



Since 1712

HYDE COUNTY

NORTH CAROLINA

Item Number: 14

Meeting Date: 03.05.12

Presenter(s): Mazie Smith

Title: County Manager

Agency/Dept.: County of Hyde

Item Title: Third Party Administrator Agreement

Attachments: Yes

Description: Manager Smith will present to the Board the Third Party Administrator Agreement for the State 457b Plan. This is a plan available to employees at will and at no cost to the county.

Times Read: First

Impact on Budget: Does not increase the budget.

Recommendation: Approve

MOTION MADE BY:

_____ A. Byrd
_____ B. Swindell
_____ D. Styron
_____ D. Tunnell
_____ S. Spencer

MOTION SECONDED BY:

_____ A. Byrd
_____ B. Swindell
_____ D. Styron
_____ D. Tunnell
_____ S. Spencer

Vote:

A. Byrd
B. Swindell
D. Styron
D. Tunnell
S. Spencer

Aye **Nay**

NC Public Employee Deferred Compensation Plan
EMPLOYER –THIRD-PARTY ADMINISTRATOR AGREEMENT

THIS AGREEMENT, made on this _____ day of _____, 20____, between the _____ (hereinafter called the “Employer”) and The Prudential Insurance Company of America (hereinafter called Third-Party Administrator or Prudential) (the “Agreement”). This Agreement replaces and supersedes any prior agreement between the parties, effective upon final execution by all parties.

WITNESSETH:

WHEREAS, the State of North Carolina (the “State”) has adopted the NC Public Employee Deferred Compensation Plan (hereinafter called the “Plan”), pursuant to which the State of North Carolina and its departments, agencies, and political subdivisions are authorized to provide a governmental 457(b) deferred compensation plan established in conformance with section 457(b) of the Internal Revenue Code, as amended (the “Code”); and

WHEREAS, the State’s Supplemental Retirement Board and the State’s Retirement Systems Division of the Department of State Treasurer have selected Prudential to be the Third-Party Administrator of the Plan.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein below, the receipt and sufficiency of which are hereby acknowledged, the Employer and the Third-Party Administrator hereby agree as follows:

ARTICLE I
DUTIES AND RESPONSIBILITIES OF THE EMPLOYER

A. Implementation of Plan

1. The Employer confirms that it made the decision to implement the NC Public Employee Deferred Compensation Plan via resolution. The employer agrees to provide a copy of such resolution, if available, to Prudential.

2. The Employer shall designate a coordinator for each unit to work with Prudential to select enrollment dates, determine the number of meetings needed and what employee notification of meetings will be required, and to make other decisions necessary to hold successful enrollment meetings.

3. The Employer shall provide time for its employees to attend a Plan informational meeting. The Employer agrees that employees representing all employee pay grades will be given the opportunity to attend the meetings. The Employer understands that the meetings are an important resource in making employees aware of their opportunity to participate in the Plan.

4. The Employer shall provide a facility to conduct Plan informational meetings for its employees.

5. The Employer shall publicize the meetings to all its employees by internal publication, meeting notices provided by the Third-Party Administrator and through other media agreed to by its coordinator and the Third-Party Administrator.

B. Operation of Plan

1. The Employer shall have sole responsibility for determining which of its employees are eligible to participate in the Plan in accordance with eligibility requirements established by the Plan or North Carolina General Statutes, with respect to elective deferral contributions. The Employer will advise the Third-Party Administrator each month of any “new enrolled” employee who is eligible to participate in the Plan. The Employer also will advise the Third-Party Administrator each month of any participant in the Plan who has terminated their employment, the date of termination, and the reason for the separation from service.

2. The Employer shall provide payroll deductions for all contributions to the Plan and all loan repayments to the Plan. The Employer shall modify its payroll application to comply with specifications required by the Third-Party Administrator of the Plan. This includes the format of the deduction report for the delivery of contributions and loan repayments to the Third-Party Administrator. The Employer shall notify the Third-Party Administrator of any changes in payroll frequency, the frequency of payroll deductions, or change in status.

3. The Employer shall deliver the remittance files, loan payment files, and the funds for these reports to the location provided by the Third-Party Administrator.

4. The Employer agrees that employee voluntary contributions to the Plan and loan repayments will not be suspended, modified or terminated for a participant unless so instructed by the Third-Party Administrator based on the participant’s actions with the Third-Party Administrator.

5. The Employer agrees to comply with all operating procedures established by the Third-Party Administrator of the Plan. It understands that the procedures may be modified or revised from time to time, and the Employer agrees to comply with revisions and modifications without delay upon receipt of adequate notice of such modifications.

6. The Employer shall inform the Third-Party Administrator in advance of any changes in the Employer's benefit or compensation programs that affect the operation or administration of the Plan.

7. The Employer may request that the Third-Party Administrator refund a contribution made within the preceding 12 months on account of a mistake of fact as defined by the Internal Revenue Service, and the Third-Party Administrator shall grant such request.

8. The Employer shall furnish the Third-Party Administrator all documents, data and other information necessary for the Third-Party Administrator to perform its duties under this Agreement. The Employer shall be solely responsible for the accuracy of any documents, data, or other information provided to the Third-Party Administrator by the Employer or by any other person or entity having responsibilities with respect to the Plan. If the Employer fails to provide any such requested information, the Third-Party Administrator shall be obligated to perform its duties under this Agreement only insofar as it is able to do so with the information available. All information required to be furnished by the Employer shall be transmitted in the medium and form acceptable to the Third-Party Administrator. The Third-Party Administrator will be entitled to rely fully on the accuracy and completeness of information submitted by the Employer and will have no duty or responsibility to verify such information.

9. The Employer shall comply with the Uniformed Service Employment and Re-employment Rights Act of 1994 regarding participation in the Plan by participants with military service. The Plan allows an Employer to permit an employee who meets the criteria of the Uniformed Service Employment and Re-employment Rights Act of 1994 the opportunity to "catch-up" salary deferrals to the Plan that were not made during the time they were on active duty. Loan repayments are suspended during the period the Plan participant is on active duty.

ARTICLE II
RESPONSIBILITIES OF THE THIRD-PARTY ADMINISTRATOR

A. Implementation of Plan

1. The Third-Party Administrator shall assist the Employer's coordinator in scheduling Plan informational meetings, provide the employer with meeting notification materials, including but not limited to posters, handbills, press release-type articles and payroll stuffers that are mutually acceptable to the Employer coordinator and the Third-Party Administrator.

2. The Third-Party Administrator shall present the Plan and its benefits to the employees and enroll them in the Plan.

3. The Third-Party Administrator shall provide brochures, enrollment forms, payroll deduction authorization forms, withdrawal forms, loan applications and other forms relating to loans, as well as other forms needed to fulfill the duties as Third-Party Administrator. For purposes of this paragraph, "form" shall also mean a facility for electronic processing of participant requests.

B. Operation of Plan

1. The Third-Party Administrator shall maintain a record of each participant's contributions and shall invest his/her contribution in the fund(s) selected by the participant. Third-Party Administrator's services will be provided in a professional and competent manner.

2. The Third-Party Administrator shall provide the participant with a quarterly statement of his/her account, which shows the value of the participant's account.

3. The Third-Party Administrator shall allow the participant to borrow from his/her account when he/she has complied with the eligibility requirements established by the Third-Party Administrator and the Plan as permitted by federal regulations, the Plan and the Third-Party Administrator.

4. The Third-Party Administrator shall provide the participants withdrawal options including lump sum distribution and periodic payments in accordance with the Plan and the Code.

5. The Third-Party Administrator shall provide participants in the Plan who become entitled to receive a distribution from the Plan with all appropriate notices and election forms concerning such distribution. The Third-Party Administrator is responsible for proper reporting of all distributions from the Plan and the withholding of income taxes as required by the Plan and the Code.

6. The Third-Party Administrator shall provide administrative and operating procedures for the Employer.

7. It is agreed and understood that the Third-Party Administrator assumes no fiduciary responsibilities with respect to its administration of the Plan. The Third-Party Administrator is the agent of the Plan, the State Treasurer and the Plan's Board of Trustees. The Third-Party Administrator is not the "plan administrator" as defined by the Employee Retirement Income Security Act of 1974. It is understood and agreed that the Third-Party Administrator does not provide legal or tax counsel to the Employer or to any participant or beneficiary and that the Third-Party Administrator recommends that all such parties obtain legal and tax advice from competent, independent sources. Nothing in this Agreement shall be deemed to confer on the Third-Party Administrator any federal or state tax liability, which may be imposed upon the Employer or any participant or beneficiary.

ARTICLE III
PLAN PARTICIPATION

The Employer and the Third-Party Administrator jointly agree to promote the Plan and encourage participation in the Plan by all pay grades of the Employer. This will require that initial enrollment meetings be held with all eligible employees to ensure that they are aware of the benefit and value of participating in the Plan. The Employer agrees to promote the Plan on an on-going basis by conducting periodic meetings with eligible employees, utilization of posters, newsletter articles, payroll stuffers, and other agreed upon communications.

ARTICLE IV
CONFIDENTIAL NATURE OF INFORMATION

The parties hereto mutually agree to the extent permitted by law to safeguard and keep confidential any and all information obtained from the other party with respect to the personnel of the State and each participant or, any other data identified in writing by either party to the other party as being confidential.

ARTICLE V
DURATION OF THE AGREEMENT

This Agreement shall become effective when signed by all parties and shall continue in effect indefinitely, but in no event for less than five years, except as provided below in Article VI.

ARTICLE VI
TERMINATION OF AGREEMENT

1. Either party may terminate this Agreement upon giving six months advanced written notice to the other party, provided that the non-terminating party may waive such notice

requirement. The termination of this Agreement *does not* terminate the Plan in which the Employers' employees are participating or require a distribution of accounts of the participating employees from the Plan. The termination of this Agreement relieves the Employer from taking deductions and loan repayments from the participating employee's pay and remitting them to the Third-Party Administrator.

2. The State may terminate the Plan at any time through the enactment of laws.
3. This Agreement shall terminate if the State terminates its Agreement with Prudential by which Prudential is obligated to serve as Third-Party Administrator.
4. This Agreement shall terminate if the Trustees discontinue the Plan.

ARTICLE VII
MISCELLANEOUS

1. The NC Public Employee Deferred Compensation Plan will conform to section [457(b)] in the Internal Revenue Code, as amended.
2. The Agreement shall be interpreted under the laws of the State of North Carolina.
3. All items specified in the Agreement, exhibits, or attachments shall be the current Eastern Time.
4. The Employer will make available to the Third-Party Administrator, the Department of the State Treasurer, and an auditor appointed by the Third-Party Administrator or the Board of Trustees its records of contributions and loan payments submitted to the Plan for the purposes of an audit. The Employer will also make available its documents pertaining

to its employees' deferral elections and other documents deemed necessary by the Third-Party Administrator to audit the Plan.

5. This Agreement is intended by the parties as a final expression of their agreement and is a complete and exclusive statement of its terms. No other representation, understanding, or agreements have been made or relied upon in the making of the Agreement other than those specifically set forth herein. No modification or waiver of any provision of this Agreement and no consent to any departure therefrom shall be effective unless such modification or waiver shall be in writing and signed by all parties to the original agreement.

IN WITNESS THEREOF, the parties hereto do hereby sign and execute this Agreement as of the date first above written.

Name of Employer (Please Type or Print)

By: _____
(Signature)

(Please Type or Print Name Signed Above)

Its: _____
(Please Type or Print Official Title)

Date: _____

PRUDENTIAL

By: _____

Date: _____

(Revised 10/29/08)

BOARD RESOLUTION

WHEREAS, the _____ wishes to provide a qualified defined contribution plan to the employees of _____.

AND WHEREAS, the State of North Carolina has established the North Carolina Public Employee Deferred Compensation Plan, a qualified governmental Deferred Compensation Plan under Internal Revenue Code § 457(b) for public employees of North Carolina.

THEREFORE, be it resolved that _____ has adopted the North Carolina Public Employee Deferred Compensation Plan also known as "NC Deferred Comp" under the terms of the Plan Document and the Third-Party Administrator Agreement. All employees shall become eligible to defer compensation { immediately or waiting period }.

Signed this _____ day of _____ 20_____.

(Chairperson of the Board)

(Date)



North Carolina Request to Add Sub Plan Information

The purpose of this questionnaire is to obtain information to add a new sub plan to the NC Deferred Compensation Plan.

Plan Name: NC Deferred Compensation 457(b) Plan **Plan Number:** 012003

Sub Plan/Employer/Division Name: (SP 120) _____

Sub Plan Number (provided by the State): (SP 020) _____
(six digits - leave blank if unknown)

Address Line 1: (SP 200) _____

Address Line 2: (SP 210) _____

City: (SP 221) _____ **State:** (SP 222) _____ **Zip:** (SP 223) _____

County: _____

*** Primary Human Resource Contact Information**

Name: _____ **Title:** _____

Address: _____ **Address 2:** _____

City: _____ **State:** _____ **Zip:** _____

Phone: (SP 240) _____ **Fax:** (SP 250) _____

Email: _____

Brief Description of Responsibilities: _____



*** Secondary Human Resource Contact Information**

Name: _____ **Title:** _____

Address: _____ **Address 2:** _____

City: _____ **State:** _____ **Zip:** _____

Phone: (SP 240) _____ **Fax:** (SP 250) _____

Email: _____

Brief Description of Responsibilities: _____

*** Primary Payroll Contact Information**

Name: (SP 230) _____ **Title:** _____

Address: _____ **Address 2:** _____

City: _____ **State:** _____ **Zip:** _____

Phone: (SP 240) _____ **Fax:** (SP 250) _____

Email: _____

Brief Description of Responsibilities: _____

*** Secondary Payroll Contact Information**

Name: (SP 230) _____ **Title:** _____

Address: _____ **Address 2:** _____

City: _____ **State:** _____ **Zip:** _____

Phone: (SP 240) _____ **Fax:** (SP 250) _____

Email: _____



Important Questions regarding Sub Plan Establishment

If your Payroll Center processes payroll for more than one division, please list the employer code that has been assigned to each different Employer or Division Name.

Employer/Division Name: _____
Employer/Division Sub Plan Number (6 digits): (SP 610) _____
Number of eligible employees _____

Will you allow members to select flat dollar [\$], percentage [%], or both for contributions? (SP 901) \$ % Both

What waiting period, if any, will you impose on this plan?

- Immediate
- 30 Days
- 60 Days
- 90 Days
- 120 Days
- 180 Days
- 365 Days
- Other _____ (Please indicate)

An eligible employee is defined as any employee of the employer with W2 compensation.



How many employees are eligible to participate in the plan? _____

What date will you remit your first file to Prudential? _____

How will you remit your contributions?

- Internet Upload
- VDES

If sending an automated file through Internet Upload, how will you send this file?

- Prudential Messenger (secure Website to upload your file)
- FTP
- VPN

Would you like an Error Report or Confirmation Report upon file remittance?

- Errors (104) Email Address(es) for delivery: _____
- Confirmation(105) Email Address(es) for delivery: _____

How will you fund your contribution files to Prudential?

- Check mailed to Prudential
- ACH wire (received the following day)
- ACH debit (Prudential debits a pre-approved account)

What is your pay frequency and the frequency of your remittance? (SP 905)

- Weekly
- Bi-Weekly
- Semi-Monthly
- Monthly

Will you allow loans? (SP 903)



- No
- Yes



Deferral rate and loan start-stop files will be sent to you in one of the following methods (choose one):

- Online Retirement Center for Plan Sponsors
- Automated Text File sent through Prudential Messenger

How often will you submit loan payments? (SP 904) If this frequency is different from your pay frequency, please explain why?

- Weekly
- Bi-Weekly
- Semi-Monthly
- Monthly

Complete if merging an existing plan into NC Deferred Compensation

* This section only applies if you are requesting a merger of an existing Deferred Compensation (457) Plan into the NC Deferred Compensation (457) Plan, please review and respond to the following section

Submit the following documents as attachments:

- **Board Resolution to adopt NC Deferred Compensation and merge the existing plan into NC Deferred Comp.**
- **TPA Agreement with current recordkeeper**
- **Plan Document**
- **Loan Policy (if applicable)**
- **Plan Valuation**
- **Mapping Strategy for funds**

Does the existing 457 Plan offer Self Directed Brokerage (allows participants to directly purchase general securities, e.g. stocks and bonds)?

- No
- Yes - If yes, request Self-Directed Brokerage Questionnaire



Submit the following as a document attachment:

- **Current Recordkeeping Company for Participant Records**
- **Contact Name**
- **Address**
- **Phone**
- **Fax**
- **Email**
- **Current Plan Trustee(s)**
- **Contact Name**
- **Address**
- **Phone**
- **Fax**
- **Email**
- **Employer Identification Number**

Are there any Internal Revenue Service (IRS) issues outstanding?

