



Town of Southern Shores

5375 N. Virginia Dare Trail, Southern Shores, NC 27949

Phone 252-261-2394 / Fax 252-255-0876

www.southernshores-nc.gov

April 21, 2020

Council Budget Workshop

9:00 a.m. - Pitts Center | 5377 N. Virginia Dare Trail, Southern Shores

Join Zoom Meeting: <https://zoom.us/j/95296423158> Meeting ID: 952 9642 3158

Or Dial: 1 253 215 8782 US or +1 301 715 8592 US When prompted, enter meeting ID: 952 9642 3158 followed by the (#) sign.

[This Budget Workshop is being held for a preliminary review of the Budget Officer's draft projected General Fund Expenses and Revenues to be subsequently included in his Proposed Annual Operating Budget. The Budget Officer will submit his Proposed Annual Operating Budget to the Council in accordance with NCGS §159-11 on May 5, 2020; and on same day and pursuant to NCGS §159-12, the Budget Officer will file a copy with the Clerk where it will remain available for public inspection, and receipt of written comments. Also, on that same day, the Budget Officer will recommend the Town Council set a Public Hearing for June 1, 2020 at which time, and after required advertisement/notice of the Public Hearing, any persons who wish to be heard on the Proposed Budget may submit comment. Subsequent to the Public Hearing and as required by NCGS §159-13, the Town Council must adopt a Budget no later than July 1, 2020. The Town Council's enactment of an Ordinance adopting a Budget may, pursuant to NCGS §159-13, make appropriations and levy taxes in such sums greater or less than those recommended by the Budget Officer.]

1. Opening – Mayor Bennett
 - A. Call Meeting to Order
 - B. Pledge of Allegiance
 - C. Moment of Silence
2. Adoption of Agenda
3. General Public Comment (Limit: 3 minutes per speaker.)
4. Review of draft Projected General Fund Revenues for FY 20-21 - Budget Officer and Finance Officer (TAB 1)
5. Review of draft Projected General Fund Expenses for FY 20-21 - Budget Officer and Finance Officer
6. Council Directives-Any formal action of the Council to direct addition, deletion, or modification of any projected expense and/or projected revenue to be included in Budget Officer's draft proposed budget to be filed May 5, 2020.
 - A. Tax Rate Discussion
 - B. Town Pay Study TAB 2
 - C. Beach Nourishment TAB 3
 - D. SSVFD Radios and Possible Budget Amendment TAB 4
 - E. Potential No Left Turn Weekends TAB 5
 - F. Capital Street Projects TAB 6
 - G. RFQ and/or Extension-Town Engineer Contract Expires June 30, 2020 TAB 7
7. Adjourn



In order to maintain the safety of Town residents, staff, and the Town Council, the Town Council meeting scheduled for Tuesday, April 21, 2020 will now be conducted electronically using Zoom software.

Council Budget Workshop Meeting April 21, 2020
Time: Apr 21, 2020 09:00 AM Eastern Time

What does this mean for those looking to participate in the meeting?

There are three ways the public can participate in the meeting:

1. Join the meeting through Zoom on your computer or cellphone.

Simply click on the following link or type it into your internet browser:

<https://zoom.us/j/95296423158>

Meeting ID: 952 9642 3158

If you have not used Zoom before, you are encouraged to download the application from their website at Zoom.us and try it out prior to the meeting. There is no cost associated with the software or attending the meeting.

2. Join the meeting through audio only via telephone.

Simply call: +1 253 215 8782 US or +1 301 715 8592 US

When prompted, enter meeting ID: 952 9642 3158 followed by the Pound sign (#). Depending on your carrier, long distances charges may apply.

3. Submit your public comments to the Town Clerk prior to the meeting

Email: skane@southernshores-nc.gov

Subject Line: Public Comment April 21, 2020

The comments will be read into the record during the public comment portion. Please include your name and address in your comment. Comments should be limited to 3 minutes when read aloud.

Public Comment will also be provided via chat feature on Zoom. Participants wishing to comment will submit their name and address when public comment is called, and they will be provided the opportunity to speak. Comments should be limited to 3 minutes.

The Town is making every effort to ensure that the public is able to not only listen to the meeting, but also to participate in the public comment portion of the Council meeting while still maintaining all of the Town's statutory requirements and keeping the public safe.

In an effort to comply with social distancing guidelines for mitigating the potential spread of COVID-19, citizens who attend the April 21, 2020 Council Budget Workshop meeting should keep a minimum distance of six (6) feet from others prior to, during, and following the meeting. Seating in the Pitts Center has been arranged in a manner that complies with this guideline (maximum occupancy of 10). The meeting recording will be posted on the Town website as soon as possible following the meeting.



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Date: April 15, 2020

To: Town Council

From: Wes Haskett, Interim Town Manager
Bonnie Swain, Finance & Personnel Officer

Re: **DRAFT** Proposed Budget for FY 20-21

Attached is the first draft of the proposed budget for fiscal year 2020-21. This budget has been prepared with minimal increases where needed (most increases are contracted services where there is a CPI adjustment within each contract) to keep services running at the current level. No new positions have been added and no new expenses (such as beach nourishment and No Left Turn costs).

The following are the major changes that are being proposed due to the unknown financial results with the COVID-19 virus:

REVENUES

Ad Valorem Revenues shown are the **Revenue Neutral Rate** of 0.1958. One penny of revenue generates \$156,617 (real estate and vehicles).

Occupancy Tax shows an overall 20% reduction. Projections for FY 20-21 are as follows:

July Receipts -50%

August Receipts -30%

September Receipts -20%

October Receipts -10%

All other months are flat as compared to last year's numbers. This is also assuming that travel patterns will return to normal.

Sales Tax shows a 5% decrease from last year's actual numbers. By the late fall/early winter, we should have a better idea of where we are with sales tax. Should we not bring in as much as expected, we could do a budget amendment if needed at that time.

Land Transfer Tax shows a 2.5% decrease from last year's actuals.

Interest rates are dropping drastically. Interest is budgeted based on those lowering rates.

EXPENDITURES

Employee Costs

There is no COLA or performance increases included in this budget for Town staff. The final rates have not been released for health insurance yet, but a 5% increase is included for budgeting purposes. Quotes on health insurance have been requested but the other quotes we have received to date have been higher than our current plan.

State Retirement rates have been increased by LGERS and those numbers are reflected in the retirement lines in each departments retirement line item. The rate for Law Enforcement Officers (LEO) is 10.95% and the rate for General Employees is 10.2%. The Town also contributes 5% to 401k for all employees.

Administration

Legal Fees have decreased in line with our actual costs for this current fiscal year. Contracted Services have decreased because the Town Manager search will be complete this fiscal year.

Planning

The position for a full time Building Inspector/Code Enforcement Office has been removed from FY 20-21 budget. A budget amendment will need to be done when that position needs to be filled.

Police

The 2 new Police Officers have been eliminated.

Streets, Bridges, Beaches and Canals

CIIP money of \$662,340 is still in the budget for FY 20-21.

Public Works

The part time employee who was originally hired at 2 days is working 3 days a week to clean all town owned buildings. The 2 part time employee's hourly rates must be raised to be at the minimum of the current starting salary for maintenance technicians.

Sanitation

The number in the budget for recycling is the cost of collection and taking to Wheelabrator. Increase in the limb and branch removal is a CPI adjustment that is in the contract.

Fire Services

Increases are due to the need of purchasing thermal engine cameras and inflationary costs in most expenses. This will be the first year in the new building, so the actual costs of utilities, etc are not known and have been estimated. As a reminder, the same amount was paid to SSVFD in FY 19-20 for fire service as FY 18-19.

Ocean Rescue

A CPI adjustment, as allowed by contract has been added for FY 20-21.

Options to Balance FY 20-21 Budget

- Cut expenditures/services
- Use unassigned Fund Balance
- Tax Increase (should you keep the current tax rate at 0.22= \$379,013 additional revenue)
- Combination of any of the above

GENERAL FUND SUMMARY						
	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Amended	FY 20-21 Requested	FY 20-21 Recommended	FY 20-21 Adopted
Revenues:						
Ad valorem taxes	3,030,645	3,064,445	3,081,460	3,104,936		
Occupancy, Sales Tax & Land Transfer Tax:	2,227,618	2,200,084	2,165,590	1,946,028		
UNRESTRICTED Intergovernmental Revenues	453,294	461,463	450,200	448,415		
RESTRICTED Intergovernmental Revenues	639,141	235,748	664,382	253,264		
Permit and Fees	156,815	139,324	129,000	126,000		
Other revenues	81,833	234,125	147,674	74,600		
SubTotal:	6,589,346	6,335,189	6,638,306	5,953,243		
Transfer IN from Other Funds	22,000	-	-			
Appropriated-Undesignated Fund Balance	-	-	1,406,411			
Total:	6,611,346	6,335,189	8,044,717			
Expenditures:						
Administration Department	944,656	1,004,062	1,080,656	1,010,014		
Code Enforcement Department	245,974	300,597	270,673	272,257		
Police Department	1,468,688	1,621,713	1,768,688	1,751,272		
Streets, Bridges and Canals	1,419,636	1,078,281	2,355,404	832,067		
Public Works Department	389,150	513,722	752,469	543,208		
Sanitation Services	650,166	685,046	742,863	767,700		
Fire Contracted Service	691,767	633,240	890,464	939,378		
Ocean Rescue Contracted Service	161,550	163,500	163,500	166,200		
Total Operating General Fund Expenditures	5,971,587	6,000,161	8,024,717	6,282,096		
Transfer OUT to Capital Reserve Fund- Canals	20,000	20,000	20,000	20,000		
Transfer OUT to Capital Reserve Fund	254,019					
			8,044,717	6,302,096		
REVENUES OVER (UNDER) EXPENDITURES	617,759	335,028	-	(348,853)		
.01 = \$156,617						

GENERAL FUND						
	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 20-21	FY 20-21
REVENUES	Actual	Actual	Amended	Requested	Recommended	Adopted
AD VALOREM TAXES:						
Property taxes - current year	2,885,427	2,920,081	2,936,160	2,961,936		
Property taxes - prior years	10,210	9,775	5,000	5,000		
Vehicle taxes - prior years	42	58	2,300	-		
NCVTS	101,506	100,228	105,000	105,000		
Tax penalties and interest	3,460	4,303	3,000	3,000		
Special Assessment	30,000	30,000	30,000	30,000		
Total Ad Valorem Taxes	3,030,645	3,064,445	3,081,460	3,104,936		
Occupancy, Sales Tax & Land Transfer Tax:						
Occupancy tax	1,014,531	1,001,880	958,000	801,504		
Local option sales tax	964,512	948,993	961,619	901,543		
Land transfer tax	248,575	249,211	245,971	242,981		
Total Occupancy, Sales Tax & Land Transfer	2,227,618	2,200,084	2,165,590	1,946,028		
UNRESTRICTED INTERGOVERNMENTAL REVENUES:						
Utilities franchise tax	259,893	271,200	263,000	264,315		
Video Programming Tax	68,982	66,316	65,000	63,900		
Telecommunications tax	24,875	23,193	23,000	21,000		
PEG Channel Revenue	27,031	26,893	26,000	26,000		
ABC revenues	57,717	58,947	58,000	58,000		
Beer and Wine Tax	12,786	12,837	13,000	13,000		
Solid Waste Disposal Tax	2,010	2,077	2,200	2,200		
Total Unrestricted Intergovernmental Revs	453,294	461,463	450,200	448,415		
RESTRICTED INTERGOVERNMENTAL REVENUES:						
Powell Bill	119,139	117,888	118,000	118,000		
COPS Grant- DOJ	15,869	-	-	45,000		
GCC Grant	21,486	-	18,632	61,264		
GHSP Grant	-	-	18,750	-		
Dare County Tourist Bureau Grant	-	86,938	-	-		
Controlled Substance tax	1,775	922	-	-		
Government Access Channel Grant	7,424	6,000	10,000	5,000		
Shoreline Stabilization	24,000	24,000	24,000	24,000		
US Dept of Homeland Security- FEMA	-	-	475,000	-		
Dare County Beach Noursihment Grant	449,448	-	-	-		
Total Restricted Intergovernmental Revs	639,141	235,748	664,382	253,264		

REVENUES	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Amended	FY 20-21 Requested	FY 20-21 Recommended	FY 20-21 Adopted
PERMITS AND FEES:						
Building permits	128,873	117,621	105,000	105,000		
Plan review fees	12,376	10,356	10,000	10,000		
CAMA fees	4,615	3,415	2,500	2,500		
Planning board fees	4,775	3,050	3,000	2,500		
Court costs and fees	777	882	1,000	1,000		
Parking and other fines	5,399	4,000	7,500	5,000		
Total Permits and Fees	156,815	139,324	129,000	126,000		
Other Revenues:						
Interest income	68,955	122,608	100,000	65,000		
Sale of fixed assets	2,074	31,700	4,280	-		
Rental Income	3,000	1,600	2,400	2,400		
Miscellaneous	6,054	66,203	5,500	5,000		
Body Armour Grant	750	-	1,200	1,200		
Outer Banks Community Foundation	1,000	1,000	1,000	1,000		
Insurance proceeds	-	11,014	33,294	-		
Total Other Revenues	81,833	234,125	147,674	74,600		
Total Other Revenues	1,331,083	1,070,660	1,391,256	902,279		
TOTAL REVENUE BEFORE TRANSFERS						

ADMINISTRATION DEPARTMENT	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Amended	FY 20-21 Requested	FY 20-21 Recommended	FY 20-21 Adopted
Salaries	370,844	375,442	364,150	369,009		
FICA	26,243	26,820	30,887	28,229		
Retirement	46,572	48,057	50,324	56,089		
Group Health insurance	43,044	47,119	53,845	47,360		
Council Compensation	18,600	18,600	18,600	18,600		
Council Travel & Training	2,394	3,123	5,000	5,000		
Unemployment Payments	-	761	1,000	1,000		
Legal services	59,251	102,702	100,000	60,000		
Audit services	16,000	17,000	17,000	17,000		
Payroll services	8,511	7,017	8,200	8,200		
Computer services	53,455	61,512	75,000	72,127		
Insurance and bonds	70,230	73,681	75,000	75,000		
Advertising	725	1,616	1,000	1,000		
Travel	8,490	8,860	15,000	15,000		
Telephone	29,845	30,842	31,500	31,500		
Utilities	22,822	22,592	25,000	25,000		
Dues/subscriptions	8,240	8,191	10,000	10,000		
Training	5,731	7,267	13,500	13,500		
Supplies	7,378	6,443	10,000	12,000		
Postage	1,286	1,754	2,000	2,000		
Equipment lease & maintenance	8,291	14,091	16,000	16,000		
Municipal Elections	4,280	-	5,000	-		
Dare County & NCVTS tax collection	47,540	48,168	50,000	54,000		
Gov't. Access Channel (PEG Channel)	27,031	26,893	26,000	26,000		
Gov't. Access Channel Membership	1,000	1,000	1,000	1,000		
Municode publishing	3,706	1,175	5,000	5,000		
Vehicle Operations	386	438	500	500		
EE Recognition & Appreciation	9,258	6,841	8,500	8,500		
Wellness Initiative	2,862	1,935	3,000	3,000		
Contracted Services	3,630	3,580	30,100	4,000		
Misc.	7,286	4,905	10,000	10,000		
Technology Update- Pitts Center	7,424	6,000	10,000	5,000		
Recording of Meetings	5,681	4,437	7,550	8,400		
Cleaning of Town Buildings	16,620	15,200	1,000	1,000		
Total	944,656	1,004,062	1,080,656	1,010,014		

PLANNING & CODE ENFORCEMENT						
	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Amended	FY 20-21 Requested	FY 20-21 Recommended	FY 20-21 Adopted
Salaries	152,443	177,390	184,009	184,009		
FICA	10,793	13,141	14,077	14,077		
Group Health insurance	21,901	22,677	25,862	27,076		
Employee retirement	16,419	19,675	21,425	23,295		
Contracted Services	9,267	9,800	3,600	3,600		
Printing	561	1,337	1,000	1,000		
Advertising	1,317	1,562	1,000	1,000		
Travel	123	4,829	1,500	1,500		
Dues/subscriptions	105	170	350	350		
Training	562	4,050	2,000	2,000		
Supplies	334	990	3,000	1,000		
Uniforms	198	-	200	200		
Medical Testing	66	-	-	-		
Capital Outlay- Vehicles	-	27,775	-	-		
Vehivle Maintenance	-	-	1,000	1,000		
Vehicle operations	630	565	1,000	1,000		
Homeowners Recovery fee	558	495	1,000	1,000		
Historic Landmarks Designation	-	1,728	1,500	1,000		
Flood Zone Map Mailing	1,797	1,602	2,000	3,000		
Misc	-	1,094	1,000	1,000		
Town Code Update	27,600	11,717	5,150	5,150		
BOA Meeting transcription	1,300	-	-	-		
Total Code Enforcement	245,974	300,597	270,673	272,257		

POLICE DEPARTMENT	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Amended	FY 20-21 Requested	FY 20-21 Recommended	FY 20-21 Adopted
Salaries	871,532	850,576	887,575	876,130		
Holiday	30,775	31,190	25,000	25,000		
Overtime	14,247	12,209	20,000	20,000		
FICA	67,569	66,923	71,343	70,466		
Group Health insurance	119,430	117,529	129,191	131,690		
Employees retirement	120,389	118,746	135,041	144,722		
Career Development	1,000	-	1,500	1,500		
Computer services	9,649	675	13,700	11,000		
Printing	-	100	1,000	1,000		
Advertising	707	1,712	-	1,000		
Travel	9,400	3,931	7,300	10,000		
Dues/subscriptions	790	566	1,500	1,500		
Training	7,438	9,562	4,000	12,000		
Medical testing	269	676	1,000	1,800		
Uniforms	9,709	10,602	20,000	20,000		
Supplies	33,208	20,984	37,200	28,000		
Contracted Services	15,412	22,767	25,000	35,000		
Equipment lease & maint.	7,588	-	5,000	5,000		
Equipment purchase	55,543	77,773	100,780	97,200		
Vehicle maintenance & repair	29,891	28,404	28,000	28,000		
Vehicle operations	30,199	31,626	35,000	35,000		
Misc.	3,095	67	3,475	10,000		
Capital Outlay- Vehicles	-	191,511	124,819	95,000		
GCC Grant- BWC cameras	7,264	-	37,264	37,264		
GCC Grant Thermal Cams	-	-	-	24,000		
GHSP Grant	-	-	25,000	-		
Total	1,445,104	1,598,129	1,739,688	1,722,272		
Sep. Allowance Transferred to Pension Fund	23,584	23,584	29,000	29,000		
Total Police	1,468,688	1,621,713	1,768,688	1,751,272		

Streets, Bridges, Beaches and Canals	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Amended	FY 20-21 Requested	FY 20-21 Recommended	FY 20-21 Adopted
Street Sign Maintenance	748	1,586	5,000	5,000		
Engineering & Arborist Services	5,850	7,408	5,000	5,000		
Street Maintenance	20,633	10,605	57,202	57,202		
Brush Trimming	5,245	8,300	20,000	20,000		
Bridge Maintenance	-	-	2,125	2,125		
Beach Profile Study	33,106	-	45,000			
Financial Planning-Beach Nourishment	-	-	35,000	35,000		
Beach Noursihment	889,048	70,557	-			
Beach Surveys	-	-	3,337			
Osprey Lane	338	-	-			
Juniper Trail	2,418	315,501	-			
Fairway Drive	225	-	-			
N,S & E Dogwood Intersection	5,025		-			
Yaupon Trail	4,669	461,687	-			
Wild Swan Lane	113	-	-			
Hollow Beach Court	2,688	-	-			
Palmetto Lane	162,310	-	-			
Clam Shell Trail	185,006	-	-			
Skyline Dr. Intersection	52,567	-	-			
East Dogwood Bike Path	-	181,733	-			
Dogwood Bike Path Phase 2	-	8,624	-			
FY 19-20 Infrastructure Projects	-	-	322,910	-		
Hillcrest Drive	-	-	22,000			
Sea Oats Trail	-	-	16,000			
Dewberry Lane	-	-	10,000			
East Dogwood Trail	-	-	291,430			
FY 20 -21 Infrastructure Projects	-	-	-	662,340		
Waterway Maintenance and Repair	400	400	400	400		
Storm Debris Cleanup	-	11,880	20,000	20,000		
Bulkhead Maintenance and Repair	38,857	-	25,000	25,000		
NC Hwy12-E. Dogwood Stormwater Floodin	10,390	-	-			
South Dogwood Walkway	-	-	1,000,000			
Hurricane Dorian Recovery	-	-	475,000			
Total	1,419,636	1,078,281	2,355,404	832,067		

PUBLIC WORKS DEPARTMENT						
	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Amended	FY 20-21 Requested	FY 20-21 Recommended	FY 20-21 Adopted
Salaries	204,882	272,355	303,306	320,888		
FICA	15,995	20,579	23,203	24,458		
Group Health insurance	26,017	31,274	35,489	32,701		
Employee retirement	24,794	32,249	38,221	45,916		
Training	573	1,485	3,000	3,000		
Printing	-	72	600	200		
Travel	560	1,031	2,000	2,000		
Uniforms	3,484	3,292	3,500	3,500		
Dues and Subscriptions	385	-	350	350		
Supplies	9,884	6,814	8,500	9,000		
Advertising	1,530	985	500	500		
Safety Compliance	878	905	1,500	2,000		
Town buildings maintenance & repairs	12,700	22,230	33,300	33,300		
Beautification-grounds	4,245	3,750	5,000	6,000		
Equipment lease & maintenance	3,897	5,368	6,500	8,000		
Building Upgrades	-	-	220,000	-		
Vehicle maintenance & repair	1,386	2,306	3,500	4,500		
Vehicle operations	6,239	8,537	9,000	10,000		
Misc	549	328	1,000	1,000		
Capital Outlay- Equipment	39,378	-	-	-		
Capital Outlay- Vehicle	-	33,524	-	-		
Medical Testing	132	168	150	150		
Equipment Purchase	-	16,100	27,850	9,745		
Contracted Service	5,236	-	-	-		
Shoreline Stabilization	26,406	24,000	24,000	24,000		
Facilities Assessment	-	26,370	-	-		
Parking Lot Maintenance	-	-	2,000	2,000		
Total	389,150	513,722	752,469	543,208		

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

SINGLE STREAM RECYCLABLES PROCESSING AGREEMENT

THIS STREAM RECYCLABLES PROCESSING AGREEMENT (**this “Agreement”**) is entered into this 30th day of March, 2020 (**the “Effective Date”**), by and between the Town of Southern Shores, (**the “Town”**), and RDS of Virginia, LLC, Tax ID number 47-4367116, a Virginia limited liability company, with principal offices located at 623 N Witchduck Rd, Suite 108, Virginia Beach, Virginia (**the “Company”**), with reference to the following facts and circumstances:

RECITALS:

- A. The Town collects Material (as defined below) and is authorized by law to enter into agreements with private sector entities involving discarded or waste materials removed from the nonhazardous solid waste stream for recycling and processing as described herein.
- B. The Town desires the Company to process and the Company desires to recycle and process recyclables from the Town that may be collected and delivered by or on behalf of the Town. Recyclables shall be delivered to and received by the Company at our Portsmouth processing facility located at 3325 Frederick Boulevard, Portsmouth Va. from the Town operations in accordance with this Agreement.
- C. Town or its designees shall be responsible for all transportation costs to get recyclables to the Company in accordance with this agreement.
- D. Town acknowledges Company may (but is not obligated to do so) establish a recycling in North Carolina and such processing facility would be closer to Town operations than the Portsmouth facility is. Should Company establish a closer facility in North Carolina then Town agrees to

deliver (or have delivered) material to such facility instead of the Companies Portsmouth facility under the same terms and conditions of this agreement.

E. The Town shall use the Company exclusively for Processing of Single Stream Material during the Initial Term of this Agreement and any Extension Term.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Company and the Town agree as follows:

1. DEFINITIONS

1.1. Definitions: The following defined terms used in this Agreement shall have the respective meanings set forth below:

“Agreement” shall mean this Recyclables Processing Agreement, including all exhibits hereto, as the same may be amended from time to time.

“Town” shall mean the Town of Southern Shores.

"Town Site" shall mean the Town's property at (location) or the Transfer Station where recyclables are transferred before being brought to the Company.

“Company” shall mean RDS of Virginia, LLC, a Virginia limited liability company.

"Company Site" shall mean the Company's property at 3325 Frederick Boulevard, Portsmouth Va (unless and until Company established a recycling facility in North Carolina closer to the Town), which includes the MRF.

“Environmental Liabilities” shall have the meaning set forth in Section 8 of this Agreement.

“Force Majeure” shall have the meaning set forth in Section 9 of this Agreement.

“Governmental Directive” shall mean any order, administrative decision, rule, regulation, law or other direction by or from any federal, state or local government, Town, agency or other body having regulatory authority over the Town, the Company or any portion of or activity conducted at the Town Site or the Company Site.

“Hazardous Waste” shall mean any material or substance deemed to be harmful to human health or the environment by any law, rule, regulation or ordinance, or any material regulated as a toxic or hazardous waste or substance under any federal, state or local law, regulation, rule or ordinance, including, without limitation, any material or substances regulated pursuant to the federal Clean Air Act and regulations promulgated thereunder, and similar state environmental laws and regulations promulgated thereunder, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended or the Superfund Amendments and Reauthorization Act of 1986, as amended, and regulations promulgated thereunder, and similar state environmental laws and regulations promulgated thereunder, the Solid Waste Disposal Act, as amended, the Resource Conservation and Recovery Act, as amended, and regulations promulgated thereunder, and similar state environmental laws and regulations promulgated thereunder, the Federal Water Pollution Control Act, as amended, and regulations promulgated thereunder, and similar state environmental laws and regulations promulgated thereunder, or asbestos, asbestos containing materials, polychlorinated biphenyls or petroleum products.

“Marketable Recovered Material” means Recoverable Material that, after Processing at the Company Site, is sold on the open market using reasonable efforts.

Schedule 1, Table 1-1 describes Marketable Recovered Material, which schedule may be amended from time to time, with mutual approval from the Town and Company, to meet current market conditions.

"Material" shall mean material that is defined below as Recyclable Material and which the Town intends to be delivered to the Company Site in accordance with this Agreement.

"MRF" shall mean that certain materials recycling facility or facilities owned and operated by the Company and located at the Company Site.

"Operating Month" shall mean every calendar month during the Term of this Agreement, beginning with March 2020, or the effective date of this agreement, which shall be the date both parties sign.

"Permit" shall mean any permit, authorization, waiver, variance, license, approval or similar order of or from any federal, state or local government, Town, agency or any other body having regulatory Town over the Town, the Company, or activity conducted by the Town or the Company.

"Person" shall mean an individual, a trust, an estate, or a domestic company, a foreign company, a professional company, a partnership, a limited partnership, a limited liability company, a foreign limited liability company, an unincorporated association, or another entity.

"Point of Acceptance" shall mean the location on the Company Site where Material is delivered.

"Processing" shall mean the process of separating a particular material from other material and processing it so that it may be used again as a new material.

“Processing Fee” shall mean the fee paid by the Town to the Company, or by the Company to the Town, for Single Stream Material delivered to the Company by the Town for processing, as set forth in the Process Fee/Rebate column of Table 2-2 attached hereto (with the negative numbers in such column representing rebate to be paid by the Company to the Town).

"Recoverable Material" shall mean that portion of Material that is able to be Processed so that it may be used again as a new material, as more specifically described in Schedule 1 of this Agreement as it may be amended from time to time.

"Receiving Time" shall mean the times that the Company Site is open for operation which shall be not less than the following: 8:00 am to 4:00 pm, Monday through Friday, inclusive, except for New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day, and Christmas Day.

"Rejected Material" shall mean all Unacceptable Material that is rejected by the Company.

"Residue" shall mean that portion of Material that remains after Processing and designated for landfill disposal.

"Scales" shall mean the scales at the Town's scale house located near the vehicle entrance at the Town Site.

“Single Stream Material” shall mean the material set forth in Schedule 1 Table 1-1 attached to this Agreement, as may be modified upon mutual agreement of the parties, which materials are received by the Town as mixed material loads and have not been separated by type of material before being received by the Town, which may include a certain amount of Residue, as defined herein.

“Term” shall have the meaning set forth in Section 5.

"Transfer Station/Recycling Facility" shall mean the Town's facility located at the Town's Site that is used as a transfer and relay point for solid waste or Material transferred to another facility for disposal or processing.

"Unacceptable Material" shall mean any Material which is not allowed under applicable law to be subject to Processing by the Company including any Hazardous Waste and any material the disposal or Processing of which would violate applicable federal or state laws, rules, regulations, permits or requirements.

“Waste” or “Waste Material” means Material to be disposed of at a Landfill or otherwise properly disposed of, specifically including Residue and Rejected Material.

“Waste Disposal Costs” means all direct costs incurred by the Company for the disposal of Waste Material.

2. DELIVERY, PROCESSING, AND ANALYSIS OF MATERIAL

2.1 Processing Obligation. The Company agrees to Process all Recoverable Material made available by the Town. The Town is not obligated to supply any minimum amount of Material or Recoverable Material to Company under this Agreement and the Town however the Town shall use the Company exclusively for Processing of Recyclable Material during the Initial Term of this Agreement and any Extension Term. The parties agree that title to and all risk of loss and liabilities of any kind arising from or associated with the Material shall pass to and be borne solely by the Company at the time such Material comes into the Company's possession at the Point of Acceptance.

2.2 Commencement of Deliveries. Delivery of Material to and acceptance of Material at the Company Site under this Agreement shall commence on March 30th, 2020.

2.3 Receipt of Material; Title; Nonacceptance.

2.3.1 Material Delivery. The Town shall, during the Term, cause to be delivered to the Company at the Point of Acceptance all Recyclable Material that is within the Town's control or collected by Town contractors on behalf of the Town. Town shall designate Company as the recycling processing facility for any bids, proposals, solicitations or other Town work for the materials that the Company accepts for recycling.

2.3.2 Material not Accepted. The Company may refuse to accept Hazardous Waste or loads containing in excess of 12% of Material that (i) would constitute Residue or (ii) is Unacceptable Material. Company shall notify the Town within two (2) hours of any such failure to accept, stating the date and the time of rejection and the reason for such failure to accept and Town will have the option to correct the problem before receiving any charge backs.

2.4 Weighing Material; Records; Testing of Scales.

2.4.1 Weighing Material. The Company and the Town shall each be responsible for operating and maintaining in good condition their respective truck scales and associated equipment.

2.4.2 Records. The Town shall maintain accurate weigh scales records for the purposes of determining the total weight of Material leaving the Town Site and shall keep detailed daily records of the same. Company shall provide a copy of this record each month to the Town for billing purposes. If Town has a dispute with any part of the monthly invoice Town shall pay the part of the invoice not in dispute and Company and Town will address concerns regarding such disputed

items. Invoices shall assume to be accepted by the Town and not in dispute within twenty one (21) days after receipt.

2.5 Recoverable Material. The Company shall achieve as high a level of recovery of Recoverable Material from the stream of Material delivered to the Company's site as possible using the Company's machinery installed and designed for this purpose.

