

PERSON COUNTY BOARD OF COMMISSIONERS
MEMBERS PRESENT

MARCH 20, 2017
OTHERS PRESENT

Tracey L. Kendrick
Gordon Powell
Jimmy B. Clayton
Kyle W. Puryear
B. Ray Jeffers

Heidi York, County Manager

Brenda B. Reaves, Clerk to the Board

The Board of Commissioners for the County of Person, North Carolina, met in regular session on Monday, March 20, 2017 at 9:00am in the Person County Office Building Auditorium.

Chairman Kendrick called the meeting to order. Vice Chairman Powell gave an invocation and Commissioner Puryear led the group in the Pledge of Allegiance.

DISCUSSION/ADJUSTMENT/APPROVAL OF AGENDA:

A **motion** was made by Vice Chairman Powell and **carried 5-0** to approve the agenda.

RECOGNITION OF LOCAL GOVERNMENT DAY:

Chairman Kendrick welcomed the Person High School students enrolled in civics and economics participating in Local Government Day to observe the Board of County Commissioners in session. Chairman Kendrick, Vice Chairman Powell and Commissioners Clayton, Jeffers and Puryear proceeded to introduce themselves and shared general information about the office of a commissioner and general government. County Manager, Heidi York and Clerk to the Board, Brenda Reaves also introduced themselves.

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RECOGNITION:

RESOLUTION OF APPRECIATION:

Chairman Kendrick read and presented a Resolution of Appreciation to Person County Retiree, Linwood Kelly Tuck.

RESOLUTION OF APPRECIATION

WHEREAS, Linwood Kelly Tuck has served the people of Person County during his tenure working for Person County Emergency Medical Services as a Emergency Medical Paramedic and as an Assistant Shift Supervisor; and

WHEREAS, Kelly Tuck has served the citizens of Person County with honor, integrity, sincerity and dedication, providing accurate, concise services for eighteen years, May, 1999 – February, 2017; and

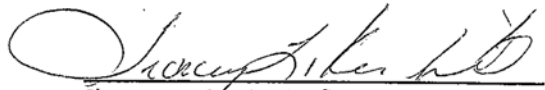
WHEREAS, Kelly Tuck has earned the respect and admiration of all who have known him and worked with him throughout his career; and

WHEREAS, the County of Person recognizes the many contributions Kelly Tuck has made to the County and offers him sincere best wishes for his retirement.

NOW, THEREFORE, I, Tracey L. Kendrick, Chairman of the Person County Board of Commissioners, do hereby extend this Resolution of Appreciation to Kelly Tuck for continually striving to make Roxboro and Person County a better place to live and work.

Adopted the 20th day of March, 2017.




Tracey L. Kendrick, Chairman
Person County Board of Commissioners

Attest:


Brenda B. Reaves, MMC, NCCCC
Clerk to the Board

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INFORMAL COMMENTS:

The following individuals appeared before the Board to make informal comments:

Granville County Commissioner, Zelodis Jay of 8009 Highway 96, Oxford stated as he resides in Oxford, he attends church in Person County at Vernon Hill Church located at 80 Vernon Hill Church Road. Commissioner Jay noted that a change in the church's address by the US Postal Office from Roxboro to Oxford has caused confusion when emergency services are dispatched to Vernon Hill Church. Commissioner Jay asked that it be noted in the 911 system in Person County that when an emergency call is received that as the church's address is Oxford that the physical location is in Person County. On another topic, Commissioner Jay stated he serves on the Granville County Solid Waste Committee and noted that Granville County was still open to the possibility of taking Person County's waste.

Ms. Susan Naylor of 481 Valhalla Drive, Timberlake stated her passion as a volunteer at the Senior Center noting she had an opportunity to tour the new facility for the Senior Center and wanted to thank the Board of Commissioners for providing such a great facility for the seniors. She also asked the Board not cut any local funding for senior center services.

DISCUSSION/ADJUSTMENT/APPROVAL OF CONSENT AGENDA:

A **motion** was made by Commissioner Jeffers and **carried 5-0** to approve the Consent Agenda with the following items:

- A. Approval of Minutes of March 6, 2017,
- B. Budget Amendment #16,
- C. Tax Adjustments for the month of March 2017
 - a. March 2017 Tax Releases, and
 - b. March 2017 NC Vehicle Tax System pending refunds

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NEW BUSINESS:

REQUEST BY DAVID WINSTEAD FOR A RESOLUTION OF SUPPORT TO DEDICATE A PORTION OF A ROAD IN PERSON COUNTY TO COMMEMORATE THE SERVICE OF WORLD WAR I VETERAN, FIRST LIEUTENANT GUY J. WINSTEAD:

Vice Chairman Powell told the Board the Winstead family has requested the Board's unanimous support to dedicate a section of a Person County roadway in honor of a World War I veteran. Vice Chairman Powell introduced Mr. David Winstead to address the Board with his request.

Mr. David Winstead asked for Board consideration to acknowledge and request support for a resolution to honor his uncle, First Lieutenant Guy Jennings Winstead by dedicating a section of NC Highway 57 roadway in the Longs Store Road vicinity. Mr. Winstead stated his uncle graduated from NC State University and then enlisted in the US Army to which he paid the ultimate sacrifice. Mr. Winstead stated his uncle was awarded the Distinguished Service Cross.

A **motion** was made by Commissioner Clayton and **carried 5-0** to support the request for a resolution of support to dedicate a portion of NC Highway 57 in Person County to commemorate the service of World War I Veteran, First Lieutenant Guy J. Winstead.

APPROVAL OF FEE FOR THE DIABETES PREVENTION PROGRAM:

In accordance with the North Carolina General Statute 130A-39(g), the Board of Health may establish new fees with the approval of the Board of Commissioners.

Health Director, Janet Clayton appeared before the Board to seek approval by the Board of Commissioners for a fee for the Diabetes Prevention Program (DPP). The DPP is an evidence-based intervention designed to help people with pre-diabetes avoid developing type 2 diabetes. It is a nationally recognized program through the Centers for Disease Control. Program participants meet in groups with a trained Lifestyle Coach for an hour per week for 16 weeks and once a month for the remaining 6-8 months of the program. The program focuses on helping participants identify and overcome barriers to making sustainable lifestyle changes. Emphasis is put on weight loss and healthy weight maintenance, healthy eating, and physical activity. Other areas are addressed during the maintenance sessions in the last months of the program. Person County Health Department is part of a multi-county regional collaborative that is working to offer the DPP across the region and state of North Carolina. Ms. Clayton stated diabetes is the fifth leading cause of death in Person County. Even though funding through the collaborative is supporting local programs, organizations offering the DPP are required to charge a \$25 participant fee.

Ms. Clayton stated the Person County Board of Health approved the proposed new fee on February 27, 2017, and requested the Board of County Commissioners to approve the proposed DPP participant fee of \$25.

A **motion** was made by Commissioner Puryear and **carried 5-0** to approve the participant fee for the Diabetes Prevention Program of \$25.

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PERSON COUNTY INDUSTRIAL SITE WATER AND SEWER CERTIFICATION:

Economic Development Director, Stuart Gilbert stated that on December 5, 2016, the Person County Board of Commissioners, by consensus in executive session, noted support to proceed with the engineering for water and sewer lines to a large Person County site for new jobs and investments.

Mr. Gilbert noted that Person County currently has no state-certified, or “shovel ready” sites for competing with other counties in the Research Triangle Regional Partnership Region. The objective of this water and sewer engineering project is to provide Person County with a certified large business site or mega park.

The Person County Business & Industrial Center, Inc. (PCBIC) board of directors has been working for the last three and one-half years on some exciting economic development opportunities for Person County that would lead to substantial new high paid jobs in the county. The PCBIC board of directors has had over the last four years, four different members of the county board of commissioners sitting on the PCBIC board of directors.

Mr. Gilbert noted the primary consultant engineers for this project have been the Timmons Group with Engineering Consulting Services (ECS), the primary environmental engineers for this large Person County Industrial Site. LJB Inc. is the transportation team lead.

Mr. Gilbert recognized the additional partners that have contributed and have provided financial support in the form of time and/or resources to this project include but are not limited to the following: Duke Energy, Piedmont Electric Cooperative, PSNC Energy, Williams Mullen, J.E. Dunn, Research Triangle Regional Partnership, Piedmont Triad Partnership, The A&T and UNC-G Joint School of Nanoscience and Nanotechnology, North Carolina Center of Innovation, McCallum Sweeney of Greenville, SC, and CH2M from Portland, Oregon.

In addition, Mr. Gilbert stated PCBIC has worked closely with the EDPNC, Office of the Governor of the State of North Carolina, North Carolina Department of Commerce, the State of North Carolina Department of Transportation, Army Corps of Engineers, State of North Carolina Department of Environmental Quality, and Golden Leaf Foundation on this project.

In the last two months, the City of Roxboro has partnered with the county to issue a Request for Qualifications (RFQ) for the extension of water and sewer services from both the water and sewer treatment plants to the Person County Industrial Site at a distance of approximately 1.6 miles for water and 3.1 miles for sewer. Person County General Services Director, Ray Foushee worked with the City of Roxboro to conduct interviews of firms and select the top choice.

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Mr. Gilbert stated the top candidate for this engineering project was LaBella Associates, PC of Charlotte, NC. Mr. Gilbert presented a contract which allows Person County to make modifications to the contract for additional work, if so desired, for an additional addendum amount of \$25,000.00. By signing the contract, Person County would only be committing to the \$250,000 payment unless Person County specifically requested to add additional services beyond the scope of the proposal, such as the items mentioned in Task 700.

Mr. Gilbert requested the Board of Commissioners to authorize the execution of the contract with LaBella Associates, PC in the amount of \$250,000 for the design of water and sewer lines for Person County's industrial site certification with funding from the County's Fund Balance.

Commissioner Puryear asked Mr. Gilbert if an option agreement for the site currently existed to which Mr. Gilbert stated PCBIC was the holder of such option agreement. Commissioner Puryear asked Mr. Gilbert if the option agreement was recorded to which Mr. Gilbert replied the Memorandum of Agreement was recorded but not the actual option. Commissioner Puryear confirmed that the document that states the terms and conditions was not recorded to which Mr. Gilbert replied affirmatively noting the option discussed was between a private party and PCBIC, a nonprofit entity. Mr. Gilbert stated that if an option was longer than three years, by real estate law in North Carolina, such items are to be recorded however, and the option between the private party and PCBIC was for two years.

Commissioner Puryear asked Mr. Gilbert to enlighten the public as to the terms and conditions of the option to which Mr. Gilbert stated he could not state in public, at this time.

Commissioner Puryear asked Mr. Gilbert to enlighten the public as to the amount of money that has been spent from PCBIC only on the project noting those funds were taxpayer dollars from the Force Protection claw back in 2009. Mr. Gilbert stated the total amount expended by PCBIC on the project was \$256,285.70.

Commissioner Puryear stated he knew the terms and conditions of the option and he asked the County Manager if he, as a commissioner, provided such to the public, what would be the consequences. County Manager, Heidi York stated that because the information was not public information, such action could be considered an ethics violation for disclosure as well as an option for public censure from fellow board of commissioners. Commissioner Puryear stated his view of the project as wasteful and did not like that there was one document recorded without details and another document that was secret that contained the terms and conditions of the option.

A **motion** was made by Commissioner Puryear to deny the approval of the contract with LaBella Associates, PC in the amount of \$250,000 for the design of water and sewer lines for Person County's industrial site certification and to refer back to PCBIC.

Commissioner Jeffers asked Ms. York what control the Board of Commissioners has over PCBIC to which she replied that the Board of Commissioners make the appointments to the Economic Development Commission (EDC), who the same members, in turn, serves as the PCBIC. Commissioner Jeffers asked if the request for approval of the contract with LaBella Associates, PC in the amount of \$250,000 for the design of water and sewer lines for Person County's industrial site certification was from the EDC or PCBIC to which Ms. York replied PCBIC.

Commissioner Jeffers stated if those terms and conditions, as previously noted by Commissioner Puryear that he knows, and which that he, himself did not know as he has not served on the EDC was released to the public, he would make a motion for censure. Commissioner Puryear passed a document to Commissioner Jeffers that contained the option terms and conditions to which Commissioner Jeffers declined to view as it was not public information. Commissioner Jeffers stated confidence of those appointed to serve on the EDC/PCBIC. Commissioner Puryear stated any commissioner was allowed to attend the meetings and be privy to the information; staff confirmed that a public notice has been issued for the Board of Commissioners to have more than three attend the EDC/PCBIC meetings.

Mr. Kenneth Perry, Chairman of the EDC and PCBIC President addressed Commissioner Puryear's comments. He told the group that PCBIC, the nonprofit arm of county government, and the commissioners has open business with nothing that was secret. He continued to state that there were laws in place that mandated records to be sealed until such time that it no longer frustrated the purpose; after that specified time period, the records were open for the public. Mr. Perry noted that PCBIC can do things without coming to the Board of Commissioners, but as the PCBIC President, that was not the direction to which he has led the board; PCBIC does what the commissioners tell and ask them to be done. Mr. Perry compared the monies spent for the site development was no more or less than any other private entity would do when they are developing land. Mr. Perry further noted that Person County does not own any land or a spec building for economic recruitment efforts to bring new business to the county. Mr. Perry said that when the opportunity for the industrial park came about, the EDC/PCBIC reviewed thoroughly the aspect of the land for due diligence with each step being briefed to the Board of Commissioners.

Commissioner Jeffers noted each of the commissioners have campaigned on jobs and while no political figure can bring jobs, he advocated for a position to be ready. Commissioner Jeffers further noted his understanding that the mega site could bring a project up to \$1B investment with 800 to 1,000 jobs which would be huge for Person County.

Commissioner Puryear stated his opinion for the project to be successful was in dreamland and that the only jobs were remnants of Mr. Jim Stovall when he was involved with economic development, and not with the current Economic Development Director nor success with the current EDC.

A **substitute motion** was made by Chairman Kendrick and **carried 4-1** to allow PCBIC to move forward and spend from its fund the \$250,000, and at the point the site was certified, Person County would reimburse PCBIC an amount agreeable with the county commissioners, and at the point that PCBIC gets a business or industry to sign the paperwork to move in, another reimbursement to PCBIC for an additional amount, with both reimbursements to be funded from the county's sewer fund that the City shares with the County for the extension of sewers. Commissioner Puryear cast the lone dissenting vote.

WIRELESS BROADBAND CONTRACT:

Assistant County Manager, Sybil Tate reminded the Board that on August 25, 2016, Person County released an RFP asking vendors to submit proposals to provide broadband service to unserved areas of the county, economic corridors, and install fiber to government facilities. In February 2017, the Board took action to move forward with a wireless provider to begin serving the unserved areas of the county and to construct fiber to public facilities.

Ms. Tate introduced Mr. Joe Freddoso, Chief Operating Officer of Mighty River, LLC to present the wireless broadband contract highlights.

Mr. Freddoso highlighted the following provisions included in the wireless broadband contract:

- The wireless broadband provider has requested a grant of \$256,898 to provide service to the unserved areas. The vendor will match these funds with \$291,898 of investment in the wireless network.
- The grant funds will be spent over 4 years.
- Vendor will provide service to at least 475 customers in the unserved area; customers beyond the reach of the initial network may receive service based on demand.
- Vendor commits to providing service to the unserved areas of the county for at least another 4 years beyond the end of the contract (8 years total service).
- Minimum service speed is 3/1Mbps (compatible for single use streaming), with 25/3Mbps (multiple users) packages available.
- Low-income service package will be available; DSS will provide and maintain list of eligible citizens; standard rates to apply for customers not deemed low-income.
- Each household will pay an installation fee of \$49 plus an equipment fee of \$9.95.
- After the initial 4 years, the county may charge a tower rental fee based on the vendor's revenues.
- Vendor will provide progress reports to the Board of Commissioners.
- Vendor will start the scope of work along the two state and two county-owned towers immediately.
- Vendor will provide a free hot spot within the center city area.
- The data availability will not have a cap.
- Vendor will pay \$300 per mile per year in maintenance fees to the county; approximately \$15,000 in revenue.

Commissioner Clayton asked Mr. Freddoso to check into the option for state towers to transfer to the county to help with the lack of cell service coverage.

A **motion** was made by Commissioner Puryear and **carried 5-0** to approve the wireless broadband contract as presented.

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AGREEMENT

THIS AGREEMENT (the Agreement) is made effective the **20th** day of March **2017** by and between **North Carolina Wireless** (hereinafter referred to as NCW), and **Person County** (hereinafter referred to as the COUNTY). NCW and the COUNTY (together "the Parties") hereby agree as follows:

WITNESSETH:

THIS AGREEMENT ("Agreement"), made and entered into this the 20th day of March, 2017, (the "Effective Date") by and between the Person County Government ("the County"); and North Carolina Wireless ("NCW") (the "Private Provider");

WITNESSETH:

THAT WHEREAS, the G.S. 153A-349.60 as amended from time to time authorizes counties to grant money to private broadband companies to provide broadband to unserved areas of the county; and

AND WHEREAS, the County issued a Request for Proposals on August 25, 2016, for purposes of contracting to increase access to broadband in unserved areas of Person County; and

AND WHEREAS, NC Wireless submitted an application to Person County proposing expanding service to unserved areas of Person County; and

AND WHEREAS, several scientific studies have concluded that internet connectivity is necessary to operate small businesses, including home based business and to provide educational services for students and adults to make them competitive in today's modern business environment; and

AND WHEREAS, Person County has determined through professional analysis the areas within the County which are unserved; and

AND WHEREAS, NCW has agreed to provide service to some unserved areas pursuant to the provisions of this contract potentially utilizing assets owned by Person County; and

AND WHEREAS, Person County intends to award up to \$256,898 to NCW, on a reimbursement basis and contingent on establishing and executing a satisfactory contract, established milestones and deliverables; and

AND WHEREAS, NCW has agreed to provide at least \$256,898, but likely an estimated \$291,898, focused on unserved areas to meet the fiscal matching requirement of the RFP and deliver service to the unserved area of the county as estimated in the RFP proposal; and

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NOW, THEREFORE, the Parties wish to begin the project, and in consideration of the mutual promises and such other valuable consideration as shall be set out herein, the Parties hereto do mutually agree to the following terms and conditions:

1. Scope of Program. NCW shall develop, perform and complete the work set out in Exhibit A (hereinafter referred to as the Project), such Project being that work described in Exhibit A (the Project Summary) and Exhibit D (The NCW RFP response), for the COUNTY, and having the following goals and objectives:
 - a. To increase broadband access and the number of homes with broadband service in unserved areas, as illustrated in Exhibit B;
 - b. To design, engineer and install broadband service by means of NCW's Fixed Wireless broadband network for the unserved areas of the COUNTY;
 - c. Subject to reasonably acceptable technical limitations, to provide all access services made in Person County at speeds of at least 3Mbps download and 1Mbps upload, with availability of options that meet the Federal Communications Commission's definition of broadband, which is 25Mbps download and 3Mbps upload standard, given signal quality and Line of Sight required by manufacturer to obtain modulation to support faster speeds;
 - d. To partner with a local retailer or operate a local retail location for sales and customer service in Person County. The COUNTY understands that it may become necessary for NCW to engage a new organization to fulfill this obligation and that there may be a temporary lapse of service. NCW will inform the COUNTY of any changes in the local retail service.
2. Changes in the Project.
 - a. If changes or extra work that cause the Project to exceed the budgeted amount in Exhibit A are needed by NCW, NCW must notify the COUNTY. NCW must also furnish an updated timeline and budget document within two weeks of determining that a change or extra work is needed.
 - b. All equipment, unless otherwise excepted, necessary for the operation of the Project will be maintained by NCW for at least 4 years after the final COUNTY grant funds have been paid. Terminating equipment locations that are not financially viable will be discussed with the county. NCW shall notify the COUNTY of any equipment, network, or other operational failure.
 - c. NCW shall immediately notify the COUNTY of any change in financial conditions or applicable law, or any other event, which may significantly affect its ability to perform the Project in accordance with the provisions of this Paragraph. Any grant funds associated with this part of the project would be returned to the COUNTY.
 - d. The COUNTY shall immediately notify NCW of any change in financial or access to physical assets which may significantly affect its ability to perform its duties under the Project agreement. In the event of a significant change, the

COUNTY will no longer be responsible for the costs associated with the part of the project impacted by the change.

- e. Changes in the Grant Proposal as accepted by the COUNTY, financing or other material supporting the Grant Proposal must be submitted to, and be approved by the COUNTY prior to becoming effective. To the extent any such changes negatively affect the deliverables or satisfying the goals of the COUNTY, the COUNTY may suspend funding pending a determination that continued financial support is consistent with its goals; or terminate the award and further performance.
3. Term of Agreement. The effective period of this Agreement shall commence on the Effective Date, upon completion by the Parties' authorized signatories, and shall terminate on the **31st day of March 2021** (the Termination Date), with an option to renew, if funds are not spent and it is mutually agreeable by both Parties. Termination may also occur sooner as stated under Paragraph 13; or amended to extend said date by the COUNTY.
 4. Funding.
 - a. Subject to the terms of this agreement, the COUNTY grants to NCW an amount not to exceed **Two Hundred and Fifty-six Thousand and eight hundred and ninety-eight dollars (\$256,898)**. The Grant funds shall be disbursed on a reimbursement basis.
 - b. COUNTY funds cannot be used for building acquisition, major building renovation, or any form of rent, lease, mortgage payments, or any service that may be used to serve individuals living outside of Person County. NCW hereby represents and warrants that all such sums as may be awarded under this grant shall be utilized exclusively for the purpose of the Project.
 - c. In the event NCW breaches any of the covenants or agreements contained in this Agreement, NCW agrees to repay to the COUNTY the sums awarded under the Grant and delivered pursuant to this Agreement. If the breach is associated with a specific portion of the grant, NCW agrees to repay the COUNTY the amount associated with the breach.
 5. Title to Equipment. Title to equipment acquired by NCW with funds from this Agreement shall vest in NCW and become part of its overall network infrastructure, with the exception of the equipment placed on the Mt. Tirzah and Woodland towers. Equipment placed on these two towers and at the attached hut will be owned and maintained by the COUNTY.
 - a. NCW shall use the equipment for the purposes of this Agreement as long as needed, and for the purposes of this Grant Agreement.
 - b. NCW will notify the county of repairs needed on county-owned equipment.
 - c. NCW shall have reasonable 24/7 physical access to equipment located on county property.
 6. Independent Status NCW

- a. It is agreed between the Parties that neither this Agreement nor any provisions hereof shall be deemed to create a partnership or joint venture between the COUNTY and NCW. It is further agreed that except for the rights expressly granted to the COUNTY in this Agreement, the COUNTY shall have no proprietary rights in the Project.
- b. The Parties acknowledge that NCW an independent entity. NCW shall not represent itself as an agent of the COUNTY; nor shall the Agreement be construed so as to make NCW an agent of the COUNTY. NCW shall not have the ability to bind the COUNTY to any agreement for payment of goods or services, nor shall it represent to any person or entity that it has such ability. NCW shall be responsible for payment of all its expenses, including rent, office expenses and all forms of compensation to employees. NCW shall provide workers compensation insurance to the extent required for its operations and shall accept full responsibility for payments of unemployment compensation, social security, income taxes and any other charges, taxes or payroll deductions required by law in connection with its operations, for itself and its employees who are performing work pursuant to this Agreement. All expenses incurred by NCW are its sole responsibility, and the COUNTY shall not be liable for NCW's payment of any obligations incurred in the performance of the Project.
- c. NCW has not entered into any contract or established any understanding with a third party that is, or may be, considered a subgrantee under N.C.G.S. 143C-6-23. Further, NCW shall not enter into any contract with a subgrantee without first giving notice to the COUNTY and obtaining approval of the COUNTY for such an agreement.

7. Method of Payment

- a. The grant payments will be made subject to the submission of a Financial Request/Reporting Form, which must contain a copy of an invoice, a copy of a paid check, and a summary page. The summary page should describe each item, itemizing each cost and provide a total requested reimbursement amount. The Financial Request/Reporting Form is subject to Paragraph 21 herein, and may include cost and expense information associated with proprietary information in NCW's Proposal including specific locations of high speed service, access lines, or transport type within the service areas. The Financial Request/Reporting Form will not be processed, if all required progress reports have not been received. Payment will be delivered by the COUNTY within thirty (30) days after approval of NCW's written request for payment, which request shall certify that NCW has performed the required work under this Agreement and that it is entitled under the terms of this Agreement to receive the amount so requested. NCW shall be notified within 30 days whether the request has been accepted or denied.
- b. NCW must maintain full, accurate, and verifiable accounting records to support the preparation of financial statements in conformity with Generally Acceptable Accounting Principles (GAAP). Expenditures must be consistent with the Project Budget and must be used for eligible items as described in the Request for Proposals for this project. All payments will be made based on demonstrated need and satisfactory progress towards the goals of the grant. (See Exhibit C for reporting schedule.)

- c. Any changes in the Project Budget or payment must be made consistent with paragraph 9 below.
8. Expenditures for travel, conferences, software or equipment that are not within the deliverables and payment schedule annexed hereto and as presented in the Grant Application are not permitted expenses of this Grant Agreement.
9. Obligation of Funds. Funds provided by the COUNTY may not be utilized for expenses incurred by NCW prior to the Effective Date or subsequent to the Termination Date. All unpaid obligations incurred prior to the Termination Date shall be paid and satisfied by NCW within thirty (30) days thereafter. Prior approval shall not be required for changes that affect the approved budget unless a budget category is exceeded by ten (10) percent or \$500.00, whichever is greater. Any changes in the approved budget that would result in the addition or deletion of a budget category shall require prior approval from the COUNTY.
10. Reports.
 - a. NCW will furnish the COUNTY with detailed written progress reports as specified in Exhibit C.
 - b. The reports referred to in Paragraph 10(a) above shall describe the progress made by NCW toward achieving the purpose(s) for which the funds were awarded, and address the successes and problems encountered during the reporting period.
 - c. Failure to submit a required report by the scheduled submission date will result in the withholding of any subsequent grant payment until the COUNTY is in receipt of the delinquent report.
 - d. All funds awarded to NCW under this Agreement are awarded at the direction of COUNTY. Accordingly, NCW acknowledges and agrees that it will be subject to the audit and reporting requirements prescribed by N.C.G.S. § 143C-6-23 et. seq., Non-State Entities Receiving State Funds or N.C.G.S §159-34, The Local Government and Fiscal Control Act - Annual Independent Audit, Rules, and Regulations; as applicable. Such audit and reporting requirements may vary depending upon the amount and source of funding received NCW, and are subject to change from time to time. In addition to the audit and reporting requirements mandated by the State of North Carolina, NCW agrees to comply with any requests made by the COUNTY from time to time for other financial and organizational materials to permit the COUNTY to comply with its fiscal monitoring responsibilities.
 - e. NCW agrees that within thirty (30) days after the termination of this Agreement, a final report (see Exhibit C) shall be submitted to the COUNTY that describes the activities and accomplishments of the Project. The COUNTY may request from NCW certain information that will assist with evaluation of the short and long-range impact of its programs. NCW recognizes that such requests may occur after termination of this Agreement and agrees, to the extent possible, to provide such information as requested.
11. If the COUNTY finds that NCW has used grant funds for an unauthorized purpose, or in a manner not agreed and approved as provided in this Agreement, the COUNTY shall

report such findings to the County Attorney for action. Funds shall not be disbursed to NCW, if NCW fails to comply with the reporting requirements of this Agreement.

12. Project Records.

- a. NCW shall maintain full, accurate and verifiable financial records, supporting documents, and all other pertinent data for this Project in such a manner so as to identify and document clearly the expenditure of the COUNTY funds provided under this Agreement, separate from accounts for other awards, monetary contributions, or other revenue sources for this Project.
- b. NCW shall retain all financial records, supporting documents, and all other pertinent records related to the Project for five (5) years from the Termination Date. In the event such records are audited, all Project records shall be retained beyond such five-year period until any and all audit findings have been resolved.
- c. NCW agrees to make available to the COUNTY all of its records which relate to the Project, and agrees to allow the COUNTY or its representative to audit, examine and copy any and all data, documents, proceedings, records and notes of activity relating in any way to the Project. Access to these records shall be allowed upon request at any time during normal business hours and as often as the COUNTY or its representative may deem necessary in coordination with NCW.

13. Termination; Availability of Funds.

- a. If NCW shall fail for any reason to fulfill in a timely and proper manner its obligations under this Agreement, or shall violate any of the covenants or stipulations of this Agreement, the COUNTY shall thereupon have the right to terminate this Agreement by giving written notice to NCW of such termination and by specifying the effective date of termination. In such event, the COUNTY shall have no responsibility to make additional payments under this Agreement after the Termination Date.
- b. It is understood that the COUNTY'S obligation to pay any amounts under this Agreement is contingent upon the availability and continuation of funds for such purpose. In the event that funds for this Project become unavailable, the COUNTY may terminate this Agreement upon thirty (30) days written notice to NCW. All obligations of the COUNTY to make payments under this Agreement shall cease as of the Termination Date. Upon such an event NCW may elect to terminate some or all services, if a sustainable business case cannot be established.
- c. The Parties may terminate this Agreement by mutual consent upon sixty (60) days notice. Notice may be given by either party to the other at the addresses and to the attention of the Party's representative specified in Paragraph 24 below.

14. Liabilities and Loss. The COUNTY assumes no liability with respect to accidents, bodily injury, illness, breach of contract or any other damages, claims, or losses arising out of any activities undertaken by NCW under this Agreement, whether with respect to persons or property of NCW, or third parties. NCW agrees to obtain insurance to protect itself and others as it may deem desirable, or, if it elects not to obtain such insurance, it represents that it has adequate resources available to it for this purpose. Further, NCW

agrees to indemnify, defend and save harmless the COUNTY and their respective officers, agents and employees against any liability, including costs and expenses and attorneys fees, for NCW violation of any proprietary right or right of privacy arising out of the publication, translation, reproduction, delivery, performance, use or disposition of any information published resulting from the work of the Project or based on any libelous or other unlawful matter contained in such information. NCW also further agrees to indemnify, defend and save harmless the COUNTY, and their respective officers, agents and employees from any and all claims and losses accruing or resulting to any and all subcontractors, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the Project and the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by NCW or its agents in the performance of the Project.

15. Entire Agreement. This Agreement supersedes all prior agreements between the COUNTY and NCW, and expresses the entire understanding of the Parties with respect to the transactions contemplated herein, and shall not be amended, modified or altered except pursuant to a writing signed by both NCW and the COUNTY.
16. Grantee Representation and Warranties. NCW hereby represents and warrants that:
 - a. NCW is duly organized and validly existing under the laws of the State of North Carolina.
 - b. This Agreement constitutes a binding obligation of NCW enforceable against it in accordance with its terms. The execution and delivery of this Agreement have been duly authorized by all necessary action on the part NCW, and does not violate any applicable organizational documents of NCW, or any agreement or undertaking to which it is a party or by which it is bound.
 - c. There is no action, suit, proceeding, or investigation at law or in equity or before any court, public board or body pending, or to the NCW'S knowledge, threatened against or affecting it, that could or might adversely affect the Project or any of the transactions contemplated by this Agreement or the validity or enforceability of this Agreement or the NCW'S ability to discharge its obligations under this Agreement.
 - d. NCW shall submit a copy of its conflict of interest policy, and shall ensure that such policy conforms to the requirements of N.C.G.S. §143C-6-23 and other applicable laws.
 - e. NCW shall submit a certification, signed by an authorized official or officer, that it has no overdue tax debts as defined by N.C.G.S. §105-243.1, and such certification shall conform to the requirements of N.C.G.S. §143C-6-23(c) and other applicable laws.
 - f. E-Verify and Iran Divestment Certification: Contractor shall comply with the requirements of Article 2 of Chapter 64 of the General Statutes. Further, if Contractor utilizes a subcontractor, Contractor shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the General Statutes.

- g. Iran Divestment Act: By agreement of this contract, vendors, contractors, and/or subcontractors affirm they are not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. 143C-6A-4, Iran Divestment Act Certification.

17. Subcontracting. NCW shall be responsible for the performance of any subcontractor.
18. Excusable Delay (Force Majeure). Neither party shall be liable for any failure or delay in performing any of its obligations under this Agreement, that is due to causes beyond its reasonable control, such as, but not limited to, acts of God, earthquakes and other natural catastrophes, governmental acts, shortages of supplies, riots, war, fire, epidemics, delays in common carriers, labor strikes or other difficulties or circumstances beyond its reasonable control. NCW shall notify the COUNTY promptly of any factor, occurrence or event that comes to its attention that may affect or delay the NCW's ability to perform any of its other obligations hereunder. The obligations and rights of the excused party shall be extended on a day to day basis for the time period equal to the period of the excusable delay. Proactively the county shall also notify NCW if any such excusable delays occur that may prevent access to county owned assets where co-location may occur.
19. Dispute Resolution. The Parties agree that it is in their mutual interest to resolve disputes informally. A claim by Grantee shall be submitted in writing to the COUNTY for decision. A claim by the COUNTY shall be submitted in writing to Grantee for decision. The Parties shall negotiate in good faith and use all reasonable efforts to resolve such dispute(s). During the time the Parties are attempting to resolve any dispute, each shall proceed diligently to perform their respective duties and responsibilities under this Contract. If a dispute cannot be resolved between the Parties within thirty (30) days after delivery of notice, either Party may elect to exercise any other remedies available under this Contract, or at law; or invite the other party to submit the matter to mediation. If both Parties agree to submit the matter to mediation, the following actions shall be taken:
- a. Each party shall recommend a mediator certified by the N.C. Courts after first determining that the recommended mediator, and said mediator's firm, if any, have no conflict or prior knowledge of the matter to be resolved, and no prior work for or against either party; and,
 - b. The recommended mediators must have knowledge of the general subject matter of this Grant; and,
 - c. The recommended mediators must be able to execute and deliver a satisfactory confidentiality and non-disclosure agreement if information exempt from disclosure under N.C.G.S. §132-1, et. seq. is relevant or material to the matter to be resolved; and,
 - d. Recommended mediators and their respective contact and qualification information shall be exchanged within five (5) days to each party as provided in paragraph 21 below following the agreement to mediate; and
 - e. Unless the Parties mutually agree to select a particular mediator, the selection of a mediator shall be determined by the Mediator's earliest available date to initiate mediation. Any agreement to mediate shall require the Parties to appear and

mediate the matter in good faith in accordance with the schedule and calendar established by the Mediator; and,

- f. Provided, however, that this term shall not constitute an agreement by either party to mediate or arbitrate any dispute; and that any agreement to mediate may be revoked or terminated without penalty therefore if so advised by the Person County Attorney.
- g. If mediation is required the parties would share cost of such mediation equally.

20. Special Provisions and Conditions.

- a. Equipment/assets. Equipment and information technology assets acquired with Grant funds shall be used only as provided by this Grant Agreement.
 - b. Nondiscrimination. NCW agrees not to discriminate by reason of age, race, religion, color, sex, national origin, or handicap related to the activities of this Agreement.
 - c. Conflict of Interest. NCW certifies that to the best of its knowledge no employee or officer of NCW has any pecuniary interest in the business of the COUNTY or of the Project, and that no person associated with NCW has any interest that would conflict in any manner with the performance of the Agreement.
 - d. Order of Precedence. To the extent of any conflict between the Grant Proposal and the Agreement, including the Exhibits comprising a Statement of Work, Payment Schedule and Reporting Schedule, such conflicts shall be resolved by first referring to the Agreement, followed serially by the Statement of Work, Payment Schedule, Reporting Schedule and lastly by the Grant Proposal.
 - e. Compliance with Laws. NCW shall at all times observe and comply with all laws, ordinances, and regulation of the state, federal and local governments which may in any manner affect the performance of the Agreement Unless such laws are in conflict. If local, state and federal laws are in conflict, NCW intends to comply with Federal rules or interpretations.
 - f. Non-Assignability. NCW shall not assign any interest in the Agreement and shall not transfer any interest in the same without prior written consent of the COUNTY; provided, however, that claims for money due to NCW from the COUNTY under this Agreement may be assigned to any commercial bank or other financial institution without such approval.
 - g. Personnel. NCW represents that is has, or will secure at its own expense, all personnel required to carry out and perform the scope of services required under this Agreement. Such employees shall not be employees of the COUNTY. Such personnel shall be fully qualified and shall be authorized under state and local law to perform such services.
21. Proprietary Information: Proprietary information may be submitted as part of the reporting requirements, but such information shall be subject to the N.C. Public Records Act, which is set forth in N.C. General Statutes 132-1, et. seq. Grantees are encouraged to review the applicable Statutes prior to submitting any information or documentation believed to be proprietary.

24. Notice. All notices required or permitted to be delivered hereunder and all communications in respect hereof shall be in writing and shall be deemed given when personally delivered by one or more of the following: when deposited in the United States mails, first class, postage prepaid and properly addressed, or by e-mail, as follows:

If to the COUNTY: Attn: Sybil Tate
Person County
304 S. Morgan St., Rm 211
Roxboro, NC 27573
E-Mail: state@personcounty.net

If to NCW: Attn: Joshua Strickland
Partner
NCW
1985 Tate Blvd SE #43
Hickory, NC 28602
E-Mail: josh@lightleap.com

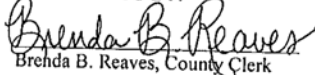
25. Execution. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and such counterparts, together, shall constitute one and the same Agreement.

