

**Hyde County Board of Commissioners
AGENDA ITEM SUMMARY SHEET**

Meeting Date: February 5, 2018
Presenter: Jane Hodges
Attachment: Yes

ITEM TITLE: Appointment to the Hyde County Airport Advisory Board

SUMMARY: I would like to have Jo Ann Spencer appointed to the Board to fill the position currently held by Mr. Billy Williams. It is a term of three years. I would also recommend that all serving Board members be reappointed to their positions and terms.

RECOMMEND: PLEASE APPROVE

Motion Made By: Earl Pugh, Jr.
 Barry Swindell
 Dick Tunnell
 Ben Simmons
 Tom Pahl

Motion Seconded By: Earl Pugh, Jr.
 Barry Swindell
 Dick Tunnell
 Ben Simmons
 Tom Pahl

Vote: Earl Pugh, Jr.
 Barry Swindell
 Dick Tunnell
 Ben Simmons
 Tom Pahl

AIRPORT ADVISORY COMMITTEE

Scheduled Meeting is on the 4th Monday in the month

Member	Appointed	Term	Expires
Wilson Daughtry	February 5, 2018	1 year	February 4, 2019
Greg Gibbs	February 5, 2018	1 year	February 4, 2019
Art Keeney	February 5, 2018	2 years	February 3, 2020
Earl Pugh Jr.	February 5, 2018	1 year	February 4, 2019
Jo Ann Spencer	February 5, 2018	3 years	February 2, 2021
Sharon Spencer	February 5, 2018	2 years	February 3, 2020

Motion Made By: Earl Pugh, Jr.
 Barry Swindell
 Dick Tunnell
 Ben Simmons
 Tom Pahl

Motion Seconded By: Earl Pugh, Jr.
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Vote: Earl Pugh, Jr.
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**Hyde County Board of Commissioners
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ITEM TITLE: HYDE COUNTY AIRPORT FARM LEASE

SUMMARY: The Hyde County Advisory Board sent out proposals to 41 farmers in Hyde County. There were 5 bids received.

RECOMMEND: The Hyde County Airport Advisory Board recommends to the Hyde County Board of Commissioners that the Hyde County Airport Farm Lease be awarded to Mr. Charles Williford for a sum of \$ 268.50 x 300 acres as stated in the Lease Agreement for a total 4 year payment of \$ 322,200.00.

The Hyde County Airport Advisory Board sent out 41 bid proposals to farmers in Hyde County. The Board received 5 bid proposals.

Don Nixon	\$ 67,500.00 per year	\$ 225.00 X 300 acres
Richard Mann	\$ 65,025.00 per year	\$ 216.75 X 300 acres
J. W. Spencer	\$ 64,950.00 per year	\$ 216.50 X 300 acres
Wilson Daughtry	\$ 65,250.00 per year	\$ 217.50 X 300 acres
Charles Williford	\$ 80,550.00 per year	\$ 268.50 X 300 acres

Motion Made By: Earl Pugh, Jr.
 Barry Swindell
 Dick Tunnell
 Ben Simmons
 Tom Pahl

Motion Seconded By: Earl Pugh, Jr.
 Barry Swindell
 Dick Tunnell
 Ben Simmons
 Tom Pahl

Vote: Earl Pugh, Jr.
 Barry Swindell
 Dick Tunnell
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 Tom Pahl

NOTICE TO PROSPECTIVE BIDDERS

Date: 12/13/2017
P.O. Box 95
30 Oyster Creek Road
Swan Quarter, North Carolina 27885

The Sealed Bids will be received, beginning on December 18, 2017 for the work described herein and the closing date shall be 5:00 p.m., January 19, 2018, for the farming of approximately 300 acres located in the Engelhard Township, and Hyde County, N.C. described as the Airport Farm. The lease will be for 4 years beginning on January 30, 2018 and ending on January 29, 2022. Bids will be accepted in the Hyde County Manager's Office located in the Government Center, 30 Oyster Creek Road, Swan Quarter, N.C., by mail or courier to P.O. Box 95, or 30 Oyster Creek Road, Swan Quarter, N.C., 27885.

Each Bid should contain a sealed envelope with the completed Bid. Envelopes with Bid written on the outside are provided. The Bids will be publicly opened and read at 1:00 P.M. on January 22, 2018 at the Hyde County Airport Advisory Board meeting held at the Hyde County Airport located at 470 Airport Road, Engelhard, N.C. Prospective Bidders may attend the Bid Opening.

Work shall include but not be limited to application of lime and fertilizer to the entire acreage and maintenance and mowing of the ditches and drainage of the premises. Good farming practices are to be used to maintain the condition of the farm at the end of the lease as it was in the beginning of the lease.

Please see attached proposed Farm Lease Agreement for further proposed lease conditions and attached aerial photograph for exact acreage and location. The County of Hyde is an Equal Opportunity Employer. This Legal Notice, Advertisement for Bid, and any addenda will be posted on the County of Hyde Website at: www.hydecountync.gov

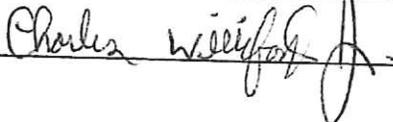
Questions about this Advertisement for Bids should be directed in writing to:

Hyde County Government
Attention: Jane Hodges
P.O. Box 95
Swan Quarter, N.C. 27885
Telephone: (252) 926-4372
Email: jhodges@hydecountync.gov

Bid Amount per Acre: 268.50 X 300 Acres

Total Bid Price: 322 200.00

Printed Name of Proposer: Charles Willford Jr

Signature of Proposer: 

HYDE COUNTY
NOTICE TO PROSPECTIVE BIDDERS

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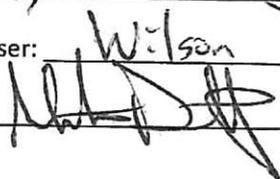
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Hyde County Government
Attention: Jane Hodges
P.O. Box 95
Swan Quarter, N.C. 27885
Telephone: (252) 926-4372
Email: jhodges@hydecountync.gov

Bid Amount per Acre: \$ 217.50 X 300 Acres
Total Bid Price: \$ 65,250.-
Printed Name of Proposer: Wilson Daughtry
Signature of Proposer: 

NOTICE TO PROSPECTIVE BIDDERS

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Swan Quarter, North Carolina 27885

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P.O. Box 95
Swan Quarter, N.C. 27885
Telephone: (252) 926-4372
Email: jhodges@hydecountync.gov

Bid Amount per Acre: \$ 216,75 X 300 Acres

Total Bid Price: \$ 65,025.00

Printed Name of Proposer: MANN, Farms, INC

Signature of Proposer: Richard Mann

HYDE COUNTY
NOTICE TO PROSPECTIVE BIDDERS

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Swan Quarter, North Carolina 27885

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Hyde County Government
Attention: Jane Hodges
P.O. Box 95
Swan Quarter, N.C. 27885
Telephone: (252) 926-4372
Email: jhodges@hydecountync.gov

Bid Amount per Acre: \$ 216.50 X 300 Acres

Total Bid Price: \$ 64,950.

Printed Name of Proposer: Spencer Heritage Farms Inc.

Signature of Proposer: [Handwritten Signature]

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

INSURED SPENCER HERITAGE FARMS INC
 NAME AND ADDRESS 4131 QUARTER RD
 SWANQUARTER NC 27885-9323

CERTIFICATE
 HOLDER

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

X	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
<input type="checkbox"/>	COMMERCIAL GENERAL LIABILITY - OCCURRENCE GEN'L AGGREGATE APPLIES PER POLICY						GENERAL AGGREGATE \$ PRODUCTS - COMP/OPS AGGREGATE \$ PERSONAL & ADV INJURY \$ EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea Occurrence) \$ MED EXP (Any one person) \$
<input type="checkbox"/>	BUSINESSOWNERS						EACH OCCURRENCE \$ AGGREGATE \$
<input type="checkbox"/>	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Each accident) \$
<input type="checkbox"/>	SCHEDULED AUTOS						BODILY INJURY (Per person) \$
<input type="checkbox"/>	HIRED AUTOS						BODILY INJURY (Per accident) \$
<input type="checkbox"/>	NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident) \$
<input type="checkbox"/>	GARAGE LIABILITY						
<input type="checkbox"/>	(Other)						
<input type="checkbox"/>	EXCESS LIABILITY - OCCURRENCE						EACH OCCURRENCE \$ AGGREGATE \$
<input checked="" type="checkbox"/>	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY POLICY APPLIES TO THE WORKERS COMPENSATION LAW IN THE STATE OF NC	N/A		WC 0255812	10/5/2017	10/5/2018	WC STATUTORY LIMITS E.L. EACH ACCIDENT \$100,000 E.L. DISEASE - EA EMPLOYEE \$100,000 E.L. DISEASE - POLICY LIMIT \$500,000
<input checked="" type="checkbox"/>	OTHER: FCL0336916 EFFECTIVE: 01/01/2018 THRU 01/01/2019 LIABILITY LIMIT-\$500,000						

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES:

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

TINA S EAKES
 DATE 1/19/2018

TELEPHONE: (336) 220-4074

Email: hodges@hydecountync.gov

Bid Amount per Acre: 225.00 X 300 Acres

Total Bid Price: 67,500

Printed Name of Proposer: Don Nixon

Signature of Proposer: 

January 22, 2018

1:00 PM

Hyde County Airport

The Hyde County Airport Advisory Board met at 1:00 pm on January 22, 2018 at the Hyde County Airport.

Those present were Vice chairman Wilson Daughtry, Greg Gibbs, Earl Pugh, Art Keeney, Tim Whitfield, Jay Talbert of Talbert and Bright, Jimmy Capp of the FAA, Sam Lawhorn of NCDOT Aviation Airport Projects Manager for this area and Jane Hodges, Airport Manager.

Vice Chairman Daughtry opened with prayer.

Minutes from the January 2016 and November 2017 meeting were approved with a unanimous vote on a motion from Mr. Keeney and a second by Mr. Whitfield.

Jay Talbert of Talbert and Bright the airport consultant gave a brief overview of the phone conversations with Manager Rich, Mr. Lawhorn, Mrs. Hodges and others regarding the runway extension and turnaround. NCDOT Aviation has turned us down on this project. A new project was determined during the conversations to be a repaving of the runway and a new PAPI (lighting) system. There is a possibility that the state will pay 100% of the cost of both projects. Several other topics were discussed as projects but will not be considered at present.

The Airport Farm Lease bids were opened. There were 41 bid packages sent out and 5 responses were received.

In order of arrival	Don Nixon for	\$ 225.00 x 300 acres for a total of \$ 67,500.00
	Richard Mann for	\$ 216.75 x 300 acres for a total of \$ 65,025.00
	J. W. Spencer for	\$ 216.50 x 300 acres for a total of \$ 64,950.00
	Wilson Daughtry for	\$ 217.50 x 300 acres for a total of \$ 64,250.00
	Charles Williford for	\$ 268.50 x 300 acres for a total of \$ 80,550.00

The Airport Advisory Board is recommending to the Hyde County Board of Commissioners to award the contract to Mr. Charles Williford on a motion made by Mr. Keeney and seconded by Mr. Whitfield with all members voting their approval of the action.

After discussion of the projects for the upcoming year the Hyde County Advisory Board would like to support and recommend to the Hyde County Board of Commissioners to move forward with the repaving of the runway (design only) project and funding of the project to begin in 2019 for and the PAPI

PAPI project will use the 2015 non primary entitlement funds. A motion by Mr. Whitfield with a second by Mr. Keeney was approved by all members in attendance.

Mr. Sam Lawhorn from the NC Department of Transportation Aviation Department gave an update on the airports annual planning agenda(a copy of his handouts are provided for you to look at), funding sources and a copy of the North Carolina Airports System Plan as it pertains to the Hyde County Airport from 2015.

Mr. Jimmy Capps from the FAA was here to go over the 5010 Highlights in the annual planning agenda and answer any questions the board had.

The meeting adjourned at 3:00 pm.

North Carolina Department of Transportation
Aviation

SAM LAWHORN, PE
Airport Project Manager

Mail: 1560 Mail Service Center
Raleigh, NC 27699-1560
Physical: 1050 Meridian Drive,
Morrisville, NC 27560

(919) 814-0562 T
(919) 741-3278 M
schlawhorn@nctdot.gov



- Rules and regulations – 2/02 – Does this need updating?
- Min STDS – 2/02 – Does this need updating?
- Height Ordinance – 2/02 – Does this need updating?
- Approach certified – 3/07 - Plans for 18B?
- RFQ advertisement and decision – **NEED, Must update every 5 years. – Airport to update**
- Master agreement – **NEED, Must update every 5 years. – Airport to update**
- ALP – 1/07 last approved. Are all upcoming and requested projects shown?

Contacts

Contact	Title	Phone	Cell (Optional)	Email	List Serve
Jane Hodges	Airport Manager	(252) 926-4372	252-943-4113	jhodges@hydecourtnc.gov	Yes
Bill Rich	County Manager	(252) 926-4179	252-926-5292	brich@hydecourtnc.gov	Yes
-	Financial Manager	-	-	-	No

Available Programs

- Maintenance Agreement? 08/15 Signed –New agreement upcoming.
- AWOS – State maintained facilities can request maintenance through Jimmy Capps –AWOS at 7W6 is State Maintained. [Jimmy to check on why AWOS is not showing on National Weather Service.](#)
- Economic Development – List with <http://accessnc.commerce.state.nc.us/EDIS/page1.html> or call 919-707-1500
- Wildlife Inspection – 2010, with the following recommendations: Install fence at a height of 8-10 feet with barbed wire outriggers, obtain depredation permit and use where it can be safely applied, and use pyrotechnics around pond to deter wildlife from visiting airport. [New Inspection new year.](#)
- Do you have a Security Plan? TSA developed the document, *Recommended Security Guidelines for General Aviation Airports and Users*, updated in March 2013, which identifies federally-endorsed security enhancements and provides guidance in the creation and implementation of a GA Security Plan. Further, the Airport Cooperative Research Program (ACRP) provides guidance on GA security in their document titled *General Aviation Safety and Security Practices- A Synthesis of Airport Practice*, which identifies a range of safety management and security operations. This is mostly for green airports, as the system plan identified that many of these airports are not working with local emergency services.

5010 Highlights (2016): **Please send a response to Jimmy Capps regarding what has been addressed and the plan to address all outstanding items. Letter still not received.**

1. Exposed non-frangible bases were exposed for lights. Any non-frangible bases should be graded to ground level to avoid prop strikes. Any frangible bases are required to be only 3” above graded ground.
2. Trees are 28:1 obstructions on RWY 29. [Only 20:1 required at airport.](#)

- I. Conceive Project
 - a. This is typically done during the Airport Layout Plan (ALP)/Master Plan update stage where the airports plans projects for the future 5, 10, and 20 years. Any projects at your airport, unless routine maintenance, should be on an approved ALP before funded is requested. Your APM can help determine projects that should be included on your ALP.
 - b. An ALP update should be completed around every 10 years, or as the airport future development plans change. These ALPs will need to be reviewed and signed by the NCDOT and FAA.
 - c. Minor changes, called Pin and Ink changes, are allowed to the ALP, but these projects must not effect airspace. Any major changes that effect airspace or critical aircraft should require a new ALP update.
- II. Obtain Funding
 - a. Create/Update the project in PC Project Request and keep the requests up to date, as they are a living document. Check that project priorities, attachments, requested year, and justification are correct. Project titles should adequately describe the project as to what and where (ex. RWY 3 extension 500ft). The total cost for the project should be included, not just the construction cost. Additional Guidance is located at: https://connect.ncdot.gov/municipalities/State-Airport-Aid/Documents/PC-PR_UpdateGuidelines2016.pdf
 - b. If you plan on using your NPE for the project, then your APM needs to be notified. Your APM will determine if project is eligible for NPE.
 - c. If your project is chosen throughout any of the prioritization processes, typically in February, you will be notified and issued an award letter. If you receive an Award letter you should go to Next Steps guidance to determine all requirements to obtain a grant. The guidance is located at: <https://connect.ncdot.gov/municipalities/State-Airport-Aid/Documents/NextStepInitial.pdf>
- III. Work Authorization(WA) Draft and Review
 - a. You should have your consultant draft up a WA to include all of the necessary tasks to complete the project. This should include all the necessary subconsultants to complete the project. NCDOA is currently working on a draft WA that should be used as a template and guidance.
 - b. Once the draft WA is complete the Airport should review the WA and confirm the scope is correct. At this time, the Airport should negotiate the man-hours associated with each task, and the profit margin for the WA. The profit margin must be between 9-15% and should be based on the level of complexity and the amount of risk associated with the project.
 - c. It is STRONGLY advised that before the WA is executed, it is provided to your APM for review. Your APM will review the WA to check that all necessary tasks are included and confirm the entire WA is reimbursable. The APM will then provide comments back to the sponsor after their review. The sponsor should provide responses to the comments, or have the consultant do so.
 - d. If any changes to the WA are made to address comments, it is suggested the sponsor resubmit the WA for review. This will allow the APM to confirm all comments are addressed correctly. If comments were not addressed correctly the APM will provide additional comments. It is suggest this process be completed until the APM has no further comments. The WA is an executed agreement between the Consultant and Airport, and not the NCDOA. Completing this review process is the only way to confirm your entire agreement is reimbursable by NCDOA.
- IV. IFE/IFA
 - a. After the review is completed, but before the WA is executed an IFE or IFA should be performed. This will confirm the consultant's costs in the proposal are not excessive, and reimbursable.

complete the IFE/IFA requirement at no cost to the Airport, but a redacted WA must be provided.

- d. Once the IFE/IFA is complete, the Airport should renegotiate the WA when the IFE/IFA shows tasks as being excessive.

V. RFA setup

- a. Confirm the latest cost and information are updated in the PC Project Request section.
- b. The consultant should provide a project budget broken out by A-codes, a project schedule, and an exhibit showing the project limits. These documents, along with the final WA, should be provided to the APM and uploaded into PC as required.
- c. Confirm all required items on Next Steps guidance have been completed.
- d. Notify your APM all documents have been uploaded and the project is ready for the RFA.

See AV-101, AV-102, & AV103 Checklist for Each Process in the Grant - For use by Sponsors and consultants to make sure RFA's, reimbursement requests, grant modifications, budget modifications, & closeout paperwork are full and complete.

- Checklist has been updated and is available on the website:
<https://connect.ncdot.gov/municipalities/State-Airport-Aid/Pages/default.aspx>

Project Requests - See Below. Are these projects on your ALP? Any project that need to be explained?

Proj Request #	Project Description	Sponsor Initials	SPOT Project Request ID	Estimated \$	Rank	Year
3493	BEACON AND DRAINAGE IMPROVEMENTS			41,790		2016
3609	NEW BEACON CONSTRUCTION			102,752		2016
3610	TERMINAL AREA DRAINAGE CONSTRUCTION			116,970		2016
2565	RUNWAY EXTENSION AND LIGHTING		A130005	417,770	1	2017
3077	AUTOMATED WEATHER OBSERVATION STATION			120,000		2014
2582	TAXIWAY TURNAROUND AND LIGHTING			387,650	2	2018
2590	NEW T-HANGAR			1,023,500	3	2019
3079	AIRPORT LAYOUT PLAN UPDATE			35,000	4	2019
3078	(3) 60 X 60 CORPORATE HANGARS		A130004	2,227,600	5	2020
2589	UNICOM RADIO			10,000		2014
2583	TAXIWAY TURNAROUND AND LIGHTING			387,650	6	2021
2592	AIRFIELD PERIMETER FENCING (PHASE I)			562,275	7	2022
2593	AIRFIELD PERIMETER FENCING (PHASE II)			461,750	8	2023
2584	TERMINAL AREA PAVEMENT REHABILITATION			120,200	9	2024
2587	GROUND COMMUNICATIONS OUTLET (GCO)			30,000	10	2021
2586	UTILITY INSTALLATION FOR WATER AND SEWER			750,000	11	2025
2591	RUNWAY PAVEMENT REHABILITATION			1,411,300	12	2026
2588	STANDARD INSTRUMENT APPROACH PROCEDURE			70,000	13	2022

- | | |
|------------|-----------------------------|
| - 2017 NPE | \$150,000 |
| - Total | \$600,000 – Plans to Spend? |

STI SPOT 5.0 projects to be scored:

- A130004 – 3 60x60 Corporate Hangers.
- A130005 – 300’ RWY Extension.
- A130006 – Parrell TWY. This project should be entered in PC as a project request and not STI since is a system goal.