2.6 Removal. If Unacceptable Material is delivered to the Company's site by or on behalf of the Town, the Company shall be responsible for promptly containing such material, and will promptly notify Town of the problem, giving Town an opportunity to correct the problem before receiving any chargebacks. Town shall have two (2) hours to notify Company of its intention to correct or not correct the problem, unless the Company agrees to a longer time period. If Town intends to correct the problem Town shall have 24 hours in which to do so, unless the Company agrees to a longer time period. If Town decides not to correct the problem, Company will be responsible for removing, transporting and disposing of such Unacceptable Material. Such containment, removal, transport and disposal shall be done in accordance with all applicable laws and regulations and the directions of any regulatory agency with jurisdiction. The Company will bill back the Town for removal, transport, and disposal at the commercial waste rate as established and then currently being charged by the Southeastern Public Service Authority (SPSA) for Non-Contract Non-Municipal Customers PLUS \$45 (Forty Five) Dollars per ton for handling and transportation. This rate can be found on the SPSA web site (SPSA.com) currently under Publication and Reports – Tipping Fees and is (as of July 1, 2019) currently \$76 per ton.

2.7 Town Inspection of Company Site. The Town Executive Director and any Town employee, agent and representative of the Town designated by the Town Executive Director shall be entitled to visit and inspect the Company Site on reasonable notice to the Company, which may be by electronic mail, and for purposes of this section 48 hours advance notice is agreed to constitute reasonable notice.

2.8 If Company believes the average amount of Residue in one truckload of Material delivered to the Company is greater than 12% of such Material, then the Company may notify Town of the contamination and Town shall have the option of proceeding under section 2.6 – Removal. If the Company believes the average amount of Residue in multiple truckloads over time is greater than 12% of such Material, then the Company may test the Residue percentage (at Company’s expense) in accordance with the Protocol (as defined below) for the purpose of instituting a charge. If Residue is above 12% the Town will have the opportunity to clean up the Residue and have the option of having the Protocol test rerun by Company (limit one per month) at the Town’s expense (not to exceed \$800 per test). Once Residue is proved to be at 12% or lower through a Residue test the Residue charge will stop. Not more than once every 12 months, the Company may perform a Residue analysis of incoming loads of Material to establish average percent by weight of the amount of Residue in such Material. The Town will approve or amend the proposed protocol (the “Protocol”) prior to performance of the Residue analysis, provided, however, that any such amendments shall be commercially reasonable and shall be binding on the Company. An acceptable reference for this Protocol is the following standard: *ASTM D5231-92 (2008) Standard Test Method for Determination of the Composition of Unprocessed Municipal Solid Waste*. One or more Town

representatives shall be entitled to observe any residue analysis process which occurs under this Section 2.8 of this Agreement. This section is not intended to require the Company to perform a residue test unless the Company is charging the Town for accepting Material nor shall Company be required to reject occasional individual loads that may contain contamination in excess of 12%. However, should Company accept individual loads with more than 12% contamination without rejecting, this shall not be taken as a new specification and Company may reject loads in excess of 12% contamination in the future.

3. SINGLE STREAM RECYCLABLES PROCESSING COSTS AND PAYMENT.

3.1 The Town agrees to send payments to Company within 30 days of receipt of a billing invoice for services properly and completely rendered under this Service Agreement, in accordance with Schedule 1-2 attached hereto. Company agrees to send the Town such an invoice no more than once per month.

3.2 Company's billing invoice will not be considered by the Town to be complete and payable if it fails to include specific information and documentation on the total tonnage of Material processed by Company under this Agreement for each month or other applicable invoice period. Should Company's billing invoice not include the information required by the Town the Town will notify the Company within 5 working days of the Town's receipt of such invoice of specific deficiencies, and for purposes of this Section 3.2 such notice may be made by phone call, fax and/or e-mail to the Company. Should Town not so notify Company then Company's invoice shall be considered for payment in accordance with Town's standard procedures.

3.3 The Town agrees to send payment to the Company so that the Company receives such payment no less than once every 31 days, for total material received each month by the Company (one payment per month), in accordance with Schedule 2 attached hereto.

4. TAXES

4.1 Taxes in General. The Company shall pay or cause to be paid all taxes and assessments arising from or related to its actions under this Agreement or imposed with respect to the Material, including, but not limited to, any leasehold real estate taxes, personal property taxes, business license taxes, excise taxes and sales and use taxes.

4.2 Income Tax. Each party shall be responsible for its respective federal, state and local taxes based upon or measured by its income, and all franchise or other taxes based upon its corporate existence or its corporate right to transact business.

5. TERM.

5.1 Initial Term. The initial term of this Agreement shall be for 5 (five) years and shall commence on the date of this Agreement and shall continue until March 30, 2025, **(the "Initial Term")** unless terminated earlier per this agreement.

5.2 Extension Term. The Town shall have and is hereby granted, in accordance with applicable law, the option to extend the term of this Agreement for additional five year periods beyond the expiration of the Initial Term **(the "Extension Term")**, such option to be mutually agreed to and exercised in writing at least 6 months before the expiration of the Initial Term.

6. DISCLAIMER OF WARRANTIES.

6.1 Disclaimer of Warranties. THE PARTIES AGREE THAT THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AS TO GOODS OR MATERIALS ARE EXCLUDED FROM THIS TRANSACTION.

7. REPRESENTATIONS AND WARRANTIES, CERTAIN COMPANY OBLIGATIONS.

7.1 Representations and Warranties of the Company. As a material inducement to the Town to enter into this Agreement, the Company represents and warrants that as of the date hereof:

7.1.1 Organization. The Company is duly organized, validly existing and in good standing under the laws of Virginia, is qualified to do business in the Commonwealth of Virginia and in North Carolina and has all requisite corporate power and corporate Town to execute and perform its obligations under this Agreement.

7.1.2 Town. The execution, delivery and performance of this Agreement have been approved and authorized by all necessary corporate action of the Company.

7.1.3 No Conflict. The execution, delivery and performance of this Agreement will not constitute a violation or breach of the charter, certificate of incorporation, certificate of formation, articles of organization, operating agreement, bylaws or similar document of the Company or of any provision of any material contract, permit, license, agreement or other obligation to which the Company is a party or by which the Company or any of its material assets are bound, or any writ, injunction, decree, or applicable law to which the Company or any of its assets are

subject. The Company is fully qualified and able to perform all of the work described in this Agreement.

7.1.4 No Litigation. There are no pending lawsuits or orders pertaining to or affecting the performance by the Company of its obligations hereunder, nor, to the Company's knowledge, have any such lawsuits or orders been threatened.

7.1.5 No Collusion. This agreement has been made without collusion or fraud by the Company or its representatives. The Company has not offered or received kickbacks or inducement from any office, supplier, manufacturer or subcontractor in connection with this Agreement, and it has not conferred on any public employee having any official responsibility for this transaction, any payment, loan, subscription, advance, deposit of money or anything of more than nominal value, present or promised, unless something of substantially equal or greater value was exchanged.

7.1.6 Company Inspection of Town Site. The Company has inspected the Town Site and all other surrounding locations and property and is familiar with and accepts the conditions thereof. The Company or its representatives shall be entitled to reinspect Town Site on reasonable notice to the Company, which may be by electronic mail, and for purposes of this section 48 hours advance notice is agreed to constitute reasonable notice.

7.1.7 Payment of subcontractors. The Company agrees that if it employs any subcontractor for the provision of any goods or services under this Agreement, the Company will make payment to such subcontractors as follows:

- (a) Within twenty (20) days after receipt of any amounts paid to the Company under this Agreement, (i) pay any subcontractor for its proportionate share of the total

payment received from the Town attributable to the work under this Agreement performed by such subcontractor, or (ii) notify the Town and the subcontractor, in writing, of its intention to withhold all or a part of the subcontractor's payment and the reason therefor;

- (b) Provide its federal employer identification number or social security number, as applicable, before any payment is made to the Company under this Agreement; and
- (c) Pay interest at the legal rate or such other rate as may be agreed to in writing by the subcontractor and the Company on all amounts owed by the Company that remain unpaid after twenty (20) days following receipt by the Company of payment from the Town for work performed by the subcontractor under this Agreement, except for amounts withheld pursuant to subparagraph a. above. The Company's obligation to pay such interest shall be the Company's sole obligation and shall not be an obligation of the Town.
- (d) Include in its contracts with any and all subcontractors the requirements of subsections (a), (b), and (c) above.

7.1.8 Company Standard of Care The Company shall, at its sole cost and expense, conduct all of its actions under this Agreement in accordance with industry standards, in a proper, workmanlike and prudent manner, taking into account any special needs or requirements of the Town, and in accordance with all applicable federal, state and local laws, statutes, ordinances, rules and regulations (whether now existing or later enacted) in all material respects, including but not limited to applicable occupational, health and safety laws and regulations and any federal, state or local laws, statutes, ordinances, rules and regulations relating to the Processing, transportation, recycling or disposal of solid waste and Material. The Company agrees that it shall solely bear all costs, risks and liabilities connected with, related to or resulting from all required Permits and permissions related to its rights and responsibilities under this Agreement, and the failure of the Company

to obtain or cause the issuance of any such Permits and permissions. The Company shall develop and implement internal procedures provide for visual inspection of each load of Material delivered to the Company's site. Any suspicious material will be set aside and the Company will be required to remove such Unacceptable Material from the Company Site and properly dispose of the same.

7.2 Laws of the Commonwealth of Virginia. The Company will comply with the general terms and conditions set forth in Exhibit A attached hereto, and with the applicable laws of the Commonwealth of Virginia. If Company establishes a Recycling Facility in the State of North Carolina then Company will comply with the general terms and conditions set forth in Exhibit A attached hereto, and with the applicable laws of the State of North Carolina.

7.3 Company Good Standing. The Company agrees to remain in good standing and qualified to do business within the Commonwealth of Virginia for the Term of this Agreement.

7.4 Representations and Warranties of the Town. As a material inducement to the Company to enter this Agreement, the Town represents and warrants that as of the date hereof:

7.4.1 Town. The Town has all requisite power and Town to execute and perform its obligations under this Agreement. The execution, delivery and performance of this Agreement have been approved and authorized by all necessary action of the Town.

7.4.2 No Conflict. The execution, delivery and performance of this Agreement will not constitute a violation or breach of the charter of the Town or of any provision of any material contract, permit, license, agreement, or other obligation to which the Town is a party or by which the Town or any of its material assets are subject.

7.4.3 No Litigation of Adverse Rights. There are no pending or threatened lawsuits or orders pertaining to or affecting the performance by it of its obligations hereunder.

7.4.4 Governance. All persons making up the governing body of the Town are the duly elected or appointed incumbents in their positions and hold such positions in good standing in accordance with all relevant federal, state and local laws, ordinances or other regulations with which the Town is obligated to comply.

7.4.5 Term. The term of this Agreement does not extend beyond any applicable limitation imposed by all relevant federal, state and local laws, ordinances or other regulations with which the Town is obligated to comply or other relevant constitutional, organic or other governing documents and applicable law.

8. INDEMNITY AND INSURANCE

8.1 General Indemnification

8.1.1 To the extent allowed by applicable law, each party shall indemnify and hold the other party and its successors and assigns harmless from and against all liabilities, damages, losses, costs and expenses suffered or paid as a result of any and all claims, demands, suits, penalties, causes of action, proceedings, judgments, Governmental Directives, administrative and judicial orders and liabilities

assessed, incurred and sustained by or against the Town or Company and its successors, assigns, employees, contractors and agents with respect to or arising out of any breach by that party of its warranties, representations, covenants or agreements hereunder.

8.1.2 To the extent allowed by applicable law, each party shall indemnify, defend and hold harmless the other party and its affiliates and the employees, officers, directors and agents from and against all liability, claims, suits, losses, damages, costs and demands on account of personal injury, including death of any person, or property damage, sustained by any person or entity arising out of or connected with the performance of this Agreement where such injury, death or damage is caused or alleged to have been caused, in whole or in part, by the acts or omissions of that party or its subcontractors or their respective employees, officers, directors and agents.

8.2 Environmental Hazards.

8.2.1 For the purpose of this Section 8.2, the term “**Environmental Liabilities**” means all damages, fines, costs, losses, penalties, liabilities and expenses (including, but not limited to, reasonable settlement costs, attorney's fees, costs of investigation, characterization or remediation, or court costs) arising out of demands, proceedings, judgments, directives, claims, suits, causes of action, awards of damages (including natural resource damages), orders and decrees (including cease and desist, compliance and clean-up orders, remedial actions or corrective or preventative actions, whether sought or issued by judicial or administrative bodies or through public or private action), either at law or in equity

(including strict liability), arising or alleged to have arisen from the presence or existence in, on, under or about the Site or any adjoining property (including, without limitation, the surface or ground water on or under any such property) of any Hazardous Waste (as defined below), the emission of any harmful material, hazardous air pollutant or Hazardous Waste into the atmosphere, or any environmental condition which poses a substantial present or threatened hazard to human health or the environment, or which is subject to regulation under any federal, state or local environmental law, regulation, rule or ordinance, whether such substance or condition exists or is discovered before or after the date of this Agreement.

8.2.2 To the extent allowed by applicable law, each party shall defend, indemnify and hold harmless the other party and its affiliates and each of their respective officers, directors, employees, agents, contractors and subcontractors from and against any and all Environmental Liabilities, including personal injury of any type to any person (including any employee or agent of the other party or its subcontractors) or damage of any type to any property (including, without limitation, the expense of clean-up or other corrective or preventative action at or remediation of the Company Site or the Town Site or lands or water adjacent thereto) arising or alleged to have arisen by reason of any act or failure to act of that party or its employees, agents and representatives.

8.3 Failure to Defend Action. Should the Town or the Company be entitled to indemnification under Sections 8.2.1 or 8.2.2 hereof as a result of a claim by a third

party, and the Company or the Town fails to assume the defense of such claim, the Town or the Company shall, at the expense of the other party, contest or settle such claim. No such contest need be made, and settlement or full payment of any such claim may be made (with the other party remaining obligated to indemnify the Town or the Company under Sections 8.2.1 or 8.2.2 hereof), if in the written opinion of the Town's or the Company's counsel, such claim is meritorious.

8.4 Survival of Indemnity. The provisions of this Section 8 shall survive completion of the services hereunder or termination, cancellation, or expiration of this Agreement, and such provisions shall apply to the full extent permitted by law.

8.5 Insurance. At all times during the Term, the Company shall secure and maintain in effect a comprehensive automobile liability insurance policy including coverage for non-owned and hired vehicles in an amount of not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the aggregate, a broad form comprehensive coverage or commercial general liability policy or policies of public liability insurance including contractual liability coverage in an amount of not less than Two Million Dollars (\$2,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the aggregate, and a policy of worker's compensation/ employer's liability insurance in an amount required by Title 65.2 of the Code, which shall provide coverage for third-party liabilities. Company's insurance policies shall name the Town as an additional insured. Certificates of insurance evidencing the required coverage shall be provided to the Town before the Town commences delivery of Material to the Company Site under this Agreement. All policies of insurance required herein shall be written in form,

and by insurance companies licensed to conduct the business of insurance in Virginia and shall carry the provision that the insurance will not be cancelled or materially modified without thirty days (30) prior written notice to the Town.

9. FORCE MAJEURE

9.1 Definition. “Force Majeure” shall mean any cause or causes which wholly or partly prevent or delay the performance of obligations arising under this Agreement and which are not reasonably within the control of the nonperforming party, and shall include, without limitation, an act of God, nuclear emergency, explosion, fire, epidemic, landslide, lightning, earthquake, public health emergency, flood or similar cataclysmic occurrence, an act of the public enemy, war, blockage, embargo, insurrection, riot, civil disturbance, equipment breakdown, act of terrorism, strike, labor dispute, lockout or other labor disturbance or the lack of market for collected and processed recyclable materials.

9.2 Burden of Proof. The burden of proof as to whether an event or Force Majeure has occurred shall be upon the party claiming an event of Force Majeure.

9.3 Effect of Force Majeure. If either party is rendered wholly or partially unable to perform its obligations under this Agreement because of a Force Majeure event, that party shall be excused from whatever performance is affected by the Force Majeure event to the extent so affected, provided that:

9.3.1 The nonperforming party, as soon as possible after the occurrence of the inability to perform due to a Force Majeure event, provides written notice to the other party of the particulars of the occurrence, including an estimation of its expected duration and probable impact on the performance of its obligations

hereunder, and continues to furnish timely regular reports with respect thereto during the period of Force Majeure;

9.3.2 The nonperforming party shall exercise all reasonable efforts to continue to perform its obligations hereunder and to remedy its inability to so perform;

9.3.3 The nonperforming party shall provide the other party with prompt notice of the cessation of the event of Force Majeure giving rise to the excuse from performance; and

9.3.4 No obligation of either party that arose prior to the occurrence of the event of Force Majeure shall be excused as a result of such occurrence.

10. DEFAULT

10.1 The Company's Default. The Company shall be in default hereunder in the event that the Company (a) shall fail to pay any sums due the Town hereunder on or before the due date for such payment; (b) shall fail to perform any material obligation under this Agreement, and such failure continues for a period of thirty (30) days after written notice of such nonperformance but if the Company commences within thirty (30) days after such notice and thereafter proceeds in good faith to make efforts to cure such failure, the Company shall be in default only if such failure is not cured within such longer period as may be reasonably necessary to cure the same; (c) shall be adjudicated a bankrupt; (d) shall file or have filed against it a petition in bankruptcy, reorganization or similar proceedings under the bankruptcy laws of the United States; (e) shall have a receiver, permanent or temporary, appointed by a court of competent Town for it or on its behalf; (f) shall request the appointment of a receiver; (g) shall make a general assignment for the

benefit of creditors; (h) shall have its bank accounts, property or receivables attached and such attachment proceedings are not dismissed within a ninety (90) day period; or (i) shall dissolve or liquidate. Notwithstanding the foregoing, the Company shall not be in default as a result of or for following a Governmental Directive, and the Company shall have no liability whatsoever to the Town as a result of or for following, a Governmental Directive.

The Town's Default. The Town shall be in default hereunder in the event that the Town (a) shall fail to perform any material obligation under this Agreement, and such failure continues for a period of thirty (30) days after written notice of such nonperformance but if the Town commences within thirty (30) days after such notice and thereafter proceeds in good faith to make efforts to cure such failure, the Town shall be in default only if such failure is not cured within such longer period as may be reasonably necessary to cure the same; (b) shall file or have filed against it a petition in bankruptcy, reorganization or similar proceedings under the bankruptcy laws of the United States; (c) shall have a receiver, permanent or temporary, appointed by a court of competent Town for it or on its behalf; (d) shall request the appointment of a receiver; (e) shall make a general assignment for the benefit of creditors; or (f) shall have its bank accounts, property or receivables attached and such attachment proceedings are not dismissed within a ninety (90) day period. Notwithstanding the foregoing, the Town shall not be in default as a result of or for following a Governmental Directive, and the Town have no liability whatsoever to the Company as a result of or for following, a Governmental Directive.

11. TERMINATION; OTHER REMEDIES

11.1 Termination by the Town. The Town may terminate this Agreement by giving written notice to the Company upon the occurrence of an event of default by the Company specified in Section 10.1.

11.2 Termination by the Company. The Company may terminate this Agreement by giving written notice to the Town (i) upon the occurrence of an event of default of the Town specified in Section 10.2

11.3 Other Remedies. Termination of this Agreement by either party pursuant to this Section 11 or any payment made under this Agreement shall not preclude any party from pursuing any additional available remedies against the other party at law or in equity for breach or default by such party under this Agreement and termination of this Agreement shall not be a prerequisite or precondition to pursuing any such remedies. Such remedies shall include, but shall not be limited to, a decree in favor of the non-breaching party compelling specific performance by the other party or the restraint by injunction of any actual or threatened breach of any material obligation of the other party under this Agreement.

12. ASSIGNMENT BY COMPANY AND THE TOWN

12.1 Neither party may assign or transfer its rights and obligations under this Agreement except with the express written consent of the other party, such consent shall not be unreasonably withheld, as long as the person or entity to whom an assignment is made shall agree to the terms and conditions stated herein this agreement.

12.2 The provisions of this Agreement and the respective rights and obligations of the Company and the Town hereunder shall be binding upon, and shall inure to the benefit of, their respective successors and permitted assigns.

13. COOPERATION AND INSPECTION OF DOCUMENTS.

13.1 The Company and the Town (to the extent permissible by law) shall cooperate with each other at all times during the term of this Agreement in carrying out their duties and exercising their rights hereunder, facilitating the performance of obligations hereunder and efficiently operating their facilities. Without limiting the generality of the foregoing, the Company and the Town shall consult with each other on a regular basis concerning any problems that each may be having in performing its obligations hereunder, and possible solutions for such problems.

13.2 Records of the Company (including all writings, recordings, and data stored by any means, whether physical, electronic, digital or otherwise) related to this Agreement shall be subject to Town review, audit and/or reproduction and shall be open to inspection by the Town or any designated Town representative or service provider (including engineers, accountants and attorneys) during normal working hours or at such times as are mutually agreed upon by the parties, to the extent necessary to adequately permit evaluation and verification of any payments or claims submitted to or by the Town pursuant to this Agreement, provided however, the Town shall not be permitted to reproduce any records of the Company that are reasonably considered to be confidential or proprietary or be protected by the attorney-client privilege. Records of the amount of Material processed under this Agreement, regarding funds received by the Company for Marketable Recovered Material or

otherwise relevant to the Company's obligations to the Town under this Agreement are agreed to be confidential, proprietary or protected by the attorney-client privilege for purposes of this Agreement. The Company shall maintain its books and records related to the performance of this Agreement in accordance with the following minimum requirements: (a) the Company shall maintain all documents and records which demonstrate performance under this Agreement for a minimum period of two (2) years, or for any longer period required by law, from the date of termination or completion of this Agreement and (b) any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time, during regular business hours, upon written request by the Town at the Company's address indicated for receipt of notices in this Agreement. Such documents shall be returned to the Company upon completion of any audit or inspection.

14. MISCELLANEOUS

14.1 Notices and Payments. Any notice, request, demand, statement or payment provided for in this Agreement shall be in writing and, except as otherwise provided herein, shall be sent to the parties hereto at the following addresses:

the Company:

RDS of Virginia, LLC
623 N Witchduck Road
Suite 108
Virginia Beach, VA 23462
Attn: Joe Benedetto
Telephone: (757) 454-5793

with a copy to:

Todd Preti
MPO
2901 South Lynnhaven Road
Suite 120
Virginia Beach, VA 23452

the Town:

(Address)

with a copy to:

(Attorney address if applicable)

Such notices, etc. shall be deemed to have been given and received upon receipt as evidenced by a U.S. Postal Service receipt for Certified Mail or evidence of delivery by a private delivery service such as FedEx or UPS. Either party may change the address to which notices, etc. are to be sent by written notice to the other party.

14.2 Complete Agreement. This Agreement is intended by the parties to constitute a final, complete and exclusive expression of their agreement on the subject matter hereof, and shall not be changed, modified, discharged or extended, except by subsequent amendment in writing signed by both parties.

14.3 Waiver. The waiver by either the Company or the Town of any failure on the part of the other party to perform any of its obligations under this Agreement shall not be construed as a waiver of any future or continuing failure or failures, whether similar or dissimilar thereto.

14.4 Applicable Law; Venue. This Agreement shall be governed as to all matters whether of validity, interpretations, obligations, performance or otherwise exclusively by the laws of the Commonwealth of Virginia, and all questions arising with respect thereto shall be determined in accordance with such laws. Regardless

of where actually delivered and accepted, this Agreement shall be deemed to have been delivered and accepted by the parties in the Commonwealth of Virginia. Any and all suits for any claims or for any and every breach or dispute arising out of this Agreement shall be brought or maintained in the appropriate court of competent jurisdiction in the City of Virginia Beach, Virginia or in the Federal District Court for the Eastern District of Virginia.

- 14.5 Attorneys Fees. In the event that either party brings an action to enforce the terms and conditions of this Agreement or relating to this Agreement or to declare its rights hereunder or for specific performance or injunctive relief, the prevailing party in such action, trial, or appeal shall be entitled to have its reasonable attorney's fees and costs, as fixed by the court, to be paid by the losing party.
- 14.6 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.
- 14.7 Partial Invalidity. If any term or provision of this Agreement, or the application thereof to any person or circumstance, becomes invalid or is found to be unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held unenforceable, shall not be affected thereby, and each other term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.
- 14.8 No Partnership, Joint Venture or Third Party Liability. This Agreement shall not be interpreted or construed to create the relationship of principal and agent, an association, joint venture, or partnership between the parties or to impose any

partnership obligation or liability upon either party, and this Agreement shall not be construed as being for the benefit of third parties for any purpose, including, without limitation, establishment of any type of duty, standard of care, or liability with respect to third parties. Neither party shall have any right, power or Town to enter in any agreement or undertaking for, or act on behalf or, or to act as of be an agent or representative of, or to otherwise bind, the other party, each party being an independent Company.

- 14.9 Captions. The captions of the various sections and subsections of this Agreement are for convenience and reference only and shall not limit or define any of the terms and provisions hereof.

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IN WITNESS WHEREOF, the parties hereto have set their hands as of this ____ day of June,
2019.

TOWN

By: _____

Name: _____

Title: _____

RDS OF VIRGINIA, LLC

By: _____

Name: Joseph A Benedetto III

Title: President

SCHEDULE 1

RECOVERABLE AND MARKETABLE RECOVERED MATERIAL STANDARDS

1. Recoverable Material

Recoverable Material shall be those materials specified in Table 1-1. The Company is encouraged to accept and recover additional materials where this can result in reducing the Waste disposed of by the Town. The Company and the Town may mutually agree to modify the Recoverable Material list in Table 1-1 based upon prevailing market conditions in an effort to maximize Marketable Recovered Material Revenues for the project. Any revisions to Table 1-1 shall be documented as an amendment to this Schedule 1.

**Table 1-1
Recoverable Material**

Commodity Category	Recoverable Material
Fiber	Cardboard (OCC), newspaper, magazines, catalogs, glossy inserts & pamphlets, cereal boxes, detergent, gift and snack boxes (Boxboard), printer paper, junk mail, catalogs, telephone books, copy paper and all other office paper without wax liners
Glass	Glass food & beverage containers (brown, clear or green) Household Glass Only
Plastics	PET (#1) containers, HDPE (#2) containers (natural & pigmented) – Household Plastic Only
Metals	Aluminum food & beverage containers, tin/steel cans, no larger than 5” by 12”. No other types of metal are accepted. Household Metals Only.
Clean Separate Cardboard (OCC #11)	Clean Cardboard with less than 2% contamination collected and brought to the RDS facility.

Table 1-2: Processing Fees/Rebates

Cardboard (Cardboard ONLY collected separately)

Clean Cardboard – Clean Cardboard with less than 2% contamination collected and brought to the RDS facility. Rebate paid based on the ISRI (Yellow Sheet) Southeast High Side for OCC Grade #11 less \$55 dollars a ton processing fee. This can be a pay or a charge.

Single Stream with Glass (Fiber, Glass, Plastics, Metals all collected together)

RDS can offer a **FIXED PRICE** for the term of the agreement (and any renewals) of a **charge of \$57.50 dollars per ton of single stream recyclable material that includes glass**. This pricing is based on RDS assuming market risk should the price of the commodities drop below the \$94 / ton processing fee RDS usually charges.

Single Stream with Glass - Fixed Processing Charge of \$57.50 per ton*

Single Stream with NO Glass (Fiber, Plastics, Metal collected together – NO GLASS)

RDS can offer a **FIXED PRICE** for the term of the agreement (and any renewals) of a **charge of \$49.00 dollars per ton of single stream recyclable material that includes glass**. This pricing is based on RDS assuming market risk should the price of the commodities drop below the \$94 / ton processing fee RDS usually charges.

Single Stream with Glass - Fixed Processing Charge of \$49.00 per ton*

NOTES:

* This number changes annually on July 1, beginning July 1, 2021, on a percentage basis to reflect the percentage change in the CPI for All Urban Consumers (CPI-U) South Area, All Items.

AGENDA ITEM 6.B PAY PLAN & POSITION CLASSIFICATION STUDY

The pay study was previously distributed to Council at the February 18th Workshop meeting.

A copy of the plan can be review in the packet from February 18th: https://www.southernshores-nc.gov/wp-content/uploads/minutes-agendas-newsletters/Meeting-Packet_2020-02-18.pdf

Please let me know if you need another hard copy printed.

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Town of Southern Shores, NC

Beach Nourishment Financial Model

April 1, 2020

\$13,974,200 Project

Version 5a

Option 1

Uses:

Project	\$ 13,974,200
Cost of Issuance	\$ 100,000
Total:	\$ 14,074,200

Sources:

Borrowed Funds	\$ 7,037,100
County Contributed	\$ 7,037,100
Other	\$ -
Total:	\$ 14,074,200

Cost of Issuance:

Bond Counsel	
Bank Counsel	
LGC	
FA	
	\$ 100,000

PLEDGED FUNDS

	Sales Tax	Occupancy Tax	County Interlocal	Total
2019	\$ 918,986	\$ 968,641		\$ 1,887,627
2020	\$ 918,986	\$ 968,641		\$ 1,887,627
2021	\$ 918,986	\$ 968,641		\$ 1,887,627
2022	\$ 918,986	\$ 968,641		\$ 1,887,627
2023	\$ 918,986	\$ 968,641	\$ 428,944	\$ 2,316,571
2024	\$ 918,986	\$ 968,641	\$ 379,684	\$ 2,267,312
2025	\$ 918,986	\$ 968,641	\$ 330,425	\$ 2,218,052
2026	\$ 918,986	\$ 968,641	\$ 281,165	\$ 2,168,792
2027	\$ 918,986	\$ 968,641	\$ 231,905	\$ 2,119,533
2028	\$ 918,986	\$ 968,641	\$ -	\$ 1,887,627

REPAYMENT FUNDS

	County Interlocal	Town Raised	Total
2019			\$ -
2020			\$ -
2021			\$ -
2022		\$ 1,224,775	\$ 1,224,775
2023	\$ 428,944	\$ 1,224,775	\$ 1,653,719
2024	\$ 379,684	\$ 1,224,775	\$ 1,604,459
2025	\$ 330,425	\$ 1,224,775	\$ 1,555,199
2026	\$ 281,165	\$ 1,224,775	\$ 1,505,939
2027	\$ 231,905	\$ 1,224,775	\$ 1,456,680
2028		\$ 1,224,775	\$ 1,224,775

Coverage Calculations

Fiscal Year	Principal	(3%) Interest	Total Debt Service	Total Revenue	Surplus/Deficit	FY Ending Total Beach Fund Balance*	Repayment Coverage	Pledged Coverage	Repayment Coverage (w/FB)
2019			\$ -	\$ -	\$ -	\$ -			
2020			\$ -	\$ -	\$ -	\$ -			
2021			\$ -	\$ -	\$ -	\$ -			
2022			\$ -	\$ 1,224,775	\$ 1,224,775	\$ 1,224,775	0.00	0.00	0.00
2023	\$ 1,407,420	\$ 246,299	\$ 1,653,719	\$ 1,653,719	\$ -	\$ 1,224,775	1.00	1.40	1.74
2024	\$ 1,407,420	\$ 197,039	\$ 1,604,459	\$ 1,604,459	\$ -	\$ 1,224,775	1.00	1.41	1.76
2025	\$ 1,407,420	\$ 147,779	\$ 1,555,199	\$ 1,555,199	\$ -	\$ 1,224,775	1.00	1.43	1.79
2026	\$ 1,407,420	\$ 98,519	\$ 1,505,939	\$ 1,505,939	\$ -	\$ 1,224,775	1.00	1.44	1.81
2027	\$ 1,407,420	\$ 49,260	\$ 1,456,680	\$ 1,456,680	\$ -	\$ 1,224,775			
2028	\$ -	\$ -	\$ -	\$ 1,224,775	\$ 1,224,775	\$ 2,449,549			
	\$ 7,037,100	\$ 738,896	\$ 7,775,996						

Town of Southern Shores

Beach Nourishment Projects - Issuance April 2022

Term: 5 years

Interest Rate: 3.50%

Estimated Numbers (1-14-20 from Engineers)

Town Project - 2022

	\$ 7,037,100				
	Principal	Interest	Debt Service	County Contributed	Town Contributed
2022					
2023	\$ 1,407,420	\$ 246,299	\$ 1,653,719	\$ 428,944	\$ 1,224,775
2024	\$ 1,407,420	\$ 197,039	\$ 1,604,459	\$ 379,684	\$ 1,224,775
2025	\$ 1,407,420	\$ 147,779	\$ 1,555,199	\$ 330,425	\$ 1,224,775
2026	\$ 1,407,420	\$ 98,519	\$ 1,505,939	\$ 281,165	\$ 1,224,775
2027	\$ 1,407,420	\$ 49,260	\$ 1,456,680	\$ 231,905	\$ 1,224,775
2028					
Totals:	\$ 7,037,100	\$ 738,896	\$ 7,775,996	\$ 1,652,123	\$ 6,123,873

Project Costs

Permitting/Design	\$ 435,000
Construction	\$ 11,758,000
Soft/Monitoring	\$ 510,800
Contingency	\$ 1,270,400
Total:	\$ 13,974,200

Par Amount: \$ 14,074,200

Dare Issue: \$ 7,037,100

SS Issue: \$ 7,037,100

Southern Shores - FY20 Valuation		
Penny	7.82¢	Generates
\$ 156,621	\$	1,224,775

Town of Southern Shores, NC

Beach Nourishment Financial Model

April 1, 2020

\$13,974,200 Project

Version 5a

Town Raised Revenues

7.82¢= \$ 1,224,775

	MSD-1	MSD-2	MSD-3	Commerical District	Town Wide	Total
2022	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2023	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2024	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2025	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2026	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2027	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2028	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2029	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2030	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2031	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2032	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2033	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2034	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775

	Total Value	1¢	% of Project	# of ¢ Needed
MSD-1	\$ 292,514,359	\$ 29,251	55%	23.03
MSD-2	\$ 97,658,980	\$ 9,766	9%	11.29
MSD-3	\$ 198,932,775	\$ 19,893	11%	6.77
Commercial District	\$ 36,122,183	\$ 3,612	0%	0.00
Town Wide	\$ 1,566,207,926	\$ 156,621	25%	1.96
			100%	

Value Discounts

Collection Rate	99.65%
Reval Appeals	5.00%

Town of Southern Shores, NC

April 1, 2020

\$13,974,200 Project

Beach Nourishment Financial Model

Version 5a

5 Year Averages of Revenues

	Sales Tax	Occupancy Tax	Land Transfer Tax	Utility Franchise
2015	\$ 862,727	\$ 953,313	\$ 241,077	
2016	\$ 894,212	\$ 948,488	\$ 236,759	
2017	\$ 923,481	\$ 926,873	\$ 222,408	
2018	\$ 964,512	\$ 1,014,531	\$ 248,575	
2019	\$ 950,000	\$ 1,000,000	\$ 225,000	
5yr Avg:	\$ 918,986	\$ 968,641	\$ 234,764	\$ -

\$ 2,122,391 All Revenues

\$ 1,203,405 All Revenues Except Sales Tax

Town of Southern Shores, NC

Special Obligation Bond for Beach Nourishment

April 1, 2020

\$16,685,800 Project

Version 5b

Option 3

Uses:

Project	\$ 16,685,800
Cost of Issuance	\$ 100,000
Total:	\$ 16,785,800

Sources:

Borrowed Funds	\$ 8,392,900
County Contributed	\$ 8,392,900
Other	\$ -
Total:	\$ 16,785,800

Cost of Issuance:

Bond Counsel	
Bank Counsel	
LGC	
FA	
	\$ 100,000

PLEDGED FUNDS

	Sales Tax	Occupancy Tax	County Interlocal	Total
2019	\$ 918,986	\$ 968,641		\$ 1,887,627
2020	\$ 918,986	\$ 968,641		\$ 1,887,627
2021	\$ 918,986	\$ 968,641		\$ 1,887,627
2022	\$ 918,986	\$ 968,641		\$ 1,887,627
2023	\$ 918,986	\$ 968,641	\$ 747,557	\$ 2,635,184
2024	\$ 918,986	\$ 968,641	\$ 688,807	\$ 2,576,434
2025	\$ 918,986	\$ 968,641	\$ 630,056	\$ 2,517,684
2026	\$ 918,986	\$ 968,641	\$ 571,306	\$ 2,458,933
2027	\$ 918,986	\$ 968,641	\$ 512,556	\$ 2,400,183
2028	\$ 918,986	\$ 968,641	\$ -	\$ 1,887,627

REPAYMENT FUNDS

	County Interlocal	Town Raised	Total
2019			\$ -
2020			\$ -
2021			\$ -
2022		\$ 1,224,775	\$ 1,224,775
2023	\$ 747,557	\$ 1,224,775	\$ 1,972,332
2024	\$ 688,807	\$ 1,224,775	\$ 1,913,581
2025	\$ 630,056	\$ 1,224,775	\$ 1,854,831
2026	\$ 571,306	\$ 1,224,775	\$ 1,796,081
2027	\$ 512,556	\$ 1,224,775	\$ 1,737,330
2028		\$ 1,224,775	\$ 1,224,775

Coverage Calculations

Fiscal Year	Principal	(3%) Interest	Total Debt Service	Total Revenue	Surplus/Deficit	FY Ending Total Beach Fund Balance*	Repayment Coverage	Pledged Coverage	Repayment Coverage (w/FB)
2019			\$ -	\$ -	\$ -	\$ -			
2020			\$ -	\$ -	\$ -	\$ -			
2021			\$ -	\$ -	\$ -	\$ -			
2022			\$ -	\$ 1,224,775	\$ 1,224,775	\$ 1,224,775	0.00	0.00	0.00
2023	\$ 1,678,580	\$ 293,752	\$ 1,972,332	\$ 1,972,332	\$ -	\$ 1,224,775	1.00	1.34	1.62
2024	\$ 1,678,580	\$ 235,001	\$ 1,913,581	\$ 1,913,581	\$ -	\$ 1,224,775	1.00	1.35	1.64
2025	\$ 1,678,580	\$ 176,251	\$ 1,854,831	\$ 1,854,831	\$ -	\$ 1,224,775	1.00	1.36	1.66
2026	\$ 1,678,580	\$ 117,501	\$ 1,796,081	\$ 1,796,081	\$ -	\$ 1,224,775	1.00	1.37	1.68
2027	\$ 1,678,580	\$ 58,750	\$ 1,737,330	\$ 1,737,330	\$ -	\$ 1,224,775			
2028	\$ -	\$ -	\$ -	\$ 1,224,775	\$ 1,224,775	\$ 2,449,549			
	\$ 8,392,900	\$ 881,255	\$ 9,274,155						

Town of Southern Shores

Beach Nourishment Projects - Issuance April 2022

Term: 5 years

Interest Rate: 3.50%

Estimated Numbers (1-14-20 from Engineers)

Town Project - 2022

	\$ 8,392,900				
	Principal	Interest	Debt Service	County Contributed	Town Contributed
2022					
2023	\$ 1,678,580	\$ 293,752	\$ 1,972,332	\$ 747,557	\$ 1,224,775
2024	\$ 1,678,580	\$ 235,001	\$ 1,913,581	\$ 688,807	\$ 1,224,775
2025	\$ 1,678,580	\$ 176,251	\$ 1,854,831	\$ 630,056	\$ 1,224,775
2026	\$ 1,678,580	\$ 117,501	\$ 1,796,081	\$ 571,306	\$ 1,224,775
2027	\$ 1,678,580	\$ 58,750	\$ 1,737,330	\$ 512,556	\$ 1,224,775
2028					
Totals:	\$ 8,392,900	\$ 881,255	\$ 9,274,155	\$ 3,150,282	\$ 6,123,873

Project Costs

Permitting/Design	\$ 435,000
Construction	\$ 14,146,000
Soft/Monitoring	\$ 587,900
Contingency	\$ 1,516,900
Total:	\$ 16,685,800

Par Amount: \$ 16,785,800

Dare Issue: \$ 8,392,900

SS Issue: \$ 8,392,900

Southern Shores - FY20 Valuation		
Penny	7.82¢	Generates
\$ 156,621	\$ 1,224,775	

Town of Southern Shores, NC

Special Obligation Bond for Beach Nourishment

April 1, 2020

\$16,685,800 Project

Version 5b

Town Raised Revenues

7.82¢= \$ 1,224,775

	MSD-1	MSD-2	MSD-3	Commerical District	Town Wide	Total
2022	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2023	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2024	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2025	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2026	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2027	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2028	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2029	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2030	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2031	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2032	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2033	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2034	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775

	Total Value	1¢	% of Project	# of ¢ Needed
MSD-1	\$ 292,514,359	\$ 29,251	55%	23.03
MSD-2	\$ 97,658,980	\$ 9,766	9%	11.29
MSD-3	\$ 198,932,775	\$ 19,893	11%	6.77
Commercial District	\$ 36,122,183	\$ 3,612	0%	0.00
Town Wide	\$ 1,566,207,926	\$ 156,621	25%	1.96
			100%	

Value Discounts

Collection Rate	99.65%
Reval Appeals	5.00%

Town of Southern Shores, NC

April 1, 2020

\$16,685,800 Project

Special Obligation Bond for Beach Nourishment

Version 5b

5 Year Averages of Revenues

	Sales Tax	Occupancy Tax	Land Transfer Tax	Utility Franchise
2015	\$ 862,727	\$ 953,313	\$ 241,077	
2016	\$ 894,212	\$ 948,488	\$ 236,759	
2017	\$ 923,481	\$ 926,873	\$ 222,408	
2018	\$ 964,512	\$ 1,014,531	\$ 248,575	
2019	\$ 950,000	\$ 1,000,000	\$ 225,000	
5yr Avg:	\$ 918,986	\$ 968,641	\$ 234,764	\$ -

\$ 2,122,391 All Revenues

\$ 1,203,405 All Revenues Except Sales Tax

Town of Southern Shores, NC

Special Obligation Bond for Beach Nourishment

April 1, 2020

\$14,755,600 Project

Version 5c

Option 4

Uses:

Project	\$ 14,755,600
Cost of Issuance	\$ 100,000
Total:	\$ 14,855,600

Sources:

Borrowed Funds	\$ 7,427,800
County Contributed	\$ 7,427,800
Other	\$ -
Total:	\$ 14,855,600

Cost of Issuance:

Bond Counsel	
Bank Counsel	
LGC	
FA	
	\$ 100,000

PLEDGED FUNDS

	Sales Tax	Occupancy Tax	County Interlocal	Total
2019	\$ 918,986	\$ 968,641		\$ 1,887,627
2020	\$ 918,986	\$ 968,641		\$ 1,887,627
2021	\$ 918,986	\$ 968,641		\$ 1,887,627
2022	\$ 918,986	\$ 968,641		\$ 1,887,627
2023	\$ 918,986	\$ 968,641	\$ 520,758	\$ 2,408,386
2024	\$ 918,986	\$ 968,641	\$ 468,764	\$ 2,356,391
2025	\$ 918,986	\$ 968,641	\$ 416,769	\$ 2,304,397
2026	\$ 918,986	\$ 968,641	\$ 364,775	\$ 2,252,402
2027	\$ 918,986	\$ 968,641	\$ 312,780	\$ 2,200,407
2028	\$ 918,986	\$ 968,641	\$ -	\$ 1,887,627

REPAYMENT FUNDS

	County Interlocal	Town Raised	Total
2019			\$ -
2020			\$ -
2021			\$ -
2022		\$ 1,224,775	\$ 1,224,775
2023	\$ 520,758	\$ 1,224,775	\$ 1,745,533
2024	\$ 468,764	\$ 1,224,775	\$ 1,693,538
2025	\$ 416,769	\$ 1,224,775	\$ 1,641,544
2026	\$ 364,775	\$ 1,224,775	\$ 1,589,549
2027	\$ 312,780	\$ 1,224,775	\$ 1,537,555
2028		\$ 1,224,775	\$ 1,224,775

Coverage Calculations

Fiscal Year	Principal	(3%) Interest	Total Debt Service	Total Revenue	Surplus/Deficit	FY Ending Total Beach Fund Balance*	Repayment Coverage	Pledged Coverage	Repayment Coverage (w/FB)
2019			\$ -	\$ -	\$ -	\$ -			
2020			\$ -	\$ -	\$ -	\$ -			
2021			\$ -	\$ -	\$ -	\$ -			
2022			\$ -	\$ 1,224,775	\$ 1,224,775	\$ 1,224,775	0.00	0.00	0.00
2023	\$ 1,485,560	\$ 259,973	\$ 1,745,533	\$ 1,745,533	\$ -	\$ 1,224,775	1.00	1.38	1.70
2024	\$ 1,485,560	\$ 207,978	\$ 1,693,538	\$ 1,693,538	\$ -	\$ 1,224,775	1.00	1.39	1.72
2025	\$ 1,485,560	\$ 155,984	\$ 1,641,544	\$ 1,641,544	\$ -	\$ 1,224,775	1.00	1.40	1.75
2026	\$ 1,485,560	\$ 103,989	\$ 1,589,549	\$ 1,589,549	\$ -	\$ 1,224,775	1.00	1.42	1.77
2027	\$ 1,485,560	\$ 51,995	\$ 1,537,555	\$ 1,537,555	\$ -	\$ 1,224,775			
2028	\$ -	\$ -	\$ -	\$ 1,224,775	\$ 1,224,775	\$ 2,449,549			
	\$ 7,427,800	\$ 779,919	\$ 8,207,719						

Town of Southern Shores

Beach Nourishment Projects - Issuance April 2022

Term: 5 years

Interest Rate: 3.50%

Estimated Numbers (1-14-20 from Engineers)

Town Project - 2022

	\$ 7,427,800				
	Principal	Interest	Debt Service	County Contributed	Town Contributed
2022					
2023	\$ 1,485,560	\$ 259,973	\$ 1,745,533	\$ 520,758	\$ 1,224,775
2024	\$ 1,485,560	\$ 207,978	\$ 1,693,538	\$ 468,764	\$ 1,224,775
2025	\$ 1,485,560	\$ 155,984	\$ 1,641,544	\$ 416,769	\$ 1,224,775
2026	\$ 1,485,560	\$ 103,989	\$ 1,589,549	\$ 364,775	\$ 1,224,775
2027	\$ 1,485,560	\$ 51,995	\$ 1,537,555	\$ 312,780	\$ 1,224,775
2028					
Totals:	\$ 7,427,800	\$ 779,919	\$ 8,207,719	\$ 2,083,846	\$ 6,123,873

Project Costs

Permitting/Design	\$ 435,000
Construction	\$ 12,505,000
Soft/Monitoring	\$ 474,200
Contingency	\$ 1,341,400
Total:	\$ 14,755,600

Par Amount: \$ 14,855,600

Dare Issue: \$ 7,427,800

SS Issue: \$ 7,427,800

Southern Shores - FY20 Valuation		
Penny	7.82¢	Generates
\$ 156,621	\$	1,224,775

Town of Southern Shores, NC

Special Obligation Bond for Beach Nourishment

April 1, 2020

\$14,755,600 Project

Version 5c

Town Raised Revenues

7.82¢= \$ 1,224,775

	MSD-1	MSD-2	MSD-3	Commerical District	Town Wide	Total
2022	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2023	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2024	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2025	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2026	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2027	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2028	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2029	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2030	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2031	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2032	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2033	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775
2034	\$ 673,626	\$ 110,230	\$ 134,725	\$ -	\$ 306,194	\$ 1,224,775

	Total Value	1¢	% of Project	# of ¢ Needed
MSD-1	\$ 292,514,359	\$ 29,251	55%	23.03
MSD-2	\$ 97,658,980	\$ 9,766	9%	11.29
MSD-3	\$ 198,932,775	\$ 19,893	11%	6.77
Commercial District	\$ 36,122,183	\$ 3,612	0%	0.00
Town Wide	\$ 1,566,207,926	\$ 156,621	25%	1.96
			100%	

Value Discounts

Collection Rate	99.65%
Reval Appeals	5.00%

Town of Southern Shores, NC

April 1, 2020

\$14,755,600 Project

Special Obligation Bond for Beach Nourishment

Version 5c

5 Year Averages of Revenues

	Sales Tax	Occupancy Tax	Land Transfer Tax	Utility Franchise
2015	\$ 862,727	\$ 953,313	\$ 241,077	
2016	\$ 894,212	\$ 948,488	\$ 236,759	
2017	\$ 923,481	\$ 926,873	\$ 222,408	
2018	\$ 964,512	\$ 1,014,531	\$ 248,575	
2019	\$ 950,000	\$ 1,000,000	\$ 225,000	
5yr Avg:	\$ 918,986	\$ 968,641	\$ 234,764	\$ -

\$ 2,122,391 All Revenues

\$ 1,203,405 All Revenues Except Sales Tax

Town of Southern Shores, NC

Special Obligation Bond for Beach Nourishment

April 1, 2020

\$16,196,500 Project

Version 5d

Option 5

Uses:

Project	\$ 16,196,500
Cost of Issuance	\$ 100,000
Total:	\$ 16,296,500

Sources:

Borrowed Funds	\$ 8,148,250
County Contributed	\$ 8,148,250
Other	\$ -
Total:	\$ 16,296,500

Cost of Issuance:

Bond Counsel	
Bank Counsel	
LGC	
FA	
	\$ 100,000

PLEDGED FUNDS

	Sales Tax	Occupancy Tax	County Interlocal	Total
2019	\$ 918,986	\$ 968,641		\$ 1,887,627
2020	\$ 918,986	\$ 968,641		\$ 1,887,627
2021	\$ 918,986	\$ 968,641		\$ 1,887,627
2022	\$ 918,986	\$ 968,641		\$ 1,887,627
2023	\$ 918,986	\$ 968,641	\$ 690,064	\$ 2,577,692
2024	\$ 918,986	\$ 968,641	\$ 633,026	\$ 2,520,654
2025	\$ 918,986	\$ 968,641	\$ 575,989	\$ 2,463,616
2026	\$ 918,986	\$ 968,641	\$ 518,951	\$ 2,406,578
2027	\$ 918,986	\$ 968,641	\$ 461,913	\$ 2,349,541
2028	\$ 918,986	\$ 968,641	\$ -	\$ 1,887,627

REPAYMENT FUNDS

	County Interlocal	Town Raised	Total
2019			\$ -
2020			\$ -
2021			\$ -
2022		\$ 1,224,775	\$ 1,224,775
2023	\$ 690,064	\$ 1,224,775	\$ 1,914,839
2024	\$ 633,026	\$ 1,224,775	\$ 1,857,801
2025	\$ 575,989	\$ 1,224,775	\$ 1,800,763
2026	\$ 518,951	\$ 1,224,775	\$ 1,743,726
2027	\$ 461,913	\$ 1,224,775	\$ 1,686,688
2028		\$ 1,224,775	\$ 1,224,775

Coverage Calculations

Fiscal Year	Principal	(3%) Interest	Total Debt Service	Total Revenue	Surplus/Deficit	FY Ending Total Beach Fund Balance*	Repayment Coverage	Pledged Coverage	Repayment Coverage (w/FB)
2019			\$ -	\$ -	\$ -	\$ -			
2020			\$ -	\$ -	\$ -	\$ -			
2021			\$ -	\$ -	\$ -	\$ -			
2022			\$ -	\$ 1,224,775	\$ 1,224,775	\$ 1,224,775	0.00	0.00	0.00
2023	\$ 1,629,650	\$ 285,189	\$ 1,914,839	\$ 1,914,839	\$ -	\$ 1,224,775	1.00	1.35	1.64
2024	\$ 1,629,650	\$ 228,151	\$ 1,857,801	\$ 1,857,801	\$ -	\$ 1,224,775	1.00	1.36	1.66
2025	\$ 1,629,650	\$ 171,113	\$ 1,800,763	\$ 1,800,763	\$ -	\$ 1,224,775	1.00	1.37	1.68
2026	\$ 1,629,650	\$ 114,076	\$ 1,743,726	\$ 1,743,726	\$ -	\$ 1,224,775	1.00	1.38	1.70
2027	\$ 1,629,650	\$ 57,038	\$ 1,686,688	\$ 1,686,688	\$ -	\$ 1,224,775			
2028	\$ -	\$ -	\$ -	\$ 1,224,775	\$ 1,224,775	\$ 2,449,549			
	\$ 8,148,250	\$ 855,566	\$ 9,003,816						

Town of Southern Shores

Beach Nourishment Projects - Issuance April 2022

Term: 5 years

Interest Rate: 3.50%

Estimated Numbers (1-14-20 from Engineers)

Town Project - 2022

	\$ 8,148,250				
	Principal	Interest	Debt Service	County Contributed	Town Contributed
2022					
2023	\$ 1,629,650	\$ 285,189	\$ 1,914,839	\$ 690,064	\$ 1,224,775
2024	\$ 1,629,650	\$ 228,151	\$ 1,857,801	\$ 633,026	\$ 1,224,775
2025	\$ 1,629,650	\$ 171,113	\$ 1,800,763	\$ 575,989	\$ 1,224,775
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2027	\$ 1,629,650	\$ 57,038	\$ 1,686,688	\$ 461,913	\$ 1,224,775
2028					
Totals:	\$ 8,148,250	\$ 855,566	\$ 9,003,816	\$ 2,879,943	\$ 6,123,873

Project Costs

Permitting/Design	\$ 435,000
Construction	\$ 13,783,000
Soft/Monitoring	\$ 506,100
Contingency	\$ 1,472,400
Total:	\$ 16,196,500

Par Amount: \$ 16,296,500

Dare Issue: \$ 8,148,250

SS Issue: \$ 8,148,250

Southern Shores - FY20 Valuation		
Penny	7.82¢	Generates
\$ 156,621	\$	1,224,775

Town of Southern Shores, NC

Special Obligation Bond for Beach Nourishment

April 1, 2020

\$16,196,500 Project

Version 5d

Town Raised Revenues

7.82¢= \$ 1,224,775

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			100%	

Value Discounts

Collection Rate	99.65%
Reval Appeals	5.00%

Town of Southern Shores, NC

April 1, 2020

\$16,196,500 Project

Special Obligation Bond for Beach Nourishment

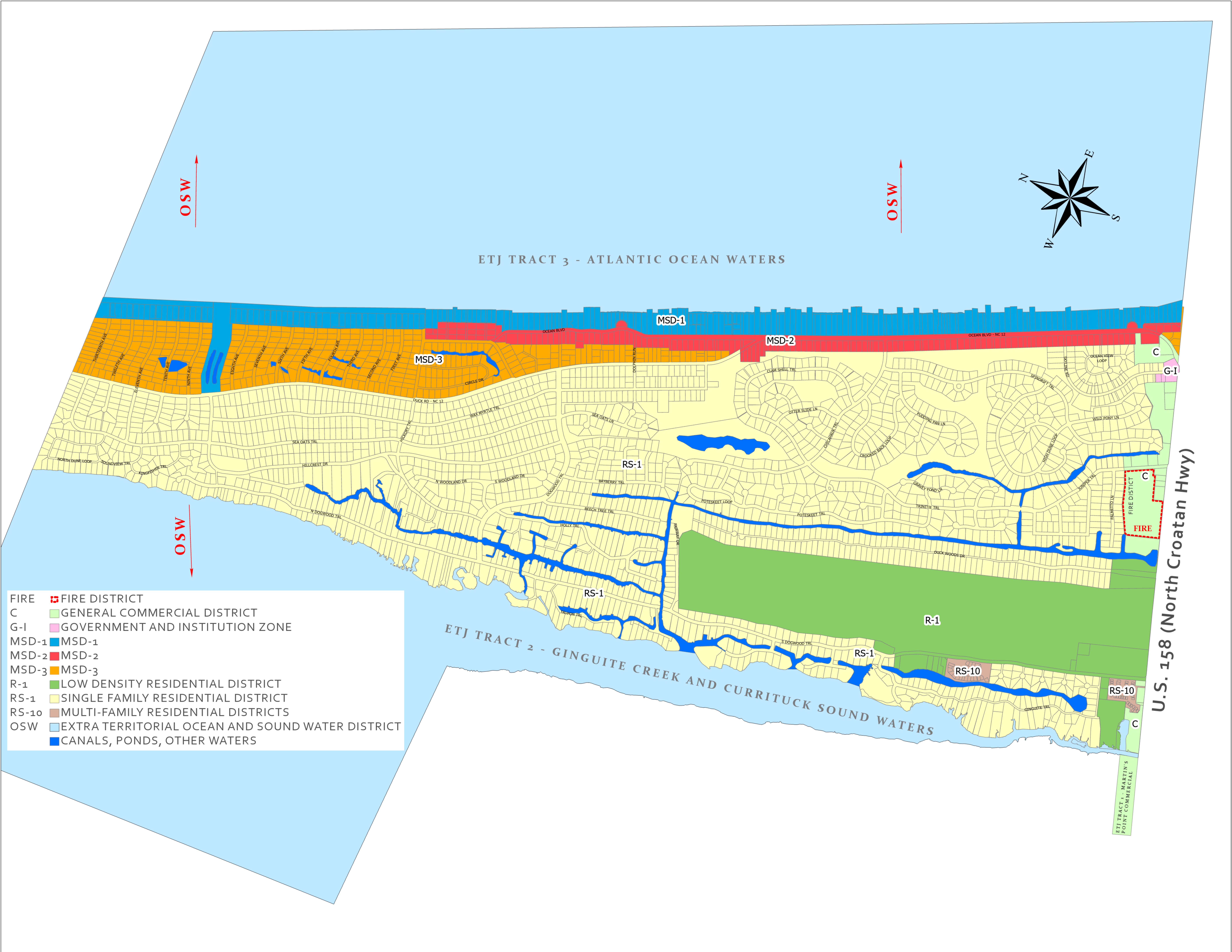
Version 5d

5 Year Averages of Revenues

	Sales Tax	Occupancy Tax	Land Transfer Tax	Utility Franchise
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2019	\$ 950,000	\$ 1,000,000	\$ 225,000	
5yr Avg:	\$ 918,986	\$ 968,641	\$ 234,764	\$ -

\$ 2,122,391 All Revenues

\$ 1,203,405 All Revenues Except Sales Tax



<u>Town</u>	<u>Town-Wide Increase</u>	<u>GF Revenues Appropriated</u>	<u>MSD</u>	<u>% of General Fund Revenue</u>	<u>% of MSD</u>	<u>Notes</u>
Kill Devil Hills	0.3		0.33	8%	92%	*only 1 MSD was established
Nags Head	0		17.5	25%	75%	2 MSD's established
Duck	0	about 200,000	MSD A-0.148 MSD B 0.315	20%	51% Paid by MSD A 29% Paid by MSD B	MSD A- all project area MSD B- oceanfront only
Kitty Hawk	0.2	0.4 of tax rate dedicated to beach nourishment	0.12			

Coastal Storm Damage Mitigation Fund Guidelines

FY 2019 - 2020

Administered by: N.C. Department of Environmental Quality (DEQ), Division of Water Resources (DWR), 1611 Mail Service Center, Raleigh, N.C., 27699-1611. Contact Coley Cordeiro at Coley.Cordeiro@ncdenr.gov or (919) 707-9013.

Who is Eligible: Unit of local government.

Application Deadlines: Applications must be sent via email to Coley.Cordeiro@ncdenr.gov on or before April 30, 2020.

Funding Source/Documents: [Session Law 2019-224](#)

Eligible Purposes and Cost-Share Percentages: Session Law 2019-224 allocated \$11,500,000 to DWR's Coastal Storm Damage Mitigation Fund to be used to provide grants in an amount not to exceed \$2,500,000 for each unit of local government during the 2019-2021 fiscal biennium. Notwithstanding G.S. 143-215.73M, no cost-share shall be required for these grants.

Additional Requirements:

Applicants may submit applications for more than one project but must submit a separate (and complete) application for each project.

Application Submittal:

Application Spreadsheet (MS Excel) - Applications must be completed and returned via email to Coley Cordeiro at Coley.Cordeiro@ncdenr.gov.

No Conflict of Interest Certification - The applicant must provide certification that it complies with the requirements and prohibitions set forth in NCGS § 14-234, has and complies with its own duly executed conflict of interest policy, and has conducted a reasonable inquiry and concluded that it does not have any actual or apparent conflict of interest with respect to the project for which it has applied.

Project Maps - The applicant must submit a map or maps showing, at minimum, the following information relevant to the proposed project:

1. project site plan and borrow area locations;
2. upland ownership of property, indicating federal, State, local, or private ownership;
3. approximate location of Mean High Water; and the first line of stable and natural vegetation (FLSNV), the Static Vegetation Line (if applicable), or Development Line (if applicable) and the long-term oceanfront erosion rates as determined by the NC Division of Coastal Management

Engineering Studies and Post-Project Monitoring

The applicant must submit engineering studies that have been completed for the project and plans for standardized pre- and post-project monitoring.

Coastal Storm Damage Mitigation Fund Guidelines

FY 2019 - 2020

Beach Nourishment Permit Application or Copy of Approved Permit

The applicant must include in its application all permit applications and issued permits that relate to the project. The applicant has an ongoing obligation to provide to DWR copies of permit applications and issued permits as promptly as possible.

Additional Information

The applicant may submit additional information, including but not limited to letters of support, discussion of relevant nearby projects, studies, inventories, analysis, or planning documents related to the proposed project. Relevant information will be considered as part of the funding review process.

Note: It is the applicant's responsibility to ensure the application submitted to DWR is accurate and complete. Erroneous or incomplete information in an application may prevent a project from being recommended for grant funding and may delay processing of contracts and funds for approved projects.

Funding Selection Criteria

All applications will be evaluated to determine if the proposed beach nourishment activity meets the minimum requirements and then ranked on a relative basis according to the six considerations listed below. Each element of the funding consideration criteria is rated using the following numerical evaluation to assess the degree that the application meets the criteria:

High - 3 points

Medium - 2 points

Low - 1 point

Does not meet criteria (a resource or factor is present, but the proposal has been evaluated as having no value or not having the intended benefit) - 0 points

Considerations during the review process are as follows:

1. Environmental Benefits/ Mitigation Measures

- Improves the ecological function of the beach and dune system.
- Restores degraded dune habitat.
- Restores habitat used by threatened or endangered species.
- Project is designed to avoid significant adverse impacts to threatened and endangered species and fish, shellfish & wildlife resources.

2. Social Benefits

- Protects existing or historic public recreation areas.
- Improves the public accessibility to the beach.
- Provides or enhances full and complete public access.

3. Economic Benefits

- Protects public property or infrastructure, or historic or culturally significant structures.

Coastal Storm Damage Mitigation Fund Guidelines

FY 2019 - 2020

- Protects economically important land uses.
- Reduces potential storm damage to private property.

4. Expected useful life of project

- Anticipated life expectancy of project benefits.
- Time to complete project and time required for stabilization of beach in years.
- Longevity of previous nourishment projects.

5. Financial Resources

- Availability of funds to complete the project

6. Project Efficiency

- Incorporates project efficiencies through regional planning at the County level or through the involvement and cooperation of two or more local governments
- Incorporates the beneficial use of clean, beach quality dredged material from the navigation channels within the nearshore, beach or inlet shoal system.
- Readiness to proceed based on the project phase, status of the permit, local funding source, construction easements, and construction schedule.

Post Grant Funding Award

After DWR issues the applicant an award notice, the applicant must enter into a grant contract with DEQ for DEQ to begin distributing grant funds. Any changes to the scope of the project or project budget after submission of a grant application will require the written approval of the DWR Grant Administrator and may also require a DEQ contract amendment. In seeking DWR approval, the grantee must submit, at a minimum, a justification for any proposed changes, revised scope of work narrative, and a revised budget. Unapproved changes to the project scope or budget shall not be eligible for, and may result in additional reductions to funding.

A DEQ grant contract is considered 'fully-executed' once it has been signed by both a signatory authority of the grantee and DEQ Financial Services. A copy of the fully-executed contract will be provided to the grantee after being signed by DEQ.

State funds may not be used to reimburse a grantee for a project that has been or will be fully reimbursed with federal funds. If a project receives State funds and subsequently receives federal funds, the Grantee must return any State funds that have become federally reimbursable to the Office of State Budget and Management within 90 calendar days of the municipality receiving federal reimbursement.

Project Sponsor Obligation – Environmental Permitting

The applicant/grantee is responsible for complying with applicable federal and State laws, including obtaining and complying with all applicable permits.

Contract Duration & Extension Requests

Grant contracts for funds appropriated under Session Law 2019-224 will have a term of two

Coastal Storm Damage Mitigation Fund Guidelines

FY 2019 - 2020

years. Grantees may request a one-year extension. A request for an extension must be submitted in writing on official letterhead and include the following information:

1. Justification for the extension request
2. Summary of the current project status
3. Anticipated project schedule moving forward

A request for an extension must be submitted 45 days prior to the contract expiration date and must be submitted via email to Coley Cordeiro at Coley.Cordeiro@ncdenr.gov. Extension requests that are approved by DWR require a grant contract modification.

Project Close-Out

The grantee shall notify the DWR Grant Administrator upon project completion and provide DWR with the most recent set of permits, as-built/record, post-surveys in Adobe PDF format prior to the project close-out.

The DWR Grant Administrator may schedule a close-out inspection of the completed project with a representative of the grantee. This inspection will verify that the project was implemented in accordance with the information provided in the grant application, along with the approved plans and specifications.

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**Town of Southern Shores
Budget Amendment Number # 10**

Fire Services Increases

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
54-50410	New Radios for SSVFD	\$151,990

Fire Services Decreases

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
54-50404	Construction Debt Service	\$151,990

Explanation: To upgrade radios to be compatible with Dare County Communications Center.

Recommended By:

Wes Haskett, Interim Town Manager

Approved By:

Tom Bennett, Mayor

Date _____

BLANK

COPY
2018

Increases

[illegible]

Explanation: The cost associated with No Left Turn on South Dogwood

Approved By:

Tom Bennett, Mayor

Date _____

QUOTE

P.D BROOKS TRAFFIC CONTROL

DATE: 3/4/2020
COMPANY: Town of Southern Shores
CONTACT: Patrick Rascoe/ David Bradley
252-216-7524

LOCATION: US 158
DURATION: Summer 2020

<u>QTY</u>	<u>ITEM</u>	<u>PRICE EACH</u>	<u>EXTENSION</u>
6	48x48 Signs		
	2/RWA, 2/LTLCA, 2/NLT		
6	Compact Windstands		
60	Traffic Barrels		
1	set-up, pick up and maintain		

PRICE IS FOR SETTING UP (1)
LEFT TURN LANES FROM 8AM TO
8PM ON SATURDAY AND SUNDAY DURING
THE SUMMER ON 2020

Price per weekend , overtime rates apply
if lane closure exceeds 12 hours per day

\$ 3,700.00

THIS QUOTE IS VALID FOR 30 DAYS. THANK YOU FOR THE OPPORTUNITY TO PROVIDE YOU WITH THIS QUOTE.

Frank S. Payne
Vice-President
804/746-5291



Town of Southern Shores Police Department

5375 N. Virginia Dare Trail, Southern Shores, NC 27949
Phone 252-261-3331 / Fax 252-261-4851
infopd@southernshores-nc.gov
www.southernshores-nc.gov



David M. Kole
Chief of Police

February 21, 2018

Subject: No Left Turn NC Rt. 158 (southbound) @ South Dogwood Trail

I have been requested to provide a proposal to include manpower and associated costs to monitor, respond and investigate motor vehicle accidents and enforce traffic violations regarding "No Left Turn" at the above intersection for Memorial Weekend (5/26-Sat) (5/27-Sun) 2018 from 0800 (8am) until 1800 (6pm) each day. This proposal is for a minimum of two police officers, specifically assigned to monitor, and enforce any violations, and respond to and investigate motor vehicle accidents within this intersection during this time frame. It is also understood that a MOU agreement with the Town of Kitty Hawk will also be required.

1-Police Officers @ \$70.00 per hr. x 10hrs =700.00 x 2days = \$1400.00

1-Police Officers @ \$70.00 per hr. x 10hrs =700.00 x 2days = \$1400.00

Total = \$2800.00 (2 Officers)

David M. Kole
Chief of Police

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<u>Project</u>	<u>Construction</u>	<u>Engineering</u>			<u>Amount</u>	<u>Amount Available</u>	
	<u>Cost</u>	<u>Costs to Date</u>	<u>Misc</u>	<u>Total</u>	<u>Budgeted</u>	<u>For other projects</u>	
South Dogwood Path	655,762	41,122	24,454	721,338	1,000,000	278,662	
		(thru 4/1/20)					
Tourism Bureau Grant						260,993	
<u>FY 19-20 Street Projects</u>					662,340		
East Dogwood Street Project	262,330	29,099	9,127	300,556	-300,556		
Dewberry		9,685		9,685	-9,685		
Hillcrest Drive		21,369		21,369	-21,369		
Sea Oats		15,735		15,735	-15,735		
					314,995	314,995	
						854,650	
Amount left from street budget for construction and unbilled engineering costs for East Dogwood,Dewberry, Sea Oats and Hillcrest							
Amount left from S. Dogwood Path							

"Attachment A"

Capital Infrastructure Improvement Plan

Recommended By the Capital Infrastructure Improvement Committee May 30, 2019

Adopted by Town Council July 9, 2019 for Fiscal Year 2019-2020

The following prioritized capital infrastructure improvements are authorized for implementation, and Town staff is authorized to expend appropriated capital funds on surveying and design of lesser prioritized streets if it becomes apparent during the fiscal year that all appropriated funds will not be expended on the targeted higher-priority streets. The East Dogwood Trail capital improvement project shall be implemented as the first priority. In considering economic and environmental conditions, Town staff may implement any other individual "target" project with any other "target" project in the best interest of the Town. [Capital street improvement funds budgeted for FY 19-20 = \$662,340.]

Group A, Target shall be Implemented as First Priority

1. East Dogwood Trail - NC 12 east to Ocean Blvd. w/ stormwater improvements - 670 LF (+/-)

Group A, Other Targets in Order of priority for FY 19-20:

2. Hillcrest Drive - Hickory Trail intersection to SSCA tennis courts - 3,700 LF (+/-) (lessen over-width at hill top.)
3. Sea Oats Trail - 11th Avenue north to NC Highway 12
4. Dewberry Lane - 230 LF (+/-)

Group B, In order of priority subsequent to completion of Group A:

5. Chicahauk Trail - NC Hwy 12 to Trinitie Trail intersection - 2,693 LF (+/-)
6. Hillcrest Drive - from New Sea Oats intersection to NC 12 with improvement to Wax Myrtle intersection - 757 LF (+/-)
7. Trinitie Trail - address road subsidence area near Old Passage
8. Wax Myrtle Trail - East Dogwood Trail south to end 2,720 LF (+/-)
 - Incl. Dolphin Run - 410 LF (+/-)
 - Incl. Porpoise Run - 425 LF (+/-)
9. Ginguite Trail - southern segment - 2,000 LF (+/-)
10. Bayberry Trail - entire length - 1,775 LF (+/-) Incl. Dewberry Ln. - 230 LF (+/-)
11. West Holly Trail - entire length - 830 LF (+/-)
12. Clamshell Trail - Otter Slide east to Chicahauk Trail - 3,440 LF (+/-)
13. S. Dogwood Tr. (street only) - entire length - Dogwood Trls. inters. to US Hwy 158 - 12,672 LF (+/-)
14. Ginguite Trail - Northern segment - 1,800 LF (+/-)

Group C, "Other":

15. Spindrift Trail/High Dune Loop/Wild Pony Lane intersection - 160 LF (+/-)
16. East Dogwood Trail - entire length (excl. previous rebuild segment) - 5,000 LF (+/-)
17. Wax Myrtle and Hickory Trail intersection - 170 LF (+/-)
18. Pintail Trail - entire length - 750 LF (+/-)
19. Land Fall Loop - entire length - 330 LF (+/-)
20. Happy Indian Lane cul-de-sac - 320 LF (+/-)
21. Teal Court - S. Dogwood to cul-de-sac - 275 LF (+/-)
22. North Dogwood Trail - entire length - 5,966 LF (+/-)
23. Turtle Pond Court - entire length - 470 LF (+/-)
24. Trinitie Trail (s/w impr. emphasis) - Clam Shell int. to CPOA Park - Design Only

From: [Joseph Anlauf](#)
To: [Wes Haskett](#); [David Bradley](#)
Cc: [David Deel](#)
Subject: Analysis of Future Road Reconstruction Projects Cost
Date: Wednesday, January 8, 2020 10:39:09 AM
Attachments: [2020 Projection of Future Road Reconstruction Costs.pdf](#)

Wes and David,

A study has been performed establishing and analyzing the following:

1. Current average unit price per linear foot for road reconstruction;
2. Inventory of roads or portion of roads that have been repaired;
3. Determination of the total funds needed to complete the balance of road repairs based on the current average unit price;
4. Determination of the number of years needed at the current tax levy to complete the balance of road repairs;

The average unit price per linear foot was established based on a review of the following recent projects:

1. Palmetto Lane;
2. Clam Shell Trail;
3. Yaupon Trail;
4. Skyline Drive;
5. Wild Swan Lane;
6. Osprey Lane;

The scope and range of these various projects was diverse which resulted in a varied unit price cost per project. The average unit price per linear foot was calculated to be \$175.28.

The approximately linear feet of roads repaired to date was determined to be +/-49,985 l.ft. which leaves an approximate balance of future road repairs (by linear feet) of 147,463 l.ft.

This figure multiplied by the cost per linear foot ($\$175.28 \times 147,463 \text{ l.ft.}$) = \$25,848,048.97

At a annual tax levy of \$662,340 it will take over 39 years to go through the balance of roads that not have been improved by full depth reconstruction since about the year 2000.

The unit price per linear foot was determined by analyzing full depth reconstruction projects. The price is subject to change if other techniques such as asphalt surface overlays were used on some of the road inventory balance. I would state for the record that I would not recommend a surface overlay for most of the older roads in Town. Also the total projected cost does not include surveying fees, geotechnical testing fees or engineering design fees or increases in project costs due to change orders. The projected costs also do not account for any project that would be exclusively stormwater related with no associated road improvement.

Please let me know if you have any questions.

Sincerely,
Joseph J. Anlauf, PE
Anlauf Engineering, PLLC

Full Depth Repair (FDR) Unit Price Establishment from Recent Projects				
Road Name	Road Width (ft.)	Road Length (ft.)	Reconstruction Cost (Bid)	Cost per linear Foot
Palmetto Lane	18'	713.8	\$ 133,806.00	\$ 187.46
Clamshell Trail	18'	910.36	\$ 196,261.26	\$ 215.59
Yaupon Trail	14'	1602.02	\$ 373,470.02	\$ 233.12
Skyline Drive	16'	195.42	\$ 32,781.60	\$ 167.75
Wild Swan Lane	18'/16'	957.47	\$ 118,770.00	\$ 124.05
Osprey Lane	18'/16'	1082.28	\$ 133,930.00	\$ 123.75
			Average Unit Price	\$ 175.28

Current Inventory of Roads that Qualify for Powell Bill Grants

Roads	Road Length (ft.)	Length Repaired	Balance to be reconstructed
1st Avenue	1,476	0	1,476
2nd Avenue	1,449	0	1,449
3rd Avenue	1,428	0	1,428
4th Avenue	1,408	0	1,408
5th Avenue	1,322	0	1,322
6th Avenue	1,328	0	1,328
7th Avenue	1,481	0	1,481
8th Avenue	1,482	0	1,482
9th Avenue	1,963	0	1,963
10th Avenue	2,056	0	2,056
11th Avenue	2,504	0	2,504
12th Avenue	1,915	0	1,915
13th Avenue	1,315	0	1,315
Bayberry Trail	1,852	0	1,852
Bear Track Lane	431	431	0
Beech Tree Trail	2,166	2,166	0
Bent Oak Court	658	0	658
Birch Lane	657	0	657
Blue Pete Court	290	0	290
Bright Lantern Lane	277	0	277
Chicahauk Trail	4,910	2,350	2,560
Circle Drive	2,727	0	2,727
Clam Shell Trail	4,382	910	3,472
Crooked Back Loop	2,800	0	2,800
Cypress Lane	940	518	422
Deer Path Lane	1,519	1,519	0
Dewberry Lane	250	0	250
Dogwood Trail (East)	5,176	541	4,635
Dogwood Trail (North)	5,818	633	5,185
Dogwood Trail (South)	12,375	878	11,497
Dolphin Run	1,058	0	1,058
Duck Woods Drive	6,096	3,811	2,285
Eagles Nest Lane	658	658	0
Fairway Drive	900	900	0
Fern Lane	951	564	387
Fox Grape Lane South	831	831	0
Fox Grape Lane North	477	477	0
Ginguite Trail	2,631	156	2,475

Goose Feather Lane	424	0	424
Gravey Pond Lane	1,659	1,659	0
Gray Squirrel Lane	497	497	0
Happy Indian Court	130	0	130
Happy Indian Lane	688	0	688
Hickory Trail	4,496	2,079	2,417
High Dune Loop	3,588	0	3,588
Hillcrest Drive	7,797	324	7,473
Hollow Beech Court	379	379	0
Holly Trail East	611		611
Holly Trail West	3,509	2,678	831
Honeysuckle Lane	791	791	0
Juniper Trail	2,867	2,166	701
Kingfisher Trail	1,525	0	1,525
Kingfisher Loop	50	0	50
Kingfisher Court	210	0	210
Landfall Loop	337	0	337
Last Hunt Lane	395	0	395
Live Oak Lane	396	0	396
Loblolly Lane	503	119	384
Mistletoe Lane	604	604	0
Mizzen Mast Lane	217	0	217
Mockingbird Lane	350	0	350
North Dune Loop	2,066	288	1,778
Ocean View Loop	1,839	558	1,281
Ocean Boulevard	6,198	0	6,198
Old Passage Lane	597	597	0
Osprey Lane	1,211	1,211	0
Otter Slide Lane	1,265	0	1,265
Oyster Bed Lane	631	0	631
Palmetto Lane	1,425	1,425	0
Periwinkle Place	811	0	811
Pintail Court	290	290	0
Pintail Trail	2,814	0	2,814
Point Comfort Lane	404	0	404
Porpoise Run	951	0	951
Poteskeet Loop	1,819	1,819	0
Poteskeet Trail	3,441	3,441	0
Pudding Pan Lane	1,959	0	1,959

Purple Martin Lane	337	0	337
Red Bay Lane	740	740	0
Sandfiddler Court	564	0	564
Sandpiper Lane	337	0	337
Sassafras Lane	357	0	357
Scuppernong Lane	477	477	0
Sea Oats Court	130	0	130
Sea Oats Lane	2,880	0	2,880
Sea Oats Trail	13,839	300	13,539
Skyline Road	2,887	195	2,692
Soundview Trail/Circle	1,525	0	1,525
Spindrift Trail	5,584	657	4,927
Sweetgum Lane	397	99	298
Tall Cliff Court	904	0	904
Tall Pine Lane	1,188	1,188	0
Teal Court	330	0	330
Tea Plant Court	417	0	417
Trinitie Trail	4,202	3,888	314
Trout Run	504	0	504
Turtle Pond Court	290	0	290
Twisted Tree Court	267	0	267
Waxmyrtle Trail	9,335	563	8,772
Widgeon Court	257	254	3
Wild Pony Lane	1,372	0	1,372
Wild Swan Lane	1,105	1,105	0
Wood Duck Court	257	0	257
Woodland Drive	604	0	604
Woodland Drive North	1,222	100	1,122
WoodLand Drive South	1,405	520	885
Yaupon Trail	1,522	1,522	0
Yucca Lane	512	109	403
Total	197,448	49,985	147,463

Cost & Time Summary

Unit Cost (\$/ft.)	Total Length Balance (ft.)	Total Funds Required for FDR for remaining roads (\$)	0.05 Tax Levy (\$)	Years to Finish a complete balance of road inventory (years)
\$ 175.28	147,463	\$ 25,848,048.97	\$ 662,340.00	39

BLANK

**NORTH CAROLINA
DARE COUNTY**
7176

**SERVICE CONTRACT
PURCHASE ORDER**

THIS CONTRACT is made and entered into this the 16th day of June, 2016, by and between the TOWN OF SOUTHERN SHORES, a body corporate and politic existing pursuant to the laws of the State of North Carolina, (hereinafter referred to as "the TOWN"), party of the first part, and Deel Engineering, PLLC, (hereinafter referred to as "the CONTRACTOR"), party of the second part.

1. SERVICES TO BE PROVIDED AND AGREED CHARGES

The services and/or material to be furnished under this CONTRACT (hereinafter referred to collectively as "SERVICES") and agreed charges are as follows:

The CONTRACTOR shall provide professional engineering, environmental, surveying, construction administration and inspection and other related services upon demand and authorization of the TOWN for infrastructure repair and rebuild projects.

A scope of services, time period for performance of services, limitations on fees and any other special conditions may be established with each work demand order and authorization to proceed issued by the TOWN.

2. TERM OF CONTRACT

The term of this CONTRACT for SERVICES is from June 20, 2016 to June 30, 2019 and may be renegotiated with CONTRACTOR for each succeeding one-year period thereafter. Either party may nonetheless cancel this contract on thirty (30) days written notice to the other party by certified mail or personal delivery. The TOWN may cancel this CONTRACT at any time for cause, including, but not limited to, the failure of the CONTRACTOR to satisfactorily perform the SERVICES required under this CONTRACT. This CONTRACT is subject to the availability of funds to purchase the specified SERVICES and may be terminated at any time if such funds become unavailable.

3. PAYMENT TO CONTRACTOR

The TOWN agrees to pay at the rates specified for SERVICES satisfactorily performed in accordance with this CONTRACT. CONTRACTOR's hourly rate schedule for 2016 for CONTRACTOR's SERVICES shall be as set forth in Exhibit A attached to this CONTRACT and incorporated herein as reference. Unless otherwise specified, the CONTRACTOR shall submit an itemized invoice to the TOWN by the end of the month during which SERVICES are performed. Payment will be processed promptly upon receipt and approval by the TOWN of the invoice. On the first anniversary date of this contract and on each subsequent anniversary date thereafter, CONTRACTOR may request an increase in the hourly rate schedule. Increases in the rate schedule must be agreed upon mutually by the TOWN and CONTRACTOR prior to any work being completed under an increased rate.

4. FREEDOM TO EMPLOY

The CONTRACTOR may employ assistants or consultants at its sole expense and discretion as may be necessary to fulfill CONTRACTOR's obligations under this CONTRACT. The CONTRACTOR agrees that anyone to whom it delegates any or all SERVICES called for by this CONTRACT will be competent, qualified and capable of performing the work without any supervision, contact or assistance by the TOWN's employees. Any such assistant or consultant will be employed only by the CONTRACTOR, and will not be an employee of the TOWN.

5. INDEPENDENT CONTRACTOR

Both the TOWN and the CONTRACTOR agree that the CONTRACTOR shall act as an independent CONTRACTOR and shall not represent itself as an agent or employee of the TOWN for any purpose in the performance of the CONTRACTOR'S duties under this CONTRACT. Accordingly, the CONTRACTOR shall be responsible for payment of all Federal, State and local taxes arising out of the CONTRACTOR'S activities in accordance with this contract, including by way of illustration but not limitation, Federal and State income tax, Social Security tax, Unemployment Insurance taxes, and any other taxes or business license fees as required.

In performing the SERVICES, the CONTRACTOR is acting as an independent CONTRACTOR and shall perform SERVICES in accordance with currently approved methods and practice in the CONTRACTOR'S professional capacity and in accordance with the standards of applicable professional organizations and licensing agencies.

In performing the SERVICES, the CONTRACTOR is acting as an independent contractor and is not an employee, subcontractor, agent, servant, partner nor joint venturer of the TOWN. The CONTRACTOR has the right to use its best judgment and efforts to fulfill the terms and obligations of this CONTRACT. CONTRACTOR further understands and acknowledges the following:

- a. CONTRACTOR will receive no compensation other than as outlined in this CONTRACT and is not subject to nor eligible for any benefits which may be offered by the TOWN to its employees, such as vacation pay, sick leave, insurance coverage or retirement plan participation.
- b. The SERVICES provided in accordance with this CONTRACT are an independent calling or occupation.
- c. The CONTRACTOR is expected to use its own skill, judgment and expertise to fulfill the obligations of this CONTRACT, and is not supervised, directed or controlled by the TOWN as to the means or methods it should employ.
- d. The CONTRACTOR is not required to perform tasks in any particular order or sequence.
- e. The CONTRACTOR needs no training from the TOWN as to how to fulfill its duties and responsibilities.
- f. The CONTRACTOR may determine its own daily schedule and those of its own employees or servants without prior approval of the TOWN.
- g. The CONTRACTOR is not required to devote any particular percentage of its time or resources to perform the SERVICES required hereunder.
- h. The CONTRACTOR shall furnish its own equipment and supplies.

i. Although the CONTRACTOR may be provided the use of the TOWN's facilities, such use is provided merely to facilitate the CONTRACTOR's coordination with the TOWN's staff and communication with vendors, other contractors engaged on the project, and members of the community.

j. To the extent the CONTRACTOR must procure or maintain any insurance, license, certification or trade membership, it must do so at its own cost.

k. This CONTRACT shall not prevent CONTRACTOR from performing other services for other parties. CONTRACTOR may engage in other business endeavors or projects of any kind or nature as long as such activities do not conflict with CONTRACTOR's relationship with the TOWN pursuant to this agreement.

6. OWNERSHIP OF WORK PRODUCT

The TOWN shall retain ownership of all work product developed for or on behalf of the TOWN by the CONTRACTOR, regardless of location, type and format of the work product. All work product will be submitted to the TOWN, or a specified agent or contract consultant of the TOWN, at the TOWN's direction, upon request.

7. INSURANCE AND INDEMNITY

CONTRACTOR shall purchase and maintain reasonable liability insurance coverage, as protection from judgments of any kind, including but not limited to general liability insurance and automobile insurance on all vehicles used by the CONTRACTOR, its employees, agents or sub-contractors in performing SERVICES under this CONTRACT.

The CONTRACTOR shall indemnify and save harmless the TOWN, its agents and employees from and against all actions, liability, claims, suits, damages, cost or expenses of any kind which may be brought or made against the TOWN or which the TOWN must pay and incur by reason of or in any manner resulting from injury, loss or damage to persons or property resulting from negligent performance of or failure to perform any of the CONTRACTOR's obligations under the terms of this CONTRACT.

The CONTRACTOR shall be fully responsible to the TOWN for the acts and omissions of its sub-contractors and of persons either directly or indirectly employed by it, as the CONTRACTOR is for the acts and omissions of persons directly employed by it.

In addition, the CONTRACTOR shall comply with the North Carolina Worker's Compensation Act and shall provide for the payment of workers' compensation to its employees in the manner and to the extent required by such Act. In the event the CONTRACTOR is excluded from the requirements of such Act and does not voluntarily carry workers' compensation coverage, the CONTRACTOR shall carry or cause its employees to carry adequate medical accident insurance to cover any injuries sustained by its employees or agents during the performance of SERVICES. The CONTRACTOR agrees to furnish the TOWN proof of compliance with said Act or adequate medical accident insurance coverage upon request.

The CONTRACTOR upon request by the TOWN shall furnish a Certificate of Insurance from an insurance company, licensed to do business in the State of North Carolina and acceptable to the

TOWN verifying the existence of any insurance coverage required by the TOWN. The Certificate will provide for sixty (60) days advance notice in the event of termination or cancellation of coverage.

In the event the CONTRACTOR shall fail at any time to have in force and effect insurance as required by this Section, the CONTRACTOR agrees to indemnify and hold harmless the TOWN for (1) any premium paid by the TOWN to maintain insurance coverage applicable to CONTRACTOR and or its employees or subcontractors, and (2) any workers' compensation benefits paid by the TOWN as a result of the CONTRACTOR's failure to comply with this Section.

8. HEALTH AND SAFETY

The CONTRACTOR shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the provision of the SERVICES. The CONTRACTOR shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury or loss to all employees from the provision of the SERVICES and other persons who may be affected thereby.

9. NON-DISCRIMINATION IN EMPLOYMENT

The CONTRACTOR shall not discriminate against any employee or applicant for employment because of age, sex, race, creed, or national origin. The CONTRACTOR shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their age, sex, race, creed, or national origin. In the event the CONTRACTOR is determined by the final order of an appropriate agency or court to be in violation of any non-discrimination provision of federal, state or local law or this provision, this CONTRACT may be canceled, terminated or suspended in whole or in part by the TOWN, and the CONTRACTOR may be declared ineligible for further TOWN contracts.

10. GOVERNING LAW

This CONTRACT shall be governed by and in accordance with the laws of the State of North Carolina. All actions relating in any way to this CONTRACT shall be brought in the General Court of Justice of the State of North Carolina or in the Federal District Court for the Eastern District of North Carolina.

11. NON WAIVER OF IMMUNITY

Nothing set forth herein is intended nor shall be construed as a waiver of any immunity available to the TOWN, its governing board, officers or employees.

12. OTHER PROVISIONS

This CONTRACT is subject to such additional provisions as are set forth in any addendum executed separately by each party and attached hereto.

13. CONTRACT DOCUMENTS/AMENDMENTS

This document together with the purchase order and any attached exhibits constitutes the entire CONTRACT between the said two parties and supersedes all prior and contemporaneous negotiations, agreements and understandings of either or both parties in connection to the subject

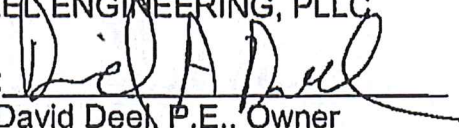
matter of this CONTRACT. The terms of this CONTRACT may only be modified by a written mutual agreement signed by the parties and attached hereto.

14. SIGNATURES

Both the TOWN and the CONTRACTOR agree to the above contractual terms and conditions.

DEED ENGINEERING, PLLC

By:

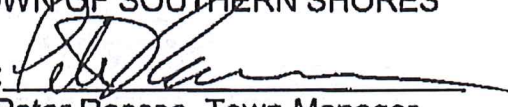

David Deel, P.E., Owner

WITNESS OR ATTEST BY:

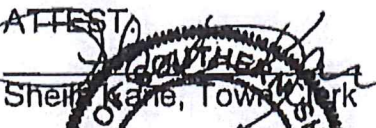


TOWN OF SOUTHERN SHORES

By:


Peter Rascoe, Town Manager

ATTEST


Sheriff Kane, Town Clerk



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



Bonnie Swain, Finance Officer

Deel Engineering, PLLC
NC Firm License P-1045
Hourly Rate Schedule for Town of Southern Shores 2016-2017

Hourly Rate Schedule 2016-2017

Category	Hourly Billing Rate
Civil Engineering	\$75/hr.
Environmental Consulting	\$100/hr.
Architectural Consulting	\$100/hr.
Construction Inspection	\$75/hr.
Subcontracted Services	Cost + 10%

Reimbursable Expenses	
18"x24" Prints	\$1.50
18"x24" Mylars	\$3.00
24"x36" Prints	\$2.00
36"x42" Prints	\$2.50
11"x17" copies	\$0.20
11"x17" color copies	\$0.50
Letter/Legal copies	\$0.10
Color letter/legal copies	\$0.50

The rates reflected hereon describe the current billing rates for Deel Engineering, PLLC and Anlauf Engineering, PLLC to perform work in the Town of Southern Shores. Deel/Anlauf Engineering, PLLC, reserves the right to adjust pricing annually, with an effective date of July 1st.

NORTH CAROLINA
DARE COUNTY

RENEWAL/EXTENSION OF SERVICE CONTRACT
Purchase Order #

THIS CONTRACT RENEWAL/EXTENSION is made and entered and entered into this the 4th day of June, 2019, by and between TOWN OF SOUTHERN SHORES, a body corporate and politic existing pursuant to the laws of the State of North Carolina, (the "TOWN") party of the first part and Deel Engineering, PLLC ("Contractor"), party of the second part.

Pursuant to Section 2 of the Service Contract entered into between the parties on June 16, 2016 (the "SERVICE CONTRACT"), the TOWN and the CONTRACTOR have agreed to extend and renew the SERVICE CONTRACT from its extended expiration on June 30, 2019 through June 30, 2020. The terms of the SERVICE CONTRACT shall remain in full force and effect.

Both the TOWN and the CONTRACTOR agree to the above contractual terms and conditions.

Witnesses or Attested By:



Town of Southern Shores

By: [Signature]
Title: Acting Town Manager
Date: 8-20-19

Witness or Attested By:

[Signature]

(SEAL)

Contractor

By: [Signature]
Title: President, Deel Engineering, LLC
Date: 8/30/19

This instrument has been preaudited in the manner required by
The Local Government Budget and Fiscal Control Act,

[Signature]
Town of Southern Shores Finance Director

MOTION: Councilman Conners moved to approve the Town Attorney contract as presented. The motion was seconded by Mayor pro tem Nason. The motion passed unanimously (5-0).

NEXT AGENDA ITEM

Renewal of Town Engineer Contract

Councilman Newberry and Councilman McDonald both felt that the engineer contract should go out to bid. Councilman Newberry stated there may be other options, give other engineers the opportunity to serve the Town, new ways of thinking and ideas.

Councilman Nason stated it is request for qualifications rather than bids when looking for an engineer. The current open projects would have to be transferred over.

Town Attorney Gallop stated the contract as currently written calls for the option to renew yearly.

Councilman Newberry stated the engineer's contract expires at the end of the month, we didn't plan ahead and having no contract is unacceptable. Council has no option but to renew.

Councilman Conners and Mayor pro tem Nason both called to vote.

MOTION: Councilman Conners moved to extend the Town Engineer's contract (Deel Engineering) for one year. The motion was seconded by Mayor Bennett. The motion passed 3-2 Mayor Bennett, Mayor pro tem Nason and Councilman Conners voting affirmative; Councilman McDonald and Councilman Newberry opposing.

NEXT AGENDA ITEM

Budget Amendment #15- Insurance payment for damage to Juniper Trail

Budget Amendment #14-To recognize unanticipated revenue already received to pay for increased tonnage

MOTION: Mayor pro tem Nason moved to approve Budget Amendment #14 and Budget Amendment #15. The motion was seconded by Councilman McDonald. The motion passed unanimously (5-0).

GENERAL PUBLIC COMMENT

Mayor Bennett again called for public comment and the following citizens offered comment.

1. Willow Kelly-Outer Banks Association of Realtors-Town should look at how the Town of Duck dealt with special events. Rather than putting into law they focused on the impact areas, such as parking, and decks. We do not want to come across as non-welcoming and cut off income for local vendors.