
1/5/2026	5171

Name / Address
Cabarrus County Criminal Investigations 30 Corban Ave SE Concord, NC 28026

Project

Description	Qty	Rate	Total
CUSTOM PC PARTS QUOTE: 1 SET OF PARTS	1	16,674.75	16,674.75T
AMD THREADRIPPER 9960X PROCESSOR	1	0.00	0.00T
SILVERSTONE XE360-TR5 LIQUID COOLER	1	0.00	0.00T
128GB DDR5 ECC REGISTERED MEMORY (2X 128GB = 256GB TOTAL)	2	0.00	0.00T
MSI MEG AI1300P FULLY MODULAR POWER SUPPLY	1	0.00	0.00T
PNY NVIDIA RTX PRO 5000 BLACKWELL 48GB GRAPHICS	1	0.00	0.00T
ASUS PRO WS TRX50-SAGE WIFI MOTHERBOARD	1	0.00	0.00T

Subtotal	$16,674.75
Sales Tax (7.0%)	$1,167.23
Total	$17,841.98

x 3

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Approval of Regular Meeting Agenda

SUBJECT:
BOC - Approval of Regular Meeting Agenda

BRIEF SUMMARY:
The proposed agenda for the March 16, 2026 regular meeting is attached.

REQUESTED ACTION:
Recommended Motion:

Motion to approve the agenda for the March 16, 2026 regular meeting as presented.

EXPECTED LENGTH OF PRESENTATION:
1 Minute

SUBMITTED BY:
Clerk to the Board

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS:

ATTACHMENTS:

- Proposed March 16, 2026 Regular Meeting Agenda

CABARRUS COUNTY

BOARD OF COMMISSIONERS
REGULAR MEETING

March 16, 2026
6:00 PM

CALL TO ORDER BY THE CHAIRMAN

PLEDGE OF ALLEGIANCE

INVOCATION

Pastor Dale Jenkins, New Hope Worship Center

A. APPROVAL OR CORRECTIONS OF MINUTES

1. Approval or Correction of Meeting Minutes

B. APPROVAL OF THE AGENDA

C. RECOGNITIONS AND PRESENTATIONS

1. Proclamation - National Donate Life Month April 2026
2. Recognition - Sheriff's Office - Awarding of the North Carolina Law Enforcement Accreditation

D. INFORMAL PUBLIC COMMENTS

E. OLD BUSINESS

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. Boards and Committees - Active Living and Parks Commission - Removal

2. Boards and Committees - Active Living and Parks Commission - Appointment
3. Boards and Committees - Firefighter's Relief Fund Trustees - Appointments
4. Boards and Committees - Human Services Advisory Board - Appointment
5. Consolidated Human Services Agency - Home and Community Care Block Grant (HCCBG) - Budget Amendments
6. Consolidated Human Services Agency (CHSA) - Transportation - Drug and Alcohol Policy
7. Construction Standards - Request for Funds for Demolition
8. County Manager - Cabarrus Health Alliance Request for Exterior Alterations to Old Mount Pleasant Library
9. County Manager - Update on Holloway Group
10. Fair - Powers & Thomas Midway Entertainment Contract
11. Fair - Southern Rodeo Company Contract - Three Year
12. Legal - Adoption of ARPA Property Management Policy
13. Planning & Development - NCDOT Division 10 Request for BUILD Grant Application Support Letter
14. Sheriff's Office - Awarding of Service Weapon to Captain Joel Wallace upon his Retirement
15. Sheriff's Office - Awarding of Service Weapon to Lt. Theodore Lister upon his Retirement
16. Sheriff's Office - Use of Asset Forfeiture Funds to Purchase Needed Investigation Equipment Upgrades
17. Tax Administration - Refund and Release Reports – February 2026

G. NEW BUSINESS

1. Facilities Design and Construction - Presentation of Guaranteed Maximum Price #1 for Progress Place Renovation

H. REPORTS

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. Budget - Monthly Budget Amendment Report
4. Budget - Monthly Financial Update
5. Communications and Outreach - Monthly Summary Report
6. County Manager - Cabarrus Arena and Events Center Financial Report
7. County Manager - Monthly Building Activity Reports
8. EDC - February 2026 Monthly Summary Report
9. Fire Marshal - Cabarrus County Fire Services Monthly Report
10. Super Cab Co - Monthly Report

I. GENERAL COMMENTS BY BOARD MEMBERS

J. CLOSED SESSION

K. ADJOURN

In accordance with ADA regulations, anyone who needs an accommodation to participate in the meeting should notify the ADA Coordinator at 704-920-2100 at least forty-eight (48) hours prior to the meeting.

CABARRUS COUNTY

BOARD OF COMMISSIONERS
WORK SESSION

March 2, 2026
5:00 PM

AGENDA CATEGORY:
Closed Session

SUBJECT:
Closed Session - Attorney Client Privilege and Personnel

BRIEF SUMMARY:
A closed session is needed for attorney client privilege and personnel as authorized by NCGS 143-318.11(a)(3) and (6).

REQUESTED ACTION:
Motion to go into closed session for attorney client privilege and personnel as authorized by NCGS 143-318.11(a)(3) and (6).

EXPECTED LENGTH OF PRESENTATION:
1 Hour or More

SUBMITTED BY:
On behalf of the Board

BUDGET AMENDMENT REQUIRED:
No

COUNTY MANAGER'S RECOMMENDATIONS/COMMENTS: