



# **Boiling Springs Town Council**

Regular Meeting Agenda  
August 01, 2023



## Town of Boiling Springs

PO Box 1014 | Boiling Springs, NC 28017  
Phone 704-434-2357 | Fax 704-434-2358  
www.BoilingSpringsNC.net

## TOWN COUNCIL

MEETING AGENDA  
August 01, 2023

### ROUTINE BUSINESS

1. Call to Order
2. Adoption of Agenda
3. Public Comment

*The Town Council desires all citizens have an opportunity to address the Council in an open and productive manner. Individuals not on the agenda but wishing to speak should register with the Clerk prior to the start of the meeting. During the Public Comment portion of the meeting speakers have three (3) minutes unless otherwise approved by the Council. Groups are urged to appoint a spokesperson. If you require additional time, we ask that you be placed on the agenda for the next regularly scheduled meeting of the Council. This policy allows the Council members adequate time to familiarize themselves with an issue.*

4. Gardner-Webb University Update  
*Mr. Nate Evans, VP for Advancement*
5. YMCA Update  
*Ms. Barbara Fitch*

### CONSENT AGENDA

1. Adoption of Minutes  
*May 23rd, 2023; June 06, 2023; June 27th, 2023*
2. Budget Amendment For ARC (Wi-Fi) Grant  
*This moves funds allocated in last year's budget to this year's*
3. Surplus Public Works Truck  
*2011 Ford F350 dump truck VIN # 1FDRF3HT6BDC95659. This truck was purchase by the Town new in 2011 has 146,262 miles and is need of major repairs. A replacement truck has been leased from Enterprise a 2022 Ford F350 dump truck.*



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## TOWN COUNCIL

MEETING AGENDA  
August 01, 2023

### PUBLIC HEARINGS

1. System Development Fees

### REGULAR BUSINESS

1. Rural Transformation Grant Agreement
2. Memorial for Mr. Jerry Hensley
3. RFP for Old Town Hall
4. YMCA Agreement

### DISCUSSION

1. Social District
2. Crest Flags
3. Town Manager Search

### REPORTS

1. Manager, Council, Mayor Reports

### CLOSED SESSION

Motion to enter Closed session per NCGS 143-318.11a (5) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; or (ii) the amount of compensation and other material terms of an employment contract or proposed employment contract.

**Town of Boiling Springs  
Council  
Special Budget Meeting Minutes  
May 23, 2023**

**ROUTINE BUSINESS**

Call to Order

Mayor Thomas called the meeting to order at 6:27 PM.

**PRESENT**

Mayor Daniel Thomas  
Councilmember Marty Thomas  
Mayor Pro-Tem Patrick Litton  
Councilmember Tommy Greene  
Councilmember Tonya Gantt

**ABSENT**

Councilmember Caleb Edwards

**STAFF PRESENT**

Town Manager Justin Longino  
Town Clerk Noah Saldo  
Finance Director Rhonda Allen  
Police Chief Nathan Phillips  
Public Works Director Mike Gibert  
Program Support Specialist Tracy Holland  
Lead for NC Fellow Greyson Sonntag

**Adoption of Agenda**

Action: Upon a motion made by Councilmember Greene and Seconded by Councilmember Thomas, it was unanimously voted to approve the agenda with an amendment to move the land use plan stakeholder committee as the first item under Regular Business.

**REGULAR BUSINESS**

Land Use Plan Stakeholder Committee

Town Manager Longino introduced the proposed members of the Land Use Plan Stakeholder Committee:

- Town Manager, Justin Longino

- Town Clerk, Noah Saldo
- Planning Board members: Chris Martin, Alan McWhirter, Karma Harris
- David Wacaster, GWU
- Business/Community members: Adam Smith, Cathy Creswell, Angie Clark
- Tourism Development Authority representative, Kim Duren
- Residents: Bill Ellis and Tammy Bass

Action: Upon a motion made by Councilmember Thomas and Seconded by Councilmember Gantt, it was unanimously voted to approve the members of the Land Use Plan Stakeholder Committee with Mayor Thomas and Councilmember Greene serving as the Council representatives.

### **Proposed FY 2023-2024 Budget**

Town Manager Longino presented his recommended FY 24 budget.

Councilmembers provided feedback on potential tax rates. With the Manager's proposal of raising property taxes by 1 cent, the Council had options to keep the rate the same or increase the rate. The Manager also presented budget reduction options to consider if Council did not want to raise taxes.

No decision was made.

### **ADJOURN**

Action: Upon a motion to adjourn the meeting was made by Councilmember Thomas and Seconded by Councilmember Gantt. The motion passed unanimously and the meeting adjourned at 7:25pm.

**Town of Boiling Springs  
Council  
Regular Meeting Minutes  
June 06, 2023**

**ROUTINE BUSINESS**

**Call to Order**

Mayor Pro-Tem Litton called the meeting to order at 6:30 PM.

**PRESENT**

Councilmember Caleb Edwards  
Councilmember Marty Thomas  
Mayor Pro-Tem Patrick Litton  
Councilmember Tommy Greene

**ABSENT**

Mayor Daniel Thomas  
Councilmember Tonya Gantt

**STAFF PRESENT**

Town Manager Justin Longino  
Town Clerk Noah Saldo  
Finance Director Rhonda Allen  
Police Chief Nathan Phillips  
Public Works Director Mike Gibert  
Program Support Specialist Tracy Holland  
Lead for NC Fellow Greyson Sonntag  
Wastewater Plant Supervisor Todd Humphries  
Town Attorney John Schweppe III

**Adoption of Agenda**

Action: Councilmember Edwards MOVED to approve the agenda as presented, seconded by Councilmember Greene. MOTION PASSED UNANIMOUSLY.

**Public Comment**

There was no public comment.

**Gardner-Webb Update**

VP Nate Evans provided an update including graduation, camp students, amphitheater, DCC renovations (Bo's Smokehouse), Chick-Fil-A & Starbucks are open to the public and Carolina Crown was practicing on campus.

**YMCA Presentation:**

Barbara Fitch and Jordan Fricault gave a presentation on the Ruby C. Hunt YMCA operations.

**CONSENT AGENDA**

Action: Councilmember Thomas MOVED to approve the following consent agenda items which was seconded by Councilmember Greene. MOTION PASSED unanimously to approve the following consent agenda items.

**Surplus Police Tahoe**

*2015 Chevrolet Tahoe Vin#1GNSK3EC4FR660447*

**Surplus Police Copier**

**Cost Allocation Policy**

**Safe Streets 4 All Grant Agreement**

**NC DEQ Water Supply Plan Resolution**

**Minutes of the Special April 25, 2023 budget meeting & the regular May 2, 2023 Council meeting.**

**REGULAR BUSINESS**

**Review Audit Contract Proposals**

Action: Upon a motion made by Councilmember Thomas and Seconded by Councilmember Greene, it was unanimously voted to approve the audit contract with Darrell L. Keller, CPA, PA.

**Consider Sewer Extension Policy**

Lead for NC Fellow Greyson Sonntag reviewed the recommendation for the Town's sewer extension policy.

Action: Councilmember Greene MOVED to approve the sewer extension policy as presented and Seconded by Councilmember Edwards. MOTION PASSED unanimously

**Park Master Plan Steering Committee Appointment**

Action: Upon a Motion made by Councilmember Thomas and seconded by Councilmember Greene, it was unanimously voted to approve the Park Master Plan Steering Committee Appointments with Councilmembers Greene and Edwards as Council representatives.

## **REGULAR BUSINESS**

Consider FY 23-24 Budget

Mayor Pro-Tem Litton opened the public hearing at 7:19 PM. With no public comments, Mayor Pro-Tem Litton closed the public hearing at 7:20 PM.

Town Manager Longino gave an overview of the proposed budget that included tax and budget cut options.

Due to the Mayor and Councilmember Gantt's absence Council wanted for them to be present prior to making a final budget decision.

Action: Councilmember Greene MOVED to delay the vote on the final budget decision until all members of Council are present. The motion was Seconded by Councilmember Edwards. MOTION PASSED unanimously to table the budget until a special meeting scheduled for June 27, 2023 at 6:30 PM.

## **REPORTS**

### **Manager & Council Comments**

Town Manager Longino gave the following updates and reports:

- The newly installed roof on Town Hall was paid for by insurance.
- Staff is working to get a credit from Duke Energy for EV charging stations.
- Public Works Director Gibert met with a representative from Duke Energy on options for additional downtown lights.
- The owner of Roosters reported the gas to the structure has been shut off and there are plans to rebuild.
- El Acapulco is the first restaurant in town to sell liquor.
- 30-day step challenge was completed by staff and members of Council.
- This is Greyson Sonntag's last meeting. He did a great job and will be missed.

Councilmember Greene - Attended Foothills Commission meeting where the discussion included budget and affordable housing.

Councilmember Thomas - Thankful for the work performed by Greyson Sonntag. He noted the YMCA was an economic engine with its community center. He expressed his appreciation to staff.



Councilmember Edwards – Expressed his thanks to Greyson Sonntag and Barbara Fitch.

Mayor Pro-Tem Litton – Stated he liked the reports that were submitted and was thankful for Greyson Sonntag’s involvement for the past year. He stated the GCLMPO meeting presented an opportunity for citizens to give comments on the pedestrian project.

**CLOSED SESSION**

Upon a motion by Councilmember Edwards and Seconded by Councilmember Thomas, it was unanimously voted to enter Closed Session pursuant to NCGS 143-318.11(a)(5): To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease) at 7:36 PM.

There was no action to be taken as a result of the closed session.

Upon a motion by Councilmember Thomas and Seconded by Councilmember Thomas, the MOTION passed unanimously to close the Closed Session and re-enter into the Regular Session at 7:56 PM.

Upon a Motion by Councilmember Edwards and Seconded by Councilmember Thomas, it was PASSED unanimously to adjourn at 7:57 PM.

**Town of Boiling Springs  
Council  
Special Council Meeting Minutes  
June 27, 2023**

**ROUTINE BUSINESS**

**Call to Order**

Mayor Thomas called the meeting to order at 6:30 PM

**PRESENT**

Mayor Daniel Thomas  
Councilmember Caleb Edwards  
Councilmember Marty Thomas  
Mayor Pro-Tem Patrick Litton  
Councilmember Tommy Greene  
Councilmember Tonya Gantt

**STAFF**

Town Manager Justin Longino  
Town Clerk Noah Saldo  
Finance Director Rhonda Allen  
Chief of Police Nathan Phillips  
Public Works Director Mike Gibert  
Program Support Specialist Tracy Holland

**Adoption of Agenda**

Action: Upon a motion made by Councilmember Greene and Seconded by Councilmember Gantt, it was unanimously voted to approve the agenda as presented.

**REGULAR BUSINESS**

**FY 23-24 Town Budget**

Mayor Thomas introduced the budget and gave comments related to the proposed budget. He thanked staff and the Council for their work.

Each member of Council gave their views on the budget.

Action: Councilmember Greene MOVED to approve the option for FY24 Budget which included a 1 cent property tax increase from .37 to .38 cent, Seconded by Councilmember Gantt. MOTION PASSED with a vote of 4-1 with Mayor Pro Tem Litton dissenting.

Councilmember Edwards MOVED to cancel the July 4, 2023 council meeting, Seconded by Councilmember Greene. MOTION PASSED UNANIMOUSLY.

## REPORTS

### Mayor, Council, & Manager Comments

Manager Longino mentioned Election Day polling would occur at Town Hall this year if Council approved of the facility use, adding the November council meeting would need to be rescheduled to accommodate the elections.

Councilmember Green expressed his appreciation for the Council discussion.

### CLOSED SESSION

Action: Councilmember Edwards MOVED to enter a Closed Session Per NCGS 143-318.11(a)(5): To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease, Seconded by Councilmember Greene. MOTION PASSED unanimously to enter closed session at 7:07PM.

During the closed session, the Council directed the Manager to pursue negotiations on acquisition of property.

Upon a motion by Councilmember Edwards and Seconded by Councilmember Gantt, it was unanimously PASSED to close the Closed Session and return to the Regular Session at 7:27PM.

Upon a motion by Councilmember Edwards and Seconded by Councilmember Greene, it was unanimously PASSED to adjourn at 7:28 PM.

**TOWN OF BOILING SPRINGS  
CAPITAL PROJECT ORDINANCE AMENDMENT GPOA# 230801**

**WHEREAS**, the Town Council of the Town of Boiling Springs adopted a grant project ordinance on June 29, 2021 which established revenues and authorized expenditures for the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (CSLRF); and

**WHEREAS**, since the time of the adoption of said ordinance, it has become necessary to make certain changes in the grant project ordinance to fund salary expenses incurred during the grant reporting period;

**NOW, THEREFORE, BE IT HEREBY ORDAINED** by the Town Council of the Town of Boiling Springs that the grant project ordinance as adopted on June 29, 2021 be and is hereby amended as follows:

<u>Section 1.</u>	Revenues	
	Appropriation from Special Revenue Fund-ARP Grant	<u>Increase</u> <u>\$ 19,020</u>

<u>Section 2.</u>	Expenditures	
	General Fund Administration Salaries	<u>Increase</u> <u>\$ 19,020</u>

This the 1<sup>st</sup> day of August 2023.

\_\_\_\_\_  
Daniel Thomas, Mayor

ATTEST:

\_\_\_\_\_  
Noah Saldo, Town Clerk



## SYSTEM DEVELOPMENT FEE STUDY

**Mayor Action:** Open the Public Hearing  
 Staff Comments  
 Public Comments  
 Close the Public Hearing

**Options to Proceed:**

1. Motion to adopt the system development fees as presented
2. Motion to adopt the system development fees at half \* of the rate presented
  - a. \*Fees can be less than the study recommends, but not more.
3. Table for future consideration
4. Motion to not adopt the fees

## SUMMARY

Gavel & Dorn conducted a system development fee study for Boiling Springs and Mr. Eric Medaugh presented their study in May of this year.

A system development fee is applied to new “service units” (e.g. homes, apartments, etc.) which allows them to “buy-in” to the system. The existing system has been established and maintained by the existing users over a period of time. New connections will cause more use and stress to the system. These fees lessen the burden of existing customers who have already paid into the system. The fees can be adopted in whole or in part, as Council desires.

The recommended fees are:

Service Size	Water	Sewer
3/4"	\$1,900.00	\$2,590.00
1"	\$3,166.67	\$4,316.67
1.5"	\$8,946.00	\$9,198.00
2"	\$10,133.33	\$13,813.33
3"	\$22,166.67	\$30,216.67
4"	\$38,000.00	\$51,800.00
6"	\$88,666.67	\$120,866.67
8"	\$152,000.00	\$207,200.00
10"	\$240,666.67	\$328,066.67

Other jurisdictions in our region that have adopted SDFs: Ranlo, Bessemer City, Stanly, Gastonia, Kings Mountain, Brevard, Hickory.



A system development fee is defined in the general statutes as: “A charge or assessment for service...imposed with respect to new development to fund costs of capital improvements necessitated by and attributable to such new development, to recoup costs of existing facilities which serve such new development, or a combination of those costs...”[G.S. 162A-201\(9\)](#); see also [G.S. 162A-203\(a\)](#). The three definitions of “new development” (aka three triggers for these fees) are:

- Subdivision of land.
- Construction, reconstruction, redevelopment, conversion, structural alteration, relocation, or enlargement of any structure which increases the number of service units. (Service units are a unit of measure for capacity need. They are typically expressed as an equivalent residential unit.)
- Any use or extension of the use of land which increases the number of service units.

For a deep dive into SDF’s, review the SOG’s blog post [here](#).

[NCGS Chapter 162A, Article 8](#) outlines the specifics of how a system development fee study must be conducted. Gavel & Dorn have followed these requirements and the staff is satisfied with the resulting study.

## MATERIALS PROVIDED

- **Gavel & Dorn System Development Fee Study**

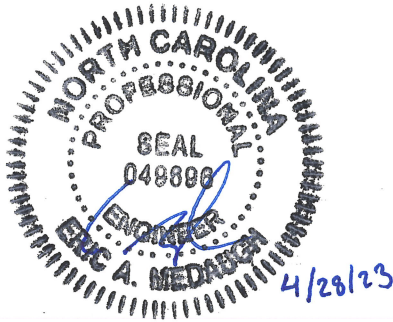
# Town of Boiling Springs

## System Development Fee Study

Draft Report  
April 2023



THE TOWN OF  
**BOILING SPRINGS**  
— NORTH CAROLINA —



**Gavel & Dorn Engineering, PLLC**  
6730 Freedom Drive, Charlotte, NC 28214  
*Celebrating 20 Years of Service to the Carolinas*

# Table of Contents

Executive Summary ..... 1

Background..... 2

Methodology ..... 2

System Equity ..... 2

Valuation ..... 4

System Development Fee..... 4

Conclusion ..... 6

# Appendices

- APPENDIX A HB 344
- APPENDIX B Local Water Supply Plan



## Executive Summary

This System Development Fee Analysis was completed by utilizing the buy-in (equity) method described in the American Water Works Association Manual of Water Supply Practices and in conjunction with House Bill (HB) 344. The first step was to determine the system equity of both the water and wastewater infrastructure by identifying the assets and liabilities of each system. System equity was calculated using the current value to construct the existing infrastructure with depreciation. Liabilities were calculated from the value of future repairs/improvements outlined in the Town's Capital Improvement Plan and outstanding debts/loans associated with each system. Total system equity is a result of subtracting the liabilities of each system from the asset value of each system. The total system equity of the water infrastructure was found to be \$1,900.00 and the total system equity of the wastewater infrastructure was found to be \$2,590.00.