26. Construction. This Agreement shall be construed and governed by the laws of the State of North Carolina.

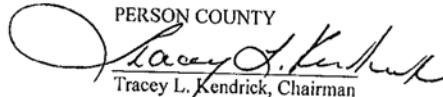
27. Acceptance. This grant may be withdrawn by the COUNTY if an executed copy of this Agreement by NCW is not received by the COUNTY within one month from the date the original Agreement is delivered to NCW.

IN WITNESS WHEREOF, the Company and the County have executed this Agreement effective as of the day and year first written above, and certify that the official signing below on its behalf has been duly authorized to execute this Agreement, which is its legally valid and binding obligation.

ATTESTED TO BY:


Brenda B. Reaves, County Clerk

PERSON COUNTY


Tracey L. Kendrick, Chairman

ATTESTED TO BY:

NORTH CAROLINA WIRELESS (NCW)


William L. Shillito, President/Partner

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


Amy Wehrenberg, County Finance Officer

EXHIBIT A

SCOPE OF WORK and BUDGET

On June 28, 2012, the General Assembly ratified an act that gives counties the authority to provide grants to promote high-speed internet access service in unserved areas for economic development. The act stipulates that grant money can be provided to qualified private providers, awarded on a technology neutral basis and may require matching funds from the private provider.

Person County has elected to use this new authority to provide broadband service to unserved areas of Person County. The County has chosen to match up to 50% of the total project costs, as proposed by NCW.

The total cost, project budget, matching funds and other information included in this summary, supersedes the exact numbers provided in the original grant proposal, which is attached.

The total cost of the project for Person County shall not exceed \$256,868 and shall be paid to NCW over four years to build infrastructure in order to provide Fixed Wireless Internet Service to the unserved areas of the county. Operational costs shall be reimbursed within 30 days after documentation has been presented to the county. The Per Household Reimbursement shall be paid to NCW within 30 days of receipt of a signed statement of the home or business owner.

NCW will also provide County Hotspots at the following locations:

1. Uptown Roxboro
2. Woodland School
3. Mt. Tirzah Park
4. Bushy Fork Park
5. Bethel Hill Charter School

Under the following conditions:

- NCW agrees to deploy, maintain and pay all capital and operating costs related to the deployment of public access wireless hotspots.
- The preference will be to terminate the traffic from these hot spots at the county's existing Internet connection. If a purchase of an addition Internet connection to support the traffic from these hotspots is required, the County agrees to cover the monthly recurring cost of this Internet connection.
- The County will assist NCW in obtaining space at each facility to place antennae and radio equipment necessary to establish the hotspot.

The Company shall be entitled to all advertising rights on the splash page, which captures user log-in information and contains the acceptable use policy for the hotspot. County has the right to review and edit the splash page advertisement before publishing.

After the final grant payment, NCW shall maintain the wireless network for at least 4 more years. After the four year funding period, NCW shall pay a rental fee on the Bethel Hill and Bushy Fork towers. Acknowledging that revenue is related to tower usage, the rental fee for each tower shall be based on

the use of that tower. The usage fee will equal 5% of the revenue generated from sales related to that tower, not to exceed \$1000 per month.

Budget

County's incentives will be paid out as follows

	Year 1	Year 2	Year 3	Year 4	Total
Capital /Operational Costs	\$99,500	\$99,868	\$0	\$ 0	
Est Unserved Installs	30	50	100	50	\$199,368.00
Per household reimbursement	\$7,500.00	\$12,500.00	\$25,000.00	\$12,500.00	230
TOTAL	\$107,000	\$112,368	\$ 25,000	\$12,500	\$57,500.00
Activities and Assumptions:					\$256,868.00
	NOC Build	Tower 3	2-3 Repeater / Cells	1 Repeater / Cell	
	Tower 1	Tower 4	Installs	Installs	
	Tower 2	1 Repeater Site	Some Operations	Some Operations	
	Engineering	1 Micro-Cell			
	Some Operations	Engineering			
	Spares	Spares			
	Installs	Some Operations			
		Installs			

A statement signed by the homeowner or business stating that their home was previously unserved must accompany any request for reimbursement listed as "Per household reimbursement" above (see Exhibit A-1).

Access to Fiber

Once the County planned fiber build is complete, NCW will have access to 2 strands of fiber along the entire new build footprint to provision point-to-point backhaul from wireless traffic aggregation points (such as towers). These strands shall be provided by the County to NCW for an annual maintenance fee only with no associated lease fee. The annual maintenance fee shall not exceed \$300 per linear mile per year. After the 4 year grant period, the County may charge a lease fee.

NCW will be responsible for all equipment placing this fiber into service and for technical support of its equipment. Access to NCW equipment will be the same terms (24x7) as other county facilities.

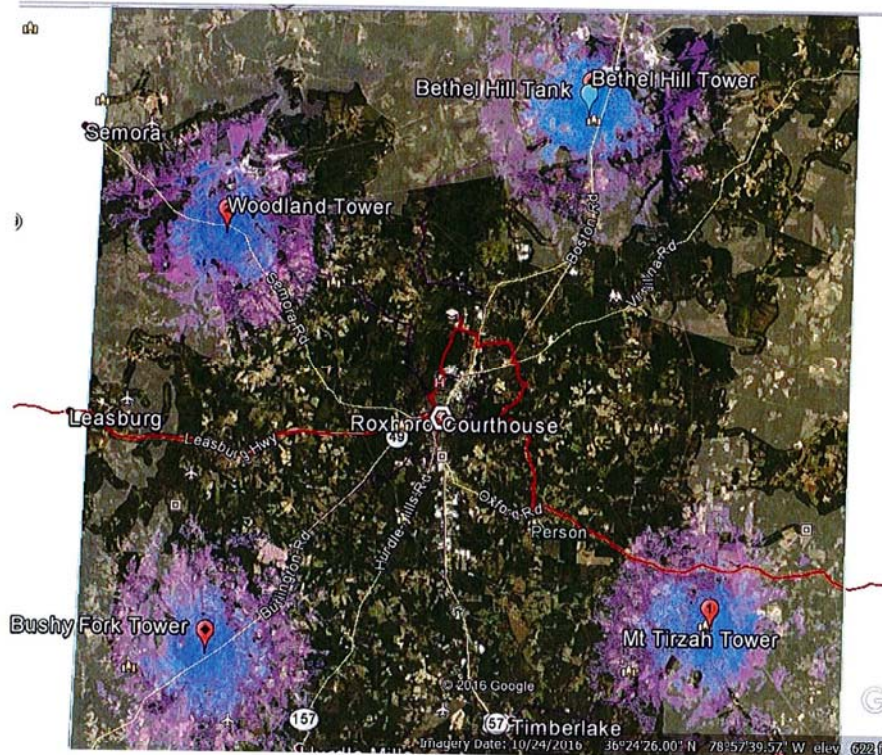
The county shall provide access to regeneration and/or co-location space (if any) along the fiber routes at a per rate rack to be negotiated between the County and NCW. The rate per rack will

not exceed the cost of a rack for the counties most favored customer by more than \$50 per month per rack plus charges for electrical power. (Note that County may be providing strands and rack space to economic development prospects-not for contract)

Estimated Service Area

NCW will make broadband service available in the currently unserved areas, as follows:

- Light Purple is estimate of at least 3 Mbps Service.
- Blue is estimate of 25 Mbps Service (requires clear Line of Sight to tower)



Note: Not all homes/businesses can be served due to signal propagation even in areas where models may deem as covered. On-site visits are final determination via a signal test rather or not service can be provided. This map is an estimate of a theoretical service area.

Tree density, obstacles and available signal levels can affect this map. This map is software-generated and considers typical density and tree coverage and is provided as an estimate and based on real-world experience.

Within 30 days of the execution of the contract a final map showing specific locations that can be served must be provided. The County will not release any grant funding until that time.

Timeline

May 15, 2017 – launch a COS Systems software on-line interactive regional map of the county with both revenue and customer take-rate targets necessary to commence service deployment. This on-line interactive regional map will be accessible by County officials and the general public.

June 2017 – Launch Registration Portal, develop NOC and wireless backhauls to towers

July –Aug 2017 – Light Woodland and Mr Tirzah Towers (beta test end users)

September 1, 2017 – Begin services from Woodland and Tirzah Towers

Q4 – 2017 – Bushy Fork and Bethel Hill Tower made available

Q1 – 2018 – Backhaul and light Bushy Fork and Bethel Hill Towers

Q2 – 2018 – Begin selling retail service from Bushy Fork and Bethel Hill Towers

Q4- 2018 – Fiber segment 1 available

Q4 – 2019 – Fiber segment 2 available

Speed of Service

NCW must at a minimum, provide 3 Mbps download and 1 Mbps upload speeds and guarantee 99.9% uptime. All NCW customers that will have broadband service made available to them as a result of this grant will be provided the same service capability as available to all NCW customers in Person County. Service is contingent upon Line of Sight (LoS) and other environmental factors.

NCW commits to reach an area of coverage that will include 475 homes and 40 businesses in the unserved area. Knowing that the mesh of wireless coverage will include areas where the signal varies in its strength, NCW will only market verifiable service to each location. For example, if the signal allows a 10 mbps download service to a household, that, or a slower service, is the only service that will be marketed to the home.

County has the ability to access Company service records for business and residential customers in the County. If there are a high frequency of service calls from a single region (more than 10 service impacting calls or customer service calls from a single service area in a calendar week), the County and vendor agree to work together to analyze and determine the underlying causes of customer complaints/service issues. Company agrees to publish a plan for addressing service impacting or customer service calls within 72 hours of the discovery of the high frequency service impacting or customer support issues.

Marketing

NCW will provide Person County with a more comprehensive marketing plan before implementing the marketing component, in order for Person County to provide constructive feedback on the plan. The comprehensive marketing plan will include at least four community events in the unserved areas near the towers and NCW agrees to participate in a joint press event announcing the Company's offering of service in the county. The marketing plan will also include:

- a. County's participation in periodic news updates on Company's progress
- b. Splash page on the Midtown hotspot log-in/acceptable use policy confirmation page when hotspot is implemented

NCW and County will craft a marketing statement regarding the Needs Based-Low Income rate described in the "Rates" section of the agreement. The marketing statement will provide recognition of NCW's financial commitment to Person County and specifically to this segment of customers.

Monthly Rates*

Consumer - 3 mbps down/1up \$39.95 + \$9.95 equipment/signal/tax
Consumer - 5 mbps down/1up \$69.95 + \$9.95 equipment/signal/tax
Consumer - 10 mbps down/2 up \$89.95 + \$9.95 equipment/signal/tax
Consumer - 25 mbps down/3 up \$109.95 + \$9.95 equipment/signal/tax

Business- 3 mbps down/1up \$49.95 + \$9.95 equipment/signal/tax
Business - 5 mbps down/1up \$79.95 + \$9.95 equipment/signal/tax
Business - 10 mbps down/2 up \$99.95 + \$9.95 equipment/signal/tax
Business - 25 mbps down/3 up \$119.95 + \$9.95 equipment/signal/tax
Custom and Dedicated Business Packages as quoted

* Allowing for justified rate increases

Needs Based or Low Income rate

The COUNTY agrees to qualify and maintain a list of eligible participants. NCW agrees to provide the following:

- 5 reduced rate accounts offered per 100 subscribers starting after first 100 regular rate subscribers (example: at 1000 standard subscribers, NCW would have a list of 50 reduced rate accounts)
- \$25/mo off of first 2 Tiers of Consumer Packages (3 or 5 Mbps plans)
- Only offered where NCW can provide service via network
- Customer would be responsible for any build costs not considered part of "Standard Installation"
- NCW can either waive or make a donation to DSS to offset the \$49 install fee on our First tier package (3 Mbps)

**EXHIBIT A-1
UNSERVED STATEMENT**

I, _____, certify that my personal residence located at _____ does not have access to Unlimited Use Internet Service at a speed greater than 10 Mbps download and 1 Mbps upload at a latency measurement of less than 200 milliseconds to the Internet.

Signed this ____ day of _____ 201____

Citizen Signature

Citizen Name

EXHIBIT B

MAP of UNSERVED AREA

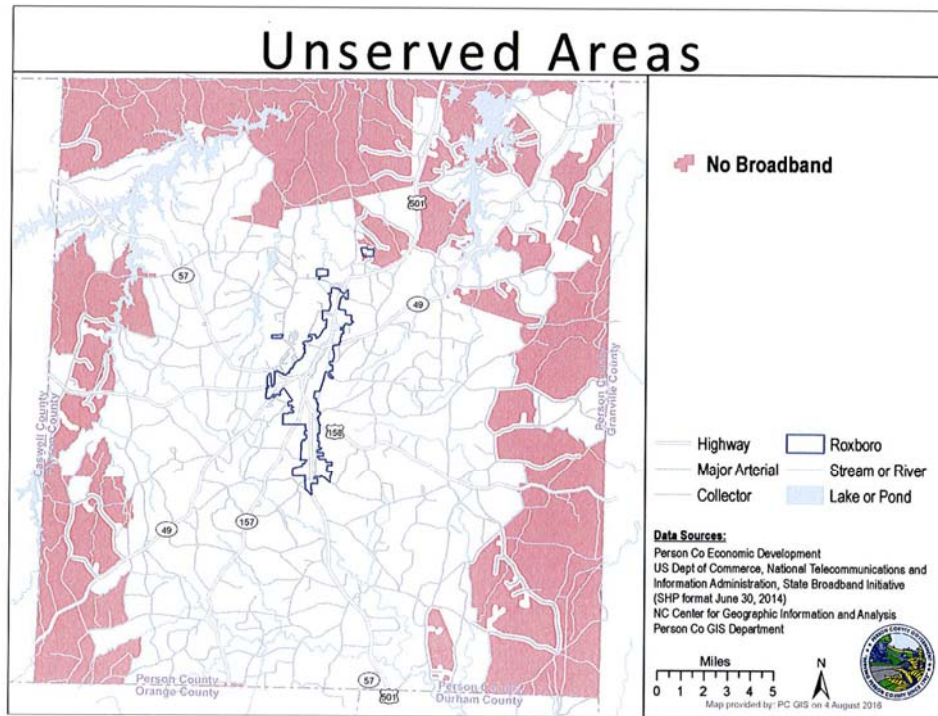


EXHIBIT C

REPORTING SCHEDULE

In accordance with the contractual agreement between NCW and Person County, progress and final reports should be submitted to Person County based on the following schedule:

<u>Reporting Periods</u>	<u>Progress Report Due</u>
April –June 2017	July 31, 2017 (quarterly)
July-Sept 2017	Oct 31, 2017 (quarterly)
Oct – Dec 2017	Jan 31, 2018 (quarterly)
Jan– March 2018	April 30, 2018 (quarterly)
April– June 2018	July 31, 2018 (quarterly)
July – Sept 2018	Oct 31, 2018 (quarterly)
Oct.- Dec 2018	Jan 31, 2019 (quarterly)
Jan– March 2019	April 30, 2019 (quarterly)
April– Sept 2019	Oct 31, 2019 (6 month)
Oct 2019 – March 2020	April 30, 2020 (6 month)
April– Sept 2020	Oct 31, 2020 (6 month)
Oct 2020 – March 2021	April 30, 2021 FINAL REPORT

Each report shall include the following:

- Number of business and residential locations served in the un-served area
- Number of business and residential subscribers in the un-served area
- Amount of funds spent and the amount of reimbursed funds spent, broken down into construction/equipment, operations, labor, travel and on-premise equipment
- Number of service tickets in the unserved area
- The time to resolve service tickets and total percentage of issues resolved
- Written summary of the project's status; including challenges
- Outlook on next 3- 6 months

NCW may be requested to present reports before the Person County Board of Commissioners up to 2 times per year.

Final Report - The Final Report will include a review of performance and activities over the entire project period and will include a one-page program summary. In that brief summary, NCW should describe the Project, how it was implemented, to what degree the established Project objectives were met and the difficulties encountered, what the Project changed, and its total cost(s) for each Area. In addition to accounting for the use of the Project funds during the current fiscal year, the Final Report must include a detailed final financial report by category (*e.g., operating, per subscriber reimbursement, etc.*) showing all expenditures during the entire term of this Agreement, and also report the sources and amounts of all other funds used to support the Project. In addition, when build out is complete NCW will provide the County with a map of its network (i.e. equipment, towers, etc.) in the unserved areas. An updated map will be completed along with the final report.

NCW shall submit and present this report before the Person County Board of Commissioners at a mutually agreed upon meeting.

EXHIBIT D

See attached RFP Response from NCW in .pdf format

Page 20 of 20

By reference, the RFP Response from NCW (Exhibit D) is hereby incorporated into the minutes and filed in the Office of the Clerk to the Board of Commissioners.

March 20, 2017

30

RESOLUTION PROVIDING FOR THE ISSUANCE OF A \$2,285,000 GENERAL OBLIGATION RECREATION FACILITIES BOND, SERIES 2017:

Finance Director, Amy Wehrenberg requested Board action to approve a Resolution providing for the Issuance of a \$2,285,000 General Obligation Recreation Facilities Bond, Series 2017. The Resolution set forth was summarized as follows:

The purpose of the Resolution is to provide for the issuance of a single bond for \$2,285,000 designated “General Obligation Recreation Facilities Bond, Series 2017” for providing additional recreation facilities for the County (acquisition and improvements of Person County Senior Center). The Resolution includes details of the Bond and designates certain parties to carry out the requirements as established. The Purchaser of the Bond is Carter Bank & Trust who submitted the most competitive bid for a 15 year term bearing an interest rate of 2.59%. Total interest over the terms of the agreement is \$465,397.65. Part of the Resolution is requesting that the Local Government Commission sell the Bond at a private sale without advertisement, and in accordance with the proposal submitted by Carter Bank & Trust. Further designations of authority are listed with the purpose of completing all required provisions of the Bond under the associated terms and covenants that are a part of the Resolution.

Commissioner Jeffers noted his support of the Senior Center however stated his disappointment that the general obligation recreation facilities bond, which was passed by voters on the ballot in 2008 for a Recreation and Senior Center did not include any recreational amenities.

A **motion** was made by Commissioner Clayton and **carried 5-0** to approve a Resolution providing for the Issuance of a \$2,285,000 General Obligation Recreation Facilities Bond, Series 2017.

RESOLUTION PROVIDING FOR THE ISSUANCE OF A
\$2,285,000 GENERAL OBLIGATION RECREATION FACILITIES BOND, SERIES 2017

BE IT RESOLVED by the Board of Commissioners for the County of Person, North Carolina:

Section 1. Said Board of Commissioners (the "Board of Commissioners") has determined and does hereby find and declare:

(a) That an order authorizing not exceeding \$6,000,000 Recreation Facilities Bonds was adopted by the Board of Commissioners on September 12, 2008 and that said order was approved by the vote of a majority of the qualified voters of the County of Person, North Carolina who voted thereon at a referendum duly called and held on November 4, 2008.

(b) That the Board of Commissioners adopted on September 8, 2015 an order extending the maximum period for issuing said Recreation Facilities Bonds to November 4, 2018, which order has taken effect.

(c) That none of said Recreation Facilities Bonds has been issued; that no notes have been issued in anticipation of the receipt of the proceeds of the sale of said Recreation Facilities Bonds; and that it is necessary to issue at this time said Recreation Facilities Bonds in the amount of \$2,285,000 in accordance with the provisions of Section 2 of this resolution for the purpose of providing funds, with any other available funds, for providing additional recreation facilities of said County.

(d) That the maximum period of usefulness of the additional recreation facilities to be financed with the proceeds of said Recreation Facilities Bonds to be issued is estimated as a period of 40 years and that the date of expiration of said period computed from April 20, 2017, the expected date of said Recreation Facilities Bonds to be issued as provided in Section 2 of this resolution, is April 20, 2057.

9526895v1 14038.00019

March 20, 2017

Section 2. Pursuant to said order, there shall be issued a single bond of said County (the "Issuer") in the principal amount of \$2,285,000, designated "General Obligation Recreation Facilities Bond, Series 2017" and dated the date of delivery thereof (the "Bond"). The Bond shall be stated to mature in annual installments of principal of \$152,333 on March 1, 2018 to 2031, inclusive, and \$152,338 on March 1, 2032 and shall bear interest on the unpaid part of such principal amount (computed on the basis of a 360-day year consisting of twelve 30-day months) at the rate of two and fifty-nine hundredths per centum (2.59%) per annum, which interest shall be payable on September 1, 2017 and semiannually thereafter on March 1 and September 1 of each year until payment of such principal amount.

The Bond shall bear interest from the interest payment date next preceding the date on which it is authenticated unless it is (a) authenticated upon an interest payment date in which event it shall bear interest from such interest payment date or (b) authenticated prior to the first interest payment date in which event it shall bear interest from its date; provided, however, that if at the time of authentication interest is in default, the Bond shall bear interest from the date to which interest has been paid.

The principal of and the interest on the Bond shall be payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on the respective dates of payment thereof.

The principal of and the interest on the Bond shall be payable to the person appearing on the registration books of the Issuer hereinafter provided for as the registered owner of the Bond or his registered assigns or legal representative as the same shall become due and payable on the respective payment dates by wire transfer or other means in accordance with information to be provided to the Issuer by the registered owner of the Bond.

The Bond shall be initially issued as one fully-registered bond, numbered R-1, and shall be initially registered in the name of "Carter Bank & Trust," as the initial purchaser of the Bond (the "Purchaser").

The Issuer has pledged its faith and credit to the payment of the principal of and interest on the Bond. Unless other funds are lawfully available and appropriated for the timely payment thereof, the Issuer will levy on all real and tangible personal property taxable by the Issuer such ad valorem taxes as may be necessary to pay the principal of and the interest on the Bond as they become due.

Unless indicated otherwise, the provisions of this resolution that follow shall apply to each Bond issued or issuable hereunder, whether initially or in replacement thereof.

Section 3. The Bond shall bear the manual signatures of the Chairman of the Board of Commissioners and the Clerk to the Board of Commissioners and the corporate seal of the Issuer shall be impressed on the Bond.

The certificate of the Local Government Commission of North Carolina (the "Local Government Commission") to be endorsed on the Bond shall bear the manual or facsimile signature of the Secretary of the Local Government Commission and the certificate of authentication of the Bond Registrar (hereinafter defined) to be endorsed on the Bond shall be executed as provided hereinafter.

In case any officer of the Issuer or the Local Government Commission whose manual or facsimile signature shall appear on the Bond shall cease to be such officer before the delivery of the Bond, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and the Bond may bear the manual or facsimile signatures of such persons as at the actual time of the execution of the Bond

shall be the proper officers to sign the Bond although at the date of the Bond such persons may not have been such officers.

The Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under this resolution until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed thereon.

The Bond and the endorsements thereon shall be in substantially the following forms:

No. R- 1

\$2,285,000

United States of America
State of North Carolina

COUNTY OF PERSON

GENERAL OBLIGATION RECREATION FACILITIES BOND, SERIES 2017

The County of Person, a political subdivision in the State of North Carolina, is justly indebted and for value received hereby promises to pay to

CARTER BANK & TRUST

or registered assigns or legal representative the principal sum of

TWO MILLION TWO HUNDRED EIGHTY-FIVE THOUSAND DOLLARS

in annual installments of \$152,333 on March 1, 2018 to 2031, inclusive, and \$152,338 on March 1, 2032 and to pay interest from the date hereof on the unpaid part of such principal sum at the rate of three and two and fifty-nine hundredths per centum (2.59%) per annum until payment thereof, such interest to the maturity hereof being payable on September 1, 2017 and semiannually thereafter on March 1 and September 1 of each year. The principal of and the interest on this bond shall be payable to the person appearing on the registration books of said County as the registered owner of this bond or his assigns or legal representative as the same shall become due and payable on the respective payment dates by wire transfer or other means in accordance with instructions to be provided to said County by the registered owner of this bond. Both the principal of and the interest on this bond shall be paid in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof.

March 20, 2017

For the prompt payment hereof, both principal and interest as the same shall become due, the faith and credit of said County of Person are hereby irrevocably pledged.

This bond is being issued by said County for the purpose of providing funds, with any other available funds, for providing additional recreation facilities of said County as provided in a resolution duly passed by the Board of Commissioners for said County on March 20, 2017 (the "Resolution"), and this bond is issued under and pursuant to The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, an order adopted by said Board of Commissioners, which order was approved by the vote of a majority of the qualified voters of said County who voted thereon at a referendum duly called and held, and the Resolution.

The installments of principal of this bond may be redeemed prior to maturity, at the option of said County, from any moneys that may be made available for such purpose, in whole or in part on any date, at a redemption price equal to 100% of the aggregate principal amount of the installments of principal to be redeemed, plus interest accrued thereon to the date fixed for redemption.

Not less than thirty (30) days before the redemption date of the installments of principal of this bond to be redeemed, said County shall cause a notice of such redemption to be filed with the Bond Registrar (as defined in the Resolution) and to be given by certified or registered United States mail or a national package delivery service to the registered owner of this bond at the address appearing upon the registration books of said County or by such other means as the registered owner of this bond shall require. On the date fixed for redemption, notice having been given as aforesaid, the installments of principal of this bond so called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date, and said

County shall pay such redemption price plus accrued interest to the registered owner of this bond by wire transfer or other means in accordance with instructions to be provided by such registered owner.

Any notice of redemption may state that the redemption to be effected is conditioned upon the receipt by the Bond Registrar on or prior to the redemption date of moneys sufficient to pay the redemption price and interest on the installments of principal of this bond to be redeemed and that if such moneys are not so received such notice shall be of no force or effect and such installments of principal of this bond shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay such redemption price and interest are not received by the Bond Registrar on or prior to the redemption date, the redemption shall not be made and the Bond Registrar shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

In the event that all of the outstanding installments of principal of this bond shall be redeemed, the registered owner of this bond shall promptly surrender this bond to the Bond Registrar and this bond shall forthwith be cancelled by the Bond Registrar.

The Bond Registrar shall keep at his or her office the books of said County for the registration of transfer of this bond. The transfer of this bond may be registered only upon such books and as otherwise provided in the Resolution upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall deliver in exchange for this bond a new bond, registered in the name of the transferee, in a principal amount equal to the outstanding installments of principal of this bond, containing the same outstanding installments of principal and bearing

interest at the same rate. Notwithstanding the foregoing, the Bond Registrar shall not register the transfer of this bond to any person or entity other than a bank, insurance company or similar financial institution unless such transfer has been approved by the Local Government Commission of North Carolina.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this bond have happened, exist and have been performed in regular and due form and time as so required; that provision has been made for the levy and collection of a direct annual tax upon all taxable property within said County sufficient to pay the principal of and the interest on this bond as the same shall become due; and that the total indebtedness of said County, including this bond, does not exceed any constitutional or statutory limitation thereon.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until this bond shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, said County of Person, by resolution duly passed by its Board of Commissioners, has caused this bond to be manually signed by the Chairman of said Board and the Clerk to said Board and its corporate seal to be impressed hereon, all as of the ____ day of April 2017.

Chairman of the Board of Commissioners

Clerk to the Board of Commissioners

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within bond has been approved under the provisions of The Local Government Bond Act of North Carolina.

Secretary, Local Government Commission

CERTIFICATE OF AUTHENTICATION

This bond is the bond of the series designated herein and issued under the provisions of the within-mentioned Resolution.

Finance Director of the County of Person, North
Carolina, as Bond Registrar

By: _____
Authorized Signatory

Date of authentication: _____

ASSIGNMENT

FOR VALUE RECEIVED the undersigned registered owner thereof hereby sells, assigns
and transfers unto

the within bond and all rights thereunder and hereby irrevocably constitutes and appoints

attorney to register the transfer of said bond on the books kept for registration thereof, with full
power of substitution in the premises.

Dated: _____

In the presence of:

NOTICE: The signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

The signature to this assignment must correspond with the name as it appears on the face of the within bond in every particular, without alteration of enlargement or any change whatever.

Section 4. The installments of principal of the Bond will be redeemable prior to maturity, at the option of the Issuer, from any moneys that may be made available for such purpose, in whole or in part on any date, at a redemption price equal to 100% of the aggregate principal amount of the installments of principal of the Bond to be redeemed, plus interest accrued thereon to the date fixed for redemption.

Not less than thirty (30) days before the redemption date of the installments of principal of the Bond to be redeemed, the Issuer shall cause a notice of such redemption to be filed with the Bond Registrar and to be given by certified or registered United States mail or a national package delivery service to the registered owner of the Bond at the address appearing on the registration books of said County or by such other means as the registered owner of the Bond shall require. Any such notice shall set forth the date designated for redemption, the redemption price to be paid and the installments of principal of the Bond to be redeemed.

On or before the date fixed for redemption, moneys shall be deposited with the Bond Registrar to pay the redemption price of the installments of principal of the Bond called for redemption as well as the interest accruing thereon to the redemption date thereof.

On the date fixed for redemption, notice having been given in the manner and under the conditions hereinabove provided, the installments of principal of the Bond so called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date, and the Issuer shall pay such redemption price plus accrued interest to the registered owner of the Bond by wire transfer or other means in accordance with instructions to be provided by such registered owner.

Any notice of redemption may state that the redemption to be effected is conditioned upon the receipt by the Bond Registrar on or prior to the redemption date of moneys sufficient to pay the redemption price and interest on the installments of principal of the Bond to be redeemed and that if such moneys are not so received such notice shall be of no force or effect and such installments of principal of the Bond shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay such redemption price and interest are not received by the Bond Registrar on or prior to the redemption date, the redemption shall not be made and the Bond Registrar shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

In the event that all of the outstanding installments of principal of the Bond shall be redeemed, the registered owner of the Bond shall promptly surrender the Bond to the Bond Registrar and the Bond shall forthwith be cancelled by the Bond Registrar.

Section 5. The Bond Registrar shall keep at his or her office the books of the Issuer for the registration of transfer of the Bond. The transfer of the Bond may be registered only upon the registration books of the Issuer upon the surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner thereof or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer,

the Bond Registrar shall authenticate and deliver in exchange for the Bond a new Bond, registered in the name of the transferee, in a principal amount equal to the outstanding installments of principal of the Bond so surrendered, containing the same outstanding installments of principal and bearing interest at the same rate.

In all cases in which the transfer of the Bond shall be registered hereunder, the Bond Registrar shall authenticate and deliver at the earliest practicable time a new Bond in accordance with the provisions of this resolution. Any Bond surrendered in any such registration of transfer shall forthwith be cancelled by the Bond Registrar. The Issuer or the Bond Registrar may make a charge for shipping and out-of-pocket costs for every such registration of transfer of the Bond sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such registration of transfer, but no other charge shall be made by the Issuer or the Bond Registrar for registering the transfer of the Bond under this resolution. Notwithstanding the foregoing, the Bond Registrar shall not register the transfer of the Bond to any person or entity other than a bank, insurance company or similar financial institution unless such transfer has been approved by the Local Government Commission.

As to any Bond, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price of any Bond and the interest on any Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon any Bond, including the interest thereon, to the extent of the sum or sums so paid.

The Issuer shall appoint such registrars, transfer agents, depositories or other agents as may be necessary for the registration and registration of transfer of the Bond within a reasonable time

according to then current commercial standards and for the timely payment of principal and interest with respect to the Bond. The Finance Director of the Issuer is hereby appointed the registrar, transfer agent and paying agent for the Bond (collectively the "Bond Registrar"), subject to the right of the Board of Commissioners to appoint another Bond Registrar, and as such shall keep at his or her office the books of the Issuer for the registration, registration of transfer and payment of the Bond as provided in this resolution.

Section 6. The Issuer shall send to the Purchaser a copy of the Issuer's audited financial statements for each fiscal year promptly after such financial statements become available.

Section 7. The Issuer covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), as are applicable to the Bond, except to the extent that the Issuer obtains an opinion of bond counsel to the effect that noncompliance would not result in interest on the Bond being includable in the gross income of the owner of the Bond for purposes of federal income taxation.

Section 8. The Issuer hereby finds, declares and represents that (a) it reasonably expects that it, all entities subordinate to the Issuer and all entities that issue obligations on behalf of the Issuer (all within the meaning of Section 265(b)(3)(E) of the Code) will not issue in the aggregate more than \$10,000,000 of tax-exempt obligations (not counting private-activity bonds other than 501(c)(3) bonds and certain refunding bonds as provided in Section 265(b)(3)(C)(ii) of the Code) during the current calendar year and (b) no entity has been or will be formed or availed of to avoid the limits described above. In addition, the Issuer hereby designates the Bond as a "qualified tax-exempt obligation" for the purposes of Section 265(b)(3) of the Code.

Section 9. The Local Government Commission is hereby requested to sell the Bond at private sale without advertisement to the Purchaser, subject to the approval of the County Manager or the Finance Director of the Issuer, in accordance with the proposal of the Purchaser in the form presented to the Board of Commissioners (the "Proposal"). The Proposal is hereby approved and the County Manager or the Finance Director of the Issuer is hereby authorized to execute and deliver the Proposal in substantially such form as may be required, with such changes, additions and omissions as may be approved by the County Manager or the Finance Director of the Issuer, subject to the provisions of this resolution.

Section 10. In connection with the issuance of the Bond, the law firm of Robinson, Bradshaw & Hinson, P.A., Charlotte, North Carolina, is hereby confirmed as bond counsel to the Issuer.

Section 11. The County Manager, the Finance Director or the County Attorney of the Issuer or their designees are hereby authorized and directed to take such other actions and to execute and deliver such other documents, certificates, undertakings, agreements or other instruments as may be necessary or appropriate to effectuate the issuance of the Bond; and all actions heretofore taken by any of such officers or any other officer of the Issuer relating to such matter on behalf of the Issuer are hereby approved, ratified and confirmed. Such persons are expressly authorized to execute any documentation that may be reasonably required by the Purchaser as the purchaser of the Bond.

Section 12. The officers, agents and employees of the Issuer are hereby authorized and directed to do all other acts and things required of them by the provisions of the Bond and this resolution for the full, punctual and complete performance of the terms, covenants, provisions and

agreements therein and herein. Such persons are expressly authorized to execute any documentation that may be reasonably required by the Purchaser as the purchaser of the Bond.

Section 13. This resolution is passed with the intent that the laws of the State of North Carolina shall govern its construction

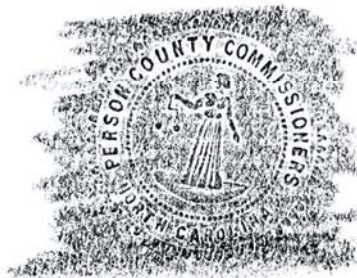
Section 14. This resolution shall take effect upon its passage.

Upon motion duly made, the foregoing resolution was passed by the following vote:

Ayes: Chairman Tracey L. Kendrick, and Commissioners Gordon Powell, Kyle W. Puryear, Jimmy B. Clayton, and B. Ray Jeffers.

Noes: None.

WITNESS my hand and the corporate seal of said County, this 20th day of March 2017.



Brenda B. Reaves

Brenda B. Reaves
Clerk to the Board of Commissioners

CHAIRMAN'S REPORT:

Chairman Kendrick extended gratitude to the services by the Sheriff's deputies and Emergency Services personnel on behalf of Richard Boyd related to the death of his father, Lieutenant Colonel James C. Boyd.

COMMISSIONER REPORT/COMMENTS:

Vice Chairman Powell reported that he would be attending the Research Triangle Regional Partnership executive board meeting in Cary to which he was looking forward to with many good things from economic development in Person County.

Commissioner Puryear had no report.

Commissioner Clayton offered the group's condolences to Commissioner Jeffers in the loss of his grandfather. Commissioner Clayton thanked Granville County Commissioner for attending the Person County Board of Commissioners' meeting. Commissioner Clayton reported an update from the Upper Neuse River Basin Association that works closely with the stormwater and watershed provisions that a request has been made to legislators for the implementation effective dates of Phase I and Phase II be pushed back from 2018 to 2026 and 2031 respectfully to coincide with the rules compliance dates that have been delayed.

Commissioner Jeffers noted his appreciation for the county emergency services and the City of Roxboro's fire department and first responders as well as all acts of kindness his family has received during the passing of his grandfather. Commissioner Jeffers reported that the Person County Cooperative Extension Advisory Board was looking for interested citizens to serve and if anyone was interested to contact him or Paul Westfall.

MANAGER'S REPORT:

County Manager, Heidi York reported her negotiations with the City Manager related to the tower at the 911 center noting the City will be offering the County a proposal for partnership. She said she would be letting the City know that one of the concessions in the wireless broadband contract will be a wireless hot spot for the Uptown area.

Commissioner Jeffers added that the Fire Chiefs have asked about getting the radio equipment to which he told them that it was waiting on the City tower upgrades. Ms. York noted that she and the City Manager have discussed that the County would assist with the up fit of the tower and buy the radios in one financing package.

Commissioner Jeffers commented that he received the invitation for the roadway dedication for the Jesse Lunsford Highway and asked staff to look into a roadway dedication for the new road named Jim Thorpe Highway in honor of the pro golfer from Person County, Jim Thorpe.

March 20, 2017

Chairman Kendrick thanked the students attending the meeting offered for them to talk with the commissioners following the meeting.

ADJOURNMENT:

A **motion** was made by Commissioner Jeffers and **carried 5-0** to adjourn the meeting at 10:04am.

Brenda B. Reaves
Clerk to the Board

Tracey L. Kendrick
Chairman