- No
- Yes - If yes, please explain

Is the plan under audit?

- No
- Yes - If yes, please indicate IRS State Self

Has the existing plan ever merged with, or spun off from, another plan?

- No
- Yes - If yes, please provide a history



Completed forms may be mailed to:

North Carolina Service Team
Prudential Retirement
30 Scranton Office Park
Scranton, PA 18507

Signature

Title

Date

Thank you for completing this questionnaire. This will help Prudential maintain accurate information to assist with the administration of the North Carolina Public Employees Deferred Compensation 457(b) Plan. For questions regarding this form, please contact (866) NC-PLANS and choose option 3. Please attach any additional comments below that will assist us in providing service to your employees.



Since 1712

HYDE COUNTY

NORTH CAROLINA

Item Number: 15

Meeting Date: 03.05.12

Presenter(s): Andrea Gregory

Title:

Agency/Dept.: County of Hyde

Item Title: Proclamation of surplus for sale on GovDeals

Attachments: Yes

Description: Andrea will provide a list of surplus items, seeking the Board's approval to sell them on GovDeals.

Times Read: First

Impact on Budget: Does not increase the budget.

Recommendation: Approve

MOTION MADE BY:

_____ A. Byrd
_____ B. Swindell
_____ D. Styron
_____ D. Tunnell
_____ S. Spencer

MOTION SECONDED BY:

_____ A. Byrd
_____ B. Swindell
_____ D. Styron
_____ D. Tunnell
_____ S. Spencer

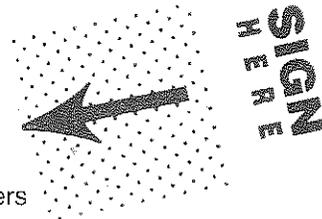
Vote:

A. Byrd
B. Swindell
D. Styron
D. Tunnell
S. Spencer

Aye

Nay

Departments	Items	Auction Price	Mileage
Utilities	2510 DTC 4X4 Long Tractor	\$500.00	
	model 1198 Long Backhoe	\$100.00	
	Bush Hog 305 RW 5' Mower	\$100.00	
	2) 2000 Trash Trucks	\$3000.00 each	Unknown
	2) sets of scales at SQ & ENG Trash Sites	\$500.00	
	Surplus Computer equipment in bulk	\$25.00	
EMS	Fuel Truck	\$2,000.00	



 Sharon Spencer, Chairman of Hyde County Board of Commissioners

Date: _____



Since 1712

HYDE COUNTY

NORTH CAROLINA

Item Number: 16

Meeting Date: 3.5.2012

Presenter(s): Mazie Smith

Title: County Manager

Agency/Dept.: County of Hyde

Item Title: NCDOT Utility Relocation Agreement

Attachments: Yes

Description: With the replacement of a cross tile on New Lands Rd. in Fairfield, the water department will have to relocate 280' of 8" HDPE waterline. This work will be done by a contractor and all cost will be covered by NCDOT.

Times Read: First

Impact on Budget: Does not increase the budget.

Recommendation: Approve NCDOT Utility Relocation Agreement

MOTION MADE BY:

_____ A. Byrd
 _____ B. Swindell
 _____ D. Styron
 _____ D. Tunnell
 _____ S. Spencer

MOTION SECONDED BY:

_____ A. Byrd
 _____ B. Swindell
 _____ D. Styron
 _____ D. Tunnell
 _____ S. Spencer

Vote:

A. Byrd
 B. Swindell
 D. Styron
 D. Tunnell
 S. Spencer

Aye

Nay

UTILITY RELOCATION AGREEMENT

NORTH CAROLINA STATE HIGHWAY PROJECT NO 1B.204811
WBS ELEMENT: 1B.204811
COUNTY Hyde

This agreement made this ____ day of _____, 2012, by and between the Department of Transportation, an agency of the State of North Carolina, hereinafter referred to as the DEPARTMENT, and Hyde County hereinafter referred to as the COMPANY:

WITNESSETH:

THAT WHEREAS, the DEPARTMENT will submit a project for construction as follows:

Pipe replacement on SR 1306, locally known as Newlands Road – two (2) 72"x48'
metal pipes will be replaced with one (1) 117"x79"x48' aluminum pipe.

known as route SR 1306 in Hyde County, North Carolina to be designated as N.C. State Highway Project and/or WBS Element 1B.204811 and,

WHEREAS, the construction of said project requires certain adjustments to be made to the existing facilities of the COMPANY;

NOW, THEREFORE, in order to facilitate the orderly and expeditious relocation of the said facilities of COMPANY, the DEPARTMENT and the COMPANY have agreed as follows:

1. That the scope, description, and location of work to be undertaken by the COMPANY are as follows: Relocate and reconnect 6" water line to accommodate pipe replacement by completing 280' 8" HDPE directional bore and tying into existing.

2. That any work performed under this agreement shall comply with DEPARTMENT's "POLICIES AND PROCEDURES FOR ACCOMMODATING UTILITIES ON HIGHWAY RIGHTS OF WAY" dated January 1, 1975, and such amendments thereto as may be in effect at the date of this agreement. The work to be performed by the COMPANY shall conform with Federal Highway Administration's Federal-Aid Policy Guide, Subchapter G, Part 645, Subpart A hereinafter referred to as FAPG dated December 9, 1991, and such amendments thereto as may be in effect at the date of this agreement. The provisions of said FAPG and amendments thereto are incorporated in this agreement by reference as fully as if herein set out. Any work performed under this agreement not in compliance with FAPG shall constitute unauthorized work and the DEPARTMENT shall be relieved of participating in the costs of such unauthorized work unless such work is done pursuant to a supplemental agreement attached to and made a part hereof.

3. That the COMPANY will prepare an estimate, broken down as to estimated cost of labor, construction overhead, materials and supplies, handling charges, transportation and equipment, rights of way, preliminary engineering and construction engineering, including an itemization of appropriate credits for salvage, betterments and accrued depreciation, all in sufficient detail to provide the DEPARTMENT a reasonable basis for analysis. Unit costs, such as broad gauge units of property, may be used for estimating purposes where the COMPANY uses such units in its own operations. The COMPANY will also prepare plans, sketches or drawings showing their existing facilities, temporary and permanent changes to be made with reference to the DEPARTMENT's new right of way using appropriate nomenclature, symbols, legend, notes, color coding or the like. The aforementioned estimate and plans are attached hereto and made a part hereof. The DEPARTMENT will not reimburse the COMPANY for any utility relocations or changes not necessitated by the construction of the highway project, nor for changes made solely for the benefit or convenience of the COMPANY, its contractor, or a highway contractor.

4. That the DEPARTMENT's authority, obligation, or liability to pay for relocations as set forth in this agreement is based on the COMPANY having a right of occupancy in its existing location by reason of holding the fee, an easement or other real property interest, the damaging or taking of which is compensable in eminent domain.

5. That payment for all work done hereunder shall be made in accordance with the requirements of FAPG unless payment is being made pursuant to a supplemental agreement attached to and made a part of this agreement.

6. That the construction work provided for in this agreement will be performed by the method or methods as specified below:

BY COMPANY'S REGULAR FORCE: The COMPANY proposes to use its regular construction or maintenance crews and personnel at its standard schedule of wages and working hours in accordance with the terms of its agreement with such employees.

 BY EXISTING WRITTEN CONTINUING CONTRACT: The COMPANY proposes to use an existing written continuing contract under which certain work as shown by the COMPANY's estimate is regularly performed for the COMPANY and under which the lowest available costs are developed.

 X BY CONTRACT: The COMPANY does not have adequate staff or equipment to perform the necessary work with its own forces. The COMPANY proposes to award a contract to the lowest qualified bidder who submits a proposal in conformity with the requirements and specifications for the work to be performed as set forth in an appropriate solicitation for bids.

7. a. Construction of this State Highway Project is complete.

b. Based on the best information available at the present time to the COMPANY, indicate applicable paragraph below:

 X Materials are available and it is expected that work will be complete prior to highway construction.

 All work will take place during highway construction and arrangements for said work will be coordinated with highway construction operations at preconstruction conference.

 Work will begin promptly upon notification by the DEPARTMENT; however, it is not expected to be complete prior to highway construction. Any remaining work will be coordinated with highway construction operations at preconstruction conference.

 Other (Specify) : _____

8. That the method used by the COMPANY in developing the relocation costs shall be as indicated by Paragraph (a), (b), or (c) as follows:

- a. X Actual direct and related indirect costs accumulated in accordance with a work order accounting procedure prescribed by the applicable Federal or State regulatory body.
- b. Actual direct and related indirect costs accumulated in accordance with an established accounting procedure developed by the COMPANY and approved by the DEPARTMENT.
- c. On a lump-sum basis where the estimated cost to the DEPARTMENT does not exceed \$. Except where unit costs are used and approved, the estimate shall show such details as man-hours by class and rate; equipment charges by type, size, and rate; materials and supplies by items and price; and payroll additives and other overhead factors.

9. Indicate if (a), (b), or (c) is applicable:

- a. X That the replacement facility is not of greater functional capacity or capability than the one it replaces, and includes no COMPANY betterments.
- b. That the replacement facility involves COMPANY betterments, or is of greater functional capacity or capability than the one it replaces.
- c. That the replacement facility is other than a segment of the COMPANY's service, distribution, or transmission lines, such as a building, pumping station, filtration plant, power plant or substation, production or transfer of storage facilities and other similar operating units of the COMPANY's physical plant or operating facilities.

If (c) is applicable, set forth credit to the project for the accrued depreciation of the facility being replaced.

10. That the total estimated cost of the work proposed herein, including all cost to the DEPARTMENT and COMPANY less any credit and COMPANY less any credit for salvage, is estimated to be twenty-two thousand, nine hundred and 00/100 -----dollars (\$22,900.00).

The estimated non-betterment cost to the DEPARTMENT, including all cost less any credits for salvage, betterments, accrued depreciation and additional work done by the COMPANY will be twenty-two thousand, nine hundred and 00/100 ----- dollars (\$22,900.00).

The estimated cost to the COMPANY including betterments, accrued depreciation and any additional work done by the COMPANY will be zero and no/100 -----
----- dollars (\$0.00).

(The above costs shall be supported by attached estimate and plans)

11. That in the event it is determined there are changes in the scope of work, extra work, or major changes from the statement of work covered by this agreement, reimbursement shall be limited to costs covered by a modification of this agreement or a written change or extra work order approved by the DEPARTMENT.

12. Periodic progress billings of incurred costs may be made by COMPANY to the DEPARTMENT not to exceed monthly intervals; however, total progress billing payments shall not exceed 95% of the approved non-betterment estimate. Progress billing forms may be obtained from the State Utility Agent. One final and detailed complete billing of all costs shall be made by COMPANY to the DEPARTMENT at the earliest practicable date after completion of work and in any event within 6 months after completion of work. The statement of final billing shall follow as closely as possible the order of the items in the estimate portion of this agreement.

13. That the DEPARTMENT shall have the right to inspect non-reusable materials of the COMPANY recovered on this project prior to disposal by sale or scrap.

14. That the DEPARTMENT shall have the right to inspect all books, records, accounts and other documents of the COMPANY pertaining to the work performed by it under this agreement at any time after work begins and for a period of 3 years from the date final payment has been received by the COMPANY.

15. That the COMPANY obligates itself to erect, service and maintain the facilities to be retained and installed over and along the highway within the DEPARTMENT right of way limits in accordance with the mandate of the Statute and such other laws, rules, and regulations as have been or may be validly enacted or adopted, now or hereafter.

16. That if, in the future, it becomes necessary due to highway construction or improvement to adjust or relocate utilities covered in this agreement being relocated at DEPARTMENT expense that are crossing or otherwise occupying highway right of way, the non-betterment cost of same will be that of the DEPARTMENT.

17. That if, at any time, the DEPARTMENT shall require the relocation of or changes in the location of the encroaching facilities covered in this agreement being relocated at COMPANY expense, the COMPANY binds itself, its successors and assigns, to promptly relocate or alter the facilities, in order to conform to the said requirements, without any cost to the DEPARTMENT.

18. That the COMPANY agrees to relinquish their rights in that portion of right of way vacated by their existing facilities now absorbed within DEPARTMENT right of way.

IN WITNESS WHEREOF, the parties hereby have affixed their names by their duly authorized officers the day and year first above written.

DEPARTMENT OF TRANSPORTATION

BY:

ASST. STATE UTILITY AGENT

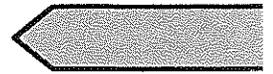
ATTEST OR WITNESS

(Title)

HYDE COUNTY

BY:

Sharon P. Spencer, Chairman



ATTEST OR WITNESS

Mazie Smith, County Manager