Open grants (as of 1/1/18)

- None currently, but upcoming grant for the RWY Rehab and PAPI Replacement.

Miscellaneous Items

- Solar Farm Glare Studies – Are there any ordinances in place to require a glare study for solar farm development applications near the airport (within 5 miles)? The DoA and FAA do not have any control over these matters and rely on local zoning ordinances to ensure that the airspace is protected.
 - There is a statewide solar template ordinance developed by the NC Solar Center at NCSU. Local governments can adopt the document in whole or just sections of it. You may want to check out the following link to compare it with the current ordinances you have for your airport at: http://nccleantech.ncsu.edu/wp-content/uploads/Template-Solar-Ordinance_V1.0_12-18-13.pdf
- UAS questions:
 - Begin with www.faa.gov/uas or www.ncdot.gov/aviation/uas
 - You may also contact our office directly and talk with Basil Yap
- The Maintenance Program is now handled by Randy Finger. Most projects will be determined biased attached PCI report. Any maintenance Issues you would like me to mention to Randy?

Figure 6: Current (2014) PCI Map



- goals.
 - b. Projects must be in PC Project Requests to be considered for State Aid and funds are almost always issued through a PC Grant.
 - c. Funding that are awarded through the annual prioritization process with scoring based on system goal rankings.
 - d. The total amount of annual funding is based off of State General Assembly Budget.
 - e. See project eligibility and rating system in State Program Guidance Handbook.
 - STI
 - a. STI is for Capital Improvement projects, which are projects above System Goals.
 - b. Typically 100% funded projects that include all design, ROW, and construction cost to complete project.
 - c. Projects must be provided to your RPO/MPO to be considered for STI funding. Projects still need to be entered in PC Project Request for scoring and are almost always issued through PC Grants.
 - d. Scoring is based off of NCDOA, RPO/MPO, and Division ratings.
 - e. The total amount of annual funding is based off of the Highway Trust Fund.
 - f. See project eligibility and rating system in State Program Guidance Handbook.
 - Economic Development Program
 - a. New program and funding source, which has been created by State Law/Budget.
 - b. Rating System and eligibility are in the process of being determined, but job creation should be part of the ranking criteria.
 - c. It is anticipated these awarded projects will be issued through the PC grant system.
 - Statewide Programs – Completed by NCDOA with no grants or cost to the airport.
 - a. Airport Safety Preservation Program (Typically called Maintenance Program) – NCDOA selects projects and performs necessary maintenance at airports. DOA uses contractors and consultants hired by NCDOA.
 - b. Wildlife Hazard Management Project – NCDOA partners with USDA Wildlife to provide wildlife site visits, training, and hazard management.
 - c. AWOS Program – NCDOA partners with airports to share some, but not all, of the cost of supporting the AWOS systems for NC GA airports. If your AWOS is part of this project, please contact NCDOA with maintenance issues.
-

requirements.

- b. Funds expire in 4 years, and must be spent on an AIP eligible and justified project.
 - c. 90% Federal funds with a required 10% local match. For Green Airports, the State will cover the 10% local match for safety projects.
 - d. Eligible projects can typically be determined by the airport, but all airside safety needs must be addressed before NPE should be used elsewhere. Obstruction notification provided by the FAA must also be addressed, before NPE is used elsewhere.
 - e. If NPE funds are planned to be used for profit generating projects (Hangers, Fuel Farms, etc.) then the airport should have addressed all safety issues and obstructions. A letter should be provided to the NCDOA that states how all of the 5010 comments are going to be addressed. Also according to the FAA AIP Handbook, the Airport should not expect any Federal apportionment or discretionary funding for safety projects within the next three years.
- Apportionment
 - a. Federal funds that are awarded annually by the State. Projects must be AIP Handbook eligible.
 - b. Typically 90% Federal funds with a required 10% local match. For Green Airports, the State will cover the 10% local match for safety projects.
 - c. Projects must be in PC Project Requests to be considered for apportionment, and funds are almost always issued through a PC Grant.
 - d. Scoring is based off of the AIP handbook and DOA prioritization
 - e. The total annual funding amounts for apportionment projects are determined by the FAA.
 - Discretionary
 - a. Federal awarded project chosen by the FAA, and projects must be AIP Handbook eligible.
 - b. NCDOA can suggest projects, but suggestions must be submitted 3 years before FAA projects are chosen.
 - c. Projects should be in PC Project Requests to be suggested for discretionary and funds are almost always issued through a NCDOA PC Grant.
-



NCASP
NORTH CAROLINA AIRPORTS SYSTEM PLAN

NORTH CAROLINA AIRPORTS SYSTEM PLAN



7W6

2015 INDIVIDUAL AIRPORT SUMMARY: **Hyde County Airport**

The North Carolina Airport System

The North Carolina Airport System consists of 72 public-use airports that serve the aviation needs of North Carolina residents and visitors. Ten of these airports provide commercial airline service and the remainder are general aviation airports. The existing system is well-rounded and accessible. Currently, 94% of the state's population resides within 30 minutes of a system airport and 89% of the population lives within 60 minutes of an airport that provides commercial airline service. Similarly, 98% of North Carolina businesses or employment centers are within a 30-minute drive to a system airport.

As future development and economic opportunities arise, expansion and updates to the system's services and coverage are needed to meet increasing demand. Further, key improvements in infrastructure and facilities, some of which are highlighted in this brochure, will be necessary to keep the system positioned for future aviation and economic development opportunities. All of these considerations are discussed in the North Carolina Airports System Plan (NCASP).

About 7W6

Hyde County Airport (7W6) is located in the City of Engelhard and the County of Hyde in the eastern portion of the state. The airport is owned by the county and provides general aviation services to its patrons.

Associated County / City	 Hyde / Engelhard
Annual Operations (2013)	 4,050
Number of Based Aircraft (2013)	 1
Primary Runway	 11/29
Dimensions	 4,700 FT X 100 FT
Taxiway	 Connector Ends
Approach/Approach Lighting	 Visual / None
Population Within 30-Min. Drive	 2,603



Economic Benefit of the Hyde County Airport

(Source: Economic Contribution of North Carolina Airports)

Aviation contributes significantly to North Carolina's economy by providing employment, serving the business community, attracting tourism to the state. In addition, the airport provides many vital services to communities that contribute to the safety, and general quality of life of North Carolina residents. These services include medical transport, local or regional emergency response and management, and law enforcement. The 2012 economic benefits for the airport are described in the table below.

 EMPLOYMENT	<
 PAYROLL	
 ECONOMIC OUTPUT	\$4

Airport Development Plan Facility Objectives/Recommendations

For each airport grouping/role, a series of facility objectives were established to make sure that every airport is meeting the standards serving the needs of the surrounding communities and the statewide aviation system. The NCASP identifies recommended projects that airport should consider in order to meet Airport Development Plan objectives. The following table summarizes the categories, the air existing condition, the objective, and identifies whether the airport meets the objective.

AIRPORT DEVELOPMENT PLAN CATEGORY	ACTUAL (2015)	OBJECTIVE	MI OBJE
Airport Layout Plan (ALP)	2005	ALP Completed/Updated Within Last 10 Years	Yes
Runway Safety Area (RSA)	300 FT	300 FT	Yes
Runway Protection Zone (RPZ) Ownership	Complete	Fee Simple	Yes
Pavement Condition Index (PCI) - Primary RWY	64 (as of 2012)	PCI ≥ 75	No
Pavement Condition Index (PCI) - Apron	100 (as of 2012)	PCI ≥ 75	Yes
Pavement Condition Index (PCI) - Taxiways	100 (as of 2012)	PCI ≥ 75	Yes
Runway Length	4,700 FT	4,200 FT	Yes
Runway Width	100 FT	75 FT	Yes
Pavement Strength	30,000lbs SW, 43,000lbs DW	< 30,000lbs SW or DW and > 12,500lbs SW or DW	Yes
Visual Navigational Aids	RB, LWS, PAPI-2	Rotating Beacon (RB), Lighted Wind Stock (LWS), PAPI-2	Yes
Runway Edge Lighting	MIRL	Medium Intensity Runway Lighting (MIRL)	Yes
Weather Reporting Capability	None	AWOS III ²	No
Standard Instrument Approach	Visual <i>need Runway only</i>	Instrument Approach with Vertical Guidance (APV), 400', 1m	No
Parallel Taxiway	Connector Ends	Full Parallel	No
Aircraft Apron	12 spaces	50% Based Aircraft + 20% Busy Day Transient = 1 space	Yes
General Aviation Terminal Building	1,000 SF	3,200 SF	No
Taxiway & Apron Edge Lighting	Medium Intensity Taxiway Lighting (MITL)	Reflective Markers	Yes
Airfield Signage	L, G	Runway Hold Position (RHP), Location (L), Guidance (G)	No
Ground Communication	UNICOM	UNICOM, Remote Communications Outlet (RCO) or Ground Communications Outlet (GCO)	Yes
Approach Lighting	None	Approach Lighting System (ALS)	No
Aircraft Rescue and Firefighting (ARFF) Equipment	None	Case by Case	N/A
Hangars	0 hangars	50% Based Aircraft = 0 hangars	No
Airfield Maintenance Equipment/Storage Bldg.	None	Approved Tractor/Building	No
Perimeter Fencing	Partial, 8' with 1' of barbed wire	8' Perimeter	No
Fuel Facilities	AvGas, Self-Serve	Based on Demand	Yes

Airport Grouping/Role

In 2004, DOA developed and adopted the Airport Groupings Model that used demographic and economic data to identify key community parameters that could be used to determine what type of airport an area could support. Data for the model was updated and groupings were revised as a part of this NCASP. More detail on the model and the methodology are available in the NCASP technical report. The following represent general runway length objectives by Airport Grouping:



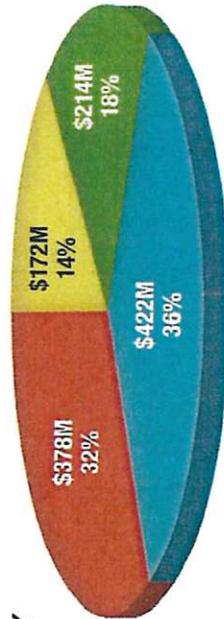
As part of the NCASP, Hyde County Airport was classified as a **Green Airport**.

20-Year Costs for NCASP Recommended Projects

Based on the recommendations in the NCASP, it is estimated that at least \$1.2 billion is needed in order to meet the target goals for the plan's performance measures and ADP objectives. These costs represent planning-level estimates to increase the performance and respond to future needs.

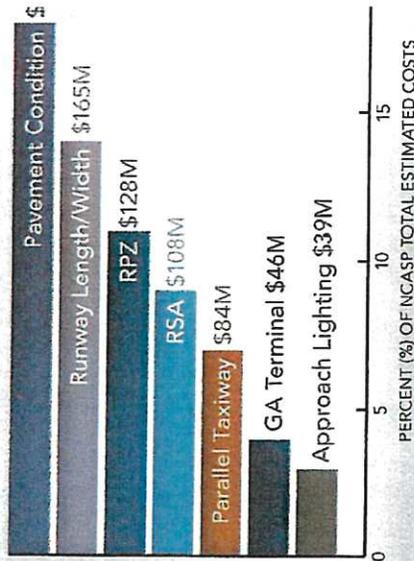
ESTIMATED COSTS BY AIRPORT GROUPING

- Yellow Airports
- Red Airports
- Blue Airports
- Green Airports



NCASP ESTIMATED COSTS = \$1.2 BILLION

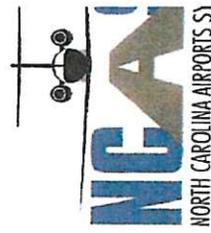
SELECT PROJECT TYPES/TOTALS



There are additional reports and analyses that were undertaken as part of the NCASP. Some of the publications prepared and available on the Division of Aviation's website include:

- ✦ Airport Pavement Management System (APMS) and Pavement Condition Assessment
- ✦ Automated Weather Observation System (AWOS) Condition Assessments
- ✦ General Aviation Airport Return on Investment Case Studies
- ✦ Aeronautical Surveys for Airports GIS
- ✦ North Carolina Airport Development Programs and Policies Guide (NCADPP)

For more information on these studies or the NCASP, please visit: <http://www.ncdot.gov/aviation/>



**Hyde County Board of Commissioners
AGENDA ITEM SUMMARY SHEET**

Meeting Date: February 5, 2018
Presenter: Corrinne Gibbs, Finance Director
Attachment: Yes

ITEM TITLE: F/Y 2017-2018 Budget Calendar

SUMMARY: Please see attached proposed Budget Calendar

RECOMMEND: APPROVE CALENDAR AS PRESENTED.

Motion Made By: Earl Pugh, Jr.
 Barry Swindell
 Dick Tunnell
 Ben Simmons
 Tom Pahl

Motion Seconded By: Earl Pugh, Jr.
 Barry Swindell
 Dick Tunnell
 Ben Simmons
 Tom Pahl

Vote: Earl Pugh, Jr.
 Barry Swindell
 Dick Tunnell
 Ben Simmons
 Tom Pahl

COUNTY OF HYDE

SWAN QUARTER, NORTH CAROLINA 27885

Office, County Finance
 Corrinne Gibbs
 Finance Officer
 Mimi VanNortwick
 Assistant Finance Officer



FY 2017-18 **Budget Calendar**

Date	Activity	Participants
February 5, 2018	Calendar adopted	Board of Commissioners
February 12, 2018	Preliminary Department Assessment <ul style="list-style-type: none"> • Contracts • Equipment purchases/leases • Needs Assessments • Continuing Obligations • Optional Services/Programs 	Department Heads
February 21, 2018	Dept. Assessment Due Budget Worksheets Distributed	Department Heads
February 21, 2016	External Agency Letters Mailed	Finance Officer
March 12, 2018	Completed worksheets returned Preliminary revenue estimates presented to Budget Officer	Department Heads Finance Officer
March 19-23, 2018	Budget Officer meets with each D.H. to review requested budget	Budget Officer Department Heads
April 2, 2018	Joint meeting to review Board of Education priorities	Board of Commissioners Board of Education
April 23, 2018	External agency budget requests due	Finance Officer
May 7, 2018	Board of Education submits budget request	Board of Education
May 7, 2018	Proposed budget distributed to BOC	Budget Officer
May 7, 2019	Proposed Budget presented to the Board of Commissioners Public Hearing date set	Budget Officer Board of Commissioners
May 14-18, 2018	Budget work sessions as needed	Board of Commissioners
June 4, 2018	Public Hearing	Board of Commissioners
June 4, 2018	Board of Commissioners adopts FY 2018-19 budget and sets tax rate	Board of Commissioners

**Hyde County Board of Commissioners
AGENDA ITEM SUMMARY SHEET**

Meeting Date: February 5, 2018
Presenter: Assistant County Manager Kris Noble
Attachment: Yes

ITEM TITLE: PROJECT BUDGET ORDINANCE COMMUNITY DEVELOPMENT
BLOCK GRANT (CDBG) DISASTER RECOVERY PROGRAM (DR)
GRANT CDBG-DR 17-R-3014

SUMMARY: Attached is the project budget ordinance and grant agreement contract for a \$500,000 CDBG grant awarded to Hyde County on November 20, 2017, to be effective February 1, 2018 and expiring February 1, 2021. The grant award will be used to fund repairs to the Davis Center roof.

RECOMMEND: DISCUSS & APPROVE

Motion Made By: ___ Earl Pugh, Jr.
___ Barry Swindell
___ Dick Tunnell
___ Ben Simmons
___ Tom Pahl

Motion Seconded By: ___ Earl Pugh, Jr.
___ Barry Swindell
___ Dick Tunnell
___ Ben Simmons
___ Tom Pahl

Vote: ___ Earl Pugh, Jr.
___ Barry Swindell
___ Dick Tunnell
___ Ben Simmons
___ Tom Pahl

**Hyde County – Community Block Grant Disaster Recovery Program
Project Budget Ordinance
February 5, 2018**

Be it ordained by the Hyde County Board of Commissioners, that pursuant to Section 143B-472.127 and .128 of the General Statutes of North Carolina, the following grant program ordinance is hereby adopted:

Section 1: The program authorized is the Community Block Grant Disaster Recovery Program administered by the North Carolina Department of Public Safety/Division of Emergency Management described in the contract between Hyde County and the North Carolina Department of Public Safety/Division of Emergency Management.

Section 2: Hyde County staff is hereby directed to proceed with the grant program within the terms of the grant document(s), the rules and regulations of the North Carolina Rural Economic Infrastructure Authority and the North Carolina Department of Commerce, and the budget contained herein.

Section 3: The following revenues and resources are anticipated to be available to complete the program activities:

<u>Community Block Grant Disaster Recovery Program</u>	\$500,000.00
Total:	<u>\$500,000.00</u>

Section 4: The following amounts are appropriated for the program activities:

Repairs to Davis Center Roof

Program Budget	<u>\$500,000.00</u>
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Section 5: The Grant Finance Officer is hereby directed to maintain within the Grant Program Fund sufficient specific detailed accounting records to provide the accounting to the North Carolina Division of Coastal Management required by the grant agreement(s) and federal and state regulations.

Section 6: Funds may be advanced from the General Funds for the purpose of making payments as due. Reimbursement requests should be made to the North Carolina Division of Coastal Management in an orderly and timely manner.

Section 7: Copies of this grant program ordinance shall be made available to the Grant Finance Officer for direction in carrying out this program.

Adopted this 5th day of February, 2018.

Earl Pugh, Jr., Chairman
Hyde County Board of Commissioners

ATTEST:

Lois Stotesberry, Clerk to the Board
Hyde County Board of Commissioners

Funding Approval
Community Development Block Grant- DR

1. Name and Address of Recipient

Earl Pugh, Jr
Board Chair
County of Hyde
PO Box 188
Swan Quarter, NC 27885

2. Grant Number and Funding Approval Date

Grant Number: 17-R-3014
Date of Original Funding Approval: November 20, 2017
Date of Amended Funding Approval:

3. Approved Projects

Project Number and Name: Community Development Block Grant DR

Total Grant Award: \$500,000.00

4. Funding Approval Conditions

The following conditions must be removed in writing by NCEM in order for all funds to be released.

A. *Environmental Condition:* No funds may be obligated or expended in any activity except for the payment of reasonable costs related to the planning, administration, engineering, design and environmental assessments for the approved project until the recipient has complied with the Environmental Review Procedures for the NC CDBG-DR Program and the CDBG regulations contained in 4 NCAC 19L.1004.

B. *Floodplain Condition:* No funds may be obligated or expended in any project activity except for the administration activity until the recipient provides NCEM with a certification that the project is not in a floodplain; or with certification that the recipient participates in the flood

insurance program, all properties assisted in the project will be covered for flood insurance prior to beginning construction on the property, and all public facilities will be constructed to comply with the applicable floodplain regulations.

C. Administration Contracts/Inter-local Agreements Condition: No funds may be obligated or expended in any project activity except for the administration activity until the recipient has submitted either a copy of the contract awarded for administration of this grant or a statement signed by the CEO stating that the contract will be administered internally.

D. Performance Based Contract Condition: No funds may be obligated or expended in any project activity except for the administration activity until the recipient has returned to NCEM one copy of the properly completed Performance Based Contract.

E. Revised Budget Condition: If the project budget changes, no funds may be obligated or expended, except for the administration activity until the recipient submits a revised budget and receives approval.

5. Signature of Authorized Official



Name Michael A. Sprayberry
Title: Director
Division of Emergency Management

Date 1/16/18

6. Signature of Authorized Grantee Official

✓

Name

Title

Date _____



North Carolina Department of Public Safety

Emergency Management

Roy Cooper, Governor
Erik A. Hooks, Secretary

Michael A. Sprayberry, Director

STATE OF NORTH CAROLINA COMMUNITY DEVELOPMENT BLOCK GRANT - DISASTER RECOVERY

GRANT AGREEMENT

CBDG-DR PROJECT NUMBER: Hyde County 17-R-3014

GRANTOR: NC DEPARTMENT OF COMMERCE (“Commerce” or “DOC”), an agency of the State of North Carolina (“State”) AND NORTH CAROLINA DEPARTMENT OF PUBLIC SAFETY/DIVISION OF EMERGENCY MANAGEMENT (“NCEM” or “Subrecipient”)

CONTRACT ADMINISTRATOR: North Carolina Department of Public Safety/NC Division of Emergency Management, Mike Sprayberry, Director NC Division of Emergency Management.

GRANT SUBRECIPIENT: HYDE COUNTY, NORTH CAROLINA (“Sub-subrecipient”)

Duns Number: 037153376

Federal Id Number: 56-6000308

CONTRACT EFFECTIVE DATE: February 1, 2018

CONTRACT EXPIRATION DATE: February 1, 2021

FINAL REIMBURSEMENT DATE: February 1, 2021

GRANT AMOUNT: \$500,000.00

AWARD DATE: NOVEMBER 20, 2017

MAILING ADDRESS:
4236 Mail Service Center
Raleigh NC 27699-4236

OFFICE
1636 Gold Star
Raleigh, NC 27607-



LOCATION:
Drive
3371

Telephone: (919) 825-2500
www.readync.org

www.ncdps.gov

Fax: (919) 825-2685

THIS AGREEMENT (the “Agreement”), is made and entered into as of the Effective Date by and between Commerce and NCEM and Hyde County, (collectively the “Parties”).

WITNESSETH:

WHEREAS, on October 8-9, 2016, Hurricane Matthew hit central and eastern North Carolina including Hyde County with record breaking rainfall that created 1,000 year flood events that devastated the people, infrastructure, businesses, and schools of entire communities; and

WHEREAS, certain buildings, facilities, personal items and equipment owned or rented by residents in the county were damaged by floodwaters associated with the severe weather associated with Hurricane Matthew (hereinafter collectively referred to as the “storm survivors”); and

WHEREAS, on October 9, 2016, an expedited major disaster declaration from the President of the United States, was granted on October 10, 2016 as FEMA-4285-DR-NC, allowing North Carolina to receive federal aid in the form of individual and public assistance for citizens and local governments; and

WHEREAS, the U.S. Department of Housing and Urban Development (“HUD”) has allocated Community Development Block Grant -- Disaster Recovery funds (“CDBG-DR”) to the Department of Commerce under the Continuing Appropriations Act of 2017 (Public Law 114-254) for the purpose of assisting recovery in the most impacted and distressed areas declared a major disaster due to Hurricane Matthew;

WHEREAS, pursuant to the CDBG-DR Grant Program Federal Register Notice (82 Fed. Reg. 5591), published January 18, 2017, entitled *Allocations, Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees*, the State has received an allocation of CDBG-DR funds from HUD in the amount of \$198,553,000;

WHEREAS, HUD requires that the State spend \$158.8 million of all CDBG-DR funds so allocated within the counties of Cumberland, Edgecombe, Robeson and Wayne Counties;

WHEREAS, HUD has unique statutory authority to delegate its environmental compliance responsibilities promulgated under 24 CFR 58 to the State, local, and tribal governments including obligations under Section 106 of the National Historic Preservation Act of 1966 (16 USC § 470 *et seq.*, the “Act”) and its implementing regulations 36 CFR 800;

WHEREAS, the North Carolina Department of Commerce has assumed the role of Responsible Entity for the State of North Carolina (the “State”) and makes assistance, including CDBG-DR, available to communities, its citizens, federally recognized tribes and other entities;

WHEREAS, North Carolina General Assembly passed the Disaster Recovery Act of 2016 (S.L. 2016-124) requiring the NC Department of Commerce to transfer to the North Carolina Division of Emergency of Management all CDBG-DR program funds;

WHEREAS, the North Carolina Department of Commerce and the North Carolina Division of Emergency Management executed a sub recipient agreement on June 30, 2017 to carry out the requirements of S.L. 2016-124;

WHEREAS, the North Carolina Division of Emergency Management as the contract administrator is executing this grant agreement with the county of Hyde to implement the approved CDBG-DR, Action Plan that was approved on August 7, 2017;

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

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

Article I. GENERAL TERMS AND CONDITIONS OF AGREEMENT

Section 1.01 Grant Documents. The documents described below are hereinafter collectively referred to as the “Grant Documents.” In the case of conflict between any of these documents, each shall have priority over all others in the order listed below. Upon execution and delivery of this Agreement, it and the other Grant Documents and items required hereunder will constitute a valid and binding agreement between the Parties, enforceable in accordance with the terms thereof. The Agreement constitutes the entire agreement between the Parties, superseding all prior oral and written statements or agreements.

The Grant Documents consist of:

- a. This Agreement
- b. Exhibit A – Award Letter and Revised Term Sheet
- c. Exhibit B – Program Guidelines
- d. Exhibit C – Project Application
- e. Exhibit D – Project Schedule
- f. Exhibit E – Project Budget

Upon execution and delivery of the Agreement, and once Commerce and NCEM has encumbered the grant, and the Sub-subrecipient has received its counterpart original of the Agreement, fully executed and with all dates inserted where indicated on the cover sheet of the Agreement, then the Agreement will constitute a valid and binding agreement between the Parties, enforceable with the terms thereof.

Section 1.02 Parties For purposes of this grant agreement where the County “Sub-subrecipient” is required to submit documentation to Commerce and NCEM within this grant agreement, the sub-Subrecipient shall provide any documentation first to NCEM as contract administrator and the Subrecipient of the CDBG-DR funds from the NC Department of Commerce per the terms of the

agreement between the two agencies dated June 30, 2017 and NCEM will then provide the documentation to Commerce as the Responsible party to HUD.

Section 1.03 Purpose As required under 2 CFR 200 Subpart D § 331, the CDBG-DR grant will provide assistance that aids in the funding of disaster relief, long-term recovery, restoration of infrastructure, and housing and economic revitalization that is needed as a result of Hurricane Matthew, particularly for LMI residents. These services will help North Carolina's impacted towns, cities, and counties recover from this Presidentially-declared disaster and, as a result, will increase the functional status of these communities, allowing for greater financial and personal stability of individuals impacted by this disaster as described in Exhibit C.

B. National Objectives

All activities funded with CDBG-DR funds must meet one of the CDBG-DR program's national objectives: benefit low-and-moderate-income persons; aid in the prevention or elimination of slum or blight; or meet community development needs having a particular urgency, as defined in 24 CFR 570.208 and 4 NCAC 19L .1004.

Section 1.04 Contract and Reimbursement Period. The term for this grant agreement is three (3) years. The Sub-subrecipient shall commit one hundred percent (100%) of non-administrative Grant funds and provide documentation to NCEM of the commitments. All requests for reimbursement of funds for project activities other than continuing administrative costs must be made by the Payment Date. Commerce and NCEM's commitment to disburse Grant funds under this Agreement for non-administrative costs shall cease to disburse grant funds for remaining administrative costs shall cease on the Final Reimbursement Date.

It is the responsibility of the Sub-subrecipient to ensure that the Project is completed by the Expiration Date and that all reimbursements to be drawn down have been submitted to Commerce and NCEM by the Final Reimbursement Date. After the Expiration Date, any Grant monies remaining under this Agreement will no longer be available to the Sub-subrecipient except to pay proper drawdowns for funds committed by the Expiration Date. After the Payment Date, any Grant monies other than a pro rata portion of administrative funds will no longer be available to the Sub-subrecipient. **The burden is on the Sub-subrecipient to request any extensions under the Agreement if the Sub-subrecipient anticipates that the Project funds will not be committed by the Expiration Date or Commitment Dates as applicable.** Any requests for extensions must be made in a writing addressed to Commerce and NCEM, explaining why an extension is needed and proposing the requested new date. Commerce and NCEM must receive this request at least 60 days before the affected date. Commerce and NCEM, within its sole discretion, may or may not approve the extension, based on Project performance and other contributing factors. **Commerce and NCEM is not responsible for notifying the Sub-subrecipient of any approaching deadlines.**

No funds may be obligated or expended in any project activity except the administration activity until the Sub-subrecipient provides Commerce and NCEM with documentation of registration in the Central Contractor Registration (CCR) system. The CCR system may be accessed online at www.sam.gov.

Section 1.05 Notice; Contract Administrators. All notices, requests or other communications permitted or required to be made by the Subrecipient under this Agreement or the other Grant Documents shall be given to the respective Contract Administrator or their designee.

The Contract Administrator is:

Mike Sprayberry, Director NC Emergency Management
1636 Gold Star Drive
Durham, NC 27607

Notice shall be in writing, signed by the party giving such notice. Notice shall be deemed given three (3) business days following the date when deposited in the mail, postage prepaid, registered or certified mail, return receipt requested.

Article II. COVENANTS AND DUTIES

Section 2.01 Commerce and NCEM's Duties. Subject to the appropriation, allocation, and availability to Commerce and NCEM of funds for the Project, Commerce and NCEM hereby agrees to pay the Grant funds to the Sub-subrecipient in accordance with the payment procedures set forth herein. The obligations of Commerce and NCEM to pay any amounts under this Agreement are contingent upon the availability and continuation of funds for such purpose. If funds for the Grant become unavailable, the Sub-subrecipient agrees that Commerce and NCEM has the right to terminate this Agreement by giving 60 (sixty) days written notice specifying the Termination Date of the Agreement, which Commerce and NCEM shall determine in its sole discretion. Upon such termination, the State shall have no responsibility to make additional Grant payments. Further, upon such termination, the Sub-subrecipient shall not expend any Grant funds without Commerce and NCEM's express written authorization and shall return all unspent Grant funds to Commerce and NCEM upon demand.

Section 2.01(a) Commerce and NCEM Assumption of Program Delivery. NCEM reserves the right to expedite and synchronize program delivery by assuming primary responsibility for steps in the CDBG-DR process including, but not limited to, eligibility and duplication of benefits as well as other activities.

Section 2.02 Sub-subrecipient's Duties. The Sub-subrecipient shall carry out the Project pursuant to the terms of this Contract and all applicable federal and State laws, executive orders, rules, notices, policies and regulations. Financial offerings funded under this Agreement shall be made consistent with the provisions of this Agreement. Commerce and NCEM may, in its sole discretion, amend the conditions placed on the financial offerings that may be funded under this agreement. Any such change must be in writing. In addition to the requirements outlined in Exhibit A and Exhibit B, the Sub-subrecipient shall ensure all contracts and subcontracts contain appropriate provisions to also meet applicable CDBG program requirements, including, but not limited to, the following:

- (a) Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301 et seq).
- (b) The CDBG program requirements, laws, rules, regulations and requirements, as may be amended, including those set forth in 24 C.F.R., Part 570 and 04 NCAC 19L.
- (c) Environmental Review Procedures for the CDBG Program and the CDBG regulations contained in 24 CFR Part 58 and as further outlined in Exhibit B.
- (d) Conflict of Interest provisions, including but not limited to those found at N.C. Gen. Stat. § 14-234, 04 NCAC 19L.0914, 2 CFR 200.112, and 24 C.F.R. § 570.611. Certain limited exceptions to the conflict of interest rules listed in 24 C.F.R. § 570.489 may be granted in writing by Department of Housing and Urban Development (“HUD”) and/or Commerce and NCEM upon written request and the provision of information specified in 24 C.F.R. § 570.489(h)(ii)(4).

Section 2.03 Labor Standards. In addition to the requirements outlined in Exhibit B, Sub-recipient shall follow all applicable laws, rules and regulations concerning the payment of wages, contract work hours, safety, health standards, and equal opportunity for CDBG-DR programs, including but not limited to the rules set forth in 04 NCAC 19L.1006, 24 C.F.R. § 570.603 and the following (as may be applicable to CDBG-DR projects):

- (a) **Davis-Bacon Act** (40 U.S.C.A. 276a). Among other provisions, this act requires that prevailing local wage levels be paid to laborers and mechanics employed on certain construction work assisted with CDBG-DR funds.
- (b) **Contract Work Hours and Safety Standards Act** (40 U.S.C.A. 327 through 333). Under this act, among other provisions, laborers and mechanics employed by contractors and subcontractors on construction work assisted with CDBG-DR funds must receive overtime compensation at a rate not less than one and one-half the basic rate of pay for all hours worked in excess of forty hours in any workweek. Violators shall be liable for the unpaid wages and in addition for liquidated damages computed in respect to each laborer or mechanic employed in violation of the act.
- (c) **Fair Labor Standards Act** (29 U.S.C. 201 et seq.), requiring among other things that covered employees be paid at least the minimum prescribed wage, and also that they be paid one and one-half times their basic wage rate for all hours worked in excess of the prescribed work-week.
- (d) **Federal anti-kickback laws** (18 U.S.C. 874 and 40 U.S.C. 276), which, among other things, outlaws and prescribes criminal penalties for "kickbacks" of wages in federally financed or assisted construction activities. Weekly statements of compliance and weekly payrolls must be provided by all contractors and subcontractors.

Section 2.04 Architectural Barriers. Per 04 NCAC 19L.1007, 24 C.F.R. §§ 570.487 and 570.614 and other applicable law, all applicable buildings or facilities designed, constructed or altered with CDBG-DR Grant funds shall be made accessible and useable to the physically handicapped as may be required by applicable laws, rules, regulations or requirements. Additionally, Recipient must comply with the following (as may be applicable to CDBG projects):

- (a) **Architectural Barriers Act of 1968** (P .L. 90-480). This act requires Recipient to ensure that certain buildings constructed or altered with CDBG-DR funds are readily accessible to the physically handicapped.
- (b) **Minimum Guidelines and Requirements for Accessible Design** 36 C.F.R. Part 1190.
- (c) **Americans with Disabilities Act** ["ADA"] and the ADA Accessibility Guidelines for Buildings and Facilities or the Uniform Federal Accessibility Standards.
- (d) **North Carolina Building Code, Volume I, Chapter II-X**. These provisions describe minimum standards Recipient must meet in constructing or altering building and facilities, to make them accessible to and useable by the physically handicapped.

Section 2.05 Environmental Review. Recipients of CDBG-DR funds are required to comply with the requirements of the National Environmental Policy Act of 1969 (NEPA) found at 24 CFR Part 58 and complete an Environmental Review Record (ERR). Commerce and NCEM may also require additional environmental reviews for project that receive these funds.

Section 2.06 Floodplain. The projects shall following flood coverage requirements 24 CFR 570.202(b)(7)(iii), 24 CFR 570.509(c)(4)(iv), 24 CFR 570.605 and 42 U.S.C 4106, Section 202. In addition to the requirements outlined in Exhibit B, if the project occurs in the following floodplain zones:

- (a) **If the project occurs in a Coastal High Hazard Area (V Zone) or a floodway**, federal assistance may not be used at this location if the project is a critical action pursuant to 24 CFR 55.1(c) and 55 Subpart B except as provided therein. For projects allowed under 24 CFR 55.1(c) and 55 Subpart B, the eight-step process shall be followed pursuant to 24 CFR 55.20.
- (b) **If the project occurs in a 100-year floodplain (A Zone)**, the 8-Step Process is required as provided for in 40 CFR 55.20 or as reduced to the **5-Step Process** pursuant to 40 CFR 55.12(a), unless an exception is applicable pursuant to 40 CFR 55.12(b).
- (c) **If the project occurs in a 500-year floodplain (B Zone or shaded X Zone)**, the 8-Step Process is required for critical actions as provided for in 40 CFR 55.20 or as reduced to the **5-Step Process** pursuant to 40 CFR 55.12(a), unless an exception is applicable pursuant to 40 CFR 55.12(b).

Section 2.07 Sub-Subrecipient Agreements. Sub-subrecipient shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any contract made to effectuate this Agreement, including contracts. Sub-subrecipient shall ensure compliance with all applicable laws, rules, regulations and requirements for all expenditures of Grant funds, including (without limitation) and Grant funds sub-granted by the Sub-subrecipient.

Section 2.08 Supplemental Conditions. Sub-subrecipient shall include any Supplemental Conditions in any contract entered into under this Agreement.

Section 2.09 Contract and Subcontract Provisions. Sub-subrecipient will include the provisions of Exhibit B, from this Agreement in every subsequent agreement, contract, subcontract, or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own Recipients, contractors, or subcontractors.

Section 2.10 “Section 3” Provisions. The Sub-subrecipient will take appropriate action pursuant to the subsequent agreement upon finding that any Recipient, contractor or subcontractor is in violation of regulations issued by the grantor agency. The Sub-subrecipient will not contract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any agreement be awarded unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations. The Sub-subrecipient further agrees to comply with these “Section 3” requirements and to include the following language in all agreements executed under this Agreement:

“The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located.”

Section 2.11 Lobbying Provisions. The Sub-subrecipient hereby certifies the following and that it will require that the following language shall be included in the agreements for all subawards at all tiers (including contracts, subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all agreement parties shall certify and disclose accordingly:

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

Section 2.12 Reporting Requirements. The Sub-subrecipient shall submit progress reports monthly in the format prescribed by Commerce and NCEM and shall continue to make such reports until all closeout requirements under this Agreement are met. Report forms shall be provided by Commerce and NCEM, subject to any future modifications as necessary to meet programmatic requirements, in the sole discretion of Commerce and NCEM.

Section 2.13 Site Access. The Sub-subrecipient and any Recipient shall permit representatives of Commerce and NCEM to visit any premises of the Sub-subrecipient to examine Project activities of the Sub-subrecipient or any Recipient pursuant to the Grant, including but not limited to Project funded property improvements, fixtures, equipment and materials, loan documents, books and

records in any way related to the Grant or the Project. The Sub-subrecipient shall secure this right to Commerce and NCEM in any agreement entered into pursuant to the Project.

Section 2.14 Recordkeeping Requirements. Sub-subrecipient will maintain any and all records and comply with all responsibilities as required under CDBG-DR recordkeeping, but not limited to the specifications of (1) 2 CFR 200.333- 200.337; (2) 24 CFR 570.506; (3) the applicable HUD Notices that are pertinent to the activities to be funded under this Agreement; (4) all State Public Records laws, (5) 19 NCAC 19L.0911 (“Recordkeeping”), as well as any additional records required by Grantee. Such records shall include but not be limited to:

- a. Records providing full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-DR program, as modified by the HUD Notices;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use, or disposition of real property acquired or improved with CDBG-DR funds;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG-DR program;
- f. Financial records as required by 24 CFR 570.502, and 2 CFR 200; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

Section 2.15 Project Audits. In addition to the provisions of Exhibit B Sub-subrecipient agrees that the State, HUD, and the Comptroller General of the United States or any of their authorized representatives have the right to audit the books and records of the Sub-subrecipient pertaining to this Agreement both during performance and for five (5) years after the completion or termination of this Agreement and all contracts or until all audit exceptions, if any, have been resolved, whichever is longer. The Sub-subrecipient shall retain complete accounting records, including original invoices, payrolls, contracts, or other documents clearly showing the nature of all costs incurred under this Agreement, for that same period of time. The Sub-subrecipient agrees to make available at all reasonable times to the auditing agency all underwriting documents, and accurate books and records of all expenditures for costs applicable to this Agreement, which will facilitate the audit of the Sub-subrecipient's records.

The Sub-subrecipient hereby agrees to have an annual agency audit conducted in accordance with current policy concerning Sub-subrecipient audits and 2 CFR 200 Subpart F.

Section 2.16 Access to Records. The Sub-subrecipient shall provide any duly authorized representative of Commerce and NCEM, the State of North Carolina, The North Carolina State Auditor, the North Carolina Office of State Budget and Management, HUD, and the Comptroller

General, the Inspector General and other authorized parties at all reasonable times access to and the right to inspect, copy, monitor, and examine all of the books, papers, records, and other documents relating to the grant for a period of five years following the completion of all closeout procedures. All original files shall be maintained at the Sub-subrecipient's offices for access purposes.

Section 2.17 Release of Personal Financial and Identifying Information. To ensure and document compliance with CDBG-DR income requirements as well as other matters, Sub-subrecipient shall obtain and retain personal, income-related, financial, tax and/or related information from companies, individuals and families that are benefitting from Grant or Program funds. Additionally, Sub-subrecipient is obligated to provide access to any and all information relating to the Program to Commerce and NCEM, HUD or other appropriate federal or state monitoring entity, upon Commerce and NCEM's request. This obligation includes, but is not limited to, the personal, financial and identifying information of individuals assisted by the Program. As such, Sub-subrecipient shall obtain any releases or waivers from all individuals or entities necessary to ensure that this information can be properly and legally provided to appropriate federal and state entities, including Commerce and NCEM and HUD, without issue or objection by the individual or entity.

Section 2.17 Procurement.

(a.) Compliance (OMB Standards)

The Sub-subrecipient shall comply with current policy concerning the purchase of equipment, materials, property, or services in accordance with the requirements of 2 CFR 200, and all State procurement standards, as applicable, including the need to properly assess lease versus purchase alternatives. Sub-subrecipient shall also maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein.

(b.) Supplemental Conditions

Sub-subrecipient shall include Commerce and NCEM Supplemental Conditions in any contract entered into under this Agreement. Sub-subrecipient shall also require all contractors to flowdown Supplemental Conditions to all subcontractors as well as the requirement to flowdown to all lower-tiered subcontractors. These Supplemental Conditions include required terms for project contracts, HUD General Provisions, Participation by Minority Group Members and Women Requirements, standard clauses for contracts with Grantee and required diversity forms.

(c.) Records

Sub-subrecipient shall maintain all records required by the Federal regulations specified in (1) 2 CFR 200.33, (2) 24 CFR 570.506; (3) the applicable HUD Notices, and (4) N.C. Gen. Stat. Chapter § 132.

(d.) Travel

Travel costs, including travel for training purposes, are not allowed unless pre-authorized by the Commerce and NCEM. In the event that Commerce and NCEM authorizes travel, Sub-subrecipient shall comply with HUD's Travel Regulations. Sub-subrecipient shall

obtain prior written approval from Commerce and NCEM for any travel to out-of-service area assignments.

Article III. REPRESENTATIONS AND WARRANTIES

Section 3.01 Sub-subrecipient's Representations and Warranties. In order to induce Commerce and NCEM to enter into this Agreement and to make the Grant as herein provided, the Sub-subrecipient after reasonable inquiry makes the following representations, warranties and covenants, which shall remain in effect after the execution and delivery of this Agreement and any other documents required hereunder, any inspection or examinations at any time made by or on behalf of Commerce and NCEM, and the completion of the Project by the Sub-subrecipient:

- (a) **No Actions.** There are no actions, suits, or proceedings pending, or to the knowledge of the Sub-subrecipient, threatened, against or affecting the Sub-subrecipient before any court, arbitrator, or governmental or administrative body or agency which might affect the Sub-subrecipient's ability to observe and perform its obligations under this Agreement.
- (b) **Validity of Grant Documents.** Upon execution and delivery of items required hereunder, this Agreement and the other grant documents and items required hereunder will be valid and binding agreements, enforceable in accordance with the terms thereof. If, at any time the Sub-subrecipient becomes aware of any facts, information, statements, occurrences or events that render any of the representations or warranties contained herein materially untrue, misleading or incomplete, the Company shall immediately notify Commerce and NCEM in writing of such facts, information, statements, occurrences or events.
- (c) **False or Misleading Information.** Recipient is advised that providing false, fictitious or misleading information with respect to CDBG-DR funds may result in criminal, civil, or administrative prosecution under 18 U.S.C. § 1001, 18 U.S.C. § 1343, 31 U.S.C. § 3729, 31 U.S.C. § 3801, or another applicable statute. Recipient shall promptly refer to Commerce and NCEM and HUD's Office of the Inspector General any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving CDBG-DR funds.
- (d) **Compliance with Laws.** Sub-subrecipient shall comply with all federal, state and local laws and regulations that are applicable to performance of the Project. The Sub-subrecipient agrees to ensure Project participants, including but not limited to Recipients, shall comply in the same manner.

Section 3.02 Compliance by Others. The Sub-subrecipient shall be responsible for compliance with the terms of this Agreement, and shall require and be responsible for the same compliance of its Sub-Subrecipients, including but not limited to its Recipients, to which funds or obligations are

transferred, delegated or assigned pursuant to this Agreement. Delegation by the Sub-subrecipient of any duty or obligation hereunder does not relieve the Sub-subrecipient of any duty or obligation created hereunder. Failure by such Sub-Subrecipient to comply with the terms of this Agreement shall be deemed failure by the Sub-subrecipient to comply with the terms of this Agreement.

Section 3.03 Signature Warranty. Each individual signing below warrants that he or she is duly authorized to sign this Contract for the respective party, and to bind said party to the terms and conditions of this Agreement.

Article IV. REIMBURSEMENT, TERMINATION AND DEFAULT

Section 4.01 Reimbursement in the Discretion of Commerce and NCEM. In the event that the Sub-subrecipient, or any other recipient of funds under this Agreement fails to meet any of the requirements outlined in this Agreement, including, but not limited to failure to meet the Objectives as outlined in Exhibits A and B, Commerce and NCEM may, in its sole discretion, require repayment from the Subrecipient of up to the full amount of the Grant.

Section 4.02 Termination by Mutual Consent. The Parties may terminate this Contract by mutual written consent with 60 days prior written notice to the Parties, or as otherwise provided by law.

Section 4.03 Events of Default. The happening of any of the following, after the expiration of any applicable cure period without the cure thereof, shall constitute an event of default ("Event(s) of Default") by the Sub-subrecipient of its obligations to Commerce and NCEM, and shall entitle Commerce and NCEM to exercise all rights and remedies under this Agreement and as otherwise available at law or equity:

- (a) **Default in Performance.** The default by the Sub-subrecipient or a subsequent Recipient in the observance or performance of any of the terms, conditions or covenants of this Agreement.
- (b) **Misrepresentation.** If any representation or warranty made by the Subrecipient in connection with the Grant or any information, certificate, statement or report heretofore or hereafter made shall be untrue or misleading in any material respect at the time made.
- (c) **Abandonment of the Project.** If Sub-subrecipient abandons or otherwise ceases to continue to make reasonable progress towards completion of the Project.

Section 4.04 Commerce and NCEM's Additional Rights and Remedies. In addition to the other remedies set forth in this Agreement, if an Event of Default shall occur, Commerce and NCEM shall have the following rights and remedies, all of which are exercisable at Commerce and NCEM's sole discretion, and are cumulative, concurrent and independent rights:

- (a) **Project Termination.** If an Event of Default occurs, Commerce and NCEM may, at its discretion suspend, reduce and/or terminate all obligations of Commerce and NCEM hereunder.
- (b) **Additional Remedies.** If an Event of Default occurs, Commerce and NCEM shall have the power and authority, consistent with its statutory authority: (a) to prevent any impairment of the Project by any acts which may be unlawful or in violation of this Agreement or any other item or document required hereunder; (b) to compel specific performance of any of Subrecipient's obligations under this Agreement; (c) to obtain return of all Grant Funds, including equipment if applicable; and (d) to seek damages from any appropriate person or entity. Commerce and NCEM shall be under no obligation to complete the Project.

Section 4.05 Nonwaiver. No delay, forbearance, waiver, or omission of Commerce and NCEM to exercise any right, power or remedy accruing upon any Event of Default shall exhaust or impair any such right, power or remedy or shall be construed to waive any such Event of Default or to constitute acquiescence therein. Every right, power and remedy given to Commerce and NCEM may be exercised from time to time and as often as may be deemed expedient by Commerce and NCEM.

Article V. MISCELLANEOUS TERMS AND CONDITIONS

Section 5.01 Deobligation of Unused Funds. When project costs are less than the grant award amount, excess award funds shall be deobligated back to Commerce and NCEM. Administration funds shall be deobligated in proportion to the amount of program funds being deobligated to Commerce and NCEM.

Section 5.02 Complaints and Grievance procedures for Compliance Plans. Subrecipient must address complaints to the North Carolina Department of Commerce and NCEM.

Section 5.03 Modification. This Agreement may be rescinded, modified or amended only by written agreement executed by all parties hereto.

Section 5.04 Benefit. This Agreement is made and entered into for the sole protection and benefit of Commerce and NCEM, the State and the Sub-subrecipient, and their respective successors and assigns, subject always to the provisions of the Agreement. Except as herein specifically provided otherwise, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. It is expressly understood and agreed that the enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Commerce and NCEM, the State and the Sub-subrecipient and their respective successors and assigns. Nothing contained in this Agreement shall give or allow any claim or right of action whatsoever by any other third person, other than as expressly provided in this Agreement. It is the express intention the Parties and their respective successors and assigns that any such person or entity, other than the State, Commerce and NCEM, and the Sub-subrecipient, receiving services or benefits under this Agreement shall be deemed an incidental beneficiary only.

Section 5.05 Further Assurance. In connection with and after the disbursement of Grant funds under this Agreement, upon the reasonable request of Commerce and NCEM, the Subrecipient shall execute, acknowledge and deliver or cause to be delivered all such further documents and assurances, and comply with any other requests as may be reasonably required by Commerce and NCEM or otherwise appropriate to carry out and effectuate the Grant as contemplated by this Agreement.

Section 5.06 Independent Status of the Parties. The Parties are independent entities and neither this Agreement nor any provision of it or any of the Grant Documents shall be deemed to create a partnership or joint venture between the Parties. Further, neither the Agreement nor any of the Grant Documents shall in any way be interpreted or construed as making the Subrecipient, its agents or employees, agents or representatives of Commerce and NCEM. The Subrecipient is and shall be an independent contractor in the performance of this Agreement and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. In no event shall Commerce and NCEM be liable for debts or claims accruing or arising against the Subrecipient. The Subrecipient represents that it has, or shall secure at its own expense, all personnel required in the performance of this Contract. Such employees shall not be employees of, nor have any individual contractual relationship with, Commerce and NCEM.

Section 5.07 Indemnity. The Subrecipient agrees, to the fullest extent permitted by law, to release, defend, protect, indemnify and hold harmless the State, Commerce and NCEM, its employees and agents against claims, losses, liabilities, damages, and costs, including reasonable attorney fees, which result from or arise out of: (a) damages or injuries to persons or property caused by the negligent acts or omissions of Subrecipient, its employees, or agents in use or management of the Project or Property; (b) use or presence of any hazardous substance, waste or other regulated material in, under or on the Property; and (c) for any claims, whether brought in contract, tort, or otherwise, arising out of this Agreement. The obligations under this paragraph are independent of all other rights or obligations set forth herein. This indemnity shall survive the disbursement of the Grant funds, as well as any termination of this Agreement.

Section 5.08 Close-outs. The Subrecipient's obligation to the Grantee shall not end until all close-out requirements are completed. Close-out activities and requirements are subject to (1) 04

NCAC 19L.0913, (2) 2 CFR 200.343 and 2 CFR 200.344, as applicable; (3) 24 CFR 570.502 and 570.509, as applicable, 24 CFR Part 570 except where waivers and alternative requirements were granted to grantees in Notices published in the *Federal Register*, and (4) relevant State and HUD Notices. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG funds, including Program Income.

Section 5.09 Binding Effect, Contract Not Assignable. The terms hereof shall be binding upon and inure to the benefit of the successors, assigns, and personal representatives of the parties hereto; provided, however, that the Subrecipient may not assign this Agreement or any of its rights, interests, duties or obligations hereunder or any Grant proceeds or other moneys to be advanced hereunder in whole or in part unless expressly allowed under this Agreement, without the prior written consent of Commerce and NCEM, which may be withheld for any reason and that any such assignment (whether voluntary or by operation of law) without said consent shall be void.

Section 5.10 Savings Clause. Invalidation of any one or more of the provisions of this Agreement, or portion thereof, shall in no way affect any of the other provisions hereof and portions thereof which shall remain in full force and effect.

Section 5.11 Additional Remedies. Except as otherwise specifically set forth herein, the rights and remedies provided hereunder shall be in addition to, and not in lieu of, all other rights and remedies available in connection with this Agreement.

Section 5.12 Survival. Where any representations, warranties, covenants, indemnities or other provisions contained in this Agreement by its context or otherwise, evidences the intent of the parties that such provisions should survive the termination of this Agreement or any Closing, the provisions shall survive any termination or Closing.

Section 5.13 Incorporation of Exhibits. All exhibits attached to this Contract are fully incorporated as if set forth herein.

Section 5.14 Entire Contract. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof. All recitals, exhibits, schedules and other attachments hereto are incorporated herein by reference.

Section 5.15 Headings. The headings of the various sections of this Agreement have been inserted for convenience only and shall not modify, define, limit or expand the express provisions of this Agreement.

EXHIBIT A

Award Letter and Term Sheet

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EXHIBIT B

PROGRAM GUIDELINES

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EXHIBIT C

PROJECT APPLICATION

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Schedule: [from Notice of Intent to Fund]

1. **Commitment Date: January 1, 2020.** Commit in writing and submit to Commerce and NCEM certification by this date planned use of funding in Exhibit A minus any Administrative costs. Failure to commit funds by this date will result in withdrawal of any remaining grant funds, unless Commerce and NCEM in its sole discretion has found the Sub-subrecipient had good cause for such failure and Commerce and NCEM has set a date by which the Sub-subrecipient must take action. Any funds not obligated by the Commitment Date will be deobligated and no longer available to the Sub-subrecipient.
2. **Payment Date: February 1, 2021.** The Sub-subrecipient must have entered into Contracts for obligated funds by this date and Commerce and NCEM must receive the all payment requests for funds by this date. Commerce and NCEM will not accept or process for payment any request for payment received after this date, other than ongoing Administrative costs. Commerce and NCEM may in it's sole discretion extend this date upon written request of the Sub-subrecipient. Commerce and NCEM will not reimburse the Sub-subrecipient for applications received after the Commitment Date.
3. **Contract Expiration Date: February 1, 2021.** Complete the Project Scope of Work and submit final reports as required under this Agreement and any additional reports as required by Commerce and NCEM by this date. Commerce and NCEM will not reimburse the Subrecipient for Project funds dispersed after this date.
4. **Final Reimbursement Date: August 1, 2021.** Commerce and NCEM must receive the Final Request for Payment for the Project by this date. Commerce and NCEM will not accept or process for payment any request for payment received after this date. Commerce and NCEM will not reimburse the Sub-subrecipient for costs incurred after the Contract Expiration Date.

EXHIBIT E

PROJECT BUDGET, DISTRIBUTION OF FUNDS, AND REFUNDS

CDBG-DR Project No. 17-R-3014

1. Project Budget

- a. To obtain payment, the Subrecipient must submit itemized documentation substantiating direct costs incurred in the implementing the project.

i) Funder	Type of funding & Status of Funding	Matching Funds (Where applicable)	Percent
CDBG-DR	Grant		
Local – specify	Bonds, reserves, in-kind etc.		
Other public funding source(s) – specify	SRF , state grants, Golden Leaf, ARC, etc.		
ii) Total			

2. Disbursement of Grant Funds.

- a. No funds may be obligated or expended in any project activity except for the administration activity in the project until the recipient has complied with the Environmental Review Procedures for the CDBG Program and the CDBG environmental regulations contained in 24 CFR Part 58.
- b. No funds may be obligated or expended in any project activity except the administration activity until the recipient has submitted either a copy of the contract awarded for administration of this grant or a statement signed by the authorized representative stating that the contract will be administered internally.
- c. Request for Release of Funds.
 - i. Any release of funds request, other than administrative costs, must be accompanied by a request and any supporting materials as requested by Commerce and NCEM. Commerce and NCEM may, in its sole discretion, request additional documentation before approving any release of funds. Commerce and NCEM will approve each request individually and the Subrecipient must receive the written approval of Commerce and NCEM before entering into any Contract.

- d. Requests for Reimbursement. Disbursement of Grant funds for the Project shall be made by no less than monthly reimbursement of Subrecipient's expenditures on the Project as set forth in Exhibits C and D. To obtain reimbursement, the Subrecipient shall submit to Commerce and NCEM the following documentation:
 - i. A completed and signed Payment Request form, accompanied by appropriate itemized documentation supporting all expenses claimed and that clearly identifies each expenditure of grant funds for which reimbursement is claimed along with verification of matching Subrecipient funds as necessary. The supporting documentation must be organized in a manner that clearly relates the expenses shown in the supporting documentation to the line items shown in the Payment Request.
 - ii. Any request for reimbursement that does not clearly identify each expenditure and relate each expenditure to the line items shown on the request will not be processed, and will be returned to the Subrecipient for correction and re-submittal. **The Subrecipient shall identify any sales tax for which reimbursement has been or will be obtained from the State Department of Revenue, and such monies shall not be reimbursed.**
 - e. Reimbursement Based on Progress. The Subrecipient agrees to proceed with diligence to accomplish the Project according to the schedule set out in the Agreement and shall show appropriate progress prior to each reimbursement. Reimbursement may be withheld or delayed if Subrecipient fails to make progress on the Project satisfactory to Commerce and NCEM. Amounts withheld shall be reimbursed with subsequent reimbursements in the event that Subrecipient is able to demonstrate an ability to resume satisfactory progress toward completion of the Project.
 - f. No Excess Costs. The Commerce and NCEM agrees to pay or reimburse the Subrecipient only for costs actually incurred by the Subrecipient that do not exceed the funds budgeted for the Project shown on Exhibits A and E.
3. Costs of Project Administration. The Sub-subrecipient's requests for such reimbursement shall be made under the Project Administration line item of the reimbursement form and shall conform with the following:
- a. Costs allowable under the Project Administration line item shall be only costs of labor needed to comply with the general conditions of the Agreement (e.g., progress reports, the environmental review, compliance activities, payment requests, preparing the project final report, revisions to the Agreement). Allowable Project Administration labor costs may include any of the following: (a) pay to the Subrecipient's payroll employees, plus the Subrecipient's cost of paying benefits on such pay (usually employees' pay times an audited or auditable benefits multiplier); (b) pay to contract employees of the Subrecipient (e.g., temporary office support), payable at the Subrecipient's actual cost, without application of a benefits multiplier; and/or (c) cost of professional services labor

IN WITNESS WHEREOF, the Sub-subrecipient and Commerce and NCEM have executed this Agreement in two originals as of the Effective Date. One original shall be retained by each Party. If there is any controversy among the documents, the document on file in Commerce and NCEM's office shall control.

Michael A. Sprayberry, Director
North Carolina Emergency Management

Title: _____

Hyde County, North Carolina

Erik A. Hooks
Secretary
North Carolina Department of Public Safety

George Sherrill, Chief of Staff
North Carolina Department of Commerce

APPROVED AS TO PROCEDURES

William Polk, Assistant General Counsel
Reviewed for the Department Of Public Safety, by William Polk, DPS Assistant General
Counsel

James J. Cherokee, Controller
North Carolina Department of Public Safety