

Macon County



**MACON COUNTY BOARD OF COMMISSIONERS
MARCH 8, 2022
6 P.M.
AGENDA**

1. Call to order and welcome by Chairman Tate
2. Announcements
3. Moment of Silence
4. Pledge of Allegiance
5. Public Hearing(s) – **6 p.m.**
 - (A) Amended and Restated Airport Hazard Ordinance
 - (B) Amended and Restated Building Code Enforcement Ordinance
 - (C) Amended and Restated Building Height Ordinance
 - (D) Amended and Restated Soil Erosion and Sedimentation Control Ordinance
 - (E) Amended and Restated Wireless Telecommunication Facilities Ordinance

At the close of the public hearings, the board may choose to take action on any or all of the amended and restated ordinances.
6. Public Comment Period
7. Additions to agenda
8. Adjustments to and approval of the agenda
9. Reports/Presentations
 - (A) Pre-K for the Highlands area – Advance Highlands Education Committee (AHEC) representative
 - (B) US Forest Service Plan Update – District Ranger Troy Waskey, Nantahala Ranger District
 - (C) No Wrong Door – Sheila Jenkins, Dinah Mashburn and Dereck Jones

- (D) Resolution in recognition of Macon County Crawford Senior Center volunteers – Administrative Officer Jennifer Hollifield, Macon County Senior Services

10. Old Business

11. New Business

- (A) Business Development Center Lease Renewals – Economic Development Director Tommy Jenkins
 - (1) AG1, LLC
 - (2) TECO SSL, Inc.
 - (3) Waterwheel Manufacturing, Inc.
- (B) Solid Waste, Director Chris Stahl
 - (1) Authorization to enter into contracts for services related to closure of Phases I and II of the Macon County Landfill
 - (2) Resolution exempting engineering services for groundwater monitoring reporting
- (C) Consideration of Change Order #015 on the Macon Middle School renovation project – Jack Morgan
- (D) Consideration of resolution regarding referendum on levy of a one-quarter-cent county sales and use tax – County Manager Derek Roland

12. Consent Agenda – Attachment #12

All items below are considered routine and will be enacted by one motion. No separate discussion will be held except on request of a member of the Board of Commissioners.

- (A) Minutes of the February 3, 2022 continued session and the February 8, 2022 regular meeting
- (B) Budget Amendments #187-192
- (C) Tax releases for February 2022 in the amount of \$2,123.15
- (D) Audit contract for fiscal year ending June 30, 2022
- (E) Approval of sale of property by private sale by the county manager
- (F) Monthly ad valorem tax collection report – no action necessary

13. Appointments

- (A) Airport Authority (2 seats)
- (B) Library Board (2 seats)

14. Closed session as allowed under NCGS (if needed)

15. Adjourn/Recess

MACON COUNTY BOARD OF COMMISSIONERS

AGENDA ITEM

CATEGORY – PUBLIC HEARINGS

MEETING DATE: March 8, 2022

We have five public hearings on the agenda involving amendments to existing ordinances.

As you are fully aware, County Attorney Eric Ridenour has been working to revise the county's ordinances – this time regarding (1) the airport hazard ordinance, (2) building code enforcement, (3) building height, (4) soil erosion and sedimentation control and (5) wireless telecommunication facilities – in order to bring them into compliance with North Carolina General Statute 160D – and for the soil erosion one, to bring it into conformity with the state's regulations.

A copy of each notice of public hearing is included in the agenda packet, and the notices appeared in the February 23, 2022 and March 2, 2022 editions of *The Franklin Press* as required.

Also included in the packet are copies of each amended and restated ordinance in its “redline” form. Due to the size of the combined printed versions of the ordinance, I am planning to break the agenda packet into two sections, and will send this portion separately from the rest of the agenda.

Immediately following the close of the public hearings, the board may consider taking action on any or all of the revised ordinances, and Mr. Ridenour will provide resolutions of approval for each one.

Once approved, the updated ordinances will be filed with the Macon County Register of Deeds and will be made available on the county's website.

NOTICE OF PUBLIC HEARING

Please take notice that the Macon County Board of Commissioners will conduct a public hearing on Tuesday, March 8, 2022 at 6:00 p.m. in the Commission Boardroom located on the third floor of the Macon County Courthouse at 5 West Main Street, Franklin, NC 28734, concerning the proposed “Amended and Restated Airport Hazard Ordinance of the County of Macon, North Carolina,” which amends and restates the presently existing Airport Hazard Ordinance of the County of Macon, North Carolina. Public comment upon the same shall be received at this public hearing. The public is invited to attend this public hearing.

The proposed amendments are for the purpose of bringing the Macon County Airport Hazard Ordinance into compliance with Chapter 160D of the North Carolina General Statutes. The proposed amendments can be viewed on the county website at www.maconnc.org, under the “Public Announcements” tab, and a hard copy may be obtained in the lobby at the Courthouse Annex Building, located at 5 West Main Street, Franklin, North Carolina.

This the 15th day of February, 2022.

Derek Roland
Ex Officio Clerk to the Board
Macon County Board of Commissioners

NOTICE OF PUBLIC HEARING

Please take notice that the Macon County Board of Commissioners will conduct a public hearing on Tuesday, March 8, 2022 at 6:00 p.m. in the Commission Boardroom located on the third floor of the Macon County Courthouse at 5 West Main Street, Franklin, NC 28734, concerning the proposed “Amended and Restated Building Code Enforcement Ordinance of the County of Macon, North Carolina,” which amends and restates the presently existing Building Regulations Ordinance of the County of Macon, North Carolina. Public comment upon the same shall be received at this public hearing. The public is invited to attend this public hearing.

The proposed amendments are for the purpose of bringing the ordinance into compliance with Chapter 160D of the North Carolina General Statutes. The proposed amendments can be viewed on the county’s website at www.maconnc.org under the “Public Announcements” tab, and a hard copy may be obtained in the lobby at the Courthouse Annex Building, 5 West Main Street, Franklin, North Carolina.

This the 15th day of February, 2022.

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The proposed amendments are for the purpose of bringing the Macon County Building Height Ordinance into compliance with Chapter 160D of the North Carolina General Statutes. The proposed amendments can be viewed on the county’s website at www.maconnc.org, under the “Public Announcements” tab, and a hard copy may be obtained in the lobby at the Courthouse Annex Building, 5 West Main Street, Franklin, North Carolina.

This the 15th day of February, 2022.

Derek Roland
Ex Officio Clerk to the Board
Macon County Board of Commissioners

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The proposed amendments are for the purpose of updating the Macon County Soil Erosion and Sedimentation Control Ordinance into compliance with the State of North Carolina’s Office of Soil and Sedimentation model ordinance. The proposed amendments can be viewed on the county’s website at www.maconnc.org under the “Public Announcements” tab, and a hard copy may be obtained in the lobby at the Courthouse Annex Building, 5 West Main Street, Franklin, North Carolina.

This the 15th day of February, 2022.

Derek Roland
Ex Officio Clerk to the Board
Macon County Board of County Commissioners.

NOTICE OF PUBLIC HEARING

Please take notice that the Macon County Board of Commissioners will conduct a public hearing on Tuesday, March 8, 2022 at 6:00 p.m. in the Commission Boardroom located on the third floor of the Macon County Courthouse at 5 West Main Street, Franklin, NC 28734, concerning the proposed “Amended and Restated Wireless Telecommunication Facilities Ordinance of Macon County,” which amends and restates the presently existing Wireless Telecommunication Facilities Ordinance of Macon County. Public comment upon the same shall be received at this public hearing. The public is invited to attend this public hearing.

The proposed amendments are for the purpose of bringing the Wireless Telecommunication Facilities Ordinance of Macon County into compliance with Chapter 160D of the North Carolina General Statutes. The proposed amendments can be viewed on the county’s website at www.maconnc.org under the “Public Announcements” tab, and a hard copy may be obtained in the lobby at the Courthouse Annex Building, 5 West Main Street, Franklin, North Carolina.

This the 15th day of February, 2022.

Derek Roland
Ex Officio Clerk to the Board
Macon County Board of County Commissioners

MACON COUNTY BOARD OF COMMISSIONERS

AGENDA ITEM

CATEGORY – REPORTS/PRESENTATIONS

MEETING DATE: MARCH 8, 2022

9A. Per Chairman Tate, a representative for the Advance Highlands Education Committee (AHEC) will be at the meeting to discuss pre-K needs in the Highlands area.

9B. Nantahala District Ranger Troy Waskey will provide the board with an update on the status of the U.S Forest Service plan.

9C. Per Commissioner Beale, representatives of No Wrong Door (Director Sheila Jenkins and board members Dinah Mashburn and Dereck Jones) will be at the meeting to update the board on the organization's activities.

9D. Administrative Officer Jennifer Hollifield with Macon County Senior Services will be presenting a resolution for the board's consideration to proclaim April 17-23, 2022 as Macon County Volunteer Week in order to recognize the volunteers who dedicate their time to the Dorothy R. and John L. Crawford Senior Center. A copy of the resolution will be included in the packet. A version for the chairman's signature will be prepared on county letterhead.

**Resolution in Recognition of
Macon County Crawford Senior Center Volunteers**

WHEREAS, Macon County is a community rich in volunteers that dedicate their valuable time and resources to the Dorothy R. and John L. Crawford Senior Center, making significant and positive outcomes, great and small; and

WHEREAS, volunteers have donated 3,203 hours at the Crawford Senior Center during calendar year 2021; and

WHEREAS, the spirit of volunteerism provides even more evidence that Macon County's greatest resource is its people; and

WHEREAS, volunteering one's time has been a significant part of our County heritage; and it is critical that we continue such a tradition to preserve and improve the quality of life for our citizens of our community; and

WHEREAS, experience teaches us that government alone cannot meet all the needs of our county; and

WHEREAS, we continue to rely on the efforts of volunteers to enrich our community.

NOW, THEREFORE, be it resolved that the Macon County Board of County Commissioners do, hereby thank and honor the volunteers at the Crawford Senior Center by proclaiming April 17-23, 2022 as Macon County Volunteer Week.

Adopted this 8th day of March, 2022

BOARD OF COMMISSIONERS FOR MACON COUNTY, NORTH CAROLINA

Chairman

Attest

MACON COUNTY BOARD OF COMMISSIONERS

AGENDA ITEM

CATEGORY – NEW BUSINESS

MEETING DATE: March 8, 2022

11(A). Economic Development Director Tommy Jenkins will be presenting lease renewals for space in the county's Business Development Center as follows:

- (1) AG1, LCC for Unit A of the center. The one-year term of the lease is for the period of December 1, 2021 through November 30, 2022 at a rate of \$1,840 per month.
- (2) TECO SSL, Inc. for Unit B of the center and other areas as shown on Exhibit A to the lease agreement. This one-year term would commence on November 14, 2021 and run through November 13, 2022 at a rate of \$1,218 per month.
- (3) Waterwheel Manufacturing, Inc. for Unit C of the center. The one-year term of this lease is for the period of July 1, 2021 through June 30, 2022 at a rate of \$212 per month. Accordingly, an update to this item would need to be scheduled for the board's June 14, 2022 regular meeting should the tenant wish to renew for another year.

Copies of the individual resolutions for the respective properties to be declared as surplus and approving the leases as noted are included in the packet, as well as the lease agreements and their attached exhibits.

11(B). Solid Waste Director Chris Stahl is seeking the board's authorization to enter into contracts with McGill Associates and Bunnell Lammons Environmental for engineering, geotechnical, permitting and other related services regarding the closure of Phases I & II of the Macon County Municipal Solid Waste (MSW) Landfill. Per Mr. Stahl, in December of 2021, the board authorized him to negotiate the contracts with McGill Associates and Bunnell Lammons Environmental based on recommendations resulting from a Request for Qualifications (RFQ) issued by the county in November 2021, and those contracts – copies of which will be included in the packet – demonstrate the scope of work and cost estimates

related to the required closure process. In addition, Mr. Stahl is asking that the board consider the following points related to this request:

- By rule: The Macon County MSW Landfill must begin closure activities within six months of the last receipt of waste in the landfill phases. I have already requested and received an additional six-month extension of this deadline based on staffing and supply chain issues related to the COVID-19 virus.
- Since the first ton of waste was placed in the landfill in 1992, a portion of each tipping fee has been allocated to financial assurance liabilities. Millions of dollars have been set aside in reserve funds to pay for this project. Costs related to this project will, therefore, not be part of the Solid Waste Department's operating budget.
- Lingering supply chain issues, rapid inflation and a competitive market for construction services, I believe, will result in costs above the \$5.2-million estimated each year for closure costs. Overages will result in the need to re-evaluate and likely increase the per unit (ton) set aside for future closure of Phase III.

In a second item, Mr. Stahl is seeking approval of a resolution that will exempt engineering services for semiannual groundwater monitoring reporting, as the cost of these services will be below the \$50,000 threshold. A copy of the resolution will be included in the packet, along with a contract from Bunnell Lammons Environmental to provide these services for four landfill sites in the spring and fall of this calendar year at a combined cost of \$20,400.

Mr. Stahl can provide additional detail for any or all of these items at the meeting.

11(C). Jack Morgan will provide an overview of Change Order #015 on the Macon Middle School Renovations project, and a copy of the change order in the amount of \$27,960 is included in the packet.

11(D). Enclosed in the packet you will find a copy of a "Resolution Calling a Special Advisory Referendum for the Levy of a One-Quarter Center County Sales and Use Tax." The County Manager and/or County Attorney will have more to share on this item at the meeting.

STATE OF NORTH CAROLINA
COUNTY OF MACON

**RESOLUTION OF THE MACON COUNTY BOARD OF COUNTY COMMISSIONERS
DECLARING PROPERTY TO BE SURPLUS AND APPROVING A ONE YEAR LEASE
OF THE SAME BY MACON COUNTY TO AG1, LLC.**

THAT WHEREAS, Macon County owns certain real property being described in the Lease to AG1, LLC, a North Carolina Limited Liability Company, a copy of which is attached hereto; and

WHEREAS, Macon County does not presently have a use for the same; and

WHEREAS, Macon County desires to declare the same to be surplus and authorize the entry of the Lease to AG1, LLC, a North Carolina Limited Liability Company, a copy of which is attached hereto, for the period of one year from December 1, 2021; and

WHEREAS, pursuant to N.C. Gen. Stat. § 160A-272, Macon County is authorized to enter into the Lease to AG1, LLC, a North Carolina Limited Liability Company, a copy of which is attached hereto, upon the passing of a Resolution authorizing the same.

NOW THEREFORE, upon Motion of Commissioner _____, seconded by Commissioner _____, and duly approved, be it hereby resolved by the Macon County Board of County Commissioners as follows:

RESOLVED, that Macon County will not have a need for the real property described in the Lease to AG1, LLC, a North Carolina Limited Liability Company, a copy of which is attached hereto and incorporated herein by reference for and during the term of such lease and does hereby declare the same to be surplus property; and

RESOLVED, that Macon County does hereby authorize the entry into the Lease to AG1, LLC, a North Carolina Limited Liability Company, a copy of which is attached hereto and incorporated herein by reference, for the period of one year from December 1, 2021, through November 30, 2022; and

RESOLVED, that Derek Roland, Macon County Manager, is hereby authorized and directed to fill in any blanks upon the same and execute said Lease to AG1, LLC., a North Carolina Limited Liability Company, on behalf of Macon County.

Adopted at the March 8, 2022, Regular Meeting of the Macon County Board of Commissioners.

James Tate, Chairman, Macon County Board of
County Commissioners

ATTEST:

Derek Roland, Macon County Manager
and Clerk to the Board

(Official Seal)

**NORTH CAROLINA
MACON COUNTY**

**LEASE TO AG1, LLC,
A NORTH CAROLINA LIMITED LIABILITY COMPANY,
FROM MACON COUNTY**

This lease is made this 1st day of December, 2021, by and between MACON COUNTY, a body corporate and politic organized and existing under the laws of the State of North Carolina, hereinafter called the "Lessor," and AG1, LLC, a North Carolina Limited Liability Company, hereinafter called the "Tenant."

WITNESSETH:

That, subject to the terms and conditions hereinafter set forth, the Landlord does hereby demise and let and the Tenant does hereby rent and hire from the Landlord, those certain premises (hereinafter referred to as the "Premises") located at the Macon County Business Development Center and more particularly shown in yellow and blue on Exhibit A attached hereto and incorporated herein as limited hereinafter.

(1) *Premises.* Lessor leases unto the Tenant, and the Tenant accepts upon the full terms and conditions of this lease, that certain space located in the Macon County Business Development Center at the Macon County Industrial Park near Franklin, NC, as specifically shown in yellow and blue on the drawing of the floor plan of the Business Development Center which is attached hereto as Exhibit A and incorporated herein by reference as limited hereinafter. The space designated on the drawing attached hereto as Exhibit A in the color yellow is leased unto the Tenant for Tenant's exclusive use. The spaces outlined in blue and designated on the drawing as the Men's and Women's Restrooms, Lounge, Janitor's Closet, Corridors, Loading Dock, Halls and Waiting Room may be used by Tenant for Tenant's non-exclusive use in common with any other tenants in the Business Development Center and Lessor, together with such portion of the premises as is reasonably necessary for access, parking and use of the leased premises.

(2) *Term.* Subject to the terms below, this lease shall commence December 1, 2021, and shall continue for a term expiring November 30, 2022. **THAT NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, LESSOR MAY END THIS LEASE UPON 30 DAYS NOTICE TO TENANT WITHOUT LEGAL CONSEQUENCE.**

(3) *Rent.* The Macon County Business Development Center is owned by Macon County as a small business incubator to promote economic development and the growth of jobs in Macon County. The lease of the premises to Tenant is in furtherance of that policy. The monthly rent for the aforementioned space is \$1,840.00 per month. Rent is due and payable on the 1st day of each month in advance.

(4) *Use of Premises.* The leased premises shall only be used by Tenant for producing, packaging

and distributing lawful Industrial Hemp, lawful wholesale flower material and lawful CBD oil. No growing of plants shall occur upon the leased premises. Notwithstanding anything to the contrary contained herein, Tenant must at all times comply with all Federal, State and Local laws, statutes regulations and rules concerning the growth, manufacture, packaging and distribution of lawful Industrial Hemp and related products, including, but not limited to lawful CBD oil. Nothing contained in this Lease shall be construed to authorize Tenant to conduct any illegal activities whatsoever upon the leased premises and all illegal activities may not occur upon the leased premises and are hereby expressly prohibited by the terms of this Lease.

(5) No Assignment. This lease shall not be assigned by Tenant nor shall Tenant sublet the leased premises or any portion thereof.

(6) Tenant's Responsibilities for Repairs. Tenant agrees to accept the premises in their present condition and to maintain the interior components of the portion of the premises leased to Tenant in a good state of repair during the term of this lease. Interior components shall include the floors, walls, ceilings, electrical components, lighting fixtures, plumbing and plumbing fixtures. Tenant shall be responsible for interior repairs in the portions of the premises leased to it exclusively and in common with other tenants. If other space in the Center is leased to existing or additional tenants, the tenants shall establish a procedure by which all tenants using the common area shall share in the cost of such maintenance. At termination, Tenant shall surrender the premises to the Lessor in as good condition as they now are, except for ordinary wear and tear incident to the use of the premises.

(7) Lessor's Responsibilities for Repairs. Lessor shall make all necessary repairs to the exterior of the premises, including the parking and driveway areas, exterior walls, windows and roof. In the event the premises or any part thereof are substantially damaged by fire or other casualty to the extent that necessary repairs will exceed twenty percent of the value of the building, the parties agree that Lessor shall have no obligation to make the repairs and Lessor may elect to either make the necessary repairs or to terminate the lease.

(8) Maintenance. Tenant shall be solely responsible for all routine and recurring maintenance, including cleaning, trash removal and painting of the interior portion of the premises leased to it exclusively and the portion of the premises leased to is as common area with other tenants. If other space is leased to existing or additional tenants, the tenants shall establish a procedure by which all tenants using the common area shall share in the cost of such maintenance. Lessor shall continue to maintain the exterior premises including the parking areas, driveways and landscaping/mowing.

(9) Abatement of Nuisances and Appearance. Tenant shall comply with all laws, rules and regulations of any governmental jurisdiction applicable to the leased premises and shall take all measures necessary to prevent or abate nuisances or other grievances arising out of the manner of the occupancy of the premises for its business purposes. Tenant shall further maintain the appearance of the premises in manner that is aesthetically pleasing and consistent with other business users in the neighborhood and shall not accumulate trash or debris nor display merchandise on the premises.

(10) Utilities. Lessee shall be responsible for furnishing its utilities for Unit D shown on Exhibit A attached hereto. Lessor will provide utilities for the balance of the leased premises.

(11) Alterations. Tenant shall not make any alterations, additions or improvements to the premises without first obtaining written permission from the Lessor and any such alterations, additions or improvements which are permitted shall inure to the benefit of the Lessor upon expiration of the lease and surrender of the premises by the Tenant.

(12) Indemnification. Tenant shall indemnify Lessor and hold it harmless from and against any and all claims, actions, damages, liability and expense in connection with the loss of life, personal injury or damage to property occurring in or about, or arising out of, the leased premises, or occasioned wholly or in part by any act or omission of Tenant, its agents, licensees, concessionaires, customers or employees. In the event Lessor shall be made a party to any litigation, commenced by or against Tenant, its agents, licensees, concessionaires, customers or employees, then Tenant shall protect and hold Lessor harmless and shall pay all costs, expenses and reasonable attorneys' fees included or paid by Lessor in connection with such litigation.

(13) Environmental Matters. With respect to any pollutants, contaminants, chemicals, or industrial, toxic or hazardous substance or material defined as such in, or for purposes of, all applicable environmental laws, rules, regulations and ordinances now or hereafter in effect ("Environmental Laws"), including without limitation, any waste constituents coming within the definition or list of hazardous substances in 40 C.F.R. §§ 261.1 through 261.33 ("Hazardous Material"), the Tenant represents, warrants and covenants that it will indemnify and hold Lessor harmless from and against any and all losses, liabilities, damages, injuries, interest, deficiencies, fines, penalties, costs, expenses, attorneys' fees, disbursements, and costs of investigation and clean-up, including without limitation, claims, suits, and proceedings by federal, state, or local government authorities with respect to, or as a direct or indirect result of (i) the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or releasing from, the property of any Hazardous Material, if such occurs during the term of the lease, (ii) any other environmental pollution, including without limitation, any contaminant, waste, irritant or pollutant, discharged into or otherwise contained in the environment at or adjacent to the property if such occurs during the term of the lease, (iii) non-compliance relating to the Tenant's business or the property with any Environmental Law or any other federal, state or local statute, law, ordinance, rule, regulation, order or decree, or (iv) the inaccuracy, misrepresentation or violation or default of or under any matter set forth in this section unless any such loss, liability, damage, injury or the like is directly caused by negligent acts of the Lessor. In addition, the Tenant shall at all times keep on file with the Macon County Fire Marshall a list of any of the materials, substances, or chemicals described in this paragraph and stored or kept on the leased premises.

(14) Incidents of Default. Each and every term of this lease is a material part of this lease and continuation of the lease is conditioned on the parties' adherence to its terms. The breach or threatened breach of any of the lease terms by the Tenant shall be deemed an incident of default. A declaration of insolvency or the filing of a petition of bankruptcy by the Tenant shall also be

deemed an incident of default. In the event Tenant defaults as defined in this paragraph, Lessor may declare the lease terminated and retake possession of the premises upon allowing Tenant a reasonable time to vacate the premises and remove its personal property from the premises.

In testimony whereof, the parties have signed this lease on the date first written above in duplicate originals, one of which is retained by each of the parties.

COUNTY OF MACON

By: _____
Macon County Manager

AG1, LLC, a North Carolina
Limited Liability Company

By: _____
President

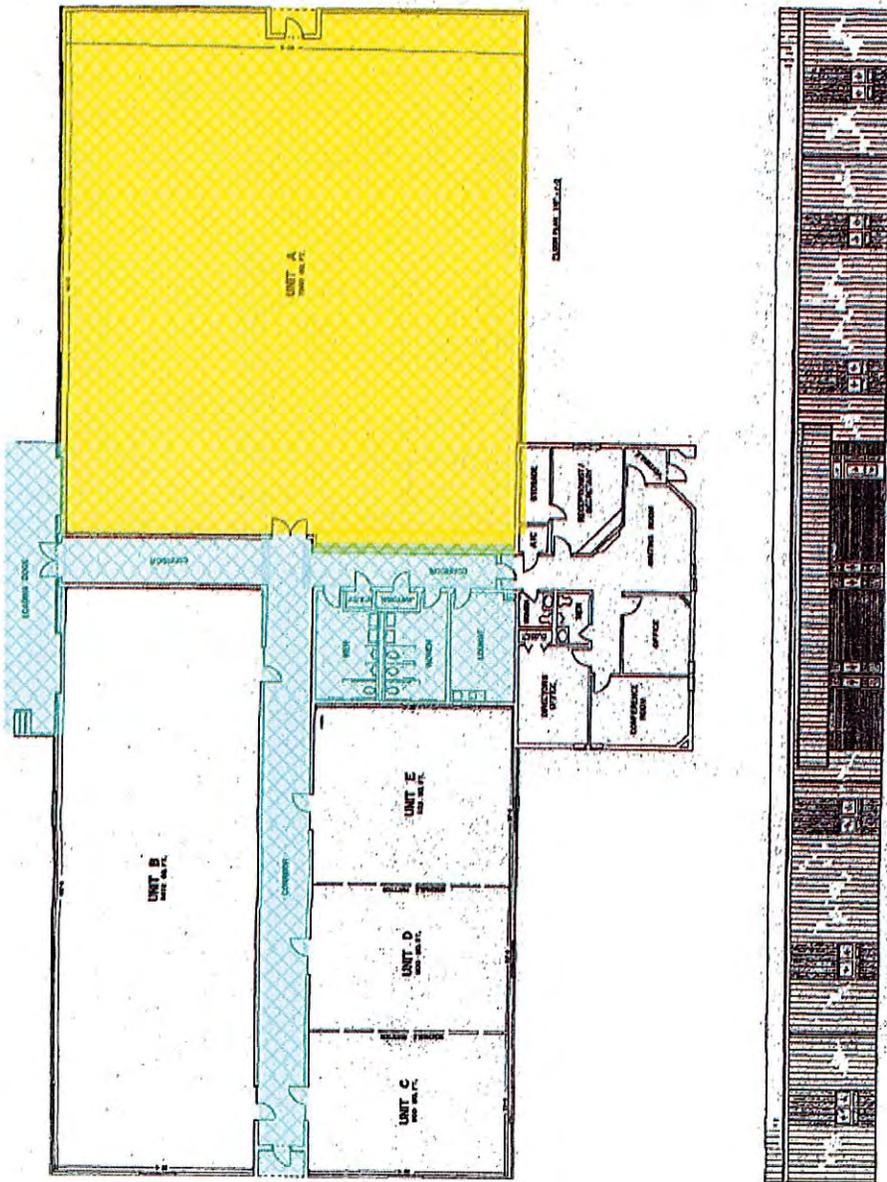
HUNTERDON, N.J. & COUNTY STREET
 PHARMACY, 2019
 [704] 874-9200
 LOCATION: MACON COUNTY INDUSTRIAL PARK
 TOTAL FLOOR AREA: 17,200 sq. ft.
 MANUFACTURING FLOOR AREA: 16,500 sq. ft.

Exhibit A

Lease to AG1, LLC

a North Carolina Limited Liability Company

KEY: Tenant's Exclusive Use
 Non-exclusive common areas



STATE OF NORTH CAROLINA
COUNTY OF MACON

**RESOLUTION OF THE MACON COUNTY BOARD OF COUNTY COMMISSIONERS
DECLARING PROPERTY TO BE SURPLUS AND APPROVING A ONE YEAR LEASE
OF THE SAME BY MACON COUNTY TO TECO SSL INC, A TENNESSEE BUSINESS
CORPORATION.**

THAT WHEREAS, Macon County owns certain real property being described in the Lease to TECO SSL INC., a Tennessee Business Corporation, a copy of which is attached hereto; and

WHEREAS, Macon County does not presently have a use for the same; and

WHEREAS, Macon County desires to declare the same to be surplus and authorize the entry of the Lease to TECO SSL INC., a Tennessee Business Corporation, a copy of which is attached hereto, for the period of one year from November 14, 2021; and

WHEREAS, pursuant to N.C. Gen. Stat. § 160A-272, Macon County is authorized to enter into the Lease to TECO SSL INC., a Tennessee Business Corporation, a copy of which is attached hereto, upon the passing of a Resolution authorizing the same.

NOW THEREFORE, upon Motion of Commissioner _____, seconded by Commissioner _____, and duly approved, be it hereby resolved by the Macon County Board of County Commissioners as follows:

RESOLVED, that Macon County will not have a need for the real property described in the Lease to TECO SSL INC., a Tennessee Business Corporation, a copy of which is attached hereto and incorporated herein by reference for and during the term of such lease and does hereby declare the same to be surplus property; and

RESOLVED, that Macon County does hereby authorize the entry into the Lease to TECO SSL INC., a Tennessee Business Corporation, a copy of which is attached hereto and incorporated herein by reference, for the period of one year from November 14, 2021, through the end of November 13, 2022; and

RESOLVED, that Derek Roland, Macon County Manager, is hereby authorized and directed to fill in any blanks upon the same and execute said Lease to TECO SSL INC., a Tennessee Business Corporation, on behalf of Macon County.

Adopted at the March 8, 2022, Regular Meeting of the Macon County Board of Commissioners.

James Tate, Chairman, Macon County Board of
County Commissioners

ATTEST:

Derek Roland, Macon County Manager
and Clerk to the Board

(Official Seal)

NORTH CAROLINA
MACON COUNTY

LEASE TO TECO SSL INC.,
A TENNESSEE BUSINESS CORPORATION,
FROM MACON COUNTY

This lease is made this 14th day of November, 2021, by and between MACON COUNTY, a body corporate and politic organized and existing under the laws of the State of North Carolina, hereinafter called the "Lessor," and TECO SSL INC., a Tennessee Business Corporation, hereinafter called the "Tenant."

WITNESSETH:

That, subject to the terms and conditions hereinafter set forth, the Landlord does hereby demise and let and the Tenant does hereby rent and hire from the Landlord, those certain premises (hereinafter referred to as the "Premises") located at the Macon County Business Development Center and more particularly shown in yellow and blue on Exhibit A attached hereto and incorporated herein as limited hereinafter.

(1) *Premises.* Lessor leases unto the Tenant, and the Tenant accepts upon the full terms and conditions of this lease, that certain space located in the Macon County Business Development Center at the Macon County Industrial Park near Franklin, NC, as specifically shown in yellow and blue on the drawing of the floor plan of the Business Development Center which is attached hereto as Exhibit A and incorporated herein by reference as limited hereinafter. The space designated on the drawing attached hereto as Exhibit A in the color yellow is leased unto the Tenant for Tenant's exclusive use. The spaces outlined in blue and designated on the drawing as the Men's and Women's Restrooms, Lounge, Janitor's Closet, Corridors, Loading Dock, Halls and Waiting Room may be used by Tenant for Tenant's non-exclusive use in common with any other tenants in the Business Development Center and Lessor, together with such portion of the premises as is reasonably necessary for access, parking and use of the leased premises.

(2) *Term.* Subject to the terms below, this lease shall commence November 14, 2021, and shall continue for a term expiring at the end of November 13, 2022. **THAT NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, LESSOR MAY END THIS LEASE UPON 30 DAYS NOTICE TO TENANT WITHOUT LEGAL CONSEQUENCE.**

(3) *Rent.* The Macon County Business Development Center is owned by Macon County as a small business incubator to promote economic development and the growth of jobs in Macon County. The lease of the premises to Tenant is in furtherance of that policy. The monthly rent for the aforementioned space is \$1,218.00 per month. Rent is due and payable on the 14th day of each month in advance.

(4) *Use of Premises.* The leased premises shall only be used by Tenant for a business that does Design & Manufacture LED Paint Inspection Lighting Systems for OEM Automotive Manufacturers such as TESLA, TOYOTA, FORD and Etc.

(5) *No Assignment.* This lease shall not be assigned by Tenant nor shall Tenant sublet the leased premises or any portion thereof.

(6) *Tenant's Responsibilities for Repairs.* Tenant agrees to accept the premises in their present condition and to maintain the interior components of the portion of the premises leased to Tenant in a good state of repair during the term of this lease. Interior components shall include the floors, walls, ceilings, electrical components, lighting fixtures, plumbing and plumbing fixtures. Tenant shall be responsible for interior repairs in the portions of the premises leased to it exclusively and in common with other tenants. If other space in the Center is leased to existing or additional tenants, the tenants shall establish a procedure by which all tenants using the common area shall share in the cost of such maintenance. At termination, Tenant shall surrender the premises to the Lessor in as good condition as they now are, except for ordinary wear and tear incident to the use of the premises.

(7) *Lessor's Responsibilities for Repairs.* Lessor shall make all necessary repairs to the exterior of the premises, including the parking and driveway areas, exterior walls, windows and roof. In the event the premises or any part thereof are substantially damaged by fire or other casualty to the extent that necessary repairs will exceed twenty percent of the value of the building, the parties agree that Lessor shall have no obligation to make the repairs and Lessor may elect to either make the necessary repairs or to terminate the lease.

(8) *Maintenance.* Tenant shall be solely responsible for all routine and recurring maintenance, including cleaning, trash removal and painting of the interior portion of the premises leased to it exclusively and the portion of the premises leased to is as common area with other tenants. If other space is leased to existing or additional tenants, the tenants shall establish a procedure by which all tenants using the common area shall share in the cost of such maintenance. Lessor shall continue to maintain the exterior premises including the parking areas, driveways and landscaping/mowing.

(9) *Abatement of Nuisances and Appearance.* Tenant shall comply with all laws, rules and regulations of any governmental jurisdiction applicable to the leased premises and shall take all measures necessary to prevent or abate nuisances or other grievances arising out of the manner of the occupancy of the premises for its business purposes. Tenant shall further maintain the appearance of the premises in manner that is aesthetically pleasing and consistent with other business users in the neighborhood and shall not accumulate trash or debris nor display merchandise on the premises.

(10) *Utilities.* Lessee shall be responsible for furnishing its utilities for Unit B shown on Exhibit A attached hereto. Lessor will provide utilities for the balance of the leased premises.

(11) Alterations. Tenant shall not make any alterations, additions or improvements to the premises without first obtaining written permission from the Lessor and any such alterations, additions or improvements which are permitted shall inure to the benefit of the Lessor upon expiration of the lease and surrender of the premises by the Tenant.

(12) Indemnification. Tenant shall indemnify Lessor and hold it harmless from and against any and all claims, actions, damages, liability and expense in connection with the loss of life, personal injury or damage to property occurring in or about, or arising out of, the leased premises, or occasioned wholly or in part by any act or omission of Tenant, its agents, licensees, concessionaires, customers or employees. In the event Lessor shall be made a party to any litigation, commenced by or against Tenant, its agents, licensees, concessionaires, customers or employees, then Tenant shall protect and hold Lessor harmless and shall pay all costs, expenses and reasonable attorneys' fees included or paid by Lessor in connection with such litigation.

(13) Environmental Matters. With respect to any pollutants, contaminants, chemicals, or industrial, toxic or hazardous substance or material defined as such in, or for purposes of, all applicable environmental laws, rules, regulations and ordinances now or hereafter in effect ("Environmental Laws"), including without limitation, any waste constituents coming within the definition or list of hazardous substances in 40 C.F.R. §§ 261.1 through 261.33 ("Hazardous Material"), the Tenant represents, warrants and covenants that it will indemnify and hold Lessor harmless from and against any and all losses, liabilities, damages, injuries, interest, deficiencies, fines, penalties, costs, expenses, attorneys' fees, disbursements, and costs of investigation and clean-up, including without limitation, claims, suits, and proceedings by federal, state, or local government authorities with respect to, or as a direct or indirect result of (i) the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or releasing from, the property of any Hazardous Material, if such occurs during the term of the lease, (ii) any other environmental pollution, including without limitation, any contaminant, waste, irritant or pollutant, discharged into or otherwise contained in the environment at or adjacent to the property if such occurs during the term of the lease, (iii) non-compliance relating to the Tenant's business or the property with any Environmental Law or any other federal, state or local statute, law, ordinance, rule, regulation, order or decree, or (iv) the inaccuracy, misrepresentation or violation or default of or under any matter set forth in this section unless any such loss, liability, damage, injury or the like is directly caused by negligent acts of the Lessor. In addition, the Tenant shall at all times keep on file with the Macon County Fire Marshall a list of any of the materials, substances, or chemicals described in this paragraph and stored or kept on the leased premises.

(14) Incidents of Default. Each and every term of this lease is a material part of this lease and continuation of the lease is conditioned on the parties' adherence to its terms. The breach or threatened breach of any of the lease terms by the Tenant shall be deemed an incident of default. A declaration of insolvency or the filing of a petition of bankruptcy by the Tenant shall also be deemed an incident of default. In the event Tenant defaults as defined in this paragraph, Lessor may declare the lease terminated and retake possession of the premises upon allowing Tenant a reasonable time to vacate the premises and remove its personal property from the premises.

(15) E-Verification. Tenant shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if Tenant utilizes a subcontractor, Tenant shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the General Statutes.

In testimony whereof, the parties have signed this lease on the date first written above in duplicate originals, one of which is retained by each of the parties.

COUNTY OF MACON

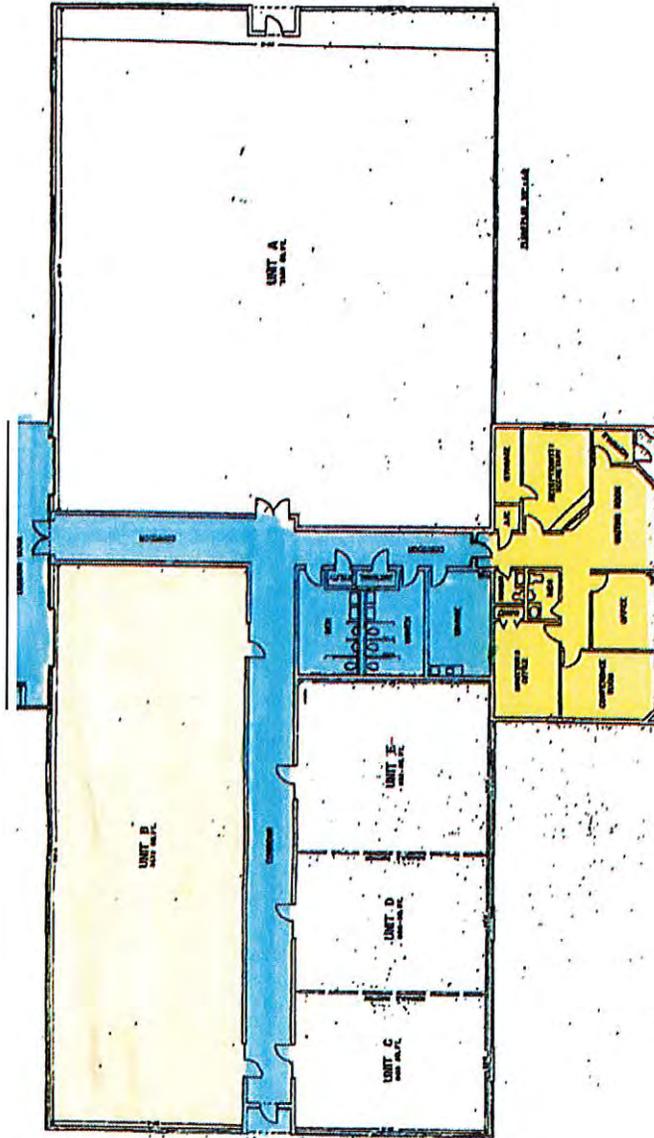
By: _____
Macon County Manager

TECO SSL INC.
A Tennessee Business Corporation

By: _____
President

EXHIBIT A

PREPARED BY: J. W. HART, JR., ARCHITECT
1000 W. BROAD ST., MACON, GA. 31201
L. J. HART, JR., ARCHITECT
1000 W. BROAD ST., MACON, GA. 31201
L. J. HART, JR., ARCHITECT
1000 W. BROAD ST., MACON, GA. 31201
L. J. HART, JR., ARCHITECT
1000 W. BROAD ST., MACON, GA. 31201



MACON COUNTY BUSINESS DEVELOPMENT CENTER

STATE OF NORTH CAROLINA
COUNTY OF MACON

**RESOLUTION OF THE MACON COUNTY BOARD OF COUNTY COMMISSIONERS
DECLARING PROPERTY TO BE SURPLUS AND APPROVING A ONE YEAR LEASE
OF THE SAME BY MACON COUNTY TO WATERWHEEL MANUFACTURING A
NORTH CAROLINA BUSINESS CORPORATION.**

THAT WHEREAS, Macon County owns certain real property being described in the Lease to Waterwheel Manufacturing, Inc, a North Carolina Business Corporation, a copy of which is attached hereto; and

WHEREAS, Macon County does not presently have a use for the same; and

WHEREAS, Macon County desires to declare the same to be surplus and authorize the entry of the Lease to WATERWHEEL MANUFACTURING, INC, a copy of which is attached hereto, for the period of one year from July 1, 2021; and

WHEREAS, pursuant to N.C. Gen. Stat. § 160A-272, Macon County is authorized to enter into the Lease to WATERWHEEL MANUFACTURING, INC, a North Carolina Business Corporation, a copy of which is attached hereto, upon the passing of a Resolution authorizing the same.

NOW THEREFORE, upon Motion of Commissioner _____, seconded by Commissioner _____, and duly approved, be it hereby resolved by the Macon County Board of County Commissioners as follows:

RESOLVED, that Macon County will not have a need for the real property described in the Lease Waterwheel Manufacturing, Inc, a North Carolina Business Corporation, a copy of which is attached hereto and incorporated herein by reference for and during the term of such lease and does hereby declare the same to be surplus property; and

RESOLVED, that Macon County does hereby authorize the entry into the Lease Waterwheel Manufacturing, Inc, a North Carolina Business Corporation, a copy of which is attached hereto and incorporated herein by reference, for the period of one year from July 1, 2021, through the end of June 30, 2022; and

RESOLVED, that Derek Roland, Macon County Manager, is hereby authorized and directed to fill in any blanks upon the same and execute said Lease to Waterwheel Manufacturing, Inc, a North Carolina Business Corporation, on behalf of Macon County.

Adopted at the March 8, 2022, Regular Meeting of the Macon County Board of Commissioners.

James Tate, Chairman, Macon County Board of
County Commissioners

ATTEST:

Derek Roland, Macon County Manager
and Clerk to the Board

(Official Seal)

**NORTH CAROLINA
MACON COUNTY**

**LEASE TO WATERWHEEL MANUFACTURING INC,
A NORTH CAROLINA BUSINESS CORPORATION,
FROM MACON COUNTY**

This lease is made this 1st day of July, 2021, by and between MACON COUNTY, a body corporate and politic organized and existing under the laws of the State of North Carolina, hereinafter called the "Lessor," and Waterwheel Manufacturing, Inc, a North Carolina Business Corporation, hereinafter called the "Tenant."

WITNESSETH:

That, subject to the terms and conditions hereinafter set forth, the Landlord does hereby demise and let and the Tenant does hereby rent and hire from the Landlord, those certain premises (hereinafter referred to as the "Premises") located at the Macon County Business Development Center and more particularly shown in yellow and blue on Exhibit A attached hereto and incorporated herein as limited hereinafter.

(1) *Premises.* Lessor leases unto the Tenant, and the Tenant accepts upon the full terms and conditions of this lease, that certain space located in the Macon County Business Development Center at the Macon County Industrial Park near Franklin, NC, as specifically shown in yellow and blue on the drawing of the floor plan of the Business Development Center which is attached hereto as Exhibit A and incorporated herein by reference as limited hereinafter. The space designated on the drawing attached hereto as Exhibit A in the color yellow is leased unto the Tenant for Tenant's exclusive use. The spaces outlined in blue and designated on the drawing as the Men's and Women's Restrooms, Lounge, Janitor's Closet, Corridors and Loading Dock may be used by Tenant for Tenant's non-exclusive use in common with any other tenants in the Business Development Center and Lessor, together with such portion of the premises as is reasonably necessary for access, parking and use of the leased premises.

(2) *Term.* Subject to the terms below, this lease shall commence July 1, 2021 and shall continue for a term expiring at the end of June 30, 2022. **THAT NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, LESSOR MAY END THIS LEASE UPON 30 DAYS NOTICE TO TENANT WITHOUT LEGAL CONSEQUENCE.**

(3) *Rent.* The Macon County Business Development Center is owned by Macon County as a small business incubator to promote economic development and the growth of jobs in Macon County. The lease of the premises to Tenant is in furtherance of that policy. The monthly rent for the aforementioned space is \$212.00 per month. Rent is due and payable on the 1st day of each month in advance.

(4) *Use of Premises.* The leased premises shall only be used by Tenant for a business that does Waterwheel Engineering & Design, Marketing and Sales

(5) *No Assignment.* This lease shall not be assigned by Tenant nor shall Tenant sublet the leased premises or any portion thereof.

(6) *Tenant's Responsibilities for Repairs.* Tenant agrees to accept the premises in their present condition and to maintain the interior components of the portion of the premises leased to Tenant in a good state of repair during the term of this lease. Interior components shall include the floors, walls, ceilings, electrical components, lighting fixtures, plumbing and plumbing fixtures. Tenant shall be responsible for interior repairs in the portions of the premises leased to it exclusively and in common with other tenants. If other space in the Center is leased to existing or additional tenants, the tenants shall establish a procedure by which all tenants using the common area shall share in the cost of such maintenance. At termination, Tenant shall surrender the premises to the Lessor in as good condition as they now are, except for ordinary wear and tear incident to the use of the premises.

(7) *Lessor's Responsibilities for Repairs.* Lessor shall make all necessary repairs to the exterior of the premises, including the parking and driveway areas, exterior walls, windows and roof. In the event the premises or any part thereof are substantially damaged by fire or other casualty to the extent that necessary repairs will exceed twenty percent of the value of the building, the parties agree that Lessor shall have no obligation to make the repairs and Lessor may elect to either make the necessary repairs or to terminate the lease.

(8) *Maintenance.* Tenant shall be solely responsible for all routine and recurring maintenance, including cleaning, trash removal and painting of the interior portion of the premises leased to it exclusively and the portion of the premises leased to is as common area with other tenants. If other space is leased to existing or additional tenants, the tenants shall establish a procedure by which all tenants using the common area shall share in the cost of such maintenance. Lessor shall continue to maintain the exterior premises including the parking areas, driveways and landscaping/mowing.

(9) *Abatement of Nuisances and Appearance.* Tenant shall comply with all laws, rules and regulations of any governmental jurisdiction applicable to the leased premises and shall take all measures necessary to prevent or abate nuisances or other grievances arising out of the manner of the occupancy of the premises for its business purposes. Tenant shall further maintain the appearance of the premises in manner that is aesthetically pleasing and consistent with other business users in the neighborhood and shall not accumulate trash or debris nor display merchandise on the premises.

(10) *Utilities.* Lessee shall be responsible for furnishing its utilities for Unit C, shown on Exhibit A attached hereto. Lessor will provide utilities for the balance of the leased premises.

(11) Alterations. Tenant shall not make any alterations, additions or improvements to the premises without first obtaining written permission from the Lessor and any such alterations, additions or improvements which are permitted shall inure to the benefit of the Lessor upon expiration of the lease and surrender of the premises by the Tenant.

(12) Indemnification. Tenant shall indemnify Lessor and hold it harmless from and against any and all claims, actions, damages, liability and expense in connection with the loss of life, personal injury or damage to property occurring in or about, or arising out of, the leased premises, or occasioned wholly or in part by any act or omission of Tenant, its agents, licensees, concessionaires, customers or employees. In the event Lessor shall be made a party to any litigation, commenced by or against Tenant, its agents, licensees, concessionaires, customers or employees, then Tenant shall protect and hold Lessor harmless and shall pay all costs, expenses and reasonable attorneys' fees included or paid by Lessor in connection with such litigation.

(13) Environmental Matters. With respect to any pollutants, contaminants, chemicals, or industrial, toxic or hazardous substance or material defined as such in, or for purposes of, all applicable environmental laws, rules, regulations and ordinances now or hereafter in effect ("Environmental Laws"), including without limitation, any waste constituents coming within the definition or list of hazardous substances in 40 C.F.R. §§ 261.1 through 261.33 ("Hazardous Material"), the Tenant represents, warrants and covenants that it will indemnify and hold Lessor harmless from and against any and all losses, liabilities, damages, injuries, interest, deficiencies, fines, penalties, costs, expenses, attorneys' fees, disbursements, and costs of investigation and clean-up, including without limitation, claims, suits, and proceedings by federal, state, or local government authorities with respect to, or as a direct or indirect result of (i) the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or releasing from, the property of any Hazardous Material, if such occurs during the term of the lease, (ii) any other environmental pollution, including without limitation, any contaminant, waste, irritant or pollutant, discharged into or otherwise contained in the environment at or adjacent to the property if such occurs during the term of the lease, (iii) non-compliance relating to the Tenant's business or the property with any Environmental Law or any other federal, state or local statute, law, ordinance, rule, regulation, order or decree, or (iv) the inaccuracy, misrepresentation or violation or default of or under any matter set forth in this section unless any such loss, liability, damage, injury or the like is directly caused by negligent acts of the Lessor. In addition, the Tenant shall at all times keep on file with the Macon County Fire Marshall a list of any of the materials, substances, or chemicals described in this paragraph and stored or kept on the leased premises.

(14) Incidents of Default. Each and every term of this lease is a material part of this lease and continuation of the lease is conditioned on the parties' adherence to its terms. The breach or threatened breach of any of the lease terms by the Tenant shall be deemed an incident of default. A declaration of insolvency or the filing of a petition of bankruptcy by the Tenant shall also be deemed an incident of default. In the event Tenant defaults as defined in this paragraph, Lessor may declare the lease terminated and retake possession of the premises upon allowing Tenant a reasonable time to vacate the premises and remove its personal property from the premises.

(15) E-Verification. Tenant shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if Tenant utilizes a subcontractor, Tenant shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the General Statutes.

In testimony whereof, the parties have signed this lease on the date first written above in duplicate originals, one of which is retained by each of the parties.

COUNTY OF MACON

By: _____
Macon County Manager

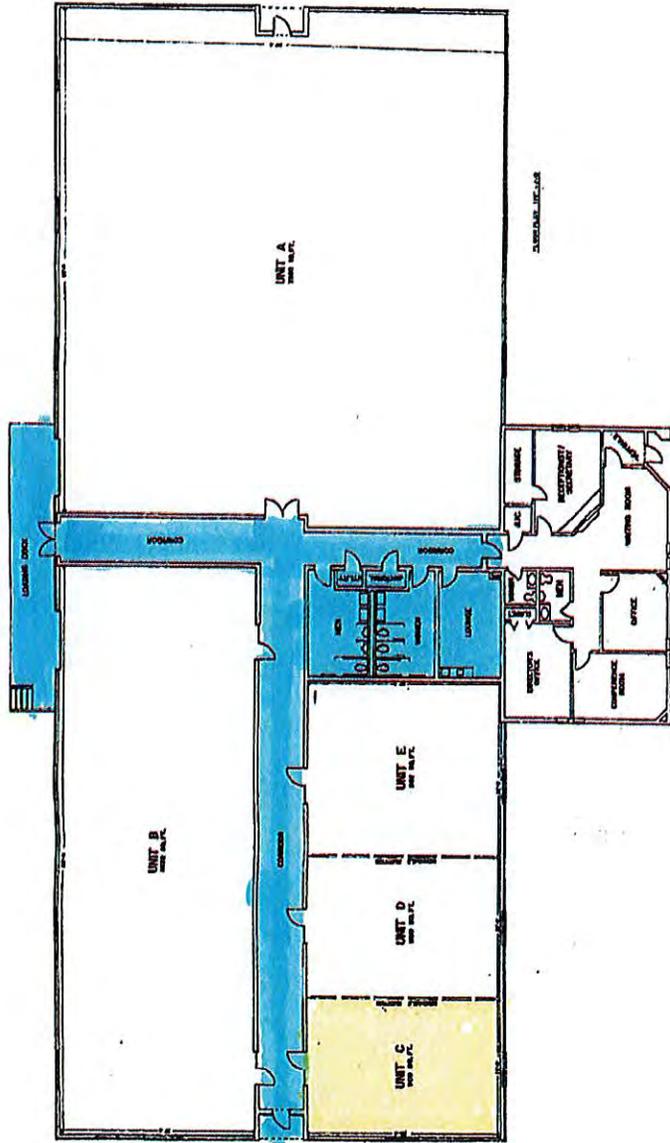
WATERWHEEL MANUFACTURING, INC
A North Carolina Business Corporation

By: _____
President

Exhibit A
Waterwheel

COMMERCIAL/INDUSTRIAL
IN MAZON COUNTY,
MISSISSIPPI
PARCELS 2014-00174
(2014) 00174

LOCATION: MAZON COUNTY INDUSTRIAL PARK
TOTAL FLOOR AREA: 24,000 S.F.
MANUFACTURING FLOOR AREA: 24,000 S.F.



MACON COUNTY BUSINESS DEVELOPMENT CENTER

January 26, 2022

Mr. Chris Stahl, Director
Solid Waste Department
Macon County
109 Sierra Drive
Franklin, North Carolina 28734

RE: Proposal for Closure Plan
Phases 1 and 2
Macon County MSW Landfill
Macon County, North Carolina

Dear Mr. Stahl,

McGill Associates is pleased to present this proposal to Macon County to prepare the Closure Plan for Phases 1 and 2 of the Macon County MSW Landfill. Phases 1 and 2 of the Macon MSW Landfill have reached their permitted capacity. In accordance with the county's current Permit to Operate, and Rules .1627 and .1629 of 15A NCAC 13B, Phase 1 and 2 must now be closed.

The North Carolina Department of Environmental Quality (NCDEQ) requires that a Municipal Solid Waste (MSW) Landfill be closed with a cap system to minimize the infiltration of surface water into the waste mass. The cap system must consist of a low-permeability barrier layer that has a permeability that is less than or equal to the base liner system and an erosion layer to protect the low-permeable barrier. In the case of Macon County, the base liner has a minimum permeability of 1×10^{-7} centimeters/sec. The owner may submit a request for an alternative cap system in accordance with rule .1629.

Based on the above information and our knowledge of the site, we propose to perform this work as outlined in the proposed scope of services below:

SCOPE OF SERVICES

Alternative Cap and Landfill Gas Re-Use Evaluation

1. Meet with Macon County staff to identify potential alternative cap options that the County is interested in evaluating.
2. Evaluate alternative cap options and develop a cost comparison.
3. Evaluate alternatives for handling landfill gas and potential re-use options.
4. Present alternative cap alternatives and recommendation to the County.

Permit to Construct

1. Meet with Macon County for the purpose of establishing lines of communication, meet project team members, define project schedules, and gather initial data.
2. Meet with appropriate State agencies to discuss proposed plans and improvements and identify pertinent matters related to the project.
3. Compile updated topographic survey of the existing waste area and historical survey for surrounding area proposed to be impacted (approximately 100 acres) for use as base map for the Permit to Construct.
4. Evaluate existing on-site soil stockpiles through laboratory testing for suitability in use in the closure cap construction and prepare a report to summarize findings.
5. Prepare the Permit to Construct application package for the closure of Phases 1 and 2. McGill Associates will prepare and submit documentation, as outlined in Rule .1627 and .1629, for the Permit to Construct application to the NCDEQ Solid Waste Section for the construction of the closure cap for the approximate 21-acre waste area. The following tasks and/or documents will be provided in the application for a Permit to Construct:
 - a. Prepare site plans and miscellaneous details to show proposed improvements including final grades, drainage features, access roads, erosion control measures, etc.
 - b. Prepare plans to install a landfill gas collection system, including standard flare and blower station. Alternative re-use of landfill gas is not included in this proposal.
 - c. Update Facility Plan with report and appropriate drawings in accordance with Rule .1619.
 - d. Update Engineering Plan with report and appropriate drawings in accordance with Rule .1620.
 - e. Update Operations Plan with report and appropriate drawings in accordance with Rule .1625.
 - f. Prepare Construction Quality Assurance Plan in accordance with Rule .1621.
 - g. Prepare Closure and Post Closure Plan in accordance with Rule .1627.
5. Develop an Erosion Control Plan with supporting calculations and prepare a Grading Permit application to include both temporary and permanent erosion control facilities. Submit Erosion Control Permit application and secure permit from the NCDEQ, Land Quality Section.
6. Attend two (2) review meetings with NCDEQ.
7. Address comments from the NCDEQ necessary to secure a Permit to Construct.

Construction Bid Documents

1. Based on the approved plans from the Permit to Construct, prepare construction bid documents for the construction of the Closure Cap.

2. Construction bid documents will include construction drawings, technical specifications, construction quality assurance (CQA) plan to delineate the proposed construction.
3. Prepare construction cost estimate.
4. Submit drawings to the County for review and comment prior to bid advertisement.

Bidding and Award

1. Prepare Contractor Pre-Qualification Package.
2. Review Contractor Pre-Qualification submittals and provide recommendations to the County for an approved bidders list.
3. Address questions during the bidding process.
4. Conduct one (1) pre-bid conference to answer any questions from potential bidders.
5. Attend Bid Opening on behalf of Macon County.
6. Assist the County in evaluating construction bids.
7. Consult with and advise the County, as to the acceptability of contractors and subcontractors, and make recommendations as to the lowest responsible bidder.
8. Assist the County in the final preparation and execution of the Construction Contract and in verification of Performance and Payment Bonds and Insurance Certificates for proper limits and compliance.

Construction Administration Services

1. Schedule and conduct a Pre-Construction meeting with the County, contractor, CQA Consultant, and major subcontractors.
2. Conduct monthly progress meetings to review construction progress, address any construction issues, and review proposed future work.
3. Provide on-site construction observation (averaging approximately 20 hours per week) to observe the overall progress and quality of the executed work to determine if the work is proceeding in accordance with the plans and specifications.
4. Review and approve shop drawings, diagrams, illustration, brochures, catalog data schedules and samples, the results of tests and inspections and other data that the site Contractor is required to submit.
5. Address questions from the Contractor during the construction process.

6. Review monthly pay requests and any proposed change orders. Make recommendation of payment to County.
7. Coordinate with the Construction Quality Assurance (CQA) firm to address questions and ensure required documentation is prepared.
8. Prepare a final set of record drawings for the completed construction, by combining the Contractor's drawing markups, McGill's drawing markups, and the CQA construction survey data.

BASIS OF COMPENSATION

We propose to perform the above outlined scope of work for the following fees:

Alternative Cap Evaluation (lump sum)	\$18,500.00
Permit to Construct (lump sum)	\$170,700.00
Construction Bid Documents (lump sum)	\$121,500.00
Bidding and Award (lump sum)	\$24,970.00
Total (Design/Permitting/Bidding)	\$335,670.00
<u>Construction Administration (hourly, estimated)</u>	<u>\$288,000.00</u>
Total Estimated Cost	\$623,670.00

ASSUMPTIONS

Our fees above are based on the following assumptions:

1. Our fees do not include design for alternative use of the landfill gas beyond the gas flare. We can provide these additional services upon request.
2. We have assumed that the proposed project will not require the preparation of an Environmental Impact Statement in accordance with State Environmental Policy Act (SEPA) and therefore our fee does not include the cost for preparation.
3. Permit modifications for other activities outside of the Phase 1 and 2 Cap Closure would be considered additional services.
4. Our fees do not include geotechnical borings or evaluation.
5. All permit and advertising fees will be paid directly by the County.
6. It is assumed that the development of the closure construction will not impact any streams or wetlands and therefore 404/401 permits are not required.

7. Construction Quality Assurance (CQA) staff and testing is not included in our fee.
8. Fee for testing services (i.e., soils, concrete, etc.) during construction will be paid for directly by the Owner. These services will be included in the services of the CQA Testing Contract.
9. Our projected fee is based on a construction period of 15 months. We will submit monthly invoices based on actual time spend. This is not a guaranteed maximum fee.
10. Fee for surveying during construction will be paid directly by the Owner. These services will be included in the services provided by the Contractor, via project specifications.
11. Attendance at meetings not listed in the above scope of services shall be billed in accordance with the attached Basic Fee Schedule.
12. Services for tasks other than those specifically detailed above shall be considered additional services and billed in accordance with the attached Basic Fee Schedule.

We appreciate your consideration for our services and look forward to working with you. If the above is acceptable to you, please sign and return one (1) copy of the attached Consulting Services Agreement to us. Please do not hesitate to contact me if you have any questions or need additional information.

Sincerely,
McGILL ASSOCIATES, P.A.



MARK D. CATHEY, PE
Asheville Office Manager

Attachments: Consulting Services Agreement
Basic Fee Schedule

CC: Scott Burwell, PE, McGill Associates, P.A. (via email)



**BUNNELL
LAMMONS
ENGINEERING**

January 26, 2022

Macon County Solid Waste Management Department
109 Sierra Drive
Franklin, NC 28734

Attention: Mr. M. Chris Stahl
Director

Subject: **Contract for Geotechnical Design Support Services
Closure Cap Phase 1 & 2
Macon County Landfill
Franklin, North Carolina
Permit No. 5703-MSWLF-1992
BLE Project No. J22-1101-20A**

Dear Mr. Stahl:

Bunnell-Lammons Engineering, Inc. (BLE) is pleased to present this contract to provide design support services for permit application and plan to close the Phase 1 and 2 waste units. Included herein is a brief description of the background project information, a general description of our contract scope of services with related fee estimate, and authorization information.

PROJECT INFORMATION

The project information below was obtained from a request for proposal issued by McGill Associates (McGill) via email and from a teleconference with McGill on January 4, 2022. Additional information was obtained from BLE's project records and from documents downloaded from the NCDWM portal.

Macon County owns and operates a recycling center and solid waste disposal facility at 1448 Lakeside Drive in Franklin, North Carolina. The facility includes a Subtitle D municipal solid waste (MSW) landfill, convenience center, waste treatment and processing facility, material recycling facility, and an environmental education center.

The MSW facility includes a Phase 1 waste unit (6.6 acres) and a Phase 2 waste unit (14.2 acres) which are both inactive and an active Phase 3 waste unit (22 acres). McGill and BLE have been selected by the county to prepare a permit application and plan to close the Phase 1 and 2 waste units. The application and plan will include the elements required the solid waste rules. McGill has required that BLE prepare this proposal to provide design support services for one (1) element of the plan which is described herein.



6004 Ponders Court, Greenville, SC 29616 | 864.299.1265 | 864.299.4420 | info@blecorp.com

BLECORP.COM



PROPOSED SCOPE OF SERVICES

We understand that a restrictive cover cap will be placed over the Phase 1 and 2 waste units as part of the closure. McGill will be designing the cover and will require geotechnical engineering support services provided by BLE. Those geotechnical services may include the following:

- Global Stability of the proposed waste mound and structural fill or subgrades slopes. Stability analyses to be performed using static and pseudo-static stability models for seismic evaluation. A seismic analysis will be performed considering the most recent (2014) USGS peak bedrock acceleration with an allowance for limited displacement and assuming liquefaction of subgrade sandy soils will not occur. The analysis will target an acceptable minimum factor of safety is 1.5 for static conditions and 1.0 for seismic conditions.
- Veneer Sliding Stability of the proposed closure slopes. Interfaces to be analyzed will include soil to geosynthetics and geosynthetics to geosynthetics components of the planned closure system. Static and seismic conditions will be considered in the analyses.
- Drainage Analysis to determine the required geocomposite drainage media (GDM) for the proposed closure cap. The analysis will be performed to determine the required transmissivity of the geonet and the unit weight of the nonwoven geotextile portion of the GDM product to perform required filtering of the closure's native soil protective cover component.
- Engineering consultation related to constructability and function of the proposed landfill gas extraction system additions and closure cap landfill gas system components.
- Engineering consultation related to landfill gas and leachate control and collection related to slope stability (Global and veneer).

FEE ESTIMATE

BLE's fee will be a lump sum of \$22,600. Invoices will be issued monthly on a percent complete basis.



Contract for Geotechnical Design Support Services – Closure Cap Phase 1 & 2
Macon County Landfill, North Carolina

January 26, 2022
BLE Project Number J22-1101-20A

AUTHORIZATION

As our written authorization for the above scope of services, please execute the attached acceptance sheet and return the acceptance copy of this contract to BLE.

Any exceptions to this contract or special requirements not covered in the contract should be attached to the returned acceptance copy for the mutual consideration of both parties. Please note that the Terms and Conditions are a part of this contract. Any Purchase Order issued to authorize this project should reference this document (J22-1101-21).

CLOSING

We appreciate the opportunity to serve as your hydrogeological, geotechnical, and CQA consultant at this site. If you have any questions, please do not hesitate to contact us at (864) 288-1265.

Sincerely,
BUNNELL-LAMMONS ENGINEERING, INC.


Andrew W. Alexander, P.G., RSM
Consultant Hydrogeologist


Larry A. Simonson, P.E.
Senior Engineer

Attachments: Contract Terms and Conditions

\\blegifs1\solidwasteprojects\macon county landfill active, nc 1101-20 design support - closure cap\03 contract\contract mcl\ design support closure geotech 1101-20a.docx



**BUNNELL
LAMMONS
ENGINEERING**

January 26, 2022

Macon County Solid Waste Management Department
109 Sierra Drive
Franklin, NC 28734

Attention: Mr. M. Chris Stahl
Director

Subject: **Contract for Soil Stockpile Sampling and Testing Services
Closure Cap Phase 1 & 2
Macon County Landfill
Franklin, North Carolina
Permit No. 5703-MSWLF-1992
BLE Project No. J22-1101-21**

Dear Mr. Stahl:

Bunnell-Lammons Engineering, Inc. (BLE) is pleased to present this contract for soil stockpile sampling and testing services as part of a plan to close the Phase 1 and 2 waste units. Included herein is a brief description of the background project information, a general description of our contract scope of services with related fee estimate, and authorization information.

PROJECT INFORMATION

The project information below was obtained from a request for proposal issued by McGill Associates (McGill) via email and from a teleconference with McGill on January 4, 2022. Additional information was obtained from BLE's project records and from documents downloaded from the NCDWM portal.

Macon County owns and operates a recycling center and solid waste disposal facility at 1448 Lakeside Drive in Franklin, North Carolina. The facility includes a Subtitle D municipal solid waste (MSW) landfill, convenience center, waste treatment and processing facility, material recycling facility, and an environmental education center.

The MSW facility includes a Phase 1 waste unit (6.6 acres) and a Phase 2 waste unit (14.2 acres) which are both inactive and an active Phase 3 waste unit (22 acres). McGill and BLE have been selected by the county to prepare a permit application and plan to close the Phase 1 and 2 waste units.

The soil stockpiles are present at the subject site. They include Stockpile 1 (35,000 CY), Stockpile 2 (assumed 15,000 CY), and Stockpile 3 (300,000 CY) as shown on McGill's *Sheet C-101 Overall Site Plan and Well Abandonment Plan* dated September 9, 2015. McGill has requested that BLE prepare this proposal to provide sampling and testing services for the stockpile soils for potential use as landfill capping materials.



PROPOSED SCOPE OF SERVICES

Task 1 – Stockpile Sampling, Classification, and Testing Assignments

BLE will provide the services of a staff engineer or geologist for up to 22 hours to collect, classify, and prepare laboratory testing assignments of soils from the stockpiles. We understand the Macon County site operations will provide a backhoe and operator to perform test pits for sample collection. Our on-site staff will select and guide the test pit sampling program for spatial coverage and efficiency. We assume that all sampling will be complete in one full day of work (approximately 14 hours, including travel) and that testing assignments will require up to 8 hours. BLE senior staff will facilitate the field testing program and approve all testing assignments.

Task 2 – Laboratory Testing Services

We have assumed a minimum sampling frequency of one (1) sample per 20,000 CY of material. Up to eighteen (18) soil samples will be analyzed in BLE's geotechnical laboratory for: Moisture Content (ASTM D-2216), Grain Size with Wash 200 (ASTM D-422), Atterberg Limits (ASTM D-4318), Standard Proctor (ASTM D-698), and Hydraulic Conductivity [Remolded] (ASTM D-5084). The total number of analyses may be significantly reduced if similar soil types are observed in the stockpiles.

Task 3 – Reporting Services

BLE will prepare a letter-style report with a summary table of results, sample location map, and laboratory report. Estimates of soil volume in the mounds to be provided by others. BLE senior staff will review and approve the content of the report.

FEE ESTIMATE

BLE's fee for all combined tasks will be a lump sum of \$23,200. A breakout for each task is provided below. Invoices will be issued monthly on a percent complete basis.

Task	Fee
1 – Stockpile Sampling and Testing Assignments	\$5,600
2 – Laboratory Testing Services*	\$13,600
3 – Reporting Services	\$4,000
Estimated Total	\$23,200

* The fee for laboratory testing will be prorated based on the number of samples analyzed.



Contract for Soil Stockpile Sampling and Testing Services
Macon County Landfill, North Carolina

January 26, 2022
BLE Project Number J22-1101-21

AUTHORIZATION

As our written authorization for the above scope of services, please execute the attached acceptance sheet and return the acceptance copy of this contract to BLE.

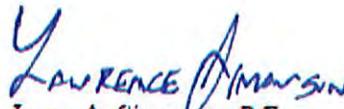
Any exceptions to this contract or special requirements not covered in the contract should be attached to the returned acceptance copy for the mutual consideration of both parties. Please note that the Terms and Conditions are a part of this contract. Any Purchase Order issued to authorize this project should reference this document (J22-1101-21).

CLOSING

We appreciate the opportunity to serve as your hydrogeological, geotechnical, and CQA consultant at this site. If you have any questions, please do not hesitate to contact us at (864) 288-1265.

Sincerely,
BUNNELL-LAMMONS ENGINEERING, INC.


Andrew W. Alexander, P.G., RSM
Consultant Hydrogeologist


Larry A. Simonson, P.E.
Senior Engineer

Attachments: Contract Terms and Conditions

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BUNNELL
LAMMONS
ENGINEERING

February 1, 2022

Macon County Solid Waste Management Department
109 Sierra Drive
Franklin, NC 28734

Attention: Mr. M. Chris Stahl
Director

Subject: Contract for CQA Services for Closure Cap Construction
Phase 1 and Phase 2 Closure
Macon County Landfill
Franklin, North Carolina
Permit No. 5703-MSWLF-1992
BLE Project No. J22-1101-23
BLE Contract Number J22-1101-23

Dear Mr. Stahl:

Bunnell-Lammons Engineering, Inc. (BLE) is pleased to submit this contract to Macon County to provide Construction Quality Assurance (CQA) services associated with the construction of the closure cap for Phase 1 and Phase 2 of the Macon County Landfill.

This proposal addresses the requirements in a typical CQA plan (Solid Waste Rule 15A NCAC 13B .1621). CQA services will be performed per the CQA plan and in general compliance with the construction requirements in Rule 15A NCAC 13B .1604b, Rule 15A NCAC 13B .1624, 15A NCAC 13B .1627(c), and 15A NCAC 13B .1629.

Included herein is a brief description of the background project information, assumed design and construction schedule, a general description of our contract scope of services, project staffing, fee estimate, and authorization information.

BACKGROUND INFORMATION

The project information below was obtained from correspondence issued by McGill Associates (McGill) via email and from a teleconference with McGill on January 4, 2022 and January 21, 2022. Additional information was obtained from BLE's project records and from documents downloaded from the North Carolina Department of Waste Management (NCDWM) portal.

Macon County owns and operates a recycling center and solid waste disposal facility at 1448 Lakeside Drive in Franklin, North Carolina. The facility includes a Subtitle D municipal solid waste (MSW) landfill, convenience center, waste treatment and processing facility, material recycling facility, and an environmental education center.



The MSW facility includes a Phase 1 waste unit (6.6 acres) and a Phase 2 waste unit (14.2 acres) which are both inactive and an active Phase 3 waste unit (22 acres). McGill and BLE have been selected by the county to prepare a permit application and plan to close the Phase 1 and 2 waste units. The application and plan will include the elements required by the solid waste rules. Macon County requested that BLE prepare this contract for the CQA services portion of the project.

McGill and BLE are currently preparing contracts for submittal to Macon County to provide permitting and design services for the project. This will include selecting the specific cap type for design and construction and developing a CQA plan. Since the specific cap type has not been selected, the cap has not been designed, a construction schedule does not exist, and a CQA plan does not exist, BLE has prepared this contract based on a similar 20-acre cap completed by the McGill-BLE team in 2021.

ASSUMED DESIGN AND CONSTRUCTION SCHEDULE

The permanent closure area of the landfill cap construction is assumed to be approximately 20.8 acres. The closure cap is assumed to consist of the following layers in order of increasing elevation above the waste:

- 0 to 6-feet thick: Structural Fill
- 6-inch thick: Select Backfill
- 14-foot wide Geocomposite terminating at existing landfill gas extraction wells for landfill gas capture
- 40-mil Textured LLDPE flexible geomembrane liner
- Geocomposite Drainage Media (GDM)
- 30-inch thick Vegetative Support Layer (24-inch thick compacted, top 6-inches suitable for native plant growth)
- Tack-on storm-water diversion berms

The construction schedule is assumed, based on a similar project executed with McGill in 2021 to provide CQA services for the completion of the landfill cap.

The following construction schedule is assumed in the development of our fee estimate:

CONSTRUCTION TASK	DURATION
Task 1: Structural Fill & Select Backfill	10 Weeks
Task 2: Geosynthetics Installation	7 Weeks
Task 3: Vegetative Support Soil	10 Weeks
Task 4: Landfill Gas Trench Backfill	6.5 Weeks

SCOPE OF SERVICES

The required scope of work consists of monitoring and documenting the earthwork grading and construction. We will prepare a CQA report at the end of our field operations in general accordance with the NCDWM rules and as outlined in the technical specifications and the CQA plan. It should be noted that the technical specifications and the CQA plan do not currently exist. The CQA report will be submitted in one volume. The final CQA documentation will be compiled and formally submitted within four weeks following completion of construction. The report will be submitted to Macon County and McGill for review and approval prior to finalization.

Geotechnical laboratory testing of samples for plasticity, particle size analysis, Standard Proctor compaction tests, and permeability will be performed by our in-house laboratory.

Field testing, sampling, and laboratory testing for the project are estimated to be as follows:

Structural Fill & Select Backfill:

The earthwork required to reach the design elevations requires structural fill. In-place density tests are required on the in-situ soils and structural fill needed to reach design elevations. Select backfill is to be used in the top 6-inches of the structural fill. The CQA personnel will perform the following:

- • Monitor proof-rolling and suitability of structural fill soils.
- 20 • Standard Proctor, ASTM D 698 (1 per 5,000 cy)
- 20 • Natural moisture content, ASTM D 2216 (1 per 5,000 cy)
- 20 • Grain size analysis w/hydrometer, ASTM D 422 (1 per 5,000 cy)
- 22 • Permeability on UD samples (6-inch Select Backfill), ASTM D 5084 (1 per 40,000 sf)
- • In-place nuclear density, EGauge density, drive tube density, ASTM D 2922, D 1556, D2167, D8167 (one per 40,000 sf per lift)

Soil Vegetative Support Layer Testing (871,200 sf, 81,000 cy Est):

For budgeting purposes, we have provided a cost estimate that assumes the maximum number of tests for the Soil Vegetative Support Layer Testing.

Preconstruction Qualification:

- 17 • Natural Moisture Content ASTM D 2216 (1 per 5,000 cy)
- 17 • Grain size analysis, ASTM D 422 (1 per 5,000 cy)
- 17 • Atterberg Limits, ASTM D 4318 (1 per 5,000 cy)
- 17 • Standard Proctor, ASTM D 698 (1 per 5,000 cy or change in material)
- 9 • Permeability on Remolded samples, ASTM D 5084 (1 per 10,000 cy or change in material)

Construction Testing (871,200 sf, 18-inch initial lift, 2 subsequent 6-inch lifts):

- 66 • In-place nuclear density, EGauge density, drive tube density, ASTM D 2922, D 1556, D2167, D8167 (1 per 40,000 sf per lift)
- 66 • Field Moisture Content ASTM D 2216 (1 per 40,000 sf per lift)
- 17 • Grain size analysis, ASTM D 422 (1 per 5,000 cy)
- • Cover Thickness (random verification)

Geosynthetics Testing:

For budgeting purposes, we have provided a cost estimate that assumes the maximum number of tests for the Geosynthetics (Geomembrane and GDM).

40-mil Textured LLDPE Geomembrane (20.8 ac Closure Cap; assume 1,041,955 sf or 61 rolls min manufactured for the project):

TRI Environmental (or another qualified contractor) will perform the conformance tests on the Geomembrane under a sub-contract and with the engineering direction of BLE.

- 61 • In-factory sampling of geomembrane for CQA testing
- • Witness installation of geomembrane and review manufacturer's submittals
- • Review manufacturer's test data for compliance prior to shipment.
- 11 • Relative Sheet Density (ASTM D 1505) per 100,000 sf
- 11 • Carbon Black Content (ASTM D 1603 or 4218) per 100,000 sf
- 11 • Carbon Black Dispersion (ASTM D 5596) per 100,000 sf
- 61 • Thickness (ASTM D 5994) per roll
- 11 • Tensile Properties (ASTM D 6693, Type IV) per 100,000 sf
- 100 • Field/laboratory seam destructive samples
(1 per 500 linear feet of field seam)
- 100 • Peel & Shear testing (ASTM D 6392)
(1 per 500 linear feet of welded seam)

Geocomposite Drainage Media (GDM) (20.8 ac Closure Cap; assume 1,132,560 sf or 600 rolls min manufactured for the project):

TRI Environmental (or another qualified contractor) will perform the conformance tests on the Geomembrane under a sub-contract and with the engineering direction of BLE. BLE will witness installation and review of manufacturer's submittals. At a minimum, 1 sample per 100,000 sf of GDM manufactured for the project will be tested for the following properties:

- 23 • In-factory sampling of GDM for CQA testing per 50,000 sf
- • Witness installation of geomembrane and review manufacturer's submittals
- • Review manufacturer's test data for compliance prior to shipment.

- 12 • Ply Adhesion (ASTM D7005)
- 12 • Transmissivity (ASTM 4716) 100-hr modified,
Tested at a gradient of 0.33 under 500 psf normal load,
with vegetative soil layer and geomembrane to be used for project

Interface Friction Testing:

TRI Environmental (or another qualified contractor) will perform the interface friction testing on the cap components under a sub-contract and with the engineering direction of BLE.

- 2 • Select Backfill against textured Geomembrane
- 2 • Textured Geomembrane against GDM
- 2 • GDM against Soil Vegetative Support Layer

GDM Drain Piping:

- • Confirm materials meet specifications and observe the installation

Landfill Gas Extraction Wells & Infrastructure:

- • If necessary, witness raising of landfill gas extraction wells to grades above vegetative support layer
- • In-place nuclear density, EGauge density, drive tube density, ASTM D 2922, D 1556, D2167, D8167 (6.5 weeks – 1 Day per week)

Groundwater and Landfill Gas Monitoring Wells:

- • If necessary, witness raising of groundwater monitoring wells and landfill gas monitoring wells to grades above vegetative support layer
- • If necessary, witness construction of replacement wellheads in compliance with the approved WQMP and LFGMP
- • If necessary, Prepare and submit revised GW-1 forms to the SWS after receipt of the survey data from McGill

PROJECT STAFFING & QUALITY ASSURANCE MEASURES

We have assembled an experienced technical staff for on-site quality assurance monitoring teamed with our engineering staff.

We have assumed that one Technician will be capable of monitoring the placement and compaction of structural fill and select backfill, as well as the proof-rolling of the subgrade on a full-time basis for 10 weeks. Geosynthetics installation has been assumed to require a 7-week installation period, which we have assumed will require 2 Technicians on a full-time basis. We recommend utilizing one Technician on-site for 10 weeks during the construction of the vegetative support soil on a full-time basis. One Technician will be capable of monitoring the landfill gas collection piping, air testing, and backfilling on a part-time basis (2 times per week site visit) for 6.5 weeks.

CONSTRUCTION TASK	WORK WEEK
Task 1: Structural Fill & Select Backfill (10 weeks)	8 Hours x 6 Days 480 Hours
Task 2: Geosynthetics Installation (7 Weeks)	9 Hours x 7 Days (2 Technicians) 882 Hours
Task 3: Vegetative Support Soil (10 Weeks)	10 Hours x 6 Days 600 Hours
Task 4: Landfill Gas Collection Trench Backfill Testing (6.5 Weeks)	8 Hours/week x 6.5 Weeks 52 Hours
Estimated Total	2,014 Technician Hours

The CQA engineer, Mr. Jonathan Usher, P.E., will review all testing and inspection documents and present reports of construction observations by our technicians. The CQA engineer will also be available, as required, on an on-call basis. Five (5) engineering site visits are planned for the project. Summaries of our observations of the site activities and testing will be prepared by the technicians, reviewed by the CQA engineer and submitted to the designated distribution list.

The CQA project manager, Mr. Larry Simonson, P.E., or alternate, will coordinate project activities, review all testing and inspection documents, and attend monthly progress meetings. It is assumed that seven (7) meetings will be conducted over the estimated 34-week project schedule.

The consultant geologist, Mr. Andrew Alexander, P.G., RSM will serve as client services manager and project director. Mr. Alexander will also co-coordinate ongoing environmental activities with Macon County.

A landfill gas mitigation/collection system does not currently exist at the site. We have assumed that a system may be required as part of the cap design. Note that quality assurance testing of landfill gas system infrastructure will be reported to McGill and may not be included as part of BLE's CQA report. All gas system modifications will be reported by McGill as part of their construction administration services to Macon County.



FEE ESTIMATE

We recommend a minimum budget of \$322,000 for CQA services. Our estimate is based on information provided to us and an estimated maximum of 235 days required on-site to perform testing for the proposed cap and related infrastructure. The actual cost will be computed from the staff time and units expended in accordance with the unit rates shown on the attached cost estimate. Mobilization travel time charges for personnel will be initiated from Greenville, South Carolina and Arden, North Carolina. Monthly invoices will be submitted for the work performed.

AUTHORIZATION

As our written authorization for the above scope of services, please execute the attached acceptance sheet and return the acceptance copy of this contract to BLE.

Any exceptions to this contract or special requirements not covered in the contract should be attached to the returned acceptance copy for the mutual consideration of both parties. Please note that the Terms and Conditions are a part of this contract. Any Purchase Order issued to authorize this project should reference this document (J22-1101-23).

We appreciate the opportunity to serve as your hydrogeological, geotechnical, and CQA consultant at this site. If you have any questions, please do not hesitate to contact us at (864) 288-1265.

Sincerely,
BUNNELL-LAMMONS ENGINEERING, INC.


Andrew W. Alexander, P.G., RSM
Consultant Hydrogeologist


Larry A. Simonsen, P.E.
Senior Engineer

Attachments: Fee Estimate
Contract Terms and Conditions

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FEE ESTIMATE

COST ESTIMATE
MACON COUNTY LANDFILL
FRANKLIN, NORTH CAROLINA
 Construction Quality Assurance (CQA) - Phase 1 & 2 Cap
 BLF Project Number: 1101-23

Item	Units	Rate	Structural Fill & Select Backfill 10 weeks	Geosynthetics Installation 7 weeks	Vegetative Support Soil 10 weeks	LFG Collection Trench Backfill Testing Air Testing & Backfill 6.5 Weeks	CQA Report	Estimated Cost Total
Engineering Services								
Principal Engineer, P.E.	per hour	\$236.00	6	4	2	2	4	\$ 4,248.00
Consultant Hydrogeologist, P.G.	per hour	\$216.00	20	15	20	4	20	\$ 17,064.00
Senior Engineer, P.E.	per hour	\$184.00	22	15	20	8	15	\$ 14,720.00
Staff Engineer	per hour	\$136.00	35	28	35		25	\$ 16,728.00
Chief Technician	per hour	\$99.00						\$ -
Senior Technician	per hour	\$90.00						\$ -
Project Technician	per hour	\$75.00	480	882	600	52		\$ 151,050.00
Drafting	per hour	\$88.00	4				4	\$ 352.00
Support Staff	per hour	\$50.00	40	15	20	4	12	\$ 6,300.00
Estimated Subtotal								\$ 210,900.00
Travel Expenses								
Engineering Site Visits	per visit	\$2,700.00	3	2	2			\$ 19,110.00
Per diem, per person	per day	\$205.00	50	98	50			\$ 40,590.00
Mileage, per vehicle	per mile	\$0.72	3,000	2,000	3,000	700		\$ 6,264.00
Estimated Subtotal								\$ 66,000.00
Shipping/Handling Expenses								
Report Reproduction	allow						\$500.00	\$500.00
Materials/Supplies	per exp.			\$1,000.00				\$1,000.00
Shipping	per exp.		\$5,000.00					\$5,000.00
Estimated Subtotal								\$ 6,500.00
Soil Laboratory Testing								
Moisture Content	each	\$14.00	20		17			\$ 518.00
Particle Size w/ hydrometer	each	\$96.00	20		34			\$ 4,644.00
Atterberg Limits	each	\$96.00			17			\$ 1,462.00
Standard Proctor	each	\$147.00	20		17			\$ 5,419.00
Clay Liner Permeability								\$ -
Undisturbed*	each	\$273.00	22					\$ 6,006.00
Remolded	each	\$92.00			9			\$ 828.00
Estimated Subtotal								\$ 21,200.00
Geosynthetics Conformance Testing								
#0-mil LLDPE								
Peel & Shear	each	\$36.00		100				\$ 3,600.00
Sampling at Factory	per hour	\$60.00		25				\$ 1,500.00
Thickness	each	\$18.00		61				\$ 1,098.00
Density	each	\$36.00		11				\$ 396.00
Carbon Black Content	each	\$48.00		11				\$ 528.00
Carbon Black Dispersion	each	\$48.00		11				\$ 528.00
Tensile Properties	each	\$60.00		11				\$ 660.00
Geocomposite Drainage Media								
Sampling at Factory	per hour	\$60.00		21				\$ 1,260.00
Ply Adhesion	each	\$18.00		12				\$ 216.00
Transmissivity	each	\$600.00		12				\$ 7,200.00
Estimated Subtotal								\$ 11,200.00
ESTIMATED COST PER ACRE								\$ 15,500
ESTIMATED TOTAL								\$ 322,000

* 1 Undisturbed samples of soil cap included in test pool

**ACCEPTANCE SHEET WITH
TERMS AND CONDITIONS**



PROPOSAL ACCEPTANCE SHEET

The purpose of this sheet is to obtain your written authorization for our services and confirm the terms and conditions under which these services are provided as shown below.

Compensation for services rendered will be based on the attached schedule of fees (or as otherwise indicated below) which are part of this work authorization. If we are requested to modify the scope of work at your request or determine during the execution of the work that a modification of scope is required, we will promptly seek and confirm in writing a mutually agreeable revision of the scope of work and associated charges. All testing will be performed in accordance with the applicable specifications unless otherwise noted and test results apply only to the materials actually tested.

Project Name and Proposal Number: Contract for CQA Services for Closure Cap Construction
BLE Contract No. J22-1101-23

Project Location: Macon County Landfill
Franklin, North Carolina

WORK AUTHORIZED BY:

Signature Date

Print Name and Title - *Signatory warrants his/her authority to bind the entity represented here.*

Company Name

Address

City State Zip Code

FOR PAYMENT OF CHARGES: (BLE should send invoices to)

Firm: _____ Attention: _____

Address: _____

City, State: _____ Zip Code: _____ Phone Number: _____

Email Address: _____ Fax Number: _____

SPECIAL INSTRUCTIONS: _____



TERMS AND CONDITIONS

WHEREAS, CLIENT is seeking engineering and/or environmental or other consulting services in regards to services associated with a property or properties ("Subject Property") and/or services associated with a specific activity or activities; and Bunnell-Lammons Engineering, Inc. (hereinafter "BLE") is an independent consultant. Therefore, CLIENT and BLE (collectively, the "Parties") agree as follows (the "Agreement"):

1. **SERVICES TO BE PROVIDED.** BLE through and by its officers, employees and subcontractors, is an independent consultant and agrees to provide Client, for its sole benefit and exclusive use, consulting services set forth in BLE's proposal. No third party beneficiaries are intended by this agreement.

2. **PAYMENT TERMS.** Client agrees to pay BLE's invoice upon receipt. If payment is not received within 30 days from the Client's receipt of invoice, Client agrees to pay a service charge on the past due amount at the greater of 1.5% per month or the allowable legal rate, including attorney's fees and expenses; if BLE's fee is collected through an attorney. No deduction shall be made from invoice on account of liquidated damages; unless expressly included in the Agreement. BLE may suspend services until paid on any project where payment of invoiced amounts not reasonably in dispute is not received by BLE within 60 days of Client's receipt of BLE's invoice. Invoices will be sent approximately monthly for the services performed.

3. **STANDARD OF CARE.** BLE will perform its services using that degree of care and skill ordinarily exercised under similar conditions by reputable members of BLE's profession practicing in the same or similar locality at the time of service. **NO OTHER WARRANTY, EXPRESS OR IMPLIED, IS MADE OR INTENDED BY BLE'S PROPOSAL OR BY BLE'S ORAL OR WRITTEN REPORTS.** Nothing in this agreement or in the services provided by BLE is intended to create, nor shall it be construed to create, a fiduciary relationship owed by either party to one another.

4. **INSURANCE.** BLE maintains insurance coverage as follows:

- Worker's Compensation Insurance.
- Employer's Liability Insurance.
- Commercial General Liability Insurance.
- Professional Errors and Omissions Insurance.

Certificates of Insurance can be provided upon acceptance of this agreement and upon request.

5. **PROFESSIONAL LIABILITY.** FOR ADDITIONAL CONSIDERATION FROM BLE OF \$10.00, RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, CLIENT AGREES THAT BLE'S LIABILITY, AND THAT OF ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND SUBCONTRACTORS, TO CLIENT OR ANY THIRD PARTY DUE TO ANY NEGLIGENT PROFESSIONAL ACTS, ERRORS OR OMISSIONS OR BREACH OF CONTRACT BY BLE WILL BE LIMITED TO AN AGGREGATE OF \$50,000 OR BLE'S TOTAL CHARGES, WHICHEVER IS GREATER. IF CLIENT PREFERS TO HAVE HIGHER LIMITS OF PROFESSIONAL LIABILITY, BLE AGREES TO INCREASE THE AGGREGATE LIMIT, UP TO A MAXIMUM OF \$100,000, UPON CLIENT'S WRITTEN REQUEST AT THE TIME OF ACCEPTING BLE'S PROPOSAL, PROVIDED CLIENT AGREES TO PAY AN ADDITIONAL CONSIDERATION OF 5% OF TOTAL CHARGES, OR \$500, WHICHEVER IS GREATER. THE ADDITIONAL CHARGE FOR THE HIGHER LIABILITY LIMIT IS BECAUSE OF THE GREATER RISK ASSUMED BY BLE AND IS NOT A CHARGE FOR ADDITIONAL PROFESSIONAL LIABILITY INSURANCE. IN ADDITION, CLIENT FURTHER AGREES THAT NEITHER BLE NOR ITS MEMBERS, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND/OR SUBCONTRACTORS SHALL BE LIABLE TO CLIENT FOR SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT OR OTHERWISE. THE LIMITATIONS SET OUT HEREIN SHALL NOT APPLY TO THE EXTENT PROHIBITED BY LAW.

6. **SITE OPERATIONS.** Client will arrange for right-of-entry to the property for the purpose of performing project management, studies, tests and evaluations pursuant to the agreed services. Client represents that it possesses necessary permits and licenses required for its activities at the site.

BLE's field personnel are trained to initiate field testing, drilling and/or sampling within a reasonable distance of each designated location. BLE's field personnel will avoid hazards or utilities which are visible to them at the site. If BLE is advised in writing of the presence or potential presence of underground or above ground obstructions, such as utilities, BLE will give special instructions to BLE's field personnel. BLE is not responsible for any damage or loss due to undisclosed or unknown surface or subsurface conditions owned by Client or third parties, except to the extent such damage or loss is a result of BLE's negligence. Otherwise, Client agrees for the additional consideration of \$1.00, the receipt and sufficiency being hereby acknowledged, to defend, indemnify and hold BLE, its directors, officers, employees, agents and subcontractors harmless, from any such claims, suits or losses, including related reasonable attorney's fees.

BLE will take reasonable precautions to minimize damage to the property caused by its operations. Unless otherwise stated in BLE's proposal, BLE's charges do not include cost

of restoration due to any related damage which may result. If Client requests BLE to repair such damage, BLE will do so at an appropriate additional cost.

Field tests or boring locations described in BLE's report or shown on sketches are based on specific information furnished by others or estimates made in the field by BLE personnel. Such dimensions, depths or elevations should be considered as approximations unless otherwise stated in BLE's proposal or report.

7. **FIELD REPRESENTATIVE.** The presence of BLE or its subcontractor's field personnel, either full-time or part-time, may be for the purpose of providing project administration, assessment, observation and/or field testing of specific aspects of the project as authorized by Client. Should a contractor(s) not retained by BLE be involved in the project, Client will advise such contractor(s) that BLE's services do not include supervision or direction of the means, methods or actual work of the contractor(s), its employees or agents. Client will also inform contractor that the presence of BLE's field representative for project administration, assessment, observation or testing will not relieve the contractor of its responsibilities for performing the work in accordance with the plans and specifications.

If a contractor (not a subcontractor of BLE) is involved in the project, Client agrees, in accordance with generally accepted construction practices, that the contractor will be solely and completely responsible for working conditions on the job site and/or Subject Property, including security and safety of all persons and property during performance of the work, and compliance with all Client safety requirements and OSHA regulations. These requirements will apply continuously and will not be limited to normal working hours. It is agreed that BLE will not be responsible for job or site safety or security on the project, other than for BLE's employees and subcontractors, and that BLE does not have the duty or right to stop the work of the contractor, the Client or other third parties.

8. **UNFORESEEN CONDITIONS OR OCCURRENCES.** It is possible that unforeseen conditions or occurrences may be encountered at the site which could substantially alter the necessary services or the risks involved in completing BLE's services. If this occurs, BLE will promptly notify and consult with Client, but will act based on BLE's sole judgment where risk to BLE personnel is involved. Possible actions could include:

- Complete the original Scope of Services in accordance with the procedures originally intended in BLE's proposal, if practicable in BLE's judgment;
- Agree with Client to modify the Scope of Services and the estimate of charges to include study of the unforeseen conditions or occurrences, with such revision agreed to in writing;
- Terminate the services effective on the date specified by BLE in writing.

9. **SAMPLE DISPOSAL.** Test specimens or samples generally are consumed or substantially altered during testing and any remnants are disposed of immediately upon completion of tests. Remaining drilling samples and other specimens are disposed of 30 days after submission of BLE's report. In the event that test samples contain toxic or hazardous constituents as defined by applicable law, upon completion of any testing and temporary storage by BLE and per Client's stated preference, BLE will return such samples to Client for proper disposal.

10. **WASTE DISPOSAL.** If Client requests BLE to containerize drilling wastes and/or fluids produced by BLE's activity ("Wastes"), Client will provide a secure temporary storage location at or near the project site to prevent tampering with such containerized Wastes. Non-hazardous Wastes will be disposed of by BLE for an additional charge at an appropriately licensed facility. Any hazardous Wastes will be disposed of under manifest executed by Client at any properly licensed facility selected by Client with BLE's assistance. At no time will BLE take title to such hazardous Wastes.

11. ***CLIENT DISCLOSURE.** Client agrees to advise BLE upon execution of this Agreement of any hazardous substance or any condition, known or that reasonably should be known by Client, existing in, on, or near the site that presents a potential danger to human health, the environment, or BLE's equipment. Client agrees to provide BLE continuing related information as it becomes available to the Client. By virtue of entering into this Agreement or providing services hereunder, BLE does not assume control of or responsibility as an operator or otherwise for the site or the person(s) in charge of the site, or undertake responsibility for reporting to any federal, state or local public agencies any conditions at the site that may present a potential danger to public health, safety or the environment. Client agrees under advice of its counsel to notify the appropriate federal, state or local public agencies as required by law; or otherwise to disclose, in a timely manner, any information that may be necessary to prevent damage to human health, safety, or the environment.

12. *ENVIRONMENTAL INDEMNITY. In connection with toxic or hazardous substances or constituents and to the maximum extent permitted by law and for separate and valuable consideration of \$1.00, the receipt and sufficiency being hereby acknowledged, Client agrees to defend, hold harmless and indemnify BLE from and against any and all claims, liabilities, or judgments, except to the extent finally determined as being caused by BLE's negligence or willful misconduct, resulting from:

a. Client's violation of any federal, state, or local statute, regulation or ordinance relating to the management or disposal of toxic or hazardous substances or constituents;

b. Client's undertaking of or arrangement for the handling, removal, treatment, storage, transportation or disposal of toxic or hazardous substances or constituents found or identified at the site;

c. Toxic or hazardous substances or constituents introduced at the site by Client or third persons before, during or after the completion of BLE's services;

d. Allegations that BLE is a handler, generator, operator, treator, storer, transporter, or disposer under the Resource Conservation and Recovery Act of 1976 as amended or any other similar federal, state or local regulation or law due to the BLE's services unless expressly retained by Client for such services; or,

e. Any third party suit or claims for damages against BLE alleging strict liability, personal injury (including death) or property damage from exposure to or release of toxic or hazardous substances or constituents at or from the project site before, during or after completion of BLE's services under this Agreement.

13. *EQUIPMENT CONTAMINATION. BLE will endeavor to clean its laboratory and field equipment which may become contaminated in the conduct of BLE's services. Occasionally, such equipment cannot be completely decontaminated because of the type of hazards encountered. If this occurs, it will be necessary to dispose of the equipment in a manner similar to that indicated for hazardous samples or waste and to charge Client for the loss. Client agrees to pay the fair market value of any such equipment and reasonable disposal costs.

14. DOCUMENTS. BLE will furnish Client the agreed upon number of written reports and supporting documents. These instruments of services are furnished for Client's exclusive internal use and reliance, use of Client's counsel, use of Client's qualified bidders (design services only) and for regulatory submittal in connection with the project or services provided for in this Agreement, but not for advertising or other type of distribution, and are subject to the following:

a. All documents generated by BLE under this Agreement shall remain the sole property of BLE. Any unauthorized use or distribution of BLE's work shall be at Client's and recipient's sole risk and without liability to BLE. BLE may retain a confidential file copy of its work product and related documents it receives or relies upon so that BLE can support and/or defend its work.

b. If Client desires to release, or for BLE to provide, BLE's report(s) to a third party not described above for that party's reliance, BLE will agree to such release provided BLE receives a written request from Client and a written acceptance from such third party to be bound by acceptable terms and conditions similar to this Agreement (e.g. Secondary Client Agreement). Reports provided for disclosure of information only will not require separate agreement. Client acknowledges and agrees to inform such third party that BLE's report(s) reflects conditions only at the time of the study and may not reflect conditions at a later time. Client further acknowledges that such request for release creates a potential conflict of interest for BLE and by making such a request, Client waives any such claim if BLE complies with the request.

c. Client agrees that all documents furnished to Client or Client's agents or designees, if not paid for, will be returned upon demand and will not be used by Client or any other entity for any purpose whatsoever. Client further agrees that documents produced by BLE pursuant to this Agreement will not be used for any project not expressly provided for in this Agreement without BLE's prior written approval.

d. Client shall furnish documents or information reasonably within Client's control and deemed necessary by BLE for proper performance of BLE's services. BLE may rely upon Client-provided documents in performing the services required under this Agreement; however, BLE assumes no responsibility or liability for their accuracy. Client-provided documents will remain the property of Client, but BLE may retain confidential file copies to support its report.

e. Upon Client's request, BLE's work product may be provided on magnetic media or submitted electronically. By such request, Client agrees that the written copy retained by BLE in its files shall be the official base document. BLE makes no warranty or representation to Client that the magnetic/electronic copy is accurate or complete, but will correct in good faith any omissions or errors brought to BLE's attention by Client. Any modifications of such magnetic copy/electronic by Client shall be at Client's risk and

without liability to BLE. Such magnetic copy/electronic is subject to all other conditions of this Agreement.

15. CLAIMS. The parties agree to attempt to resolve any dispute without resort to litigation, including use of mediation, prior to filing of any suit, including use of mediation, prior to filing of any suit. However, in the event that a claim results in litigation, then the prevailing party shall be entitled to recover from the non-prevailing party the prevailing party's reasonable legal fees and expenses associated with such litigation. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

16. OPINIONS OF COST. If requested, BLE will use its best efforts and experience on similar projects to provide realistic opinions or estimates of costs for remediation or construction as appropriate based on reasonably available data, BLE's designs or BLE's recommendations. However, such opinions are intended primarily to provide information on the order of magnitude or scale of such costs and are not intended for use in firm budgeting or negotiation unless specifically agreed otherwise, in writing with BLE. Client understands actual costs of such work depend heavily on regional economics, local construction practices, material availability, site conditions, weather conditions, contractor skills, and many other factors beyond BLE's control.

17. TESTIMONY. Should BLE or any BLE employee be compelled by law to provide testimony or other evidence by any party, whether at deposition, hearing, or trial, in relation to services provided under this Agreement, and BLE is not a party in the dispute, then BLE shall be compensated by Client for the associated reasonable expenses and labor for BLE's preparation and testimony at appropriate unit rates. To the extent the party compelling the testimony ultimately provides BLE such compensation, Client will receive a credit or refund on any related double payments to BLE.

18. CONFIDENTIALITY. BLE will maintain as confidential any documents or information provided by Client and will not release, distribute or publish same to any third party without prior permission from Client, unless compelled by law or order of a court or regulatory body of competent jurisdiction.

19. GOVERNING LAW. This Agreement shall be governed in all respects by the laws of the State of South Carolina.

20. PRIORITY OVER FORM AGREEMENT PURCHASE ORDERS. The Parties agree that the provisions of these terms and conditions shall control over and not be superseded by any provisions of any other documents or writings; and may be amended only by written instrument signed by both Client and BLE. Client may issue purchase orders to BLE to satisfy Client's purchasing requirements. It is agreed that the terms and conditions included in such purchase orders shall be considered deleted in their entirety and such terms and conditions shall be void.

21. SURVIVAL. All provisions of this Agreement for payment, indemnity or allocation of responsibility or liability between Client and BLE shall survive the completion of the services and the termination of this Agreement.

22. SEVERABILITY. In the event any provision of this Agreement is found to be void or unenforceable under law, the court shall instead reform or replace any void or unenforceable provision with a valid and enforceable provision that gives meaning to the intention of the provision or shall strike the provision from the Agreement. The remaining provisions shall continue in full force and effect.

23. ASSIGNMENT. This Agreement may not be assigned by either party without the prior permission of the other.

24. CONSIDERATION. The parties agree that the charges for BLE's services are sufficiently adjusted to include any specific consideration payable to Client under these terms and conditions.

25. INTEGRATION. This Agreement, the attached documents and those incorporated herein constitute the entire Agreement between the parties and cannot be changed except by a written instrument signed by both parties.

26. FORCE MAJEURE. Any failure of performance under this Agreement shall not constitute breach if said failure of performance is due to an event or events beyond the reasonable control of the Parties or either of them; such events of force majeure shall include, but not be limited to, acts of God, natural disasters, war and strikes.

If an event of force majeure occurs, BLE shall notify CLIENT, identify the event of force majeure and specify the anticipated time when the Work can be continued. Timely notification of an event of force majeure shall extend the completion date of this Agreement for a time equal to the continuation of the force majeure plus any reasonable time necessary to resume Work. CLIENT agrees to pay BLE for all reasonable costs incurred associated with labor and equipment, including subcontractor services, necessary to resume Work.



27. **CONFIDENTIALITY.** BLE and CLIENT recognize that each of them may encounter written or unwritten confidential information regarding the other Party during the course of the services set forth in the Proposal. Confidential information means all technical, economic, financial, pricing, marketing or other information that has not been published and/or is not otherwise available to members of the public and includes, without limitation, trade secrets, proprietary information, customer lists, scientific, technical and business studies, analyses, processes, methods, procedures, policies and information. The Party receiving such confidential information agrees to hold as confidential and not to disclose such information.

All drawings, specifications, technical documents of any nature, and copies thereof, prepared pursuant to this Agreement shall be the property of BLE and are to be treated as confidential. They are not to be disclosed to others without BLE prior written approval. BLE shall treat as confidential all documents and records (the "Documents") belonging to CLIENT or a third party that BLE reviews during the performance of services set forth in the Proposal. BLE shall not disclose the Documents to any third party without the prior written consent of the Documents' owner or owners. No articles, papers or treatises related to or in any way associated with the services set forth in the Proposal shall be submitted for publication without BLE's prior written consent. BLE may retain copies of all such documents for archival purposes and to support or defend its work.

The confidentiality restrictions herein shall not apply to information that: (1) the Parties had in their possession prior to disclosure; (2) becomes public knowledge through no act or fault of the receiving Party; (3) the receiving Party lawfully acquires from a third party which does not have a confidentiality obligation to the Party to which the information pertains; (4) is independently developed by the receiving Party; or (5) is required to be disclosed by law. Without the express written consent of BLE, this Agreement creates no duties or liabilities of BLE to third parties who may rely on the Work provided or the documents delivered hereunder. The Parties agree that although CLIENT may provide copies of BLE's reports to prospective property purchasers and their agents, no party other than CLIENT, its counsel or appropriate regulatory bodies may rely on the contents of BLE's reports.

28. **INDEMNITY.** If CLIENT or any of its directors, officers, shareholders, employees, agents, attorneys, successors, assigns and affiliates (collectively, the "CLIENT Affiliates") become subject to any liabilities, obligations, claims, losses, damages, penalties, actions, judgments, suits, costs and expenses (including, without limitation, fees and disbursements of attorneys and consultants) (collectively, "Claims"), arising from, related to or in connection with:

- a. the negligence, gross negligence or willful misconduct of BLE or its directors, officers, employees, subcontractors, agents and affiliates (collectively, the "Representatives");
- b. a violation of a statute or regulation by BLE or its Representatives; and/or
- c. a breach of this Agreement by BLE or its Representatives;

BLE shall indemnify and hold harmless CLIENT and its Affiliates from and against any and all Claims. For purposes of the preceding sentence, "negligence" shall be deemed to include both negligent acts and omissions, but this indemnification shall only extend to the proportional extent of BLE's violation of law, breach, negligence or willful misconduct.

If BLE or any of its directors, officers, employees, agents, attorneys, successors, assigns and affiliates (collectively, the "BLE Affiliates") become subject to any liabilities, obligations, claims, losses, damages, penalties, actions, judgments, suits, costs and expenses (including, without limitation, fees and disbursements of attorneys and consultants) (collectively, "Claims"), arising from, related to or in connection with:

- a. the negligence, gross negligence or willful misconduct of CLIENT or its directors, officers, shareholders, employees, subcontractors, agents and affiliates (collectively, the "Representatives");
- b. a violation of a statute or regulation by CLIENT or its Representatives; and/or
- c. a breach of this Agreement by CLIENT or its Representatives;

CLIENT shall indemnify and hold harmless BLE and its Affiliates from and against any and all Claims. For purposes of the preceding sentence, "negligence" shall be deemed to include both negligent acts and omissions, but this indemnification shall only extend to the proportional extent of CLIENT's violation of law, breach, negligence or willful misconduct.

29. **NON-EXCLUSIVITY.** BLE recognizes and agrees that its services hereunder are to be provided on a non-exclusive basis.

30. **WAIVER.** Waiver by either Party of any term, provision or condition of this Agreement shall not constitute a precedent or bind either party to a waiver of any succeeding breach of the same or any other term, provision or condition of this Agreement.

31. **TERMINATION.** This Agreement terminates automatically when BLE completes the services set forth in the Proposal. Either Party may terminate this Agreement without cause upon 30 days written notice to the other Party. In the event CLIENT requests termination prior to completion, CLIENT agrees to pay BLE for all reasonable costs incurred to date and reasonable charges associated with such termination.

NOTES:

*Applies only if toxic or hazardous substances or constituents are anticipated or encountered.

For work in the State of Georgia, delete the words "or any third party" as such words appear in Paragraph 5

END OF DOCUMENT

PAS revision 8.2 - 08/11/2020

**RESOLUTION EXEMPTING ENGINEERING SERVICES FOR MACON
COUNTY SOLID WASTE SEMI-ANNUAL GROUNDWATER
MONITORING REPORTING, IN MACON COUNTY, NORTH CAROLINA,
FROM THE PROVISIONS OF ARTICLE 3D OF CHAPTER 143 OF THE NORTH
CAROLINA GENERAL STATUTES**

WHEREAS, Article 3D of Chapter 143 of the North Carolina General Statutes establishes a general public policy regarding procurement of engineering services; and

WHEREAS, North Carolina General Statutes Section 143-64.32 provides:

"Units of local government or the North Carolina Department of Transportation may in writing exempt particular projects from the provisions of this Article in the case of proposed projects where an estimated professional fee is in an amount less than fifty thousand dollars (\$50,000)"; and

WHEREAS, Macon County is now in need of engineering services for semi-annual groundwater monitoring analysis and reporting in Macon County, North Carolina; and

WHEREAS, the estimated professional engineering fees for the required work for the proposed scope of work to provide these services in Macon County, North Carolina is in an amount less than fifty thousand (\$50,000) dollars.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF MACON that the proposed engineering services for the proposed relocation of the Solid Waste Carson Convenience Center in Macon County, North Carolina, is hereby exempted in writing from the provisions of Article 3D of Chapter 143 of North Carolina General Statutes pursuant to the provisions of N.C. Gen. Stat. §143-64.32.

Adopted this 8th day of March, 2022.

James Tate, Chairman
Macon County Board of Commissioners

ATTEST:

Clerk to the Board

(COUNTY SEAL)



**BUNNELL
LAMMONS
ENGINEERING**

February 11, 2022

Macon County Solid Waste Management Department
109 Sierra Drive
Franklin, NC 28734

Attention: Mr. M. Chris Stahl
Director

Subject: **Contract for Water Quality Reporting CY22
Spring 2022 and Fall 2022 Events
Macon County Solid Waste Facilities [4 Landfills]
Macon County, North Carolina**
Macon County LF - Permit 5703-MSWLF-1992 [BLE Contract No. J22-1101-24]
Old Franklin LF - Permit 5701-MSWLF-1989 [BLE Contract No. J22-17143-03]
Old Highlands LF - Permit 5702-MSWLF-1985 [BLE Contract No. J22-17144-03]
Highlands C&D LF - Permit 5704-CDLF-1993 [BLE Contract No. J22-17144-03]

Dear Mr. Stahl:

Bunnell-Lammons Engineering, Inc. (BLE) is pleased to submit this contract to Macon County to provide consulting services associated with the subject Macon County facilities. This contract addresses the requirements for semi-annual reporting of water quality data as set forth by the North Carolina Department of Environmental Quality, Division of Waste Management (DWM) – Solid Waste Section (SWS). Included herein is a brief description of the background project information, a general description of our contract scope of services with related fee estimate, and authorization information.

BACKGROUND INFORMATION

The project information below was provided by Pace Analytical (Pace) and by Macon County. Additional information was obtained from our project records from previous work performed by BLE.

Macon County owns and operates an active solid waste facility [Macon County Landfill] and provides post-closure care for three (3) closed solid waste facilities including the Old Franklin Landfill, Old Highlands Landfill, and the Highlands C&D Landfill. Semi-annual sampling and reporting is required at all four (4) facilities. These services were provided by REIC of Beaver, West Virginia in the past. REIC was purchased by Pace approximately four (4) years ago. As part of the purchase, Pace continued sampling and analytical services but no longer provides reporting services as part of their Pace service line.

Macon County requested for BLE to assume the project management and reporting duties formerly provided by Pace. This contract meets the scope of services requested by Macon County.



Macon County Landfill - Permit 5703-MSWLF-1992

Macon County owns and operates a recycling center and solid waste disposal facility at 1448 Lakeside Drive in Franklin, North Carolina. The facility includes a Subtitle D municipal solid waste (MSW) landfill, convenience center, waste treatment and processing facility, material recycling facility, and an environmental education center.

The MSW facility includes active Phase 1 / Phase 2 waste units and a newly constructed Phase 3 Cell 1 waste unit. Macon County retained McGill as the design engineer and BLE as the hydrogeological consultant for the facility expansion. As part of the work BLE prepared a Water Quality Monitoring Plan (WQMP) dated June 2, 2015 and a Landfill Gas Monitoring Plan (LFGMP) dated June 3, 2015. Both plans were approved by the North Carolina Solid Waste Section (SWS) on August 20, 2015 (Document Identification Number [DIN] 24884). The facility requires semi-annual groundwater, surface water, and leachate monitoring and reporting in accordance with the WQMP.

The existing groundwater monitoring network for the Macon County Landfill consists of three (3) upgradient (background) wells (MW-10, MW-17, and MW-18) and nineteen (19) downgradient (compliance) wells (MW-1A, MW-1B, MW-1D, MW-2, MW-3A, MW-5D, MW-14, MW-15, MW-19, MW-19A, MW-20, MW-21, MW-22, MW-22A, MW-23, MW-24, MW-25, MW-26, and MW-27). Groundwater monitoring wells MW-24, MW-25, MW-26, and MW-27 were installed in conjunction with the Phase 3 development.

In accordance with rule 15A NCAC 13B .0602, four (4) surface water monitoring locations have been established for the facility to monitor surface water quality surrounding the existing waste footprint. The existing surface water locations consist of one (1) upstream (background) point (SW-3) and four (4) downstream (compliance) points (SW-1, SW-2, SW-4, and SW-5).

In accordance with rule 15A NCAC 13B .1626(12)(c), one (1) leachate sampling location (leachate pond) has been established for the facility which is located on the adjoining Macon County Wastewater Treatment Facility. The leachate generated from the MSWLF waste units is piped into the existing leachate pond.

Old Franklin Landfill - Permit 5701-MSWLF-1989

Old Franklin Landfill is a closed municipal solid waste disposal facility located approximately two miles northeast of the town of Franklin in Macon County, North Carolina. The closed and capped waste area occupies approximately 14 acres. Lake Emory (the Little Tennessee River) is situated to the west and northwest of the site.

The existing groundwater monitoring network for the Old Franklin Landfill consists of two (2) side gradient (background) wells (MW-2 and MW-8) and twelve (12) downgradient (compliance) wells (MW-1, MW-3, MW-4, MW-5, MW-6, MW-6A, MW-6CR, MW-7, MW-7A, MW-7C, MW-9, and MW-10). Groundwater monitoring wells MW-1, MW-3, MW-6, MW-6CR, MW-7, MW-7C, and MW-10 are sampled semi-annually. Groundwater monitoring wells MW-2, MW-4, MW-5, MW-6A, MW-7A, MW-8, and MW-9 are sampled biennially. The most recent biennial sampling occurred in May 2021 and the next biennial sampling should occur as part of the Spring 2023 sampling event.

In addition to the above groundwater monitoring wells, a sample is collected from one (1) residential water supply well location adjacent to the landfill property, designated as Haire. Historically, groundwater samples were collected from two additional residential wells designated as Dowdle and



Keener. However, both residences have been connected to public water, and samples are no longer collected from these locations.

All groundwater and water supply locations are sampled semi-annually for North Carolina Appendix I parameters and 1,4-dioxane.

Old Highlands Landfill - Permit 5702-MSWLF-1985

Old Highlands Landfill is a closed municipal solid waste disposal facility located approximately two miles south of Highlands, North Carolina. The facility is adjacent to the Highlands C&D Landfill, which is also owned by the County.

The existing groundwater monitoring network for the Old Highlands Landfill consists of one (1) upgradient (background) well (MW-8) and twelve (12) downgradient (compliance) wells (MW-1, MW-2, MW-4, MW-4A, MW-5, MW-5A, MW-5B, MW-5C, MW-6, MW-6A, MW-6C, and MW-7).

In addition to the above groundwater monitoring wells, a sample is collected from three (3) residential water supply well locations adjacent to the landfill property, designated as Chastain Spring, Chastain Well, and McCall Well.

Two (2) surface water monitoring locations have been established for the facility to monitor surface water quality surrounding the closed waste footprint. The existing surface water locations are designated Spring A and Spring B.

All groundwater and surface water locations are sampled semi-annually for North Carolina Appendix I parameters and 1,4-dioxane.

Highlands C&D Landfill - Permit 5704-CDLF-1993

Highlands C&D Landfill is a closed construction and demolition disposal facility located approximately two miles south of Highlands, North Carolina. The facility is adjacent to the closed Old Highlands Landfill, which is also owned by the County.

The existing groundwater monitoring network for the Highlands C&D Landfill consists of one (1) upgradient (background) well (MW-8) and two (2) downgradient (compliance) wells (MW-A and MW-B).

In addition to the above groundwater monitoring wells, a sample is collected from one (1) on-site water supply well location designated as WSW-1.

One (1) surface water monitoring location has been established for the facility to monitor surface water quality surrounding the closed waste footprint. The existing surface water location is designated SW-1.

All groundwater and surface water locations are sampled semi-annually for North Carolina Appendix I parameters and 1,4-dioxane.

SCOPE OF SERVICES

Task 1: BLE will coordinate Pace's sampling efforts with Macon County and provide quality control checks of the field sampling reports and the laboratory data reports. BLE will prepare and provide Pace a sampling matrix for each of the subject facilities. Pace will provide services directly to the County and invoice the County directly for services rendered. Pace will not function as a subcontractor to BLE.

Task 2: BLE will submit six (6) separate reports for the Spring and Fall 2022 semi-annual sampling events from each of the subject landfills (Macon County Landfill, Old Franklin Landfill, and Old Highlands/ Highlands C&D Landfill).

Each report will be prepared in general accordance with Section .1632 of North Carolina's Solid Waste Management Rules (15A NCAC 13B). Rule .1632(i) states that a report must be prepared after each sampling event which includes the following:

- field observations related to the condition of the monitoring wells;
- field data;
- laboratory data;
- statistical analysis* (if utilized);
- sampling methodologies;
- quality assurance and quality control data;
- information on the groundwater flow direction;
- calculations of the groundwater flow rate;
- a notice of constituents that exceed groundwater standards or show a statistically significant increase over the background levels for each well*; and
- any other pertinent information related to the sampling event.

* We understand that Macon County has elected not to perform statistical analysis of groundwater quality at the subject sites in accordance with Rule .1632(g). Therefore, notices in the reports will be based on exceedance of groundwater standards only.

The analysis and reporting will be performed in accordance with North Carolina's currently promulgated Solid Waste Management Rules, Section .1632(i) and Section .1632(d)(2), as discussed below in the following four (4) subtasks:

Task 2.1: We will collect digital and analog copies of the water quality and field sampling data from the laboratory for each sampling event and update our digital database for analysis. We have assumed that, at a minimum, a hard copy and digital copy (in NC SWS EDD format) of the semi-annual lab reports for each event will be provided by the laboratory.

Data management will be performed using a computer-based interactive database management system or similar computer-based system. The database management system will facilitate the storage and retrieval of information according to pre-defined relationships thus promoting expeditious analysis of the data. Using this type of system, the existing database can easily be amended with new data after each sampling event and new results evaluated.



Task 2.2: We will determine if groundwater standards for each constituent have been exceeded at compliance wells. Our analysis will only consider parameters that apply to the landfill unit in accordance with the approved WQMP for the facility.

Task 2.3: We will provide information regarding the groundwater flow directions at each site in accordance with Rule .1632(d)(2). A map will be prepared which includes groundwater equipotential lines and flow direction arrows.

Task 2.4: We will prepare and submit each report in general accordance with Rule .1632(i) for the sampling events including the review of the groundwater data, a potentiometric surface map, the groundwater flow directions, along with the sampling information provided by the field sampling contractor.

FEE ESTIMATE

Each task will be completed at a lump sum per facility as specified in the table below. This budget includes the project management, data reduction/analysis, groundwater flow velocity calculations, and report preparation for the semi-annual sampling events in CY22.

Task	Macon County Landfill (Fee per Task)	Total Fee
Spring 2022 Report	\$3,500	\$6,800
Fall 2022 Report	\$3,300	

Task	Old Franklin Landfill (Fee per Task)	Total Fee
Spring 2022 Report	\$3,500	\$6,800
Fall 2022 Report	\$3,300	

Task	Highlands C&D / Old Highlands Landfill (Fee per Task)	Total Fee
Spring 2022 Report	\$3,500	\$6,800
Fall 2022 Report	\$3,300	

BLE's fee for all combined tasks will be a lump sum of \$20,400. Invoices will be issued monthly on a percent complete basis.

BLE recognizes that Macon County will retain Pace, or other qualified field samplers and analytical laboratory, as a subcontractor to perform field sampling and laboratory analyses for 2022 monitoring. Pace will not function as a subcontractor to BLE. It will be the sole responsibility of Pace to prepare EDDs for each sampling event which are compliant with the SWS requirements.

SCHEDULE

The written reports can be prepared and submitted to Macon County within 6-8 weeks after receipt of the water quality and other necessary data.

AUTHORIZATION

As our written authorization for the above scope of services, please execute the attached acceptance sheet and return the acceptance copy of this contract to BLE.

Any exceptions to this contract or special requirements not covered in the contract should be attached to the returned acceptance copy for the mutual consideration of both parties. Please note that the Terms and Conditions are a part of this contract. Any Purchase Order issued to authorize this project should reference this document and BLE Contract Numbers J22-1101-24, J22-17143-03, and J22-17144-03).

CLOSING

We appreciate the opportunity to serve as your consultant at this site. If you have any questions, please do not hesitate to contact us at (864) 288-1265.

Sincerely,
BUNNELL-LAMMONS ENGINEERING, INC.



Riley L. Blais, G.F.T.
Staff Hydrogeologist



Andrew W. Alexander, P.G., RSM
Consultant Hydrogeologist

Attachments: Contract Acceptance Sheet with Terms and Conditions

\\bleg\fs1\solidwasteprojects\macon county landfill active, no\1101-24 wqr cy 2022 all 3 sites\01 contract all sites cy 2022\final contract for fy22 wqr macon county sw 1101-24 and 2 others.docx

New Atlantic Contracting Inc
2635 Reynolda Rd
Winston Salem, North Carolina 27106
Phone: (336) 759-7440
Fax: (336) 759-7445

Project: 2102 - Macon Middle School Renovations
1345 Wells Grove Road
Franklin, North Carolina 28734

Prime Contract Potential Change Order #015: Switchboard existing wire sizes, Northeast wing and North wing changes

TO:	Macon County 5 West Main Street Franklin, North Carolina 28734	FROM:	New Atlantic Contracting Inc 2635 Reynolda Rd Winston Salem, North Carolina 27106
PCO NUMBER/REVISION:	015 / 1	CONTRACT:	1 - Macon Middle School Renovations Prime Contract
REQUEST RECEIVED FROM:		CREATED BY:	Frank Harris (New Atlantic Contracting Inc)
STATUS:	Pending - In Review	CREATED DATE:	3/1/2022
REFERENCE:		PRIME CONTRACT CHANGE ORDER:	None
FIELD CHANGE:	No		
LOCATION:		ACCOUNTING METHOD:	Amount Based
SCHEDULE IMPACT:		PAID IN FULL:	No
EXECUTED:	No	SIGNED CHANGE ORDER RECEIVED DATE:	
		TOTAL AMOUNT:	\$27,960.00

POTENTIAL CHANGE ORDER TITLE: Switchboard existing wire sizes, Northeast wing and North wing changes

CHANGE REASON: Client Request

POTENTIAL CHANGE ORDER DESCRIPTION: *(The Contract Is Changed As Follows)*

March 1, 2022

Mr. Chris Coleman
1815 S. Tyron St. Suite A
Charlotte, NC 28203

RE: Macon County Middle School
Macon County Schools
Franklin, NC 28734
NAC JOB# 2102
Potential Change Order Number 015

Dear Chris,

Attached is our proposal for the following Change Events:

CE #59 - #31: Switchboard existing wire sizes

CE #84 - #40: Open Hardware Issues

CE #89 - #42: Phase 4 Cabinet rework and additional point up

CE #91 - Remove existing footing and rebar in Phase 4 & 5 bathrooms during demolition

CE #94 - Add floor and overhead bracing for the toilet partitions in the NE wing

CE #95 - Infill flower garden at NE wing with concrete

CE #96 - #45: North wing door NC1A door contact

The total cost estimate of this work per the enclosed summary sheet and attached back-up is **\$27,960.00**.

This change will not increase the contract time; however, we reserve the right to request an equitable adjustment in the contract amount and time as a result of the cumulative impact of this and future change orders.

This proposal is based on the following qualifications:

We will proceed with this revised work upon receipt of written acceptance of this proposal. In the interim, we are proceeding in accordance with our current contract documents.

It may be necessary to revise this proposal if it is not accepted within 5 days, or if the progress of the work changes the conditions upon which this proposal is based.

Thank you for your prompt consideration of this proposal.

Very truly yours,

New Atlantic Contracting

ATTACHMENTS:

[Macon MS north wing feeder change order proposal.docx](#) , [Macon MS North Wing proposal RFI#45.docx](#) , [CE #95 Infill Flower Garden at NE wing with concrete.xlsx](#) , [_0250_001.pdf](#) , [_MCMS Switchboard final proposal.docx](#) , [_Eddie's T&M for heater removal repairs and marker boards.pdf](#) , [_Add Cores for S211A and S301A.pdf](#) , [_RE Macon earth fire doors. .msg](#)

#	Budget Code	Description	Amount
1			\$0.00
2	26-001.S Electrical	RFI #31: Switchboard existing wire sizes	\$12,650.00

#	Budget Code	Description	Amount
3	09-250.S Drywall	RFI #31: Switchboard existing wire sizes ceiling repairs	\$500.00
4			\$0.00
5			\$0.00
6	08-100.M Doors	RFI #40 Open hardware issues	\$224.18
7			\$0.00
8	95-000.MM MISCELLANEOUS.Materials	Miscellaneous material	\$1,936.10
9	03-100.S Concrete Material and Block Fill.Commitment	Remove existing footing and rebar in Phase 4 and 5 bathrooms during demolition	\$1,250.00
10			\$0.00
11	10-155.M Division 10	Add floor and overhead bracing for the toilet partitions in the NE wing	\$562.00
12	03-100.S Concrete Material and Block Fill.Commitment	Infill flower garden at NE wing with concrete	\$3,980.00
13	95-000.MM MISCELLANEOUS.Materials	Infill flower garden at NE wing with concrete	\$3,113.00
14			\$0.00
15	26-001.S Electrical	#45: North wing door NC1A door contact	\$565.00
Subtotal:			\$24,780.28
Material (6.75% Applies to Materials.):			\$340.81
Equipment (6.75% Applies to Equipment.):			\$0.00
Labor (39.00% Applies to Labor.):			\$0.00
OH&P Sub (7.50% Applies to Material Purchase Order and Commitment.):			\$1,479.84
OH&P LME (15.00% Applies to Equipment, Materials, and Labor.):			\$808.49
Insurance (1.00% Applies to Temporary Labor, Material Purchase Order, Payroll Taxes & Insurance, Owner Cost, Commitment, Equipment, Materials, Labor, Other, and Professional Services.):			\$274.09
P&P Bond (1.00% Applies to Temporary Labor, Material Purchase Order, Payroll Taxes & Insurance, Owner Cost, Commitment, Equipment, Materials, Labor, Other, and Professional Services.):			\$276.84
Rounding (-0.00% Applies to Temporary Labor, Material Purchase Order, Payroll Taxes & Insurance, Owner Cost, Commitment, Equipment, Materials, Labor, Other, and Professional Services.):			\$(0.35)
Grand Total:			\$27,960.00

Mark Sealy (SGA NarmourWright Design)
 1815 S. Tryon Street, Suite A
 Charlotte, North Carolina 28226

Macon County
 5 West Main Street
 Franklin, North Carolina 28734

New Atlantic Contracting Inc
 2635 Reynolda Rd
 Winston Salem, North Carolina 27106



 SIGNATURE DATE

 SIGNATURE DATE

 SIGNATURE DATE

STATE OF NORTH CAROLINA
COUNTY OF MACON

**RESOLUTION CALLING A SPECIAL ADVISORY REFERENDUM FOR THE LEVY
OF A ONE-QUARTER CENT COUNTY SALES AND USE TAX**

WHEREAS, the North Carolina General Assembly has enacted the “One-Quarter Cent County Sales and Use Tax Act” Article 46 of Chapter 105 of the North Carolina General Statutes (Session Law 2007-323), which authorizes counties to levy a local sales and use tax; and

WHEREAS, in order to levy the local sales and use tax, Macon County must conduct a special advisory referendum on the question of whether to levy a local sales and use tax and the election shall be held in accordance with the provisions of North Carolina General Statutes §163-287; and

WHEREAS, the Macon County Board of Commissioners is faced with extraordinary funding pressures resulting from the need for capital projects for the Macon County School System; and

WHEREAS, it is therefore the desire of the Board of Commissioners of Macon County to offer the possibility of such additional sales tax to the voters of Macon County in an advisory referendum pursuant to North Carolina General Statute § 105-537.

NOW THEREFORE, BE IT RESOLVED, by the Macon County Board of Commissioners that:

1. The Macon County Board of Commissioners hereby state its intent to use the revenues from the Article 46 one-quarter cent County sales and use tax, if approved by the voters of Macon County, for capital projects of the Macon County School System.
2. A referendum is hereby called during the normal time the polls are open, on Tuesday, _____, 2022, at which there shall be submitted to the qualified voters of Macon County the question stated below.

3. The form of the question to appear on the ballot and in the instruction to voters for said referendum shall be as follows:

FOR AGAINST

Local sales and use tax at the rate of one-quarter percent (0.25%) in addition to all other State and local sales and use taxes.

4. The referendum shall be held in accordance with the procedures of North Carolina General Statutes § 163-287. The Macon County Board of Elections is hereby directed to conduct said referendum and to take all necessary steps to that end in accordance with the Act.
5. The Board of Elections shall publish legal notice of the special advisory referendum in accordance with the North Carolina General Statutes § 163-287(b) no less than 45 days prior to the election.
6. This Resolution will take effect immediately upon passage.

BE IT FURTHER RESOLVED, that a certified copy of this Resolution shall be delivered by Clerk to the Board of Commissioners to the Director of the Macon County Board of Elections.

ADOPTED, at the March 8, 2022, Regular Meeting of the Macon County Board of Commissioners.

James Tate, Chairman, Macon County Board of
County Commissioners

ATTEST:

Derek Roland, Macon County Manager
and Clerk to the Board

(Official Seal)

MACON COUNTY BOARD OF COMMISSIONERS

AGENDA ITEM

CATEGORY – CONSENT AGENDA

MEETING DATE: March 8, 2022

Item 12A. Draft minutes from the February 3, 2022 continued session are attached for the board's review and approval. The draft minutes from the February 8, 2022 regular meeting will follow in a separate email. (Mike Decker/Tammy Keezer)

Item 12B. Budget Amendments #187-192 are attached for your review and approval. (Lori Carpenter)

Item 12C. Approval of tax releases for the month of February 2022 in the amount of \$2,123.15, per the attached memo and an itemized list of the releases. (Delena Raby)

Item 12D. Approval of the "Contract to Audit Accounts" per the attached agreement with Marin Starnes & Associates, CPAs. (Lori Carpenter)

Item 12E. Please see the attached information from the County Manager regarding the "Approval of sale of property by private sale" concerning some items at the Pine Grove School facility.

Item 12F. A copy of the ad valorem tax collection report, which shows a 95.47 percent collection rate as of February 28, 2022. Report only. No action is necessary. (Delena Raby)

**MACON COUNTY BOARD OF COMMISSIONERS
CONTINUED SESSION
FEBRUARY 3, 2022
MINUTES**

Chairman Tate reconvened the meeting at 1:00 p.m. in the commission boardroom as recessed from the January 11, 2022 regular meeting, and welcomed those in attendance. All Board Members, County Manager Derek Roland, Finance Director Lori Carpenter, Deputy Clerk Mike Decker, members of the news media, county employees and interested citizens were present. County Attorney Eric Ridenour was absent.

Chairman Tate announced that the primary purpose of the meeting was for a budget work session that would include review of the current fiscal year and preparation for the upcoming fiscal year.

FINANCIAL REVIEW:

Capital Improvement Plan (CIP) Update – Mr. Roland stated that the county’s financial advisors were asked to put together some scenarios for the board’s consideration regarding moving forward with the improvements to Franklin High School (FHS). Mr. Ted Cole with Davenport gave a review of Macon County’s financial position, including credit ratings, general fund balance, revenue growth, debt ratios, etc. His report indicated that Macon County is in an excellent financial position and he provided two scenarios for consideration for the FHS project: (1) receive a \$50 million needs-based grant available through the state, and further assume it will be awarded. This would require an increase of four cents on the tax rate to generate the additional revenue needed between Fiscal Year 2026 and Fiscal Year 2027 and beyond. An alternative would be a one-time two-cent tax increase in Fiscal Year 2024, based on the projected increased revenue generated from the property revaluation that will occur in 2023; (2) assume the \$50 million needs based grant is not received, then an additional tax increase of 8.5 cents would be needed in Fiscal Year 2026 or, if starting earlier, an increase of 5.5 cents beginning in Fiscal Year 2024. Members were reminded that this is just a starting point and adjustments in projects can be made as we move forward. A copy of Mr. Cole’s presentation is on file in the Deputy Clerk’s office.

Mid-Year Financial Review - Finance Director Lori Carpenter provided an update on revenues, including sales tax, tax collection and the general fund. She stated that all revenues have increased over the last fiscal year to this point in the year. Ms. Carpenter told the board that general fund expenses are also on target and that we are financially ahead and doing well. A copy of her presentation is attached [\[Attachment 1\]](#).

FY 22-23' BUDGET HIGHLIGHTS:

Broadband Update – Economic Development Director Tommy Jenkins provided an update on funding opportunities for broadband expansion in the upcoming year, including the GREAT (Growing Rural Economies with Access to Technology) grant which will open January 31, 2022, followed by a CAB (Completing Access to Broadband) grant, a Broadband Stop Gap Solutions Program and the Broadband Make Ready Accelerator Program. Mr. Jenkins stated that once the application information is released for each of these, the county's broadband committee would pursue any funding opportunities for which we are eligible. A copy of his presentation is attached [\[Attachment 2\]](#). Mr. Jenkins asked Jeff Lee of Little T Broadband Services to share an update on current projects. Mr. Lee stated the South Macon expansion project in partnership with Balsam West has begun and most of the work on 441 South is completed and will be finished once some additional easements are secured for placing equipment. He indicated this project will give service to the Otto Community Center and Fire Department, Scaly Mountain Community Center and the Scaly Mountain/Sky Valley Volunteer Fire Department. Mr. Lee stated the National Telecommunications and Information Administration (NTIA) application awards would be announced soon, but had been placed on hold due to the number of applications received. He shared that Charter Communications was awarded the Rural Digital Opportunity Fund (RDOF) through the Federal Communications Commission (FCC), which has tied up expansion in other areas of the county. Mr. Lee stated Charter currently has services in Haywood County and is expanding east to west across the region from there. He shared that the Student Connect grant received this past summer provided \$20,000 to build public hot spots in the South Macon area and those have been placed in the Otto Community Center, Scaly Mountain Community Center, and the Scaly Mountain/Sky Valley VFD. A copy of Mr. Lee's presentation is also attached [\[Attachment 3\]](#).

FHS Project Architectural Update – Paul Boney with LS3P provided the board with an update on the first phase of the FHS project, consisting of a study that is being completed on the existing campus as well as a new building on that campus. He stated the third part of the project is a new stadium and work on that is being done separately. Mr. Boney asked Amy

Doughty to provide a more detailed update. Ms. Doughty stated they are doing a physical assessment of every building on the campus, looking at the structure and compliance with modern codes for life safety, energy efficiency, accessibility, etc. She said they are also looking at what is needed to provide a modern educational program to 1,200 students. Ms. Doughty indicated the data obtained would be used to bring forward recommendations for renovations, additions, repairs, etc., as compared to building a new building. She said options and recommendations will be brought back to the board for review and consideration. Mr. Boney shared plans to hold some community meetings on the project in the future. He also shared that application for the \$50 million grant has been submitted and annual applications would be submitted as long as funding is available.

Fiscal Year 2022-23 Education Budget - Dr. Chris Baldwin, the Superintendent of Macon County Schools, provided an update on the current year budget, noting that the state budget was finalized about six weeks ago and he and his staff are still trying to figure out what has been funded for this year. He stated he does not anticipate any significant change in needs for next year and that some of the needs requested this year had been met by using American Rescue Plan (ARP) funds instead of county funds, including some the art and music positions, seven mental health professionals and three school nurses. He reminded the board these are temporary positions and the funds have to be spent by December 2024, so on-going funding will be needed to keep those positions. Dr. Baldwin stated there is a need for some increases this year based on the state budget and that capital requests for next year will include some renovations and pre-K space at Highlands School. Commissioner Shields asked Dr. Baldwin to give an update on the geothermal well issues at Iotla Elementary. Dr. Baldwin shared that work had been started to correct the infrastructure issues inside the building, but that 800 gallons of water had been lost in the system in the past month with no indication of where it is going. He said the concern is that there is a leak outside and on the wrong side of the vault, which means it is in the well field. Dr. Baldwin stated they are reviewing repair options and will know more soon. Angie Cook, the school system's finance officer, shared that the state budget raised the minimum wage to \$13 per hour and that adjustments had to be made without a major impact. She stated that in the next fiscal year, the minimum wage will go up to \$15 per hour and retirement contributions will increase, which will have a considerable impact on school budget.

Chairman Tate declared a recess at 2:57 p.m. to allow Information Technology staff to make repairs to the monitors. Commissioner Beale left the meeting during the recess and did not return. Chairman Tate called the meeting back to order at 3:04 p.m.

FY23' COUNTY BUDGET

2023 Revaluation – Tax Administration Abby Braswell began her presentation by stating the estimated reappraisal would be \$11,100,000,000 of real property taxable value. She stated many factors will impact this amount including qualified sales, exemptions, exclusions and diversions, and appeals. Ms. Braswell explained market value versus taxable value and factors that impact each of them. She stated the required schedule of values will be presented to the board in August, followed by a public comment period. A copy of Ms. Braswell's presentation is attached [\[Attachment 4\]](#).

Fiscal Year 2022-23 Budget Overview – Mr. Roland presented a SWOT analysis identifying the strengths, weaknesses, opportunities and threats in regard to the upcoming budget. He identified the following:

- Strengths: county employees being the most valuable asset followed by high quality and efficient services, a strong financial position, and leadership;
- Weaknesses: lack of financial policies, administrative efficiencies in Human Resources and Finance, accountability and accessibility;
- Opportunities: solid revenue growth, pursuit of additional revenue sources, and strengthening partnerships; and
- Threats: rising costs of supplies, supply chain issues, economic uncertainty, and recruitment and retention. A copy of the presentation is attached [\[Attachment 5\]](#).

Distribution of Budget Calendar - Mr. Roland distributed copies of the budget calendar [\[Attachment 6\]](#). The calendar calls for Mr. Roland to present his recommended budget at the board's May 10 regular meeting, followed by work sessions and then a public hearing at the June 14, 2022 regular meeting, followed by adoption of the budget.

Board member goals and expectations – Each of the board members was given the opportunity to voice their goals and expectations for the upcoming year, as follows:

Chairman Tate

- Add a pre-K program in Highlands
- Move forward with improvements to FHS and investigate the possibility of implementing a one-quarter-cent sales tax via Article 46 to help fund the improvements.
- Continue to take care of the county employees in whatever way possible

Minutes

02.03.22

Page 4 of 5

Commissioner Shields

- Continue to pursue broadband expansion
- Move forward with FHS improvements
- Improve access to mental health services
- Pursue options afforded through Article 46

Commissioner Young

- Review and approve county facilities – (have the Inspections Department complete an evaluation of all county properties)
- Make assets more interactive and accessible to the community – provide an online option for booking rooms, shelters, etc.

Commissioner Higdon

- Remain cognizant of all decisions we make – “tax payers are maxed out on how they spend their money”

Commissioner Beale was not present for this portion of the meeting.

CLOSED SESSION – At 3:54 p.m., upon a motion by Commissioner Shields, seconded by Commissioner Young, the board voted to go into closed session as requested by Commissioner Higdon as allowed under NCGS 143-318.11(a)(3) to preserve the attorney-client privilege and NCGS 143-318.11(a)(6) to discuss a personnel matter, with a plan to take no action following the closed session. The vote was 4-0 as Commissioner Beale was not present and did not attend the closed session. County Attorney Eric Ridenour participated via phone and Commissioner Higdon requested Tammy Keezer join the closed session as well. At 4:00 p.m., upon a motion by Commissioner Young, seconded by Commissioner Shields, the board voted 4-0, with Commissioner Beale absent, to come out of closed session and return to open session. No action was taken.

ADJOURN: With no other business, at 4:01 p.m., upon a motion by Commissioner Higdon, seconded by Commissioner Shields, the board voted 4-0 to adjourn.

Derek Roland
Ex Officio Clerk to the Board

Jim Tate
Board Chair

MACON COUNTY BUDGET

AMENDMENT # 189

FROM: JOHN L FAY

DEPARTMENT: HOUSING

EXPLANATION: INCREASE FUNDING

ACCOUNT		DESCRIPTION	LINE ITEM	
ORG	ITEM		INCREASE	DECREASE
514088		DUKE WEATHERIZATION NEW		
513831	447249	REVENUE	37,660	
514088	550001	SALARY	10,518	
514088	550201	MEDICARE/FICA	805	
514088	550203	HOSPITALIZATION	3,127	
514088	550205	WORKMAN'S COMP		
514088	550206	LIFE INSURANCE	21	
514088	550207	RETIREMENT GENERAL	1,202	
514088	550701	COUNTY 401K	210	
514088	556031	WAP ADMIN		
514088	556034	WAP PROGRAM OPERATIONS	21,777	
		Totals	37,660	

REQUESTED BY DEPARTMENT HEAD

RECOMMENDED BY FINANCE OFFICER

APPROVED BY COUNTY MANAGER

ACTION BY BOARD OF COMMISSIONERS

APPROVED AND ENTERED ON MINUTES DATED

CLERK

J. L. Fay
Randy Carper

3/8/2022

Macon County Tax Office
5 West Main Street
Franklin, NC 28734



Phone: (828) 349-2149
draby@maconnc.org

TO: MACON COUNTY COMMISSIONERS

FROM: Macon County Tax Collector's Office
Delena Raby, Tax Collections Supervisor

DATE: March 03, 2022

RE: Releases for February, 2022

Attached please find the report of releases for real estate that require your approval in order to continue with the process of releasing these amounts from the tax accounts. Please feel free to contact me if you should have any questions. The report of releases in alphabetical order is attached.

AMOUNT OF RELEASES FOR ~~JANUARY~~ ^{February} 2022: \$ 2,123.15

RUN DATE: 3/3/2022 9:46 AM

RELEASES REPORT
Macon County

NAME	BILL NUMBER	OPER	DATE/TIME	DISTRICT	VALUE	AMOUNT
36568 APPEGATE, LONA W ESTATE OF	2021-54602	LAS	12/31/9999 2:06:12 PM			
116692 CARPENTER, CHARLES S	2020-51609	LAS	12/31/9999 10:46:32 AM	L01 FFEFEE	0.00	108.00
				TOTAL RELEASES:		108.00
116692 CARPENTER, CHARLES S	2015-51609	LAS	12/31/9999 10:31:55 AM	F03 ADVLTX G01 ADVLTX	1,700.00 1,700.00	1.16 6.37
				TOTAL RELEASES:		7.53
116692 CARPENTER, CHARLES S	2016-51609	LAS	12/31/9999 10:32:37 AM	F03 ADVLTX G01 ADVLTX	2,380.00 2,380.00	1.46 8.31
				TOTAL RELEASES:		9.77
116692 CARPENTER, CHARLES S	2017-51609	LAS	12/31/9999 10:33:26 AM	F03 ADVLTX G01 ADVLTX	2,220.00 2,220.00	1.44 7.75
				TOTAL RELEASES:		9.19
116692 CARPENTER, CHARLES S	2011-51609	LAS	12/31/9999 10:28:27 AM	F03 ADVLTX G01 ADVLTX	1,880.00 1,880.00	1.22 6.56
				TOTAL RELEASES:		7.78
116692 CARPENTER, CHARLES S	2013-51609	LAS	12/31/9999 10:31:11 AM	F03 ADVLTX G01 ADVLTX	3,130.00 3,130.00	1.31 8.73
				TOTAL RELEASES:		10.04
116692 CARPENTER, CHARLES S	2021-51609	LAS	12/31/9999 10:47:13 AM	F03 ADVLTX G01 ADVLTX	2,400.00 2,400.00	1.18 6.70
				TOTAL RELEASES:		7.88
146961 CARVER, JOSEPH B	2021-54028	ZAD	12/31/9999 9:25:33 AM	G01 ADVLTX L01 FFEFEE F03 ADVLTX	1,480.00 1,480.00 1,480.00	5.92 108.00 1.48
				TOTAL RELEASES:		115.40
115644 DERMATOLOGY STUFF LLC	2021-51555	LAS	12/31/9999 10:48:01 AM	G01 ADVLTX F01 ADVLTX	27,900.00 27,900.00	111.60 15.21
				TOTAL RELEASES:		126.81
				CLERICAL ERROR		56.07

RELEASES REPORT
Macon County

NAME	BILL NUMBER	OPER	DATE/TIME	DISTRICT	VALUE	AMOUNT
91615 HOOPER, TRACEY	2021-103236	ZAD	12/31/9999 9:40:42 AM	CLERICAL ERROR		
				F01 ADVLTAX	14,017.00	7.64
				G01 PEN FEE	14,017.00	5.61
				F01 PEN FEE	14,017.00	0.76
				TOTAL RELEASES:		70.08
				CLERICAL ERROR		
				L01 FFEFEE	1,035.00	108.00
				F01 ADVLTAX	1,035.00	0.56
				G01 ADVLTAX	1,035.00	4.14
				TOTAL RELEASES:		112.70
				CLERICAL ERROR		
				L01 FFEFEE	1,205.00	108.00
				G01 ADVLTAX	1,205.00	4.52
				F01 ADVLTAX	1,205.00	0.66
				TOTAL RELEASES:		113.18
				CLERICAL ERROR		
				G01 ADVLTAX	2,111.00	5.89
				L01 FFEFEE	2,111.00	72.00
				F01 ADVLTAX	2,111.00	0.63
				TOTAL RELEASES:		78.52
				CLERICAL ERROR		
				G01 ADVLTAX	1,328.00	4.63
				F01 ADVLTAX	1,328.00	0.72
				L01 FFEFEE	1,328.00	95.00
				TOTAL RELEASES:		100.35
				CLERICAL ERROR		
				G01 ADVLTAX	1,360.00	4.75
				F01 ADVLTAX	1,360.00	0.74
				L01 FFEFEE	1,360.00	95.00
				TOTAL RELEASES:		100.49
				CLERICAL ERROR		
				G01 ADVLTAX	1,287.00	4.82
				F01 ADVLTAX	1,287.00	0.70
				L01 FFEFEE	1,287.00	95.00
				TOTAL RELEASES:		100.52
				CLERICAL ERROR		
				G01 ADVLTAX	1,576.00	5.50
				F01 ADVLTAX	1,576.00	0.70
				L01 FFEFEE	1,576.00	95.00
				TOTAL RELEASES:		101.20

91615
HOOPER, TRACEY

March 22, Release

RUN DATE: 3/3/2022 9:46 AM

RELEASES REPORT
Macon County

NAME	BILL NUMBER	OPER	DATE/TIME	DISTRICT	VALUE	AMOUNT
91615 HOOPER, TRACEY	2013-103236	ZAD	12/31/9999 9:31:11 AM			
				G01 ADVLTAX	1,699.00	4.74
				L01 FFEFEE	1,699.00	72.00
				F01 ADVLTAX	1,699.00	0.51
				TOTAL RELEASES:		77.25
91615 HOOPER, TRACEY	2012-103236	ZAD	12/31/9999 9:11:38 AM			
				G01 ADVLTAX	1,978.00	5.52
				F01 ADVLTAX	1,978.00	0.59
				L01 FFEFEE	1,978.00	72.00
				TOTAL RELEASES:		78.11
91615 HOOPER, TRACEY	2014-103236	ZAD	12/31/9999 9:32:30 AM			
				G01 ADVLTAX	1,750.00	4.88
				F01 ADVLTAX	1,750.00	0.53
				L01 FFEFEE	1,750.00	72.00
				TOTAL RELEASES:		77.41
91615 HOOPER, TRACEY	2015-103236	ZAD	12/31/9999 9:33:21 AM			
				G01 ADVLTAX	1,679.00	5.86
				F01 ADVLTAX	1,679.00	0.75
				L01 FFEFEE	1,679.00	72.00
				TOTAL RELEASES:		78.61
130675 HOPKINS, CLIFTON	2021-52834	LAS	12/31/9999 8:36:12 AM			
				G01 ADVLTAX	2,665.00	10.66
				F04 ADVLTAX	2,665.00	1.48
				TOTAL RELEASES:		12.14
60618 LUNA, DALIA	2021-55873	ZAD	12/31/9999 2:39:54 PM			
				L01 FFEFEE	3,800.00	108.00
				G01 ADVLTAX	3,800.00	15.20
				F01 ADVLTAX	3,800.00	2.07
				TOTAL RELEASES:		125.27
45699 MARTIN, MICHAEL JOHN	2021-54959	ZAD	12/31/9999 4:51:50 PM			
				F01 ADVLTAX	2,047.00	1.12
				G01 ADVLTAX	2,047.00	8.19
				TOTAL RELEASES:		9.31
108469 PENNEY, STELLA Z TRUSTEE	2021-93369	LAS	12/31/9999 4:53:56 PM			
				G01 ADVLTAX	18,810.00	75.24
				F04 ADVLTAX	18,810.00	10.48
				TOTAL RELEASES:		85.72
108469 PENNEY, STELLA Z TRUSTEE	2020-93369	LAS	12/31/9999 4:53:16 PM			
				G01 ADVLTAX	18,810.00	70.48

RELEASES REPORT
Macon County

NAME	BILL NUMBER	OPER	DATE/TIME	DISTRICT	VALUE	AMOUNT
119928 PEREZ, ERASMO	2021-51741	DLR	12/31/9999 2:10:25 PM	F04 ADVLTAX A0 FFEFEE	18,810.00 18,810.00	10.48 5.00
				TOTAL RELEASES:		✓ 85.96
146879 SHIRMOHAMMOD, TONY	2021-54017	ZAD	12/31/9999 4:51:01 PM	G01 ADVLTAX F01 ADVLTAX L01 FFEFEE	1,190.00 1,190.00 1,190.00	4.76 0.65 108.00
				TOTAL RELEASES:		✓ 113.41
108143 SMITH, DONALD	2021-46717	ZAD	12/31/9999 3:36:20 PM	L01 FFEFEE F02 ADVLTAX G01 ADVLTAX	6,460.00 6,460.00 6,460.00	108.00 5.18 25.84
				TOTAL RELEASES:		✓ 139.02
114328 THE BIRCHES OF WILDCAT CLIFFS	2021-102520	DLR	12/31/9999 1:58:36 PM	G01 ADVLTAX F02 ADVLTAX	1,045.00 1,045.00	4.18 0.84
				TOTAL RELEASES:		✓ 5.02
23602 THE MAIN STREET INN	2021-204046	ZAD	12/31/9999 1:56:16 PM	G01 ADVLTAX	100,000.00	400.00
				TOTAL RELEASES:		✓ 400.00
124738 WILLIAMS, JOEL B	2020-52510	LAS	12/31/9999 10:39:18 AM	G01 ADVLTAX G01 PEN FEE F10 ADVLTAX F10 PEN FEE H01 ADVLTAX H01 PEN FEE	62,726.00 62,726.00 62,726.00 62,726.00 62,726.00 62,726.00	250.90 25.09 18.82 1.88 98.17 9.82
				TOTAL RELEASES:		✓ 404.68
124738 WILLIAMS, JOEL B	2021-52510	LAS	12/31/9999 10:41:42 AM	L01 FFEFEE F02 ADVLTAX G01 ADVLTAX	5,790.00 5,790.00 5,790.00	108.00 4.64 21.70
				TOTAL RELEASES:		✓ 134.34
124738 WILLIAMS, JOEL B	2021-52510	LAS	12/31/9999 10:41:42 AM	G01 ADVLTAX L01 FFEFEE	5,790.00 5,790.00	23.16 108.00

RUN DATE: 3/3/2022 9:46 AM

RELEASES REPORT
Macon County

NAME	BILL NUMBER	OPER	DATE/TIME	DISTRICT	VALUE	AMOUNT
				F02 ADVL TAX	5,790.00	4.64
CLERICAL ERROR						
MR. WILLIAMS DIED IN 2019: CT SOLD IN						
2019 VIA INFORMATION FROM SON						
NET RELEASES PRINTED:						3,141.49
TOTAL TAXES RELEASED						3,141.49

TOTAL RELEASES: ✓ 135.80

February Releases = 2,123.15

RELEASES REPORT
Macon County

F01 ADULTAX - FRANKLIN FIRE DISTRICT TAX										
TAX YEAR	RATE YEAR	REAL VALUE RELEASED	PERS VALUE RELEASED	TOTAL VALUE RELEASED	REAL TAX RELEASED	PERS TAX RELEASED	MV VALUE RELEASED	MV TAXES RELEASED	TOTAL VALUE RELEASED	TOTAL TAXES RELEASED
2011	2011	0	2,111	2,111	0.00	0.63	0	0.00	2,111	0.63
2012	2012	0	1,978	1,978	0.00	0.59	0	0.00	1,978	0.59
2013	2013	0	1,699	1,699	0.00	0.51	0	0.00	1,699	0.51
2014	2014	0	1,750	1,750	0.00	0.53	0	0.00	1,750	0.53
2015	2015	0	1,679	1,679	0.00	0.75	0	0.00	1,679	0.75
2016	2016	0	1,576	1,576	0.00	0.70	0	0.00	1,576	0.70
2017	2017	0	1,328	1,328	0.00	0.72	0	0.00	1,328	0.72
2018	2018	0	1,360	1,360	0.00	0.74	0	0.00	1,360	0.74
2019	2019	0	1,287	1,287	0.00	0.70	0	0.00	1,287	0.70
2020	2020	0	1,205	1,205	0.00	0.66	0	0.00	1,205	0.66
2021	2021	0	64,006	64,006	0.00	28.01	0	0.00	64,006	28.01
DIST TOTAL		0	79,979	79,979	0.00	34.54	0	0.00	79,979	34.54
F02 ADULTAX - CLARKS CHAPEL FIRE DIST TAX										
TAX YEAR	RATE YEAR	REAL VALUE RELEASED	PERS VALUE RELEASED	TOTAL VALUE RELEASED	REAL TAX RELEASED	PERS TAX RELEASED	MV VALUE RELEASED	MV TAXES RELEASED	TOTAL VALUE RELEASED	TOTAL TAXES RELEASED
2020	2020	0	5,790	5,790	0.00	4.64	0	0.00	5,790	4.64
2021	2021	0	13,295	13,295	0.00	10.66	0	0.00	13,295	10.66
DIST TOTAL		0	19,085	19,085	0.00	15.30	0	0.00	19,085	15.30
F03 ADULTAX - OTTO FIRE DISTRICT TAX										
TAX YEAR	RATE YEAR	REAL VALUE RELEASED	PERS VALUE RELEASED	TOTAL VALUE RELEASED	REAL TAX RELEASED	PERS TAX RELEASED	MV VALUE RELEASED	MV TAXES RELEASED	TOTAL VALUE RELEASED	TOTAL TAXES RELEASED
2011	2011	0	3,130	3,130	0.00	1.31	0	0.00	3,130	1.31
2013	2013	0	2,400	2,400	0.00	1.18	0	0.00	2,400	1.18
2015	2015	0	2,380	2,380	0.00	1.46	0	0.00	2,380	1.46
2016	2016	0	2,220	2,220	0.00	1.44	0	0.00	2,220	1.44
2017	2017	0	1,880	1,880	0.00	1.22	0	0.00	1,880	1.22
2020	2020	0	1,700	1,700	0.00	1.16	0	0.00	1,700	1.16
2021	2021	0	1,480	1,480	0.00	1.48	0	0.00	1,480	1.48
DIST TOTAL		0	15,190	15,190	0.00	9.25	0	0.00	15,190	9.25
F04 ADULTAX - CULLASAJA FIRE DISTRICT TAX										
TAX YEAR	RATE YEAR	REAL VALUE RELEASED	PERS VALUE RELEASED	TOTAL VALUE RELEASED	REAL TAX RELEASED	PERS TAX RELEASED	MV VALUE RELEASED	MV TAXES RELEASED	TOTAL VALUE RELEASED	TOTAL TAXES RELEASED
2020	2020	18,810	0	18,810	10.48	0.00	0	0.00	18,810	10.48
2021	2021	18,810	2,665	21,475	10.48	1.48	0	0.00	21,475	11.96
DIST TOTAL		37,620	2,665	40,285	20.96	1.48	0	0.00	40,285	22.44
F10 ADULTAX - HIGHLANDS FIRE DISTRICT TAX										
TAX YEAR	RATE YEAR	REAL VALUE RELEASED	PERS VALUE RELEASED	TOTAL VALUE RELEASED	REAL TAX RELEASED	PERS TAX RELEASED	MV VALUE RELEASED	MV TAXES RELEASED	TOTAL VALUE RELEASED	TOTAL TAXES RELEASED
2021	2021	0	125,452	125,452	0.00	20.70	0	0.00	125,452	20.70
DIST TOTAL		0	125,452	125,452	0.00	20.70	0	0.00	125,452	20.70
G01 ADULTAX - GENERAL COUNTY TAX										
TAX YEAR	RATE YEAR	REAL VALUE RELEASED	PERS VALUE RELEASED	TOTAL VALUE RELEASED	REAL TAX RELEASED	PERS TAX RELEASED	MV VALUE RELEASED	MV TAXES RELEASED	TOTAL VALUE RELEASED	TOTAL TAXES RELEASED
2011	2011	0	5,241	5,241	0.00	14.62	0	0.00	5,241	14.62
2012	2012	0	1,978	1,978	0.00	5.52	0	0.00	1,978	5.52
2013	2013	0	4,099	4,099	0.00	11.44	0	0.00	4,099	11.44
2014	2014	0	1,750	1,750	0.00	4.88	0	0.00	1,750	4.88

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RELEASES REPORT
Macon County

TAX YEAR	2015	2016	2017	2018	2019	2020	2021	DIST TOTAL	H01 ADVL TAX - HIGHLANDS TAX	REAL VALUE RELEASED	PERS VALUE RELEASED	TOTAL VALUE RELEASED	REAL TAX RELEASED	PERS TAX RELEASED	MV VALUE RELEASED	MV TAXES RELEASED	TOTAL VALUE RELEASED	TOTAL TAXES RELEASED
2015	0	4,059	4,059	0.00	14.17	0	0	0	0	0.00	0.00	4,059	0.00	14.17	0	0.00	4,059	14.17
2016	0	3,796	3,796	0.00	13.25	0	0	0	0	0.00	0.00	3,796	0.00	13.25	0	0.00	3,796	13.25
2017	0	3,208	3,208	0.00	11.19	0	0	0	0	0.00	0.00	3,208	0.00	11.19	0	0.00	3,208	11.19
2018	0	1,360	1,360	0.00	4.75	0	0	0	0	0.00	0.00	1,360	0.00	4.75	0	0.00	1,360	4.75
2019	0	1,287	1,287	0.00	4.82	0	0	0	0	0.00	0.00	1,287	0.00	4.82	0	0.00	1,287	4.82
2020	18,810	8,695	27,505	70.48	32.59	0	0	0	0	70.48	32.59	27,505	70.48	32.59	0	0.00	27,505	103.07
2021	118,810	206,898	325,708	475.24	551.32	0	0	0	0	475.24	551.32	325,708	475.24	551.32	0	0.00	325,708	1,026.56
DIST TOTAL	137,620	242,371	379,991	545.72	668.55	0	0	0	0	545.72	668.55	379,991	545.72	668.55	0	0.00	379,991	1,214.27
TAX YEAR	2021	0	125,452	0.00	107.99	0	0	0	0	0.00	107.99	125,452	0.00	107.99	0	0.00	125,452	107.99
DIST TOTAL	0	125,452	125,452	0.00	107.99	0	0	0	0	0.00	107.99	125,452	0.00	107.99	0	0.00	125,452	107.99
GRAND TOTALS:	175,240	610,194	785,434	566.68	857.81	0	0	0	0	566.68	857.81	785,434	566.68	857.81	0	0.00	785,434	1,424.49

The of and	Governing Board Board of Commissioners
	Primary Government Unit Macon County, NC
	Discretely Presented Component Unit (DPCU) (if applicable) N/A

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

and	Auditor Name Martin Starnes & Associates, CPAs, P.A.
	Auditor Address 730 13th Avenue Dr. SE, Hickory, NC 28602

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/22	Audit Report Due Date 10/31/22
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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* 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* (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).

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 Accounting 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.
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 (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is not required on 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, 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 Governmental 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/submitted-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 *Governmental 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:

Lori M. Carpenter

Finance Director, Macon County

lhall@maconnc.org

OR Not Applicable (Identification of SKE Individual not applicable for GAAS-only audit 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. 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. Should the 75% cap provided below conflict with the cap calculated by LGC Staff based on the billings on file with the LGC, the LGC calculation prevails. 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

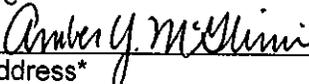
Primary Government Unit	Macon County, NC
Audit Fee	\$ See engagement letter
<i>Additional Fees Not Included in Audit Fee:</i>	
Fee per Major Program	\$ See engagement letter
Writing Financial Statements	\$ See engagement letter
All Other Non-Attest Services	\$ N/A
75% Cap for Interim Invoice Approval <i>(not applicable to hospital contracts)</i>	\$ 50,850.00

DPCU FEES (if applicable)

Discretely Presented Component Unit	N/A
Audit Fee	\$
<i>Additional Fees Not Included in Audit Fee:</i>	
Fee per Major Program	\$
Writing Financial Statements	\$
All Other Non-Attest Services	\$
75% Cap for Interim Invoice Approval <i>(not applicable to hospital contracts)</i>	\$ 0.00

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* Martin Starnes & Associates, CPAs, P.A.	
Authorized Firm Representative (typed or printed)* Amber Y. McGhinnis	Signature* 
Date* 02/28/22	Email Address* amcghinnis@msa.cpa

GOVERNMENTAL UNIT

Governmental Unit* Macon County, NC	
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)* James Tate, Chairman	Signature*
Date	Email Address jim.tate@maconnc.org

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

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) Lori M. Carpenter, Finance Director	Signature*
Date of Pre-Audit Certificate*	Email Address* lhall@maconnc.org

**SIGNATURE PAGE – DPCU
(complete only if applicable)**

DISCRETELY PRESENTED COMPONENT UNIT

DPCU*	
N/A	
Date DPCU Governing Board Approved Audit Contract* (Ref: G.S. 159-34(a) or G.S. 115C-447(a))	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

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

DPCU – 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.

DPCU Finance Officer (typed or printed)*	Signature*
N/A	
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all required signatures prior to submission.

PRINT



Report on the Firm's System of Quality Control

To the Shareholders of Martin Starnes & Associates, CPAs, P.A. and the Peer Review Committee, Coastal Peer Review, Inc.

We have reviewed the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. (the firm) in effect for the year ended December 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and an audit of an employee benefit plan.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. in effect for the year ended December 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Martin Starnes & Associates, CPAs, P.A. has received a peer review rating of *pass*.

Koonce, Wooten & Haywood, LLP

Koonce, Wooten & Haywood, LLP

May 4, 2021

Raleigh
 4060 Barrett Drive
 Post Office Box 17806
 Raleigh, North Carolina 27619
 919 782 9265
 919 783 8937 FAX

Durham
 3500 Westgate Drive
 Suite 203
 Durham, North Carolina 27707
 919 354 2584
 919 489 8183 FAX

Pittsboro
 579 West Street
 Post Office Box 1399
 Pittsboro, North Carolina 27312
 919 542 6000
 919 542 5764 FAX

Smithfield
 212 East Church Street
 Post Office Box 2348
 Smithfield, North Carolina 27577
 919 934 1121
 919 934 1217 FAX

MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

February 28, 2022

Lori Carpenter, Finance Director
Macon County
5 West Main Street
Franklin, NC 28734

You have requested that we audit the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Macon County, NC, as of June 30, 2022, and for the year then ended, and the related notes to the financial statements, which collectively comprise Macon County's basic financial statements as listed in the table of contents.

In addition, we will audit the entity's compliance over major federal and state award programs for the period ended June 30, 2022. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal and state award programs. The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 auditing standards generally accepted in the United States of America (GAAS) and in accordance with *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 made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the entity complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and *Government Auditing Standards*, if any, and perform procedures to address those requirements.

Accounting principles generally accepted in the United States of America require that certain supplementary information be presented to supplement the 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 the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Law Enforcement Officers' Special Separation Allowance schedules
- Other Post-Employment Benefits' schedules
- Local Government Employees' Retirement System's schedules
- Register of Deeds' Supplemental Pension Fund schedules

Supplementary information other than RSI will accompany Macon County's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

- Combining and individual fund financial statements
- Budget and actual schedules
- Supplemental ad valorem tax schedules
- Schedule of Expenditures of Federal and State Awards

Schedule of Expenditures of Federal and State Awards

We will subject the Schedule of Expenditures of Federal and State Awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the Schedule of Expenditures of Federal and State Awards is presented fairly in all material respects in relation to the financial statements as a whole.

The following additional 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:

- Introductory section
- Statistical tables

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, Schedule of Expenditures of Federal and State Awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the Federal Audit Clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the Federal Audit Clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. As part of an audit of financial statements in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Macon County's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is

properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of Macon County's basic financial statements. Our report will be addressed to the governing body of Macon County. 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 an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements 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 to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of Macon County's major federal and state award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended, the Uniform Guidance, and the State Single Audit Implementation Act, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and the State Single Audit Implementation Act and other procedures we consider necessary to enable us to express such an opinion on major federal and state award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance and the State Single Audit Implementation Act require that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal and state award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on the audit. 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, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the entity's compliance with the requirements of the federal or state programs as a whole.

As part of a compliance audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal and state programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs, and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and the State Single Audit Implementation Act.

Also, as required by the Uniform Guidance and the State Single Audit Implementation Act, we will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design and perform tests of controls 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 of the entity's major federal and state award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal and state award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management's Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
3. For identifying, in its accounts, all federal and state awards received and expended during the period and the federal and State programs under which they were received;
4. For maintaining records that adequately identify the source and application of funds for federal and state funded activities;
5. For preparing the Schedule of Expenditures of Federal and State Awards (including notes and noncash assistance received) in accordance with the Uniform Guidance and State Single Audit Implementation Act;
6. For designing, implementing, and maintaining effective internal control over federal and state awards that provides reasonable assurance that the entity is managing federal and state awards in compliance with federal and state statutes, regulations, and the terms and conditions of the federal and state awards;
7. For identifying and ensuring that the entity complies with federal and state laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal and state award programs, and implementing systems designed to achieve compliance with applicable federal and state statutes, regulations and the terms and conditions of federal and state award programs;
8. For disclosing accurately, currently and completely the financial results of each federal and state award in accordance with the requirements of the award;

9. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
10. For taking prompt action when instances of noncompliance are identified;
11. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
12. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
13. For submitting the reporting package and data collection form to the appropriate parties;
14. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
15. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including the disclosures, and relevant to federal and state award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit;
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
 - d. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report (if applicable); and
 - e. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report (if applicable).
16. For 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 current year or period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
17. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
18. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
19. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant roles in internal control and others where fraud could have a material effect on compliance;
20. For the accuracy and completeness of all information provided;
21. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
22. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the Schedule of Expenditures of Federal and State Awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the Schedule of Expenditures of Federal and State Awards in accordance with the Uniform Guidance and the State Single Audit Implementation Act, (b) to provide us with the appropriate written representations regarding the Schedule of Expenditures of Federal and State Awards, (c) to include our report on the Schedule of Expenditures of Federal and State Awards in any document that contains the Schedule of Expenditures of Federal and State Awards and that indicates that we have reported on such schedule, and (d) to present the Schedule of Expenditures of Federal and State Awards with the audited financial statements, or if the schedule will not be presented with the audited financial statements, to make the audited basic financial statements readily available to the intended users of the Schedule of Expenditures of Federal and State Awards no later than the date of issuance by you of the schedule and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Nonattest Services

We will perform the following nonattest services:

- Draft of financial statements and footnotes
- GASB 34 conversion entries
- Preparation of auditor portions of Data Collection Form
- Preparation of LGC's data input worksheet

We will not assume management responsibilities on behalf of Macon County. However, we will provide advice and recommendations to assist management of Macon County in performing its responsibilities.

Macon County's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account codings and approving journal entries.

Other Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

During the course of the engagement, a portal will be in place for information to be shared, but not stored. Our policy is to terminate access to this portal after one year. The County is responsible for data

backup for business continuity and disaster recovery, and our workpaper documentation is not to be used for these purposes.

Provisions of Engagement Administration and Fees

Marcie Spivey is the engagement partner for the audit services specified in this letter. Her responsibilities include supervising Martin Starnes & Associates, CPAs, P.A.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. To ensure that our independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Our fees for these services are as follows:

Audit Fee	\$ 66,300
Financial Statement Drafting	<u>11,000</u>
	<u>\$ 77,300</u>

Additional Fees:

Charge per major program in excess of 5	<u>\$ 3,500</u>
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Our invoices for these fees will be rendered in four installments as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for non-payment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. 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.

We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use Macon County's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

We want our clients to receive the maximum value for our professional services and to perceive that our fees are reasonable and fair. In working to provide you with such value, we find there are certain circumstances that can cause us to perform work in excess of that contemplated in our fee estimate.

Following are some of the more common reasons for potential supplemental billings:

Changing Laws and Regulations

There are many governmental and rule-making boards that regularly add or change their requirements. Although we attempt to plan our work to anticipate the requirements that will affect our engagement, there are times when this is not possible. We will discuss these situations with you at the earliest possible time in order to make the necessary adjustments and amendments in our engagement.

Incorrect Accounting Methods or Errors in Client Records

We base our fee estimates on the expectation that client accounting records are in order so that our work can be completed using our standard testing and accounting procedures. However, should we find numerous errors, incomplete records, or the application of incorrect accounting methods, we will have to perform additional work to make the corrections and reflect those changes in the financial statements.

Failure to Prepare for the Engagement

In an effort to minimize your fees, we assign you the responsibility for the preparation of schedules and documents needed for the engagement. We also discuss matters such as availability of your key personnel, deadlines, and work space. If your personnel are unable, for whatever reasons, to provide these items as previously agreed upon, it might substantially increase the work we must do to complete the engagement within the scheduled time.

Starting and Stopping Our Work

If we must withdraw our staff because of the condition of the client's records, or the failure to provide agreed upon items within the established timeline for the engagement, we will not be able to perform our work in a timely, efficient manner, as established by our engagement plan. This will result in additional fees, as we must reschedule our personnel and incur additional start-up costs.

Our fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. 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. Our fees for such services range from \$75-\$300 per hour.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to management and those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Martin Starnes & Associates, CPAs, P.A. and constitutes confidential information. However, we may be requested to make certain audit documentation available to the Local Government Commission, Office of the State Auditor, federal or state agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Martin Starnes & Associates, CPAs, P.A.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm to the Contract to Audit Accounts for your consideration and files.

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements and compliance over major federal and state award programs, including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of Macon County by:

Signature: _____

Title: _____

Date: _____

Macon County
Advalorem Tax Collections Report
 Year To Date February 2022 Tax Year 2021

TAX YEAR 2021 Month To Date February 2022 Tax Year 2021									
Month to Date	Beginning Balance	Levy Added	Less Releases	Less Administrative Refunds	Less Write Offs	Equals Adjusted Levy	Less Payments	Outstanding Balance	
General Tax	1,871,080.82	4,964.38	-3,075.17	0.00	-32.62	1,872,937.41	-901,879.73	971,057.68	
Fire Districts	266,265.52	488.63	-262.82	0.00	-6.78	266,484.55	-123,868.15	142,616.40	
Landfill User Fee	263,301.59	432.00	0.00	0.00	-6.22	263,727.37	-103,843.20	159,884.17	
TOTAL:	2,400,647.93	5,885.01	-3,337.99	0.00	-45.62	2,403,149.33	-1,129,591.08	1,273,558.25	

TAX YEAR 2021 Year To Date February 2022 Tax Year 2021										
Year to Date	Beginning Balance	Levy Added	Less Releases	Less Administrative Refunds	Less Write Offs	Equals Adjusted Levy	Less Payments	Outstanding Balance	This Year Collection Percentage Tax Year 2021 As of 2/28/2022	Last Year Collection Percentage Tax Year 2020 As of 2/28/2021
General Tax	0.00	31,724,536.56	-26,858.84	0.00	-1239.09	31,696,438.63	-30,725,380.95	971,057.68	96.94%	95.74
Fire Districts	0.00	4,250,122.43	-3,034.79	0.00	-184.34	4,246,903.30	-4,104,286.90	142,616.40	96.64%	95.27
Landfill User Fee	0.00	2,992,654.00	-48,397.70	0.00	-17.29	2,944,239.01	-2,784,354.84	159,884.17	94.57%	93.04
TOTAL:	0.00	38,967,312.99	-78,291.33	0.00	-1440.72	38,887,580.94	-37,614,022.69	1,273,558.25	96.73%	95.47

Mike Decker

From: Derek Roland <droland@maconnc.org>
Sent: Thursday, March 03, 2022 4:10 PM
To: Mike Decker
Cc: lleopard@maconnc.org
Subject: Consent Agenda
Attachments: Property Checklist and Bill of Sale Sherry Brewer.pdf; IMG_2058.JPG; IMG_2086.JPG

Mike,

Approval of sale of property by private sale. When the county assumed ownership of Pine Grove School it contained 17 desks bearing nameplates of former students (photo attached). In addition to desks there were 44 small nameplates in the shape of leaves affixed to a wooden tree hanging on the wall (photo attached). The nameplates and desks were purchased previously by the families of former school members to be on display in the Pine Grove Community Club (no longer in operation). Based upon the resolution adopted by the Board of Commissioners on February 8, 2011, the county manager has authority to dispose of personal property valued at less than \$5,000 through private exchange. The county manager has determined the aforementioned personal property left at the school to be less than \$5,000 in value. Ms. Sherry Brewer approached the county with an offer to purchase 2 desks and 9 leaves bearing the names of her family members who previously attended Pine Grove School. The offer was accepted and the property was exchanged on February 25, 2022. Attached are the property checklist and bill of sale for this exchange.

Thanks,

[Derek C. Roland](#)
[Macon County Manager](#)
5 W. Main St.
Franklin, NC 28734
(828)-349-2022

Macon County Surplus Property Checklist

This checklist is used to ensure that the declaring and selling or exchanging of any Macon County surplus property is done in accordance with the resolution that was adopted by the Macon County Board of Commissioners on the 8th day of February, 2011.

Item/Group of Items to be declared Surplus: DESKS (2) LEAVES (9)

If Applicable:

Vehicle Identification Number: _____
 Make: _____
 Model: _____
 Mileage: _____
 Condition: _____
 Purchase Price: _____
 Department: _____

• LEONARD JOHN HOLLAND
 • FLORA HOLLAND
 • CARL CRISP
 • CLAUDE
 • MARGARET
 • CHARLES
 • MARY
 • TRUMAN
 • MAY BEBE
 • HARVE
 • EARL

- I, DEREK BOLAND, County Manager declare surplus the above personal property valued at less than \$5,000 on this 25th day of FEB 2022 and deem that the personal property is in fact surplus property of Macon County and is not necessary for Macon County governmental use.

- County Manager sets fair market value of personal property at \$ 11. The method utilized for determining fair market value of the above surplus property was NEGOTIATED AS DESKS WERE PREVIOUSLY DONATED TO PINE GROVE SCHOOL BY FAMILY

- Above surplus property was sold for \$ 11 to SHERY DREWOR on 25 day of FEB 2022.

- Surplus property was sold using PRIVATE (public/~~private~~ exchange)

- Surplus property was exchanged to buyer on 25 day of FEB 2022.

- Title conveyed to buyer on 25th day of FEB 2022.

- Macon County received payment in the form of CHECK on 25 day of FEB 2022.

- Publish notice of sale or exchange Yes No

- County Manager reported the sale of above surplus property to the Macon County Board of Commissioners on 8th day of MARCH 2022.



 Signature

COUNTY MANAGER

 Title

2.25.22

 Date

MACON COUNTY
5 W MAIN STREET
FRANKLIN, NC 28734

Bill of Sale Date: 2.25.22
Asset ID:

Description of Property
(2) DESKS @ PINE GROVE SCHOOL
(9) LEAVES @ PINE GROVE SCHOOL

DESKS: LEONARD JOHN HOLLAND
FLORA HOLLAND
LEAVES: CARL CRISP CHARLES CRISP MAY BELLE CRISP
CLAUDE CRISP MARY CRISP HARVE CRISP
MARGARET CRISP TRUMAN CRISP EARL CRISP

Asset Information

Year: Make/Brand: WOOD DESKS / SMALL PLASTE Model:
Meter: NA Title Restriction: YES NO LEAVES VIN/Serial: NA

Sale Information

Sale Amount: \$11.00
Date Paid: 2.25.22
Payment Method: CHECK # 1108

Buyer Information

Name: SHERY BREWER
Address: 156 MOORE RD. FRANKLIN NC 28734
Email: Sherry.brewer@macon.k12.nc.us
Phone:

Asset is sold as is, where is and without warranty. Once the asset is removed from the seller's premises there is no refund of monies previously paid.

Buyer/Agent Signature

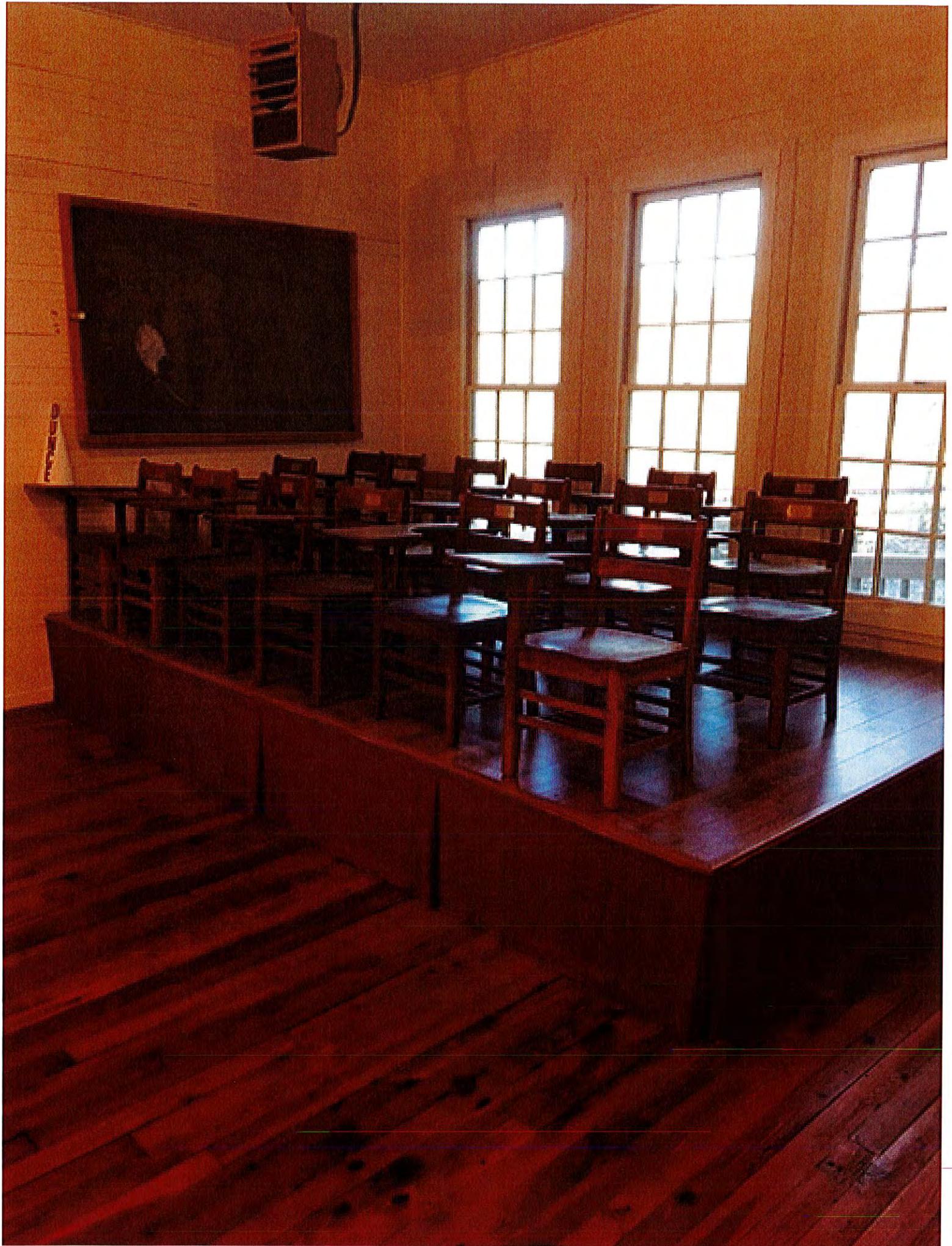
Sherry H. Brewer

Print Name

Sherry H. Brewer

Date

2/25/2022





MACON COUNTY BOARD OF COMMISSIONERS

AGENDA ITEM

CATEGORY – APPOINTMENTS

MEETING DATE: March 8, 2022

13A. **Airport Authority:** Per Commissioner Beale, the reappointment of Jack Horton and Richard Rhodes to the Macon County Airport Authority. Term of appointment is for six years.

13B. **Library Board:** Per Karen Wallace, the reappointment of Bill Dyar and Debbie Tallent to the Macon County Library Board of Trustees. Mr. Dyar's term expires in March, Ms. Tallent's expires in April, and Ms. Wallace indicated that both are eligible and willing to serve another term.