Once the total equity of each system was calculated, the maximum capacity of each system and an assumed daily usage measured in gallons per day (GPD) was used to calculate number of equivalent dwelling units (EDU) the system could serve. The Town of Boiling Springs has a contract with the City of Shelby, NC that provides 1.0 million gallons per day (MGD) of potable water to the Town. The Town has its own wastewater treatment facility that can treat up to 0.6 MGD. Assuming 1 MGD for water the Town could supply up to 4,167 EDU ( $1,000,000 \text{ GPD} / 240 \text{ GPD} = 4,167 \text{ EDU}$ ) and assuming 0.6 MGD for wastewater the Town could treat sewer for 2,500 EDU ( $600,000 / 240 = 2,500 \text{ EDU}$ ). Using these capacities, a recommended system development fee (SDF) was calculated.

The SDF for both water and sewer is calculated by dividing the equity of each system by the number of EDUs that each system could serve. This results in a standard base rate of \$1,900 for water and \$2,590 for sewer. The base rate for both water and sewer is for a standard ¾-inch potable water connection. The water connection is the driver for both water and sewer. From that base cost, SDFs for larger meter connections were calculated using standard maximum meter-flow capacity ratios. A complete list of the results can be found in **Tables 2-4** below.

## Background

North Carolina General Statute 162A Article 8 provides for the uniform authority to implement system development fees for public water and sewer systems in North Carolina and was passed by the North Carolina General Assembly and signed into law on July 20, 2017. House bill 344, which was approved on July 2, 2021, modified Statute 162A Article 8. A copy of HB 344 can be found in [Appendix A](#). This report documents the results of the calculation of water and sewer system development fees for the 2023 fiscal year in accordance with these requirements. In general, system development fees are calculated based on (1) a cost analysis of the existing or planned infrastructure that is in place, or will be constructed, to serve new capacity demands, and (2) the existing or additional capacity associated with these assets.

## Methodology

The SDF's were calculated using principles and practices set by the American Water Works Association (AWWA) Manual of Water Supply Practices, Principles of Water Rates, Fees, and Charges, System Development Charges. The legislation defines three methods for calculating SDFs. These are briefly summarized as follows:

- ❖ Buy-in Method (Equity Method) - Under this method, new development bears a proportional share of the capital costs previously incurred by the municipal entity that allow for sufficient capacity to serve the new development.
- ❖ Incremental/Marginal Cost -This method requires new development to pay the proportional share of new capital costs that are attributable to the new development.
- ❖ Combined Cost - This method uses a combination of the buy-in and incremental/marginal cost methods.

The SDFs for the Town of Boiling Springs were calculated using the Equity or (Buy-in) Method, as it is best suited for the data available for the Town. The goal of this method is to achieve an equity position between new and existing customers of the system. The method assumes that the existing customers have provided equity in the existing system and that built-up equity should accrue to benefit existing customers. The base level of the SDF is established at the current level of the system equity related to the capacity used to serve an existing equivalent residential customer.

## System Equity

The major components of the system's equity include the valuation of the system assets, accumulated depreciation, system liabilities, source of equity, and system capacity.

The Town of Boiling Springs currently purchases their water from the City of Shelby at a negotiated rate and owns/operates a wastewater treatment facility that the Town maintains. The Town also has an emergency use water connection with Cleveland County Water, which it has not historically used. The Town of Boiling Springs also has an agreement with the Town of Lattimore to maintain their collection system and treat their sewer. Because of this agreement, it should be considered that new connections in the Town of Lattimore also be subject to SDF's. It would be our recommendation that they would, as all existing customers regardless of town, have borne the cost of the existing system and share in the equity of the collection system as well as the wastewater treatment plant.

Currently, the Town of Boiling Springs has a contract with the City of Shelby to provide the Town with 1 MGD of potable water. On average, the Town is currently using approximately 0.4 MGD of potable water and treats approximately 0.35 MGD of wastewater. These values were taken from the Local Water Supply Plan for the Town of Boiling Springs. A copy of this plan can be found in in [Appendix B](#).

The equity of the Town's collection and distribution systems is calculated based on the value of the existing infrastructure to include collection piping, distribution piping, pump stations, elevated storage tank, and treatment plant. The cost to provide potable water is also considered. This is calculated based on the approximate cost that would be required to construct a water treatment facility capable of serving the current needs using current construction cost. To provide enough capacity for the current needs of the Town and to account for peaking factors, the Town would have to provide facilities capable of producing approximately 1 MGD of potable water.

The valuation for a water treatment plant can vary significantly due to new technologies and different methods of treatment. It is not feasible to design a plant for this valuation. However, through research and recent experience we can estimate that the cost for building a new water treatment plant today would be around \$5.00 per gallon per day. Therefore, the cost to build a treatment facility capable of providing enough capacity to meet the needs of the Town has been estimated to be approximately \$5 million.

The Town of Boiling Springs currently owns and maintains approximately 227,000 linear feet (LF) of waterline ranging from 2-inch to 16-inch diameter pipe. Additionally, they own and maintain approximately 150,000 LF of gravity sewer mains and 46,000 LF of sanitary sewer force mains. The Town also owns and maintains (1), 200,000-gallon elevated potable water storage tank and a booster pump station. The Town also owns 6 sanitary sewer pump stations, but operates and maintains 7 pump stations. The value of these assets is calculated, with depreciation, at \$9.27 million for the water assets and \$7.8 million for the wastewater assets. The valuation of the assets is further explained below.

## Valuation

The valuation of the Town’s water and wastewater assets is based on the actual assets in place today. The length of water and sewer mains was calculated using data from the Town’s GIS. To determine the value of the pipe, we multiplied the linear footage by unit costs of \$45 per linear foot for water and \$60 per linear foot of sewer line. These numbers are an estimate based on our experience with similar projects in the area and considering the varying types and sizes of pipe installed. The pump station values were based on lump sum pricing compared to similar pump station construction in the region. The cost of each pump station was estimated individually based on its size, then an average per pump station was calculated for simplicity and entered into [Table 1](#) below. The values of each asset were then adjusted to show depreciation. This was done using straight line depreciation over a 50-year expected life span, given a salvage value of \$0. This depreciation was based on an assumed average age of 30-years for all assets.

**Table 1 Valuation of Assets**

Asset	Length of Pipe (ft.)	Cost (per)	Unit	Total	Depreciated Value (40%)
Distribution Lines	227,000	\$ 45.00	LF	\$ 10,215,000.00	\$ 4,086,000.00
Tank	1	\$ 300,000.00	EA	\$ 300,000.00	\$ 120,000.00
Booster PS	1	\$ 150,000.00	EA	\$ 150,000.00	\$ 60,000.00
<b>Water Total</b>				<b>\$ 10,215,000.00</b>	<b>\$ 4,266,000.00</b>
Treatment Plant	1	\$ 5,500,000.00	EA	\$ 5,500,000.00	\$ 2,200,000.00
Sewer Line	196,000	\$ 60.00	LF	\$ 11,760,000.00	\$ 4,704,000.00
Pump Station	7	\$ 318,500.00	EA	\$ 2,230,000.00	\$ 892,030.00
<b>Wastewater Total</b>				<b>\$ 19,490,000.00</b>	<b>\$ 7,796,000.00</b>

## System Development Fee

SDF’s were calculated based on the capacities the Town would have to provide to maintain the current level of service using the Equity/Buy-in method. The number of EDUs the Town could serve is based on an assumed 240 GPD per EDU based on guidelines from North Carolina Administrative Code 15A NCAC 02T.0114. Assuming 1 MGD for water the Town could supply up to 4,167 EDU ( $1,000,000 \text{ GPD} / 240 \text{ GPD} = 4,167 \text{ EDU}$ ) and assuming 0.6 MGD for wastewater the Town could treat sewer for 2,500 EDU ( $600,000 / 240 = 2,500 \text{ EDU}$ ). Liabilities, such as outstanding debt, loans and costs associated with identified CIP projects were then deducted from the total asset value to determine a net value for each of the systems. Using this value, a recommended fee was calculated. A breakdown of each of this evaluation can be found in [Tables 2 and 3](#).

**Table 2 Water SDF Evaluation**

Water	Original Cost	Depreciation	Net Cost
Plant	-	-	\$ 5,000,000.00
Distribution Lines	\$ 10,215,000.00	\$ 4,086,000.00	\$ 4,086,000.00
Elevated Storage Tank	\$ 300,000.00	\$ 120,000.00	\$ 120,000.00
Booster PS	\$ 150,000.00	\$ 60,000.00	\$ 60,000.00
		<b>Subtotal</b>	<b>\$ 9,266,000.00</b>
<b>Less Net Cost of</b>			
	<b>Distribution Main Repairs per CIP</b>		\$ 1,249,549.00
	<b>Outstanding Debt/Loans</b>		\$ 85,891.69
	<b>Total</b>		\$ 7,930,600.00
	<b>System Development Fees (Total/4,167)</b>		<b>\$ 1,900.00</b>

**Table 3 Sanitary Sewer SDF Evaluation**

Wastewater	Original Cost	Depreciation	Net Cost
Plant	\$ 5,500,000.00	\$ 2,200,000.00	\$ 2,200,000.00
Distribution Lines	\$ 11,760,000.00	\$ 4,704,000.00	\$ 4,704,000.00
Pump Stations	\$ 2,230,000.00	\$ 892,000.00	\$ 892,000.00
		<b>Subtotal</b>	<b>\$ 7,796,000.00</b>
<b>Less Net Cost of</b>			
	<b>Distribution Main Repairs per CIP</b>		\$ 1,053,000.00
	<b>Outstanding Debt/Loans</b>		\$ 262,837.00
	<b>Total</b>		\$ 6,480,163.00
	<b>System Development Fees (Total/2,500)</b>		<b>\$ 2,590.00</b>

The SDF's above are calculated per EDU as noted in the first paragraph of this section. However, some properties will have a greater demand for water and sewer and therefore should be charged accordingly. A single EDU is based on a 3/4-inch water service and assumes 240 GPD as described above. Properties with a greater demand should be charged based on the water demand and service. In cases where a larger service is needed, we recommend rates as shown in [Table 4](#). This table is based on the maximum meter-flow capacity ratios.

**Table 4 Rates Based on Service Size**

Service Size	Water	Sewer
3/4"	\$1,900.00	\$2,590.00
1"	\$3,166.67	\$4,316.67
1.5"	\$8,946.00	\$9,198.00
2"	\$10,133.33	\$13,813.33
3"	\$22,166.67	\$30,216.67
4"	\$38,000.00	\$51,800.00
6"	\$88,666.67	\$120,866.67
8"	\$152,000.00	\$207,200.00
10"	\$240,666.67	\$328,066.67

**Table 4 Rates Based on Service Size**

Service Size	Water	Sewer
12"	\$316,666.67	\$431,666.67

## Conclusion

Based on the system assets, accumulate depreciation, system liabilities, source of equity and system capacity we conclude that a base rate system development fee of up to \$1,900.00 for water and \$2,590.00 for wastewater should be assessed. Larger connections should be implemented based on Table 4.

# APPENDIX A

## HB 344

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

SESSION LAW 2021-76  
HOUSE BILL 344

AN ACT TO CLARIFY THE PROCESS WITH WHICH A LOCAL GOVERNMENTAL UNIT MAY IMPOSE AND COLLECT SYSTEM DEVELOPMENT FEES AND TO PROVIDE THAT A WATER OR WASTEWATER PUBLIC UTILITY IS SOLELY RESPONSIBLE FOR INCOME TAXES DUE ON TAXABLE CONTRIBUTIONS IN AID OF CONSTRUCTION.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 162A-201 reads as rewritten:

**"§ 162A-201. Definitions.**

The following definitions apply in this Article:

- ...  
(4) Facility. – A water supply, treatment, storage, or distribution facility, or a wastewater collection, treatment, or disposal ~~facility, including for reuse or reclamation of water,~~ facility providing a general benefit to the area that facility serves and is owned or operated, or to be owned or operated, by a local governmental unit and land associated with such facility. unit. This shall include facilities for the reuse or reclamation of water and any land associated with the facility.
- ...  
(7) Service. – Water or sewer service, or water and sewer service, provided by a local governmental ~~unit.~~ unit, including water or sewer service provided pursuant to a wholesale arrangement between a water and sewer authority organized under Article 1 of Chapter 162A of the General Statutes and a local governmental unit.
- ...  
(9) System development fee. – A charge or assessment for ~~service~~ service, including service provided pursuant to a wholesale arrangement between a water and sewer authority organized under Article 1 of Chapter 162A of the General Statutes and a local governmental unit, imposed with respect to new development to fund costs of capital improvements necessitated by and attributable to such new development, to recoup costs of existing facilities which serve such new development, or a combination of those costs, as provided in this Article. The term includes amortized charges, lump-sum charges, and any other fee that functions as described by this definition regardless of terminology. The term does not include any of the following:
  - a. A charge or fee to pay the administrative, plan review, or inspection costs associated with permits required for development.
  - b. Tap or hookup charges for the purpose of reimbursing the local governmental unit for the actual cost of connecting the service unit to the system.
  - c. Availability charges.





- d. Dedication of capital improvements on-site, adjacent, or ancillary to a development absent a written agreement providing for credit or reimbursement to the developer pursuant to G.S. 153A-280, 153A-451, 160A-320, 160A-499 or Part 3A of Article 18, Chapter 153A or Part 3D of Article 19, Chapter 160A of the General Statutes.
- e. Reimbursement to the local governmental unit for its expenses in constructing or providing for water or sewer utility capital improvements adjacent or ancillary to the development if the owner or developer has agreed to be financially responsible for such expenses; however, such reimbursement shall be credited to any system development fee charged as set forth in G.S. 162A-207(c).

...."

**SECTION 2.** G.S. 162A-205 reads as rewritten:

**"§ 162A-205. Supporting analysis.**

A system development fee shall be calculated based on a written analysis, which may constitute or be included in a capital improvements plan, that:

- (1) Is prepared by a financial professional or a licensed professional engineer qualified by experience and training or education to employ generally accepted accounting, engineering, and planning methodologies to calculate system development fees for public water and sewer systems.
- (2) Documents in reasonable detail the facts and data used in the analysis and their sufficiency and reliability.
- (3) Employs generally accepted accounting, engineering, and planning methodologies, including the buy-in, incremental cost or marginal cost, and combined cost methods for each service, setting forth appropriate analysis as to the consideration and selection of a method appropriate to the circumstances and adapted as necessary to satisfy all requirements of this Article.
- (4) Documents and demonstrates the reliable application of the methodologies to the facts and data, including all reasoning, analysis, and interim calculations underlying each identifiable component of the system development fee and the aggregate thereof.
- (5) Identifies all assumptions and limiting conditions affecting the analysis and demonstrates that they do not materially undermine the reliability of conclusions reached.
- (6) Calculates a final system development fee per service unit of new development and includes an equivalency or conversion table for use in determining the fees applicable for various categories of demand.
- (7) Covers a planning horizon of not less than five years nor more than 20 years.
- (8) Is adopted by resolution or ordinance of the local governmental unit in accordance with G.S. 162A-209.
- (9) Uses the gallons per day per service unit that the local governmental unit applies to its water or sewer system engineering or planning purposes for water or sewer, as appropriate, in calculating the system development fee."

**SECTION 3.** G.S. 162A-207 reads as rewritten:

**"§ 162A-207. Minimum requirements.**

- (a) Maximum. – A system development fee shall not exceed that calculated based on the system development fee analysis.
- (b) Revenue Credit. – In applying the incremental cost or marginal cost, or the combined cost, method to calculate a system development fee with respect to ~~water or sewer~~ capital improvements, the system development fee analysis must include as part of that methodology a

credit against the projected aggregate cost of ~~water or sewer~~ capital improvements. That credit shall be determined based upon generally accepted calculations and shall reflect a deduction of either the outstanding debt principal or the present value of projected water and sewer revenues received by the local governmental unit for the capital improvements necessitated by and attributable to such new development, anticipated over the course of the planning horizon. In no case shall the credit be less than twenty-five percent (25%) of the aggregate cost of capital improvements.

(c) Construction or Contributions Credit. – In calculating the system development fee with respect to new development, the local governmental unit shall credit the value of costs in excess of the development's proportionate share of connecting facilities required to be oversized for use of others outside of the development. No credit shall be applied, however, for ~~water or sewer~~ capital improvements on-site or to connect new development to ~~water or sewer~~ facilities."

**SECTION 4.** Article 7 of Chapter 62 of the General Statutes is amended by adding a new section to read:

**"§ 62-133.12B. Computation of income tax expense for rate-making purposes; taxable contributions.**

A water or wastewater public utility is solely responsible for funding the income taxes on taxable contributions in aid of construction and customer advances for construction and shall record the income taxes the water or wastewater utility pays in accumulated deferred income taxes for accounting and rate-making purposes."

**SECTION 5.** This act is effective when it becomes law and clarifies existing law with minimum standards employed by all generally accepted accounting, engineering, and planning methodologies used to calculate system development fees for public water and sewer systems.

In the General Assembly read three times and ratified this the 24<sup>th</sup> day of June, 2021.

s/ Mark Robinson  
President of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

s/ Roy Cooper  
Governor

Approved 12:03 p.m. this 2<sup>nd</sup> day of July, 2021

# APPENDIX B

## Local Water Supply Plan

# Boiling Springs

2022 ▾

The Division of Water Resources (DWR) provides the data contained within this Local Water Supply Plan (LWSP) as a courtesy and service to our customers. DWR staff does not field verify data. Neither DWR, nor any other party involved in the preparation of this LWSP attests that the data is completely free of errors and omissions. Furthermore, data users are cautioned that LWSPs labeled **PROVISIONAL** have yet to be reviewed by DWR staff. Subsequent review may result in significant revision. Questions regarding the accuracy or limitations of usage of this data should be directed to the water system and/or DWR.

## 1. System Information

### Contact Information

Water System Name:	Boiling Springs	PWSID:	01-23-025
Mailing Address:	PO Box 1014 Boiling Springs, NC 28017	Ownership:	Municipality
Contact Person:	Mike Gibert	Title:	Public Works Director
Phone:	704-434-2357	Cell/Mobile:	--
Secondary Contact:	Justin Longino	Phone:	704-434-2357
Mailing Address:	PO Box 1014 Boiling Springs, NC 28017	Cell/Mobile:	--

**Complete**

### Distribution System

Line Type	Size Range (Inches)	Estimated % of lines
Asbestos Cement	6	2.00 %
Cast Iron	6	5.00 %
Ductile Iron	6-16	10.00 %
Polyvinyl Chloride	2-12	83.00 %

What are the estimated total miles of distribution system lines? **43 Miles**

How many feet of distribution lines were replaced during 2022? **1,430 Feet**

How many feet of new water mains were added during 2022? **0 Feet**

How many meters were replaced in 2022? **12**

How old are the oldest meters in this system? **20 Year(s)**

How many meters for outdoor water use, such as irrigation, are not billed for sewer services? **123**

What is this system's finished water storage capacity? **0.2000 Million Gallons**

Has water pressure been inadequate in any part of the system since last update? *Line breaks that were repaired quickly should not be included.* **No**

**The Town plans to start replacing the oldest water meters in the system starting this year 2023.**

### Programs

Does this system have a program to work or flush hydrants? **Yes, Monthly**

Does this system have a valve exercise program? **Yes, As Needed**

Does this system have a cross-connection program? **Yes**

Does this system have a program to replace meters? **Yes**

Does this system have a plumbing retrofit program? **Yes**

Does this system have an active water conservation public education program? **Yes**

Does this system have a leak detection program? **Yes**

**Water Conservation**

What type of rate structure is used? **Increasing Block**

How much reclaimed water does this system use? **0.0000 MGD** For how many connections? **0**

Does this system have an interconnection with another system capable of providing water in an emergency? **Yes**

**2. Water Use Information**

**Service Area**

Sub-Basin(s)	% of Service Population	County(s)	% of Service Population
Broad River (01-1)	100 %	Cleveland	100 %

What was the year-round population served in 2022? **4,769**

Has this system acquired another system since last report? **No**

**Water Use by Type**

Type of Use	Metered Connections	Metered Average Use (MGD)	Non-Metered Connections	Non-Metered Estimated Use (MGD)
Residential	1,784	0.2323	0	0.0000
Commercial	148	0.0420	0	0.0001
Industrial	1	0.0011	0	0.0000
Institutional	47	0.0770	0	0.0000

How much water was used for system processes (backwash, line cleaning, flushing, etc.)? **0.0052 MGD**

System processes = estimated water main flushing, fire department training and usage.  
 Non-metered usage = bulk water purchased.

**Water Sales**

Purchaser	PWSID	Average Daily Sold (MGD)	Days Used	Contract MGD	Expiration	Recurring	Required to comply with water use restrictions?	Pipe Size(s) (Inches)	Use Type
Cleveland County SD	01-23-055	0.0000	0			Yes	Yes	6	Emergency

**3. Water Supply Sources**

**Monthly Withdrawals & Purchases**

	Average Daily Use (MGD)	Max Day Use (MGD)		Average Daily Use (MGD)	Max Day Use (MGD)		Average Daily Use (MGD)	Max Day Use (MGD)
Jan	0.3350	0.4420	May	0.3780	0.5010	Sep	0.4030	0.4990
Feb	0.3490	0.4150	Jun	0.4370	0.5750	Oct	0.3710	0.4800
Mar	0.3160	0.3780	Jul	0.5100	0.7650	Nov	0.3230	0.4220
Apr	0.3690	0.6900	Aug	0.4290	0.5620	Dec	0.3170	0.5370

All water purchased from the City of Shelby. PWS ID # 01-23-010.



**Water Purchases From Other Systems**

Seller	PWSID	Average Daily Purchased (MGD)	Days Used	Contract MGD	Expiration	Recurring	Required to comply with water use restrictions?	Pipe Size(s) (Inches)	Use Type
CLEVELAND COUNTY SD	01-23-055	0.0000	0			Yes	Yes	6	Emergency
SHELBY	01-23-010	0.3800	365	1.0000	2034	Yes	Yes	16	Regu

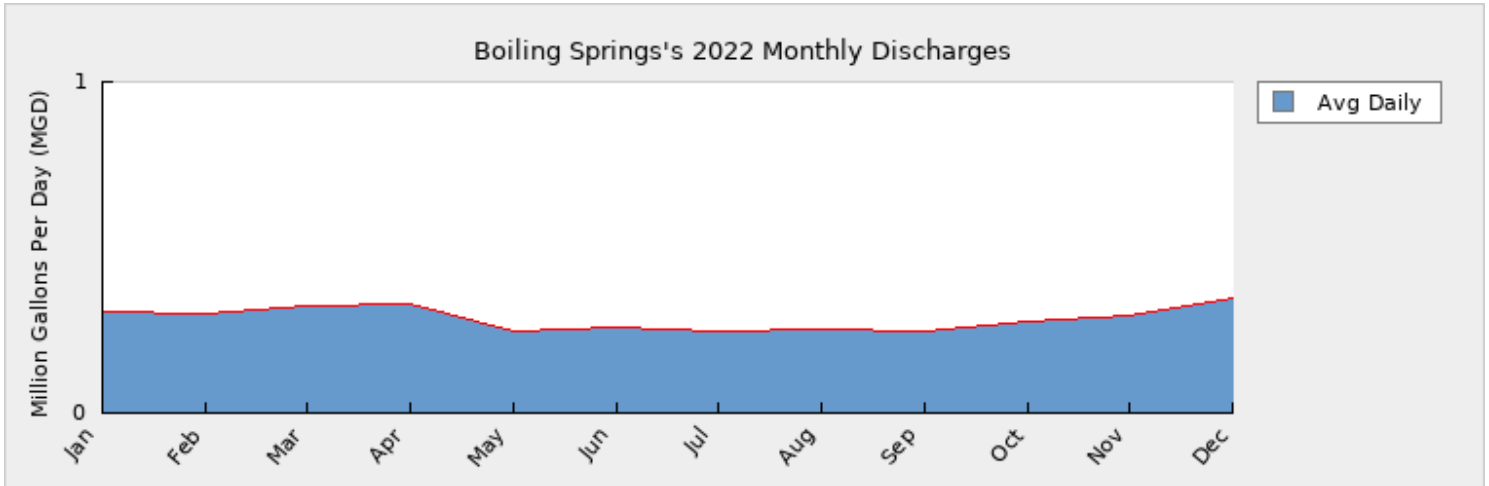
Cleveland County Water installed a new larger 6" receiving interconnect to the Town of Boiling Springs water system. Currently the interconnect is used for emergency use.

Item 1.

### 4. Wastewater Information

#### Monthly Discharges

	Average Daily Discharge (MGD)		Average Daily Discharge (MGD)		Average Daily Discharge (MGD)
Jan	0.3040	May	0.2490	Sep	0.2480
Feb	0.3020	Jun	0.2560	Oct	0.2760
Mar	0.3260	Jul	0.2470	Nov	0.2920
Apr	0.3300	Aug	0.2510	Dec	0.3460



How many sewer connections does this system have? 1,066

How many water service connections with septic systems does this system have? 779

Are there plans to build or expand wastewater treatment facilities in the next 10 years? Yes

The Town W/S CIP recommends plans to upgrade the electric power from 208 volts 3 phase to 480 volts 3 phase and build a new residuals digester in the next 5 years at the wastewater treatment plant.

The average daily discharge includes the wastewater from the Town of Lattimore collection system permit # WQCS00717.

#### Wastewater Permits

Permit Number	Type	Permitted Capacity (MGD)	Design Capacity (MGD)	Average Annual Daily Discharge (MGD)	Maximum Day Discharge (MGD)	Receiving Stream	Receiving Basin
NC0071943	WWTP	0.6000	0.6000	0.2860	1.0000	SANDY RUN CREEK	Broad River (01-1)
WQCS00222	CS	0.0000	0.0000	0.0000		COLLECTION SYSTEM	Broad River (01-1)

#### Wastewater Interconnections

Water System	PWSID	Type	Average Daily Amount		Contract Maximum (MGD)
			MGD	Days Used	
Cleveland County SD	01-23-055	Receiving	0.0170	365	0.0750

The Town of Boiling Springs operates the sewer collection system and treats the wastewater from the Town of Lattimore. The water provider for the Town of Lattimore is Cleveland County Water.

### 5. Planning

#### Projections

	2022	2030	2040	2050	2060	Item 1.
Year-Round Population	4,769	4,800	4,850	4,900	4,950	5,000
Seasonal Population	0	0	0	0	0	0
Residential	0.2323	0.2370	0.2390	0.2410	0.2430	0.2450
Commercial	0.0421	0.0426	0.0431	0.0436	0.0441	0.0446
Industrial	0.0011	0.0013	0.0015	0.0017	0.0019	0.0022
Institutional	0.0770	0.0775	0.0780	0.0785	0.0790	0.0795
System Process	0.0052	0.0053	0.0054	0.0055	0.0056	0.0057
Unaccounted-for	0.0223	0.0225	0.0230	0.0235	0.0240	0.0245

**Demand v/s Percent of Supply**

	2022	2030	2040	2050	2060	2070
Surface Water Supply	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Ground Water Supply	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Purchases	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Future Supplies		0.0000	0.0000	0.0000	0.0000	0.0000
Total Available Supply (MGD)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Service Area Demand	0.3800	0.3862	0.3900	0.3938	0.3976	0.4015
Sales	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Future Sales		0.0000	0.0000	0.0000	0.0000	0.0000
Total Demand (MGD)	0.3800	0.3862	0.3900	0.3938	0.3976	0.4015
Demand as Percent of Supply	38%	39%	39%	39%	40%	40%



The purpose of the above chart is to show a general indication of how the long-term per capita water demand changes over time. The per capita water demand may actually be different than indicated due to seasonal populations and the accuracy of data submitted. Water systems that have calculated long-term per capita water demand based on a methodology that produces different results may submit their information in the notes field.

Your long-term water demand is 49 gallons per capita per day. What demand management practices do you plan to implement to reduce the per capita water demand (i.e. conduct regular water audits, implement a plumbing retrofit program, employ practices such as rainwater harvesting or reclaimed water)? If these practices are covered elsewhere in your plan, indicate where the practices are discussed here. **No changes**

Are there other demand management practices you will implement to reduce your future supply needs? **The Town of Boiling Springs will work to reduce the per capita water use by continuing our active water conservation public education program, a plumbing retrofit program, a rate structure that encourages water conservation, and a water meter replacement program.**

What supplies other than the ones listed in future supplies are being considered to meet your future supply needs? **The Town of Boiling Springs future per capita demand will be evaluated annually and additional measures will be implemented as needed to ensure that the per capita usage is being maintained or reduced.**

How does the water system intend to implement the demand management and supply planning components above? **With continued technical assistance from engineering and NCRWA. The Town recently recieved funding from an AIA grant \$150,000 for updating the Town Distribution System GIS Mapping, Distribution System Hydraulic Modeling, CIP, and Revenue Modeling.**

**Additional Information**

Has this system participated in regional water supply or water use planning? **No**

What major water supply reports or studies were used for planning?

Please describe any other needs or issues regarding your water supply sources, any water system deficiencies or needed improvements (storage, treatment, etc.) or your ability to meet present and future water needs. Include both quantity and quality considerations, as well as financial, technical, managerial, permitting, and compliance issues:

The Division of Water Resources (DWR) provides the data contained within this Local Water Supply Plan (LWSP) as a courtesy and service to our customers. DWR staff does not field verify data. Neither DWR, nor any other party involved in the preparation of this LWSP attests that the data is completely free of errors and omissions. Furthermore, data users are cautioned that LWSPs labeled **PROVISIONAL** have yet to be reviewed by DWR

staff. Subsequent review may result in significant revision. Questions regarding the accuracy or limitations of usage of this data should be directed to the water system and/or DWR.

Item 1.





**ORDINANCE 230801.01**  
**ADOPTING THE BOILING SPRINGS WATER**  
**AND WASTEWATER SYSTEM**  
**DEVELOPMENT FEE STUDY**  
**AS PREPARED BY GAVEL & DORN**  
**ENGINEERING, PLLC**

**WHEREAS**, pursuant to the authority granted in N.C.G.S. §160A-314 and Article 8 of N.C.G.S. § 162A, the Town of Boiling Springs is authorized to adopt system development fees; and

**WHEREAS**, as required by N.C.G.S. § 162A-205, the Town retained the services of Gavel & Dorn Engineering, PLLC, a NC licensed professional engineering firm to produce a written analysis, employing generally accepted accounting, engineering and planning methodologies to calculate system development fees for the Town’s water and wastewater systems; and

**WHEREAS**, Gavel & Dorn Engineering, PLLC prepared an analysis entitled "Town of Boiling Springs System Development Fee Study - April, 2023" ("Study"), and submitted same to the Town for Review and possible adoption; and

**WHEREAS**, consistent with the requirements set forth in N.C.G.S. § 162A-209(a), that not less than 45 days prior to consideration by Town Council of the adoption of the study, the Town posted the study, **in** its entirety, on its website and solicited and furnished a means to submit written comments to be considered by the preparer of the study for possible modifications or revisions; and

**WHEREAS**, consistent with the requirements set forth in N.C.G.S. § 162A-209(b), Town Council conducted a duly advertised public hearing prior to considering adoption of the Study, as well as the calculated system development fees and application methodology on August 1, 2023, at which time all interested parties were given opportunity to be heard; and

**WHEREAS**, after review of the Study and consideration of all comments received during the public hearing, Town Council has determined that the Study meets the requirements set out in N.C.G.S. § 162A-203 and desires to adopt the Study, as well as the calculated system development fees and application methodology as set forth therein.



THE TOWN OF  
**BOILING SPRINGS**  
NORTH CAROLINA

**NOW THEREFORE, BE IT ORDAINED** and established by the Town Council of Boiling Springs, North Carolina, assembled in regular session this the 1st **day of August, 2023** as follows:

SECTION 1. That pursuant to the authority granted in N.C.G.S. § 162A-203, The Town Council for the Town of Boiling Springs hereby adopts the "Town of Boiling Springs System Development Fee Study - April, 2023," as prepared by Gavel & Dorn Engineering, LLC, as well as the calculated system development fees and application methodology set forth in the Study as follows:

Service Size	Water	Sewer
3/4"	\$1,900.00	\$2,590.00
1"	\$3,166.67	\$4,316.67
1.5"	\$8,946.00	\$9,198.00
2"	\$10,133.33	\$13,813.33
3"	\$22,166.67	\$30,216.67
4"	\$38,000.00	\$51,800.00
6"	\$88,666.67	\$120,866.67
8"	\$152,000.00	\$207,200.00
10"	\$240,666.67	\$328,066.67

Service Size	Water	Sewer
12"	\$316,666.67	\$431,666.67

SECTION 2. That the calculated system development fees shall become effective, immediately upon adoption of this ordinance; Excepting "Section 5," as setout hereinafter.

SECTION 3. That the calculated system development fees shall be published in the annual budget for FY 2023-24 that was adopted on June 27, 2023.

SECTION 4. That the system development study shall be readdressed at least every five years, or at such times as future capital budgets are developed and additional capital costs are incurred that may result in material adjustments to the system development fees as adopted.



THE TOWN OF  
**BOILING SPRINGS**  
NORTH CAROLINA

This Ordinance is passed and adopted this 1st **day** of **August 2023**.

X

---

Daniel Thomas  
Mayor

X

---

Noah Saldo  
Town Clerk



THE TOWN OF  
**BOILING SPRINGS**  
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## RURAL TRANSFORMATION GRANT AGREEMENT

### **Requested Action (two items):**

1. Motion to approve the agreement with the NC Commerce Rural Transformation Grant program and move forward with the downtown courtyard project.
2. Motion to approve the budget amendment to allocate the reimbursable funds for this project.

## SUMMARY

In June of this year, staff submitted an application to the NC Commerce Rural Transformation Grant program with the concept of constructing a courtyard in the downtown parking lot. The Town was awarded \$195,000 from our application. This agenda item and requested vote would accept those funds from the State and allow staff to move forward with compiling construction documents, and final detailed renderings, then issue an RFP for construction.

Staff held a meeting with community members (attendance list is below) and asked for feedback on the courtyard. The comments were positive and included these comments:

- Public safety should be considered (emergency access, fire hydrant, placement of public art).
- Public art could tie in with Earl Scruggs.
- Parking should be maximized, however the loss of one or two spaces is probably ok.
  - o How can we promote more public parking at Town Hall?
- Consider the types of trees planted there and shade (or other options for shade).
- EV chargers could be moved if needed (or one could be moved).
- GWU students would like a space like this.
- Residents would enjoy this space.
- It creates opportunities for surrounding businesses.

Attendance: Mayor Daniel Thomas, Councilmember Tommy Greene, Mr. Chris Turner (Turner Trucking), Ms. Cathy Creswell (Talk of the Town), Mr. Micah Martin (GWU), Chris Martin (Cleveland County), Kelly Anderson (Pelican's), Manager Justin Longino, Clerk Noah Saldo, Finance Director Rhonda Allen, Public Works Director Mike Gibert, Chief Nathan Phillips, and Program Support Specialist Tracy Holland.

Our estimated timeline would be:

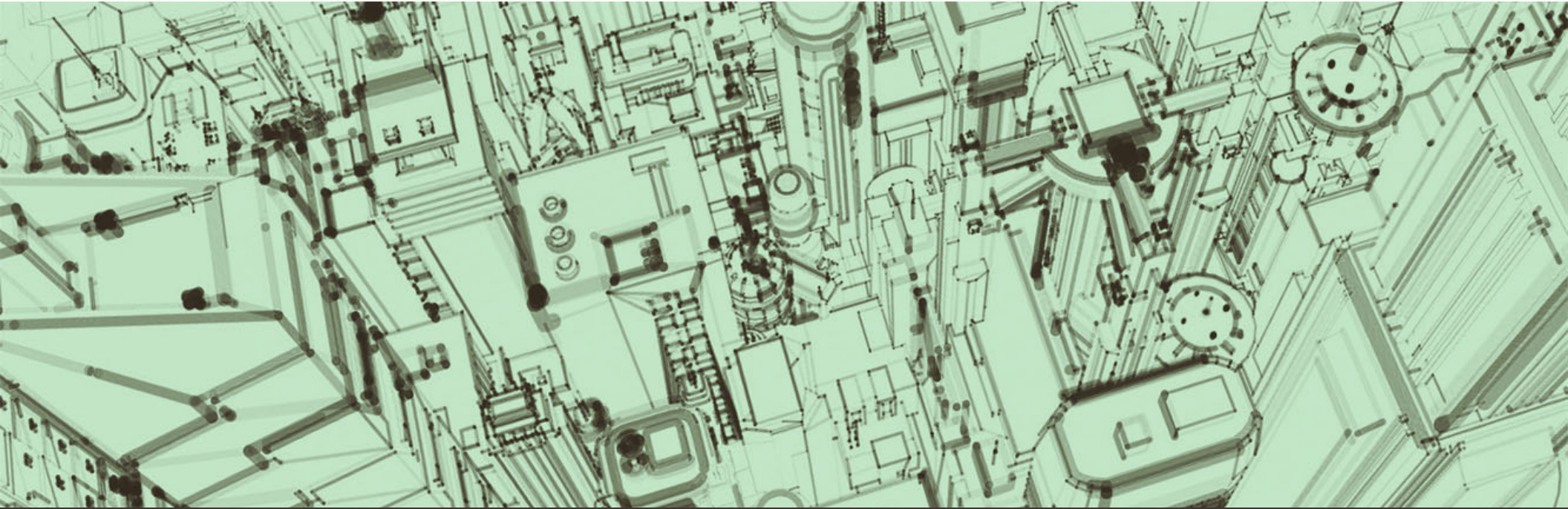
- Renderings/construction documents (30 days)
  - RFP Released after documents are finalized
  - Responses Collected and Reviewed (60-90 days)
  - Council awards contract for construction (at monthly council meeting)
  - Construction (60-90 days)
- Estimated timeline to completion: 8 months



THE TOWN OF  
**BOILING SPRINGS**  
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## MATERIALS PROVIDED

- **Presentation from stakeholder meeting including:**
  - **Street View Rendering**
  - **Aerial Rendering**
  - **Current View**
- **Award Letter from NC Commerce**
- **Grant Agreement**
- **Budget Amendment for Funds**



# Downtown Courtyard

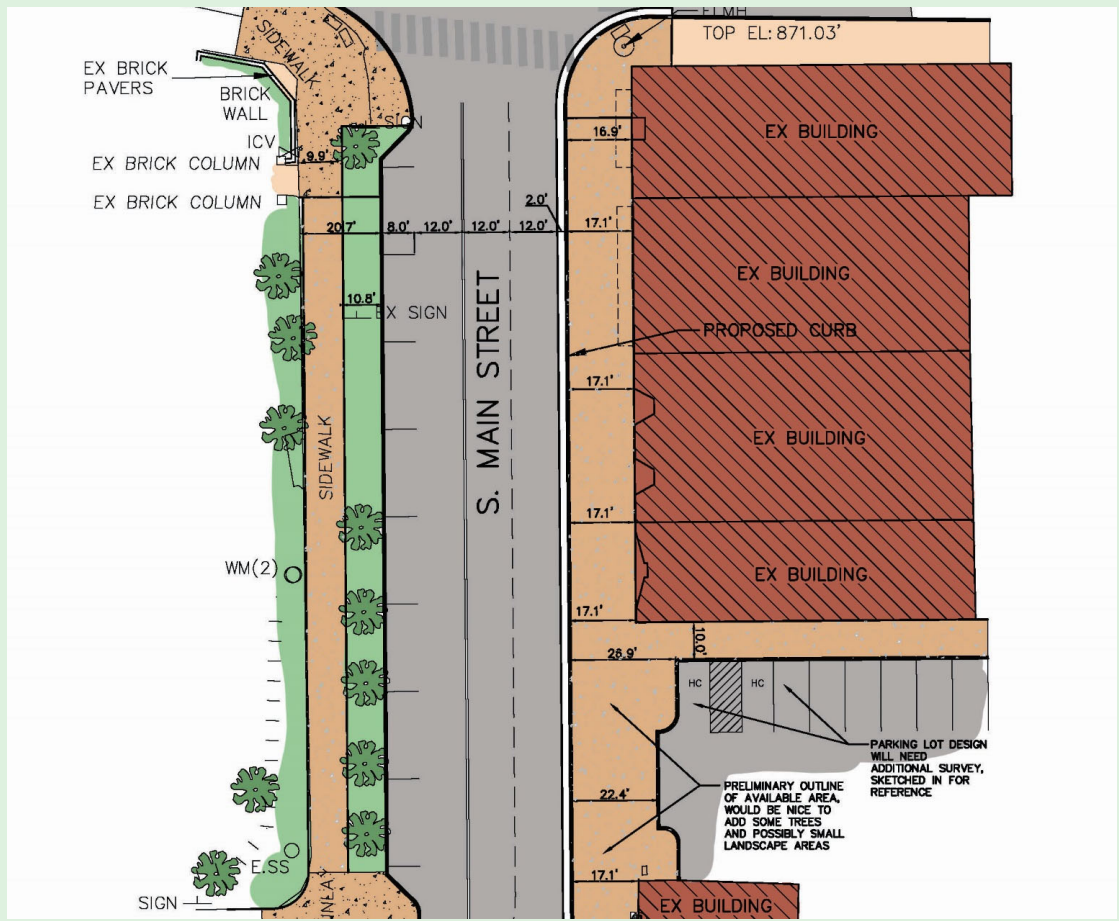
Stakeholder Input Meeting – Town of Boiling Springs – 7/25/2023



# Background

- The Town went through a planning process in 2019/2020 to adopt what is now the “**Downtown Master Plan.**”
- This document looked at various projects and opportunities in the downtown area. It also took a broad look at pedestrian safety and vehicular movement throughout town limits.
- One of the biggest projects that came out of the public input and stakeholder meetings was the **S. Main Streetscape project.**





# Development

The Town retained McGill & Associates to develop the S. Main Streetscape project.

The DMP focuses on broad recommendations such as “opportunities for outdoor space and gathering,” “traffic calming for vehicles,” and “safer areas for pedestrians.”

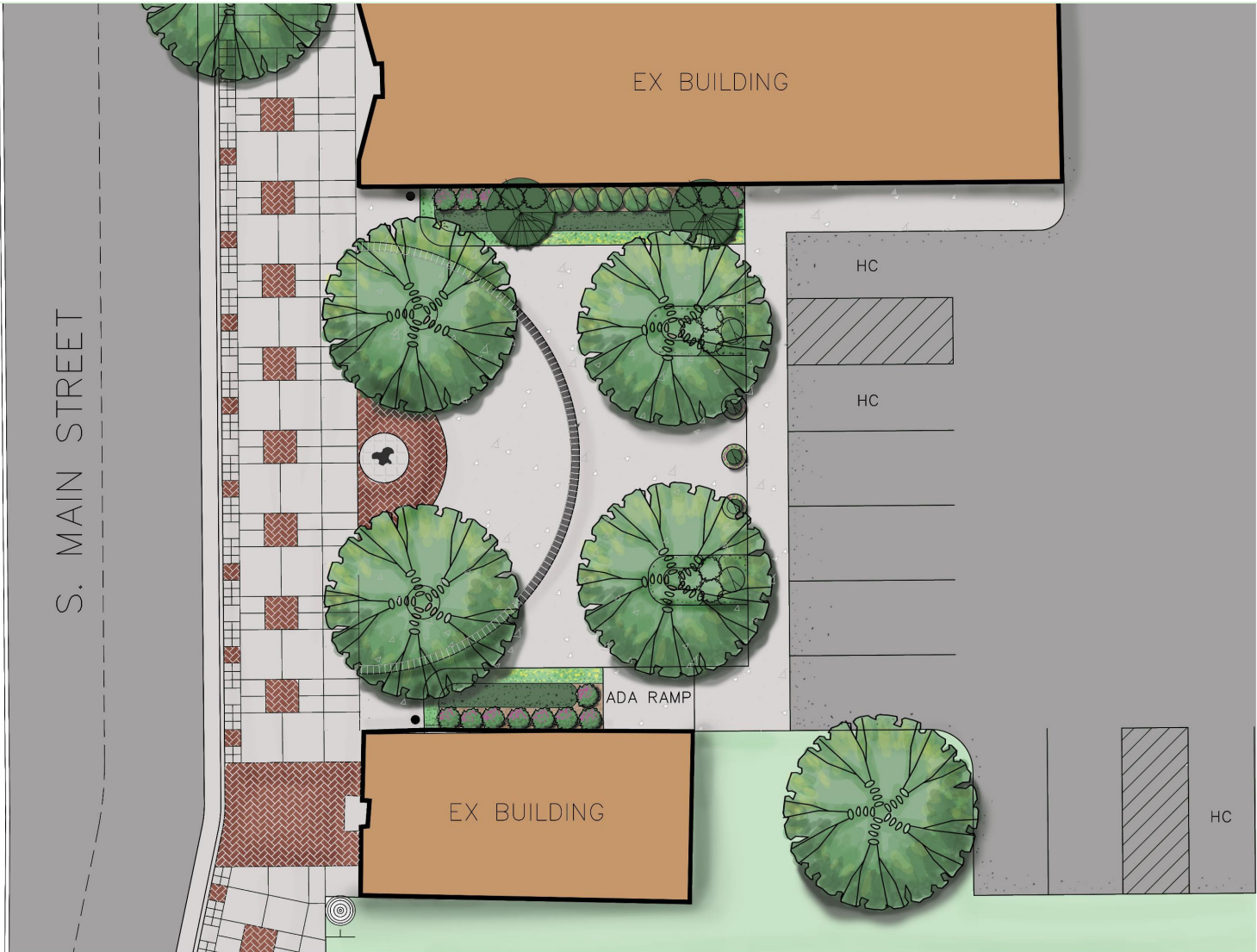


# Courtyard

- One idea that came out of these draft plans was for a “courtyard” space. It also aligned with the positive feedback we received about the Music on Main concert series.
- Thus, the area between the Broad River Greenway office and the Talk of the Town Salon (area with the lights over it) began to be imagined as a more permanent gathering space for residents, customers, and GWU students.







**COURTYARD IMPROVEMENTS**  
BOILING SPRINGS, NORTH CAROLINA





# NC Commerce Project Approval, Subrecipient Number SA-0302

RuralConnect@commerce.nc.gov <ruralconnect@commerce.nc.gov>  
via yks2qbbud99y.t-8alleaa.na214.bnc.salesforce.com

Wed 6/14/2023 10:50 AM

To:Justin Longino <justin.longino@boilingspringsnc.net>;Daniel Thomas  
<daniel.thomas@boilingspringsnc.net>



**NC DEPARTMENT**  
**of COMMERCE**  
RURAL ECONOMIC  
DEVELOPMENT

Roy Cooper  
GOVERNOR

Machelle Baker Sanders  
SECRETARY

Kenny Flowers  
ASSISTANT SECRETARY

Hello,

We are excited to inform you that your community, Town of Boiling Springs has been awarded a grant in the amount of \$195,000.00 for the project titled "Boiling Springs Downtown Courtyard Project." This grant is awarded through the Rural Transformation Grant Fund administered by the Rural Economic Development Division of the North Carolina Department of Commerce. The requirements of this grant are outlined in the contract agreement for the project which will be e-mailed to the project's contacts via the DocuSign e-signature platform.

If you have questions, please contact REDD staff at ruralconnect@commerce.nc.gov. Congratulations and we look forward to working with you.

Best regards,

Kenny Flowers  
Assistant Secretary  
Rural Economic Development Division  
North Carolina Department of Commerce

*Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties.*

North Carolina Department of Commerce | Rural Economic Development Division  
301 North Wilmington Street | 4346 Mail Service Center | Raleigh, NC 27699-4346  
919 814 4600 T





**NC DEPARTMENT  
of COMMERCE**  
RURAL ECONOMIC  
DEVELOPMENT

Roy Cooper  
GOVERNOR

Machelle Baker Sanders  
SECRETARY

Kenny Flowers  
ASSISTANT SECRETARY

7/27/2023

Re: Your DocuSign and Reply is Requested  
 Subrecipient: Town of Boiling Springs  
 Contract Agreement for Grant Number: SA-0302  
 Project Title: Boiling Springs Downtown Courtyard Project

Dear Daniel Thomas

Enclosed for your review is a complete set of contract documents required to finalize the grant award from the North Carolina Department of Commerce, Rural Transformation Grant Fund. Below is a description of the documents enclosed along with an explanation of the signatures required for each document.

Document:	Document Description:	DocuSigned By:
Grant Agreement	Contract: Outlines the terms of Grant Agreement between the Department of Commerce and the Unit of Local Government.	Chief Elected Official - Unit of Local Government
Attachment A	Attachment A: Notice of Certain Reporting & Audit Requirements	No Signature Required
Attachment B	Attachment B: State Grant Certification – No Overdue Tax Debts	Chief Elected Official and– Unit of Local Government
Attachment C	Attachment C: General Terms and Conditions	No Signature Required
Attachment D	Attachment D: Federal Funding Accounting and Transparency Act (FFATA)	Chief Elected Official – Unit of Local Government. Answer all questions.

Execute these documents via DocuSign. If you have any questions or if I can be of any assistance, please contact me at [hazel.edmond@commerce.nc.gov](mailto:hazel.edmond@commerce.nc.gov).

Sincerely,

Hazel S. Edmond  
 Director, Rural Transformation Grant Fund

Enclosure

Rural Transformation Grant Fund, Grant Agreement  
 Rural Downtown Transformation Grant  
 Downtown Revitalization

Contract Agreement Grant Number: SA-  
 Assistance Listing Number: 21.027  
 Federal Award ID Number: SLFRP0129  
 Federal Award Date: 5/18/2021

Item 1.

This Contract is hereby entered into by and between the **North Carolina Department of Commerce** (the "Agency") and  
 Town of Boiling Springs (the "Grantee") (referred to collectively as the "Parties").

#### 1. Contract Documents:

This Contract consists of the following documents:

1. This Contract
2. Notice of Certain Reporting and Audit Requirements (Attachment A)
3. Certification of No Overdue Tax Debts (Attachment B)
4. The General Terms and Conditions (Attachment C)
5. Federal Funds Accountability and Transparency Act Disclosure (Attachment D)

These documents constitute the entire agreement between the Parties and supersede all oral and written statements, negotiations, or agreements made, communicated, negotiated, or entered into prior to or contemporaneously with the full execution of this Contract.

#### 2. Precedence Among Contract Documents:

In the event of a conflict between or among the terms of the Contract Documents, the terms in the Contract Document with the highest relative precedence shall prevail. The order of precedence shall be the order of documents as listed in Paragraph 1, above, with the first-listed document having the highest precedence and the last-listed document having the lowest precedence. If there are multiple Contract Amendments, the most recent amendment shall have the highest precedence and the oldest amendment shall have the lowest precedence.

#### 3. Effective Period:

This Contract shall be effective on **December 14, 2022**, and shall terminate when all funds disbursed by the Agency to the Grantee under this Contract have been expended by the Grantee for the purposes authorized by the North Carolina General Assembly and stated herein, unless terminated sooner under the terms of this Contract. All eligible expenditures must be incurred or obligated by **December 31, 2024**, and expended by **December 31, 2026**, as allowed by federal law and regulation.

#### 4. Grantee's Duties:

The North Carolina General Assembly has authorized funds from the State Fiscal Recovery Fund to be appropriated to the Agency for Rural Downtown Transformation grants. This Contract allocates grant funds from the Agency to  
 Town of Boiling Springs in order to fully leverage resources toward enhancing their communities' prospects for economic growth pursuant to S.L. 2021-180, the State Appropriations Act of 2021, and the Committee Report (together the "Authorizing Legislation") authorizes and directs the Agency to administer this grant. The Grantee acknowledges these funds are federal Coronavirus State Fiscal Recovery Funds ("SFRF") authorized in section 9901 of the American Rescue Plan Act, Pub. L. No. 117-2, awarded to North Carolina, deposited in the state Treasury, and appropriated in North Carolina by the Authorizing Legislation. The North Carolina Office of State Budget and Management (OSBM) has determined that this project is provision of government services within the State's calculated reduction of revenue due to the COVID-19 public health emergency, to be administered and reported under Expenditure Category 6.1 under the US Department of the Treasury's (the "Treasury") Compliance and Reporting Guidance (updated February 28, 2022). The Grantee shall implement the grant and ensure that all funds are expended in accordance with the Authorizing Legislation, 09 NCAC 03M which incorporates by State Regulation 2 CFR 200 Subpart E Cost Principles, 2 CFR 200 Subpart F Audit Requirements, all applicable State and Federal laws, and Treasury guidance for use of these funds. The Grantee will ensure that the sub-grantee(s), sub-sub-grantee, etc. comply with all applicable laws, regulations, guidance, and reporting requirements. The Grantee shall not use grant funds for debt service, to replenish financial reserves, or to satisfy an obligation arising from a judicial settlement or judgment. The grant funds allocated herein are not to be used for research and development as defined in 2 CFR 200.87. The Grantee acknowledges that the interpretation of the standards applicable to these funds may change with additional Treasury guidance or Congressional or state action and agrees to comply with future standards.

Rural Transformation Grant Fund, Grant Agreement  
Rural Downtown Transformation Grant  
Downtown Revitalization

Contract Agreement Grant Number: SA-0  
Assistance Listing Number: 21.027  
Federal Award ID Number: SLFRP0129  
Federal Award Date: 5/18/2021

Item 1.

## 5. Agency's Duties:

The Agency shall pay the Grantee in the manner and in the amounts specified in the Contract Documents. The total amount paid by the Agency to the Grantee under this Contract shall not exceed \$195,000.00

a. There are no matching requirements from the Grantee.

b. The Grantee's matching requirement is \$\_\_\_\_\_, which shall consist of:

- In-kind                       Cash  
 Cash and In-kind             Cash and/or In-kind

The total contract amount is \$195,000.00

## 6. Conflict of Interest Policy:

Grantee shall file with the Agency a copy of Grantee's policy addressing conflicts of interest that may arise involving the Grantee's management employees and the members of its governing body. The policy shall prohibit such individuals from directly or indirectly benefitting (other than by receipt of any normal compensation from the Grantee) as a result of the Grantee's disbursement of State funds, including any benefit derived from contracting with the Grantee or owning or contracting with a sub-grantee or sub-sub-grantee. The policy shall include actions to be taken by the Grantee, the individual, or both to avoid conflicts of interest and the appearance of impropriety. The policy shall be filed before Agency may disburse the grant funds. Additionally, every Grantee must identify for the Agency any conflicts of interest existing under its policy prior to the execution of this Contract and must promptly inform the Agency of any conflict of interest of which it becomes aware during the term of this Contract.

## 7. Statement of No Overdue Tax Debts:

The Grantee shall file with the Agency a sworn written statement pursuant to N.C.G.S. 143C-6-23(c) (Attachment B), stating that the Grantee does not have any overdue tax debts, as defined by G.S. 105-243.1, at the federal, State, or local level. A person who makes a false statement in violation of this subsection is guilty of a criminal offense punishable as provided by N.C.G.S. 143C-10-1. Grantee acknowledges that the written statement must be filed before Agency may disburse the grant funds.

## 8. Letter of tax- exempt status:

If applicable, the Grantee shall file with the Agency a copy of Grantee's IRS federal tax-exempt letter.

## 9. Reporting Requirements:

The Agency has determined that this Contract is subject to the reporting requirements described in the attached Notice of Certain Reporting and Audit Requirements (Attachment A), which is part of this Contract. The Grantee shall comply with all of the reporting requirements and provisions described in Attachment A hereto.

In addition to the reporting requirements and provisions described in Attachment A and the other reporting requirements described in this Contract, the Grantee further agrees to submit to the Agency's Director of the Rural Transformation Grant Fund an Annual Report to enable the Agency and its Fiscal Services Division to track the status of the Grantee's expenditures of grant funds on a periodic basis. The Grantee shall continue to complete and send said Annual Reports to the Agency's Director of the Rural Transformation Grant Fund until all grant funds received under this Contract have been expended and all such expenditures have been fully reported to the Agency's Director of the Rural Transformation Grant Fund. When submitting said Annual Reports, the Grantee shall also submit a brief narrative paragraph for each such Report summarizing the performance objectives of expenditures and any interest earned by the Grantee from the grant funds.



Rural Transformation Grant Fund, Grant Agreement  
 Rural Downtown Transformation Grant  
 Downtown Revitalization

Contract Agreement Grant Number: SA-  
 Assistance Listing Number: 21.027  
 Federal Award ID Number: SLFRP0129  
 Federal Award Date: 5/18/2021

Item 1.

The Grantee will ensure that the sub-grantee(s), sub-sub-grantee, etc. make available information necessary for the Grantee and the Agency to fulfill their respective reporting requirements. The Grantee will implement reporting deadlines for the subgrantee(s), sub-sub-grantee, etc. that provide adequate time for review by the Grantee and the Agency in order for the Grantee and the Agency to meet their respective reporting deadlines. In the event such reports are requested by the Agency, the Grantee will additionally provide monthly program and expenditure reports in the form prescribed by the Agency. The Agency will establish the form and schedule for the submission of reports under this Paragraph and the Grantee will ensure that all reports are materially complete and submitted to the Agency by the date set by Agency.

#### 10. Payment Provisions:

Payment shall be made in accordance with the State's Cash Management Plan.

#### 11. Disbursements:

In addition to the other requirements set forth above and in the attached documents concerning the disbursement of grant funds by the Grantee (including any sub-grantee(s) and sub-sub-grantee(s)), as well as all requirements imposed on grant fund expenditures by applicable law, rules, and regulations, the Grantee acknowledges and agrees, as an express condition of this Contract, to make disbursements of all grant funds in accordance with the following requirements:

- a. The Grantee shall implement adequate internal controls over all disbursements;
- b. The Grantee shall pre-audit all vouchers presented to it for payment to determine:
  - The validity and accuracy of the requested payment;
  - The payment due date;
  - The adequacy of all documentation allegedly supporting the requested payment; and
  - The legality of all disbursements and requested disbursements;
- c. The Grantee shall assure adequate control of signature stamps and plates;
- d. The Grantee shall assure adequate control of all negotiable instruments; and
- e. The Grantee shall implement adequate procedures to ensure that its account balance is solvent and shall reconcile its account monthly.

#### 12. Outsourcing:

The Grantee certifies that it has identified to the Agency all jobs related to this Contract that have been outsourced to other states within the United States or to other countries, if any. The Grantee further acknowledges that it may not outsource to any other state or territory or to any other country any jobs related to this Contract during the term of this Contract without obtaining the prior written approval of the Agency.

#### 13. Ethics Law Compliance:

The Grantee acknowledges and agrees that, in its conduct under this Contract and in connection with any and all expenditures of grant funds made by it, the Grantee, its officers, agents, and employees shall be and are subject to the provisions of the North Carolina State Government Ethics Act, N.C. Session Law 2006-201, House Bill 1843; Session Law 2007-348, House Bill 1111 (the "Ethics Act"). The Grantee further acknowledges and agrees that, in the event that it grants any of the grant funds awarded hereunder to one or more sub-grantees or sub-sub-grantees, the Grantee shall, by contract, ensure that the provisions of the Ethics Act are made applicable to and binding upon any and all of the Grantee's sub-grantees, sub-sub-grantees, etc.

#### 14. Cost Principles:

The Grantee acknowledges and agrees that, in its conduct under this Contract and in connection with any and all expenditures of grant funds made by it, it shall comply with the cost principles enunciated in 2 CFR Part 200 Subpart E – Cost Principles (<http://www.ecfr.gov/>). The Grantee further acknowledges and agrees that, in the event that it grants any of the grant funds awarded hereunder to one or more sub-grantees or sub-sub-grantees, the Grantee shall, by contract, ensure that said cost principles are made applicable to and binding upon any and all such sub-grantees, sub-sub-grantees, etc. in their handling, use, and expenditure of the funds awarded to the Grantee hereunder.

Rural Transformation Grant Fund, Grant Agreement  
 Rural Downtown Transformation Grant  
 Downtown Revitalization

Contract Agreement Grant Number: SA-0  
 Assistance Listing Number: 21.027  
 Federal Award ID Number: SLFRP0129  
 Federal Award Date: 5/18/2021

Item 1.

The Grantee may use funds for administering this SFRF program, including costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements. Further, costs must be reasonable and allocable as outlined in 2 CFR 200.404 and 2 CFR 200.405. The Grantee is permitted to charge both direct and indirect costs as administrative costs. Direct costs are those that are identified specifically as costs of implementing the SFRF program objectives, such as contract support, materials, and supplies for a project. Indirect costs are general overhead costs of an organization where a portion of such costs are allocable to the SFRF award such as the cost of facilities or administrative functions like a director's office. Each category of cost should be treated consistently in like circumstances as direct or indirect, and the Grantee may not charge the same administrative costs to both direct and indirect cost categories, or to other programs.

#### **15. Final Reports and Certifications:**

The Grantee shall file all reports and certifications, as described and required by Attachment A to this Contract, concerning its receipt, handling, and expenditure of all grant funds awarded hereunder, including any interest earned by the Grantee from such funds, with the Agency's Director of the Rural Grant Transformation Fund.

#### **16. Monitoring and Auditing:**

The Grantee acknowledges and agrees that, from and after the date of execution of this Contract and for the longer of 1) five (5) years after all State Fiscal Recovery Funds have been expended or returned to Treasury or 2) five (5) years following its termination, the books, records, documents, and facilities of the Grantee are subject to being audited, inspected, and monitored at any time by the Agency upon its request (whether in writing or otherwise), State or Federal auditors, and/or the Treasury. The Grantee and its officers, agents, and employees shall make the Grantee's books, records, documents, and offices/facilities available to all authorized personnel for inspection, audit, and monitoring upon request, shall answer any questions posed to them by the auditing agency, and shall provide the requesting agency, upon its request, with any documents, records, or information sought by the auditing agency in its efforts to monitor and audit the Grantee's activities regarding the funds awarded under this Contract. The Grantee further agrees to keep and maintain all of its books, records, and documents relating in any way to the grant funds awarded hereunder as described in Attachment A subject to the longer timelines described in this paragraph. Because SFRF is a single federal award it may be necessary to keep records of all project expenditures, including record-keeping by subrecipients, until the longest of the timelines runs. Therefore, the Grantee agrees to seek specific written authorization from the Agency for destruction of any records prior to five years after all SFRF funds have been expended or returned to Treasury.

Grantee shall comply with the single audit requirement as set out in 09 NCAC 03M .0205(a)(3) and (b)(4).

#### **17. Procurement:**

Grantee must have a written Procurement Policy that meets the requirements for non-state entities as set forth in 2 CFR 200.317 – 2 CFR 200.327. Grantee must contract for the procurement of goods, services and construction projects, including design services. The procurement procedures must comply with applicable federal, State and local laws and should describe efforts to encourage minority businesses and female owned businesses to submit bids. Grantees must enter procurement solicitations for any contract in excess of \$50,000 in the Statewide Interactive Purchasing System (IPS).

#### **18. Environmental Review:**

Grantee must comply with the requirements of the North Carolina State Environmental Policy Act. Grantee is required to complete an Environmental Review provided by the Agency before the Agency disburses the grant funds.

#### **19. Labor Standards:**

Grantee is encouraged to adhere to strong labor standards, including the use of project labor agreements and community benefits agreements that offer wages above the prevailing rate and that include local hire provisions.

Rural Transformation Grant Fund, Grant Agreement  
 Rural Downtown Transformation Grant  
 Downtown Revitalization

Contract Agreement Grant Number: SA-0  
 Assistance Listing Number: 21.027  
 Federal Award ID Number: SLFRP0129  
 Federal Award Date: 5/18/2021

Item 1.

## 20. Real Property:

Title to real property acquired with grant funds shall vest upon acquisition in the Grantee. Acquired real property shall be subject to the provisions in 2 CFR 200.311 and remain vested in the Grantee and shall be used for the originally authorized purpose so long as needed for that purpose. Real property acquired with grant funds shall not be encumbered or disposed of except in accordance with 2 CFR 200.311. Grantee shall submit annual reports on the status of real property to the Agency's Director of the Rural Transformation Grant Fund in accordance with 2 CFR 200.330.

## 21. Grant Agreement With Sub-Grantee(s):

In the event that the Grantee grants to a sub-grantee, a sub-sub-grantee, etc. any of the grant funds awarded to the Grantee hereunder, the Grantee must retain a signed copy of the contract, letter, or agreement pursuant to which the grant funds awarded to the Grantee hereunder are granted to a sub-grantee, a sub-sub-grantee, etc. The Grantee's agreement or contract with the sub-grantee, sub-sub-grantee, etc. shall comply with the requirements established by this Contract and applicable State and Federal laws, regulations, guidance, and reporting requirements. The Grantee shall insure that the sub-grantee, sub-sub-grantee, etc. fulfills its duties and obligations under the contract, letter, or agreement.

## 22. Repayment of Grant Funds to Agency:

In the event that the Grantee, either directly or indirectly (e.g., through a sub-grantee or sub-sub-grantee), commits any breach of this Contract which the Grantee fails to fully cure within thirty (30) days of its receipt of written notice from the Agency of said breach, the Agency may make demand in writing of the Grantee that it repay the Agency so much of the grant funds awarded under this Contract, up to and including 100% of the amount of the award made under this Contract. In such an event, the Grantee shall repay said amount to the Agency within thirty (30) days of its receipt of said demand for repayment, as well as any interest earned by the Grantee on said amount.

In addition, in the event that this Contract should be terminated by the Parties or otherwise comes to an end prior to the time when the Grantee, its sub-grantee(s), any sub-sub-grantee(s), etc. have expended all of the funds awarded under this Contract, the Grantee shall, within thirty (30) days of said termination or contract end, return to the Agency all such unexpended funds, as well as any interest earned by the Grantee on such funds. Furthermore, the Grantee shall, by contract, ensure that, in the event that its sub-grantee(s) enter into any sub-sub-grant agreements involving any of the funds awarded hereunder, all such sub-grantees, sub-sub-grantees, etc. are required to repay to their grantee(s) all such unexpended funds, as well as any interest earned by the sub-grantee or sub-sub-grantee on such funds, so that the Grantee can return those unexpended funds and interest to the Agency within thirty (30) days of the termination or other end of this Contract. In any event, the Grantee shall be and remain liable to the Agency for the repayment to the Agency of all grant funds that are unexpended (either by the Grantee or any sub-grantee, sub-sub-grantee, etc.) at the time of the termination or other end of this Contract, as well as the repayment of any interest earned by the Grantee, sub-grantee or sub-sub-grantee on such funds at that time.

## 23. Termination:

Subject to the provisions of paragraph 19 of this Contract, this Contract may be terminated in accordance with the provisions set forth in Attachment C hereto; however, the reporting, monitoring, and audit requirements and provisions of this Contract shall survive any such termination.

## 24. Non-Discrimination Certification:

The Grantee certifies its compliance with Civil Rights laws, including Title VI of the Civil rights Act of 1964 (Title VI) Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 CFR part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, as amended by Public law 93-516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. 6101 et seq., and the Department's implementing regulations at 31 CFR part 23. The Grantee will also seek certification of compliance

Rural Transformation Grant Fund, Grant Agreement  
Rural Downtown Transformation Grant  
Downtown Revitalization

Contract Agreement Grant Number: SA-0  
Assistance Listing Number: 21.027  
Federal Award ID Number: SLFRP0129  
Federal Award Date: 5/18/2021

Item 1.

as may be required of Sub-grantees and contractors. The Grantee acknowledges that it must cooperate in demonstrating its efforts on behalf of the State as may be required by the Treasury.

## 25. Federal Funds Accountability and Transparency Act

Prior to the disbursement of funds, the Grantee will complete and submit Attachment D to the Agency. The Federal Funds Accountability and Transparency Act (the "FFATA") requires public disclosure of executive compensation in certain federally funded organizations. Prior to the disbursement of funds that Grantee will provide written certification stating whether 1) The Grantee received 80% or more of its annual gross revenues from federal awards (contracts or subcontracts, loans, grants or subgrants, cooperative agreements) and whether 2) The total of the Grantee's annual federal awards equaled or exceeded \$25,000,000? If the answer to both questions is "yes," then the Grantee must publicly report the compensation information of its five most highly compensated executives. The Grantee may comply by certifying that this is done through periodic reporting under the Securities Exchange Act of 1934 under 15 USC 78m(a) or 15 USC 78o(d), or under the Internal Revenue Code of 1986 Section 6104, If not already reported, the names and compensation of the five most highly compensated executives must be provided to the Agency as a precondition to receiving federal funds.

The Grantee will provide all information requested by the Agency to allow the State to document compliance with the FFATA, which may include:

- Subrecipient identifying and demographic information (e.g., legal name, whether registered in SAM.gov, DUNS/UEI/TIN and location)
- Primary place of performance
- Related project identification number(s) (created by the recipient)
- Related project name(s)
- Period of performance start and end date
- Quarterly obligation amount
- Quarterly expenditure amount

Rural Transformation Grant Fund, Grant Agreement  
Rural Downtown Transformation Grant  
Downtown Revitalization

Contract Agreement Grant Number: SA-  
Assistance Listing Number: 21.027  
Federal Award ID Number: SLFRP0129  
Federal Award Date: 5/18/2021

Item 1.

**26. Authorized Signature Warranty:**

The undersigned represent and warrant that they are authorized to bind their principals to the terms of this agreement.

**In Witness Whereof**, the Grantee and the Agency have executed this Contract in duplicate, with one being retained by each party.

**Town of Boiling Springs**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Daniel Thomas  
\_\_\_\_\_  
Printed Name

Chief Elected Official  
\_\_\_\_\_  
Title

**North Carolina Department of Commerce**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Kenny Flowers  
\_\_\_\_\_  
Printed Name

Assistant Secretary, Rural Economic Development Division  
\_\_\_\_\_  
Title

Rural Transformation Grant Fund, Grant Agreement  
 Rural Downtown Transformation Grant  
 Downtown Revitalization  
 Attachment A: Notice of Certain Reporting & Audit Requirements

Contract Agreement Grant Number: SA-0  
 Assistance Listing Number: 21.027  
 Federal Award ID Number: SLFRP0129  
 Federal Award Date: 5/18/2021

Item 1.

Grantee shall comply with all the rules and reporting requirements established by statute or administrative rules.

G.S. 143C-6-23 requires that every non-State entity that receives State funds from a State agency except any non-State entity subject to the audit and other reporting requirements of the Local Government Commission file annual grant compliance reports. All annual grant compliance reports must be filed with the Department of Commerce. Level 3 Grantee audit reports must be submitted via email as a .PDF file.

For convenience, the requirements of G.S. 143C-6-22 – 23, G.S. 143C-10-1 and 09 NCAC Subchapter 3M.0205 are set forth in this Attachment.

**§ 143C-6-22. Use of State funds by non-State entities.**

- a) Disbursement and Use of State Funds. – Every non-State entity that receives, uses, or expends any State funds shall use or expend the funds only for the purposes for which they were appropriated by the General Assembly. State funds include federal funds that flow through the State Treasury.
- b) Compliance by Non-State Entities. – If the Director of the Budget finds that a non-State entity has spent or encumbered State funds for an unauthorized purpose, or fails to submit or falsifies the information required by G.S. 143C-6-23 or any other provision of law, the Director shall take appropriate administrative action to ensure that no further irregularities or violations of law occur and shall report to the Attorney General any facts that pertain to an apparent violation of a criminal law or an apparent instance of malfeasance, misfeasance, or nonfeasance in connection with the use of State funds. Appropriate administrative action may include suspending or withholding the disbursement of State funds and recovering State funds previously disbursed.
- c) Civil Actions. – Civil actions to recover State funds or to obtain other mandatory orders in the name of the State on relation of the Attorney General, or in the name of the Office of State Budget and Management, shall be filed in the General Court of Justice in Wake County. (2006-203, s. 3.)

**§ 143C-6-23. State grant funds: administration; oversight and reporting requirements.**

- a) Definitions. — The following definitions apply in this section:
  1. Grant or grant funds. — State funds disbursed as a grant by a State agency; however, the terms do not include any payment made by the Medicaid program, the State Health Plan for Teachers and State Employees, or other similar medical programs.
  2. Grantee. — A non-State entity that receives State funds as a grant from a State agency but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission.
  3. Encumbrance. — A financial obligation created by a purchase order, contract, salary commitment, unearned or prepaid collections for services provided, or other legally binding agreement. A financial obligation is not an encumbrance for purposes of this section unless it (i) is in writing and has been signed by a person or entity who has authority to legally bind the grantee or subgrantee to spend the funds or (ii) was created by the provision of goods or services to the grantee or subgrantee by a third party under circumstances that create a legally binding obligation to pay for the goods or services.

Rural Transformation Grant Fund, Grant Agreement  
 Rural Downtown Transformation Grant  
 Downtown Revitalization  
 Attachment A: Notice of Certain Reporting & Audit Requirements

Contract Agreement Grant Number: SA-0  
 Assistance Listing Number: 21.027  
 Federal Award ID Number: SLFRP0129  
 Federal Award Date: 5/18/2021

Item 1.

4. Subgrantee. — A non-State entity that receives State funds as a grant from a grantee or from another subgrantee but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission.
- b) Conflict of Interest Policy. — Every grantee shall file with the State agency disbursing funds to the grantee a copy of that grantee's policy addressing conflicts of interest that may arise involving the grantee's management employees and the members of its board of directors or other governing body. The policy shall address situations in which any of these individuals may directly or indirectly benefit, except as the grantee's employees or members of its board or other governing body, from the grantee's disbursing of State funds, and shall include actions to be taken by the grantee or the individual, or both, to avoid conflicts of interest and the appearance of impropriety. The policy shall be filed before the disbursing State agency may disburse the grant funds.
- c) No Overdue Tax Debts. — Every grantee shall file with the State agency or department disbursing funds to the grantee a written statement completed by that grantee's board of directors or other governing body stating that the grantee does not have any overdue tax debts, as defined by G.S. 105-243.1, at the federal, State, or local level. The written statement shall be made under oath and shall be filed before the disbursing State agency or department may disburse the grant funds. A person who makes a false statement in violation of this subsection is guilty of a criminal offense punishable as provided by G.S. 143C-10-1.
- d) Office of State Budget Rules Must Require Uniform Administration of State Grants. — The Office of State Budget and Management shall adopt rules to ensure the uniform administration of State grants by all grantor State agencies and grantees or subgrantees. The Office of State Budget and Management shall consult with the Office of the State Auditor and the Attorney General in establishing the rules required by this subsection. The rules shall establish policies and procedures for disbursements of State grants and for State agency oversight, monitoring, and evaluation of grantees and subgrantees. The policies and procedures shall:
1. Ensure that the purpose and reporting requirements of each grant are specified to the grantee.
  2. Ensure that grantees specify the purpose and reporting requirements for grants made to subgrantees.
  3. Ensure that State funds are spent in accordance with the purposes for which they were granted.
  4. Hold the grantees and subgrantees accountable for the legal and appropriate expenditure of grant funds.
  5. Provide for adequate oversight and monitoring to prevent the misuse of grant funds. These policies shall require each grantee and subgrantee to ensure that, for accounting purposes, State funds and interest earned on those funds remain separate and apart from other funds in the possession or control of the grantee or subgrantee.
  6. Establish mandatory periodic reporting requirements for grantees and subgrantees, including methods of reporting, to provide financial and program performance information. The mandatory periodic reporting requirements shall require grantees and subgrantees to file with the State Auditor copies of reports and statements that are filed with State agencies pursuant to this subsection. Compliance with the mandatory periodic reporting requirements of this

Rural Transformation Grant Fund, Grant Agreement  
 Rural Downtown Transformation Grant  
 Downtown Revitalization  
 Attachment A: Notice of Certain Reporting & Audit Requirements

Contract Agreement Grant Number: SA-0  
 Assistance Listing Number: 21.027  
 Federal Award ID Number: SLFRP0129  
 Federal Award Date: 5/18/2021

Item 1.

subdivision shall not require grantees and subgrantees to file with the State Auditor the information described in subsections (b) and (c) of this section.

7. Require grantees and subgrantees to maintain reports, records, and other information to properly account for the expenditure of all grant funds and to make such reports, records, and other information available to the grantor State agency for oversight, monitoring, and evaluation purposes.
  8. Require grantees and subgrantees to ensure that work papers in the possession of their auditors are available to the State Auditor for the purposes set out in subsection (i) of this section.
  9. Require grantees to be responsible for managing and monitoring each project, program, or activity supported by grant funds and each subgrantee project, program, or activity supported by grant funds.
  10. Provide procedures for the suspension of further disbursements or use of grant funds for noncompliance with these rules or other inappropriate use of the funds.
  11. Provide procedures for use in appropriate circumstances for reinstatement of disbursements that have been suspended for noncompliance with these rules or other inappropriate use of grant funds.
  12. Provide procedures for the recovery and return to the grantor State agency of unexpended grant funds from a grantee or subgrantee (i) in accordance with subsection (f1) of this section or (ii) in the event that the grantee or subgrantee is unable to fulfill the purposes of the grant for a reason not set forth in that subsection.
- d1) Required Grant Terms. — The terms of each grant shall include all of the following, which shall be deemed a part of the grant:
1. The limitation contained in G.S. 143C-6-8 concerning the availability of appropriated funds.
  2. The relevant provisions of any legislation authorizing or governing the administration of the grant.
  3. The terms of this section.
- e) Rules Are Subject to the Administrative Procedure Act. — Notwithstanding the provisions of G.S. 150B-2(8a)b. rules adopted pursuant to subsection (d) of this section are subject to the provisions of Chapter 150B of the General Statutes.
- f) Suspension and Recovery of Funds to Grant Recipients for Noncompliance. — The Office of State Budget and Management, after consultation with the administering State agency, shall have the power to suspend disbursement of grant funds to grantees or subgrantees, to prevent further use of grant funds already disbursed, and to recover grant funds already disbursed for noncompliance with rules adopted pursuant to subsection (d) of this section. If the grant funds are a pass-through of funds granted by an agency of the United States, then the Office of State Budget and Management must consult with the granting agency of the United States and the State agency that is the recipient of the pass-through funds prior to taking the actions authorized by this subsection.



Rural Transformation Grant Fund, Grant Agreement  
 Rural Downtown Transformation Grant  
 Downtown Revitalization  
 Attachment A: Notice of Certain Reporting & Audit Requirements

Contract Agreement Grant Number: SA-0  
 Assistance Listing Number: 21.027  
 Federal Award ID Number: SLFRP0129  
 Federal Award Date: 5/18/2021

Item 1.

- f1) Return of Grant Funds. — Except as otherwise required by federal law, a grantee or subgrantee shall return to the State all affected grant funds and interest earned on those funds if any of the following occurs:
1. The funds are in the possession or control of a grantee and are not expended, made subject to an encumbrance, or disbursed to a subgrantee by August 31 immediately following the fiscal year in which the funds are appropriated by the General Assembly, or a different period set forth in the terms of the applicable appropriation or federal grant.
  2. The funds remain unexpended at the time that the grantee or subgrantee dissolves, ceases operations, or otherwise indicates that it does not intend to spend the funds.
  3. The Office of State Budget and Management seeks to recover the funds pursuant to subsection (f) of this section.
- f2) Use of Returned Grant Funds. — Encumbered funds returned to the State pursuant to subsection (f1) of this section by a grantee or subgrantee shall upon appropriation by the General Assembly be spent in accordance with the terms of the encumbrance. All other funds returned to the State by a grantee or subgrantee pursuant to subsection (f1) of this section shall be credited to the fund from which they were appropriated and shall remain unexpended and unencumbered until appropriated by the General Assembly. Nothing in this section shall be construed to authorize an expenditure pursuant to an unlawful encumbrance or in a manner that would violate the terms of the appropriation of the grant funds at issue.
- g) Audit Oversight. — The State Auditor has audit oversight, with respect to grant funds received by the grantee or subgrantee, pursuant to Article 5A of Chapter 147 of the General Statutes, of every grantee or subgrantee that receives, uses, or expends grant funds. A grantee or subgrantee shall, upon request, furnish to the State Auditor for audit all books, records, and other information necessary for the State Auditor to account fully for the use and expenditure of grant funds received by the grantee or subgrantee. The grantee or subgrantee shall furnish any additional financial or budgetary information requested by the State Auditor, including audit work papers in the possession of any auditor of a grantee or subgrantee directly related to the use and expenditure of grant funds. The grantee or subgrantee shall post conspicuously in its office the State Auditor's hotline telephone number, as described in G.S. 147-64.6B(a).
- h) Report on Grant Recipients That Failed to Comply. — The Office of State Budget and Management shall post online at regular intervals a list of all grantees or subgrantees that failed to comply with this section with respect to grant funds received in the prior fiscal year.
- i) State Agencies to Submit Grant List to Auditor. — No later than October 1 of each year, each State agency shall submit a list to the State Auditor, in the format prescribed by the State Auditor, of every grantee to which the agency disbursed grant funds in the prior fiscal year. The list shall include the amount disbursed to each grantee and other information as required by the State Auditor to comply with the requirements of this section.
- j) Use of Interest Earned on Grant Funds. — Except as otherwise required by federal law or the terms of a federal grant, interest earned on grant funds after receipt of the funds by a grantee or subgrantee shall be credited to the grantee or subgrantee and shall be used for the same purposes for which the grant or subgrant was made.

Rural Transformation Grant Fund, Grant Agreement  
 Rural Downtown Transformation Grant  
 Downtown Revitalization  
 Attachment A: Notice of Certain Reporting & Audit Requirements

Contract Agreement Grant Number: SA-0  
 Assistance Listing Number: 21.027  
 Federal Award ID Number: SLFRP0129  
 Federal Award Date: 5/18/2021

Item 1.

- k) Reporting by Grantees and Subgrantees That Cease Operations. — A grantee or subgrantee that intends to dissolve or cease operations shall report that decision in writing to the Office of State Budget and Management and to the Fiscal Research Division at least 30 days prior to taking that action.

### § 143C-10-1. Offenses for violation of Chapter.

- a) Class 1 misdemeanor. – It is a Class 1 misdemeanor for a person to knowingly and willfully do any one or more of the following:
1. Withdraw funds from the State treasury for any purpose not authorized by an act of appropriation.
  2. Approve any fraudulent, erroneous, or otherwise invalid claim or bill to be paid from an appropriation.
  3. Make a written statement, give a certificate, issue a report, or utter a document required by this Chapter, any portion of which is false.
  4. Fail or refuse to perform a duty imposed by this Chapter.
- b) Class A1 misdemeanor. – It is a Class A1 misdemeanor for a person to make a false statement in violation of G.S. 143C-6-23(c).
- c) Forfeiture of Office or Employment. – An appointed officer or employee of the State or an officer or employee of a political subdivision of the State, whether elected or appointed, forfeits his office or employment upon conviction of an offense under this section. An elected officer of the State is subject to impeachment for committing any of the offenses specified in this section. (2006-203, s. 3.)

### 09 NCAC Subchapter 3M.0205 REPORTING REQUIREMENTS

- a) There are three reporting levels established for recipients and subrecipients receiving State financial assistance. Reporting levels are based on the level of State financial assistance from all funding sources.

The reporting levels are:

1. Level I – A recipient or subrecipient that receives, holds, uses, or expends State financial assistance in an amount less than twenty-five thousand dollars (\$25,000) within its fiscal year.
  2. Level II - A recipient or subrecipient that receives, holds, uses, or expends State financial assistance in an amount of at least twenty-five thousand (\$25,000) or greater, but less than five hundred thousand dollars (\$500,000) within its fiscal year.
  3. Level III – A recipient or subrecipient that receives, holds, uses, or expends State financial assistance in an amount equal to or greater than five hundred thousand dollars (\$500,000) within its fiscal year.
- b) Agencies shall establish reporting requirements for recipients that meet the following reporting standards on an annual basis:

Rural Transformation Grant Fund, Grant Agreement  
Rural Downtown Transformation Grant  
Downtown Revitalization  
Attachment A: Notice of Certain Reporting & Audit Requirements

Contract Agreement Grant Number: SA-0  
Assistance Listing Number: 21.027  
Federal Award ID Number: SLFRP0129  
Federal Award Date: 5/18/2021

Item 1.

1. All recipients and subrecipients shall provide a certification that State financial assistance received or, held was used for the purposes for which it was awarded.
  2. All recipients and subrecipients shall provide an accounting of all State financial assistance received, held, used, or expended.
  3. Level II and III recipients and subrecipients shall report on activities and accomplishments undertaken by the recipient, including reporting on any performance measures established in the contract.
  4. Level III recipients and subrecipients shall have a single or program-specific audit prepared and completed in accordance with Generally Accepted Government Auditing Standards, also known as the Yellow Book.
- c) All reports shall be filed with the disbursing agency in the format and method specified by the agency no later than three months after the end of the recipient's fiscal year, unless the same information is already required through more frequent reporting. Audits must be provided to the funding agency no later than nine months after the end of the recipient's fiscal year.
- d) Agency-established reporting requirements to meet the standards set forth in Paragraph (b) of 9 N.C.A.C. 3M.0205 shall be specified in each recipient's contract.
- e) Unless prohibited by law, the costs of audits made in accordance with the provisions of 9 N.C.A.C. 3M.0205 shall be allowable charges to State and Federal awards. The charges may be considered a direct cost or an allocated indirect cost, as determined in accordance with cost principles outlined in the Code of Federal Regulations, 2 CFR Part 200. The cost of any audit not conducted in accordance with this Subchapter shall not be charged to State awards.
- f) Notwithstanding the provisions of 9 N.C.A.C. 3M.0205, a recipient may satisfy the reporting requirements of Subparagraph (b)(4) of this Rule by submitting a copy of the report required under federal law with respect to the same funds.

Rural Transformation Grant Fund, Grant Agreement  
Rural Downtown Transformation Grant  
Downtown Revitalization  
Attachment B: State Grant Certification – No Overdue Tax Debts

Contract Agreement Grant Number: SA-  
Assistance Listing Number: 21.027  
Federal Award ID Number: SLFRP0129  
Federal Award Date: 5/18/2021

Item 1.

**To: State Agency Head and Chief Fiscal Officer**

**Certification:**

We certify that the Town of Boiling Springs does not have any overdue tax debts, as defined by N.C.G.S. 105-243.1, at the federal, State, or local level. We further understand that any person who makes a false statement in violation of N.C.G.S. 143C-6-23(c) is guilty of a criminal offense punishable as provided by N.C.G.S. 143C-10-1

**Sworn Statement:**

Daniel Thomas being duly sworn, say that we are the Chief Elected Official respectively, of  
Town of Boiling Springs of Shelby in the State of  
North Carolina; and that the foregoing certification is true, accurate and complete to the best of our knowledge and was made and subscribed by us. I also acknowledge and understand that any misuse of State funds will be reported to the appropriate authorities for further action.

\_\_\_\_\_  
Chief Elected Official

If there are any questions, please contact the North Carolina Office of State Budget and Management:  
Mark Bondo @ (919) 807-4710

## DEFINITIONS

Unless indicated otherwise from the context, the following terms shall have the following meanings in this Contract. All definitions are from 9 NCAC 3M.0102 unless otherwise noted. If the rule or statute that is the source of the definition is changed by the adopting authority, the change shall be incorporated herein:

- (1) "Agency" (as used in the context of the definitions below) shall mean and include every public office, public officer or official (State or local, elected or appointed), institution, board, commission, bureau, council, department, authority or other unit of government of the State or of any county, unit, special district or other political subagency of government. For other purposes in this Contract, "Agency" shall mean the entity identified as one of the parties hereto.
- (2) "Audit" means an examination of records or financial accounts to verify their accuracy.
- (3) "Certification of Compliance" means a report provided by the Agency to the Office of the State Auditor that states that the Grantee has met the reporting requirements established by this Subchapter and included a statement of certification by the Agency and copies of the submitted grantee reporting package.
- (4) "Compliance Supplement" refers to the North Carolina State Compliance Supplement, maintained by the State and Local Government Finance Agency within the North Carolina Department of State Treasurer that has been developed in cooperation with agencies to assist the local auditor in identifying program compliance requirements and audit procedures for testing those requirements.
- (5) "Contract" means a legal instrument that is used to reflect a relationship between the agency, grantee, and subgrantee.
- (6) "Fiscal Year" means the annual operating year of the non-State entity.
- (7) "Financial Assistance" means assistance that non-State entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance. Financial assistance does not include amounts received as reimbursement for services rendered to individuals for Medicare and Medicaid patient services.
- (8) "Financial Statement" means a report providing financial statistics relative to a given part of an organization's operations or status.
- (9) "Grant" means financial assistance provided by an agency, grantee, or subgrantee to carry out activities whereby the grantor anticipates no

programmatic involvement with the grantee or subgrantee during the performance of the grant.

- (10) "Grantee" has the meaning in G.S. 143C-6-23(a)(2): a non-State entity that receives a grant of State funds from a State agency, department, or institution but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission. For other purposes in this Contract, "Grantee" shall mean the entity identified as one of the parties hereto.
- (11) "Grantor" means an entity that provides resources, generally financial, to another entity in order to achieve a specified goal or objective.
- (12) "Non-State Entity" has the meaning in N.C.G.S. 143C-1-1(d)(18): Any of the following that is not a State agency: An individual, a firm, a partnership, an association, a county, a corporation, or any other organization acting as a unit. The term includes a unit of local government and public authority.
- (13) "Public Authority" has the meaning in N.C.G.S. 143C-1-1(d)(22): A municipal corporation that is not a unit of local government or a local governmental authority, board, commission, council, or agency that (i) is not a municipal corporation and (ii) operates on an area, regional, or multiunit basis, and the budgeting and accounting systems of which are not fully a part of the budgeting and accounting systems of a unit of local government.
- (14) "Single Audit" means an audit that includes an examination of an organization's financial statements, internal controls, and compliance with the requirements of Federal or State awards.
- (15) "Special Appropriation" means a legislative act authorizing the expenditure of a designated amount of public funds for a specific purpose.
- (16) "State Funds" means any funds appropriated by the North Carolina General Assembly or collected by the State of North Carolina. State funds include federal financial assistance received by the State and transferred or disbursed to non-State entities. Both Federal and State funds maintain their identity as they are subgranted to other organizations. Pursuant to N.C.G.S. 143C-6-23(a)(1), the terms "State grant funds" and "State grants" do not include any payment made by the Medicaid program, the State Health Plan for Teachers and State Employees, or other similar medical programs.
- (17) "Subgrantee" has the meaning in G.S. 143C-6-23(a)(4): A non-State entity that receives State funds as a grant from a grantee or from another subgrantee but does not include any non-State entity subject to the audit and other reporting

Rural Transformation Grant Fund, Grant Agreement  
Rural Downtown Transformation Grant  
Downtown Revitalization  
Attachment C: General Terms and Conditions

Contract Agreement Grant Number: SA-03  
Assistance Listing Number: 21.027  
Federal Award ID Number: SLFRP0129  
Federal Award Date: 5/18/2021

Item 1.

requirements of the Local Government Commission.

- (18)"Unit of Local Government has the meaning in G.S. 143C-1-1(d)(29): A municipal corporation that has the power to levy taxes, including a consolidated city-county as defined by G.S. 160B-2(1), and all boards, agencies, commissions, authorities, and institutions thereof that are not municipal corporations.

### Relationships of the Parties

**Independent Contractor:** The Grantee is and shall be deemed to be an independent contractor in the performance of this Contract and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Grantee represents that it has, or shall secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with, the Agency.

**Subcontracting and Subgranting:** Any subcontracts or subgrants entered into by the Grantee with grant funds shall be subject to all conditions of this Contract. Payment of all subcontractors and subgrantees shall be the sole responsibility of the Grantee, and the Agency shall not be obligated to pay for any work performed by any subcontractor or subgrantee. The Grantee shall be responsible for the performance of all subcontractors and subgrantees and shall not be relieved of any of the duties and responsibilities of this Contract as a result of entering into subcontracts or subgrants. Additionally, if said Grantee subgrants any grant funds pursuant to this Contract, the Grantee shall submit a copy of its policies and/or procedures for monitoring subgrantees to the Agency.

**Subgrantees:** The Grantee has the responsibility to ensure that all subgrantees, if any, provide all information necessary to permit the Grantee to comply with the standards set forth in this Contract.

**Assignment:** No assignment of the Grantee's obligations or the Grantee's right to receive payment hereunder shall be permitted. However, upon written request approved by the issuing purchasing authority, the State may:

- (a) Forward the Grantee's payment check(s) directly to any person or entity designated by the Grantee, or
- (b) Include any person or entity designated by Grantee as a joint payee on the Grantee's payment check(s).

In no event shall such approval and action obligate the State to anyone other than the Grantee and the Grantee

shall remain responsible for fulfillment of all contract obligations.

**Beneficiaries:** Except as herein specifically provided otherwise, this Contract shall inure to the benefit of and be binding upon the parties hereto and their respective successors. It is expressly understood and agreed that the enforcement of the terms and conditions of this Contract, and all rights of action relating to such enforcement, shall be strictly reserved to the Agency and the named Grantee. Nothing contained in this document shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of the Agency and Grantee that any such person or entity, other than the Agency or the Grantee, receiving services or benefits under this Contract shall be deemed an incidental beneficiary only.

### Indemnity and Insurance

**Indemnification:** The Grantee agrees to indemnify and hold harmless the Agency, the State of North Carolina, and any of their officers, agents and employees, from any claims of third parties arising out of any act or omission of the Grantee in connection with the performance of this Contract.

**Insurance:** During the term of the contract, the Grantee at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the contract. As a minimum, the Grantee shall provide and maintain the following coverage and limits:

- (a) **Worker's Compensation** - The grantee shall provide and maintain Worker's Compensation Insurance as required by the laws of North Carolina, as well as employer's liability coverage with minimum limits of \$500,000.00, covering all of Grantee's employees who are engaged in any work under the contract. If any work is sublet, the Grantee shall require the subgrantee to provide the same coverage for any of his employees engaged in any work under the contract.
- (b) **Commercial General Liability** - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of \$1,000,000.00 Combined Single Limit. (Defense cost shall be in excess of the limit of liability.)
- (c) **Automobile** - Automobile Liability Insurance, to include liability coverage, covering all owned, hired and non-owned vehicles used in performance of the contract. The minimum combined single limit shall be \$500,000.00 bodily injury and property damage; \$500,000.00 uninsured/under insured motorist; and \$25,000.00 medical payment.

Rural Transformation Grant Fund, Grant Agreement  
 Rural Downtown Transformation Grant  
 Downtown Revitalization  
 Attachment C: General Terms and Conditions

Contract Agreement Grant Number: SA-03  
 Assistance Listing Number: 21.027  
 Federal Award ID Number: SLFRP0129  
 Federal Award Date: 5/18/2021

Item 1.

Providing and maintaining adequate insurance coverage is a material obligation of the Grantee and is of the essence of this Contract. The Grantee may meet its requirements of maintaining specified coverage and limits by demonstrating to the Agency that there is in force insurance with equivalent coverage and limits that will offer at least the same protection to the Agency. All such insurance shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in North Carolina. The Grantee shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this Contract. The limits of coverage under each insurance policy maintained by the Grantee shall not be interpreted as limiting the grantee's liability and obligations under the contract.

#### Default and Termination

**Termination by Mutual Consent:** The Parties may terminate this Contract by mutual consent with 60 days' notice to the other party, or as otherwise provided by law.

**Termination for Cause:** If, through any cause, the Grantee shall fail to fulfill its obligations under this Contract in a timely and proper manner, the Agency shall have the right to terminate this Contract by giving written notice to the Grantee and specifying the effective date thereof. In that event, all finished or unfinished deliverable items prepared by the Grantee under this Contract shall, at the option of the Agency, become its property and the Grantee shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials, minus any payment or compensation previously made. Notwithstanding the foregoing provision, the Grantee shall not be relieved of liability to the Agency for damages sustained by the Agency by virtue of the Grantee's breach of this agreement, and the Agency may withhold any payment due the Grantee for the purpose of setoff until such time as the exact amount of damages due the Agency from such breach can be determined. The filing of a petition for bankruptcy by the Grantee shall be an act of default under this Contract.

**Waiver of Default:** Waiver by the Agency of any default or breach in compliance with the terms of this Contract by the Grantee shall not be deemed a waiver of any subsequent default or breach and shall not be construed to be modification of the terms of this Contract unless stated to be such in writing, signed by an authorized representative of the Agency and the Grantee and attached to the contract.

**Availability of Funds:** The parties to this Contract agree and understand that the payment of the sums specified in this Contract is dependent and contingent upon and subject to the appropriation, allocation, and availability of funds for this purpose to the Agency.

**Force Majeure:** Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

**Survival of Promises:** All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable federal or State statutes of limitation.

#### Intellectual Property Rights

**Copyrights and Ownership of Deliverables:** All deliverable items produced pursuant to this Contract are the exclusive property of the Agency. The Grantee shall not assert a claim of copyright or other property interest in such deliverables.

**Federal Intellectual Property Bankruptcy Protection Act:** The Parties agree that the Agency shall be entitled to all rights and benefits of the Federal Intellectual Property Bankruptcy Protection Act, Public Law 100-506, codified at 11 U.S.C. 365 (n) and any amendments thereto.

#### Compliance with Applicable Laws

**Compliance with Laws:** The Grantee shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.

**Equal Employment Opportunity:** The Grantee shall comply with all federal and State laws relating to equal employment opportunity.

#### Oversight

**Access to Persons and Records:** The State Auditor shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with N.C.G.S. 147-

Rural Transformation Grant Fund, Grant Agreement  
 Rural Downtown Transformation Grant  
 Downtown Revitalization  
 Attachment C: General Terms and Conditions

Contract Agreement Grant Number: SA-03  
 Assistance Listing Number: 21.027  
 Federal Award ID Number: SLFRP0129  
 Federal Award Date: 5/18/2021

Item 1.

64.7. Additionally, as the State funding authority, the Agency and the Treasury, as the Federal funding authority, shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions.

**Record Retention:** Records shall not be destroyed, purged or disposed of without the express written consent of the Agency. State basic records retention policy requires all grant records to be retained for a minimum of five years or until all audit exceptions have been resolved, whichever is longer. If the contract is subject to federal policy and regulations, record retention may be longer than five years since records must be retained for a period of three years following submission of the final Federal Financial Status Report, if applicable, or three years following the submission of a revised final Federal Financial Status Report. Also, if any litigation, claim, negotiation, audit, disallowance action, or other action involving this Contract has been started before expiration of the five-year retention period described above, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five-year period described above, whichever is later.

### Miscellaneous

**Choice of Law:** The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the parties to this Contract, are governed by the laws of North Carolina. The Grantee, by signing this Contract, agrees and submits, solely for matters concerning this Contract, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purpose, that the exclusive venue for any legal proceedings shall be Wake County, North Carolina. The place of this Contract and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.

**Amendment:** This Contract may not be amended orally or by performance. Any amendment must be made in written form and executed by duly authorized representatives of the Agency and the Grantee.

**Severability:** In the event that a court of competent jurisdiction holds that a provision or requirement of this Contract violates any applicable law, each such provision or requirement shall continue to be enforced to the extent it is not in violation of law or is not otherwise

unenforceable and all other provisions and requirements of this Contract shall remain in full force and effect.

**Headings:** The Section and Paragraph headings in these General Terms and Conditions are not material parts of the agreement and should not be used to construe the meaning thereof.

**Time of the Essence:** Time is of the essence in the performance of this Contract.

**Certification Regarding Collection of Taxes:** N.C.G.S. 143-59.1 bars the Secretary of Administration from entering into contracts with vendors that meet one of the conditions of N.C.G.S. 105-164.8(b) and yet refuse to collect use taxes on sales of tangible personal property to purchasers in North Carolina. The conditions include: (a) maintenance of a retail establishment or office; (b) presence of representatives in the State that solicit sales or transact business on behalf of the vendor; and (c) systematic exploitation of the market by media-assisted, media-facilitated, or media-solicited means. The Grantee certifies that it and all of its affiliates (if any) collect all required taxes.

**Care of Property:** The Grantee agrees that it shall be responsible for the proper custody and care of any property furnished to it for use in connection with the performance of this Contract and will reimburse the Agency for loss of, or damage to, such property. At the termination of this Contract, the Grantee shall contact the Agency for instructions as to the disposition of such property and shall comply with these instructions.

**Travel Expenses:** Reimbursement to the Grantee for travel mileage, meals, lodging and other travel expenses incurred in the performance of this Contract shall be reasonable and supported by documentation. State rates should be used as guidelines. International travel shall not be reimbursed under this Contract.

**Sales/Use Tax Refunds:** If eligible, the Grantee and all subgrantees shall: (a) ask the North Carolina Department of Revenue for a refund of all sales and use taxes paid by them in the performance of this Contract, pursuant to N.C.G.S. 105-164.14; and (b) exclude all refundable sales and use taxes from all reportable expenditures before the expenses are entered in their reimbursement reports.

**Advertising:** The Grantee shall not use the award of this Contract as a part of any news release or commercial advertising.



Rural Transformation Grant Fund, Grant Agreement  
Rural Downtown Transformation Grant  
Downtown Revitalization  
Attachment D: Federal Funding Accounting and  
Transparency Act (FFATA)

Contract Agreement Grant Number: SA-03  
Assistance Listing Number: 21.027  
Federal Award ID Number: SLFRP0129  
Federal Award Date: 5/18/2021

Item 1.

**Attachment D: Federal Funding Accounting and Transparency Act (FFATA)**

The State of North Carolina must report into the FFATA Subaward Reporting System which captures and report subawards and executive compensation data regarding their first-tier subawards to meet the FFATA reporting requirements.

**Town of Boiling Springs**

Unique Entity Identifier Number (UEIN): LHSBGS9Q9D81

Zip Code: 28150

Question 1: In your business or organization's preceding completed fiscal year, did your business or organization (the legal entity to which this specific CCR record, represented by a UEI number, belongs) receive (1) 80 percent or more of your annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

Question 2: Does the public have access to information about the compensation of the executives in your business or organization (the legal entity to which this specific CCR record, represented by a UEI number, belongs) through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

**TOWN OF BOILING SPRINGS  
BUDGET ORDINANCE AMENDMENT #BA230801**

**WHEREAS**, the Town Council of the Town of Boiling Springs adopted a budget ordinance on June 27, 2023 which established revenues and authorized expenditures for fiscal year 2023-2024; and

**WHEREAS**, since the time of the adoption of said ordinance, it has become necessary to make certain changes in the Town’s budget to appropriate funds for additional Rural Transformation Grant through the North Carolina Department of Commerce;

**NOW, THEREFORE, BE IT HEREBY ORDAINED** by the Town Council of the Town of Boiling Springs that the budget ordinance as adopted on June 27, 2023 be and is hereby amended as follows:

<u>Section 1.</u>	Revenues	
	Rural Transformation Grant	<u>Increase</u> <u>\$ 195,000</u>
<u>Section 2.</u>	Expenditures	
	GF-Administration-Special Projects	<u>Increase</u> <u>\$ 195,000</u>

This the 1<sup>st</sup> day of August, 2023.

\_\_\_\_\_  
Daniel Thomas, Mayor

ATTEST:

\_\_\_\_\_  
Noah Saldo, Town Clerk



## HENSLEY PARK MEMORIAL SIGN

**Requested Action:** Motion to approve the rendering and have staff move forward with quotes and make this sign and memorial a reality.

## SUMMARY

Council previously discussed a memorial at the park for Mr. Jerry Hensley. Mr. Dennis Terry offered his design services free of charge and has worked with the Mayor and Town Manager on a concept that is attached.

Mayor Thomas has shared this with Mr. Hensley's family, who were complimentary of the design.

Staff would like to move forward with making this a reality by:

1. Obtaining quotes from companies that could fabricate such a sign.
2. Display the signs to gauge the level of public involvement.
  - a. Several people reached out after Mr. Hensley's passing asking to donate to some sort of memorial. Given the opportunity, it would be a great way for community members to show their appreciation by helping to establish this monument.
3. Council approves a contract with a company to build the sign.
4. An unveiling ceremony is held.

## MATERIALS PROVIDED

- **Monument Sign Rendering**











## RFP FOR OLD TOWN HALL

**Requested Action:** Motion to release the attached RFP and solicit responses from qualified firms.

## SUMMARY

Our 2023-2024 Strategic Plan has the goal of “Reimagining the Old Town Hall building.” Part of this goal includes releasing a request for proposals before the end of 2023. This is to include a scope for firms to use in evaluating next steps for the property, a cost analysis of those options, and opportunities for stakeholder relations going forward.

The attached RFP was built from a proposal we received from the School of Government. It was slightly narrower in scope. We have broadened it to allow for further possibilities to be explored, while still asking for pricing, public input, and ‘new ideas’ for the property.

With Council’s approval, staff would release this for at least 90 days and send it to a broad spectrum of firms that have construction, design, building reuse, renovation, and other areas that may prove beneficial.

## MATERIALS PROVIDED

- RFP Draft



# Boiling Springs, North Carolina



THE TOWN OF  
**BOILING SPRINGS**

ONE TOWN • ONE UNIVERSITY • ONE COMMUNITY

Request for Proposals (RFP)

For

Reuse of Former Town Hall Property

**Date Issued: XXXX**

**Submission Deadline: XXXX**

Noah Saldo, Town Clerk  
Town of Boiling Springs, NC  
114 E. College Ave  
Shelby, NC 28150  
704-434-2357  
noah.saldo@boilingspringsnc.net

Request for Proposals for Reuse of the Former Town Hall Property in Boiling Springs, NC.

All inquiries on the project must be directed to Town Clerk, Noah Saldo as detailed in this document.

Questions regarding the RFP must be received at the following address no later than 5 pm on [REDACTED]. If a determination is made that clarification or change to the RFP document is required, a written addendum will be posted on the appropriate section of the Town's website. Respondents are responsible for obtaining all RFP updates.

Responses must be delivered to the following address no later than 5pm on [REDACTED]:

**Town of Boiling Springs  
114 E. College Ave  
Shelby, NC 28150**

**OR**

**PO Box 1014  
Boiling Springs, NC 28017**

**Electronic copies may be submitted to [noah.saldo@boilingspringsnc.net](mailto:noah.saldo@boilingspringsnc.net)  
Please mark hard copies and emails with "RFP for Reuse of the Former Town Hall Property."**

# Table of Contents

Project Overview ..... 4

Scope of Services ..... 4

Deliverables..... 5

Timeline..... 5

## Project Overview

In 2015, the Town of Boiling Springs moved its office location from a historic building on S. Main Street to its new facility at 114 E. College Ave. The building has been vacant since that time and the Town desires to reimagine this property with a productive use.

Following the destructive fire of the E.B. Hamrick Building in 1937 on the campus of Gardner-Webb, the Cleveland County Board of Education erected a one-story gabled hyphen extending the south end of Boiling Springs Elementary School, providing interior access to the 1941 front-gabled addition. The space was used as classrooms until the school's closing in 1993. The south hyphen and the 1941 addition served as Boiling Springs Town Hall starting in 1991 until the construction of a new town hall was completed in 2015. Currently, the building still shares a wall (which also serves as the property line) with Gardner-Webb University who uses the facility primarily as their Communications Building. This part of the building was erected in 1925 and has historical significance as it is the former Boiling Springs School which started as Boiling Springs Elementary and eventually was the precursor to Crest High School.

In the Town's 2023-2024 Strategic Plan, Priority 2 under the Downtown Master Plan and Corridor Study Priorities, is "Reimagine the Old Town Hall building." This goal is outlined as follows:

*The Old Town Hall building has been a quagmire since it was vacated several years ago. Council continues to have the desire to use this prominent land as a catalyst for change on that end of downtown. Success for the coming year will include:*

- *Releasing a Request for Proposals before the end of 2023. This will include a scope for firms to use in evaluating next steps for the property, a cost analysis of those options, and opportunities for stakeholder relations going forward.*
- *Continued conversations with Gardner-Webb over their interest in the building or property. This could include partnership, purchase, or land-swapping options.*

## Scope of Services

Each of the following items must be outlined in your proposal and are deliverables that should be expounded upon in the final document as detailed below:

1. Analyze market-relevant demographic and socioeconomic data, as well as review current and historic plans, visioning documents, studies, research, development proposals, conceptual renderings, notes from previous public input sessions, and other relevant materials;
2. Collect and analyze relevant data for a parcel analysis to understand current market conditions (sales trends, vacancy, land use, common ownership, underutilization, etc.);
3. Conduct community engagement activities to gain an understanding of what the community expects or would like to see in this area in order to identify stakeholder priorities and input;

4. Conduct market research, including relevant case studies for similar projects, and analyze the market to assess the demand for development, including an evaluation of market feasibility and demand drivers for different uses for the Project including retail, residential, and office;
5. Conduct a high-level site analysis, examining topography, hydrology, infrastructure, building materials, etc. to gain a general understanding of development opportunities and, particularly, constraints within the project;
6. Provide high-level advice on financing and structuring public participation in the project. Provide guidance on potential paths forward (i.e. identify opportunities for public-private partnership, grants, incentives, or other resources); and
7. Make ranked recommendations related to the development of the Project and advise the Town on the next steps for each of those recommendations. This list should include, but not be limited to: the Town retaining sole ownership of the property, partial renovation of the property, tearing down the Town’s portion, public-private partnership, partnership with Gardner-Webb, and other recommendations the consultant deems feasible.

### Deliverables

A response to this request should include an overview on the above scope, an approach to accomplishing these tasks, a timeline, and fee for services. There is at least one public engagement event or activity expected and at least one presentation to the Town Council prior to final adoption.

### Timeline

RFP Released	____ __, 2023
Questions on RFP Due	____ __, 2023 (Two weeks before submission due)
RFP Responses Due	____ __, 2023 (30-days after release?)
Agreement Executed	____ __, 2023 (Next Council meeting)
Project Analysis	TBD
Final Presentation to Town Council	TBD



## YMCA AGREEMENT

**Requested Action:** Motion to approve the agreement and review the metrics with the YMCA to create new standards for reporting in the future.

## SUMMARY

After discussion and feedback at the June Council meeting, the YMCA Subcommittee would like to renew the agreement with the Y, but make it a 6-month term. The plan would be to adjust the terms of the agreement over the next 6-months, focusing on the metrics that are measured and reported. Reviewing those and better defining them will help both parties.

Staff would plan to bring another agreement back in 6-months to replace the current one.

## MATERIALS PROVIDED

- **Current agreement, extending for 6-months**

**TOWN OF BOILING SPRINGS  
AND  
CLEVELAND COUNTY FAMILY YMCA**

**RECREATION SERVICES AGREEMENT - FY23/24**

This agreement by and between the Town of Boiling Springs, a North Carolina municipal corporation, (hereinafter "Town") and the Cleveland County Family YMCA (hereinafter "YMCA"). That for and in consideration of the financial payments and mutual covenants contained herein, and other valuable consideration, the parties hereby agree as follows:

**I. PURPOSE**

The Town and YMCA continue to partner to provide recreation and wellness services to the residents of Boiling Springs. Services provided, in whole or part, in consideration of this agreement shall be administered and made available on an equal basis without regard to race, color, religion, national origin, sex, disability, familial status, or other class protected by federal or state law.

**II. DEFINITIONS**

**Residents** - persons who reside within the incorporated limits of the Town of Boiling Springs.

**Town Park**- the recreation facility located along East Branch Avenue and generally adjacent to Falcon Circle, the Town's public works facility, and the Town Hall at 14 East College Avenue. The park includes all athletic fields and appurtenant structures, picnic shelter, concession stand, restrooms, playground, walkways, trails, parking areas (excluding those at Town Hall), and the park grounds in general.

**III. ADMINISTRATION**

(A) The Town Council will designate one member of the Town Council to serve as an ex-officio member of the Ruby C. Hunt YMCA Board of Directors. This appointee will serve as a full voting member.

(B) The Town Council will recommend a potential Board Member to the Nominating Committee of the Cleveland County Family YMCA Board of Directors for consideration. This appointee, if selected, will serve as a full voting member.

(C) The YMCA will provide an operational overview and report to the Town Council quarterly. This report will include metrics indicating the level to

which residents are utilizing the recreation and wellness services rendered under this agreement.

- (D) The YMCA will coordinate a meeting each February to monitor and discuss the administration and performance of both parties under this agreement. In addition to other pertinent persons, the Town Manager, YMCA Executive Director, and the Town's appointees to YMCA Board of Directors, and Cleveland County Family YMCA Board of Directors must be in attendance.
- (E) The YMCA will provide annual audited financial statements and quarterly branch financials to the Town for review.
- (F) Both parties will actively engage in cross promotion of the partnership created by this agreement and the services rendered under this agreement. Generally, this will be achieved through the joint use of logos on promotional materials, uniforms, signage, etc. Both parties should also maintain appropriate website content promoting the relationship between the Town and YMCA.

#### IV. FACILITIES

##### (A) JOINT USE

Both the Town and YMCA have substantial investment in recreation facilities in the community. While maintaining independent ownership and operational control of such assets, the YMCA and Town's partnership requires that all such facilities be jointly used to render recreation services to the residents of Boiling Springs.

##### (B) TOWN PARK MAINTENANCE

The Town will share the responsibility for renovations and major repairs of the baseball facilities at a rate of 75%. The YMCA will share the responsibility at 25% of the costs should the YMCA use those facilities. Renovations and major repairs will generally be tasks that requires specialized skills or licenses and are performed at intervals greater than one year. Common renovations and major repairs might include but not be limited to: painting, roofing, replacement of plumbing fixtures, and replacing park fixtures like trash receptacles and benches. The Town will pay the utilities for all Town-owned facilities.

The Town will assume general maintenance and upkeep responsibilities for the Town Park including the athletic fields and appurtenant structures, picnic shelter, concession stand, restrooms, playground, walkways, trails, parking areas, and the park grounds in general. The YMCA will provide janitorial upkeep, litter



pickup, and general non-specialized maintenance of the Town Park during YMCA-sponsored events. These services will be adjusted to account for seasonal fluctuations, park visitors, and scheduled activities. In consideration of general park visitors, the park should be restored to a normal condition after any scheduled athletic activities including practices, games, and similar events. All YMCA-sponsored events at the Town Park and the associated scheduling must be approved by the Town.

**V. RECREATION SERVICES**

(A) In consideration of this agreement, the YMCA will generally develop and implement the following recreation services and programming for Town residents:

1. Town residents will receive at a minimum a 10% discount off the joining fee and also one (1) 10% discount off the membership plan of their choice. This is limited to one (1) discount per unit
2. Participation in athletic leagues, programming, and other activities will be available to residents at a reduced rate.
3. Spaces and facilities rentable for birthday parties and private gatherings subject to reasonable operating rules and restrictions will be available to residents at the same rates offered to YMCA members.
4. YMCA will host two free pool days for residents between Memorial Day and Labor Day and make pool facilities available to residents and their guests for a reasonable daily fee.
5. YMCA will partner with local schools to make swimming and pool safety programming available to elementary school students at no cost.
6. YMCA will make available fitness and wellness programs targeted specifically at seniors to residents at the same rates available to YMCA members.
7. YMCA will administer sports leagues. The administered leagues will be left to the discretion of the YMCA. The YMCA will notify the Town as early as practicable about the termination of league offerings.

(B) Some services rendered under this agreement require participants to pay participation, registration, enrollment, and similar fees to the YMCA. Such fees will be remitted to the YMCA. All such fees collected in connection with the services rendered under this agreement will be informed by similar fees for similar activities and services in our region and be subject to review by the Town.

**VI. PAYMENT FOR SERVICES**

The Town will pay an annual service fee to the YMCA for the services provided through this agreement. The Town will pay \$28,000 in consideration of this agreement.

Payments will be made each quarter. The YMCA will invoice the Town for the

appropriate amount at the beginning of September, December, March, and June and the Town will remit payments by the last day.

**VII. TERM**

This agreement shall have a one-year term commencing on August 1, 2023, and ending on February 1, 2023. As of the Commencement Date, all prior agreements between the Town and the YMCA shall terminate and be superseded by this Agreement.

Either party may terminate the Agreement by giving written notice of intent to terminate at least three (3) months in advanced of the agreement termination date selected by the terminating party. That Agreement termination date shall be specified in the written notice, and the agreement shall terminate on that date.

If either party materially breaches the terms of this agreement, the non-breaching party may determine a termination date for the agreement and provide written notice of termination at least sixty (60) days in advance of the determined termination date. The non-breaching party may, but need not, allow the breaching party to cure the breach rather than terminate the agreement.

Any termination of this Agreement, by whatever means, shall not relieve any party from any responsibilities or liabilities which may have arisen under this Agreement during its term.

This document contains the entire Agreement between the YMCA and the Town and may be amended only by a written instrument which is dated and signed by both parties. This Agreement shall supersede any other Agreements currently between the two parties.

Town Of Boiling Springs

X  
\_\_\_\_\_  
Daniel Thomas  
Mayor

X  
\_\_\_\_\_  
Date:

X  
\_\_\_\_\_  
Justin Longino  
Town Manager

X  
\_\_\_\_\_  
Date:

X  
\_\_\_\_\_  
Noah Saldo  
Town Clerk

X  
\_\_\_\_\_  
Date:

Cleveland County Family YMCA

X  
\_\_\_\_\_  
Chief executive Officer

X  
\_\_\_\_\_  
Date:

X  
\_\_\_\_\_  
Chief Volunteer Officer

X  
\_\_\_\_\_  
Date:



**SOCIAL DISTRICT**

**Requested Action:** Council feedback on how to proceed is requested.

If Council wishes to proceed, staff will further refine the plans and bring back an ordinance for adoption.

**SUMMARY**

**Introduction**

NCGS 18B-300.1 authorizes local governments to designate an area as a social district for the purpose of allowing customers to take an alcoholic beverage from a permitted business off premises into the district to another permitted business. Social districts are a defined area in which a person may consume alcoholic beverages sold by an ABC permittee located within the social district. A social district may include both indoor and outdoor areas of businesses within or contiguous to the defined area during the days and hours set by the local government in creating the social district. A social district may include privately owned property, including permittees and non-permittee businesses, and multi-tenant establishments, as well as public streets, crosswalks, or parking areas whether the streets or parking areas are closed to vehicle traffic.

The town would be required to establish the social district by ordinance with a map showing the designated social district area. The ordinance would also establish the days and hours allowing the consumption of beverages within the district.

The town must also submit an application to the ABC commission letting them know about the creation of the social district with a copy of the ordinance and map. The council must also approve a maintenance and operation plan for the social district which lays out the requirements of the social district.

**Enacting the social district**

The law requires that after a social district is established that the social district shall be clearly defined with signs posted in a conspicuous location indicating the areas included in the social district, the days and hours of operation, the phone number of the ALE division and the local law enforcement agency as well as a statement that beverages shall only be consumed in the designated social district and disposed of in the district.



There are also container requirements for the business to have. Essentially a designed clear container would have to be created for the businesses to sell the beverage in for consumption within the social district. The container requirements are:

- a. The container clearly identifies the permittee from which the alcoholic beverage was purchased.
- b. The container clearly displays a logo or some other mark that is unique to the designated consumption area in which it will be consumed.
- c. No later than January 1, 2024, the container shall not be comprised of glass.
- d. The container displays, in no less than 12-point font, the statement, "Drink Responsibly – Be 21."
- e. The container shall not hold more than 16 fluid ounces.

The town would create a logo with the various requirements that would be placed on each container. The logo could also be used for the outside district signage with the other signage requirements. Below is the logo for Gastonia’s social district and Shelby’s proposed, we could create something similar with the town logo.



The town would also create an application for those businesses wishing to participate in the social district.



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A proposed area for the social district could be as followed:



This would allow the social district from the Vintage Dog through to the downtown businesses on S. Main St.



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### CREST FLAGS

**Requested Action:** No specific action is requested. Item is for information purposes only.

### SUMMARY

Mayor Thomas will give an overview of the idea he has brought to fruition around putting Crest HS flags along the main corridors of Boiling Springs.

### MATERIALS PROVIDED

- **None**



## TOWN MANAGER SEARCH

**Requested Action:** Council feedback on how to proceed is requested.

## SUMMARY

Mr. Justin Longino will be leaving his post as Town Manager on September 8<sup>th</sup>, 2023. Due to this vacancy, staff requests feedback on two specific items:

1. How to handle the search process for a new manager
  - a. Staff recommends utilizing the Foothills Regional Commission (also called COG – Council of Governments). Their new executive director will outline the process for staff Tuesday (8/1) morning. Staff will have specific details to share at the meeting.
  - b. Council can seek assistance from a consulting group to conduct a search. Staff can prepare several options for this. They would have a process similar to the COG.
  - c. Council can run the process themselves.
  
2. Interim Manager responsibilities. NCGS 160A-150 “states that when the position of city manager is vacant, the council shall designate a qualified person to exercise the powers and perform the duties of manager until the vacancy is filled.”
  - a. This can be done at the September 5<sup>th</sup> meeting.
  - b. The COG will also outline services they can provide that staff will present at the meeting.
  - c. The Council can request the NC League of Municipalities provide a recommendation for an interim manager. These recommendations are usually pulled from a list of retired managers in the region that are willing to serve in an interim capacity.
  - d. Staff recommends an outside group or person is brought in to fill this capacity. Current projects would be best served with an additional person rather than adding more to the plates of existing employees and someone with experience in grant and project management will be extremely helpful.

## MATERIALS PROVIDED

- None





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**REPORTS**

**TOWN MANAGER | JUSTIN LONGINO**

**COUNCILMEMBER TOMMY GREENE**

**COUNCILMEMBER CALEB EDWARDS**

**COUNCILMEMBER TONYA GANTT**

**COUNCILMEMBER PATRICK LITTON**

**COUNCILMEMBER MARTY THOMAS**

**MAYOR DANIEL THOMAS**