AGENDA

GRANVILLE COUNTY BOARD OF COMMISSIONERS

Tuesday, January 2, 2024

Call to order @ 7:00 p.m. .... **Chair Timothy Karan**
Invocation and Pledge of Allegiance .... **Commissioner Tony W. Cozart**

Consent Agenda

1. Budget Amendment #5 for Fiscal Year 2023-2024 (p. 3)

2. Tax Refunds, Releases & Write-offs (p. 9)

3. Approval of Amended Granville County Fiscal Year 2023 Audit Contract (p. 20)

Public Comments

4. Public Comments (p. 39)

Solid Waste Matters

5. Scrap Metal/White Good Recycling Contract (p. 40)

Project Management

6. Interior Alterations - Berea Branch Library (p. 51)

Emergency Services Matters

7. Part-Time Fire Fighter Staffing (p. 57)

Appointments

8. Butner Board of Adjustment - ETJ (p. 58)

9. Granville County Citizens Advisory Committee for Environmental Affairs (p. 59)

10. Granville County Library System Board of Trustees (p. 60)

11. Granville-Vance District Board of Health (p. 61)

12. Senior Services Advisory Committee (p. 62)

County Manager's Report

13. Broadband Partnership Agreement with NCDIT and Spectrum (p. 63)

14. Department of Social Services' Mid-Year Salary Adjustments and Bonus Incentive Plan (p. 134)

15. County Manager's Report (p. 139)

County Attorney's Report

16. County Attorney's Report (p. 140)

Presentations by County Board Members

17. Presentations by County Board Members (p. 141)

Any Other Matters

18. Any Other Matters (p. 142)

Granville County
Finance

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Steve McNally
Department:	Finance
Date:	January 2, 2024
Title:	**Budget Amendment #5 for Fiscal Year 2023-2024**

PURPOSE:
To consider approval of Budget Amendment #5 for fiscal year 2023-2024.

BACKGROUND:
As described in G.S. 159-15, these are amendments to the FY 2023-2024 operating budget, presented by various operating departments, the Finance department, and the County Board of Commissioners. These update the existing budget to reflect necessary changes in spending and offsetting sources of funding, which result in a balanced budget.

These amendments to the General Fund include:

- Receipt of donations to the Sheriff Office ($4,489)
- Carryover of budget for the Human Relations Council ($14,533)
- Receipt of funds from close out of Junior Deputy account ($4,910)
- Reallocating funds within the Sheriff's Office budget to add funds to Sheriff overtime ($80,000) and Detention overtime ($27,000)
- The County's annual buy back of excess vacation hours ($24,477 - General Fund and $1,185 - Landfill Fund)
- Addition to Emergency Management salaries (salary increase for deputy fire marshal and additional call back pay) ($20,848)

RECOMMENDATION:
The Finance Officer and the County Manager recommend the approval of Budget Amendment #5.

ATTACHMENTS:
BA # 5 - Detail
FY 24 BA #5 - Summary

ACTION TAKEN:

BUDGET AMENDMENT #5

January 2, 2024

SUMMARY

GENERAL FUND	INTER-FUNCTION TRANSFER		SOURCE OF FUNDS			
	From	To	*Appropriated Fund Balance* +	*Restricted & Intergov't Rev* +	*Inter-Fund Transfers* =	Net Change
General Government	$0	$7,400	$14,533	$0		$14,533
Public Safety	($107,000)	$138,890	($4,910)	$9,399		$4,489
Community Services	$0	$2,180	$0	$0		$0
Human Services	$0	$2,670	$0	$0		$0
Projects & Other Approp's(Non-Dept'l)	($45,325)	$0	$0	$0		$0
Projects & Transfers	$0	$1,185	$0	$0		$0
Use of Contingencies	$0	$0	$0	$0		$0
Total	**($152,325)**	**$152,325**	***$9,623***	***$9,399***	***$0***	**$19,022**

OTHER FUNDS			SOURCE OF FUNDS			
LANDFILL			*Appropriated Fund Balance* +	*Restricted & Intergov't Rev* +	*Inter-Fund Transfers* =	Net Change
Operations					$1,185	$1,185
TOTAL - ALL FUNDS	-$152,325	**$152,325**	**$9,623**	*$9,399*	**$1,185**	**$20,207**

This budget amendment includes an overall increase of $19,022 to the General Fund budget. This increase is comprised of restricted revenue from the receipt of donations to the Sheriff Office ($4,489) and an appropriation of fund balance from the carryover of previous year unspent Human Relations Council budget ($14,533). There is also receipt of funds from the close-out of the Sheriff Office Junior Deputy checking account ($4,910). Receipt of these funds (unrestricted revenue) decrease the appropriation of fund balance, resulting in a net effect of $0 on the General Fund budget.

Within this amendment, there is $152,325 transferred between departments within the General Fund, which include reallocating funds within the Sheriff Office ($80,000) and Detention department ($27,000) to increase their respective overtime budgets. This also includes an increase of $24,477 in salaries among various departments for the County's buy back of excess vacation hours, as well as an addition of $20,848 to Emergency Management salaries (due to the greater than anticipated hire rate for the deputy fire marshall position and additional call back pay for three EM employees).

The Landfill fund budget also increased by $1,185, because of the buy back of excess vacation hours.

BUDGET AMENDMENT #5
January 2, 2024
Legal Document

Be it ordained, the FY 2023-2024 Annual Budget Ordinance is hereby amended as follows:

GENERAL FUND

Expenditures	Increase	Decrease		Total
General Government			**$**	**21,933**
General Government	14,533			
Board of Elections	4,820			
Internal Auditor	1,230			
General Services	1,350			
Public Safety			**$**	**36,379**
Sheriff's Department	2,489			
Detention Center	2,000			
Emergency Management	31,400			
Addressing / GIS	490			
Animal Control	0			
Community Services			**$**	**2,180**
Jonesland Park Operation	1,210			
Tourism Development Authority	970			
Human Services			**$**	**2,670**
Oxford Senior Center	1,940			
Senior Center - North	730			
Area Projects and Other Appropriations			**$**	**(45,325)**
Non-Departmental		(45,325)		
Contributions to Other Funds & Contingencies				1,185
Contributions & Transfers	1,185			
		Total Expenditures	**$**	**19,022**

Revenues	Increase			
Restricted and Intergovernmental	9,399			
Appropriated Fund Balance	9,623			
		Total Revenues	**$**	**19,022**

LANDFILL FUND

Expenditures	Increase	Decrease		Total
Landfill Operations	$1,185			
		Total Expenditures	**$**	**1,185**

Revenues				
Appropriated Fund Balance	$1,185			
Transfers				
		Total Revenues	**$**	**1,185**

BUDGET AMENDMENT #5

Detail [For Reference Only]

				Amendment	Balance after Amendment
General Government					
Genreal Fund/Governing Board					
Expenditures: Increase/(Decrease)					
10	4110	657	HUMAN RELATIONS COUNCIL	$14,533	$19,533
Revenues: Increase/(Decrease)					
10	3990	991	APPROPRIATED FUND BALANCE	$14,533	$5,986,882

Description: To role over ending FY 2023 unspent balance of the Human Relations Council budget into the current year

Public Safety					
General Fund/Sheriff and Detention					
Expenditures: Increase/(Decrease)					
10	4310	122	OVERTIME	$80,000	$230,000
10	4310	126	COURT PERSONNEL	($75,000)	$75,000
10	4320	260	SUPPLIES	($5,000)	$25,000
10	4320	122	OVERTIME	$27,000	$149,000
10	4310	359	RADIO MAINTENANCE	($3,000)	$3,500
10	4310	398	UNDERCOVER	($4,000)	$6,000
10	4320	212	UNIFORMS	($10,000)	$16,710
10	4320	213	INMATE CLOTHING	($10,000)	$15,000

Description: Realign Sheriff and Detention departmental budgets to cover projected overtime budget overages for the balance of the year

Pubic Safety					
General Fund/Sheriff					
Expenditures: Increase/(Decrease)					
10	4310	233	DONATION EXPENDITURES	$4,489	$4,489
Revenues: Increase/(Decrease)					
10	3833	310	DONATION REVENUE	$4,489	$4,489

Description: Recognize donations received and budgeted expenditures for Sheriff Office donation account.

Public Safety					
General Fund/Sheriff					
Revenues: Increase/(Decrease)					
10	3990	991	APPROPRIATED FUND BALANCE	($4,910)	$5,981,972
10	3432	850	JUNIOR DEPUTY ACCOUNT PROCEEDS	$4,910	$4,910

Description: To recognize funds received from the close-out of the Junior Deputy Checking Account.

BUDGET AMENDMENT #5

Detail [For Reference Only]

					Amendment	Balance after Amendment
General Government. Public Safety, Community Services & Human Services						
General Fund/Various Departments						
Expenditures: Increase/(Decrease)						
10	4135	121	SALARIES	Internal Audit	$1,000	$82,396
10	4135	181	FICA		$100	$6,327
10	4135	182	RETIREMENT		130	$10,589
10	4170	121	SALARIES	BoE	$4,000	$197,572
10	4170	181	FICA		$300	$28,644
10	4170	182	RETIREMENT		$520	$28,200
10	4260	121	SALARIES	General Services	$1,100	$164,465
10	4260	181	FICA		$100	$19,635
10	4260	182	RETIREMENT		150	$21,142
10	4330	121	SALARIES	Emergency Mgmt.	$26,000	$325,994
10	4330	181	FICA		$2,000	$24,950
10	4330	182	RETIREMENT		$3,400	$41,949
10	4396	121	SALARIES	Addressing	$400	$66,164
10	4396	181	FICA		$35	$5,066
10	4396	182	RETIREMENT		55	$8,506
10	6130	121	SALARIES	Parks & Rec	$1,000	$235,556
10	6130	181	FICA		$80	$20,931
10	6130	182	RETIREMENT		$130	$30,270
10	6180	121	SALARIES	Tourism	$800	$65,027
10	6180	181	FICA		$65	$4,978
10	6180	182	RETIREMENT		$105	$8,358
10	5860	121	SALARIES	Senior Center - Nort	$1,600	$358,759
10	5860	181	FICA		$130	$28,447
10	5860	182	RETIREMENT		$210	$46,105
10	5861	121	SALARIES	Senior Center	$600	$48,953
10	5861	181	FICA		$50	$4,744
10	5861	182	RETIREMENT		$80	$6,293
10	9800	60	TRANSFER TO THE LANDFILL FUND		$1,185	$5,623
10	8540	111	PERSONNEL ADJUSTMENT		($45,325)	$49,675

Description: Fund annual buy back of vacation time for various departments, as well as to fund additional payroll needed for the Emergency Management department for the balance of the fiscal year. Additional EM funding need to cover deputy fire marshal position and additional call back pay for three EM employees.

BUDGET AMENDMENT #5

Detail [For Reference Only]

				Amendment	Balance after Amendment
Landfill Fund					
Expenditures: Increase/(Decrease)					
60	4725	121	SALARIES	$800	$66,564
60	4725	181	FICA	$65	$5,096
60	4725	182	RETIREMENT	$105	$8,556
60	4729	121	SALARIES	$70	$357,229
60	4729	181	FICA	$55	$28,372
60	4729	182	RETIREMENT	$90	$45,985
Revenues: Increase/(Decrease)					
60	3981	010	TRANSFER FROM GEN. FUND	$1,185	$49,538

Description: Fund annual buy back of vacation time for landfill departments.

Granville County
Tax Administration

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Tamonica Thorpe
Department:	Tax Administration
Date:	January 2, 2024
Title:	**Tax Refunds, Releases & Write-offs**

PURPOSE:
To approve tax refunds, releases, and write-offs.

BACKGROUND:
Tax releases and refunds are generated according to N.C.G.S. 105-381. **According to the resolution adopted May 1, 2003, the Board of Commissioners authorized the Tax Collector to forego the collection for all taxes which do not exceed $2.00. (Write-offs)**

Tax refunds: (*paid*) When a person or business overpays their tax bill. Sometimes this is the result of a garnishment, overpayment, waste fee in error, clerical error, or illegal tax.

Tax releases: (*unpaid*) Tax bill needs to be adjusted or completely released due to waste fee in error, clerical error, or illegal tax.

The following tax refunds, releases and write-offs are recommended for approval:

Refunds	November 22, 2023 – December 20, 2023:	$4,915.41
Releases	November 22, 2023 – December 20, 2023:	$1,799.82
Write-offs ($2 and less)	November 22, 2023 – December 20, 2023:	$ 10.84

RECOMMENDATION:
The Tax Administrator, Jenny Short recommends approval of tax refunds $4,915.41, releases $1,799.82 and write-offs $10.84 for November 22, 2023, through December 20, 2023.

ATTACHMENTS:
Detailed Refund Report
Detailed Release Report
Detailed Write-off Report

ACTION TAKEN:

PARAMETERS SELECTED FOR ACTIVITY REFUND REPORT:

TRANSACTION DATE RANGE: 11/22/2023 12:00:00 AM - 12/20/2023 12:00:00 AM
PAYMENT DATE RANGE:
USER/OPERATOR:
TAX DISTRICT(S):
BILL YEAR RANGE:
BILL# RANGE:

BILL TYPE: Both

RELEASE NUMBER ONLY:No

SORT BY: Transaction Date

PAYMENT TYPE: ,ACH - ACH,Card - Credit Card,Cash - Cash,Check - Check,DSO - DSO,EPA - EPA,MOrder - Money Order,OPM - OPM,PPAY - PPAY,WEB - WEB

NAME	BILL NUMBER		PAYMENT TYPE	AMOUNT	OPER	DATE TIME
144301 BELCHER & BELCHER C/O MRS SAM PARROTT P O BOX 961 OXFORD, NC 27565	2023-165	RP: 191204822274 BELCHER & BELCHER REFUND RECIPIENT: BELCHER & BELCHER MAIL OVERPAYMENT PO BOX 961 OXFORD NC 27565		758.63	TJT	11/27/2023 11:59:37 AM
144302 BELCHER & BELCHER C/O MRS SAM PARROTT P O BOX 961 OXFORD, NC 27565	2023-61695	RP: 194201263457 BELCHER & BELCHER REFUND RECIPIENT: BELCHER & BELCHER MAIL OVERPAYMENT PO BOX 961 OXFORD NC 27565		567.85	TJT	11/27/2023 12:00:48 PM
1087283 NAVAROLI RODDY 207 OKELLY LN CARY, NC 27511-5539	2023-1343	RP: 192700077364 DAVID B GEBHARDT REFUND RECIPIENT: JANINE N GEBHARDT DAVID B GEBHARDT MAIL OVERPAYMENT 536 WILHELM PLACE NE CONCORD NC 28025		15.00	CTH	12/4/2023 11:57:24 AM
88910301 WILSON JEREMY A WILSON NELLIE A 7709 STONY HILL RD WAKE FOREST, NC 27587	2023-20549	RP: 182300413515 AGCAROLINA FARM CREDIT ACA REFUND RECIPIENT: AGCAROLINA FARM CREDIT ACA ESCROW PROCESSING MAIL OVERPAYMENT PO BOX 1499 COLUMBIA SC 29202 9263		1933.47	CTH	12/4/2023 3:04:43 PM
2240 TROLLEYS INC DBA SUNWAY CHARTERS ARTHUR MONTIEL 2400 QUEEN CITY DR	2023-201188	PERSONAL PROPERTY		1.39	KCR	12/7/2023 10:03:18 AM

NAME	BILL NUMBER		PAYMENT TYPE	AMOUNT	OPER	DATE TIME
CHARLOTTE, NC 28208-2715		TROLLEYS, INC DBA SUNWAY CHARTERS REFUND RECIPIENT: TROLLEYS, INC DBA SUNWAY CHARTERS MAIL OVERPAYMENT 2400 QUEEN CITY DRIVE CHARLOTTE NC 28208				
1016393 KUHLMAN MICHAEL R KUHLMAN ELIZABETH L 3196 HESTER RD CREEDMOOR, NC 27522-8687	2023-55926	RP: 181700734363 ELIZABETH L KUHLMAN REFUND RECIPIENT: ELIZABETH KUHLMAN MICHAEL R KUHLMAN MAIL OVERPAYMENT 3196 HESTER RD creedmoor NC 27522		393.38	TYRELL	12/11/2023 10:29:47 AM
30447110 HAWLEY FELICIA 813 GOSHEN ST OXFORD, NC 27565	2010-62425	 EMPLOYERS PERSONNEL LLC REFUND RECIPIENT: FELICIA HAWLEY GARNISHMENT OVERPAYMENT 813 GOSHEN ST OXFORD NC 27565		32.88	TYRELL	12/15/2023 11:25:43 AM
81111201 JONES TRACY 4120 DIANNE CT FRANKLINTON, NC 27525-7594	2023-40334	PERSONAL PROPERTY TRACY JONES REFUND RECIPIENT: TRACY JONES MAIL OVERPAYMENT 4120 DIANE COURT FRANKLINTON NC 27525		8.88	KCR	12/18/2023 12:01:22 PM
99993302 CREEDMOOR UNITED METHODIST CHU PO BOX 368 CREEDMOOR, NC 27522-0368	2023-7864	RP: 089614326648 CREEDMOOR UNITED METHODIST CH REFUND RECIPIENT: CREEDMOOR UNITED METHODIST CHURCH MAIL OVERPAYMENT PO BOX 368 creedmoor NC 27522		542.91	CTH	12/18/2023 12:49:51 PM
2572	2023-40371	PERSONAL PROPERTY		3.78	TYRELL	12/18/2023 2:07:16 PM

NAME	BILL NUMBER		PAYMENT TYPE	AMOUNT	OPER	DATE TIME
BLUE TRITON BRANDS INC C/O RYAN LLC PO BOX 4900, DEPT. 744 SCOTTSDALE, AZ 85261-4900		RYAN LLC REFUND RECIPIENT: RYAN LLC MAIL OVERPAYMENT PO BOX 4900 SCOTTSDALE AZ 85261				
20115303 SHEPPARD ELIZABETH C/O ERNESTINE PRICE 188 BRACKIN TRACE GRAYSON, GA 30017	2021-24352	RP: 182700136896 REFUND RECIPIENT: HICKS PREDDY AND WASHBURN PC FORECLOSURE PAYMENT PO BOX 247 OXFORD, NC 27565		193.23	Autoagent	12/19/2023 9:24:37 AM
20115303 SHEPPARD ELIZABETH C/O ERNESTINE PRICE 188 BRACKIN TRACE GRAYSON, GA 30017	2021-24352	RP: 182700136896 REFUND RECIPIENT: HICKS PREDDY AND WASHBURN PC FORECLOSURE PAYMENT PO BOX 247 OXFORD, NC 27565		216.03	Autoagent	12/19/2023 9:24:38 AM
20115303 SHEPPARD ELIZABETH C/O ERNESTINE PRICE 188 BRACKIN TRACE GRAYSON, GA 30017	2021-24352	RP: 182700136896 REFUND RECIPIENT: HICKS PREDDY AND WASHBURN PC FORECLOSURE PAYMENT PO BOX 247 OXFORD, NC 27565		247.98	Autoagent	12/19/2023 9:24:39 AM

TOTAL REFUNDS PRINTED:	**4,915.41**
TOTAL VOID REFUNDS:	**0.00**
TOTAL:	**4,915.41**

VOIDED REFUND AMOUNTS OF REFUNDS NOT IN 11/22/2023 - 12/20/2023

NAME	BILL NUMBER	AMOUNT	OPER	PAYMENT TYPE	DATE TIME	REFUND DATE
TOTAL VOID REFUNDS:						

PARAMETERS SELECTED FOR FINANCE RELEASES REPORT:

TRANSACTION DATE RANGE: 11/22/2023 12:00:00 AM - 12/20/2023 12:00:00 AM
BILL TYPE: Both
BILL YEAR/NUMBER RANGE:
PRINT TOTALS ONLY: No
USER/OPERATOR:
EXCLUDE USERS/OPERATORS:
SORT ORDER: Name
REPORT TITLE:

1 Granville County Tax	1,475.59
22 Oxford Economic Dev	180.80
Fire Rescue	99.16
51 Butner District	44.27
Total	1,799.82

Release Refund Detail

Name	Bill#	Reason	District	Amount
BAYLE MICHELLE HALL	2023-200840	REC'D SIGNED IND. PERSONAL PORPERTY NOTICE THAT SEA-DOO WAS SOLD TO CODY NORWOOD IN 2019	C ADVLTAX	2.52
BAYLE MICHELLE HALL	2023-200840	REC'D SIGNED IND. PERSONAL PORPERTY NOTICE THAT SEA-DOO WAS SOLD TO CODY NORWOOD IN 2019	C PEN FEE	0.25
BAYLE MICHELLE HALL	2023-200840	REC'D SIGNED IND. PERSONAL PORPERTY NOTICE THAT SEA-DOO WAS SOLD TO CODY NORWOOD IN 2019	FR ADVLTAX	0.18
BAYLE MICHELLE HALL	2023-200840	REC'D SIGNED IND. PERSONAL PORPERTY NOTICE THAT SEA-DOO WAS SOLD TO CODY NORWOOD IN 2019	FR PEN FEE	0.02
BOWMAN JASON THOMAS	2023-201366	DISC IN ERROR. DUPLICATE LISTING	FR ADVLTAX	0.18
BOWMAN JASON THOMAS	2023-201366	DISC IN ERROR. DUPLICATE LISTING	FR PEN FEE	0.02
BOWMAN JASON THOMAS	2023-201366	DISC IN ERROR. DUPLICATE LISTING	C ADVLTAX	2.52
BOWMAN JASON THOMAS	2023-201366	DISC IN ERROR. DUPLICATE LISTING	C PEN FEE	0.25
ENDRUSICK ENTERPRISES LLC	2023-203287	CHARGED WRONG CITY CODE	CI51ADVLTAX	379.50
ENDRUSICK ENTERPRISES LLC	2023-203286	CHARGED WRONG CITY CODE	CI51ADVLTAX	145.66
ENDRUSICK ENTERPRISES LLC	2023-203286	CHARGED WRONG CITY CODE	CI51PEN FEE	29.13
ENDRUSICK ENTERPRISES LLC	2023-203287	CHARGED WRONG CITY CODE	CI51PEN FEE	37.95
N89Y LLC	2023-200750	TAXPAYER STATED THAT THE BUSINESS DOES NOT OWN A 2000 CESSNA	C PEN FEE	125.69
N89Y LLC	2023-200750	TAXPAYER STATED THAT THE BUSINESS DOES NOT OWN A 2000 CESSNA	C ADVLTAX	1256.85
N89Y LLC	2023-200750	TAXPAYER STATED THAT THE BUSINESS DOES NOT OWN A 2000 CESSNA	FR ADVLTAX	89.78
N89Y LLC	2023-200750	TAXPAYER STATED THAT THE BUSINESS DOES NOT OWN A 2000 CESSNA	FR PEN FEE	8.98
TOBACCO WOOD BREWING COMPANY LLC	2023-203245	USE THE WRONG CODE FOR OXFORD ECONOMIC DEV	CI22ADVLTAX	180.80
UNITED RENTALS NORTH AMERICA INC	2023-40885	APPLIED LATE LISTING PENALTY IN ERROR	C PEN FEE	87.51
UNITED RENTALS NORTH AMERICA INC	2023-40885	APPLIED LATE LISTING PENALTY IN ERROR	CI51PEN FEE	44.27

PARAMETERS SELECTED FOR ACTIVITY REPORT:

TRANSACTION DATE RANGE: 11/22/2023 12:00:00 AM - 12/20/2023 12:00:00 AM
PAYMENT DATE RANGE:
BATCH KEY RANGE:
BILL TYPE: Both
BILL YEAR/NUMBER RANGE:
DISTRICT/TYPE/FEE:
TRANSACTION TYPE:
TOWNSHIP:
CITY:
STATUS:
EXCLUDE STATUS:
USER/OPERATOR:
HISTORY TYPE: 07 - Underpayment
EXCLUDE USER/OPERATOR:
PAYMENT SOURCE TYPE:
PRINT TOTALS ONLY: No
SORT ORDER: Transaction Date
PRINT COMMENTS: N
ACCOUNT#:
ACCOUNT NAME:
LOCATION:
Print Payment Breakdown:No
CHECK NUMBER:
TRANS AMOUNT FROM:
TRANS AMOUNT TO:

RUN DATE: 12/21/2023 11:13 AM **GRANVILLE COUNTY ACTIVITY REPORT**

DATE	TIME	BILL#	Statuses	ACCOUNT	NAME	OPER	TYPE	PYMT DATE	SOURCE	CHK#	TAX	INTEREST	TOTAL
11/27/2023	10:46:05	2023-200790		666	AKYAR SALIH ALEXANDER	TYRELL	Payment	11/27/2023	walk-in		0.02		0.02
											TOTAL TRANSACTION:		**0.02**
11/27/2023	11:08:28	2023-9224		48174302	FORSYTHE EDWARD L	TYRELL	Payment	11/27/2023	mail	3681	0.46		0.46
											TOTAL TRANSACTION:		**0.46**
11/30/2023	23:00:18	2018-26359	B,DS,MPGAR,PG	17882302	PERRY DENISE L	ARCLEAR	Write Off	11/30/2023			1.72		1.72
											TOTAL TRANSACTION:		**1.72**
11/30/2023	23:00:18	2023-32968		82750301	GREEN PAULETTE A	ARCLEAR	Write Off	11/30/2023			1.40		1.40
											TOTAL TRANSACTION:		**1.40**
11/30/2023	23:00:18	2023-35561		28002202	CLEGHORN RALEIGH ALEXANDER	ARCLEAR	Write Off	11/30/2023			1.55		1.55
											TOTAL TRANSACTION:		**1.55**
11/30/2023	23:00:18	2023-2098		35329101	STONE SOURCE INC	ARCLEAR	Write Off	11/30/2023			2.00		2.00
											TOTAL TRANSACTION:		**2.00**
11/30/2023	23:00:18	2023-203215		78329102	ADT LLC	ARCLEAR	Write Off	11/30/2023			0.62		0.62
											TOTAL TRANSACTION:		**0.62**
12/01/2023	10:23:00	2023-19712		25655303	MAYES DANIELLE	CTH	Payment	12/01/2023	mail	2349	0.10		0.10
											TOTAL TRANSACTION:		**0.10**
12/01/2023	10:58:36	2022-36185	DS,M	1810	RODRIGUEZ SHELBY RAMOS	Autoagent	Payment	12/01/2023	Other		0.47		0.47
											TOTAL TRANSACTION:		**0.47**
12/04/2023	11:44:50	2023-200115		88779301	AUTREY GARY	KCR	Payment	12/04/2023	mail	2369	0.29		0.29
											TOTAL TRANSACTION:		**0.29**
12/04/2023	13:30:19	2022-533	DS,S	20065301	SHARON WALTER C	TYRELL	Payment	12/04/2023	mail	00215	0.12		0.12
											TOTAL TRANSACTION:		**0.12**
12/04/2023	14:53:02	2023-200916		81	JOHNSON FRANK LAMONT	CTH	Payment	12/04/2023	mail	001163	0.16		0.16
											TOTAL TRANSACTION:		**0.16**
12/08/2023	09:59:46	2023-200593		664	SHAMELESS HAIR	KCR	Payment	12/08/2023	mail	1095	0.11		0.11
											TOTAL TRANSACTION:		**0.11**
12/08/2023	10:09:04	2023-200542		2801	WEST KRISTI DAWN	TYRELL	Payment	12/08/2023	mail	1094	0.19		0.19
											TOTAL TRANSACTION:		**0.19**
12/08/2023	16:44:07	2023-200593		664	SHAMELESS HAIR	KCR	Payment	12/08/2023	mail	1095	0.13		0.13
											TOTAL TRANSACTION:		**0.13**
12/11/2023	10:33:42	2023-7836		1064963	COKER ELLIOTT H	TYRELL	Payment	12/11/2023	mail	0791			0.00
12/11/2023	10:33:42	2023-9231		1064963	COKER ELLIOTT H	TYRELL	Payment	12/11/2023	mail	0791			0.00
12/11/2023	10:33:42	2023-9235		1064963	COKER ELLIOTT H	TYRELL	Payment	12/11/2023	mail	0791			0.00
12/11/2023	10:33:42	2023-26293		1064963	COKER ELLIOTT H	TYRELL	Payment	12/11/2023	mail	0791			0.00
12/11/2023	10:33:42	2023-26294		1064963	COKER ELLIOTT H	TYRELL	Payment	12/11/2023	mail	0791	0.69		0.69
											TOTAL TRANSACTION:		**0.69**
12/13/2023	13:07:21	2023-4327		86157301	HADDOCK FAMILY FARM LLC	TYRELL	Payment	12/13/2023	mail	001022	0.20		0.20
											TOTAL TRANSACTION:		**0.20**
12/20/2023	11:15:15	2023-29928		28671301	BLACKNALL MARVIN	TYRELL	Payment	12/20/2023	walk-in				0.00
12/20/2023	11:15:15	2023-40263		28671201	BLACKNALL MARVIN	TYRELL	Payment	12/20/2023	walk-in				0.00
12/20/2023	11:15:15	2023-11840		21665301	THARRINGTON ANNETTE	TYRELL	Payment	12/20/2023	walk-in		0.61		0.61
											TOTAL TRANSACTION:		**0.61**
											10.84		**10.84**
GRAND TOTALS											**10.84**		**10.84**

USER	TOTALS
ARCLEAR	7.29
Autoagent	0.47
CTH	0.26
KCR	0.53
TYRELL	2.29

All Payments

TAX YEAR	TOTALS
2023	8.53
2022	0.59
2018	1.72

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To: Board of Commissioners
From: Steve McNally
Department: Finance
Date: January 2, 2024
Title: **Approval of Amended Granville County Fiscal Year 2023 Audit Contract**

PURPOSE:
To approve the amended contract with Thompson, Price, Scott, Adams and Co for the audit of FY 2023 financial statements

BACKGROUND:
North Carolina General Statute 159-34 requires each unit of local government and public authority to have its accounts audited each fiscal year and to submit a copy of the audit report to the Secretary of the Local Government Commission (LGC). For counties, municipalities and most units of local government and public authorities, the audit due date is October 31 (with a 30 day grace period.) Audit firms that do not submit reports by that date have to submit an amendment to the original contract to the LGC, stating a revised anticipated date to submit the audit (as referenced in Paragraph 6 of the original audit contract. Revised date is January 15, 2024.) There is no change in the audit fee with the amended contract.

RECOMMENDATION:
Finance Director Steve McNally recommends approval of the amended audit contract.

ATTACHMENTS:
Original Granville County FY 2023 audit contract
Amended Granville County FY 2023 audit contract

ACTION TAKEN:

CONTRACT TO AUDIT ACCOUNTS

The	Governing Board BOARD OF COMMISSIONERS
of	Primary Government Unit GRANVILLE COUNTY
and	Discretely Presented Component Unit (DPCU) (if applicable)

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name THOMPSON, PRICE, SCOTT, ADAMS & CO, P.A.
	Auditor Address 1626 S MADISON STREET WHITEVILLE, NC 28472

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/23	Date Audit Will Be Submitted to LGC 10/31/23

Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards (GAGAS)* if the Governmental Unit expended $100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F* (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

Effective for audits of fiscal years beginning after June 30, 2023, the LGC will allow auditors to consider whether a unit qualifies as a State low-risk auditee based upon federal criteria in the Uniform Guidance §200.520(a), and (b) through (e) as it applies to State awards. In addition to the federal criteria in the Uniform Guidance, audits must have been submitted timely to the LGC. If in the reporting year, or in either of the two previous years, the unit reported a Financial Performance Indicator of Concern that the audit was late, then the report was not submitted timely for State low-risk auditee status. Please refer to "Discussion of Single Audits in North Carolina" on the LGC's website for more information.

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards.* The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Auditing Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.

For GAAS or *Government Auditing Standards* audits, if an auditor issues an AU-C §260 report, commonly referred to as "Governance Letter," LGC staff does not require the report to be submitted unless the auditor cites significant findings or issues from the audit, as defined in AU-C §260.12 - .14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious reviewed with those charged with governance, and other significant matters.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit- related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.

9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. the invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements and/or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Government Auditing Standards, 2018 Revision* (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;

b) the status of the prior year audit findings;

c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and

d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification).

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Government Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by: ☑ Auditor ☐ Governmental Unit ☐ Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:	*Title and Unit / Company:*	*Email Address:*
STEVE MCNALLY	FINANCE OFFICER / GRANVIL	steve.mcnally@granvillecounty.org

OR Not Applicable ☐ *(Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.)*

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit form for correction.

4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

PRIMARY GOVERNMENT FEES

Primary Government Unit	GRANVILLE COUNTY
Audit Fee	$ 41,050
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	$
Writing Financial Statements	$ 3,850
All Other Non-Attest Services	$ BILLED AT STANDARD HOURLY RATES

DPCU FEES (If applicable)

Discretely Presented Component Unit	
Audit Fee	$
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	$
Writing Financial Statements	$
All Other Non-Attest Services	$

LGC-205 **CONTRACT TO AUDIT ACCOUNTS** Rev. 11/2022

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* THOMPSON, PRICE, SCOTT, ADAMS & CO, P.A.	
Authorized Firm Representative (typed or printed)* ALAN W. THOMPSON	Signature*
Date* 05/26/23	Email Address* alanthompson@tpsacpas.com

GOVERNMENTAL UNIT

Governmental Unit* GRANVILLE COUNTY	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S.159-34(a) or G.S.115C-447(a))	
Mayor/Chairperson (typed or printed)* Russ May	Signature*
Date 6/13/2023	Email Address russ.may@granvillecounty.org

Chair of Audit Committee (typed or printed, or "NA") Jimmy Gooch	Signature
Date 6/16/2023	Email Address jimmy.gooch@granvillecounty.org

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).
Not applicable to hospital contracts.

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

Primary Governmental Unit Finance Officer* (typed or printed) STEVE MCNALLY	Signature*
Date of Pre-Audit Certificate* 6/16/23	Email Address* steve.mcnally@granvillecounty.org

CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS AND TAX ADVISORS

Thompson, Price, Scott, Adams & Co, P.A.
P.O. Box 398
1626 S Madison Street
Whiteville, NC 28472
Telephone (910) 642-2109
Fax (910) 642-5958

Alan W. Thompson, CPA
R. Bryon Scott, CPA
Gregory S. Adams, CPA

May 26, 2023

Granville County
PO Box 1286
Oxford, NC 27565

To Management and Those Charged With Governance:

We are pleased to confirm our understanding of the services we are to provide Granville County for the year ended June 30, 2023.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of Granville County as of and for the year ended June 30, 2023. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Granville County's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Granville County's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis.
2. Law Enforcement Officers' Special Separation Allowance Schedule of Total Pension Liability (Asset) and Schedule of Total Pension Liability (Asset) as a Percentage of Employee Payroll
3. Schedule of Changes in the Total OPEB Liability and Related Ratios
4. Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Schedule of County Contributions – LGERS
5. Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Schedule of County Contributions – ROD

We have also been engaged to report on supplementary information other than RSI that accompanies Granville County's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditors' report on the financial statements:

1. Schedule of Expenditures of Federal and State Awards.
2. Combining and Individual Fund Financial Statements, Budgetary Schedules, and Other Schedules

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

1. Introductory and Statistical Schedules (prepared for Annual Comprehensive Financial Report presentation)

Our responsibility for other information included in documents containing the entity's audited financial statements and auditors' report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether such other information contained in these documents is properly stated.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a shole are free from material misstatement, whether due to fraud or error, and issue an auditors' report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually, or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objective also includes reporting on-

- Internal control over financial reporting and compliance with the provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards.*

- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditors' Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit will be conducted in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards,* we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards.* In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include tests of the physical existence of inventories (if material), and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures-Internal Controls

We will obtain an understanding of the entity and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Test of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards.*

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards,* and the Uniform Guidance.

Audit Procedures-Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Granville County's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards.*

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Granville County's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on Granville County's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal and State awards, and related notes of Granville County in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. We may also assist in preparing year end cash to accrual entries. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards.* We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. It is your responsibility to ensure that the trial balance is properly adjusted before providing it to us. If outside assistance is needed to assist with year-end close out entries, that service should be outsourced with another firm prior to providing us with a final trial balance.

You agree to assume all management responsibilities relating to the financial statements, schedules of expenditures of federal and State awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal and State awards, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Likewise, you will review and accept responsibility for any adjusting journal entries proposed. Further, you agree to oversee the nonaudit services by designating an individual, (Steve McNally), who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal and State awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal and State awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of the schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal and State awards; federal or State award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review by June 1, 2023.

You are responsible for identifying all federal and State awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal and State awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal and State awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal and State awards. You also agree to make the audited financial statements readily available to intended users of schedules of expenditures of federal and State awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal and State awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal and State awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and State awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information. With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

Engagement Administration, Fees, and Other

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing. We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If for whatever reason your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' report or nine months after the end of the audit period.

We will provide copies of our reports to the Board; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Thompson, Price, Scott, Adams & Co., P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request in a timely manner to Oversight Agencies (or its designee), a federal agency provided direct or indirect funding, or the U.S. Government Accounting Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Thompson, Price, Scott, Adams & Co., P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parities may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the federal cognizant agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

Alan Thompson is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit by approximately June 1, 2023, and to issue our reports no later than October 31, 2023. Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, should not exceed $44,900. Also, any excessive additional fees incurred in obtaining required audit evidence (i.e. bank confirmations) will be billed directly to the Board. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

If additional programs are required to be tested that have not been identified as major programs for testing in previous years, additional fees may be charged at standard hourly rates. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. However, we believe our contract as it is will be sufficient to cover but we do want to reserve the right to discuss this issue.

Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Commissioners and management of Granville County. We will make reference to the Component Auditor's audits of Granville Health System and Granville County ABC Board in our report on your financial statements. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement. If circumstances occur related to the condition of your records, the availability of sufficient appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to Granville County and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Alan W. Thompson

Alan W. Thompson, CPA
Thompson, Price, Scott, Adams & Co., P.A.

RESPONSE:

This letter correctly sets forth the understanding of Granville County.

Management signature: ______________________

Title: County Manager

Date: 6/14/23

Governance signature: ______________________

Title: Chair

Date: 6/13/23

CC: Board of Commissioners

AMENDMENT TO CONTRACT TO AUDIT ACCOUNTS

Whereas	Primary Government Unit GRANVILLE COUNTY
and	Discretely Presented Component Unit (DPCU) (if applicable)
and	Auditor THOMPSON, PRICE, SCOTT, ADAMS & CO, P.A.

entered into a contract in which the Auditor agreed to audit the accounts of the Primary Government Unit and DPCU (if applicable)

for Fiscal Year Ending 06/30/23 and originally to be submitted to the LGC on Date 10/31/23

hereby agree that it is now necessary that the contract be modified as follows.

☑ Modification to date submitted to LGC	Original date 10/31/23	Modified date 01/15/24
☐ Modification to fee	Original fee	Modified fee

Primary (choose 1)	Other (choose 0-2)	Reason(s) for Contract Amendment
○	☐	Change in scope
○	☐	Issue with unit staff/turnover
○	☐	Issue with auditor staff/workload
○	☐	Third-party financial statements not prepared by agreed-upon date
○	☐	Unit did not have bank reconciliations complete for the audit period
○	☐	Unit did not have reconciliations between subsidiary ledgers and general ledger complete
○	☐	Unit did not post previous years adjusting journal entries resulting in incorrect beginning balances in the general ledger
○	☐	Unit did not have information required for audit complete by the agreed-upon time
○	☐	Delay in component unit reports
○	☐	Software - implementation issue
○	☐	Software - system failure
○	☐	Software - ransomware/cyberattack
○	☐	Natural or other disaster
⦿	☐	Other (please explain)

Plan to Prevent Future Late Submissions

If the amendment is submitted to modify the date the audit will be submitted to the LGC, please indicate the steps the unit and auditor will take to prevent late filing of audits in subsequent years. Audits are due to the LGC four months after fiscal year end. Indicate NA if this is an amendment due to a change in cost only.

The County did not receive the OPEB report until 12/14/2023. The information will be provided timely in future years to avoid a delay in receive the actuarial report.

Additional Information

Please provide any additional explanation or details regarding the contract modification.

By their signatures on the following pages, the Auditor, the Primary Government Unit, and the DPCU (if applicable), agree to these modified terms.

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* THOMPSON, PRICE, SCOTT, ADAMS & CO, P.A.	
Authorized Firm Representative* (typed or printed) ALAN W. THOMPSON	Signature*
Date* 12/18/23	Email Address alanthompson@tpsacpas.com

GOVERNMENTAL UNIT

Governmental Unit* GRANVILLE COUNTY	
Date Primary Government Unit Governing Board Approved **Amended** Audit Contract* (If required by governing board policy)	
Mayor/Chairperson* (typed or printed)	Signature*
Date	Email Address

SIGN HERE

Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

ONLY REQUIRED IF FEES ARE MODIFIED IN THE AMENDED CONTRACT

(Pre-audit certificate not required for hospitals)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

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

Primary Governmental Unit Finance Officer*	Signature*
Date of Pre-Audit Certificate*	Email Address*

Granville County Administration
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To: Board of Commissioners
From: Debra Weary
Department: Administration
Date: January 2, 2024
Title: **Public Comments**

PURPOSE:
The Granville County Board of Commissioners is committed to allowing members of the public an opportunity to offer comments and suggestions for the efficient and effective administration of government.

Public comments are limited to 3 minutes.

ACTION TAKEN:

Granville County
Landfill
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Jason Falls
Department:	Landfill
Date:	January 2, 2024
Title:	**Scrap Metal/White Good Recycling Contract**

PURPOSE:
The purpose of this item is to consider and award a scrap metal recycling contract.

BACKGROUND:
County staff released a request for proposal (RFP) for scrap metal recycling services on October 9, 2023. Two, (2) bids were received, opened and publicly read aloud by staff in the presence of the Public Information Officer on November 20,2023. A committee comprised of the Public Information Officer, Internal Auditor and Solid Waste Director met on December 4, 2023 to review and evaluate each proposal based on the RFP criteria *"Method of Award"*. Upon discussion and evaluation of the proposals, the committee recommended award to Mike's Auto Salvage at the quoted rate of $100/gross ton. On average, the sale of scrap metal averages around $50,000/year.

The contract to be awarded is based on the American Metals Market which is a paid subscription to daily pricing of scrap metal for this region. This contract will be for three, (3) years with an option to extend services for two, (2) one-year periods. Attached is a draft copy of the agreement for review.

COMPLIANCE WITH CONTRACT & PURCHASING POLICY:
Pursuant to the *Granville County Contract Purchasing Policy (6/2022)*, this requested work is a service contract as detailed in *Section IV. Service and Lease Contracts*. Service Contracts may be awarded without solicitation pricing or bids in the price of goods or services. However, county staff has done their due diligence in securing competitive pricing, meeting legal/upper management requirements as well as a fair and equitable review of said bids.

FUNDING LINE ITEM:
All revenues will be directed to line item 60-3839-890

RECOMMENDATION:
Solid Waste Director and review committee recommends contracting with Mike's Auto Salvage at $100/gross ton.

ATTACHMENTS:
Draft Contract

ACTION TAKEN:

STATE OF NORTH CAROLINA

COUNTY OF GRANVILLE

AGREEMENT

THIS AGREEMENT (the "Agreement") is entered into and effective as of the date last signed by the parties below (the "Effective Date"), by and between **GRANVILLE COUNTY**, a body politic and corporate of the State of North Carolina (hereinafter referred to as the "County") and **MIKE'S AUTO SALVAGE, INC.,** a North Carolina corporation with its principal office located at 541 Industry Drive, Henderson, NC 27537 (hereinafter referred to as the "Contractor") and provides as follows:

W I T N E S S E T H:

WHEREAS, the County has identified Contractor as capable of performing those certain white good and scrap metal removal services at the Butner Material Management Facility located at 2796 Old Route Highway 75, Butner, NC 27507 and at the Oxford Construction and Demolition Landfill located at 6595 Landfill Road, Oxford, NC 27565 (the "Facilities"); and

WHEREAS, the parties wish to enter into a written agreement memorializing certain terms of the agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. THE SERVICES. County hereby retains Contractor to provide, and Contractor hereby agrees to render, those certain white good and scrap metal removal services more specifically described in the County's Request for Proposals for White Good/Scrap Metal Removal (RFP No. 23-315) dated October 9, 2023 attached hereto as **Exhibit A** and incorporated herein by reference (the "RFP") and the Contractor's bid submittal attached hereto as **Exhibit B** and incorporated herein by reference (the "Bid Submittal") (the services described in the RFP and the Bid Submittal are hereinafter referred to as the "Services").

2. FEES. The Contractor shall pay the County in accordance with the fee schedule set out in the RFP, which provides for payments to the County at the rate of $100.00 per gross ton (the "Contractor Service Payments"). Contractor Service Payments shall utilize the pricing index referenced in the RFP. Contractor further agrees and acknowledges that the price deduction set out in its Bid Submittal is for $100.00 per gross ton. The County provided tonnage information for the amount scrap metal and white goods that have been recycled and removed from the Facilities over the last four years. The parties agree and acknowledge that the foregoing is given only as estimate and does not guarantee, represent, or warrant in any manner whatsoever any minimum amount of scrap metal or white goods in any fiscal year. All Services described herein shall be provided by the Contractor at no cost or expense whatsoever to the County. Contractor's sole compensation

shall be derived from revenue generated by the removal of the items described in the RFP and Bid Submittal.

3. PAYMENT TERMS. Contractor shall pay the County monthly for all Contractor Service Payments due pursuant to the terms of this Agreement. Contractor shall provide the County a monthly statement (the "Monthly Statement") that shows, *inter alia*, the number of pounds for scrap metal and white goods collected by the Contractor at the Facilities pursuant to the terms of this Agreement. Contractor shall attach to its Monthly Statements copies of all weight tickets showing and accounting for the number of scrap metal and white goods collected by the Contractor for the given month. Monthly Statement shall include detailed information concerning the collection site, date of hauls, weight of scrap metal/load, as well as a total summary of total tonnages of scrap metal hauled, along with documentation sufficient to document and verify the AMM Shredded Auto Scrap Index for North Carolina/Virginia region, first edition of utilized for pricing for that particular month. Contractor shall submit all Monthly Statements and payments by mail to P.O. Box 906, Oxford, NC 27565 or by such other means or at such other address as the parties mutually shall agree. All Contractor Service Payments due to the County shall be paid by the 10th of the month following when Services were performed.

4. STANDARD OF CARE. Contractor shall complete the Services in a good and workmanlike manner in accordance with general industry standards.

5. TERM. The term of this Agreement shall be in effect for a term of three years from January 1, 2024 through December 31, 2027. This Agreement shall automatically renew for two (2) successive terms of one year each unless either party gives written notice of its intent to terminate this Agreement at least sixty (60) days prior to the end of the then current term.

6. TERMINATION. This Agreement may be terminated by either party upon thirty (30) days written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination. Upon such termination, the parties shall be entitled to such additional rights and remedies as may be allowed by relevant law. County shall have the right to terminate this Agreement at any time without cause so long as County is not in breach of any of its material obligations hereunder. County shall be compensated in full for any Contractor Service Payments owed by the Contractor under the terms herein.

7. INDEPENDENT CONTRACTOR. The parties agree that Contractor is rendering Services to the County as an independent contractor, not as an employee or agent. Nothing contained herein shall, or shall be construed to, create a partnership, joint venture, or any other relationship between the parties hereto. In Contractor's capacity as an independent contractor, Contractor shall file all required tax returns and reports, withhold and/or pay all required federal, state and local wage and employment related taxes, including, but not limited to, federal income taxes, social security taxes and unemployment taxes, with respect to the amounts, if any, paid to Contractor under this Agreement.

8. NO AGENCY. Contractor shall have no authority to contract for or on behalf of the County, to incur obligations or indebtedness for or on behalf of the County or in any way to bind the County.

9. INSURANCE. The Contractor shall purchase and maintain during the life of this Agreement, with an insurance company acceptable to the County, authorized to do business in the State of North Carolina, the following insurance:

AUTOMOBILE LIABILITY - Combined single limit of not less than $1,000,000 per accident. The automobile liability insurance coverage amounts may be satisfied with a combination of primary and excess/umbrella coverage.

COMMERCIAL GENERAL LIABILITY - Bodily injury and property damage liability shall protect the Contractor, and any sub-contractor performing Services under this contract, from claims of bodily injury or property damage which arise from operation of this contract, whether such operations are performed by Contractor, any sub-contractor, or anyone directly or indirectly employed by either. The amounts of such insurance shall not be less than $1,000,000 each occurrence/$2,000,000 aggregate. This insurance shall include coverage for products/completed operations, personal and advertising injury liability and contractual liability in an amount not less than $1,000,000 each occurrence/$2,000,000 aggregate. The liability insurance coverage amounts may be satisfied with a combination of primary and excess/umbrella coverage.

WORKERS' COMPENSATION - Meeting the statutory requirements of the State of North Carolina, even if not required by law to maintain such insurance. Said Workers' Compensation insurance shall have at least the following limits: Employers Liability - $500,000 per accident limit, $500,000 disease per policy limit, $500,000 disease each employee limit.

The County shall be an additional insured under the Automobile Liability and Commercial General Liability policies. Original certificates of such insurance will be furnished and shall contain the provision that the County will be given thirty (30) days written notice of any intent to amend or terminate by either the Contractor or the insuring company.

10. INDEMNIFICATION. Contractor agrees to protect, defend, indemnify and hold the County, its employees and elected and appointed officials harmless from any and all claims, demands, suits, liability, judgments and expenses arising out of or connected with the activities of the Contractor, Contractor's employees, agents, sub-contractors and anyone else working for or on behalf of Contractor arising out of or from the Services.

11. NOTICE. Any notice or other communication required or permitted under this Agreement shall be in writing and shall be deemed given as of (a) the date it is delivered by hand to the parties listed below; (b) the date three days following the date it is deposited in the mail, postage prepaid, return receipt requested, addressed to the parties listed below; or (c) the date three days following the date it is sent, shipping prepaid, return receipt requested, by a national courier service, addressed to the parties listed below:

COUNTY: Granville County
Attn: Drew Cummings, County Manager
P.O. Box 906 (mail)
104 Belle St. (delivery)
Oxford, NC 27565

With a copy to:

James C. Wrenn, Jr.
Smith, Anderson, Blount, Dorsett, Mitchell & Jernigan, L.L.P.
111 Gilliam Street (delivery)
P.O. Box 278 (mail)
Oxford, NC 27565

CONTRACTOR: Mike's Auto Salvage, Inc.
Attn: Michael T. Flynn, President
541 Industry Dr.
Henderson, NC 27537

12. EXPENSES. County shall not be liable to Contractor for any expenses paid or incurred by Contractor unless otherwise agreed in writing. The County is not responsible in any manner whatsoever for any dump or landfill fees or any other fees or costs for permits, labor, equipment, vehicles, supplies, or other similar expenses incurred by the Contractor in conjunction with these Services.

13. SUBCONTRACTORS. Contractor shall not use subcontractors for work related to the Services described herein without first providing reasonable notice to the County specifying the name and entity affiliation of any such subcontractors and obtaining advance written approval from the County, which the County may approve or disapprove in its sole and absolute discretion. All subcontractors shall be fully covered under Contractor's insurance. Contractor shall remain responsible for all obligations hereunder and County does not waive any rights that it may have to look solely to Contractor for any damages by agreeing to the terms of this Agreement.

14. NO ASSIGNMENT. Neither party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the other party.

15. NO THIRD-PARTY BENEFICIARIES. Except as herein specifically provided otherwise, this County shall inure to the benefit of and be binding upon the parties hereto and their respective successors. It is expressly understood and agreed that the enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to Contractor and the County. Nothing contained in this document shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of

Contractor and the County that any such person or entity, other than Contractor and the County, receiving services or benefits under this Agreement shall be deemed an incidental beneficiary only.

16. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof. This Agreement shall supersede, terminate and replace any prior agreements for these services entered into by the parties. This Agreement merges all prior discussions among the parties and no party shall be bound by conditions, definitions, warranties, understandings, or representations concerning such subject matter except as provided in this Agreement or as may be specified later in writing and signed by properly authorized representatives of the parties.

17. NO WAIVER. The failure of a party in any instance to insist upon the strict performance of the terms of this Agreement shall not be construed to be a waiver or relinquishment of any of the terms of this Agreement, either at the time of the party's failure to insist upon strict performance or at any time in the future, and such term or terms shall continue in full force and effect.

18. GOVERNING LAW: JURISDICTION; VENUE. The construction and performance of this Agreement shall be governed by and construed pursuant to the laws of the State of North Carolina. Venue for any legal actions initiated concerning this Agreement or arising in any way from and out of this Agreement shall be brought in the appropriate state court sitting in Granville County, North Carolina, having jurisdiction over said claim. The parties waive any right they may have to venue in any other jurisdiction.

19. SEVERABILITY. Each clause of this Agreement is a distinct and severable clause; and if any clause is deemed illegal, void or unenforceable, the validity, legality and/or enforceability of the remaining clauses or portion of this Agreement shall not be affected thereby.

20. FORCE MAJEURE. If any party shall be delayed or prevented from the performance of any act required by this Agreement by reason of acts of God; strikes, lockouts, labor troubles, inability to procure materials or other cause, without fault and beyond the reasonable control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

21. INTERPRETATION. Neither party shall be considered the drafter of this Agreement. No provision shall be interpreted for or against either party because that party or that party's legal representative drafted such provision.

22. AMENDMENT. Any amendment to this Agreement shall be in writing and duly executed by appropriate representatives of each of the parties.

23. VOLUNTARY EXECUTION. By signing below the parties hereto certify that they have read the entire contents of this Agreement; have individually been afforded sufficient opportunity to obtain independent legal advice prior to executing this Agreement; fully understand the provisions set forth

in this Agreement and acknowledge that each term, condition and provision is fair and reasonable; and, that each party has received a signed copy of this Agreement.

24. COUNTERPARTS. To facilitate execution, this Agreement may be executed by handwritten signing or by electronically transmitted facsimile of such signing, either of which shall create a validly executed document, in as many counterparts as may be required.

25. E-VERIFY. Contractor warrants that it is and shall at all times remain in compliance with the "E-Verify" provisions of Article 2, Chapter 64 of the North Carolina General Statutes. Further, Contractor shall require that all sub-Contractors providing services related to this Agreement be and remain in compliance with Article 2, Chapter 64 of the North Carolina General Statutes. Failure to meet the requirements of this subsection shall be an event of default hereunder.

26. RESTRICTED COMPANIES LISTS. Contractor represents that as of the date of this Agreement, Contractor is not included on the Final Divestment List created by the North Carolina State Treasurer pursuant to N.C. Gen. Stat. § 147-86.58. Contractor also represents that as of the date of this Agreement, Contractor is not included on the list of restricted companies determined to be engaged in a boycott of Israel created by the North Carolina State Treasurer pursuant to N.C. Gen. Stat. § 147-86.81.

27. CONFLICT. In the event that the terms of this Agreement and the RFP and Bid Submittal conflict, this Agreement shall control.

IN WITNESS WHEREOF, the parties have entered into this Agreement the day and year first above written.

[REMAINDER INTENTIONALLY LEFT BLANK; SIGNATURES TO FOLLOW]

Attest: **GRANVILLE COUNTY**

__________________________________ By: _______________________________________

Debra A. Weary, Clerk Drew Cummings, County Manager

Date: ______________________________________

MIKE'S AUTO SALVAGE, INC.

By: _______________________________________

Michael T. Flynn, President

Date: ______________________________________

PRE-AUDIT CERTIFICATION

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

____

Stephen M. McNally
Finance Director, County of Granville

EXHIBIT "A"

[RFP]

EXHIBIT "B"

[Contractor's Bid Submittal]

Granville County
Development Services
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Scott Phillips
Department:	Development Services
Date:	January 2, 2024
Title:	**Interior Alterations - Berea Branch Library**

PURPOSE:
This request considers awarding a fixed-price construction service contract needed for the planned interior alterations of space within the Berea Branch Library.

BACKGROUND:
The Granville County Library System has expressed the need to convert approximately 200 square feet of storage space into an administrative office and small meeting space. This work was planned during the fiscal year 2022-2023 and $25,000.00 budgeted for construction this fiscal year.

In response to this work bids were received November 27th with the following results.

- Paul Williford Builder, LLC $23,600.00
- Vance Construction Co. $27,357.00
- DB Williams Construction Co No Bid
- Mark Hicks Builder No Bid

COMPLIANCE WITH CONTRACT & PURCHASING POLICY:
This request complies Section II, Informal Bids (NCGS 143-131)

FUNDING LINE ITEM:
2023-24 fiscal year funding can accommodate this request.

RECOMMENDATION:
The Development Services Director recommends awarding the fixed-price construction services contract to Paul Williford Builder, LLC for an amount not exceeding $23,600.00 unless authorized by an approved change order.

ATTACHMENTS:
Estimate_1947_from_Paul_Williford_Builder_LLC
RFP for Interior Alterations
Agenda for January 2, 2024 - Interior Alterations for Berea Library

ACTION TAKEN:

Paul Williford Builder, LLC
4600 Fielding Knott Rd
Oxford, NC US
+91 94173560
paul@paulwillifordbuilder.com

Estimate

ADDRESS
Scott Phillips
Granville County

ESTIMATE # 1947
DATE 11/27/2023
EXPIRATION DATE 12/31/2023

ACTIVITY	QTY	RATE	AMOUNT
REPAIR TERMITE DAMAGE			
INSTALL FURRING , WALL INSULATION, 5/8 GYPSUM BOARD			
FRAME CEILING, INSULATE, 5/8 GYPSUM			
FINISH GYPSUM, 1 COAT PRIMER, 2 COATS LATEX EGGSHELL INTERIOR ON WALLS, SEMIGLOSS ON TRIM			
INSTALL CARPET (MOHAWK GROUP NEW BASIC III BROADLOOM AND VINYL BASE			
INSTALL 3 SURFACE MOUNT 2X2 LED BOX LIGHTS, SPEC MODEL 2FEP38L835-2-DS-UNV-DIM			
INSTALL MINI SPLIT 3/4 TON OR BETTER, TRANE, MITSUBISHI OR EQUIVALENT			
Sales ELECTRICAL ALLOWANCE			2,500.00
Sales LABOR AND MATERIAL			21,100.00
INCLUDES PERMITS			

BEREA BRANCH LIBRARY — TOTAL **$23,600.00**

Accepted By

Accepted Date

We appreciate your business!

REQUEST FOR PROPOSALS

Interior Alterations

Berea Branch Library / Berea, NC

Purpose and Introduction

The purpose of this request is for Granville County to receive fixed-price price proposals from qualified firms capable of providing the County with services noted within this document.

Project Area Description

The Berea Branch Library is located at 1211 Hwy 158 in Berea, NC. Located within the space is a storage room that the County would like to convert to office space. The space is 9’ 8” x 24’ 5” with a 12’ ceiling height and unconditioned. The electrical rough-in for the room was recently completed; however, no permits were obtained, and some modification may be needed to accommodate the room’s function.

The hours of operation for the library are Tuesday 9am – 3pm; Thursday 1pm – 7pm; and Friday 9am – 3pm.

Scope of Services

1. Repair minor termite damage to wall studs located on the rear right corner of the room.
2. Provide furring on all walls, along with wall insulation and 5/8” thick gypsum board.
3. Provide a framed ceiling, along with ceiling insulation and 5/8” thick gypsum board; the new ceiling height will be 10’.
4. Finish gypsum board walls and ceiling and apply one coat primer and two coats latex paint. Paint wood trim the same. Walls / Eggshell – Wood Trim / Semigloss
5. Provide carpet flooring and vinyl base. Carpet to be equal to Mohawk Group New Basics III / Broadloom.
6. Provide three 2x2 surface-mounted LED box lighting fixtures similar to Day-Bright / Signify Model 2FEP38L835-2-DS-UNV-DIM.
7. Provide mini-split heating and cooling unit; 3/4 TN capacity. Mitsubishi, Trane or equivalent.

Bidder to include $2500 allowance for any electrical wiring modifications needed to the existing.

The Contractor is required to provide any necessary details to apply / obtain all permits needed for the work.

Price Submittal Deadline

Fixed-price bid submittals are required no later than **5:00 PM on Monday, November 27, 2023.**

Bid submittals can be issued via. email at the below contact email address, or hand delivered to 122 Williamsboro Street, Oxford, NC.

Contact Person

To schedule a site review, or if there are questions regarding this request please contact:

Scott Phillips, Granville County Development Services Director

PO Box 877, Oxford, NC 27565

Scott.phillips@granvillecounty.org

(919) 603-1425

Insurances Required

Granville County requires the following insurances:

Commercial Comprehensive Liability Insurance: Limits of not less than $1,000,000 per occurrence and $2,000,000 aggregate.

Commercial Automobile Liability: Limits of not less than $1,000,000 per accident for bodily injury and property damage applicable to any vehicle used during the performance of services, including coverage for owned, hired, and non-owned vehicles.

Workers' Compensation Insurance: Limits for coverage A; Statutory for State of North Carolina, and coverage B; Employers Liability $500,000 each accident / disease each employee / disease policy limit.

The awarded applicant must file with the County Certificates of Insurance prior to commencement of work evidencing the County as the certificate holder and as additionally insured.

All insurance companies must be authorized to do business in North Carolina and have an AM Best rating of "A-/VII" or better; or have reasonable equivalent financial strength to the satisfaction of Granville County's Finance Department. If any required insurance policy expires during the term of this Agreement, Proposer must provide a certificate of insurance to the Granville County Finance Department as evidence of policy renewal prior to such policy expiration. Proposer shall be responsible for providing the Granville County Finance Department with 30-day notice of insurance policy cancellation or non-renewal during the term of this Agreement and for three years subsequent for any claims made coverage.

Interior Alterations for the Berea Branch Library

1

Interior Alterations for Berea Branch Library

- Convert approximately 200 square feet of storage space into administrative office / small meeting room.
- Work has been planned and budgeted for FY 2023-2024
- Request for Proposals issued with bids received November 27th

2

Interior Alterations for Berea Branch Library

Recommendation: The Development Services Director recommends awarding the fixed-price construction services contract to Paul Williford Builder LLC for an amount not to exceed $23,600.00 unless authorized by an approved change order.

Interior Alterations for Berea Library | Development Services | January 2, 2024

3

Questions?

4

Granville County
Emergency Management
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Jason Reavis
Department:	Emergency Management
Date:	January 2, 2024
Title:	**Part-Time Fire Fighter Staffing**

PURPOSE:
To consider changes to the Part-Time Fire Fighter Staffing Plan.

BACKGROUND:
Recently the 12 Volunteer Fire Departments in Granville County have started providing a paid firefighter in the department Monday-Friday for 10 hours during the daytime hours. Some of the Volunteer Fire Departments have yet to get this up and going. The ones that have started providing this service have found it difficult to cover all the days. They have requested to the Fire Commission that they be allowed to employ two firefighters on days when they have had a lapse in coverage in the same week. By doing this, it would allow them to perform some of the tasks that one person alone cannot perform safely.

At the November 27th Fire Commission meeting, it was unanimously voted to allow each of the 12 Volunteer Fire Departments:

- Up to 50 hours of staffing each week. (up to 10 hr. days / still only M-F daytime hours)
- Up to 2 firefighters per day, but only if another day is not covered in the same week.
- Will be re-evaluated on 4/22/2024 by the Fire Commission

RECOMMENDATION:
The Granville County Fire Commission as well as the Emergency Management Director recommends changing the staffing plan of the part time firefighters in Granville County not to exceed 2 firefighters in each day, 50 hours max per week, and Monday – Friday during daytime hours. This will also be re-evaluated on 4/22/2024 by the Fire Commission.

FUNDING:
None

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	January 2, 2024
Title:	**Butner Board of Adjustment - ETJ**

PURPOSE:
To make appointments/reappointments to the Butner Board of Adjustment-Extraterritorial members.

BACKGROUND:
The terms of Mike Arrington and Mark Pennington expired in December. Mr. Pennington would like to be reappointed.

Others serving: Vacant
Vacant

ACTION TAKEN:

Granville County
Administration
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	January 2, 2024
Title:	**Granville County Citizens Advisory Committee for Environmental Affairs**

PURPOSE:
To make appointments and/or reappointments to the Granville County Citizens Advisory Committee for Environmental Affairs.

BACKGROUND:
The Environmental Affairs Committee shall have the power to investigate, publicize and report to the Board of Commissioners any activities in Granville County involving threat to any land, water or air resources which are found by the Board to endanger or threaten to endanger the persons and property of citizens of the County. The Board shall serve as the "Eyes and Ears of the Board of Commissioners on any environmental issues."

The terms of Steve Timberlake (District 2), Joe Ostby (District 3), Chad McHenry (District 4), Mike Wood (District 7 appointed by District 6), Judy Cheek (District 7), and David Hinton (Ex-Officio, District 2) expire in January. Mr. Timberlake, Mr. Ostby and Mr. Hinton are not eligible for reappointment. Mr. McHenry and Mrs. Cheek have resigned.

Others serving:	Neil Gresham	District 1
	Vacant	District 2
	Vacant	District 3
	Vacant	District 4
	Blaine Holmes	District 5
	Vacant	District 6
	Vacant	Ex-Officio
	Jason Falls	Staff Representative
	Zelodis Jay	Commissioner
	Byron Currin	Ex-Officio-Soil and Water

ACTION TAKEN:

Granville County Administration
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	January 2, 2024
Title:	**Granville County Library System Board of Trustees**

PURPOSE:
To make an appointment to the Granville County Library System Board of Trustees.

BACKGROUND:
The function and duties of the Board of Trustees of the Granville County Library System are those as set forth in the General Statutes of the State of North Carolina. They include, but are not limited to, the appointment of a Director of Libraries, the adoption of policies, rules and regulations for the governance of the library in the best interest of the citizens of the community, the authorization of sound fiscal policies and the adoption, and amendment as needed, of the annual budget. As citizens, they advise the Library administration on services to fulfill the library needs of the community, represent the Library to the community and advance support of the Library among funding authorities.

The terms of Karen Alley (District 7 appointed by 3) and Amy Wester (District 6) expire in January. They are both eligible for reappointment.

Others serving:	Lynn Allred	District 1
	Byron Goff	District 2
	Vacant	District 3
	Juanita Rogers	District 4
	Anne Payne	District 5
	Vacant	District 6
	Teresa Walker	District 7

ACTION TAKEN:

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	January 2, 2024
Title:	**Granville-Vance District Board of Health**

PURPOSE:

The terms of Dr. Dianne Kapherr (Pharmacist-District 5 appointed by District 6), Sharon Pittman (At-Large-District 1), Carolyn White (At-Large-District 2) and Dr. Bridget Waters (Veterinarian appointed by District 2) expire in January. Mrs. Pittman, Ms. White and Dr. Waters are eligible for reappointment. Dr. Kapherr has served three consecutive terms. She serves in the pharmacist position and can be reappointed if another pharmacist is not found to fill the position.

BACKGROUND:

A district board of health shall be the policy-making, rule-making, and adjudicatory body for a district health department.

The County Board of Commissioners of each County in the district shall appoint one county commissioner to the district board of health. The county commissioner members of the district board of health shall appoint the other members of the board, including at least one physician licensed to practice medicine in this State, one licensed dentist, one licensed optometrist, one licensed veterinarian, one registered nurse, one engineer and one licensed pharmacist. The composition of the board shall reasonably reflect the population make-up of the entire district and provide equitable district-wide representation. All members shall be residents of the district.

Others serving:	Zelodis Jay	Commissioner
	Dr. Robert Currin	Optometrist appointed by District 2
	Melissa Gillespie	Engineer appointed by District 2
	Amy Jacobs	At-Large appointed by District 3
	Dr. Peter Johnson	At-Large appointed by District 5

ACTION TAKEN:

Granville County
Senior Services
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	January 2, 2024
Title:	**Senior Services Advisory Committee**

PURPOSE:
To make an appointments/reappointments to the Senior Services Advisory Committee.

BACKGROUND:
The Senior Services Advisory Committee will develop policy, advise of appropriate actions and make recommendations to the County Commissioners. Advisory Committee members shall be appointed by the Board of County Commissioners and there shall be at least one representative from each area of the County including Oxford, Stovall/Bullock, Antioch, Oak Hill, Butner/Creedmoor, and Stem.

The terms of Betty Crews (District 2), David Smith (District 2), Laverta Cooper (District 4), Carol Jo Harris (District 5), and Richard Lyon (District 7 appointed by District 6) expire in January. Ms. Crews and Mrs. Cooper are not eligible for reappointment. JoAnn Deshane (District 5 appointed by 3) has resigned and needs to be replaced.

Others serving:	Leroy Anderson	District 1
	Bessie Bailey	District 1
	Hattie Jean Overton	District 2
	Vacant	District 2
	Vacant	District 2
	Vacant	District 3
	Dorothy Lyon	District 4
	Vacant	District 4
	Harriet Morton	District 4
	Vacant	District 5
	Vacant	District 6
	Vickie Smoak	District 7
	Jimmy Gooch	Commissioner

ACTION TAKEN:

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Korena Weichel, Deputy County Manager
Department:	Administration
Date:	January 2, 2024
Title:	**Broadband Partnership Agreement with NCDIT and Spectrum**

PURPOSE:

To approve a Completing Access to Broadband (CAB) partnership agreement with the North Carolina Department of Information Technology (NCDIT) and Spectrum Southeast, LLC.

BACKGROUND:

Spectrum's broadband partnership application with Granville County has been selected to receive an award through the CAB program using the same requirements and contracts as the Growing Rural Economies with Access to Technology (GREAT) program.

Spectrum will receive the maximum allowable funding of $4M from NCDIT for this project along with Granville County's contribution of $10,000. The project will deliver high speed fiber internet connection to 1,530 locations (1,510 residential and 20 business locations) for a total project cost of $11.9M.

In May 2023, the Board of Commissioners approved a separate GREAT grant partnership agreement with NCDIT and Brightspeed for approximately 1,914 locations, bringing the total Granville County broadband locations utilizing the state's grant award programs to almost 3,500. The grant requires completion of the project within two years of the agreement execution date.

Under the GREAT program constraints, eligible project areas include only those *unserved* with broadband at speeds of 25 Mbps download and 3 Mbps upload. Future CAB program funding will provide funds for infrastructure builds to unserved and underserved areas with unserved locations prioritized.

The contract provided in this agenda item outlines the terms of the agreement between NC DIT and Spectrum, establishes NCDIT's monitoring responsibilities, and the process for payment of Granville County's $10,000 in matching funds on a reimbursement basis (Exhibit J, page 67).

County residents can view a map of award locations and input their address to see if their business or residence is included in the project at www.nconemap.gov/pages/broadband.

FUNDING:

Funding was previously committed utilizing the infrastructure category from the County's American Rescue Plan Act (ARPA) allocation. Upon execution of this agreement, the County will have approximately $391K ARPA funds remaining for future broadband projects.

RECOMMENDATION:

County administration recommends authorizing the County Manager to execute Grant Agreement #2000072587 between NC DIT, Spectrum Southeast, LLC, and Granville County and to allocate $10,000 in funding from its American Rescue Plan Act (ARPA) funds.

ATTACHMENTS:

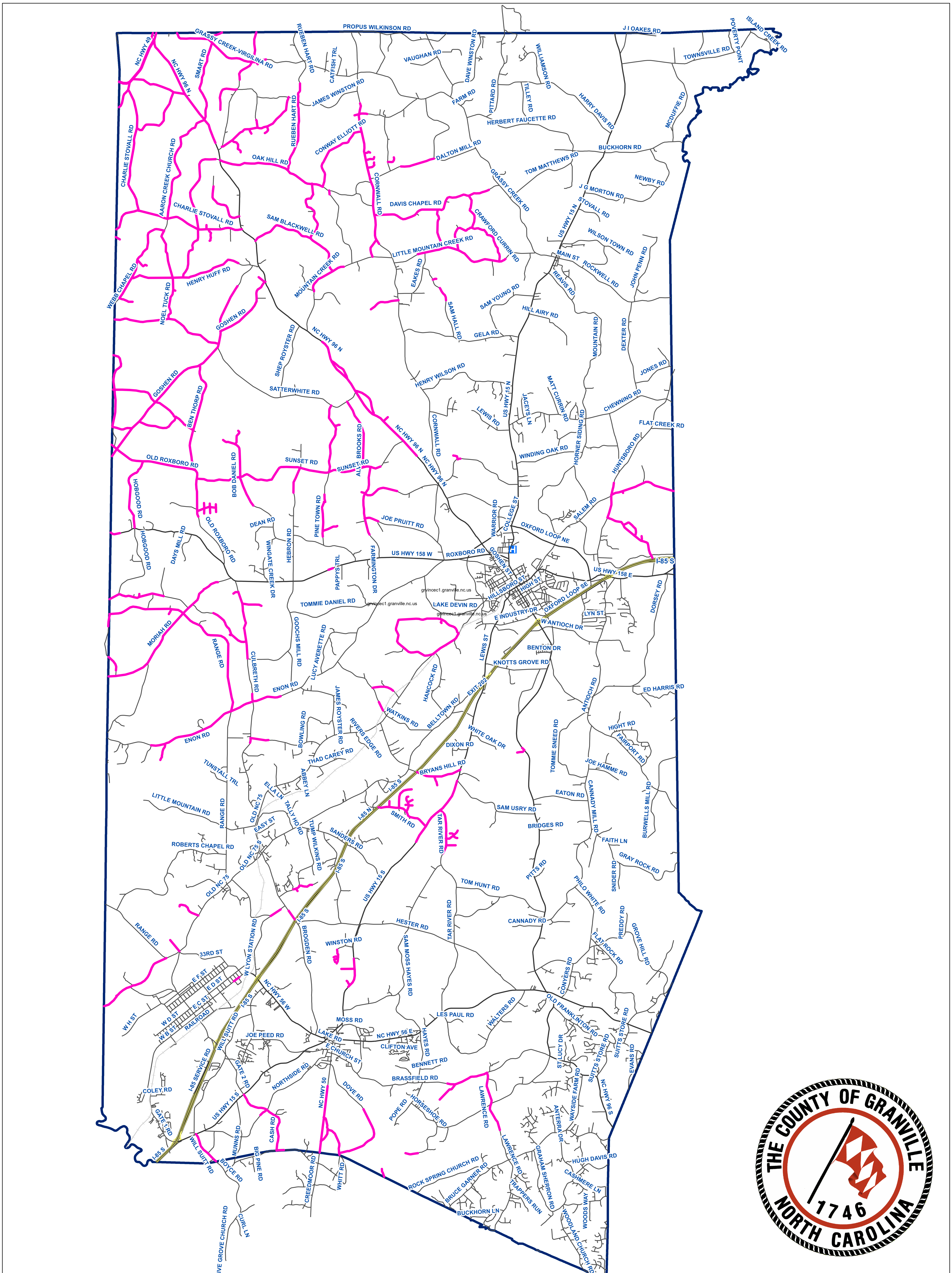
Spectrum Project Map
Grant Agreement #2000072587 with NC DIT and Spectrum Southeast, LLC

ACTION TAKEN:

Upcoming Granville County Broadband Projects

Spectrum (dba Charter Communications) Project

Completing Access to Broadband (CAB) Program Award for Unfunded GREAT Grant Project



To view specific address points for this project, visit the State of North Carolina's OneMap site at https://www.nconemap.gov/pages/broadband

Scroll down to the map view, filter by County and click on the individual pins.

NCDIT NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

Roy Cooper
Governor

James A. Weaver
Secretary and State Chief Information Officer

December 11, 2023

Paul Woelk, Senior Vice President, Cable Operations
Spectrum Southeast, LLC
400 Washington Blvd.
Stamford, CT 6902

Drew Cummings, County Manager
Granville County
Post Office Box 906
Oxford, NC 27565

Re: Grant Agreement for Application #1000014060 (Grant Agreement # 2000072587)
Your Signature and Reply is Requested
Project Title: 2022 NC GREAT - Granville County Project
Unique Entity Identifier in SAM.gov: FKP2W71T9GK7

Dear Mr. Woelk:

Thank you again for your participation in the GREAT American Rescue Plan Act Round and congratulations on your award, which is being funded by the Completing Access to Broadband (CAB) Fund. Attached for your review and signature is the contract document required to establish the agreement for the award with the North Carolina Department of Information Technology. NCDIT funding will be provided on a reimbursement basis. NCDIT's portion of this project is funded with a federal award from the U.S. Department of the Treasury to the State of North Carolina dated March 3, 2021 (Assistance Listing Number 21.027, Coronavirus State and Local Fiscal Recovery Funds).

Below is a description of the documents enclosed along with an explanation of the signatures required for each document. The authorized representative from your company and county should execute this agreement via AdobeSign no later than December 28, 2023.

Document:	Document Description:	Signed By:
Agreement	Contract: Outlines the terms of the Agreement between NCDIT and the Grantee.	Authorized Representative for the Grantee
Exhibit A	NCDIT and County disclosures required by 2 C.F.R. 200.332 and 09 NCAC 03M.	No Signature Required

STATE OF NORTH CAROLINA
COUNTY OF WAKE

Agreement # 2000072587

Growing Rural Economies with Access to Technology Agreement
NCDIT Broadband Infrastructure Office Program

Exhibit B	Scope of Services: Outlines the scope of the construction project, including the Project Budget	No Signature Required
Exhibit C	Project Milestones: Outlines the schedule and contents of reports that are due from the Grantee to NCDIT.	No Signature Required
Exhibit D	Reporting Schedule for Progress Reports	No Signature Required
Exhibit E	Progress Report Template: Provides a template document for the Grantee to submit progress reports, including spending to date	No Signature Required
Exhibit F	Payment Process: Outlines the process for the Grantee to request reimbursements from NCDIT.	No Signature Required
Exhibit G	Byrd Anti-Lobbying Certification	Authorized Representative for the Grantee
Exhibit H	Key Personnel of the Grantee	No Signature Required
Exhibit I: Mapping Files	Data file (cvs) and map that identifies eligible locations for the grant project.	No Signature Required
Exhibit J: County Match (Financial)	Process for payment of County matching funds	Signed by Authorized Representative for County and Grantee
Exhibit K: County Match (Infrastructure)	Description of County's contribution of infrastructure	Signed by Authorized Representative for County and Grantee

If you have any questions regarding the enclosed documents, please contact me at greatgrant@nc.gov.

Sincerely,

George T. Collier

George T. Collier, Deputy Director
Broadband Infrastructure Office
NC Department of Information Technology

Enclosures

STATE OF NORTH CAROLINA **Agreement # 2000072587**
COUNTY OF WAKE

Growing Rural Economies with Access to Technology Agreement
NCDIT Broadband Infrastructure Office Program

Table of Contents

STATE OF NORTH CAROLINA **Agreement # 2000072587**
COUNTY OF WAKE

Growing Rural Economies with Access to Technology Agreement
NCDIT Broadband Infrastructure Office Program

STATE OF NORTH CAROLINA **Agreement #2000072587**
COUNTY OF WAKE

Growing Rural Economies with Access to Technology Agreement
NCDIT Broadband Infrastructure Office Program

Article 1. Overview.

Section 1.1. Parties. The North Carolina Department of Information Technology ("**NCDIT**"), an agency of the State of North Carolina ("**State**") and **Granville County** (the "County") (NCDIT and the County are hereinafter collectively referred to as "Grantors") enter into this grant agreement ("**Agreement**" or "**Contract**") with the **Spectrum Southeast, LLC** (the "**Grantee**"). Together, Grantors and Grantee are hereinafter collectively referred to as the "**Parties**" or each individually as a "Party".

Section 1.2. Roles. For the purposes of this Agreement, NCDIT is a recipient and a pass-through entity for the U.S. Department of the Treasury, and the Grantee is a subrecipient, as defined by 2 C.F.R. 200.1. If the County is using federal funds for the project described herein, then pursuant to 2 C.F.R. 200.1 it is also a recipient and a pass-through entity for the purposes of this Agreement, unless those funds are categorized as revenue replacement funds, in which case the County is a recipient.

Section 1.3. Purpose. The purpose of this Agreement is to establish the terms and conditions for the use funds that Grantors have awarded to the Grantee to carry out the State's Growing Rural Economies with Access to Technology ("**GREAT**") program. Grantors awarded this funding: (1) based on the application filed by the Grantee and any subsequent materials supporting the application; (2) based on GREAT Program guidelines and other requirements and guidelines; and (3) for the deployment of broadband infrastructure to provide the locations identified in this Agreement with at least 100 megabits per second download and 100 megabits per second upload speeds by December 31, 2026, as described in the application (the "**Project**").

Section 1.4. Source of Funding. The State received State Fiscal Recovery Funds ("**SFRF**") pursuant to Section 602 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2, as amended ("**ARPA**"). Broadband infrastructure projects are an eligible use of SFRF funds (87 Fed. Reg., 4339 Jan. 27, 2022), and NCDIT intends to pay for the cost of this Project using a portion of the $400,000,000 in SFRF funds appropriated to NCDIT by the North Carolina General Assembly for the Completing Access to Broadband ("**CAB**") program (Federal Award Identification Number SLFRP0129, Assistance Listing Number 21.027). Both the CAB authorizing statute (N.C.G.S. §143B-1373.1) and the **GREAT** authorizing statute (N.C.G.S. §143B-1373) allow fund from the **CAB** program to be used to fund a project applied for but not awarded under the **GREAT** program. See N.C.G.S. §143B-1373.1(c) and N.C.G.S. §143B-1373(i).

Section 1.5. Compliance. The Parties to this Agreement are subject to state and federal statutes, rules, and regulations applicable to this Agreement, including but not limited to: Section 602 of the Social Security Act; the Uniform Guidance of the Office of Management and Budget (2 C.F.R. Part 200); the SFRF and ARPA rules and regulations issued by the U.S. Department of the Treasury, (including the SFRF Final Rule at 87 Fed. Reg. 4338, Jan. 27, 2022, to be codified at 31

C.F.R. Part 35); N.C.G.S. §143B-1373 and any relevant amendments, including but not limited to S.L. 2021-180, Section 38.4 and its subsequent amendments and technical changes (the "**GREAT statutes**"); the Uniform Administration of State Awards of Financial Assistance (09 NCAC 03M); and the award agreement between the State of North Carolina and the U.S. Department of the Treasury. Neither NCDIT nor the County shall make any distributions of funds absent the Grantee's agreement and adherence to each term and condition contained herein. To the extent that the North Carolina General Assembly, after the Effective Date of this Agreement, enacts legislation that retroactively impacts the Project, the Parties shall have the right to amend this Agreement in accordance with those laws. Grantee also agrees to abide by additional guidance from the U.S. Department of the Treasury regarding the applicability of certain provisions of 2.C.F.R. Part 200. Nothing in this Agreement waives, excuses, or amends requirements imposed by State or Federal law for the administration of these funds.

Section 1.6. Disclosures. Federal regulations, specifically 2 C.F.R. 332 require Grantors to provide the Grantee with specific information about this award. All required information, along with state disclosures required by 09 N.C.A.C. 03M, is listed in Exhibit A, "NCDIT Disclosures".

Section 1.7. Term of Agreement. The effective period of this Agreement shall commence on December 11, 2023 ("**Effective Date**") and shall terminate on December 11, 2028, unless terminated on an earlier date by any of the Parties in accordance with the terms of this Agreement (either one of which dates shall constitute the "**Termination Date**").

Section 1.8. Construction Period. The Construction Period is the time from the execution of this Agreement to the time that service is available to locations identified in Exhibit B "Scope of Services" and shall not extend beyond two years, subject to the provisions of Section 2.4.

Section 1.9. Maintenance Period. The Maintenance Period begins on the expiration date of the Construction Period and shall continue until the Termination Date. Broadband service at or above the minimum speeds must be continually made available to the locations specified in Exhibit B through the Maintenance Period until the Termination Date of this Agreement.

Article 2. Scope of Funded Activities.

Section 2.1. Scope of Project. The scope of the Project covered by this Agreement is set out in the Scope of Services, attached hereto as Exhibit B, which includes the project budget ("**Project Budget**"). The Grantee shall perform all services described in Exhibit B ("**Covered Services**").

a. **Reliance by NCDIT.** The Application filed by the Grantee and any subsequent materials submitted to NCDIT supporting the Application, which have been relied upon by NCDIT in awarding this funding, are incorporated by reference into this Agreement.

b. **GREAT Program Guidelines.** NCDIT policy related to the performance of this Project is set out in the GREAT Program guidelines, which may be amended, modified, or supplemented and applied accordingly to this Agreement by NCDIT in its sole discretion. Guidelines and other documentation are available at https://www.ncbroadband.gov/funding-programs/great-grant-federal/great-grant-2021-2022/great-grant-management-documents-federal

Section 2.2. NCDIT Funding and Administrative Expenses.

a. **GREAT Award.** NCDIT awards to the Grantee an amount not to exceed $4,000,000.00 for infrastructure costs directly relating to the Project ("**GREAT Award**"). If NCDIT determines that the actual costs of the Project are less than the Project budget amount, NCDIT, in its discretion, may reduce the amount of the GREAT Award funding accordingly.

b. **Total Funding.** The total GREAT Award funding for the Project, including the sources of the funds and the percentages of each source are set forth in Exhibit B.

c. **Eligible Expenditures.** Pursuant to N.C.G.S. § 143B-1373(b), eligible expenditures for the Project are limited to infrastructure costs as defined in N.C.G.S. § 143B-1373(a)(9), which are costs directly related to the construction of broadband infrastructure for the extension of broadband service for an eligible project, including ("**Eligible Expenditures**"):

1. Installation;
2. Acquiring or updating easements;
3. Equipment;
4. Fiber;
5. Construction;
6. Backhaul infrastructure directed at broadband service to the end user;
7. Testing costs;
8. Engineering costs; and
9. Costs associated with securing a lease to locate or collocate infrastructure on public or private property or structures, but not including the actual monthly lease payment.

d. **Expenditure Reimbursement.** Eligible Expenditures incurred since the date of the award in anticipation of this Project may be reimbursed, subject to the Grantee's submission to NCDIT of documentation sufficient to support such request for reimbursement and NCDIT's approval of such request.

e. **Materials Reimbursement.** Eligible Expenditures for materials incurred since March 3, 2021 in anticipation of this Project may be reimbursed, subject to the Grantee's submission to NCDIT of documentation sufficient to support such request for reimbursement and NCDIT's approval of such request.

f. **Non-Eligible Expenditures.** Without limitation and as determined by NCDIT in its sole discretion, the following expenditures are not eligible for GREAT Award funding and should **not** be submitted to NCDIT for reimbursement or credited by the Grantee toward its Cash Match requirement under Section 2.4.e.1 below:

1. Middle mile, backhaul, and other similar projects not directed at broadband service for end users;
2. Overhead expenses;
3. Administrative costs;
4. Lease payments; or
5. Expenditures related to areas where the Grantee has been designated to receive funds through other State or federally funded programs designed specifically for broadband deployment, if such funding is intended to result in construction of broadband in the area with eighteen (18) months or for the duration of the federal funding program for that area, or if the Grantee is otherwise in good standing with the funding agency's regulations governing the funding program.

Section 2.3. County Partnership. The County has the authority to provide a grant to the Grantee for the purpose of this Project pursuant to N.C.G.S. § 153A-459. The County is also authorized to enter into a partnership the Grantee pursuant to N.C.G.S. §143B-1373(11a)(b) and §143B-1373(g)(1)(as amended by S.L. 2021-180, Section 38.4(a)(8)). The terms and conditions of the County's partnership agreement with Provider are set out in this Agreement. The County contribution to the partnership shall be in the form of either a financial match or an infrastructure contribution as described in this Section ("County Partnership"). By signing this Agreement, the County and the Grantee each certify that a partnership exists between them for the purpose of the Project.

a. **Financial Match.** The County will provide a matching financial contribution for the Project in an amount up to fifty percent of the amount contributed by the Grantee as set forth in Section 2.4.e.1 of this Agreement. Any county providing a financial match may use unrestricted general funds or federal ARPA funds allocated to it for the purpose of improving broadband infrastructure. If the County uses federal ARPA funds, it will comply with all relevant reporting requirements governing the use of ARPA funds. The County and the Grantee shall comply with the process and requirements set forth in Exhibit J, "Process for Payment of County matching funds".

b. **Infrastructure Contribution.** If the County provides a contribution in the form of infrastructure for the Project, it shall comply with the requirements set forth in Exhibit K, "Description of County's contribution of infrastructure". The Grantee shall be required to execute Exhibit K prior to the disbursement or use of any infrastructure.

2.4. Grantee Duties.

a. Broadband Access and Speeds.

1. The Grantee shall deploy infrastructure to the approved locations required by the Grant Agreement and, upon completion of construction, shall offer to those Locations the minimum download and upload speeds identified in the Grantee's application as the base speed multiplier. The base speed multiplier chosen by the Grantee is the minimum speed made available to all Locations in the grant project and must be scalable to 100 Mbps symmetrical by December 31, 2026.

2. The Grantee shall provide to Grantors evidence consistent with the Federal Communications Commission attestation that the Grantee is providing access and making available the proposed speed, or a faster speed, to the targeted address points ("**Locations**") as described in Exhibit B to this Agreement. For the purposes of this Agreement, broadband access is considered available if the Internet carrier can provide broadband service to a Location immediately or within ten (10) business days upon request and without cost to the customer other than standard connection fees.

3. If applicable, the Grantee shall disclose to Grantors any changes to data caps for the Project that differ from the data caps listed in the Application. For the purposes of this Agreement, "data caps" are the limits imposed by broadband service providers on the total amount of data a user can download or upload during a specified period.

b. Records.

1. The Grantee shall maintain full, accurate, and verifiable financial records, supporting documents and all other pertinent data for the Project in such a manner as to clearly identify and document the expenditure of the funds provided under this Agreement separate from accounts for other awards, monetary contributions, or other revenue sources for this Project.

2. The Grantee shall retain all financial records, supporting documents, and all other pertinent records related to this Agreement and the Project for a period of five (5) years from the Termination Date, but in the event such records are audited, all such records shall be retained beyond the five-year period until the audit is concluded and any and all audit findings have been resolved.

c. **Project Milestones and Progress Reports.**

1. Project Milestones are set forth in Exhibit C, "Project Milestones", to this Agreement. The Grantee must submit Project progress reports as required in Section 2.4.d. and in Exhibit D, Reporting Schedule for Progress Reports, including any other requested documentation, demonstrating the achievement of the milestones set forth in Exhibit C.

2. If the Grantee does not complete the milestone as agreed upon within the period of time described in this section, NCDIT may impose additional monitoring and reporting requirements or terminate this Agreement pursuant to the termination provisions set forth herein. Failure to complete a milestone and meet reporting requirements may constitute a material breach of this Agreement, and Grantors may exercise the authority under N.C.G.S. § 143B-1373, 2 C.F.R. § 200.339, and this Agreement to seek termination of this Agreement and retrieval of funds expended.

d. **Reporting Requirements**. NCDIT will perform monitoring of the Project, including on behalf of the County, as set forth in Section 5.1.a. NCDIT will require Project progress reports as set forth herein and in accordance with 2 C.F.R. § 200.329, and will provide copies of all reports to the County within 10 business days.

1. The Grantee agrees to generate reports regarding the Project as described herein and as may be requested by the State (including, without limitation, NCDIT) or by a relevant federal agency. The Grantee further grants the State (including any of its agencies, commissions or departments such as NCDIT, the North Carolina State Auditor and the North Carolina Office of State Budget and Management) and any relevant federal agency, and their authorized representatives, at all reasonable times and as often as necessary (including after the Termination Date), access to and the right to inspect, copy, monitor, and examine all of the books, papers, records, and other documents relating to this Agreement and the Project. In addition, the Grantee agrees to comply at any time, including after the Termination Date, with any requests by the State (including, without limitation, NCDIT) or relevant federal agency for other financial and organizational materials needed to comply with their fiscal monitoring responsibilities or to evaluate the short- and long-range impact of their programs.

2. The Grantee shall furnish NCDIT detailed written progress reports using Exhibit E, "Progress Report Template" provided by NCDIT according to the time periods specified in Exhibit D or as otherwise requested by NCDIT. NCDIT shall conduct risk assessments of the Grantee as set out in Section 5.1. For Projects determined to be Low Risk or Medium Risk, progress reports will be required on a quarterly basis during the Construction Period. For Projects determined to be High Risk, progress reports will be required on a monthly basis during the Construction Period.

Progress reports for projects at any risk level shall be required annually during the Maintenance Period. Progress reports should describe the progress made by the Grantee toward achieving the purpose(s) of the Project, including but not limited to:

(a) A description of accomplishments achieved during the reporting period towards the relevant milestones;
(b) A description of any problems or delays encountered during the reporting period, including an explanation for why established goals were not met, if applicable;
(c) Expenditures during the reporting period and any other financial information requested, including an analysis of cost overruns if applicable;
(d) During the Maintenance Period, speed levels, data allowances, and pricing options for all services levels offered to end consumers;
(e) During the Maintenance Period, confirmation of participation in the Affordable Connectivity Program ("**ACP**") or program that provides benefits to households commensurate with those provided under the ACP; and
(f) Any additional pertinent information.

3. Failure to submit a required report by the scheduled submission date may result in the withholding of any forthcoming payment until NCDIT is in receipt of the delinquent report and the report meets with NCDIT's approval, in NCDIT's sole discretion. Failure to submit required reports, upon request by NCDIT, may result in the Project being subject to the repayment provision in Section 3.4 and may negatively impact the Grantee's eligibility for future funding.

4. Within sixty (60) days after the Termination Date, the Grantee shall submit a final report using the format designated by NCDIT describing the activities and accomplishments of the Project. The final report shall include a review of performance and activities over the entire Project period. In the final report, the Grantee shall include the following:

(a) A description of the Project and how it was implemented;
(b) To what degree the established objectives were met;
(c) The difficulties encountered;
(d) The number of Locations served and whether those Locations are households or businesses;
(e) Mapping data sufficient to identify all Locations served and infrastructure built;
(f) Total final cost of the Project;
(g) Cost per location served;
(h) Speed levels, data allowances, and pricing options for all service levels

offered to end consumers;

(i) Certification of participation in the Affordable Connectivity Program or other affordability program for low-income consumers within the service area;

(j) Evidence consistent with the Federal Communications Commission attestation that the proposed minimum upstream and minimum downstream broadband speeds identified in the Application are available throughout the Project area to any end user connections; and

(k) Any other information requested by NCDIT.

e. **Funding.**

1. As a condition of receiving GREAT Award funds, the Grantee must contribute a cash match of $7,942,930.00, pursuant to N.C.G.S. §143B-1373(j), as amended by S.L. 2021-180, Section 38.4(13). Up to 50% of the Cash Match may be comprised of third-party funding and other grant programs, to the extent applicable rules permit, including the County financial match as described in Section 2.3. Expenditures that NCDIT, in its sole discretion, determines are not eligible for funding may not be counted toward the Cash Match. All Cash Match funds shall be used for Eligible Expenditures pursuant to the Payment Schedule as specified in Exhibit F, "Payment Schedule". At all times during the term of this Agreement, Grantee is required to deposit and maintain its portion of the Cash Match, minus any authorized expenditures for progress made on the Project, in a separate and distinct financial account that cannot be utilized for any other purposes, including other GREAT projects awarded to the Grantee. The Grantee must produce documentation verifying account and fund segregation within five (5) business days of request by NCDIT.

2. If the Grantee determines that the actual costs of the Project are less than the Project budget amount, it shall report this determination to Grantors and shall return any surplus funds it has received.

3. The Grantee hereby represents and warrants that all GREAT Award funds shall be utilized exclusively for the purpose of the Project and consistent with all applicable laws, rules, regulations and requirements, and that the Grantee shall not make or approve of any improper expenditure of funds.

4. The Grantee shall not obligate GREAT Award Project funds subsequent to the Termination Date of this Agreement.

Section 2.5. Material Changes and Project Changes.

a. **Material Changes.** A material change is any material alteration in, change to, or reduction of the Project, including without limitation, a change in technology type, reduction in the number of Locations to be served by the Project, reduction in the Project area, change in total Project cost by 10% or more withdrawal of partnership agreements for which the Grantee qualified for partnership points, or the extension of the Construction Period ("**Material Change**"). An amendment to this Agreement is required for a Material Change, and such Material Change shall not take effect unless and until such amendment is executed pursuant to the terms of this Agreement. Prior to implementing a proposed Material Change, the Grantee shall submit the proposal to NCDIT for review and approval. Grantors must review and approve in writing prior to the amendment taking effect. Amendments to this Agreement requested by the Grantee shall only take effect if agreed to in writing by all Parties to this Agreement.

b. **Project Changes.** A project change is any non-material alteration in, change to, or reduction of the Project, including without limitation, change in Key Personnel, project milestones, a change in total Project cost by less than 10%, or transfer costs between Project expense line items detailed in Exhibit B and the EBS ("**Project Change**"). For a request to transfer costs between line items, all of following criteria must be met: (a) the Grantee provides justification to the satisfaction of NCDIT for the proposed revision; (b) the requested revision adhered to the eligible activities and cost limitations of this Agreement; (c) the GREAT Award funds, Project funding amount, match amount, and the total Project cost are not modified; and (d) the requested revision is less than 10% of the total Project cost.

1. There shall be no Project Changes unless expressly approved by NCDIT. Prior to implementing a proposed Project Change, the Grantee shall submit the proposal to NCDIT for review and approval and provide such detail and documentation necessary for NCDIT to evaluate the proposed project change. Any NCDIT-approved Project Change shall be made in writing by an authorized representative of NCDIT.

   NCDIT in its sole discretion may deny the requested Project Change, in which case the following alternatives would apply: (1) the Project may be completed without changes; (2) the GREAT Award Project funding may be rescinded by NCDIT if the Project cannot be completed; (3) the GREAT Award funding to the current Grantee may be rescinded by NCDIT and awarded to an alternate Grantee pursuant to the GREAT Statutes; or (4) the Grantee may withdraw from the Project and return any Project funds received to date, among other remedies as described herein.

   If the Grantee implements any Project Change without requesting the approval for the Project Change in writing from NCDIT, it will be subject to the clawbacks and remedies set forth in Section 3.4, Article 7 (Termination and Remedies) and Section 8.4 of this Agreement, unless NCDIT (in its sole discretion) expressly waives this requirement of Project Change review in writing.

c. **Reduction in Scope.** In the event the Grantee requests to reduce the scope of the Project, including without limitation, a reduction of the number of locations and reduction in the eligible project area, NCDIT may cancel this Agreement pursuant to Article 7 (Termination and Remedies) of this Agreement and N.C.G.S. § 143B-1373(*l*).

d. **Changes that Affect Performance**. The Grantee shall immediately notify NCDIT of any change in conditions or local law, or any other event, which may significantly affect its ability to oversee, administer or perform this Agreement or the Project. In its sole discretion, NCDIT may deem such a change in conditions, local law, or other event to constitute a Material Change or a Project Change.

e. **Extensions of Time.** Any requests for extensions of time may either be deemed a Material Change or a Project Change in the sole discretion of NCDIT.

f. **Budget Changes.** If a Project or Material Change to the Grantee's budget has been requested, all Reimbursement Requests may be delayed pending the approval of the Project or Material Change. If changes to the Grantee's budget have been made without the prior approval of NCDIT, no Reimbursement shall be made until the process outlined in Section 2.5 has been completed.

g. **Cost Overrun or Underrun.** In the event of a cost overrun or an increase in the total Project cost, the amount of NCDIT's GREAT Award to the Grantee shall not change. The Grantee shall bear sole responsibility for any and all increased costs related to the Project. In the event of a change in the total Project Budget that is 10% or more or a cost underrun, the Grantee must notify NCDIT, in writing, and submit a revised budget and narrative explaining the Project Budget change or reduction of costs.

Article 3. Compensation.

Section 3.1. Payment of Funds by NCDIT. NCDIT shall reimburse the Grantee for approved GREAT Award funds in accordance with the Payment Schedule attached hereto as Exhibit F, after receipt of (a) written requests for payment from the Grantee utilizing NCDIT's request form and certification that the conditions for such payment under this Agreement have been met and that the Grantee is entitled to receive the amount requested, and (b) any other documentation that may be required by NCDIT.

Section 3.2. County Contribution. If the County is providing a financial match, the County shall provide the Grantee matching funds for approved Eligible Expenditures in accordance with Exhibit

J, which shall be signed by the County and the Grantee. If the County is providing infrastructure, the County shall provide it in accordance with Exhibit K, which shall be signed by the County and the Grantee.

Section 3.3. Availability of Funds. The obligations of Grantors to pay any amounts under this Agreement to the Grantee are contingent upon: the availability and receipt of funds by Grantors, the continued appropriation of such funds for the purpose set forth in this Agreement, and the Grantee's continued eligibility to receive such funds. If the amount of funds that Grantors receive is reduced or funds for the Project become unavailable, the Grantee agrees that Grantors have the right to reduce the amount of GREAT Award funds awarded to the Grantee under this Agreement or to terminate this Agreement pursuant to Section 7.6 of this Agreement. Grantors may deny payment for the Grantee's Eligible Expenditures where invoices or other reports are not submitted by the deadlines specified in this Agreement or for failure of the Grantee to comply with the terms and conditions of this Agreement.

Section 3.4. Repayment Requirements and Remedies.

a. **Repayment or Clawbacks.** The Grantee acknowledges that the GREAT Award funding by Grantors is predicated upon the deployment of broadband infrastructure during the Construction Period and fulfilling the obligations of the Maintenance Period. The Grantee further agrees that during the Maintenance Period, if it fails to meet its obligations, then it is responsible for the following repayment or "clawback" payments:

1. If the Grantee fails to make service available to the number of Locations identified in Exhibit B after the completion of the Construction Period, then the Grantee shall repay to Grantors, as directed, an amount equal to the product of (i) $2,614.38 (the amount of funds divided by the number of Locations) and (ii) the number of Locations, minus the number of Locations actually created. If the County contributed a financial match, a pro rata amount per location not served shall be repaid to the County. Interest will be added in accordance with Section 3.4.a.3.

2. Additionally, in the event that the Grantee fails to maintain its Locations as required under the Maintenance Period, it shall lose credit for any qualifying Location under this Agreement by the same number of Locations that is short. For example, if the Grantee fails to maintain service by three (3) Locations, the number of Locations shall be reduced by three (3). The amount the Grantee must repay shall then be calculated in accordance with Section 3.4.a.1.

3. NCDIT shall notify the Grantee in writing of the amount to be repaid and direct the Grantee to repay such amount directly to NCDIT and/or the County according to each Grantors' contribution. All such amounts shall be due immediately upon demand by NCDIT. If not paid within thirty (30) days following demand, the unpaid amount due shall continue to bear interest at the rate set out by N.C.G.S.

§24-1 for the period beginning upon the demand until paid. Upon default in such payment, Grantors may employ an attorney to enforce its rights and remedies, and the Grantee hereby agrees to pay the legal costs and reasonable attorneys' fees of Grantors plus all other reasonable expenses incurred by Grantors in exercising any of its rights and remedies upon such default.

b. **Non-Exclusive Remedy.** The repayment requirements and remedies addressed in this Section are in addition to those repayment requirements and other remedies set forth elsewhere in this Agreement, including the requirements to repay all funds received, and in 2 C.F.R. § 200.339. No remedy conferred or reserved by or to the State in this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy existing at law, in equity, or by statute, and any such right or power may be exercised from time to time and as often as may be deemed expedient.

c. **Improper or Ineligible Payments**. Any item of expenditure by the Grantee under the terms of this Agreement which is found by auditors, investigators, and other authorized representatives of NCDIT, the County, the US Department of the Treasury, the NC Department of State Treasurer, or other federal or state instrumentality to be improper, ineligible, in violation of federal or state law, or the terms of this Agreement, or involving any fraudulent, deceptive, or misleading representations or activities of the Grantee, shall become the Grantee's liability, and shall be paid solely by the Grantee, immediately upon notification of such, from funds other than those provided by Grantors under this Agreement. This provision shall survive the expiration or termination of this Agreement.

Article 4. Financial Accountability and Grant Administration.

Section 4.1. Financial Management. The Grantee shall adopt such financial management procedures as will permit the preparation of reports required by the Federal Funding Accountability and Transparency Act (https://www.congress.gov/109/plaws/publ282/PLAW-109publ282.pdf) and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the relevant statutes, regulations, and terms and conditions herein. The Grantee's financial management procedures shall allow it to comply with the requirements of 2 C.F.R. 200.302.

Section 4.2. Limitations on Expenditures. Grantors shall only reimburse the Grantee for documented expenditures incurred during the Agreement Term that are: (i) reasonable and necessary to carry out the scope of Covered Services described in Exhibit B; (ii) documented by contracts or other evidence of liability consistent with the established Parties' procedures; and (iii) incurred in accordance with all applicable requirements for the expenditure of funds payable under this Agreement. Grantors may not reimburse or otherwise compensate the Grantee for any expenditures incurred or services provided prior to the Effective Date except as provided in Section 2.2.e of this Agreement or following the earlier of the expiration or termination of this Agreement.

Section 4.3. Financial and Other Reports. The Grantee shall maintain detailed, itemized documentation and other necessary records of all expenses incurred pursuant to this Agreement. The Grantee shall submit to Grantors such reports and back-up data as may be required by the federal government or Grantors, including such reports which enable NCDIT and the County, respectively, to submit their own reports to the U.S. Department of the Treasury, in accordance with the schedule set forth in Exhibit F. This provision shall survive the expiration or termination of this Agreement with respect to any reports which the Grantee is required to submit to Grantors following the expiration or termination of this Agreement.

Section 4.4. Cost Principles. Pursuant to 09 N.C.A.C. 03M .0201, all expenditures by the Grantee of funds awarded under this Agreement shall be in accordance with the cost principles outlined in the Code of Federal Regulations, 2 CFR Part 200, Subpart E (2 C.F.R. §§ 200.400-200.476). It is the Grantee's responsibility to ensure adherence to the cost principles established in the Code of Federal Regulations, 2 CFR Part 200, Subpart E.

Section 4.5. Audits. The Grantee certifies compliance with the provisions of 2 CFR 200.501-200.521, if applicable, and continued compliance with these provisions during the Term of this Agreement. Pursuant to 09 N.C.A.C. 03M .0205, a Grantee that receives, holds, uses, or expends GREAT Award funds in an amount equal to or greater than five hundred thousand dollars ($500,000) within its fiscal year shall have a single or program-specific audit prepared and completed in accordance with Generally Accepted Government Auditing Standards, also known as the Yellow Book. If the Grantee is not required to have a single audit as defined by 2 CFR 200.501, U.S. Department of the Treasury requirements, or the Single Audit Act, or a single audit as defined by 09 N.C.A.C. 03M .0102, then the Grantee shall have a financial audit performed at least annually by an independent Certified Public Accountant. The Grantee shall provide notice of the completion of any required audits and will provide access to such audits and other financial information related to this Agreement upon request. The Grantee certifies that it will provide Grantors with notice of any adverse findings which impact this Agreement. This obligation extends for one (1) year beyond the expiration or termination of this Agreement. The costs of audits shall not be allowable charges under this Agreement.

Section 4.6. Closeout. Grantors will close out this award when it determines that all applicable administrative actions and all required work has been completed by the Grantee. Grantors will implement close out processes in accordance with 2 CFR 200.344. The Grantee's obligations to Grantors under this Agreement shall not terminate until all closeout requirements are completed to the satisfaction of Grantors. Such requirements shall include submitting final reports to NCDIT pursuant to Section 2.4.d and providing any closeout-related information requested by NCDIT by the deadlines specified by NCDIT. This provision shall survive the expiration or termination of this Agreement. NCDIT shall provide all closeout documentation and reports to the County.

Section 4.7. Recovery of Award Funding. In accordance with 09 N.C.A.C. 03M .0802, NCDIT shall take appropriate administrative action to recover from the Grantee all GREAT Award funds disbursed in connection with this Agreement in the event that the Grantee: (1) is unable to fulfill the obligations of this Agreement; (2) is unable to accomplish the purposes of the award; (3) is noncompliant with the reporting requirements set forth in this Agreement and in 09 N.C.A.C. 03M; or (4) has inappropriately used GREAT Award funds disbursed in connection with this Agreement.

NCDIT must seek the assistance of the Attorney General in the recovery and return of GREAT Award funds disbursed in connection with this Agreement if legal action is required. NCDIT is required to report to the Office of State Budget and Management, the Attorney General, and the State Bureau of Investigation any apparent violations of a criminal law or malfeasance, misfeasance, or nonfeasance in connection with the Grantee's use of GREAT Award funds disbursed in connection with this Agreement.

The remedies set forth in this Section are in addition to the repayment requirements and other remedies set forth elsewhere in this Agreement.

Article 5. Cooperation in Monitoring and Evaluation.

Section 5.1. NCDIT's Responsibilities.

a. **Project Monitoring**. NCDIT will have responsibility for the monitoring of this Project, both on behalf of itself and the County, either directly or through contractors. NCDIT will monitor this Project in accordance with 2 C.F.R. § 200.208 and 2 C.F.R. § 200.332 and the provisions of 09 N.C.A.C. 03M .0401 to ensure that adequate progress is being made towards achieving the Project milestones described in Section 2.4.c, and that funds are expended (1) for eligible uses only consistent with the purpose for which the funds were awarded, (2) according to the approved Project Budget, (3) in compliance with all relevant laws, regulatory requirements, cost principles, and provisions of this Agreement. NCDIT will also monitor whether the Grantee has met all reporting requirements of this Agreement and the Grantee's compliance with all terms of this Agreement. Monitoring will include, at NCDIT's discretion, progress reports, site visits, financial reviews, and audits. Should the County desire to participate in site visits, it should notify NCDIT and NCDIT will notify the County of any site visits to be performed as part of its monitoring of the Project. The frequency and type of monitoring will depend on the Grantee's risk level as determined by the risk assessment. NCDIT will provide all progress reports, financial reports, audits, technical reports, and reports from site visits to the County within 10 business days of their completion, including supporting documentation. NCDIT will provide its monitoring protocol to the County upon request. NCDIT does not assume any responsibility for the County's local, state, or federal reporting requirements.

b. **Risk Assessment.** NCDIT shall conduct risk assessments in accordance with 2 C.F.R. § 200.332(b) to determine the appropriate monitoring needs of the Project. NCDIT may reassess this risk at any time during this Agreement in accordance with NCDIT's risk assessment process and federal regulations, including but not limited to 2 C.F.R. § 200.332, 2 C.F.R. § 200.206, and 2 C.F.R. § 200.208. Upon completion of the initial risk assessment or any reassessment during the performance period, NCDIT shall determine, at its sole discretion, whether a Project is Low Risk, Medium Risk, or High Risk and implement or change monitoring and reporting requirements accordingly. NCDIT will share the results of each risk assessment of the Grantee with the County within 10 business days of its completion, and, upon request by the County, any supporting documents related to the risk assessment. The County is not required to conduct a separate risk assessment of the Grantee or Project.

c. **Compliance Audits.** In connection with disbursing funds to the Grantee, NCDIT will be subject to periodic audits by the Office of State Budget and Management, the Office of the State Auditor, or NCDIT's internal auditor to ensure compliance with the provisions of 09 N.C.A.C. 03M and may be required to provide documentation in connection with that audit. NCDIT shall develop a compliance supplement report that describes the standards of compliance and audit procedures to give direction to independent auditors, which NCDIT will provide to the State and Local Government Finance Division in the North Carolina Department of State Treasurer for inclusion in the North Carolina State Compliance Supplement.

Section 5.2. Grantee's Responsibilities.

a. **Compliance with 09 N.C.A.C. 03M.** The Grantee acknowledges and agrees that as a condition of receiving the award pursuant to this Agreement, the Grantee will comply with the provisions of 09 N.C.A.C. 03M.

b. **Use of Funds.** In accordance with 09 N.C.A.C. 03M .0202, the Grantee will ensure that any funds received under this Agreement are utilized for their intended purpose and shall expend those funds in compliance with requirements established by 09 N.C.A.C. 03M and this Agreement.

c. **Cooperation in Monitoring.** The Grantee hereby agrees to cooperate fully and in a timely fashion with NCDIT's monitoring of the Project and waives any objection to NCDIT's determination of the Project's risk level or monitoring needs.

d. **Reporting Compliance.** The Grantee further agrees that it will: (1) provide the information required by NCDIT for NCDIT to comply with the procedures for disbursement of funds; (2) maintain reports and accounting records that support the allowable expenditure of GREAT Award funds and make available all reports and records for inspection by NCDIT, the Office of State Budget and Management, and the

Office of the State Auditor for oversight, monitoring, and evaluation purposes; and (3) ensure that any subrecipients (a) comply with all reporting requirements established by 09 N.C.A.C. 03M and this Agreement and (b) report to NCDIT.

Section 5.3. N.C. Administrative Code Reporting and Audit Requirements. Per 09 N.C.A.C. 03M .0205, the following three reporting levels are established for Grantees who have received an award from NCDIT pursuant to this Agreement:

Level I – A Grantee that receives, holds, uses, or expends GREAT Award funds in an amount less than twenty-five thousand dollars ($25,000) within its fiscal year.

Level II - A Grantee that receives, holds, uses, or expends GREAT Award funds in an amount of at least twenty-five thousand ($25,000) or greater, but less than five hundred thousand dollars ($500,000) within its fiscal year.

Level III – A Grantee that receives, holds, uses, or expends GREAT Award funds in an amount equal to or greater than five hundred thousand dollars ($500,000) within its fiscal year.

a. **Required Reporting.** In addition to the Project progress reports set out in Section 2.4, the Grantee shall provide the following reporting on an annual basis during the term of this Agreement:

1. All Grantees shall provide:

   (a) A certification that GREAT Award funds received or, held was used for the purposes for which it was awarded; and

   (b) An accounting of all GREAT Award funds received, held, used, or expended.

2. Grantees that fall into Levels II and III in Section 5.3 shall report on activities and accomplishments undertaken by the Grantee, including reporting on any performance measures established in this Agreement.

3. As set out in Section 4.5, Grantees that fall into Level III in Section 5.3 shall have a single or program-specific audit prepared and completed in accordance with Generally Accepted Government Auditing Standards, also known as the Yellow Book.

b. **Filing of Reports.** Grantees shall file all reports with NCDIT in the format and method provided by NCDIT no later than three (3) months after the end of the Grantee's fiscal year, unless the same information is already required through more frequent reporting. Audits must be provided to NCDIT no later than nine (9) months after the end of the

Grantee's fiscal year.

c. **Copies Acceptable.** Notwithstanding the foregoing provisions, a Grantee may satisfy the reporting requirements of Section 5.3.b. by submitting a copy of the report required under federal law with respect to the same funds.

d. **Other Reports.** The Grantee shall provide NCDIT with any other reports as required by State or federal law.

Section 5.4. Interventions. If NCDIT determines the Grantee is not maintaining adequate progress towards Project milestones or is not engaging in the appropriate expenditure of funds, NCDIT may impose additional reporting requirements and/or award conditions. These additional requirements and/or conditions may include: withholding authority to proceed to the next phase until receipt of evidence of acceptable performance and/or progress within a given period; requiring additional, more detailed financial reports; requiring additional Project monitoring; requiring the Grantee to obtain technical or management assistance; and establishing prior approvals. NCDIT will notify the Grantee of these additional requirements and/or conditions in accordance with 2 C.F.R. § 200.208(d).

Section 5.5. Access to Persons and Records. Pursuant to N.C.G.S. § 147-64.7, Grantors, the Office of State Budget and Management, the State Auditor, the U.S. Department of the Treasury, the Treasury Office of Inspector General, the U.S. Government Accountability Office, the Comptroller General of the United States, and any other appropriate state or federal agency, or any authorized representatives of these entities, are authorized to examine all books, records, papers, and accounts of the Grantee insofar as they relate to transactions with any department, board, officer, commission, institution, or other agency of the State of North Carolina pursuant to the performance of this Agreement or to funds disbursed pursuant to this Agreement. The Grantee shall maintain and hereby agrees to retain all records, books, papers, and other documents covered by this Section through December 31, 2031, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit, or other inquiry involving this Agreement. The Grantee shall make all records, books, papers and other documents that relate to this Agreement available at all reasonable times for inspection, review and audit by the authorized representatives of Grantors, the North Carolina State Auditor, the U.S. Department of the Treasury, the U.S. Government Accountability Office, and any other authorized state or federal oversight office. Additional audit or reporting requirements may be required by Grantors if such requirement is imposed by federal or state law or regulation.

Section 5.6. Personnel. The Grantee represents that it has, or will secure at its own expense, all personnel required to monitor, carry out, and perform the scope of services of this Agreement. Such employees shall not be employees of NCDIT or the County. The Grantee shall identify all personnel who will be involved in performing the scope of services of this Agreement and otherwise administering this Agreement, including at least one project manager and one fiscal officer ("**Key Personnel**"). Such Key Personnel shall be fully qualified and shall be authorized under state and local law to perform such services. Changes to Key Personnel do not constitute a Material Change under Section 2.5.a of this Agreement; however, the Grantee shall notify NCDIT of any changes to Key Personnel within thirty (30) days of the change in accordance with Section 8.13.

Article 6. Compliance with Agreement and Applicable Laws.

Section 6.1. General Compliance. The Grantee shall perform all Covered Services funded by this Agreement in accordance with this Agreement, the award agreement between the State of North Carolina and the U.S. Department of the Treasury, the award agreement between the County and the U.S. Department of the Treasury, and all applicable federal, state and local requirements, including all applicable statutes, rules, regulations, executive orders, directives or other requirements. Such requirements may be different from the Grantee's current policies and practices. While Grantors may assist the Grantee in complying with all applicable requirements, the Grantee remains responsible for ensuring its compliance with all applicable requirements.

Section 6.2. Expenditure Authority. This Agreement is subject to the laws, regulations, and guidance documents authorizing and implementing the GREAT grant, including, but not limited to, the following:

Authorizing Statute. Section 602 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2.

Implementing Regulations. Subpart A of 31 CFR Part 35 (Coronavirus State and Local Fiscal Recovery Funds), as adopted in the Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule (86 FR 26786, applicable May 17, 2021 through March 31, 2022) and final rule (87 FR 4338, applicable January 27, 2022 through the end of the ARPA/SFRF award term), and other subsequent regulations implementing Section 603 of the Social Security Act (42 U.S.C. 803).

Guidance Documents. Applicable guidance documents issued from time-to-time by the U.S. Department of the Treasury, including the currently applicable version of the *Compliance and Reporting Guidance: State and Local Fiscal Recovery Funds.*[1]

Other Regulations, Statutes and Rules. Applicable provisions of the Uniform Guidance (2 C.F.R. Part 200); the GREAT Statutes at N.C.G.S. 143B-1373, and as amended by S.L. 2021-180, Section 38.4, and any subsequent amendments and technical changes; 09 N.C. Admin. Code. 03M; and all applicable laws of the State of North Carolina.

Section 6.3. Federal Grant Administration Requirements. The Grantee shall comply with any applicable provisions of the Uniform Administrative Requirements, Cost Principles, and Audit

[1] SLFRF-Compliance-and-Reporting-Guidance.pdf (treasury.gov)

Requirements for Federal Awards, 2 CFR Part 200 (UG), as adopted by the U.S. Department of the Treasury at 2 CFR Part 1000 and as set forth in the Assistance Listing for ARP/CSLFRF (21.027). These requirements dictate how the Grantee must administer the award and how NCDIT must oversee the Grantee.

Section 6.4. Property. Grantee shall retain ownership interests and rights in the network and in any property, materials, equipment, supplies, and facilities it constructs or purchases for the Project pursuant to this Agreement. Grantee agrees to abide by the property requirements set forth in 2 C.F.R. 200.311-316, as amended in applicable guidance or regulations issued by the U.S. Department of the Treasury or other federal agency after the Effective Date of this Agreement.

Section 6.5. Universal Identifier and System for Award Management (SAM). The Grantee shall provide and/or obtain and provide to NCDIT, a unique entity identifier assigned by the System for Award Management (SAM), which is accessible at www.sam.gov.

Section 6.6. Federal Funding Accountability and Transparency Act of 2006. The Grantee shall provide Grantors with all information requested by Grantors to enable Grantors to comply with the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note).

Section 6.7. Licenses, Certifications, Permits, Accreditation. The Grantee shall obtain and keep current any license, certification, permit, or accreditation required by federal, state, or local law and shall submit to Grantors proof of any licensure, certification, permit or accreditation upon request.

Section 6.8. Clean Air Act. The Grantee agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 *et seq.* The Grantee agrees to report each violation to NCDIT and understands and agrees that Grantors will, in turn, report each violation as required to the federal awarding agency and the appropriate Environmental Protection Agency Regional Office. The Grantee agrees to include these requirements in any subcontract exceeding $150,000 funded, in whole or in part, with funds provided by Grantors pursuant to this Agreement.

Section 6.9. Federal Water Pollution Control Act. The Grantee agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. §§ 1251 *et seq.* The Grantee agrees to report each violation to Grantors and understands and agrees that Grantors will, in turn, report each violation as required to assure notification to the federal awarding agency and the appropriate Environmental Protection Agency Regional Office. The Grantee agrees to include these requirements in any subcontract exceeding $150,000 funded, in whole or in part, with funds provided by Grantors pursuant to this Agreement.

Section 6.10. Debarment and Suspension. Due to its receipt of ARPA funds, Grantors are participants in a non-procurement transaction (defined at 2 C.F.R. § 180.970) that is a covered transaction pursuant to 2 C.F.R. § 180.210 and 31 C.F.R. § 19.210. Therefore, this Agreement is a lower-Tier covered transaction for purposes of 2 C.F.R. Part 180 and 31 C.F.R. Part 19 if the amount of this Agreement is greater than or equal to $25,000.

a. **Non-Exclusion Certification.** The Grantee hereby certifies as of the date hereof, that the Grantee, the Grantee's principals (defined at 2 C.F.R. § 180.995), and the affiliates (defined at 2 C.F.R. § 180.905) of both the Grantee and the Grantee's principals are not excluded individuals (defined at 2 C.F.R. § 180.935) and are not disqualified (defined at 2 C.F.R. § 180.935), or otherwise determined ineligible to participate in federal assistance awards or contracts. If any of the foregoing persons are excluded or disqualified and the federal awarding agency has not granted an exception pursuant to 31 C.F.R. § 19.120(a), then: (1) this Agreement shall be void, (2) Grantors shall not make any payments of federal financial assistance to the Grantee, and (3) Grantors shall have no obligations to the Grantee under this Agreement.

b. **Compliance with 2. C.F.R. Part 180, Subpart C and 31 C.F.R. Part 19.** The Grantee must comply with the Office of Management and Budget (OMB) Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) in 2 C.F.R. Part 180, Subpart C, and as adopted by the U.S. Department of the Treasury at 31 C.F.R. Part 19, and must include a requirement to comply with these regulations in any lower-Tier[2] covered transaction into which it enters. The Grantee hereby certifies that it will comply with 2 C.F.R. Part 180, Subpart C and 31 C.F.R. Part 19. This certification is a material representation of fact relied upon by Grantors, and all liability arising from an erroneous representation shall be borne solely by the Grantee.

c. **Remedies for Non-Compliance.** If it is later determined that the Grantee did not comply with 2 C.F.R. Part 180, Subpart C and 31 C.F.R. Part 19, in addition to remedies available to Grantors, the federal government may pursue available remedies, including but not limited to, suspension and/or debarment.

d. **Subcontractor Certification.** The Grantee hereby certifies that none of the subcontractors it has proposed to perform work under this Agreement are listed under the State Debarred Vendors listing (https://ncadmin.nc.gov/documents/nc-debarred-vendors), or in the past five (5) years have been suspended or debarred from doing business with the federal or any state government. The Grantee agrees that it will notify Grantors immediately if it or any of its principals is placed on the list of parties excluded from federal procurement or nonprocurement programs available at www.sam.gov.

[2] "Tier" shall have the meaning indicated in 2 C.F.R. Part 180 and illustrated in 2 C.F.R. Part 180, Appendix II.

Section 6.11. Byrd Anti-Lobbying Amendment. The Grantee shall comply with the restrictions on lobbying in 31 CFR Part 21.

The Grantee certifies to Grantors, and the Grantee shall cause each Tier below it to certify to the Tier directly above such Tier, that it has not used and will not use federally appropriated funds to pay any person or organization to influence or attempt to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. The Grantee shall, and shall cause each Tier below it, to disclose any lobbying with non–federally appropriated funds that takes place in connection with obtaining any federal award. Such disclosures (to be set forth on Standard Form-LLL, contained in 31 C.F.R. Part 21, Appendix B) shall be forwarded from Tier to Tier up to Grantors, which will, in turn, forward the certification(s) to the federal awarding agency. The Grantee shall cause the language of this Section to be included in all subcontracts. This certification is a material representation of fact upon which Grantors have relied when entering into this Agreement, and all liability arising from an erroneous representation shall be borne solely by the Grantee.

If this Agreement exceeds $100,000, the Grantee also must file with Grantors the certification in Exhibit G, "Byrd Anti-Lobbying Certification", which is attached hereto and incorporated herein. Any subcontractor with a subcontract (at any Tier) exceeding $100,000 must also file with the Tier above it the certification in Exhibit G.

Section 6.12. Wages and Labor Standards for Projects over $10 Million. In its reporting guidance, the U.S. Department of Treasury has indicated that recipients will need to provide documentation of wages and labor standards for capital expenditure projects and infrastructure projects over $10 million, and that these requirements can be met with certifications that the project is in compliance with the Davis-Bacon Act (or related state laws, commonly known as "baby Davis-Bacon Acts") and subject to a project labor agreement. In accordance with the SLFRF Reporting and Compliance Guidance, for Projects with a total cost of over ten million dollars ($10,000,000) (based on expected total cost):

a. **Prevailing Wages Certification.** A recipient may provide a certification that, for the relevant project, all laborers and mechanics employed by contractors and subcontractors in the performance of such project are paid wages at rates not less than those prevailing, as determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the "Davis-Bacon Act"), for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the civil subdivision of the State (or the District of Columbia) in which the work is to be performed, or by the appropriate State entity pursuant to a corollary State prevailing-wage-in-construction law (commonly known as "baby Davis-Bacon Acts"). If such certification is not provided, a recipient must provide a project employment and local impact report detailing:

- The number of employees of contractors and sub-contractors working on the project;
- The number of employees on the project hired directly and hired through a third party;
- The wages and benefits of workers on the project by classification; and
- Whether those wages are at rates less than those prevailing. 19 Recipients must maintain sufficient records to substantiate this information upon request.

b. **Project Labor Certification**. A recipient may provide a certification that a project includes a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)). If the recipient does not provide such certification, the recipient must provide a project workforce continuity plan, detailing:

- How the recipient will ensure the project has ready access to a sufficient supply of appropriately skilled and unskilled labor to ensure high-quality construction throughout the life of the project, including a description of any required professional certifications and/or in-house training;
- How the recipient will minimize risks of labor disputes and disruptions that would jeopardize timeliness and cost-effectiveness of the project;
- How the recipient will provide a safe and healthy workplace that avoids delays and costs associated with workplace illnesses, injuries, and fatalities, including descriptions of safety training, certification, and/or licensure requirements for all relevant workers (e.g., OSHA 10, OSHA 30);
- Whether workers on the project will receive wages and benefits that will secure an appropriately skilled workforce in the context of the local or regional labor market; and
- Whether the project has completed a project labor agreement.

c. **Local Hire Prioritization**. Whether the project prioritizes local hires.

d. **Community Benefit Agreement**. Whether the project has a Community Benefit Agreement, with a description of any such agreement.

Section 6.13. Copeland Anti-Kickback Act. In accordance with the Copeland Anti-Kickback Act, as supplemented by the Department of Labor regulations at 29 CFR Part 3, the Grantee understands and agrees that it is prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. Grantors shall report any and all suspected or reported violations of this Section to the Federal awarding Agency.

Section 6.14. Contract Work Hours and Safety Standard Act. Contracts awarded by Grantors in excess of one-hundred thousand dollars ($100,000.00) that involve the employment of mechanics or laborers are required to comply with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor Regulations at 29 CFR Part 5. The Grantee understands and agrees that it will compute the wages of every mechanic and laborer on the basis of a standard work week of forty (40) hours, and that work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The Grantee further understands and agrees that no mechanic or laborer is required to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous.

Section 6.15. Prohibition on Contracting for Covered Telecommunications Equipment or Services. Pursuant to 2 C.F.R. § 200.216, the Grantee agrees not to expend funds it receives pursuant to this Agreement to procure or obtain, or to enter into, extend, or renew a contract to procure or obtain equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Covered telecommunications equipment is defined in 2 C.F.R. § 200.216.

Section 6.16. Program Fraud and False or Fraudulent Statements or Related Acts. The Grantee acknowledges that 31 U.S.C. Chapter 38 (Administrative Remedies for False Claims and Statements) applies to its actions pertaining to this Agreement. Making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in state or federal awards or contracts, and/or any other remedy available by law.

Section 6.17. Protections for Whistleblowers. In accordance with 41 U.S.C. § 4712, the Grantee may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing, to any of the list of persons in 41 U.S.C. § 4712(a)(2), information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant. The Grantee is hereby notified that it is required to: (a) inform its employees that they are subject to the whistleblower rights and remedies of the program; (b) inform its employees in writing of employee whistleblower protections under 41 U.S.C §4712 in the predominant native language of the workforce; and (c) include such requirements in any agreement made with a subcontractor or subgrantee.

Section 6.18. Equal Opportunity & Other Requirements. The Grantee shall adopt and enact a nondiscrimination policy consistent with the requirements in this Section. The Grantee acknowledges that Grantors are bound by and agrees, to the extent applicable to the Grantee, to abide by the provisions contained in the federal statutes enumerated below and any other federal statutes and regulations that may be applicable to the expenditure of ARPA funds:

a. **Assurances of Compliance with Title VI of the Civil Rights Act of 1964.** The Grantee and any subcontractor, or the successor, transferee, or assignee of the Grantee or any subcontractor, shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. §§ 2000d *et seq.*), as implemented by the U.S. Department of the Treasury's Title VI regulations, 31 C.F.R. Part 22, which are herein incorporated by reference and made a part of this Agreement. Title VI also provides protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. §§ 2000d *et seq.*, as implemented by Treasury's Title VI regulations, 31 C.F.R. Part 22, and herein incorporated by reference and made a part of this Agreement.

b. **Disability Protections.** Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance.

c. **Age Discrimination.** The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 *et seq.*), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance.

d. **Americans with Disabilities.** Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 *et seq.*), which prohibits discrimination on the basis of disability in programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

e. **Fair Housing Laws.** The Grantee shall comply with the Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 *et seq.*), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability.

Section 6.19. Affordable Connectivity Program. The Grantee must participate in the Federal Communications Commission Affordable Connectivity Program ("ACP"), or otherwise provide access to a broad-based affordability program to low-income consumers in the proposed service area of the broadband infrastructure that provides benefits to households commensurate with those provided under the ACP.

Section 6.20. Use of Name. Neither party to this Agreement shall use the other Party's name, trademarks, or other logos in any publicity, advertising, or news release without the prior written approval of an authorized representative of that Party. The Parties agree that each party may use factual information regarding the existence and purpose of the relationship that is the subject of this Agreement for legitimate business purposes, to satisfy any reporting and funding obligations, or as required by applicable law or regulation without written permission from the other Party. In any such statement, the relationship of the Parties shall be accurately and appropriately described.

Section 6.21. Solicitation of Small Businesses and Historically Underutilized Businesses. If the Grantee intends to let any subcontracts, it shall encourage and promote the use of small businesses and historically underutilized businesses, such as (1) assuring that small and historically underutilized businesses are solicited whenever they are potential sources; (2) dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and historically underutilized businesses; (3) establishing delivery schedules, where the requirement permits, which encourage participation by small and historically underutilized businesses; and (4) using the services and assistance, as appropriate, of the Small Business Administration, the Minority Business Development Agency of the Department of Commerce, and the North Carolina Office for Historically Underutilized Businesses.

For the purposes of this Agreement, an entity shall qualify (1) as an "historically underutilized business" if it is currently certified as such under Chapter 143, Section 128.4 of the N.C. General Statutes, and (2) as a "small business" if it is independently owned and operated and is qualified under the Small Business Administration criteria and size standards at 13 C.F.R. Part 21.

Section 6.22. Conflicts of Interest; Gifts and Favors

a. **Disclosure of Potential Conflicts.** The Grantee understands that (1) NCDIT will use ARPA funds to pay for the cost of this Contract; (2) the County may use ARPA funds to contribute to the payment of this Contract; and (3) the expenditure of ARPA funds is governed by the Conflict of Interest Policies of NCDIT, and if applicable, the County, the federal requirements (including, without limitation, 2 C.F.R. § 200.318(c)(1)), and North Carolina law (including, without limitation, N.C.G.S. §§ 14-234(a)(1) and -234.3(a)). The Grantee must disclose in writing to Grantors any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112.

b. **Conflict Certification.** The Grantee certifies to Grantors that as of the date hereof, to the best of its knowledge after reasonable inquiry, no employee, officer, or agent of Grantors involved in the selection, award, or administration of this Agreement (each a "**Covered Individual**"); no member of a Covered Individual's immediate family; no partner of a Covered Individual; and no organization (including the Grantee) which employs or is about to employ a Covered Individual; has a financial or other interest in, or has received a tangible personal benefit from, the Grantee. Should the Grantee obtain knowledge of any such interest or any tangible personal benefit described in the preceding sentence after the date hereof, it shall promptly disclose the same to Grantors in writing.

c. **Value Certification.** The Grantee certifies to Grantors that it has not provided, nor offered to provide, any gratuities, favors, or anything of value to an officer, employee, or agent of Grantors. Should the Grantee obtain knowledge of the provision, or offer of any provision, of any gratuity, favor, or anything of value to an officer, employee, or agent described in the preceding sentence after the date hereof, it shall promptly disclose the same to Grantors in writing.

d. **Conflict of Interest Policy**. – Pursuant to N.C. Gen. Stat. § 143C-6-23(b), every Grantee shall file with NCDIT a copy of Grantee's policy addressing conflicts of interest that may arise involving the Grantee's management employees and the members of its board of directors or other governing body. The policy shall address situations in which any of these individuals may directly or indirectly benefit, except as the Grantee's employees or members of its board or other governing body, from the Grantee's disbursing of State funds, and shall include actions to be taken by the Grantee or the individual, or both, to avoid conflicts of interest and the appearance of impropriety. The policy shall be filed **before** the disbursing State agency may disburse the grant funds.

Section 6.23. Miscellaneous Provisions and Conditions.

a. **Increasing Seat Belt Use in the United States**. Pursuant to Executive Order 13043, 62 Fed. Reg. 19,216 (Apr. 18, 1997), Grantors encourage the Grantee to adopt and enforce on-the-job seat belt policies and programs for its employees when operating company-owned, rented, or personally owned vehicles.

b. **Reducing Text Messaging While Driving**. Pursuant to Executive Order 13513, 74 Fed. Reg. 51,225 (Oct. 6, 2009), Grantors encourage the Grantee to adopt and enforce policies that ban text messaging while driving.

c. **Energy Efficiency**. All participants in the projects funded hereby shall recognize mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (PL 94-163).

d. **Publications**. Any publications related to the Project must be paid for independently by the Grantee (i.e., not with GREAT Award funds) and must display the following language: "This project [is being][was] supported, in whole or in part, by funds awarded to the State of North Carolina by the U.S. Department of the Treasury."

e. **Federal Seals, Logos, and Flags**. The Grantee shall not use the seal(s), logos, crests, or reproductions of flags of the federal funding agency or likenesses of any federal agency officials without specific pre-approval of the relevant federal agency.

Article 7. Termination and Remedies.

Section 7.1. Termination by Grantors for Default. If the Grantee fails to fulfill in a timely and proper manner its obligations required under this Agreement or violates or fails to comply with any of the covenants or stipulations under this Agreement or any applicable laws, rules, and regulations, and such default is not cured within sixty (60) calendar days of the receipt of written notice of such default, then NCDIT and/or the County shall have the right to terminate this Agreement on any future date after giving the Grantee written notice of termination of this Agreement at least ten (10) calendar days in advance of the Termination Date. Any termination notice under this Section shall specify the Termination Date and this Agreement shall terminate automatically upon such Termination Date. Upon termination of this Agreement under this Section, (1) Grantors shall have no responsibility to make additional payments to the Grantee; and (2) the Grantee shall not expend any additional funds for which it will seek reimbursement without NCDIT's prior and express written authorization and shall return all funds received to NCDIT upon demand. 2 C.F.R. § 200, app. II(B).

Section 7.2. Immediate Termination by Grantors. NCDIT and/or the County may terminate this Agreement immediately upon discovery of the Grantee's commission of fraud of GREAT Award funds.

Section 7.3. Termination by Mutual Consent. In accordance with 09 N.C.A.C. 3M.0703(11), this Agreement may be terminated at any time upon the mutual consent of the Parties upon sixty (60) days prior written notice to the other Parties.

Section 7.4. Termination Procedures. All notices of termination shall be given in accordance with the notice provisions in Section 8.13 of this Agreement. If this Agreement is terminated under this Article 7, the Grantee may not incur new obligations for the terminated portion of this Agreement after the Grantee has received the notification of termination. The Grantee must cancel as many outstanding obligations as possible. Costs incurred after receipt of the termination notice will be disallowed. The Grantee shall not be relieved of liability to Grantors because of any breach of Agreement by the Grantee. The Grantors may, to the extent authorized by law, withhold payments to the Grantee for the purpose of set-off until the exact amount of damages due NCDIT and/or the County from the Grantee is determined. Neither the County nor NCDIT shall commence termination procedures or legal action against the Grantee for violations related to the performance of this Agreement without providing notice to the other.

Section 7.5. Sanctions for Noncompliance. As the entity responsible for handling monitoring of the Project and this Agreement, NCDIT is required to ensure that the Grantee complies with the applicable provisions of 09 N.C.A.C. 03M. Pursuant to 09 N.C.A.C. 03M .0401, upon NCDIT's determination that the Grantee is noncompliant with 09 N.C.A.C. 03M and/or the terms of this Agreement, NCDIT shall take all appropriate action in accordance with 09 N.C.A.C. 03M .0800 as follows:

a. **Grantee Noncompliance.** When the Grantee does not comply with the requirements of 09 N.C.A.C. 03M, NCDIT shall: (1) communicate the requirements to the Grantee; (2) require a response from the Grantee upon a determination of noncompliance; (3) suspend payments to the Grantee until the Grantee comes in compliance.

b. **Misuse of Funds.** When NCDIT discovers evidence of management deficiencies or criminal activity leading to the misuse of funds, NCDIT shall notify the Office of State Budget and Management and take the appropriate action or actions, including without limitation: (1) suspending payments until the matter has been fully investigated and corrective action has been taken; (2) terminating this Agreement and taking action to retrieve unexpended funds or unauthorized expenditures; and/or (3) reporting possible violations of criminal statutes involving misuse of State property to the State Bureau of Investigation, in accordance with N.C.G.S. § 143B-920.

c. **Notice Period.** Upon determination of noncompliance with requirements of this Agreement that are not indicative of management deficiencies or criminal activity, NCDIT shall give the Grantee sixty (60) days written notice to take corrective action. If the Grantee has not taken the appropriate corrective action after the 60-day period, NCDIT shall notify the Office of State Budget and Management and take the appropriate action or actions, including without limitation: (1) suspending payments pending negotiation of a plan of corrective action; (2) terminating the contract and taking action to retrieve unexpended funds or unauthorized expenditures; and/or (3) offsetting future payments with any amounts improperly spent.

Section 7.6. Termination due to Unavailability of Funds. If funds for the Project become unavailable for any reason, including without limitation, a change in the State or federal laws, NCDIT and/or the County shall have the right to terminate this Agreement after giving the Grantee written notice of termination of this Agreement at least twenty (20) calendar days in advance of the Termination Date. The notice of termination shall contain the effective Termination Date of this Agreement. Upon notice, the Grantee shall not expend any GREAT Award funds without NCDIT's express written authorization. Upon termination of this Agreement, neither NCDIT nor the County shall have any responsibility to make additional payments to the Grantee.

Article 8. General Conditions.

Section 8.1. Representations and Warranties.

a. **The Parties' Representations and Warranties.** The Parties acknowledge that each has been represented in negotiations for, and the preparation of, this Agreement by counsel of its own choosing (or has had the opportunity to retain counsel for those purposes), that each has read this Agreement or has had it read to them and explained by counsel, that each understands and is fully aware of its contents and of its legal effect, that each is knowingly and voluntarily entering into this Agreement. The execution and performance of this Agreement have been duly authorized by all necessary laws, resolutions and entity action, and this Agreement constitutes the valid and enforceable obligations of the Parties in accordance with its terms. Each Party and its respective signatory hereto avers that its signatory is authorized, empowered, and directed on behalf of the Party to execute this Agreement and thereby bind the Party and others as set forth in Section 8.5 of this Agreement.

b. **Grantee's Representations and Warranties.** The Grantee hereby represents and warrants that:

   i. There is no action, suit proceeding, or investigation at law or in equity or before any court, public board or body pending, or to the knowledge of the Grantee, threatened against or affecting it that could or might adversely affect the Project or any of the transactions contemplated by this Agreement the validity or enforceability of this Agreement, or the abilities of the Grantee to discharge their obligations under this Agreement. If it is subsequently found that an action, suit, proceeding, or investigation did or could threaten or affect the development of the Project, Grantors may require repayment from the Grantee based on Section 3.4, Article 7, and Section 8.4 of this Agreement and this Agreement may be terminated by Grantors effective upon notice.

   ii. No consent or approval is necessary from any governmental authority as a condition to the execution and delivery of this Agreement by the Grantee or the performance of any of its obligations hereunder, or all such requisite governmental consents or approvals have been obtained. The Grantee shall provide NCDIT with evidence of the existence of any such necessary consents or approvals at the time of the execution of this Agreement.

   iii. The Grantee is solvent, is financially capable of performing the Project responsibilities, is a going concern, is duly authorized to do business under North Carolina law, and is not delinquent on any federal, state, or local taxes, licenses, or fees. If it is subsequently found that the Grantee was not solvent, was not financially capable of performing its Project responsibilities, was delinquent on its federal, state or local taxes, licenses or fees or, if applicable, was not a going concern or was not duly authorized to do business under North Carolina law, Grantors may require repayment from the Grantee based on Section 3.4, Article 7, and Section 8.4 of this Agreement.

Section 8.2. Indemnification. The Grantee hereby agrees to release, indemnify and hold harmless the State (including, without limitation, NCDIT) and the County, and their respective members, officers, directors, employees, agents and attorneys (together, the "**Indemnified Parties**"), from any claims of third parties arising out of any act or omission of the Grantee or any third party in connection with the performance of this Agreement or the Project, and for all losses arising from their implementation. Without limiting the foregoing, the Grantee hereby releases the Indemnified Parties from, and agrees that such Indemnified Parties are not liable for, and agrees to indemnify and hold harmless the Indemnified Parties against, any and all liability or loss, cost or expense, including, without limitation, reasonable attorneys' fees, fines, penalties and civil judgments, resulting from or arising out of or in connection with or pertaining to, any loss or damage to property or any injury to or death of any person occurring in connection with the Project, or resulting from any defect in the fixtures, machinery, equipment or other property used in connection with the Project or arising out of, pertaining to, or having any connection with, the Project or the financing thereof (whether arising out of acts, omissions, or negligence of the Grantee or of any third party or of any of their agents, Grantees, servants, employees, licensees, lessees, or assignees), including any claims and losses accruing to or resulting from any and all subgrantees, subcontractors, material men, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the Project.

Section 8.3. Insurance. The Grantee must provide the equivalent insurance coverage for real property and equipment acquired or improved with this award as provided to property owned by the Grantee. In addition, the Grantee, must, at a minimum, provide and maintain during the term of this Agreement insurance coverage that meets the following coverage and limit requirements:

a. **Small Purchases Requirements.** For Small Purchases as defined under 01 N.C.A.C. 05A .0112(35) and 05B .0301(1), the minimum applicable insurance requirements for Worker's Compensation and Automobile Liability will apply as required by North Carolina law. The Purchasing Agency may require Commercial General Liability coverage consistent with the assessed risks involved in the procurement.

b. **Requirements for Contracts Between Small Purchase and $1,000,000.00.** For Contracts valued in excess of the Small Purchase threshold, but up to $1,000,000.00 the following limits shall apply:

   1. Worker's Compensation - The Grantee shall provide and maintain Worker's Compensation Insurance, as may be required by the laws of North Carolina, as well as employer's liability coverage, with minimum limits of $250,000.00, covering all of Grantee's employees who are engaged in any work under the Contract in North Carolina. If any work is sub-Contracted, the Grantee shall require the sub-contractor to provide the same coverage for any of its employees engaged in any work under the Contract within the State.

2. Commercial General Liability - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of $500,000.00 Combined Single Limit. Defense costs shall be in excess of the limit of liability.

3. Automobile - Automobile Liability Insurance, to include liability coverage covering all owned, hired, and non-owned vehicles, used within North Carolina in connection with the Contract. The minimum combined single limit shall be $250,000.00 bodily injury and property damage; $250,000.00 uninsured/under insured motorist; and $2,500.00 medical payment.

c. **Requirements for Contracts in Excess of $1,000,000.00.** For Contracts valued in excess of $1,000,000.00 the following limits shall apply:

1. Worker's Compensation - The Grantee shall provide and maintain Worker's Compensation Insurance, as may be required by the laws of North Carolina, as well as employer's liability coverage, with minimum limits of $500,000.00, covering all of Grantee's employees who are engaged in any work under the Contract in North Carolina. If any work is sub-Contracted, the Grantee shall require the sub-contractor to provide the same coverage for any of its employees engaged in any work under the Contract within the State.

2. Commercial General Liability - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of $1,000,000.00 Combined Single Limit. Defense costs shall be in excess of the limit of liability.

3. Automobile - Automobile Liability Insurance, to include liability coverage covering all owned, hired and non-owned vehicles, used within North Carolina in connection with the Contract. The minimum combined single limit shall be $500,000.00 bodily injury and property damage; $500,000.00 uninsured/under insured motorist; and $5,000.00 medical payment.

The Grantee's insurance coverage shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the NC Commissioner of Insurance to do business in North Carolina. The Grantee shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this Agreement. If the Grantee fails at any time to maintain and keep in force the required insurance, and such default is not cured within ten (10) calendar days of the receipt of written notice of such default, then Grantors may cancel and terminate this Agreement on any future date after giving the Grantee written notice of termination of this Agreement. The limits of coverage under each insurance policy maintained by the Grantee shall not be interpreted as limiting the Grantee's liability and obligations or the indemnification requirements under this Agreement.

The insurer must provide NCDIT with a Certificate of Insurance reflecting the coverages required in this Section. All Certificates of Insurance shall reflect thirty (30) days written notice by the insurer in the event of cancellation, reduction, or other modification of coverage. In addition to this notice requirement, the Grantee must provide NCDIT prompt written notice of cancellation, reduction, or material modification of coverage of insurance. If the Grantee fails to provide such notice, the Grantee assumes sole responsibility for all losses incurred by Grantors for which insurance would have provided coverage.

Section 8.4. Cessation, Bankruptcy, Dissolution, or Insolvency.

a. **Merger, Consolidation, or Sale.** The Grantee agrees at all times to preserve its legal existence, except that it may merge or consolidate with or into, or sell all or substantially all of its assets to, any entity that expressly undertakes, assumes for itself and agrees in writing to be bound by all of the obligations and undertakings of the Grantee contained in this Agreement, subject to the prior written consent of Grantors if such action constitutes an assignment of the Grantee's obligations under this Agreement. If the Grantee so merges, consolidates, or sells its assets without such an undertaking being provided, it agrees under Section 3.4, Article 7, and this Section of this Agreement to make that payment due under this Agreement to Grantors, upon request and as directed. Further, a merger, consolidation or sale without such an undertaking shall constitute a material default under this Agreement, and Grantors may terminate this Agreement upon written notice to the Grantee and hold the Grantee liable for any such payment provided for under Section 3.4, Article 7, and this Section of this Agreement.

b. **Notice of Cessation, Bankruptcy, Dissolution, or Insolvency.** Other than as provided for in this Section, if the Grantee ceases to do business or becomes the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, the Grantee shall give Grantors immediate notice of the event, and shall pay the amount provided under Section 3.4, Article 7, and this Section of this Agreement to Grantors, upon request, as directed and without regard to whether the effective period in Section 3.1 has yet to expire, but only if to make such payment is permissible under applicable bankruptcy, dissolution or insolvency law.

c. **Remedies on Failure to Provide Notice.** If the Grantee fails to provide Grantors notice of ceasing to do business or becoming the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, it shall constitute a material breach under this Agreement. If there is such a cessation or such a proceeding, Grantors may terminate this Agreement upon written notice to the Grantee pursuant to Section 7.1. Upon such termination, the Grantee shall pay the applicable clawback amount to Grantors upon request, as directed and without regard to whether the effective period in Section 3.1 has yet to expire, but only if to make such payment is permissible under applicable bankruptcy, dissolution or insolvency law and, if the matter is under the jurisdiction of a Bankruptcy Court, with approval of the Bankruptcy Court.

Section 8.5. Binding Effect. The Terms of this Agreement are and shall be binding upon each of the Parties hereto, their heirs, executives, representatives, agents, attorneys, partners, successors, predecessors-in-interest, members, managers, member-managers, and assigns, and upon all other persons claiming any interest in the subject matter hereto through any of the Parties. The Grantee must disclose this Agreement to any such person or entity described in this Section.

Section 8.6. Entire Agreement. This Agreement contains the entire agreement between the Parties pertaining to the subject matter of this Agreement. This Agreement supersedes all prior agreements between or among the Parties with regard to the Project and expresses the Parties' entire understanding with respect to the transactions contemplated herein, and shall not be amended, modified or altered except pursuant to the provisions set forth in Section 2.5.

Section 8.7. Titles and Headings. Titles and Headings in this Contract are used for convenience only and do not define, limit, or proscribe the language of terms identified by such Titles and Headings.

Section 8.8. Severability. Each provision of this Agreement is intended to be severable and, if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect or impair any other provision of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein and the remainder of this Agreement shall remain in full force and effect to the extent permitted by law.

Section 8.9. Independent Status of the State, the County, the Grantee, and Any Third Parties.

a. **Independent Entities.** The State (including, without limitation, NCDIT), the County, and the Grantee are independent entities from one another and from any third party. This Agreement, the Project, and any actions taken pursuant to them shall not be deemed to create a partnership or joint venture between the State, the County and the Grantee or between or among either of them or any third party. Nor shall this Agreement or the Project be construed to make any employees, agents or members of the Grantee or any third party into employees, agents, members or officials of the State or the County or to make employees, agents, members or officials of the Grantee into employees, agents, members or officials of the State or the County. Neither the Grantee nor any third party shall have the ability to bind the State or the County to any agreement for payment of goods or services or represent to any person that they have such ability. Nor shall the Grantee have the ability to bind the State or the County to any agreement for payment of goods or services or represent to any person that it has such ability.

b. **Grantees Responsibility for Expense and Insurance.** The Grantee and any third party shall be responsible for payment of all their expenses, including rent, office expenses and all forms of compensation to their employees. The Grantee and any third parties shall provide worker's compensation insurance to the extent required for their operations and shall accept full responsibility for payments of unemployment tax or compensation, social security, income taxes, and any other charges, taxes or payroll deductions required by law in connection with their operations, for themselves and their employees who are performing work pursuant to this Project. All expenses incurred by the Grantee, or any third party are their sole responsibilities, and neither the State (including, without limitation, NCDIT) nor the County shall be liable for the payment of any obligations incurred in the performance of the Project.

Section 8.10. Non-Assignability. The Grantee shall not assign or transfer any interest in this Agreement without the prior written consent of Grantors. Claims for money due to the Grantee from Grantors under this Agreement may be assigned to any commercial bank or other financial institution with Grantors' prior written approval. To the extent that Grantors provide written approval to the Grantee to assign or transfer any interest in this Agreement, the Grantee is not relieved of any of the duties and responsibilities of this Agreement and shall obtain agreement from the assignee to abide by the standards contained in 09 N.C.A.C. 03M. Unless Grantors otherwise agree in writing, the Grantee and all assigns are subject to all Grantors' defenses and are liable for all the Grantee's duties that arise from this Agreement and all Grantors' claims that arise from this Agreement.

Section 8.11. Subcontracting. The Grantee shall provide, upon request by Grantors, copies of any agreements made by and between the Grantee and any subcontractors for the purpose of performing services to fulfill the Grantee's obligations under this Agreement. The Grantee remains responsible for and is not relieved of any of the duties and responsibilities of this Agreement. The Grantee remains solely responsible for the performance of its subcontractors. Subcontractors, if any, shall adhere to the same standards required of the selected Grantee, including those in 09 N.C.A.C. 03M, and shall provide information in their possession that is needed by the Grantee to comply with these standards. NCDIT is indemnified by the Grantee for any claim presented by a subcontractor, and any contracts made by the Grantee with a subcontractor after the Effective Date of this Agreement for performance of work under this Agreement shall include an affirmative statement that the State and the County are intended third-party beneficiaries of the contract; that the subcontractor has no agreement with the State or the County; and that the State and the County shall be indemnified by the Grantee for any claim presented by the subcontractor. Notwithstanding any other term herein, the Grantee shall timely exercise its contractual remedies against any non-performing subcontractor and, when appropriate, substitute another subcontractor.

Section 8.12. No Waiver by the State or the County. Failure of the State (including, without limitation, NCDIT) and/or the County at any time to require performance of any term or provision of this Agreement shall in no manner affect the rights of the State at a later date to enforce the same or to enforce any future compliance with or performance of any of the terms or provisions hereof. No waiver of the State or the County of any condition or the breach of any term, provision or representation contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of that or any other term, provision or representation. No action or failure to act by the State or the County constitutes a waiver of any of its rights or remedies that arise out of this Agreement, nor shall such action or failure to act constitute approval of or acquiescence in a breach of this Agreement, except as specifically agreed in writing.

Section 8.13. Notices. All notices required or permitted by this Agreement shall be in writing and shall be deemed given when (i) sent via electronic mail with delivery confirmation requested; or (ii) when deposited in the United States mail, certified, return receipt requested, first class, postage prepaid. Notices shall be addressed as follows:

If to NCDIT via US mail:	Attn:	**Director, Broadband Infrastructure Office** North Carolina Department of Information Technology NC Broadband Infrastructure Office P.O. Box 17209 Raleigh, North Carolina 27619-7209
	Cc:	**Creecy Johnson, Legal Counsel** North Carolina Department of Information Technology NC Broadband Infrastructure Office P.O. Box 17209 Raleigh, North Carolina 27619-7209
If to NCDIT via Email		greatgrant@nc.gov creecy.johnson@nc.gov

If to the County via US mail:	Attn:	**Drew Cummings, County Manager** Granville County Post Office Box 906 Oxford, NC 27565
If to County via Email		**drew.cummings@granvillecounty.org**
If to the Grantee via US Mail	Attn:	Joe Prater Spectrum Southeast, LLC 7800 Crescent Executive Dr. Charlotte, NC 28217
If to the Grantee via Email:		Joe.Prater@charter.com

If, at any time during the term of this Agreement, the Grantee's Authorized Representative changes from the individual identified in this Agreement, the Grantee must provide written notice of such change to Grantors pursuant to this Section within ten (10) calendar days of any such change.

Section 8.14. Public Records Act Compliance and Confidentiality. The Grantee may designate appropriate portions of documents or information provided to NCDIT as confidential, consistent with and only to the extent permitted under N.C. Gen. Stat. § 132-1, et seq. or other applicable law, by marking the top and bottom of each page containing confidential information with the following legend in boldface type: "CONFIDENTIAL". By so marking any page, the Grantee warrants that it has formed a good faith belief that the portions marked "CONFIDENTIAL" meet the requirements of the applicable law. NCDIT may serve as custodian of Grantee's confidential information and not as arbiter of claims against its assertion of confidentiality. In the event that NCDIT is served with a subpoena, discovery request, or public record request for information that has been designated by the Grantee as confidential information, NCDIT shall forward written notification thereof to the Grantee, along with the subpoena or other request. NCDIT shall not, pursuant to the subpoena or other request, produce documents or information designated by the Grantee as confidential information without Grantee's written consent or unless ordered to do so by a court of competent jurisdiction.

Section 8.15. Dispute Resolution. The Parties agree that it is in their mutual interest to resolve disputes informally. The Parties shall negotiate in good faith and use all reasonable efforts to resolve such dispute(s). During the time the Parties are attempting to resolve any dispute, each shall proceed diligently to perform their respective duties and responsibilities under this Contract. If a dispute cannot be resolved between the Parties after a reasonable period, either Party may elect to exercise any other remedies available under this Contract, or at law. This term shall not constitute an agreement by either party to mediate or arbitrate any dispute.

Section 8.16. Waiver of Objections to Timeliness of Legal Action. The Grantee knowingly waives any objections it has or may have to timeliness of any legal action (including any administrative petition or civil action) by the State (including, without limitation, NCDIT) and/or the County to enforce its rights under this Agreement. This waiver includes any objections the Grantee may possess based on the statutes of limitations or repose and the doctrines of estoppel or laches.

Section 8.17. Force Majeure. Except as provided for herein, no Party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations as a result of events beyond its reasonable control, including without limitation, fire, power failures, any act of war, hostile foreign action, nuclear explosion, riot, strikes or failures or refusals to perform under subcontracts, civil insurrection, flood, earthquake, hurricane, tornado, epidemic, pandemic, or other catastrophic natural event or act of God.

Section 8.18. Construction, Jurisdiction and Venue. This Agreement shall be construed and governed by the laws of the State of North Carolina. The Parties agree and submit, solely for matters concerning this Agreement, to the exclusive jurisdiction of the courts of North Carolina and agree, solely for such purposes, that the only venue for any legal proceedings shall be Wake County, North Carolina. The place of this Agreement, and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract, tort, or otherwise, relating to its validity, construction, interpretation, and enforcement, shall be determined.

Section 8.19. Execution. This Agreement may be executed in one or more counterparts, each of which, when executed, shall be deemed an original, and such counterparts, together, shall constitute one and the same Grant Agreement which shall be sufficiently evidenced by one of such original counterparts.

Section 8.20. Acceptance. If the Grantee and the County agree to the conditions as stated, please execute this Agreement via AdobeSign. This Agreement may be withdrawn if NCDIT has not received the executed Agreement within thirty (30) days from the date of the cover letter from NCDIT to the Grantee and the County accompanying this Agreement and Grantee Exhibits.

IN WITNESSETH WHEREOF, the Parties, intending to be legally bound hereby, have read, signed, and caused this Agreement to be executed.

STATE OF NORTH CAROLINA
COUNTY OF WAKE

Agreement # 2000072587

Growing Rural Economies with Access to Technology Agreement
NCDIT Broadband Infrastructure Office Program

Spectrum Southeast, LLC

Signature: ______________________________

Printed Name: ______________________________

Title: ______________________________

Date: ______________________________

Granville County

Signature: ______________________________

Printed Name: ______________________________

Title: ______________________________

Date: ______________________________

STATE OF NORTH CAROLINA
COUNTY OF WAKE

Agreement # 2000072587

Growing Rural Economies with Access to Technology Agreement
NCDIT Broadband Infrastructure Office Program

North Carolina Department of Information Technology

Signature: ______________________

Printed Name: Nathaniel Denny

Title: Deputy Secretary for the Division of Broadband and Digital Equity
NC Department of Information Technology

Date: ______________________

Exhibit A
NCDIT Disclosures

2 C.F.R. 200.332 Required Disclosures	
Disclosure	**Contract Location**
(1) Federal award identification.	
Subrecipient name	Section 1.1
Subrecipient's unique entity identifier;	Cover letter; Exhibit B
Federal Award Identification Number (FAIN);	Section 1.4
Federal Award Date of award to the recipient by the Federal agency;	Cover letter;
Subaward Period of Performance Start and End Date;	Sections 1.7 – 1.9
Subaward Budget Period Start and End Date;	Section 2.1; Exhibit B
Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient;	Section 2.2.a.; Exhibit B
Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current financial obligation;	Section 1.4; Exhibit B
Total Amount of the Federal Award committed to the subrecipient by the pass-through entity;	Section 1.4; Exhibit B
Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);	Section 1.3
Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity;	Sections 1.1; 8.13
Assistance Listings number and Title; the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listings Number at time of disbursement;	Section 1.4
Identification of whether the award is R&D; and	No
Indirect cost rate for the Federal award per § 200.414.	Not Applicable
(2) All requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award;	Section 1.3
(3) Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports;	Sections 2.3/2.4; 5.5; 6.6
(4) An approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government. If no approved rate exists, the pass-through entity must determine the appropriate rate in collaboration with the subrecipient;	N/A
(5) A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient's records and financial statements as necessary for the pass-through entity to meet the requirements of this part; and	Section 5.5

Exhibit A
NCDIT Disclosures

(6) Appropriate terms and conditions concerning closeout of the subaward.	Sections 4.6; 7.4

09 NCAC 03M .0703 Required Contract Provisions	
Provision	**Contract Location**
(1) A specification of the purpose of the award, services to be provided, objectives to be achieved, and expected results;	Section 1.3
(2) The source of funds (such as federal or state) must be identified, including the CFDA number and percentages of each source where applicable.	Section 1.4
(3) Account coding information sufficient to provide for tracking of the disbursement through the disbursing agency's accounting system.	Cover Letter; Agreement Header
(4) Agreement to maintain all pertinent records for a period of five years or until all audit exceptions have been resolved, whichever is longer.	Section 2.3/2.4
(5) Names of all parties to the terms of the contract. For the recipient or subrecipient, each contract shall contain the employer/tax identification number, address, contact information, and the recipient's or subrecipient's fiscal year end date.	Sections 1.1; 8.13
(6) Signatures binding all parties to the terms of the contract.	Section 8.19
(7) Duration of the contract, including the effective and termination dates.	Section 1.7
(8) Amount of the contract and schedule of payment(s).	Section 2.2; Exhibit F
(9) Particular duties of the recipient.	Section 2.3/2.4
(10) Required reports and reporting deadlines.	Exhibit D
(11) Provisions for termination by mutual consent with 60 days written notice to the other party, or as otherwise provided by law.	Section 7.3
(12) A provision that the awarding of State financial assistance is subject to allocation and appropriation of funds to the agency for the purposes set forth in the contract.	Sections 2.2; 2.4
(13) Provision that requires reversion of unexpended State financial assistance to the agency upon termination of the contract.	Sections 2.3/2.4; 2.5; 3.4
(14) A provision that requires compliance with the requirements set forth in this Subchapter, including audit oversight by the Office of the State Auditor, access to the accounting records by both the funding entity and the Office of the State Auditor, and availability of audit work papers in the possession of any auditor of any recipient of State funding.	Sections 2.3/2.4; 4.5; 5.1; 5.2; 5.3; 5.5
(15) A clause addressing assignability and subcontracting, including the following:	

Exhibit A
NCDIT Disclosures

(a) The recipient or subrecipient is not relieved of any of the duties and responsibilities of the original contract.	Section 8.11
(b) The subrecipient agrees to abide by the standards contained in this Subchapter and to provide information in its possession that is needed by the recipient to comply with these standards.	Article 6; Section 8.11

Public Records Statement

Pursuant to N.C. General Statutes, Chapter 132, public records and public information compiled by the agencies of North Carolina government or its subdivisions are the property of the people. Therefore, it is the policy of this State that the people may obtain copies of their public records and public information free or at minimal cost unless otherwise specifically provided by law. Except as otherwise designated under N.C.G.S. 132-1.2 (Confidential Information), public records shall mean all documents, papers, letters, maps, books, photographs, films, sound recordings, magnetic or other tapes, electronic data-processing records, artifacts, or other documentary material, regardless of physical form or characteristics, made or received pursuant to law or ordinance in connection with the transaction of public business by any agency of North Carolina government or its subdivisions.

Policies

All policies of NCDIT will be made available upon request.

Exhibit B
Scope of Services

Grantee, Spectrum Southeast, LLC, Application # 1000014060 (Granville County), will carry out the terms of this contract as follows:

1. Scope of the Project

The Grantee shall deploy infrastructure to the approved Locations required by this Agreement and, upon completion of construction, shall offer to those Locations the minimum download and upload speeds identified in the Grantee's application as the base speed multiplier. The base speed multiplier chosen by the applicant is the minimum speed made available to all Locations in the Project and must be scalable to 100 Mbps symmetrical by December 31, 2026.

2. Project Budget

The proposed budget attached as page 2 to this Exhibit and the budget information submitted in EBS by the Grantee is incorporated herein by reference and approved by NCDIT. Any changes to the project budget must be made in compliance with Section 2.5 of this Agreement. A change of 10% or more constitutes a Material Change and an Amendment to this Agreement is required. A change of less than 10% constitutes a Project Change and the criteria of Section 2.5.b. must be met, approved, and attached as a supplement to this Exhibit.

Project Expenses	GREAT Award (ARPA)	Matching Amount (ISP Fund)	Total
Easements			
Materials	$1,196,400.00	$2,375,426.51	$3,571,826.51
Construction/Installation	$1,267,600.00	$2,516,869.41	$3,784,469.41
Testing			
Engineering	$79,600.00	$158,257.71	$237,857.71
Lease/Collocation Fees (one-time fees)			
Other 1 (Permitting)	$307,600.00	$611,125.42	$918,725.42
Other 2 (Make-Ready)	$1,148,800.00	$2,281,250.95	$3,430,050.95
Other			
Total	$4,000,000.00	$7,942,930.00	$11,942,930.00
Match Percentage	**33.5%**	**66.5%**	**100%**

3. GREAT Award and Matching Funds

The GREAT Award amount in paragraph 2 above and as stated in Section 2.2 of this Agreement is incorporated herein.

Any third-party match shall not exceed 50% of the Grantee's Match Amount. Such amount shall be set out in Exhibit J or a separate two-party agreement.

Exhibit B
Scope of Services

4. Locations

The Grantee must make broadband service available to all households and businesses approved for this Project. The household and business locations represent address-level locations submitted in the GREAT Grant Program Application and any adjustments due to the protest process or ineligible locations, as required by NCDIT. A data file of locations approved by NCDIT for this Project is reflected within Exhibit I. Broadband deployments must make broadband service available to the total number of locations outlined in the table below.

Households:	1510
Businesses:	20
Total Locations:	1530

Exhibit C
Project Milestones

Documentation for deliverables should accompany the relevant progress report and other requested documentation, demonstrating the achievement of the milestones for the following Periods:

Milestone	Description
• Initial status of the engineering and design of the project • Initial list of agreements, permits, or contractual arrangements that must be acquired or executed in order to construct or deploy infrastructure/equipment	Reported in Q1 Progress Report
• Status of the engineering and design of the project • List and status of agreements, permits, or contractual arrangements that must be acquired or executed in order to construct or deploy infrastructure/equipment	Reported in Q2 Progress Report
• Minimum of at least one Reimbursement Request has been submitted	Submission of Reimbursement Request by June 30, 2024
• Evidence of the start of construction • Status of the engineering and design of the project • List and status of agreements, permits, or contractual arrangements that must be acquired or executed in order to construct or deploy infrastructure/equipment	Reported in Q4 Progress Report
• Minimum of two cumulative Reimbursement Requests have been submitted	Submission of Reimbursement Request by March 31, 2025
• Status of the engineering and design of the project • List and status of agreements, permits, or contractual arrangements that must be acquired or executed in order to construct or deploy infrastructure/equipment • Access is available to 10% of the locations with submission of addresses in the format designated by the Office	Reported in Q6 Progress Report
• Status of the engineering and design of the project • List and status of agreements, permits, or contractual arrangements that must be acquired or executed in order to construct or deploy infrastructure/equipment	Reported in Q7 Progress Report
• Completion of the Construction Period • Access is available to 100% of the locations with submission of addresses in the format designated by the Office. • Beginning of Maintenance Period	Reported in Q8 Final Report for End of Construction Period
• All reimbursement requests have been submitted	Final submission of Reimbursement Request by December 31, 2025
• Submittal of an attestation specified in Sections 2.3.a and 2.3.d (2 party) or 2.4.a. and 2.4.d. (3 party)	Reported in Y1 Annual Report
• Submittal of an attestation specified in Sections 2.3.a and 2.3.d (2 party) or 2.4.a. and 2.4.d. (3 party)	Reported in Y2 Annual Report
• Submittal of an attestation specified in Sections 2.3.a and 2.3.d (2 party) or 2.4.a. and 2.4.d. (3 party)	Reported in Y3 Annual Report

Exhibit D
Reporting Schedule for Progress Reports

The Grantee is required to submit progress reports based on the following schedule:

Reporting Period	Due Date	Report Type
Effective Date to March 31, 2024	4/15/24	Q1 Progress Report
April 1, 2024 to June 30, 2024	7/15/24	Q2 Progress Report
July 1, 2024 to September 30, 2024	10/15/24	Q3 Progress Report
October 1, 2024 to December 31, 2024	1/15/25	Q4 Progress Report
January 1, 2025 to March 31, 2025	4/15/25	Q5 Progress Report
April 1, 2025 to June 30, 2025	7/15/25	Q6 Progress Report
July 1, 2025 to September 30, 2025	10/15/25	Q7 Progress Report
October 1, 2025 to December 31, 2025	1/31/26	Q8 Final Report Form for End of Construction Period
January 1, 2026 to December 31, 2026	1/31/27	Y1 Annual Progress Report (Maintenance Period)
January 1, 2027 to December 31, 2027	1/31/28	Y2 Annual Progress Report (Maintenance Period)
January 1, 2028 to December 31, 2028	1/31/29	Y3 Annual Progress Report (Maintenance Period)

The Grantee shall submit at minimum a quarterly report during the Construction Period, and at minimum an annual report during the Maintenance Period. The schedule above assumes a full two-year construction period. Grantee may move from a quarterly to an annual reporting period prior to the date above, if the construction period of the project is completed early. The final report is due at the time of Project completion or no later than 30 days after the grant end-date, whichever is sooner. The reporting schedule remains in effect for the duration of the grant.

The Grantee shall submit its Conflict of Interest Policy to NCDIT prior to disbursement of the first payment. At any time during these reporting cycles, the Grantee may be required to submit additional information as outlined in Section 2.3.a./2.4.a. (Broadband Access and Speeds), and Section 2.3.c./2.4.a. (Project Milestones and Progress Reports) of this Agreement. The final quarterly progress report documentation is due at the time of the end of the Construction Period or no later than 30 days after the Construction Period end-date, whichever is sooner. The reporting schedule remains in effect for the duration of the grant.

Exhibit D
Reporting Schedule for Progress Reports

No Overdue Tax Certification Reporting Period and Due Date

The Grantee shall submit, on an annual basis in accordance with the table below, an updated No Overdue Tax Certification for all funds received by NCDIT. A copy of this certification will be kept along with this Grant Agreement by NCDIT and made available for review pursuant to Section 5.5 of this Grant Agreement.

Reporting Period	Due Date
January 1, 2024 to December 31, 2024	1/31/25
January 1, 2025 to December 31, 2025	1/31/26
January 1, 2026 to December 31, 2026	1/31/27
January 1, 2027 to December 31, 2027	1/31/28
January 1, 2028 to December 31, 2028	1/31/29

Failure to submit progress reports and No Overdue Tax Certification as required may result in one more of the following actions:

1. non-payment of payment requests;
2. termination of the grant;
3. immediate repayment of any funds paid pursuant to this Grant Agreement; and
4. negatively impact Grantee's eligibility for future NC Department of Information Technology grants.

NCDIT | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

Exhibit E

Progress Report Template

(Template may be revised based on program needs or risk assessment - For current version see GREAT Grant Management Documents (Federal) | ncbroadband.gov)

GREAT GRANT PROGRAM

Progress Report Form

for the Construction Period

GRANTEE INFORMATION (to be completed by Grantee)

Grantee Name: ____________________

Project Contact Completing this Form: ____________________ Title: ____________________

Primary Telephone: ____________________ Email: ____________________

Reporting Period

From: ____________________ *(date)*

To: ____________________ *(date)*

Contract Information

Grant Agreement#: ____________________

Project Title: ____________________

Project County: ____________________

Technology Type: ____________________

UPLOAD PROGRESS REPORTS TO EBS.NC.GOV

DOWNLOAD - HOW TO SUBMIT PROGRESS REPORTS

PROJECT UPDATES

Please provide progress a description of accomplishments achieved and problems or delay encountered during this reporting period on the categories below.

Design/Engineering:
Provide a *rough* estimate of how much of the design/engineering work has been completed for the total project (including all project areas). (Please check one.) Provide any updates or challenges with the design/engineering work for this project.

- ____ Less than 25% complete
- ____ 25-75% complete
- ____ 75-99.9% complete
- ____ 100% complete

Securing Assets:
Provide any updates on securing the following relevant items: rights-of-way; easements; other land; access to poles and completion of make-ready work; access to towers. Provide any challenges that may significantly impact your project design. For WISPs, please list the actual macro towers being utilized and whether leases have been secured.

NCDIT | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

Exhibit E

Progress Report Template

(Template may be revised based on program needs or risk assessment - For current version see GREAT Grant Management Documents (Federal) | ncbroadband.gov)

Materials/Supplies:

Provide any updates on materials/supplies being purchased for the project. Provide any anticipated significant challenges or delays these purchases will have on the project.

Staffing/Contractors:

Provide any updates with staffing/labor for the project. Provide any challenges or changes to staffing/labor since the previous reporting period. Provide whether design/engineering and construction labor is primarily in-house or contractors.

Design/Engineering:

- ____ In-House Staff
- ____ Contractors
- ____ Both

Please list names of primary contractors.

Construction/Installation:

- ____ In-House Staff
- ____ Contractors
- ____ Both

Please list names of primary contractors.

Milestones:

Provide the status of any remaining milestone requirements listed in Exhibit C of the Grant Agreement for this reporting period.

NCDIT NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

Exhibit E

Progress Report Template

(Template may be revised based on program needs or risk assessment - For current version see GREAT Grant Management Documents (Federal) | ncbroadband.gov)

Project Expenditures

Provide the total expenditures for all eligible expenditures as defined in Section 2.2.c. of the Grant Agreement for the reporting period and cumulative to date. Provide any justifications for expenditures or cost overruns, as applicable. Attach financial documentation as needed to this report.

Project Expenses	Total Expenditures (Reporting Period)	Total Expenditures (Cumulative – To Date)
Easements		
Materials		
Construction/Installation		
Testing		
Engineering		
Lease/Collocation Fees (one-time fees)		
Other (Specify)		
Justification:		

Provision of Service:

Is service available yet to any GREAT locations (potential subscribers) within this project?

- ____ Yes
- ____ No

If yes, please provide estimated numbers below:

	Estimated number of locations
GREAT Households with broadband available:	
GREAT Businesses with broadband available:	
GREAT Ag Operations with broadband available:	
GREAT Community Anchor Institutions with access	

GRANTEES ARE REQUIRED TO REPORT ONLY ON GREAT GRANT LOCATIONS. DO NOT SUBMIT ADDITIONAL LOCATIONS OUTSIDE OF THE CONTRACTED GREAT GRANT AGREEMENT. IF ADDITIONAL LOCATIONS ARE INCLUDED THE REPORT WILL BE RETURNED TO THE GRANTEE.

Completion of Construction Period of project:

Broadband access is considered available if service can be provided to the GREAT location(s) immediately or within ten (10) business days upon request and without cost to the customer other than standard connection fees. Grantees who have completed the Construction Period of the project will be provided the Final Report Form for completion. Upon verification of the Final Report by NCDIT, Grantees will move to the Maintenance Period of the GREAT Grant.

If you have completed the entire Construction Period of this GREAT grant, and made service available to all required GREAT locations, please indicate below:

- ____ Yes (all construction has been completed and service availability to all locations is complete.)

NCDIT NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY **Exhibit E**

Progress Report Template

(Template may be revised based on program needs or risk assessment - For current version see GREAT Grant Management Documents (Federal) | ncbroadband.gov)

Broadband Provider (ISP) Certification and Attestation

The undersigned representative of the Grantee certifies that the information in this progress report is true, correct, and complete to the best of the signatory's knowledge and belief. The signatory further certifies:

1. as Authorized Representative, the signatory has been authorized to file this progress report;
2. that the Grantee has substantially complied with or will comply with all federal, state, and local laws, rules, regulations, and ordinances as applicable to this project;
3. that the Grantee certifies the financial and organizational strength regarding the ability to successfully meet the terms of the grant requirements and the ability to meet the potential for repayment of grant funds; and
4. attests that the project area described in Exhibit B of the Grant Agreement is eligible.

____ ____________________

SIGNATURE OF AUTHORIZED REPRESENTATIVE **Date**

____

TYPED NAME AND TITLE

Exhibit F
Payment Process

NCDIT requires regular reimbursement requests to ensure review of eligible expenditures and verify progress of the project. Reimbursement requests may be submitted on an as-needed basis, but no more than one time per month during the Construction Period, and at minimum must be submitted in accordance with the respective Project Milestone for Reimbursement Requests, as specified in Exhibit C. If Reimbursement Request submissions do not coincide with a Progress Report deadline, NCDIT may request an additional Progress Report (within the quarter), to accompany the Payment Request. With exception to those eligible expenditures incurred in accordance with Section 2.2.e., eligible expenditures may only be incurred during the Construction Period.

Prior to disbursement of the first Reimbursement Request, the Grantee shall submit a copy of its Conflict of Interest Policy.

In order to receive reimbursement funds, the Grantee must submit the following documentation:

1. Payment Request through the NCDIT EBS portal, in accordance with the process outlined in 2.3.e/2.4.e;
2. Copies of eligible expenditure invoices, all invoices shall include:
    - date of invoice,
    - invoice #,
    - description of service or item, and
    - the name of the vendor;
3. Evidence showing invoices have been paid in full. Evidence may include but not limited to a copy of cleared checks or wire transfer receipts issued toward Project expenses;
4. Proof progress reports are in good standing;
5. Any additional documentation requested by NC DIT related to the Project, including but not limited to the following:
    - mapping information,
    - verification of broadband service to the committed locations, and
    - verification that milestones, as defined in Section 2.3.c./2.4.c., have been met.
6. A request for budget changes must be approved prior to submitting a reimbursement request. If a grantee's budget has changed and does not match the Grant Agreement and the budget in the EBS Portal, the reimbursement request will be rejected in the NCDIT.

One final claim may be submitted for reimbursement within 90 days from the end date of the Construction Period. This Payment Request is subject to NCDIT receiving and approving the following documentation:

1. All final invoices and proof of payment for each invoice. All invoices must be for work incurred prior to the end of the Construction Period;
2. The "Final Report Form for the End of Construction Period," detailed in Exhibit C and D; and

Exhibit F
Payment Process

3. Mapping files, in the NCDIT approved format, that identifies all contracted locations having broadband access.

Payments are subject to the availability of funds. NCDIT will use best efforts to issue the funds due to the Grantee within thirty (30) days of approval of the documentation submitted by the Grantee.

Exhibit G
31 C.F.R. PART 21 – Certification Regarding Lobbying

Grantee certifies to the best of their knowledge and belief, that:

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

2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the Undersigned shall complete and submit Standard Form-LLL, "Disclosure form to Report Lobbying," in accordance with its instructions. A copy of this form is contained in 31 C.F.R. Pt. 21, App. B.

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

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

The Grantee certifies and affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Grantee understands and agrees that the provisions of 31 U.S.C. Chapter 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

____

Signature of Authorized Representative Print Name Date

NCDIT | NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

Exhibit H
Key Personnel of the Grantee

GREAT GRANT PROGRAM (FEDERAL)
Growing Rural Economies with Access to Technology Program

Purpose: The purpose of this document is for the awardee to identify and determine the responsibilities of a representative from the company with regards to administering the GREAT Grant Project. This document will establish the appropriate contacts from the awardee, assign responsibility and delegate authority to appropriate staff to ensure compliance with the executed grant agreement.

The Grantee's Project Contacts table can be edited, and additional rows may be added, as needed, by the user. **Please include a copy of a letter on company letterhead by the principal or legal counsel certifying the roles of the representatives listed in the table.**

Definitions

Awardee Name: Legal name of the awardee as indicated in the submitted application

Application #: The application number assigned by the Enterprise Business Service (EBS) online application portal at the time of application submission. You may also reference the application # in the award letter.

Unique Entity Identifier (UEI): Awardees must have an active Unique Entity Identifier. This is required due to the use of federal funds per 2 CFR 200.206 (link). At the time of application, the identifier was referred to as the System Award Management (SAM) ID and used the DUNS number as part of the registration process. The SAM.gov transitioned from using DUNS numbers to the UEI on April 4, 2022. If your organization does not have a UEI, please register or update your information at this link: SAM.gov | Home.

Principal: The person that has the authority to enter a legally binding contract with the State of North Carolina.

Legal Counsel: The person that serves as legal counsel on behalf of the company and will review the grant agreement from the NC Department of Information Technology.

Fiscal Representative: The person that will submit claims for reimbursement.

Authorized Representative: The person that is responsible for certifying and submitting progress report documentation.

Construction Manager and/or Engineer: The person that is responsible for questions about the construction of broadband infrastructure.

Authorized User(s) for the EBS on-line portal: The person that has access to the Enterprise Business Services (EBS) on-line portal. Please ensure that the authorized user has a valid

NCDIT NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

Exhibit H
Key Personnel of the Grantee

NCID username and password (register here). In addition, ensure that the user has received authorization to access the EBS (register here).

Awardee Name:	**Spectrum Southeast, LLC**
Application #:	1000014060 - 2022 NC GREAT – Granville County Project
Unique Identify Identifier (as registered with SAM.gov)	**FKP2W71T9GK7**
Tax Identification #:	**45-4608839**
Awardee Fiscal Year End Date:	**December 31**

Responsibility	**Full Name, Title**	**Contact Information Business Name Mailing Address Email Address and Phone**
Principal	Paul Woelk, Senior Vice President, Cable Operations	400 Washington Blvd Stamford, CT 06904 Phone: 203-705-0847 Email: Paul.Woelk@charter.com
Legal Counsel	Elana Shapochnikov Vice President, Law-Policy, PPR Legal	Charter Communications, LLC 400 Washington Blvd. Stamford, CT 06902 Phone: 203-705-5671 Email: Elana.Shapochnikov@charter.com
Fiscal Representative	Paul Niebrugge, Director, Capital & Fixed Assets, Accounting	Charter Communications, LLC 12405 Powerscourt Drive St. Louis, MO 63131 Phone: (314) 543-2271 Email: Paul.Niebrugge@charter.com
Authorized Representative	Doug Davis, Regional Vice President, Field Operations	7910 Crescent Executive Dr. Charlotte NC Phone: 704-206-2856 Email: Doug.Davis@charter.com
Construction Manager and/or Engineer	Tim Williams Vice President, Regional Construction	7910 Crescent Executive Dr Charlotte NC Phone: 813-299-0682 Email: Timothy.Williams2@charter.com
Authorized User(s) for the Enterprise Business Services (EBS) on-line portal	Joe Prater, Director, State Government Affairs	Spectrum Southeast, LLC 7800 Crescent Executive Drive Charlotte, NC 28217 Phone: (919) 390-4828 Email: Joe.Prater@charter.com

NCDIT NORTH CAROLINA DEPARTMENT OF INFORMATION TECHNOLOGY

Exhibit H
Key Personnel of the Grantee

Reserved for other representatives		

Exhibit I
Mapping Files

The Grantee must make broadband service available to all households and businesses approved for this project. The household and business locations represent address-level locations submitted in the GREAT Grant Program Application and any adjustments due to the protest process or ineligible locations as required by NCDIT.

The data file listing the locations submitted by Grantee and approved by NCDIT for this Project is considered a part of this Grant Agreement and is incorporated into the Agreement by reference. A copy of this data file listing these final locations, as previously agreed upon by the Parties, is being provided to the Grantee as a csv file in a separate email with the following naming structure: (Application number_AWARD_LOCATIONS.csv). The approved and required locations are outlined in the data file, which includes addresses and coordinates from the AddressNC statewide address dataset. The full address field contains the complete address provided by the local county addressing authority. Also provided for each location are decimal degrees coordinates, state plane latitude and longitude, US National Grid Coordinates, and Google Plus Codes that can be used to map the locations in a variety of mapping platforms.

A map of the locations is also included in this Exhibit.

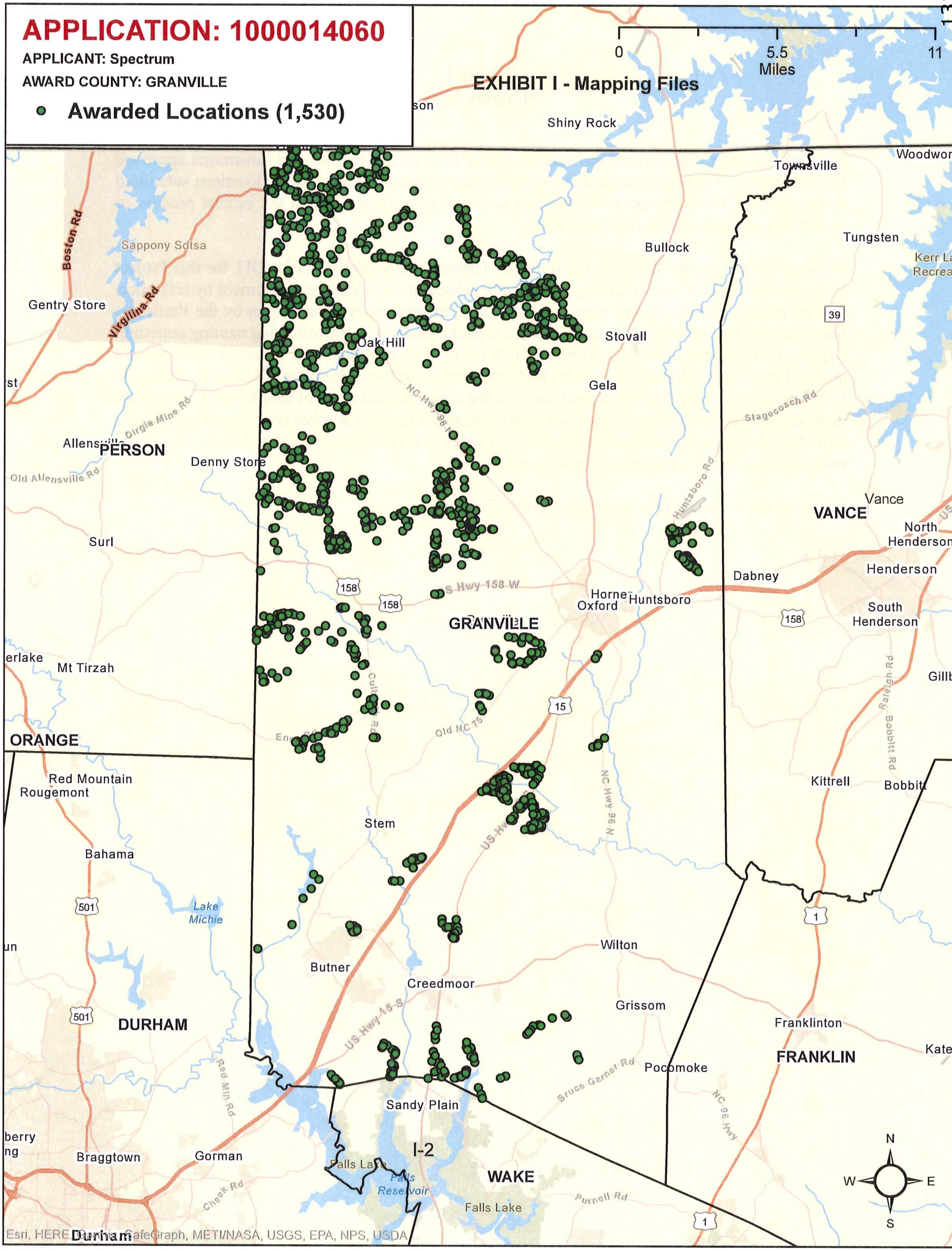

APPLICATION: 1000014060
APPLICANT: Spectrum
AWARD COUNTY: GRANVILLE
Awarded Locations (1,530)
EXHIBIT I - Mapping Files
0
5.5
Miles
11
GRANVILLE
PERSON
VANCE
ORANGE
DURHAM
WAKE
FRANKLIN
Shiny Rock
Townsville
Woodworth
Bullock
Tungsten
Stovall
Gela
Oak Hill
Gentry Store
Sappony Sdtsa
Allensville
Denny Store
Surl
Mt Tirzah
Horner
Oxford
Huntsboro
Dabney
Vance
North Henderson
Henderson
South Henderson
Kittrell
Bobbitt
Red Mountain
Rougemont
Bahama
Stem
Lake Michie
Butner
Creedmoor
Wilton
Grissom
Franklinton
Pocomoke
Sandy Plain
Bragtown
Gorman
Falls Lake
Falls Reservoir
Durham
I-2
Boston Rd
Virgilina Rd
Dirgie Mine Rd
Old Allensville Rd
NC Hwy 96 N
Stagecoach Rd
Huntsboro Rd
US Hwy 158 W
Old NC 75
US Hwy 15 S
Red Mill Rd
Cheek Rd
Bruce Garner Rd
NC 96 Hwy
Purnell Rd
Raleigh Rd
Bobbitt Rd
158
15
39
1
501
N
S
E
W
Esri, HERE, Garmin, SafeGraph, METI/NASA, USGS, EPA, NPS, USDA

EXHIBIT J

COUNTY MATCHING FUNDS

Option 4: Percentage payment based on approved payment request
Please fill in all information in brackets – the two percentages should be the same

Granville County is contributing a total of **$10,000** in matching funds to **Spectrum Southeast, LLC** as part of this Project, which is 0.0837% of the total cost of this Project. Granville County is using ARPA INFRASTRUCTURE funds for this match.

The Grantee will submit requests for reimbursement to NCDIT pursuant to the process set forth in this GREAT Grant Agreement and Exhibits. Upon approval of each payment request by NCDIT, NCDIT will send a copy of that payment request to the County. The County will then send 0.0837% of the amount approved by NCDIT to **Spectrum Southeast, LLC** within 10 days of receipt of the payment request. This percentage represents the County's pro-rata share of the Total Project Cost.

The County and the Grantee will notify NCDIT of any changes to this Exhibit within 30 days of such change(s).

[COUNTY]	[GRANTEE]
Name: Drew Cummings	Name: ______________________
Signature: ______________________	Signature: ______________________
Title: County Manager	Title: ______________________
Date: October 12, 2023	Date: ______________________

Granville County Administration
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To: Board of Commissioners
From: Korena Weichel, Deputy County Manager
Department: Administration
Date: January 2, 2024
Title: **Department of Social Services' Mid-Year Salary Adjustments and Bonus Incentive Plan**

PURPOSE:
To consider approval of mid-year salary increases and bonus pay incentives for Granville County Department of Social Services.

BACKGROUND:
A tight labor market in recent years has resulted in unprecedented staffing shortages across all sectors of the U.S. economy. Granville County government has not been immune to these shortages and has been working throughout the past two fiscal years to remain competitive in its employee compensation and benefit packages. For example, to address the staffing crisis with entry to mid-level public safety positions, bonus pay incentives were instituted during fiscal year 2023 followed by substantial pay increases at the beginning of fiscal year 2024. County administration continues to assess other departmental services where competition for labor has made it difficult to recruit and retain qualified workers.

The Granville County Department of Social Services has been particularly hard hit by employee turnover as trained employees leave the agency for better pay elsewhere. County administration and the Social Services Director have analyzed current pay structures and developed a compensation plan to increase pay for low- to mid-level positions where the impact of employee turnover has been most significant. The plan incorporates a four-pronged approach as outlined below.

Step 1: **Create a separate pay plan for social services positions.**

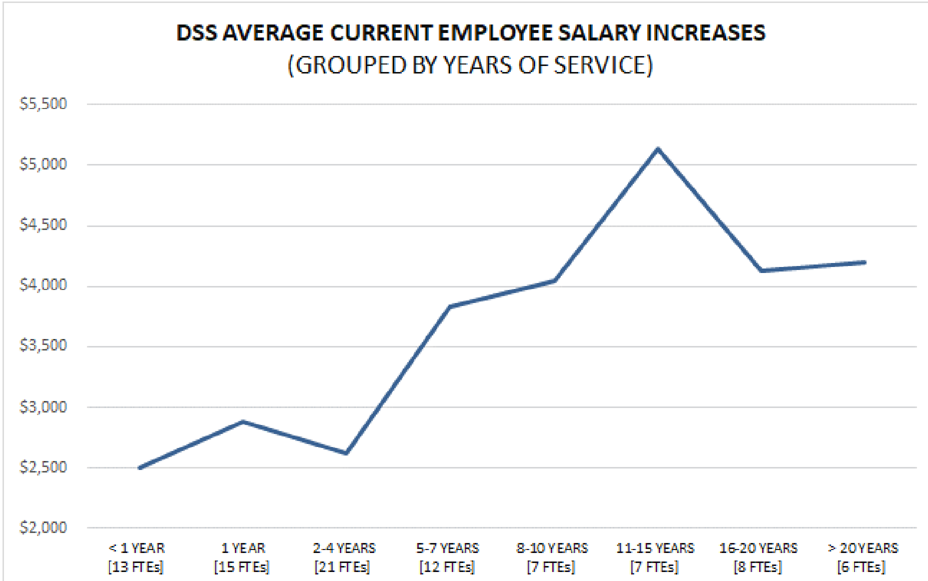
Step 2: **Increase the minimum starting salary for low- to mid-level positions.**

(a) Move the lowest pay grade consisting of Processing Assistant III's up three pay grades and increase current employee pay by the same percentage, resulting in an approximate 14% increase.

(b) Move remaining low- to mid-level positions up one pay grade and increase current employee pay by the same percentage, resulting in an approximate 4.5% increase.

Step 3: **Apply a calculation to the position's minimum starting pay based on years of service and increase current employee pay where indicated.** This calculation will help prevent pay compression issues which can occur when the pay of one or more employees is very close to the pay of more experienced and longer tenured employees in the same job.

Actual pay increases will vary based on years of service. The graph below illustrates the average increase to employees when grouped by years of Granville County service.



Note: The spike in the 11-15 year range is due to two employees whose current salaries were significantly below the salary provided by the years of service calculation.

Step 4: Implement recruitment and retention bonuses.

(a) New hires will receive a pro-rated bonus of up to $4000, depending on date of hire.

(b) Employees currently earning less than $50,00 per year will receive a $4000 bonus.

(c) Employees currently earning at or above $50,000 per year will receive a $1500 bonus.

Granville County's cost share for social services employee salaries is around 50% with state reimbursement covering the remaining portion, making the County's share of these mid-year salary adjustments and bonus incentives approximately $184,000.

FUNDING:

As a result of actual vacancies for the first five months of this fiscal year and estimated vacancies for the remainder of the year, lapsed salaries of approximately $274,000 are available in the current FY24 social services budget to cover these mid-year adjustments and bonuses.

RECOMMENDATION:

County administration recommends approving the Department of Social Services salary adjustments effective on the first pay date in February 2024 and bonus incentive plan effective on the dates identified in the attached Recruitment and Retention Bonus Incentive Plan.

ATTACHMENTS:

Department of Social Services List of Classes Arranged by Grade (DRAFT)
Department of Social Services Recruitment and Retention Bonus Incentive Plan (DRAFT)

ACTION TAKEN:

Granville County

FISCAL YEAR 2023-2024

Department of Social Services Classes Arranged by Grade

Effective xx/xx/xxxx

NEW GRADE	CLASSIFICATION	FLSA STATUS	MINIMUM	MID POINT	MAXIMUM
DSS-05	Processing Assistant III Trainee		31,265	38,709	47,641
DSS-06	Processing Assistant III		32,672	40,451	49,785
DSS-07	Accounting Technician II Trainee		34,142	42,271	52,025
	Computing Support Tech I Trainee				
	Income Maintenance Caseworker I Trainee				
	IM Investigator I W/A II Trainee				
	Nutrition Program Supervisor Trainee				
DSS-08	Accounting Technician II		35,678	44,173	54,367
	Computing Support Tech I				
	Income Maintenance Caseworker I				
	IM Investigator I W/A II				
	Nutrition Program Supervisor				
	Processing Unit Supervisor V				
	Program Assistant V				
DSS-09	Accounting Technician III Trainee		37,284	46,161	56,813
	Child Support Agent I Trainee				
	Income Maintenance Caseworker II Trainee				
	Social Worker I Trainee				
DSS-10	Accounting Technician III		38,962	48,238	59,370
	Child Support Agent I				
	Income Maintenance Caseworker II				
	Social Worker I				
DSS-11	Child Support Agent II Trainee		40,715	50,409	62,041
	Income Maintenance Caseworker III Trainee				
	Income Maintenance Investigator II Trainee				
DSS-12	Child Support Agent II		42,547	52,677	64,833
	Income Maintenance Caseworker III				
	Income Maintenance Investigator II				
	Lead Child Support Agent Trainee				
DSS-13	Income Maintenance Supervisor II Trainee	E	44,462	55,048	67,751
	Lead Child Support Agent				
	Social Worker II Trainee				
DSS-14	Child Support Supervisor II Trainee	E	46,462	57,525	70,799
	Human Services Planner/Evaluator Trainee				
	Income Maintenance Supervisor II	E			
	Senior Administrative Assistant				
	Social Worker II				

NEW GRADE	CLASSIFICATION	FLSA STATUS	MINIMUM	MID POINT	MAXIMUM
DSS-15	Child Support Supervisor II	E	48,553	60,114	73,985
	Human Services Planner/Evaluator				
	Social Worker III Trainee				
	Staff Development Specialist II Trainee				
DSS-16	Administrative Officer II Trainee	E	50,738	62,819	77,315
	Social Worker I / A&T Trainee	E			
	Social Worker III	E			
	Staff Development Specialist II				
DSS-17	Administrative Officer II	E	53,021	65,646	80,794
	Income Maintenance Administrator I Trainee	E			
	Social Worker I / A&T	E			
DSS-18	Accountant I		55,407	68,600	84,430
	Income Maintenance Administrator I	E			
	Social Worker Supervisor III Trainee	E			
DSS-19	Income Maintenance Administrator II Trainee	E	57,901	71,687	88,229
	Social Worker Supervisor III	E			
DSS-20	Income Maintenance Administrator II	E	60,506	74,912	92,199
	Social Work Program Administrator I Trainee	E			
DSS-21	Social Work Program Administrator I	E	63,229	78,284	96,348
DSS-22			66,074	81,806	100,684
DSS-23			69,047	85,488	105,215
DSS-24			72,155	89,335	109,949
DSS-25			75,402	93,355	114,897
DSS-26			78,795	97,556	120,067
DSS-27	County Social Services Director Trainee	E	82,340	101,946	125,470
DSS-28	County Social Services Director	E	86,046	106,533	131,116
DSS-29			89,918	111,327	137,017
			133,626	165,443	203,620
			139,639	172,888	212,783

E = Exempt from the Wage and Hour Provisions of the Fair Labor Standards Act (FLSA)

DSS Recruitment and Retention Bonus*
Approved Month DD, YYYY

BONUS TYPE	WHO IS ELIGIBLE TO RECEIVE	DISTRIBUTION SCHEDULE
RECRUITMENT BONUS		
Recruitment Bonus ($4000)	New employees hired between January 1, 2024 and March 3, 2024.	$2000 with April 3, 2024 paycheck $1000 with October 2, 2024 paycheck $1000 with April 2, 2025 paycheck
Recruitment Bonus ($2000)	New employees hired between March 4, 2024 and September 1, 2024.	$1000 with October 2, 2024 paycheck $1000 with April 2, 2025 paycheck
Recruitment Bonus ($1000)	New employees hired between September 2, 2024 and March 2, 2025	$1000 with April 2, 2025 paycheck
RETENTION BONUS		
Retention Bonus ($4000)	Current employees earning under $50,000 per year as of January 1, 2024	$2000 with April 3, 2024 paycheck $2000 with October 2, 2024 paycheck
Retention Bonus ($1500)	Current employees earning over $50,000 per year as of January 1, 2024	$1500 with April 3, 2024 paycheck

*To be eligible for each subsequent payout, employees must maintain continuous employment through the final bonus payment date.

Methodology

PRO-RATED RECRUITMENT BONUSES:
Earlier hires get full recruitment bonus; later hires get partial bonus.

RETENTION BONUS
Lower paid positions get larger retention bonus spread out over six months to encourage retention and reduce turnover in these positions.

Granville County Administration
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	January 2, 2024
Title:	**County Manager's Report**

PURPOSE:
Any matters as needed by the County Manager.

ACTION TAKEN:

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	January 2, 2024
Title:	**County Attorney's Report**

Any items as needed by the County Attorney.

ACTION TAKEN:

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To: Board of Commissioners
From: Debra Weary
Department: Administration
Date: January 2, 2024
Title: **Presentations by County Board Members**

PURPOSE:
Board members will make comments, give reports, and make announcements.

- Commissioner Rob Williford
- Commissioner Sue Hinman
- Commissioner Tony W. Cozart
- Commissioner Russ May
- Commissioner Jimmy Gooch
- Commissioner Zelodis Jay
- Chair Timothy Karan

ACTION TAKEN:

Granville County
Administration
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	January 2, 2024
Title:	**Any Other Matters**

PURPOSE:
To consider any other matters as needed.

ACTION TAKEN: