

TUESDAY, DECEMBER 15, 2009
TOWN OF SAWMILLS REGULAR COUNCIL MEETING
6:00 P.M.

COUNCIL PRESENT

Bobby Austin
Bob Gibbs
Gerelene Blevins
Beverly Fry
Eddie Bowman
Joe Norman

STAFF PRESENT

Robert Frye
Susan Nagle
Terry Taylor

MEMBERS PRESENT

Joe Wesson
Donnie Potter

CALL TO ORDER: Mayor Austin called the meeting to order.

INVOCATION: Pastor John Greene gave the invocation.

PLEDGE OF ALLEGIANCE: Mayor Austin led the Pledge of Allegiance.

APPROVAL OF NOVEMBER 17th REGULAR MEETING MINUTES: Mayor Austin asked for a motion to approve the November 17, 2009 regular meeting minutes.

On a motion made by Eddie Bowman and seconded by Beverly Fry, the minutes were approved. All were in favor.

APPROVAL OF NOVEMBER 17th CLOSED SESSION MEETING MINUTES: Mayor Austin asked for a motion to approve the November 17, 2009 closed session meeting minutes.

On a motion made by Eddie Bowman and seconded by Beverly Fry, the minutes were approved. All were in favor.

OUTGOING COUNCIL COMMENTS: Joe Norman stated that he enjoyed the last 8 years and that the town will be in capable hands.

Bobby Austin stated that he hopes he left the town a little bit better than when he came and thanked everyone for their support.

ADJOURN: Mayor Austin asked for a motion to adjourn the meeting.

On a motion made by Joe Norman and seconded by Eddie Bowman, the meeting was adjourned.

OATH OF OFFICE FOR NEW COUNCIL AND MAYOR: Clerk of Superior Courts for Caldwell County Sandie Cannon administered the oath of office to incoming Mayor, Bob Gibbs and incoming Council members Donnie Potter and Joe Wesson.

CALL TO ORDER: Mayor Gibbs called the meeting to order.

ORGANIZATIONAL MATTERS:

SEATING ARRANGEMENTS: Mayor Bob Gibbs asked the Council members to move, as the seating arrangements will now be in alphabetical order.

ELECTION OF MAYOR PRO-TEM: Mayor Gibbs asked for a motion to elect a Mayor Pro-Tem.

On a motion made by Joe Wesson and seconded by Donnie Potter, Eddie Bowman will be the new Mayor Pro-tem. Those in favor were Council member's Eddie Bowman, Beverly Fry, Donnie Potter, and Joe Wesson. Those opposed was Council member Gerelene Blevins. The vote passed 4-1.

COMMITTEE ASSIGNMENTS: Mayor Gibbs appointed the new standing Town Council committees. (See attached)

No Council action required.

AGENDA CHANGES/REORGINIZATION: Mayor Gibbs stated that as of the January 2010 meeting the Town Hall comment period would be moved to the first item on the agenda.

No Council action required.

COUNCIL ETHICS AND CODE OF CONDUCT: Town Attorney Taylor reviewed with Council the suggested guidelines for Council Code of Conduct.

Mayor Gibbs asked Council to read and sign the enclosed document (see attached) and give to Town Clerk Nagle at the end of the meeting to keep on file.

ADOPT AGENDA: Mayor Gibbs asked for a motion to adopt the agenda.

On a motion made by Eddie Bowman and seconded by Joe Wesson, the agenda was adopted. All were in favor.

COUNCIL EDUCATIONAL OPPORTUNITIES:

SCHOOL FOR NEW COUNCIL MEMBERS: The Essentials of Municipal Government course is coming up and the two closest classes are in Concord and Asheville. There are sufficient funds in the budget to cover sending the Council and staff would recommend Council attend, as the new State required Ethics course will be included.

STATE REQUIRED ETHICS TRAINING: The N.C. General Assembly passed legislation in 2009 that requires governing boards to adopt a resolution or a policy containing code of ethics and to receive two hours of ethics training by January 1, 2011. The ethics training will be included in the Essentials of Municipal Governments course.

No Council action required.

CDBG-R GRANT MATTERS:

ADOPTION OF PROJECT BUDGET ORDINANCE: The Town of Sawmills has received a CDBG-R grant in the amount of \$256,700.00 to replace a section of waterline in the Dry Ponds Road. Council needs to amend the budget to show the funds received in the grant. (See attached).

On a motion made by Eddie Bowman and seconded by Donnie Potter, Council adopted the CDBG-R Budget Ordinance. All were in favor.

APPROVAL OF GRANT ADMINISTRATION CONTRACT WITH WESTERN PIEDMONT COG: Due to legal requirements associated with the CDBG program staff would recommend contracting with the Western Piedmont COG for grant administration. The cost to contract with the COG is in the amount of \$12,000.00 and would come from the CDBG-R grant so the Town will not be required to pay out any new funds.

On a motion made by Beverly Fry and seconded by Joe Wesson, Council adopted the CDBG-R grant administration contract with the Western Piedmont COG. All were in favor.

UPDATE: WATER LEAK SITUATION: Town Administrator Frye updated the Council on the cost associated with the nine major water leaks the Town experienced during September and October of 2009. These leaks being unforeseen and not having been budgeted for has resulted in the Town spending a total in the amount of \$58,579.38. This will require a budget amendment and a fund balance appropriation.

Staff recommends waiting until the mid year January financial report is complete and presented to the Council before taking any action on the budget amendment that should be taking place at the January Council meeting. See attached list of expenses incurred due to the leaks.

No Council action is required.

HOLIDAY OPERATING SCHEDULE: Town Administrator Robert Frye reminded Council of the holiday operating schedule that was discussed at the November Council meeting and also sent out to residents in a newsletter.

Town Administrator Robert Frye stated that Council has in past year's allowed the Town employee's to leave at noon on the day before the Christmas Holiday begins.

On a motion made by Eddie Bowman and seconded by Joe Wesson, the Council has been gracious enough to allow the staff to leave at noon on Tuesday December 23, 2009. All were in favor.

COUNCIL BUDGET RETREAT: The Council will meet before the start of the new budget year for a budget retreat.

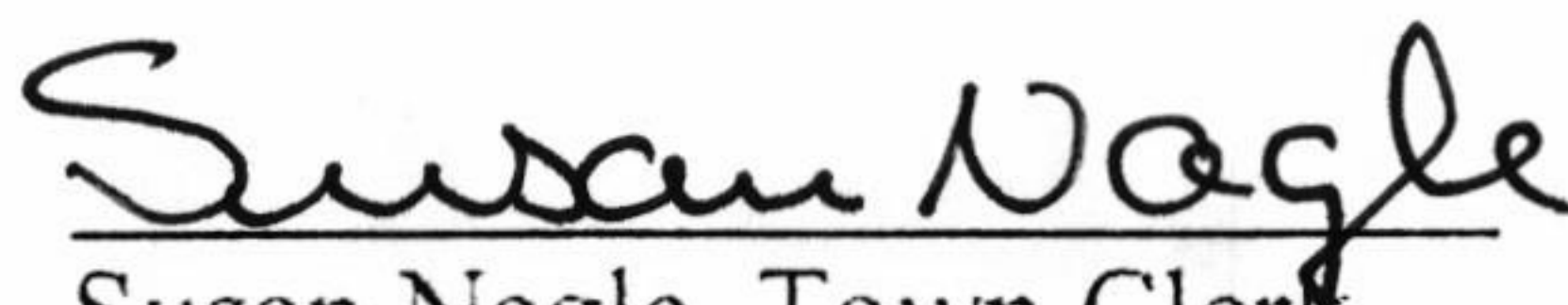
Town Administrator Robert Frye suggested meeting on Thursday January 28, 2010 from 10:00 a.m. to 3:00 p.m. at the JE Broyhill Civic Center in Lenoir.

No Council action is required.

TOWN HALL MEETING: Mayor Gibbs asked if anyone wanted to speak at the Town Hall meeting.

There was no one wanting to speak.

ADJOURN: On a motion made by Beverly Fry and seconded by Eddie Bowman, the meeting was adjourned. All were in favor.


Susan Nagle, Town Clerk


Bob Gibbs, Mayor

TOWN OF SAWMILLS STANDING TOWN COUNCIL COMMITTEES FOR 2010

PUBLIC WORKS COMMITTEE

Roadways and Streets
Water Resources
Wastewater
Drainage
Right-of-ways
Solid Waste

Chair- Beverly Fry
Member- Donnie Potter

PARKS AND RECREATION COMMITTEE

Parades, Festivals and Special Events
Civic Organizations

Chair- Joe Wesson
Member- Beverly Fry

PLANNING AND DEVELOPMENT COMMITTEE

Land Use Regulations
Zoning
E.T.J.

Chair- Gerelene Blevins
Member- Beverly Fry

LAW AND FINANCE

Administration
Budget Appropriations
Audit Performance
Public Health & Safety

Chair- Donnie Potter
Member- Eddie Bowman

INTERGOVERNMENTAL COMMITTEE

W.P.C.O.G.
N.C.L.M.
Community Colleges
Chamber of Commerce
Institute of Government
Intergovernmental (County/State)

Chair- Eddie Bowman
Member- Donnie Potter

ARCHITECTURAL REVIEW COMMITTEE

Joe Wesson
Beverly Fry

PERSONNEL COMMITTEE

Eddie Bowman
Joe Wesson

TOWN BEAUTIFICATION COMMITTEE

Gerelene Blevins

STANDARD OF CONDUCT

Our Value Statement:

As a Council Member of the Town of Sawmills, I commit to conduct myself as a professional and support the following values:

1. Service. I will be responsive to the needs of citizens and my fellow Council Members by consistently exceeding their expectations.
2. Respect. I believe in the value of my fellow Council Members and recognize each persons contribution as important.
3. Integrity. I will be fair, consistent and honest with my fellow Council Members, the staff and citizens. I will be responsible and I will do what I say I will do.
4. Competence. As a Council Member, I will continue to grow and develop my skills and understanding through attending seminars and read other information that is available to me about governing of a town in North Carolina.
5. Innovation. I will be open minded, I will be flexible and receptive to change and actively involved in identifying opportunities for improvement for the town.
6. Attitude. I will treat my fellow Council Members, the staff and citizens with respect and dignity. I will listen and communicate in a sincere way, being sensitive to the needs of others.

This the _____ day of _____, 20____.

_____(Seal)

ORDINANCE # 1 2009

TOWN OF SAWMILLS PROJECT BUDGET ORDINANCE
FOR THE 2009 DRY PONDS WATER PROJECT
COMMUNITY DEVELOPMENT BLOCK GRANT RECOVERY
AMERICAN RECOVERY & REINVESTMENT ACT OF 2009

Be it ordained by the Town Council of Sawmills that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted.

- Section 1. The project authorized is the Community Development Block Grant Recovery work statement contained in the Grant Agreement (09-R-1979) between this unit and the Department of Housing and Urban Development.
- Section 2. The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the Department of HUD, and the budget contained herein.
- Section 3. The following revenues are anticipated to be available to complete this project:

Revenues

Community Development Block Grant Recovery	
Dry Ponds Water Project	\$256,700

- Section 4. The following amounts are appropriated for the project:

Expenditures –Community Development Block Grant

Waterline Installation	\$244,200
Administration	\$ 12,500
TOTAL	<u>\$256,700</u>

- Section 5. The Finance Officers hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the

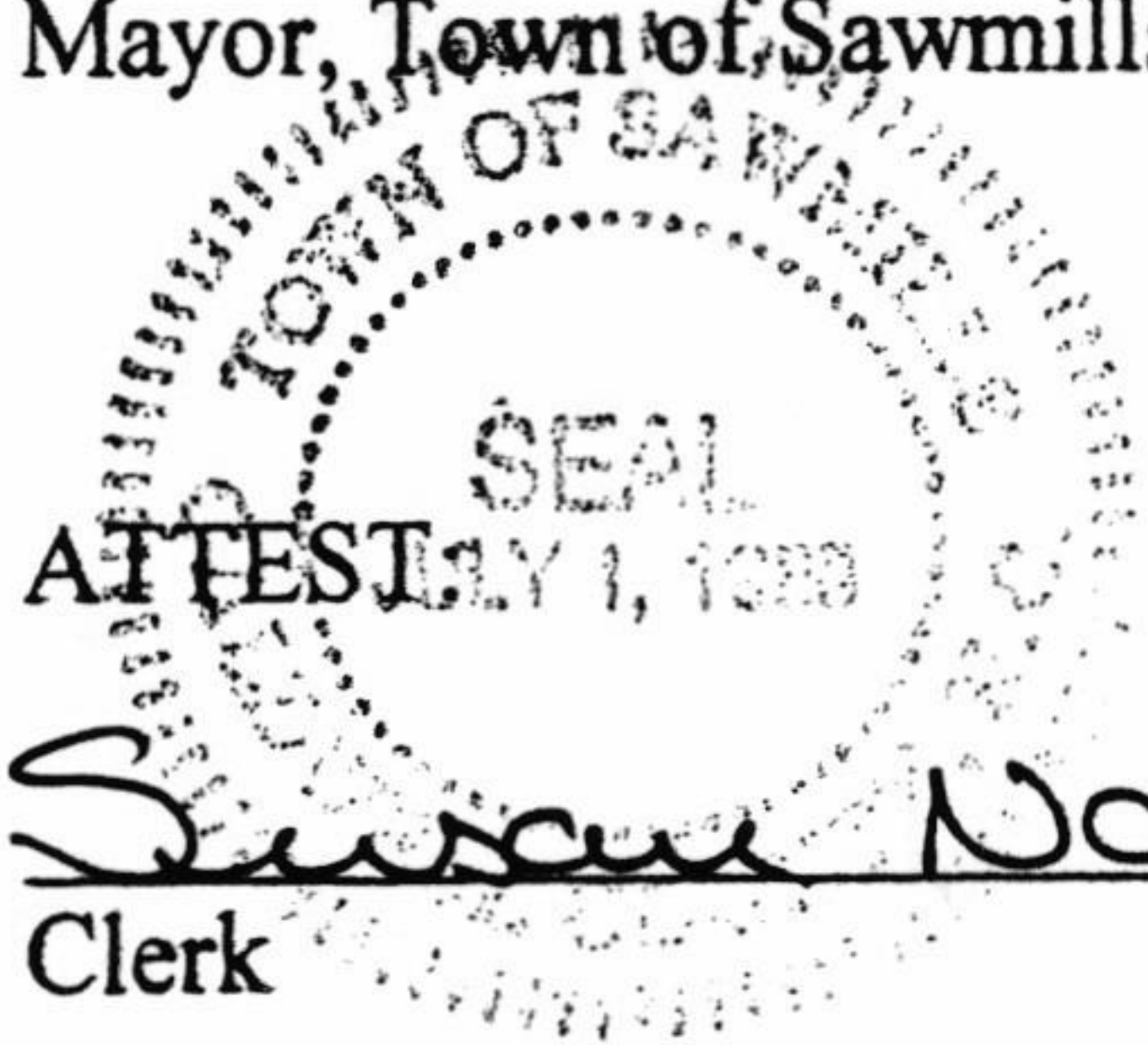
accounting to the grantor agency required by the grant agreement (s) and federal and state regulations.

- Section 6. Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement request should be made to the grantor agency in an orderly and timely manner.
- Section 7. The Finance Officer is directed to report quarterly on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.
- Section 8. The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this grant project in every budget submission made to this Town Council.
- Section 9. Copies of this grant project ordinance shall be made available to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this the 15 day of Dec, 2009.



Mayor, Town of Sawmills


ATTEST
CLERK

Clerk

AGREEMENT BETWEEN THE
WESTERN PIEDMONT COUNCIL OF GOVERNMENTS AND
THE TOWN OF SAWMILLS
FOR THE PROVISION OF
GRANT MANAGEMENT ASSISTANCE:
CDBG-R DRY PONDS WATER PROJECT
DECEMBER 15, 2009 – DECEMBER 31, 2011

This AGREEMENT, entered into on this the 15TH day of DECEMBER, 2009, by and between the Western Piedmont Council of Governments (hereinafter referred to as the "Planning Agency") and the Town of Sawmills, North Carolina (hereinafter referred to as the "Local Government"); WITNESSETH THAT:

WHEREAS, the Planning Agency is empowered to provide technical assistance by the North Carolina General Statutes and by resolution passed by the Planning Agency on April 17, 1972. Technical assistance shall consist of the provision of services as described in Attachment A, which is herein made a part of this Contract;

WHEREAS, the Local Government has requested the Planning Agency to provide such technical assistance to the Local Government; and

WHEREAS, the Planning Agency desires to cooperate with the Local Government in every way possible to the end that the proposed activities are carried out in an efficient and professional manner;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. **Personnel.** That during the period of this Contract, the Planning Agency will furnish the necessary trained personnel to the Local Government.
2. **Travel/Printing.** The Local Government will pay for expenses related to conferences, conventions, seminars, local travel, etc. of the personnel when the Local Government requests or approves travel related to the Local Government's planning program, or if it is beneficial to both parties, the costs will be shared on an agreed-upon ratio.

The Local Government will also pay for expenses related to printing of report(s), mailings to advisory boards, and other costs not related to normal travel and staffing costs associated with personnel furnished by the Planning Agency.

3. **Compensation.** The Local Government will pay the Planning Agency an amount not to exceed \$12,000 (twelve thousand dollars) for the satisfactory performance of all services related to administration of the project as defined in the attached Scope of Services. Planning Agency personnel will keep an accurate record of time spent, which will serve as the basis for the amount charged to the Local Government per month. The Local Government will reimburse the Planning Agency monthly at a rate per hour for each of the personnel involved, which includes the salary, fringe benefits, travel and indirect costs, plus travel and other approved expenses.

All other costs associated with the administration of the CDBG grant will be expended from the grant administration allowance budgeted for the Local Government.

It is expressly understood and agreed that total compensation shall not exceed the maximum sum specified without prior approval of both agencies.

4. **Termination/Modifications.** The Local Government may terminate this Contract by giving the Planning Agency a thirty-day written notice. Furthermore, if there is a need to amend the proposal outlined in Attachment A, either party may do so with the written approval of the other.
5. **Time of Performance.** The Planning Agency shall ensure that all services required herein shall be completed and all required reports, maps, and documents submitted during the period beginning December 15, 2009 and ending December 31, 2010.
6. **Key Personnel.** The Planning Agency shall not substitute key personnel assigned to the performance of this contract without prior written approval by the County and the grantor agency, the North Carolina Department of Commerce, Division of Community Assistance. Individuals designated as key personnel for purposes of this contract are those specified in the Planning Agency's proposal.
7. **Subcontracting.** Work proposed to be performed under this contract by the Planning Agency or its employees shall not be subcontracted without prior written approval by the Agency's Contract Administrator and the grantor agency, the North Carolina Department of Commerce, Division of Community Assistance. Acceptance of an offeror's proposal shall include any subcontractor(s) specified therein.

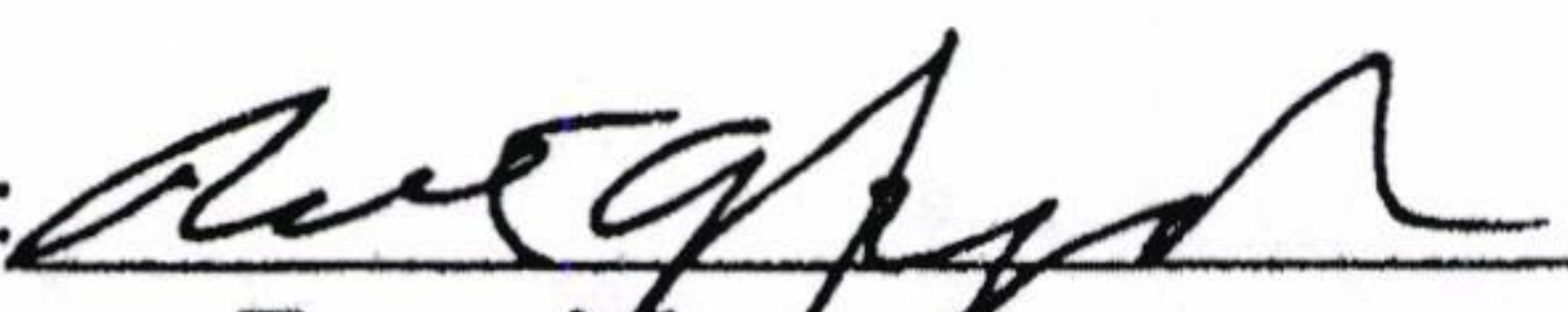
8. **Interest of Members, Officers, or Employees of the Planning Agency, Members of the Local Government, or Other Public Officials.** No member, officer, or employee of the Planning Agency or its agents; no member of the governing body of the locality in which the program is situated; and no other public official of such locality or localities who exercise any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any financial interest, either direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this Agreement. Immediate family members of said members, officers, employees, and officials are similarly barred from having any financial interest in the program. The Planning Agency shall incorporate, or cause to be incorporated, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this section.
9. **Nondiscrimination Clause.** No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination with any program or activity funded in whole or in part with funds available under the Housing and Community Development Act of 1974, Section 109.
10. **Age Discrimination Act of 1975, as amended.** No qualified person shall on the basis of age be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.
11. **Section 504, Rehabilitation Act of 1973, as amended.** No qualified disabled person shall, on the basis of handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.
12. **Access to Records and Record Retainage.** All official project records and documents must be maintained during the operation of this project and for a period of three years following closeout, in compliance with 15 NCAC 13L Rule .0911, Recordkeeping. The NC Department of Economic and Community Development, US Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers, and records of the Planning Agency which are pertinent to the execution of this Agreement, for the purpose of making audits, examinations, excerpts, and transcriptions in compliance with 15 NCAC 13L Rule .0911, Recordkeeping.
13. **Liquidated Damages Clause.** If the project fails to be carried out within the time frame outlined in the administrative proposal due to activities attributed to the Planning Agency, the Local Government may assess the Planning Agency a sum in the amount of \$100 per week for any subsequent weeks until completion.

14. **Termination of Agreement for Cause.** If, through any cause, the Planning Agency shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or violate any of the covenants, conditions, or stipulations of this Agreement, the Local Government shall thereupon have the right to terminate this Agreement by giving written notice of such termination and specifying the effective date thereof. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared under this Agreement shall, at the option of the Local Government, become its property, and the Planning Agency shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials in direct proportion to the extent of services actually completed.
15. **Grantee Assurances.** In the performance of this Agreement, the Planning Agency shall comply with all applicable federal rules and procedures outlined on the attached pages as E.O. 11246 Clause, the Section 3 Clause and Lobbying Clause (Attachments B, C and D).

IN WITNESS WHEREOF, the Planning Agency and the Local Government have executed this Agreement as of the date first above written.

LOCAL GOVERNMENT:
TOWN OF SAWMILLS

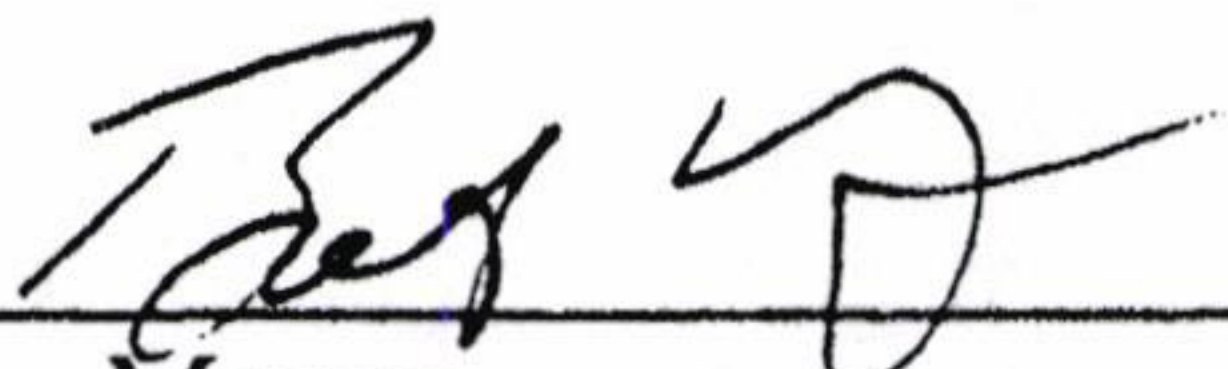
PLANNING AGENCY:
WESTERN PIEDMONT COUNCIL OF GOV'TS.

By: 
Town Manager

By: _____
Executive Director

LOCAL GOVERNMENT:

PLANNING AGENCY:

By: 
Mayor

By: _____
Chairman

Preaudit statement:

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

By: Karen Clontz
Local Government Finance Officer

ATTACHMENT A
SCOPE OF SERVICES

TOWN OF SAWMILLS
GRANTS MANAGEMENT ASSISTANCE
WORK PROGRAM/BUDGET
DECEMBER 15, 2009 – DECEMBER 31, 2010
ATTACHMENT A
SCOPE OF SERVICES

The following work program and budget are presented as descriptive of the work and dollar amounts requested in the Agreement concerning planning activities by the Western Piedmont Council of Governments for the Town of Sawmills.

Lisa Helton Community Development Administrator, will be responsible for administering this project. Sam Erwin will perform all environmental activities required.

Work Program

Professional services necessary to administer all aspects of the project will include but not be limited to the following:

- Administration and coordination of all activities involved in the Dry Ponds Road Water Project. Coordination activities will begin from the point of initiating the bid process through final inspection.
- Set up and maintenance of all community development project files and records in accordance with program and audit guidelines.
- Develop forms to meet State CDBG-R requirements to document CDBG-R activities from start to finish.
- Coordination of the community development program with federal, state and local officials.
- Coordination of all fiscal and legal activities relating to the community development program.
- Preparation and submission of all financial reports.
- Conducting project closeout and representing Sawmills at audits and monitoring visits. This does not assume, however, responsibility for payment of fees levied by auditors or accountants.

The Town of Sawmills will be responsible for the following:

- Adequate office space including utilities.
- Direct payment of CDBG funds for legal and audit services and general administrative costs.
- All administrative costs not specifically identified as WPCOG responsibilities.

Time of Performance

The WPCOG will complete all activities involved in administration of this project in a 12-month period beginning December 15, 2009 and ending December 31, 2010.

Budget

The WPCOG will provide these administrative services for a fee not to exceed \$12,000. The budget is broken down as follows:

Salaries	\$ 6,200
Fringe Benefits	2,914
Travel	530
Indirect	<u>2,356</u>
Total	\$ 12,000

Assurances

Assurances are attached as a part of the Agreement

Amendments

This scope of services and budget may be amended as desired by mutual consent of the Local Government and Planning Agency.

ASSURANCES OF COMPLIANCE

ATTACHMENT B

Executive Order 11246

During the performance of this Contract, the contractor agrees as follows:

- 1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, age, or national origin. Such action shall include, but not be limited to the following: recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- 2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age, or national origin.
- 3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, notice advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- 4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- 5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- 6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies involved as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

ATTACHMENT C

Section 3 Clause

"Section 3" Compliance in the Provision of Training, Employment, and Business Opportunities

- a. The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.
- b. The parties to this contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- c. The contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment and training.
- d. The contractor will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant or recipient of federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135. The contractor will not subcontract with any subcontractor where it has notice of knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
- e. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued hereunder prior to the execution of the contract, shall be a condition of the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors or assigns to those sanctions specified by the grant or loan agreement of contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

ATTACHMENT D

Lobbying Clause

No Federal appropriated funds have been paid or will be paid, by or on behalf of the Planning Agency or the Local Government, 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 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.

If any funds other than Federal appropriated funds have been paid or will be paid 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 Planning Agency and/or the Local Government shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

Accordingly, the Comptroller General and his representatives shall have the authority and rights prescribed under Section 902 of the ARRA with respect to contracts funded with recovery funds made available under the ARRA. Section 902 further states that nothing in 902 shall be interpreted to limit or restrict in any way any existing authority of the Comptroller General.

Authority of the Inspector General Provision

Section 1515(a) of the ARRA provides authority for any representatives of the United States Inspector General to examine any records or interview any employee or officers working on this contract. The contractor is advised that representatives of the Inspector General have the authority to examine any record and interview any employee or officer of the contractor, its subcontractors or other firms working on this contract. Section 1515(b) further provides that nothing in this section shall be interpreted to limit or restrict in any way any existing authority of an Inspector General.

Buy American Provision [Use this provision unless some clear exception in HUD Notice CPD-09-05 is applicable and documented]

Contractor acknowledges to and for the benefit of [Insert name of Recipient] ("HUD Grantee") and the North Carolina Department of Commerce ("DOC") that it understands the goods and services under this Agreement are being funded with monies made available by the American Reinvestment and Recovery Act of 2009 ("Recovery Act") (or are being made available for a project being funded with monies made available by the Recovery Act) and section 1605 of the Recovery Act contains provisions commonly known as "Buy American." Among other items set forth in section 1605 and including additional rights, duties and exceptions, the Buy American requirement prohibits the use of Recovery Act funds for a project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States, including iron, steel, and manufactured goods provided by the Contractor pursuant to this Agreement. The Contractor hereby represents and warrants to and for the benefit of the HUD Grantee that (a) the Contractor has reviewed and understands all Buy American requirements, (b) all of the iron, steel, and manufactured goods used in the project will be and/or have been produced in the United States in a manner that complies with the Buy American requirements, unless an exception to the requirement is approved, and (c) the Contractor will provide any further verified information, certification or assurance of compliance with this paragraph, or information necessary to support an exception to the Buy American requirement, as may be requested by the HUD Grantee, the U.S. Department of Housing and Urban Development ("HUD"), DOC or some other applicable governmental entity. Notwithstanding any other provision of this Agreement, any failure to comply with this paragraph by the Contractor shall permit the HUD grantee or DOC to recover as damages against the Contractor any loss, expense or cost (including without limitation attorney's fees) incurred by the HUD grantee or DOC resulting from any such failure (including without limitation any impairment or loss of funding, whether in whole or in part from HUD). Neither this paragraph (nor any provision of this Agreement necessary to give this paragraph force or effect) shall be amended or waived without the prior written consent of the HUD grantee and DOC.

Wage Rate Provision

Contractor shall comply with applicable Davis Bacon and wage rate provisions, subject to the same labor standard provision that apply to regular (annual formula) CDBG funding, pursuant to Section 110 of the Housing and Community Development Act of 1974, as amended, and any additional applicable laws, rules, regulations and requirements.

Availability and Use of Funds

Contractors understand and acknowledge that any and all payment of funds or the continuation thereof is contingent upon funds provided solely by ARRA or required state matching funds. Pursuant to Section 1604 of the ARRA, contractors agree not to undertake or make progress toward any activity using recovery funds that will lead to the development of such activity as casinos or other gambling establishments, aquariums, zoos, golf courses, swimming pools or any other activity specifically prohibited by the ARRA.

Whistleblower Provisions

Contractors understand and acknowledge that Article 14 of Chapter 124, N.C.G.S. 126-84 through 126-88 (applies to the State and state employees), Article 21 of Chapter 95, N.C.G.S. 95-240 through 95-245 (applies to anyone, including state employees), and Section 1553 of the ARRA (applies to anyone receiving federal funds), provide protection to State, Federal and contract employees.

Outsourcing Outside of the USA Without Specific Prior Approval Provision

Contractor agrees not to use any CDBG-R funds from a contract or any other performance agreement awarded by the State of North Carolina, its agencies, or political subdivisions for outsourcing outside of the United States, without specific prior written approval from DOC.

Federal, State and Local Tax Obligations

By submission of a proposal, contractors and subcontractors assert and self-certify that all Federal, State and local tax obligations have been or will be satisfied prior to receiving CDBG-R funds.

Anti-Discrimination and Equal Opportunity

Pursuant to Section 1.7 of the guidance memorandum issued by the United States Office of Management and Budget on April 3, 2009, ARRA funds must be distributed in accordance with all anti-discrimination and equal opportunity statutes, regulations, and Executive Orders pertaining to the expenditure of funds.

Office of State Budget and Management Access to Records

The Office of Economic Recovery ("OERI") requires that the Contractor and subcontractor agree to allow the Office of State Budget and Management internal auditors and state agency internal auditors access to records and employees pertaining to the performance of any contract awarded by a public agency.

Other ARRA and CDBG Terms

Contractor agrees to ensure compliance with (1) other terms of the ARRA, as amended, not specifically set forth above, (2) the HUD notice dated 5/4/09 entitled "Notice of Program Requirements for Community Development Block Grant Program Funding Under the American Recovery and Reinvestment Act of 2009" (hereinafter "the CDBG-R HUD Program Requirements") as may be modified or amended; (3) relevant federal ARRA-related laws, rules regulations and requirements, including but not limited to 2 C.F.R., Part 176 (except as modified or superseded); (4) Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301 *et seq*) (and as modified by ARRA, the CDBG-R HUD Program Requirements, and other law), (5) existing CDBG laws, rules, regulations and requirements, as may be amended, including but not limited to those set forth in 24 C.F.R., Part 570 (as modified by the CDBG-R HUD Program Requirements); (6) North Carolina laws, rules, regulations and requirements regarding ARRA funds; (7) DOC guidance and requirements regarding CDBG-R, including but not limited to: DOC's CDBG-R Substantial Amendment (including attachments and amendments), as may be amended, DOC's CDBG-R Guidelines and Application Instructions, and DOC bulletins or other guidance documents; and (8) the terms of any contracts or agreements between (i) DOC and (ii) the local government awarding CDBG-R funds to Contractor.

Water Leak Costs

Contractors:

F & S Contractors	\$6,477.52
Max Prestwood Water/Sewer	\$3,241.00
Winkler Inc	<u>\$1,725.00</u>
Total	\$11,443.52

Repairs/Maintenance:

Labor	\$980.00
Supplies	<u>\$27,409.31</u>
Total	\$28,389.31

Water Purchases:

Additional Water Expense due to leak	\$12,223.95
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Overtime

Total Departments	<u>\$6,522.60</u>
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Total	\$58,579.38
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