

AGENDA

Call to Order – Mayor William P. Elmore, Jr.

Invocation – Rev. Grover Blackburn, Jr. – North Clinton Avenue Baptist Church

Pledge of Allegiance

- 1) Adjustment and Approval of the August 27, 2024 meeting agenda

PUBLIC COMMENT PERIOD

- 2) Each Speaker should limit comments to 3 minutes and must sign up on sheet available on the podium within the Council Chambers prior to the start of the meeting. Total comment period limited to 30 minutes.

CONSENT ITEMS

- 3) Minutes – July 9th, 2024
- 4) Special Event – Chalk Festival – Temporary Closing of Parking Lot- October 5, 2024
- 5) Special Event – Trunk or Treat – Temporary Street Closing - October 31, 2024

ITEMS FOR DISCUSSION AND/OR DECISION

- 6) SUP-03-24 – Cold Touch Media – 101 S Clinton Avenue
- 7) Consideration to adopt Four Resolutions and Accept Four Letters of Conditions – USDA Loans/Grants FY24 Vehicle and Equipment purchased
- 8) Capital Project Ordinance–Budget Amendment Pearsall St. - Culvert Replacement Project and Stormwater Mapping Project
- 9) Budget Amendment for Police Performance and Wellness Grant
- 10) Capital Project Ordinance-Budget Amendment Clarence Lee Tart Park Renovation-Phase Two
- 11) Consideration of SRP Funding Offer – Water System AIA – Project No. AIA-D-0302
- 12) Capital Project Ordinance-Raw Water Pump Station Improvements
- 13) Capital Project Ordinance-Juniper Creek Area Stormwater Improvements Project
- 14) Administrative Reports
 - a) City Manager's Report/Update on Council Goals
 - b) Financial Report/Assessment Update
 - c) Department Reports
 - Public Information
 - Parks & Recreation/Police
 - Public Works/Public Utilities
 - Planning & Inspections
- 15) Announcements
- 16) Information
- 17) **Closed Session** - If called, the General Statute(s) allowing the Closed Session will be cited in the motion

ADJOURNMENT

“This institution is an equal opportunity provider and employer”

Adjustment and Approval Of the August 27, 2024 Meeting Agenda

Recommendation:

Motion to adopt the August 27, 2024, meeting agenda as presented.

Or

Motion to adopt the August 27, 2024, meeting agenda as presented with the following changes:

Additions: (Assign Number on the Agenda such as 28A)

Removal of the following items(s):

Move Item of Business from one section to another section (such as moving item from Consent Items to Items for Discussion and/or Decision).

Public Comment Period

Adopted 8-4-05

CITY OF DUNN CITY COUNCIL PUBLIC COMMENT POLICY

The City Council for the City of Dunn does hereby adopt a Public Comment Policy to provide at least one period for public comment per month at a regular meeting of the City Council. This policy shall remain in effect until such time that it is altered, modified, or rescinded by the City Council.

All comments received by the City Council during the Public Comment Period shall be subject to the following procedures and rules:

1. Anyone desiring to address the City Council must sign up and register on a sign-up sheet available on the podium within the City Council chambers prior to the Mayor calling the meeting to order. The sign-up sheet shall be available thirty (30) minutes prior the beginning of the City Council meeting in the City Council Chambers. Once the Mayor has called the meeting to order, the City Clerk shall collect the sign-up sheet and deliver it to the Mayor. The speaker shall indicate on the sign-up sheet his or her name, address and matter of concern.
2. The Public Comment Period shall be for thirty (30) minutes.
3. Comments are limited to three (3) minutes per speaker. A speaker can not give their allotted minutes to another speaker to increase that person's allotted time.
4. Each speaker must be recognized by the Mayor or presiding member of the City Council as having the exclusive right to be heard. Speakers will be acknowledged in the order in which their names appear on the sign up sheet. Speakers will address the City Council from the podium at the front of the room and begin their remarks by stating their name and address.
5. Individuals who sign up but can not speak because of time constraints, will be carried to the next regular meeting of the City Council and placed first on the Public Comment Period.
6. During the Public Comment Period, a citizen, in lieu of or in addition to speaking may pass out written literature to the City Council, City Staff and audience.
7. Groups supporting or opposing the same position shall designate a spokesperson to address the City Council in order to avoid redundancy.
8. After the citizen has made his or her remarks, he or she will be seated with no further debate, dialogue or comment.

9. The Public Comment Period is not intended to require the City Council to answer any impromptu questions. Speakers will address all comments to the City Council as a whole and not one individual Council member. Discussions between speakers and members of the audience will not be allowed. The City Council will not take action, or respond to questions about, issues raised during the Public Comment Period at the same meeting.

10. Speakers shall refrain from discussing any of the following: matters which concern the candidacy of any person seeking public office, including the candidacy of the person addressing the City Council; matters which involve pending litigation; matters which have been or will be the subject of a public hearing; and matters involving specific personnel issues related to disciplinary matters. If the speaker wishes to address specific personnel issues related to disciplinary matters, he or she should take their comments to the City Manager, who shall share the comments with the City Council.

11. Speakers shall be courteous in their language and presentation.

12. The Mayor and City Manager shall determine, on a month to month basis, where the Public Comment Period will appear on the monthly agenda when developing the agenda, prior to its publication.

13. The Public Comment Period shall only be held during the regularly scheduled monthly meeting of the City Council. There shall not be a Public Comment Period at any other meetings of the City Council, unless specifically approved by the City Council.

Consent Items

Recommendation:

Motion to approve all Consent Items as presented.

Meeting Date: August 27, 2024

SUBJECT TITLE	Minutes –July 9, 2024 – Special Meeting
PRESENTER/DEPARTMENT	Deputy City Clerk Matti
ATTACHMENT(S)	Draft Minutes
PUBLIC HEARING PUBLISH DATES	n/a

PURPOSE:

BACKGROUND:

BUDGET IMPACT:

RECOMMENDED MOTION/ACTION REQUESTED OF COUNCIL	Motion to approve Minutes as presented.
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Dunn City Council
Special Meeting
Tuesday, July 9, 2024
6:30 p.m., Dunn Municipal Building

Minutes

PRESENT: Mayor William P. Elmore Jr., Mayor Pro Tem J. Wesley Sills, Council Members Raquel McNeil, April Gaulden, Billy N. Tart, , and Dr. David L. Bradham.

ABSENT: Alan Hargis

Also present: Assistant City Manager Billy R. Godwin, Administrative Support Specialist Amber Groves, City Attorney Tilghman Pope, City Clerk Tammy Williams, and Deputy City Clerk Melissa Matti.

CALL TO ORDER AND INVOCATION

Mayor Elmore opened the meeting at 6:30 p.m., gave the invocation and led in the Pledge of Allegiance. Mayor Elmore gave a brief history leading to the need for a new City Manager.

PRESENTATIONS

The Mid-Carolina Regional Council Project Team (Justin Hembree, Executive Director and Samantha Wullenwaber, Deputy Executive Director presented the City Manager Recruitment and Selection Project Outline. *A copy is incorporated into these minutes as Attachment #1.*

ITEMS FOR DISCUSSION AND/OR DECISION

City Manager Search

Mid-Carolina Council of Governments

Mr. Hembree advised the council that in a perfect world they could potentially be interviewing candidates in mid-September. He and Ms. Wullenwaber would be in touch each month. They will be here for every meeting; in case the council wants details and to let them know what is going on with the search.

A proposed flat fee of \$9,500.00 would cover Mr. Hembree and Mrs. Wullenwaber's time, expenses, travel, etc. This would not include advertising costs, which would be minimal. It was suggested that no more than \$5,000.00 be budgeted to cover auxiliary expenses such as travel for the applicants, etc.

Motion by Mayor Pro Tem Sills and second by Council Member Bradham to approve hiring Mid-Carolina Council of Governments for the City Manager search at the proposed flat fee. **Motion unanimously approved.**

Mrs. Wullenwaber worked with the council to determine the desired qualifications for the position and what city characteristics would be listed in the advertisement. It was decided that the most recent city stats would be included. The ad will indicate that the position is open until filled.

Closed Session

Personnel Matter

Motion by Mayor Pro Tem Sills and seconded by Council Member Gaulden to go into closed session to discuss a personnel matter. Motion unanimously approved.

The Closed Session ended and with no further business to discuss, the meeting adjourned at 8:27 p.m.

William P. Elmore Jr.
Mayor

Attest:

Melissa R. Matti, CMC, NCCMC, CZO
Deputy City Clerk

City of Dunn
City Manager Recruitment and Selection
Project Outline

Mid-Carolina Regional Council Project Team:

Justin Hembree, Executive Director

Samantha Wullenwaber, Deputy Executive Director

Step 1 – Develop Candidate Profile

MCRC's understanding of the City's needs will be key to the successful recruitment and selection of the City's next Manager. We will work with the Board to learn as much as possible about the City's expectations for a new Manager. MCRC wants to grasp the values and culture of the organization, as well as understand the current challenges and opportunities that face the City. We also want to know the Board's expectations regarding the knowledge, skills, and abilities sought in the ideal candidate and will work with the City to identify expectations regarding education and experience. Additionally, we will discuss expectations related to compensation and other items necessary to complete the successful appointment of a new City Manager. The profile developed at this stage will drive subsequent recruitment and selection steps.

Step 2 – Design and Implement Advertising Campaign

After gaining an understanding of the City's requirements, MCRC will design an effective advertising campaign appropriate for the City Manager recruitment and selection. We will focus on professional publications and websites that are specifically suited to the search. We will also develop a professional recruitment brochure on the City's behalf that will provide possible candidates with an overview of the community and the position.

Step 3 – Recruit Candidates

Along with coordinating the advertisement of the position, MCRC will conduct an outreach effort to identify and recruit professionals that may be good candidates for the position.

Step 4 – Screen Applicants

Following the closing date for applications, MCRC will screen all applications. We will use the criteria established in Step 1 as a basis upon which to initially narrow the field of candidates.

Step 5 – Interview Candidates

MCRC will conduct interviews with the top eight to ten applicants to help determine which candidates have the greatest potential to succeed. During interviews, we will explore each candidate's background and experience as it relates to the position. In addition, we will determine the candidate's motivation for applying for the position and make an assessment of his/her knowledge, skills, and abilities. Furthermore, we will work to understand the likelihood of each candidate's acceptance of the position if an offer of employment is made.

Step 6 – Search Public Records

Following interviews, MCRC will conduct a review of public records for each candidate. Various public sources will be consulted including online newspaper searches, Google, meeting minutes of governing bodies, employer websites, and other similar sources. This step will alert us to any additional inquiries that may need to be made about individual candidates.

Step 7 – Recommend Finalists

Based on information gathered through Board input, interviews, and the search of public records, MCRC will recommend a limited number of candidates for the Board's further consideration. We will prepare a written report on each recommended candidate and make specific suggestions concerning which candidates should remain in the selection process. However, the final determination of finalists for the position will be up to the Board.

Step 8 – Interview Finalists

MCRC will assist the Board in the development of an interview process that objectively assesses the qualifications of each finalist. We will use an approach that fits the Board's needs and will provide the Board with suggested interview questions and rating forms. We will work with finalists to coordinate the scheduling of interviews and travel arrangements. Our goal will be to facilitate a positive experience for both the Board and the finalists.

Step 9 – Check Backgrounds/References

Based on final interviews and a consensus of the Board, MCRC will facilitate credit, criminal, civil litigation, and motor vehicle record checks for the top one to three candidates. In addition, we will conduct detailed confidential reference checks. We will also verify candidates' degrees.

Step 10 – Negotiate

Once the Board reaches a consensus concerning the final candidate, MCRC will represent the City's interests and advise the Board regarding salary, benefits, and, finally, an employment agreement. We will work with the City to facilitate a formal offer of employment.

On-Going Services Throughout the Process

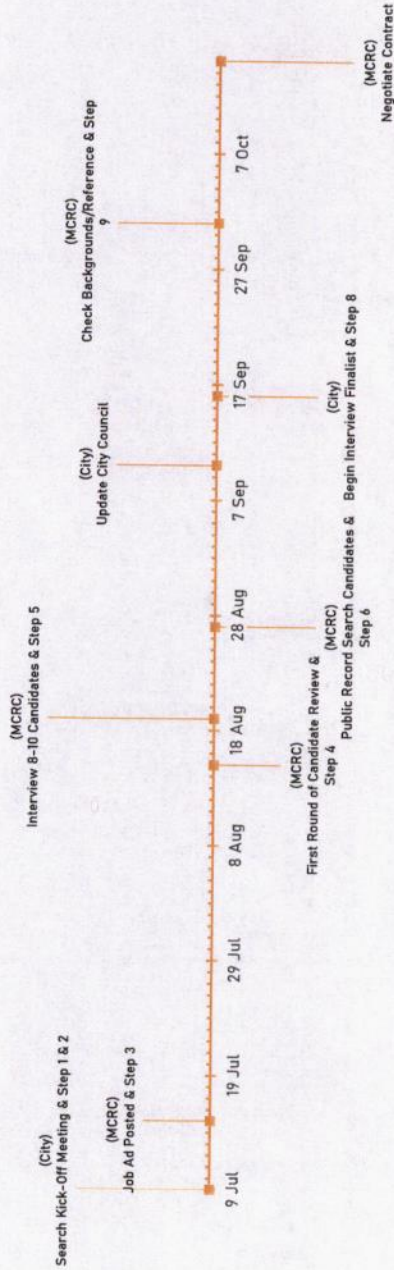
Throughout the recruitment and selection process, MCRC will provide the Board with updates on the status of the search. We will work with City staff to take care of all administrative details. We will also keep candidates informed about their status in the process at each critical step and will promptly respond to candidate inquiries.

Contact Info

Justin Hembree
Executive Director
Mid-Carolina Regional Council
jhembree@mccog.org
828-772-7947 (Cell)

Samantha Wullenwaber
Deputy Executive Director
Mid-Carolina Regional Council
swullenwaber@mccog.org
919-632-5397 (Cell)

PROJECT TIMELINE



Project Milestones

DATE	MILESTONE	ASSIGNED TO	POSITION
7/9/2024	Search Kick-Off Meeting & Step 1 & 2	(City)	20
7/15/2024	Job Ad Posted & Step 3	(MCRC)	10
8/15/2024	First Round of Candidate Review & Step 4	(MCRC)	-10
8/19/2024	Interview 8-10 Candidates & Step 5	(MCRC)	25
8/27/2024	Public Record Search Candidates & Step 6	(MCRC)	-15
9/10/2024	Update City Council	(City)	15
9/16/2024	Begin Interview Finalist & Step 8	(City)	-15
10/1/2024	Check Backgrounds/Reference & Step 7	(MCRC)	15
10/15/2024	Negotiate Contract	(MCRC)	-20

Meeting Date: August 27, 2024

SUBJECT TITLE	Special Event Permits - Temporary Closing Parking Lot- Use of City Property – Chalk Festival
PRESENTER/DEPARTMENT	City Manager Neuschafer
ATTACHMENT(S)	Permit Application
PUBLIC HEARING PUBLISH DATES	n/a

PURPOSE:

Request to close parking lot behind Sherry's Bakery from 7 a.m. to 6 p.m. on Saturday, October 5th for Chalk Festival (sponsored by the Harnett County Arts Council). This event will be in conjunction with the farmers' market.

BACKGROUND:

BUDGET IMPACT:

RECOMMENDED MOTION/ACTION REQUESTED OF COUNCIL	Motion to approve the temporary closing of the parking lot behind Sherry's Bakery for the Chalk Festival.
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SEP-17-24 10-5-24

received
8/7/2024

Pd. 25.00

Special Event Permit Application, Page 3

CK 1067 / Receipt # 104546

Event Information

Type of Event: Festival Concert Run/Walk Parade
 Other—Type Mini Art event

Name of Event and Sponsoring Organization: _____
Chalk Festival- Harnett County Arts Council

Point of Contact for this Event:

Name Kittrnae Sanders Telephone 910-984-6238

Email ksanders@harnett.org

Purpose of Event This event will be in conjunction with the farmers market. (see attachment)
We have talked with the farmer market manager. He loves the idea.

Event Location: Parking Lot behind Sherry's Bakery

Event Date(s) October 5th, 2024

Setup Date(s) October 5th, 2024

Actual Event Hours 8am-4pm

Setup/Assembly

Hours Setup 7am Clean Up from 4-6

Dismantle Date and Time same day

Projected Attendance 200-300 per

Will there be the use of fireworks at this event? Yes No

Will alcohol be served or sold? Yes No
If yes, please provide required documentation.

Will Tent(s) be installed? Yes No

If yes, Size 10x10 Number of Tents 20 individual
If applicable, please attach Tents/Temporary Membranes Permit Application.

Will Inflatables be used? Yes No
If yes, please attach Tents/Temporary Membranes Permit.

Will this event require signs/banners? Yes No
If yes, please attach Temporary Sign Permit Application.

Do you need access to city electrical outlets? Yes No

Do you need access to water for your event? Yes No

Additional Fees may apply for water and electricity. You will be contacted to discuss.

Close
Parking
lot
- sign
- tents

Applicant should include a detailed Traffic and Parking Plan.

Will your event require the closing of any City streets or parking lots? Yes No
If yes, the application must be received 60 days in advance of the event.

*Request to close any state-maintained roads must be handled through the
NC Department of Transportation*

List any street(s) and parking lots to be closed. Include street name with date and time to be closed and reopened. Also include a detailed Map showing streets to be closed.

We will provide all the permits after receiving conformation of application approval

This is a one day event and insurance will be purchased in September.

The event will be located in the parking lot behind Sherry's Bakery

We are asking for the parking lot to be closed the night before 10/04/24 to ensure
no cars are in the parking lot on 10/05/2025. We will go around and talk with all of
the business owners. We will have toilet and hand washing station.


Please attach map/drawing accurately depicting proposed locations, activities, and traffic flow, with proposed parking plan.

As a condition to the issuance of a temporary Special Event Permit, the permittee shall indemnify and hold the City harmless from claims, demand or cause of action which may arise from activities associated with the special event.

By signing this permit, I acknowledge that I have read completely including all necessary ordinances and answered all questions truthfully and understand that the event should NOT be promoted until a Special Event Permit has been issued.

Submittal of an application does NOT guarantee approval and the \$25 Fee is Non-Refundable.

Violations could result in forfeiting the right to apply for future Special Events for a minimum of two (2) years.

Signature  Date 8/7/24

Please Return Completed Application with Fees to:

City of Dunn Planning Department
102 N Powell Ave
PO Box 1065
Dunn NC 28335
Telephone (910) 230-3505

Checklist for Attachments

Please make sure all required permits and information with necessary permit payments are included.
Check or mark n/a

- N/A ABC Permit (if alcohol is to be served or sold)
- N/A Tents/Temporary Membranes Permit Application
- N/A Noise Permit
- Temporary Sign Permit ?
- Proof of Insurance or Signed Waiver *Will secure after approval*
- Please be sure to include Map(s) or Drawing(s) showing location of event, activities, requested street closures, parking and traffic patterns.

FOR OFFICE USE:

Planning Department:

n/a

Inspections Department:

n/a

Police Department:

City Clerk, if required:

City Manager, if required:

Date Received: 8/7/2024

Date Approved/Denied: _____

Date of Notification to Applicant: _____

Staff Name _____

Staff Signature _____

Harnett County Arts Council- Chalk Fest/October 5, 2024



Harnett County Arts Council- Chalk Fest/October 5, 2024

Parking Plan and Entrance and Exits.

Farmers' market vendors and artists will enter off Edgerton St. and Exit on N Clinton Ave. After unloading, no cars will be permitted in the parking lot to ensure the safety of the people. When vendors are ready to leave, they will use the alley or the horizontal parking on N Clinton Ave near the farmer's market.

Harnett County Arts Council- Chalk Fest/October 5, 2024

Parking Plan and Entrance and Exits.

Farmers' market vendors and artists will enter off Edgerton St. and Exit on N Clinton Ave. After unloading, no cars will be permitted in the parking lot to ensure the safety of the people. When vendors are ready to leave, they will use the alley or the horizontal parking on N Clinton Ave near the farmer's market.

Chalk Fest is a community art festival that celebrates the visual arts and allows everyone in the community, regardless of skill level, to show off their artistic streak through chalk and other visual mediums. Explore local artists' creative works and enjoy various art forms alongside food vendors and music. It's a great opportunity to meet and connect with artists, exchange ideas, and be inspired by the variety of art on display

Meeting Date: August 27, 2024

SUBJECT TITLE	Special Event Permits - Temporary Closing Street- Trunk or Treat (Dunn Police Department)
PRESENTER/DEPARTMENT	Chief Jackson
ATTACHMENT(S)	Permit Application
PUBLIC HEARING PUBLISH DATES	n/a

PURPOSE:

Request to temporarily close 101 block of N. Magnolia Avenue (from E. Broad St. to E. Edgerton St.) for an afternoon event from 4 p.m. to 6 p.m. on Thursday, October 31st for Dunn Police Department's Trunk or Treat event.

BACKGROUND:

BUDGET IMPACT:

RECOMMENDED MOTION/ACTION REQUESTED OF COUNCIL	Motion to approve the temporary closing of North Magnolia beside city hall for Dunn Police Department's Trunk or Treat event.
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RECEIVED
8/15/2024

SEP-16-24 10-31-24

No Charge
SEP-16-24
8-15-24

Special Event Permit Application, Page 3

Event Information

Type of Event: Festival Concert Run/Walk Parade

Other—Type TRUNK OR TREAT

Name of Event and Sponsoring Organization: _____

DUNN POLICE DEPARTMENT'S TRUNK OR TREAT

Point of Contact for this Event:

Name Lt. KEVIN MOORE Telephone 919.902.6566

Email KMOORE@DUNN-NC.ORG

Purpose of Event CITY EVENT FOR COMMUNITY

Event Location: 101 N. MAGNOLIA

Event Date(s) OCT. 31, 2024

Setup Date(s) OCT. 31, 2024

Actual Event Hours 4:00 pm - 6:00 pm

Setup/Assembly

Hours N/A

Dismantle Date and Time N/A

Projected Attendance ~100

Will there be the use of fireworks at this event? Yes No

Will alcohol be served or sold? Yes No

If yes, please provide required documentation.

Will Tent(s) be installed? Yes No

If yes, Size _____ Number of Tents _____

If, applicable, please attach Tents/Temporary Membranes Permit Application.

Will Inflatables be used? Yes No

If yes, please attach Tents/Temporary Membranes Permit.

Will this event require signs/banners? Yes No

If yes, please attach Temporary Sign Permit Application.

Do you need access to city electrical outlets? Yes No

Do you need access to water for your event? Yes No

Additional Fees may apply for water and electricity. You will be contacted to discuss.

Road Close only
N magnolia
@ PD

Applicant should include a detailed Traffic and Parking Plan.

Will your event require the closing of any City streets or parking lots? Yes No
If yes, the application must be received 60 days in advance of the event.

*Request to close any state-maintained roads must be handled through the
NC Department of Transportation*

List any street(s) and parking lots to be closed. Include street name with date and time to be closed and reopened. Also include a detailed Map showing streets to be closed.

THE 101 BLOCK OF N. MAGNOLIA AVE
CLOSED FROM E BROAD ST TO E. EDGERTON ST. ON N.
MAGNOLIA.

Please attach map/drawing accurately depicting proposed locations, activities, and traffic flow, with proposed parking plan.

As a condition to the issuance of a temporary Special Event Permit, the permittee shall indemnify and hold the City harmless from claims, demand or cause of action which may arise from activities associated with the special event.

By signing this permit, I acknowledge that I have read completely including all necessary ordinances and answered all questions truthfully and understand that the event should NOT be promoted until a Special Event Permit has been issued.

Submittal of an application does NOT guarantee approval and the \$25 Fee is Non-Refundable.

Violations could result in forfeiting the right to apply for future Special Events for a minimum of two (2) years.

Signature LT. KIM MOSE Date 8/15/2024

Please Return Completed Application with Fees to:

City of Dunn Planning Department
102 N Powell Ave
PO Box 1065
Dunn NC 28335
Telephone (910) 230-3505

Checklist for Attachments

Please make sure all required permits and information with necessary permit payments are included.
Check or mark n/a

N/A ABC Permit (if alcohol is to be served or sold)

N/A Tents/Temporary Membranes Permit Application

N/A Noise Permit

N/A Temporary Sign Permit

___ Proof of Insurance or Signed Waiver

___ Please be sure to include Map(s) or Drawing(s) showing location of event, activities, requested street closures, parking and traffic patterns.

FOR OFFICE USE:

Planning Department:

N/A

Inspections Department:

N/A

Police Department:

City Clerk, if required:

City Manager, if required:

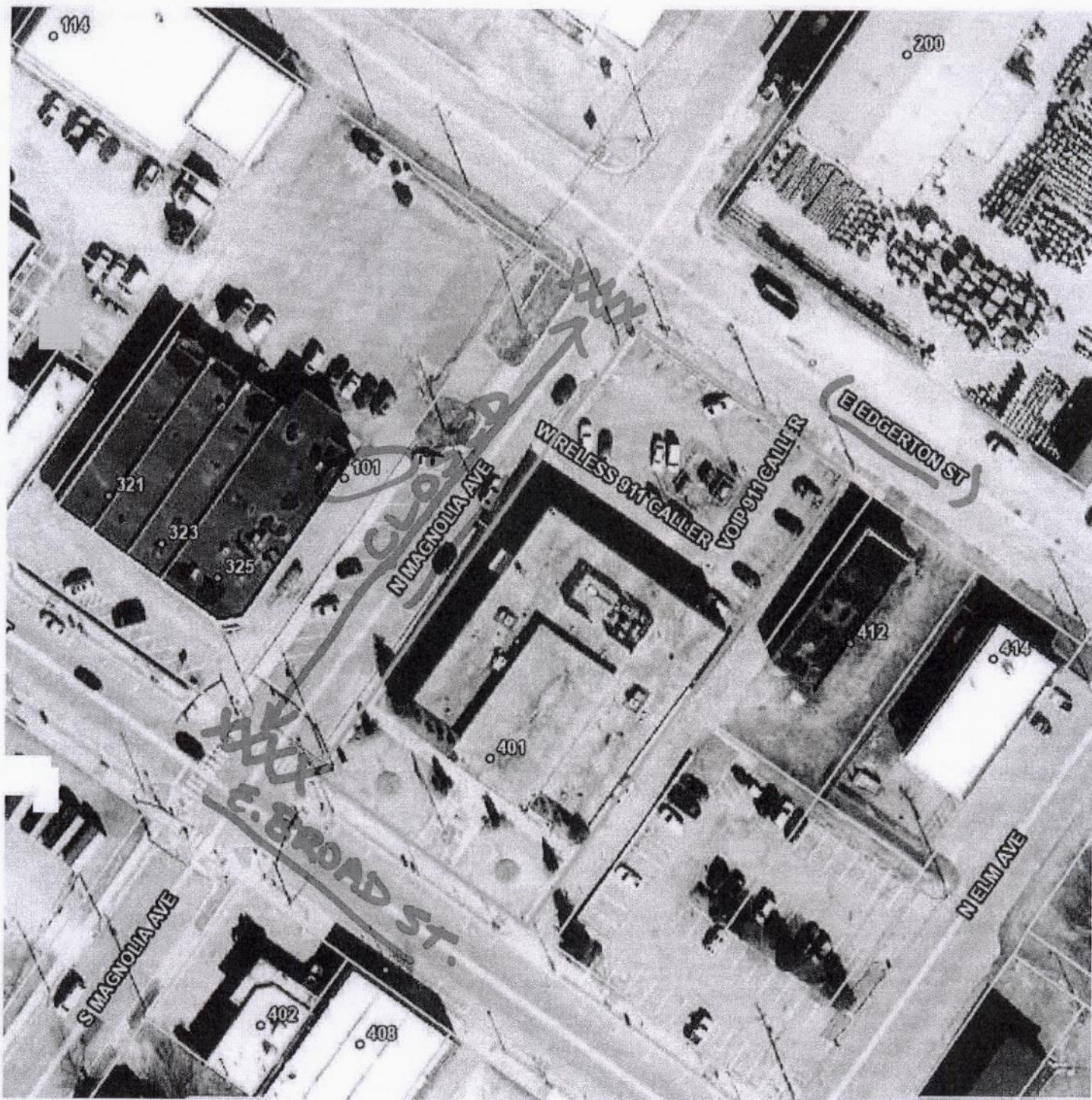
Date Received: 8-14-2024

Date Approved/Denied: _____

Date of Notification to Applicant: _____

Staff Name _____

Staff Signature _____



Meeting Date: August 27, 2024

SUBJECT TITLE	SUP-03-24: Special Use Permit for a banquet hall/ event space
PRESENTER/DEPARTMENT	Alyssa Garcia, Planning Director / Planning Department
ATTACHMENT(S)	Special Use Application, Staff Report with attachments, Public Notice, etc.
PUBLIC HEARING PUBLISH DATES	August 6 th and August 13 th , 2024

PURPOSE:

- a) **Public Hearing:** This is a request for consideration of a Special Use Permit at the parcel containing 101 S. Clinton Avenue holding approximately .17 +/- acres. The applicant, Nathaniel Massey, applies on behalf of the property owner, Dottie Driver, for a banquet hall/event space in the C-1 zoning district.
- b) **Decision:**

BACKGROUND:

The parcel containing 101 S. Clinton Avenue is currently zoned C-1 Central Commercial District which allows for banquet halls/event spaces through the issuance of a Special Use Permit. The unit leased by Nathaniel Massey of Cold Touch Media, is 1,046 sq. ft. The location is currently utilized as a commercial/office space.

There are no individual use standards required by the City of Dunn for the Banquet Hall/ Event Space use per Article 5 of the City of Dunn Unified Development Ordinance. The applicant has provided a summary of the events that are to be hosted at this location should the Special Use Permit application gain approval. Per the applicant, these events include birthday parties, graduation parties, retirement parties, musical album release parties, baby showers, video shoots, photoshoots, artist showcases, and recordings of podcasts. No events using live bands are proposed, nor are concerts proposed. Per the applicant, alcohol will be served at some events should the application gain approval and will be subject to appropriate regulatory requirements.

RECOMMENDATION/ACTION REQUESTED:

Recommendation is to approve the Special Use Permit with conditions provided and accepted by the applicant.

BUDGET IMPACT:

None

RECOMMENDED MOTION/ACTION REQUESTED OF COUNCIL	Motion to continue the Special Use Permit application until such a time that a complete application package and supporting documentation has been provided to the Planning Department.
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ITEM FOR DISCUSSION AND/OR DECISION

Meeting Date: August 27, 2024

SUBJECT TITLE	Consideration to adopt four Resolutions and accept the four letters of conditions for USDA Loan/Grant Applications for FY24 Vehicle and Equipment purchases
PRESENTER/DEPARTMENT	Cary McNallan/Finance Department
ATTACHMENT(S)	Four USDA Letters of Intent to Meet Conditions Four USDA Loan Resolutions
PUBLIC HEARING PUBLISH DATES	N/A

PURPOSE: To approve four loans and four grants from the United States Department of Agriculture (USDA), Rural Development, for the purchase of vehicles and equipment for the City of Dunn Stormwater Department, Public Utility Departments, Public Works Department, and Police Department.

BACKGROUND: In December 2023, a public hearing was held related to the purchase of FY24 vehicles and equipment and the City Council voted to apply for USDA grants and loan financing. The loan/grant process with the USDA is nearing completion. The City of Dunn has been awarded \$145,000 in grant proceeds and \$929,000 in loan financing as noted in the chart below. The total of grant and loan proceeds equal \$1,074,000. All vehicles and equipment have been delivered.

<u>Loan</u>	<u>Department</u>	<u>Vehicle</u>	<u>USDA Loan-4% Int</u>	<u>USDA Grant</u>
USDA-A	Police	Dodge Durango (K9)		
USDA-A	Police	Dodge Charger (4) <i>5 year loan terms</i>	<u>\$ 215,000.00</u>	<u>\$ 50,000.00</u>
USDA-B	Public Works	Ford F-350 Crew Cab (2)		
USDA-B	Public Works	Ford F-150 Single Cab <i>5 year loan terms</i>	<u>\$ 134,000.00</u>	<u>\$ 25,000.00</u>
USDA-C	Water Plant	F-150 4x4		
USDA-C	Sewer Plant	F-150 4x4		
USDA-C	Sewer Plant	Kubota RTV		
USDA-C	Sewer Plant	F350 4x4 <i>5 year loan terms</i>	<u>\$ 175,000.00</u>	<u>\$ 20,000.00</u>
USDA-D	Public Utility	Trailer Jetter		
USDA-D	Public Utility	New Holland Backhoe		
USDA-D	Stormwater Ops	Mower Max Boom Gen 3 <i>7 year loan terms</i>	<u>\$ 405,000.00</u>	<u>\$ 50,000.00</u>

BUDGET IMPACT: The acceptance of the four loans will have an impact on future budgets. Starting in FY26, funding for debt service payments will be allocated from the General Fund in the amount of \$78,395 for each of the next five years. Funding for debt service payments will be allocated from the Water and Sewer Fund in the amount of \$39,310 for each of the next five years, plus \$28,088 for each of the next seven years. Funding for debt service payments will be allocated from the Stormwater Fund in the amount of \$39,389 for each of the next seven years.

**RECOMMENDED
MOTION/ACTION
REQUESTED OF
COUNCIL**

Motion to approve four resolutions and the related letters of conditions from the USDA for grants and loans for various vehicles and equipment and allow the Mayor and the City Staff to execute all related USDA documents.

DECISION ITEM FOR DISCUSSION AND/OR DECISION

Rural Development

August 27, 2024

North Carolina
State Office

4405 Bland Road
Suite 260
Raleigh, NC 27609

Voice 919.873.2000
Fax 844.325.6921
TTY 711

City of Dunn
Attn: William Elmore, Jr., Mayor
401 East Broad Street - PO Box 1065
Dunn, NC 28334

Subject: Letter of Conditions for a Community Facilities Program Loan and Grant for
2024 Public Utilities Equipment (New Holland Backhoe Loader, High Pressure
Jetter. And Mower Max Boom)

Dear Mayor Elmore,

This letter, with attachments, establishes conditions that must be understood and agreed to by the applicant before further consideration may be given to the application for Federal Assistance. The State and Area Office staff of USDA Rural Development (RD) will administer the loan and/or grant funds for this project on behalf of the Rural Housing Service. All parties may access information and regulations referenced in this letter at our website located at: <https://www.rd.usda.gov/programs-services/community-facilities>. Any changes in project cost, source of funds, scope of services, or any other significant change (this includes significant changes in the Borrower's financial condition, operation, organizational structure or executive leadership) in the project or applicant must be reported to and approved by USDA Rural Development by written amendment to this letter. **Any changes not approved by USDA Rural Development will be cause for discontinuing processing of the application.** If you do not meet the conditions of this letter, the Agency reserves the right to withdraw Agency funding.

This letter is not to be considered as loan/grant approval or as representation to the availability of funds. The application can be processed on the basis of a USDA Rural Development loan not to exceed \$405,000.00 and grant not to exceed \$50,000.00. Funds for this project are provided by the Rural Housing Service (RHS).

Please complete and return the attached Form RD 1942-46, "Letter of Intent to Meet Conditions," and Form RD 1940-1, "Request for Obligation of Funds," within the next ten (10) days, if you desire that we give further consideration to your application. The execution of these and all other documents required by USDA Rural Development must be authorized by appropriate resolutions of the applicant's governing body.

The loan and grant will be considered approved on the date Form RD 1940-1, "Request for Obligation of Funds," is mailed by USDA Rural Development. This is also the date that the interest rate is established. If the interest rate is lower at the time of loan closing, you must make a request in writing to receive the lower rate in effect.

The loan will be repayable over a period not to exceed seven (7) years from the date of loan closing at the market interest rate. The first interest installment will be due no later than one full year from the date of loan closing.

USDA is an equal opportunity provider, employer, and lender.

Project Budget—Based on Standard Form 424, “Application for Federal Assistance,” the project cost and funding will be as follows:

a.

Project Expenses	Costs
Development	
Land & Rights	
Legal	\$1,532.00
Architect Fees	
Interest	
Equipment	\$454,281.00
Contingencies	
Refinancing	
Other (Described)	
Resident Inspection	
Total	\$455,813.00

Source of Funds

b.

Funds	Total
USDA Loan	\$405,000.00
USDA Grant	\$50,000.00
Applicant Contributions	\$813.00
Other	
Total	\$455,813.00

Any changes in funding sources following obligation of Agency funds must be reported to the processing official. Project feasibility and funding will be reassessed if there is a significant change in project costs after bids are received. If actual project costs exceed the project cost estimates, an additional contribution by the borrower may be necessary.

The applicant will ensure projects are completed in a timely, efficient, and economical manner. Section I of the attached conditions (Items 1—18) must be satisfied prior to interim loan closing or before construction begins, whichever occurs first, in either case not later than one (1) year from the date of this letter. **In the event the project has not advanced to the point of construction within one (1) year, USDA Rural Development reserves the right to discontinue the processing of the application.**

If you have any questions, feel free to contact this office.

Sincerely,

Tobais Fullwood

TOBAIS FULLWOOD

Area Specialist

cc: Community Programs Director, USDA Rural Development,

ATTACHMENT TO LETTER OF CONDITIONS

SECTION I. CONDITIONS TO BE SATISFIED PRIOR TO LOAN/GRANT CLOSING OR BEFORE CONSTRUCTION BEGINS, WHICHEVER OCCURS FIRST

1. **Reserves**—The applicant will establish a separate debt service reserve account in an amount at least equal to an average annual loan installment. This reserve will be accumulated at the rate of at least one-tenth of the average annual installment each year until the required level is reached, which is one average annual loan installment. The reserve account balance must be reported annually to the State Office and included in the audit as a separate and identifiable line item as restricted.

For any fiscal year end in which the debt service reserve account balance is less than the required account total; the applicant will provide the Agency with a twelve month budget and plan to correct the cash shortfall.

2. **Disbursement of Funds**

- a. The applicant will provide evidence that funds from other sources will be made available for the project cost in the amount of \$813.00. This evidence should include a copy of the loan/grant award that addresses how funds will be disbursed.
- b. The applicant's contribution of funds toward the project cost shall be considered the first funds expended and must be deposited in its project account before construction is started. Please provide Rural Development evidencing applicant's contribution.
- c. Agency funds will not be used to pre-finance funds committed to the project from other sources.
- d. The Debt Collection Improvement Act (DCIA) of 1996 requires that all Federal payments be made by Electronic Funds Transfer/Automated Clearing House (EFT/ACH). Borrowers receiving payments by EFT will have funds directly deposited to a specified account at a financial institution with funds being available to the recipient on the date of payment. The borrower should complete Form SF-3881, Electronic Funds Transfer Payment Enrollment Form, for each account where funds will be electronically received. The completed form(s) must be received by Rural Development at least forty-five (45) days prior to the first advance of funds. Failure to do so could delay loan closing.

3. **Security Requirements**

- a. At loan closing the applicant will execute the attached Form RD 1942-47, "Loan Resolution (Public Bodies)". Please note the refinancing provision in paragraph 2. Also, on page 3 there is a certification to be executed at loan closing.
- b. The applicant will be required to execute and complete Form RD 3570-03, "Agreement for Administrative Requirements for Community Facilities Grants" and "Notice of Federal Interest" at the time of grant closing.
- c. A UCC Financing Statement lien search will be conducted by the Agency to identify lien priority position. Form UCC-1, "Financing Statement," with Form UCC-1Ad, "UCC Financing Statement Addendum," as appropriate, or other action as allowed by State statute, will be

prepared by USDA Rural Development and filed with the NC Secretary of State and a copy recorded with the Harnett County Recorder (if applicable) to perfect a security interest in collateral to encumber the following:

A \$38.00 filing fee (fee subject to change based on current NC Secretary of State fee schedule) payable to the **Secretary of State** must be provided to the Agency at least 90 days prior to loan closing.

- d. An Installment Purchase Contract will be secured by the United States of America, acting through the Rural Housing Service being named as the registered lien holder on the Certificate of Title for the vehicles being financed.
 - e. The applicant is required to execute Form RD 440-15, Security Agreement, if required by OGC.
4. **Insurance and Bonding Requirements**—The applicant must provide evidence of adequate insurance and fidelity bond coverage by loan closing or start of construction, whichever occurs first. Adequate coverage, in accordance with USDA Rural Development’s regulations, must then be maintained for the life of the loan and evidence must be submitted to Rural Development annually. Evidence that coverage is being maintained must be provided annually thereafter. It is the responsibility of the applicant and not that of USDA Rural Development to assure that adequate insurance and fidelity bond coverage is maintained. Applicants are encouraged to review coverage amounts and deductible provisions with their attorney, consulting engineer, and/or insurance provider(s).
- a. Property Insurance—Fire and extended coverage will be required on all above-ground structures, including applicant-owned equipment and machinery housed therein. Provide USDA Rural Development with proof of coverage and attach Lender’s Loss Payable Endorsement (438 BFU or equivalent) naming the UNITED STATES OF AMERICA as lender.
 - b. Corporate Liability Insurance - The Applicant will provide public liability, and property damage insurance in an amount to adequately protect the applicant from civil action arising from the function of the applicant relative to the project.
 - c. Workers’ Compensation Insurance—The applicant will be required to carry workers’ compensation insurance for all employees in accordance with the State law. Provide USDA Rural Development with proof of coverage.
 - d. General liability and vehicular coverage must be maintained—Provide USDA Rural Development with proof of coverage.
 - e. Fidelity Bond—Persons who have access to the funds and custody to any property will be covered by a fidelity bond or an adequate crime policy that protects the applicant from an employee crime. Coverage may be provided either for all individual positions or persons, or through “blanket” coverage providing protection for all appropriate employees and/or officials. The amount of coverage required by USDA Rural Development will be sufficient to cover the total annual debt and reserve service requirements for the loan. The United States of America will be named as co-obligee on the bond. A certified power-of-attorney with effective date will be attached to each bond. Provide USDA Rural Development with a copy of the bond and the power of attorney.

5. **Civil Rights & Equal Opportunity**— The borrower/grantee has received an award of Federal funding and is required to comply with U.S. statutory and public policy requirements, including but not limited to:
- a. **Section 504 of the Rehabilitation Act of 1973** – Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Agency financial assistance. The Standard for compliance is the Architectural Barriers Act Accessibility Standards (ABAAS).
 - b. **Civil Rights Act of 1964** – All recipients are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*) and 7 CFR 1901, Subpart E, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by Paragraph 1901.202(e) of this Title.
 - c. **The Americans with Disabilities Act (ADA) of 1990** – This Act (42 U.S.C. 12101 *et seq.*) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications.
 - d. **Age Discrimination Act of 1975** – This Act (42 U.S.C. 6101 *et seq.*) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
 - e. **Limited English Proficiency (LEP) under Executive Order 13166** - LEP statutes and authorities prohibit exclusion from participation in, denial of benefits of, and discrimination under Federally-assisted and/or conducted programs on the ground of race, color, or national origin. Title VI of the Civil Rights Act of 1964 covers program access for LEP persons. LEP persons are individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English. These individuals may be entitled to language assistance, free of charge. The recipient must take reasonable steps to ensure that LEP persons receive the language assistance necessary to have meaningful access to USDA programs, services, and information the recipient provides. These protections are pursuant to Executive Order 13166 entitled, “Improving Access to Services by Persons with Limited English Proficiency” and further affirmed in the USDA Departmental Regulation 4330-005, “Prohibition Against National Origin Discrimination Affecting Persons with Limited English Proficiency in Programs and Activities Conducted by USDA.”

Agency financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap. The recipient must display posters (provided by the Agency) informing users of these requirements, and the Agency will monitor the recipient’s compliance with these requirements during regular compliance reviews.

As a recipient of Rural Development funding, you are required to post a copy of the Non-Discrimination Statement listed below in your office and include in full, on all materials

produced for public information, public education, and public distribution both print and non-print.

Non-Discrimination Statement

“This institution is an equal opportunity provider and employer.”

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at <https://www.ocio.usda.gov/document/ad-3027>, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

If the material is too small to permit the full statement to be included, the material at a minimum includes the statement in print size no smaller than the text that “This institution is an equal opportunity provider and employer.”

6. **Written Agreements for Professional Services**

- a. The legal service agreement submitted by Pope Law Group, PA is satisfactory to USDA Rural Development.

7. **System Policies, Procedures, Contracts, and Agreements** – The facility must be operated on a sound business plan which involves adopting policies, procedures, and/or ordinances outlining the conditions of service and use of the proposed system.

- a. **Conflict of Interest Policy** – Prior to obligation of funds, you must certify in writing that your organization has in place up-to-date written standards of conduct covering conflict of interest. The standards of conduct must include disciplinary actions in the event of a violation by officers, employees, or agents of the borrower. The standards identified herein apply to any parent, affiliate or subsidiary organization of the borrower that is not a state or local government, or Indian Tribe. Policies and accompanying documents shall be furnished to Rural Development upon request.

You must also submit a disclosure of planned or potential transactions related to the use of Federal funds that may constitute or present the appearance of personal or organizational conflict of interest. Disclosure must be in the form of a written letter signed and dated by the applicant’s official. A negative disclosure in the same format is required if no conflicts are anticipated.

Sample conflict of interest policies may be found at the National Council of Nonprofits website, <https://www.councilofnonprofits.org/tools-resources/conflict-of-interest>, or in Internal Revenue Service Form 1023, Appendix A, “Sample Conflict of Interest Policy,” at <http://www.irs.gov/pub/irs-pdf/i1023.pdf>. Though these examples reference non-profit corporations, the requirement applies to all types of Agency borrowers.

Assistance in developing a conflict of interest policy is available through Agency-contracted technical assistance providers if desired.

8. **Electronic Funds Transfer**—All loan funds will be transferred to borrowers via Electronic Funds Transfer/Automated Clearinghouse Systems (EFT/ACH). Normal transfers will be ACH, with money being placed in Borrower's account two business days after the USDA processing office approves the pay request. The applicant must submit the Electronic Funds Transfer Form containing the banking (ACH) information to the USDA Servicing Office at least 90 days prior to the date of loan closing. Failure to do so could delay loan closing.
9. **Automatic Payments** -The applicant is required to participate in the Pre-Authorized Debit (PAD) payment process for all new and existing indebtedness to USDA Rural Development. It will allow for the applicant's payment to be electronically debited from its account on the date their payment is due. Form RD 3550-28, "Authorization Agreement for Pre-Authorized Payments," is attached. Please fill out and sign your "Individual/Company Information" section, then have your financial institution/bank fill out the bottom portion prior to submitting the form to the USDA Rural Development service office.
10. **Loan Closing**—The permanent loan will be closed in accordance with USDA Rural Development instructions, the legal requirements of the USDA Office of General Counsel, and this Letter of Conditions. All applicable closing documents, including bond documents, must be submitted to USDA Rural Development at least 90 days prior to the planned closing date. Prior to loan closing, a request for reimbursement must be submitted to USDA with all the supporting invoices.
11. **Operating Budget**— Prior to loan closing, USDA Rural Development must review the applicant's approved operating budget. The budget must balance and include the proposed USDA debt service and reserve obligations. Each year the USDA loan is outstanding, the applicant will adopt an annual budget which provides for the annual debt service and reserve payments.
12. **System for Award Management Registration and Unique Entity ID**—You as the recipient must maintain the currency of your information in the System for Award Management (SAM) until you submit the final financial report required under this award and all grant funds under this award have been disbursed or de-obligated, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term. Recipients can register on-line at (<https://www.sam.gov>) You as the recipient may not make a sub-award to an entity unless the entity has provided its Unique Entity ID from SAM.gov to you.
13. **Suspension and Debarment Screening** – You will be asked to provide information on the principals of your organization. Agency staff must conduct screening for suspension and debarment of the entity, as well as its principals through the Do Not Pay Portal.
 - a. Principal –
 - i. An officer, director, owner, partner, principal investigator, or other person within a participant with management or supervisory responsibilities related to a covered transaction; or
 - ii. A consultant or other person, whether or not employed by the participant or paid with federal funds, who –
 1. Is in a position to handle federal funds;
 2. Is in a position to influence or control the use of those funds; or,

Occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction. (2 CFR §180.995)

14. **Litigation.** You are required to notify the Agency within 30 days of receiving notification of being involved in any type of litigation prior to loan closing or start of construction, whichever occurs first. Additional documentation regarding the situation and litigation may be requested by the Agency.

SECTION II. LOAN CONDITIONS TO BE SATISFIED AFTER PROJECT COMPLETION

1. **Financial Statements**—To be submitted on an annual basis in accordance with the following:
 - a. Borrowers and grantees that meet the Federal awards expended threshold established in 2 CFR 200, Subpart F, “Audit Requirements” (expends \$750,000 or more in federal financial assistance per fiscal year) shall submit an audit performed in accordance with the requirements of 2 CFR 200, Subpart F. Audits shall be submitted to USDA Rural Development in accordance with 2 CFR 200, Subpart F.
 - b. All borrowers exempt from USDA audit requirements and who do not otherwise have annual audits, will within 60 days following the end of the borrower’s fiscal year furnish USDA with annual financial statements, consisting of a verification of the organization’s balance sheet and statement of income and expenses. The recipient may use Form RD 442-2, “Statement of Budget, Income and Equity,” and 442-3, “Balance Sheet,” or similar format to provide the financial information.
 - c. An annual audit may be submitted in lieu of annual financial statements for any borrower or grantee that has an audit prepared at its own discretion and expense.
2. **Audit agreement**—If you are required to obtain the services of a licensed Certified Public Accountant (CPA), you must enter into a written audit agreement with the auditor. The audit agreement may include terms and conditions that you and auditor deem appropriate.
3. **Limitations of Additional Debt**- You will not borrow any money from any source or enter into any contract or agreement or incur any other liabilities in connection with making extensions or improvements to the Facility, exclusive of normal maintenance, without obtaining the prior written consent of the Agency.
4. **Compliance Reviews**—Rural Development will be required to periodically conduct a compliance review of this facility and operation. Compliance reviews will be completed during the first year of operations and every three years thereafter. You will need to provide the local office the statistical information as requested.

The Agency will conduct regular compliance reviews of the borrower and its operation in accordance with 7 CFR Part 1901, Subpart E, and 36 CFR 1191, Americans with Disabilities Act (ADA) Accessibility Guidelines for Buildings and Facilities; Architectural Barriers Act (ABA) Accessibility Guidelines. Compliance reviews will typically be conducted in conjunction with the security inspections described in this letter. If beneficiaries (users) are required to complete an application or screening for the use of the facility or service that the recipient provides, the recipient must request and collect data by race (American Indian or Alaska Native, Asian, Black or African American, White); ethnicity (Hispanic or Latino,

Not Hispanic or Latino); and by sex. The Agency will utilize this data as part of the required compliance review.

5. **Continuation of Financing Statement**- At the time of renewal (every 5 years) the borrower must provide a **\$38.00** (or applicable filing fee) check payable to the **Secretary of State** (fee subject to change based on current Secretary of State fee schedule) for the continuation of the Financing Statement until the loan is paid in full.
6. **Security Inspections**—Rural Development is required to conduct an inspection of the facility a minimum of once every three years. The recipient must participate in these inspections and provide the required information.
7. **Graduation**—You may be required to refinance (graduate) the unpaid balance of the RD loan, in whole or in part, if at any time RD determines your entity is able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time, the recipient will be requested to refinance. The ability to refinance will be assessed every other year for those loans that are five years old or older.
8. **Prepayment and Extra Payments** - Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower, with no penalty.

Security instruments, including bonding documents, must contain the following language regarding extra payments, unless prohibited by State statute:

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower. Refunds, extra payments and loan proceeds obtained from outside sources for the purpose of paying down the Agency debt, shall, after payment of interest, be applied to the installments last to become due under this note and shall not affect the obligation of borrower to pay the remaining installments as scheduled in your security instruments.

9. **Financial Covenants**

- a) Beginning in the First Full Year of 2025, a debt service coverage ratio (DSCR) of a least 1.10 will be maintained with debt service to include the loan payments plus all required reserves. If the DSCR drops below 1.10 for any audited year, or quarterly financial report, then an independent management consultant shall be engaged at the expense of the Applicant to prepare a fiscal strategy report that documents how the debt service requirement will be met. This must be provided to the Agency no later than 90 days after any quarter in which the DSCR drops below 1.10.

Debt service coverage is defined as net income plus depreciation and amortization expenses plus interest expense on structured debt divided by the sum of all structured debt payments including required reserve payments still due.

LETTER OF INTENT TO MEET CONDITIONS

Date 08-27-2024

TO: United States Department of Agriculture

USDA Rural Development

(Name of USDA Agency)

2736 NC Highway 210
Smithfield, NC 27577

(USDA Agency Office Address)

We have reviewed and understand the conditions set forth in your letter dated 08-27-2024. It is our intent to meet all of them not later than 08-27-2025.

City of Dunn

(Name of Association)

BY _____

William Elmore, Jr - Mayor

(Title)

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a persons is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015 and 0570-0062. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data. needed, and completing and reviewing the collection of information.

LOAN RESOLUTION
(Public Bodies)

A RESOLUTION OF THE City Council

OF THE City of Dunn

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS 2024 Public Utilities Equipment FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the City of Dunn
(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of 405,000.00

pursuant to the provisions of NC General Statutes 160; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$ 10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established and maintained, disbursements from that account may be used when necessary for payments due on the bond if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:
 - (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
 - (b) Repairing or replacing short-lived assets.
 - (c) Making extensions or improvements to the facility.

Any time funds are disbursed from the reserve account, additional deposits will be required until the reserve account has reached the required funded level.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain the Government's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed \$ 50,000

under the terms offered by the Government; that the Mayor and Town Clerk of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee

The vote was: Yeas _____ Nays _____ Absent _____ .

IN WITNESS WHEREOF, the City Council of the City of Dunn has duly adopted this resolution and caused it

to be executed by the officers below in duplicate on this 27th day of August, 2024 .

(SEAL)

By William Elmore, Jr

Title Mayor

Attest:

Melissa Matti, Interim City Clerk

Title

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as _____ of the City of Dunn _____

hereby certify that the _____ of such Association is composed of _____ members, of whom _____, constituting a quorum, were present at a meeting thereof duly called and held on the _____ day of _____, _____; and that the foregoing resolution was adopted at such meeting by the vote shown above. I further certify that as of _____, the date of closing of the loan from the Government, said resolution remains in effect and has not been rescinded or amended in any way.

Dated, this _____ day of _____, _____.

Title

COMMUNITY FACILITIES GRANT AGREEMENT

Grantee and Agency

This Grant Agreement (Agreement) dated 8/27/2024, is a contract for receipt of grant funds under the Community Facility Grant program (7 C.F.R. part 3570, subpart B). These requirements do not supersede the applicable requirements for receipt of Federal funds stated in 2 C.F.R. Part 200, “UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS”, which are incorporated by reference into this Agreement. Further, 7 C.F.R. part 3570, subpart B, and all relevant regulatory requirements apply to applicants and are also incorporated by reference into this Agreement.

This Agreement for the Project and Amount described below (the “Project Description”) and for the Community Facilities grant, CFDA Number 10.766, is between the Grantee, a public body, nonprofit corporation or Indian tribe (you), and the United States of America acting through the Rural Housing Service (RHS or Agency).

I. GENERAL AWARD INFORMATION

1. Grantee Name & Address Dunn, City of PO Box 1065 Dunn, NC 28335-	2. Unique Entity ID. MLLCTPVM8A39
4. Federal Award Identification Number (FAIN) 10.766	3. Case No. 38-043-*****1214
6. Performance Start Date 8/27/2024	5. Award Date 8/27/2024
8. Amount of Federal Funds Obligated for this Action, \$50,000.00 and Total Amount of Federal Funds Obligated \$455,000.00	7. Performance End Date 8/27/2029
10. Total Project Cost (Budget Approved Amount) 455,813.00	9. Amount of Matching/Other Funds (if applicable) \$813.00
12. Grantee Contact (Name, Title, Contact Info) Steven Neuschafer, City Manager	11. Award as Percentage of Total Project Cost 11 %
14. Description of Real Property covered by the grant	13. Agency Contact (Name, Title, Contact Info) Tobais Fullwood, Area Specialist
	15. Description of Equipment covered by the grant All equipment purchased by USDA Rural Development funds

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 0575-0173 and 0575-0200. Public reporting for this collection of information is estimated to be approximately 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, completing, and reviewing the collection of information. All responses to this collection of information are voluntary. However, in order to obtain or retain a benefit, the information in this form is required by 7 CFR 3570-B, Community Facilities Grant Program, and Section 1002 of the American Rescue Plan Act. Rural Development has no plans to publish information collected under the provisions of this program. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Rural Development Innovation Center, Regulations Management Division at ICRMRequests@usda.gov

The Agency has agreed to give the Grantee the Grant Funds, subject to the terms and conditions established by the Agency. Provided, however, that any Grant Funds actually advanced and not needed for grant purposes shall be returned immediately to the Agency. The Agency may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement or the applicable regulation.

II. RESPONSIBILITIES

A. Grantee. The Grantee shall cause said project to be completed within the total sums available to it, including Grant Funds, in accordance with any architectural or engineering reports, and any necessary modifications, prepared by Grantee and approved by the Agency as required by 7 C.F.R. part 3570. The Grantee will remain in compliance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements for the duration of the Agreement including 7 C.F.R. part 3570, subpart B and 2 C.F.R. parts 200, 400, 415, 416, 417, 418, 421, and 422. The most commonly-referenced provisions are identified below.

1. **Financial and Program Management.** You must follow the financial and performance management requirements in 2 C.F.R. § 200.300-309.

a. **Financial Management.** You must maintain a financial management system in compliance with 2 C.F.R. § 200.302.

b. **Internal Controls.** You must maintain internal controls in compliance with 2 C.F.R. § 200.303.

c. **Payments.** You must comply with the payment requirements described in 2 C.F.R. § 200.305. Payment must be requested by using the SF-270, "Request for Advance or Reimbursement" or SF-271, "Request for Reimbursement for Construction Programs" (as applicable). Receipts, hourly wage rate, personnel payroll records, or other documentation must be provided upon request from RHS if the request is for an advance; otherwise, the documentation must be provided at the time of the request. Requests for payment must be sent to the Agency contact listed in Section I.14.

d. **Revisions of the Work Plan and Budget.** You must complete all elements of the Work Plan in Attachment A in accordance with that Attachment and must use project funds only for the purposes and activities specified in Attachment A - Approved Work Plan and Budget. You must further complete the outcomes shown for each Work Plan items within the time and scope constraints shown in Attachment A. You must report any changes and request prior approvals in accordance with 2 C.F.R. § 200.308.

e. **Period of Performance.** You may only incur costs chargeable to the award in accordance with 2 C.F.R. § 200.309.

f. **Bonding.** You must maintain your fidelity bond coverage in the amount of \$ 0.00 for the Period of Performance of the award. (See 2 C.F.R. § 200.304)

g. Program Income. You must comply with the requirements of 2 C.F.R. § 200.307. Additionally, if program income is earned during the period of performance, you may use it in accordance with 2 C.F.R. § 200.307(e)(2), provided that you inform us in writing of your intent prior to the award date. However, if you earn program income in excess of what can be used under 2 C.F.R. § 200.307(e)(2) or if you earn unanticipated program income, you must comply with 2 C.F.R. § 200.307(e)(1). Costs incidental to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the award.

- 2. **Procurement and Property Standards.** You must follow the procurement standards requirements in 2 C.F.R. § 200.310-.326.
- 3. **Performance and Financial Monitoring and Reporting.** You must follow the requirements in 2 C.F.R. Part 170, including Appendix A, and 2 C.F.R. § 200.327-.329, and submit reports as outlined below. Unless otherwise directed in the addendum to this Agreement, the reports are due as indicated below.

a. Form SF-425, “Financial Status Report.” Reports are due 30 calendar days after the reporting period ends. A final report is due within 120 days after the Performance End Date specified in Section I.8. of this Agreement or at the completion of your project, whichever date is sooner. Your reporting periods are below (mark one):

- Annually: January 1 - December 31
- Annually: July 1 - June 30
- Semi-Annually: January 1 – June 30 and July 1 – December 31
- Semi-Annually: April 1 – September 30 and October 1 – March 31
- Quarterly: January 1 – March 31, April 1 – June 30, July 1 – September 30, October 1 – December 31

b. Performance Reports. SF-PPR, “Performance Progress Report” is due 30 calendar days after the reporting period ends. A final report is due within 120 days after the Performance End Date specified in Section I.8. of this Agreement or at the completion of your project, whichever date is sooner. Your reporting periods are below (mark one):

- Annually: January 1 - December 31
- Annually: July 1 - June 30
- Semi-Annually: January 1 – June 30 and July 1 – December 31
- Semi-Annually: April 1 – September 30 and October 1 – March 31
- Quarterly: January 1 – March 31, April 1 – June 30, July 1 – September 30, October 1 – December 31

The performance narrative on the Performance Project Report shall include, but is not limited to, the following:

- i. Describe the activities that the funds reflected in the financial status report were used for;
- ii. A comparison of actual accomplishments to the objectives established for that period;
- iii. Reasons why established objectives were not met, if applicable;
- iv. Problems, delays, or adverse conditions which will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation;
- v. Objectives and timetables established for the next reporting period;

The final report (due 120 calendar days after the period of performance end date) will also address the following:

- i. What have been the most challenging or unexpected aspects of this program?
- ii. What advice, best practices, and actions would you recommend to other organizations planning a similar program that would increase the success of their program? Please include strengths and limitations of the program. If you had the opportunity, what would you have done differently?

4. **Operations.** The Grantee will manage, operate and maintain the facility, including this project if less than the whole of said facility, continuously in an efficient and economical manner in accordance with 7 C.F.R. § 3570.61(e).
5. **Funding.** The Grantee will not use grant funds to replace any financial support previously provided or assured from any other source. The Grantee agrees that the Grantee's level of expenditure for the Project shall be maintained and not reduced as a result of Grant Funds in accordance with 7 C.F.R. § 3570.66.
6. **Default.** Upon any default under its representations or agreements contained in this instrument, 2 C.F.R. Part 200, or 7 C.F.R. Part 3570, Grantee, at the option and demand of the Agency, will immediately repay to the Agency the Grant Funds with any legally permitted interest from the date of the default. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Agreement may be enforced by the Agency, at its option and without regard to prior waivers of previous defaults by Grantee, by judicial proceedings to require specific performance of the terms of this Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by the Agency to assure compliance with the provisions of this Agreement and the laws and regulations under which this grant is made.

7. **Real Property.** Use the real property including land, improvements, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed and in accordance with 2 C.F.R. § 200.311; 2 C.F.R. § 200.312; 7 C.F.R. §15.4(a)(2) and 7 C.F.R. § 3570.92. In accordance with Title VI of the Civil Rights Act of 1964, deeds for real property must comply with the requirements for the Reverter and Habendum clauses.
 - a. Title to real property shall vest in the Grantee subject to the condition that the Grantee shall use the real property for the authorized purpose of the original grant as long as needed.
 - b. The Grantee shall obtain the Agency's approval to use the real property in other projects when the Grantee determines that the property is no longer needed for the original grant purposes. Use in other projects shall be limited to those under other Federal grant programs or programs that have purposes consistent with those authorized for support by the Agency.
 - c. When the real property is no longer needed, as provided in paragraphs (a) and (b) above, the Grantee shall request disposition instructions from the Agency. The Agency will observe the following rules in the disposition instructions:
 - i. The Grantee may be permitted to retain title after it compensates the Federal government in an amount computed by applying the Federal percentage of participation in the cost of the original Project to the fair market value of the property;
 - ii. The Grantee may be directed to sell the property under guidelines provided by the Agency and pay the Federal government an amount computed by applying the Federal percentage of participation in the cost of the original Project to the proceeds from sale (after deducting actual and reasonable selling and fix-up expenses, if any, from the sales proceeds). When the Grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practical and result in the highest possible return;
 - iii. The Grantee may be directed to transfer title to the property to the Federal government provided that in such cases the Grantee shall be entitled to compensation computed by applying the Grantee's percentage of participation in the cost of the program or Project to the current fair market value of the property;
8. **Equipment.** Abide by the following conditions pertaining to equipment which is furnished by the Agency or acquired wholly or in part with Grant Funds. Equipment is defined at 2 C.F.R. § 200.33 and is tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

- a. **Use of equipment.** The Grantee shall use the equipment in the Project for which it was acquired as long as needed. When no longer needed for the original project, the Grantee shall use the equipment in connection with its other federally sponsored activities, if any, in the following order of priority:
 - i. Activities sponsored by the Agency.
 - ii. Activities sponsored by other Federal agencies.

- b. **Use of equipment.** During the time that equipment is held for use on the project for which it was acquired, the Grantee shall make it available for use on other projects if such other use will not interfere with the work on the project for which the property was originally acquired. First preference for such other use shall be given to the Agency sponsored projects. Second preference will be given to other federally sponsored projects.

- c. **Disposition of equipment.** When the Grantee no longer needs the property as provided in paragraph 1 (a) and (b) above, the equipment may be sold or used for other activities in accordance with 2 C.F.R. § 200.313 and 7 C.F.R. §15.4(a)(3) :
 - i. Equipment with a current fair market value of less than \$5,000. The Grantee may use the property for other activities without reimbursement to the Federal government or sell the property and retain the proceeds.

 - ii. Equipment with a current fair market value of \$5,000 or more. The Grantee may retain the property for other uses provided that compensation is made to the Agency. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original Project to the current fair market value of the property. If the Grantee has no need for the equipment and the equipment has further use value, the Grantee shall request disposition instructions from the Agency.

 - iii. The Agency shall determine whether the equipment can be used to meet RHS or its successor agency's requirements. If no such requirements exist, the availability of the property shall be reported, in accordance with the guidelines of the Federal Property Management Regulations (FPMR), to the General Services Administration by the Agency to determine whether a requirement for the equipment exists in other Federal agencies. They shall issue instructions to the Grantee no later than 120 days after the Grantee's request and the following procedures shall govern:

- If so instructed or if disposition instructions are not issued within 120 calendar days after the Grantee's request, the Grantee shall sell the equipment and reimburse the Agency an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the Grantee shall be permitted to deduct and retain from the Federal share 10 percent of the proceeds or \$500, whichever is less, for the Grantee's selling and handling expenses.
 - If the Grantee is instructed to ship the property elsewhere, the Grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the Grantee participation in the cost of the original grant Project or program to the current fair market value of the equipment plus any reasonable shipping or interim storage costs incurred.
 - If the Grantee is instructed to otherwise dispose of the equipment, the Grantee shall be reimbursed by the Agency for such costs incurred in its disposition.
- d. The Grantee's property management standards for equipment shall be in accordance with 2 CFR § 200.313 and shall include:
- i. Property records which accurately provide for: a description of the equipment; manufacturer's serial number or other identification number; acquisition date and cost; source of the equipment; percentage (at the end of budget year) of Federal participation in the cost of the Project for which the equipment was acquired; location, use, and condition of the equipment and the date the information was reported; and ultimate disposition data including sales price, or the method used to determine current fair market value if the Grantee reimburses the Agency for its share.
 - ii. A physical inventory of equipment shall be taken, and the results reconciled with the equipment records at least once every two years to verify the existence, current utilization, and continued need for the equipment.
 - iii. A control system shall be in effect to ensure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented.
 - iv. Adequate maintenance procedures shall be implemented to keep the equipment in good condition.
 - v. Proper sales procedures shall be established for unneeded equipment which would provide for competition to the extent practicable and result in the highest possible return;

9. **Earned Interest.** Grantee agree to account for and to return to Agency interest earned on grant funds pending their disbursement for program purposes when the Grantee is a unit of local government. States and agencies or an instrumentality of a State shall not be held accountable for interest earned on Grant Funds pending their disbursement.
10. **Record Retention and Access.** You must retain records related to this work performed under this Agreement and allow access to them in accordance with 2 C.F.R. § 200.333-.337.
11. **Closeout.** You must comply with the closeout requirements in 2 C.F.R. § 200.344.
12. **Post-Closeout Adjustments and Continuing Responsibilities.** You must continue to comply with the requirements in 2 C.F.R. § 200.345 even after the Period of Performance for this Agreement has ended.
13. **Cost Principles.** You must comply with the provisions in 2 C.F.R. Part 200, Subpart E.
14. **Audits.** You must comply with the provisions in 2 C.F.R. Part 200, Subpart F.
15. **Civil Rights Compliance.** Unless otherwise provided in the addendum, you must comply with Executive Order 12898, Executive Order 13166- Limited English Proficient, the Americans with Disabilities Act of 1990, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973 as applicable. You must make the public facility or services available to all persons in the Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status or physical or mental disability at reasonable rates, including assessments, taxes, or fees. You may make modifications as long as they are reasonable and nondiscriminatory. Your compliance shall include collection and maintenance of data on race, sex, and national origin of your membership, ownership, and employees. This data must be available to us for Civil Rights Compliance Reviews. You must submit to a post-award compliance review conducted after the final disbursement of grant funds has occurred.
16. **Execute Agreements.** The Grantee will execute any agreements required by the Agency which the Grantee is legally authorized to execute. If any such agreement has been executed by the Grantee as a result of a loan being made to the Grantee by the Agency contemporaneously with the making of this grant, that agreement applies equally to the grant and another identical agreement need not be executed in connection with this grant.

17. **Universal Identifier and Central Contractor Registration.** The Grantee must have a Unique Entity ID number in order to apply for, receive, and report on a Federal award. Additionally, the Grantee must comply with the additional requirements set forth in Attachment C regarding the Unique Entity ID Requirements and the Central Contractor Registry (CCR) Requirements found at 2 CFR Part 25, including Appendix A. For the purposes of this Agreement, “you” in Attachment B shall mean “Grantee” as defined hereunder;
 18. **Federal Funding Accountability and Transparency Act.** The Grantee is responsible for complying with all requirements of the Federal award. For all Federal awards, this includes the provisions of the Federal Funding Accountability and Transparency Act (FFATA), which includes requirements on executive compensation, and also requirements implementing the Act for the Grantee at 2 CFR Part 25 Financial Assistance Use of Universal Identifier and Central Contractor Registration and 2 CFR Part 170 Reporting Subaward and Executive Compensation Information. See also statutory requirements for whistleblower protections at 10 U.S.C. 2409, 41 U.S.C. 4712, 10 U.S.C. 2324, 41 U.S.C. 4304 and 4310. See also 2 C.F.R. § 200.11-200.113.
 19. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Agency or acquired wholly or in part with Agency funds without the written consent of the Agency except as provided in paragraph 8 (c).
 20. Not duplicate other Project purposes for which monies have been received, are committed, or are applied to from other sources (public or private).
- B. Rural Housing Service (RHS).** RHS has agreed to give the Grantee the grant funds, subject to the terms and conditions established by RHS. Provided, however, that any grant funds actually advance and not needed for grant purposes shall be returned immediately to RHS. RHS may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement or the applicable regulation. RHS shall remain in compliance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements for the duration of the Agreement. The most commonly-referenced provisions are identified below.
1. **Payments.** We will advance or reimburse funds up to the Award Amount identified in Section I.9 upon the Grantee’s proper request according to Section II.A.1.c.
 2. **Monitoring and Enforcement.** We will monitor the project to ensure that you are in compliance with the terms of the award. If we find that you are not in

compliance, we will enforce the terms of this Agreement using the provisions of 2 C.F.R. § 200.338-.342.

- a. Will assist Grantee, within available appropriations, with such technical assistance as Agency deems appropriate in planning the Project and coordinating the plan with local official comprehensive plans for essential community facilities and with any State or area plans for the area in which the project is located.
 - b. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Agency may determine to be (1) advisable to further the purpose of the grant or to protect Agency's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.
3. **Termination of This Agreement.** This Agreement may be terminated for cause in the event of default on the part of the Grantee or for convenience of the Agency and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Agency agree that the continuation of the Project will not produce beneficial results commensurate with the further expenditure of funds. In all cases termination and notification will be in accordance with 2 C.F.R. § 200.339 and 200.340.

C. **Both Parties.** The Grantee and RHS agree to the following:

1. **Invalid Clauses.** The invalidity of any one or more phrases, clauses, sentences, paragraphs, or provisions of this Agreement shall not affect the remaining portions of the Agreement.
2. **Conflict between this Agreement and Other Applicable Regulations or Laws.** If there is a conflict between this Agreement and the applicable Program Regulation, the applicable Program Regulation shall prevail. If there is a conflict between this Agreement and another law or regulation, RHS shall seek a legal opinion to determine which provision applies.
3. **Dates.** When the date fixed for the performance of an act under this Agreement is on a weekend or Federal holiday, then the performance by the close of business on the next Federal work day shall have the same force and effect as if made performed or exercised on the specified date.

The signatories below certify that they have authority to enter into this Agreement.

Approved by an Authorized Representative of the Grantee:

William Elmore, Jr.

Name (Please Print)

Mayor

Title (Please Print)

Signature

8/27/2024

Date

Approved by the United States of America, Rural Housing Service by:

Tobais Fullwood

Name (Please Print)

Area Specialist

Title (Please Print)

Signature

8/27/2024

Date

Attachment A

Approved Work Plan and Budget

(The work plan must have time, scope, and outcome entries for each task.)

ATTACHMENT B

I. Reporting Executive Compensation.

A. Reporting Total Compensation of Recipient Executives.

1. *Applicability and what to report.* You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if:
 - a. the total Federal funding authorized to date under this award is \$25,000 or more;
 - b. in the preceding fiscal year, you received
 - i. 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards);
 - c. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.html>)
2. *Where and when to report.* You must report executive total compensation described in paragraph b.1. of this award term:
 - a. As part of your registration profile at <http://www.ccr.gov>.
 - b. By the end of the month following the month in which this award is made, and annually thereafter.

B. Reporting of Total Compensation of Subrecipient Executives.

1. *Applicability and what to report.* Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if
 - a. in the subrecipient's preceding fiscal year, the subrecipient received—
 - i. 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 C.F.R. § 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
 - b. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. *Where and when to report.* You must report subrecipient executive total compensation described in paragraph c.1. of this award term:
 - a. To the recipient.
 - b. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (*i.e.*, between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.
- C. *Exemptions.* If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:
 1. Subawards, and
 2. The total compensation of the five most highly compensated executives of any subrecipient.
- D. *Definitions.* For purposes of this award term:
 1. *Entity* means all of the following, as defined in 2 CFR part 25:
 - a. A Governmental organization, which is a State, local government, or Indian tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization;
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a
 - f. non-Federal entity.
 2. *Executive* means officers, managing partners, or any other employees in management positions.
 3. *Subaward:*
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program.
 - c. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
 4. *Subrecipient* means an entity that:
 - a. Receives a subaward from you (the recipient) under this award; and
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.
 5. *Total compensation* means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 C.F.R. § 229.402(c)(2)):
 - a. *Salary and bonus.*
 - b. *Awards of stock, stock options, and stock appreciation rights.* Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - c. *Earnings for services under non-equity incentive plans.* This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - d. *Change in pension value.* This is the change in present value of defined benefit and actuarial pension plans.
 - e. *Above-market earnings on deferred compensation which is not tax-qualified.*
 - f. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

ATTACHMENT C

I. System for Award Management and Universal Identifier Requirements

- A. Requirement for Registration with the General Services Administration's System for Award Management. Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.
- B. Requirement for Unique Entity ID Numbers.
The Grantee must have a Unique Entity ID number in order to apply for, receive, and report on a Federal award. The DUNS Number is no longer valid for federal award identification. On April 4, 2022, the Unique Entity ID from SAM.gov is now the authoritative identifier for those doing business with the federal government.
- C. Definitions. For purposes of this award term:
1. System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at <http://www.sam.gov>).
 2. The Unique Entity ID from SAM.gov is now the authoritative identifier for those doing business with the federal government. The Unique Entity ID is generated in SAM.gov. If you are registered in SAM.gov (active or not), you already have a Unique Entity ID. It is viewable at SAM.gov. If you are new to SAM.gov and will be registering for the first time, you will get your Unique Entity ID (SAM) during registration.
 3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
 - a. A Governmental organization, which is a State, local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization; and
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
 4. Subaward:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program.
 - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 38-043-*****1214		LOAN NUMBER	FISCAL YEAR 2024
2. BORROWER NAME City of Dunn		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
PO Box 1065 Dunn		4. STATE NAME North Carolina	
		5. COUNTY NAME Harnett	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AI/AN 4 - HISPANIC 5 - A/PI	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10 - PUBLIC COLLEGE/UNIVERSITY 11 - OTHER		8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT
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13. CREDIT REPORT 1 - YES 2 - NO	14. DIRECT PAYMENT 2 (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO
17. COMMUNITY SIZE 1 - 10 000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000	18. USE OF FUNDS CODE (See FMI)		
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 075 (See FMI)	20. PURPOSE CODE 8	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT	24. AMOUNT OF LOAN 405,000.00		25. AMOUNT OF GRANT
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 4 %	29. REPAYMENT TERMS 7
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN		
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR	34. BEGINNING FARMER/RANCHER (See FMI)		

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender COPY 3 - State Office

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

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If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

Loan and Grant approval subject to meeting all requirements of the processing checklist, Letter of Conditions, Office of General Counsel Loan Closing Instructions and the attached Community Facilities Grant Agreement conditions.

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date August 27, 20 24

William Elmore, Jr. - Mayor

(Signature of Applicant)

Date _____, 20 _____

(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: Reginald Speight

Date Approved: _____

Title: Area Director

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

"The grantee understands the requirements for receipt of funds under the Community Facilities Grant Program. The grantee assures and certifies that it is in compliance with all applicable laws, regulations, Executive Orders, and other applicable requirements, including those set forth in Form RD 3570-3, 7 CFR parts 3015, 3016, or 3019 as subsequently modified, and the letter of conditions. The following conditions may apply if CFG funds were used to purchase equipment or obtain or improve real property:

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REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 38-043-*****1214		LOAN NUMBER	FISCAL YEAR 2024
2. BORROWER NAME City of Dunn		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
PO Box 1065		4. STATE NAME North Carolina	
Dunn		5. COUNTY NAME Harnett	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AII/AN 4 - HISPANIC 5 - API	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10 - PUBLIC COLLEGE/UNIVERSITY 11 - OTHER		8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT
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COMPLETE FOR OBLIGATION OF FUNDS			
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26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 4 %	29. REPAYMENT TERMS 7
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Position 2

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CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

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Date August 27, 20 24

William Elmore, Jr. - Mayor

(Signature of Applicant)

Date _____, 20 ____

(Signature of Co-Applicant)

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(Signature of Approving Official)

Typed or Printed Name: Reginald Speight

Date Approved: _____

Title: Area Director

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COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 303 (See FMI)	20. PURPOSE CODE 8	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT	24. AMOUNT OF LOAN	25. AMOUNT OF GRANT 50,000	
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 0 %	29. REPAYMENT TERMS
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CERTIFICATION APPROVAL

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Date August 27, 20 24

William Elmore, Jr., Mayor

(Signature of Applicant)

Date _____, 20 _____

(Signature of Co-Applicant)

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Typed or Printed Name: Reginald Speight

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Title: State Director

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Date August 27, 20 24

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(Signature of Applicant)

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Title: Area Director

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

"The grantee understands the requirements for receipt of funds under the Community Facilities Grant Program. The grantee assures and certifies that it is in compliance with all applicable laws, regulations, Executive Orders, and other applicable requirements, including those set forth in Form RD 3570-3, 7 CFR parts 3015, 3016, or 3019 as subsequently modified, and the letter of conditions. The following conditions may apply if CFG funds were used to purchase equipment or obtain or improve real property:

"The grantee understands that any property acquired or improved with Federal grant funds may have use and disposition conditions which apply to the property as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

"The grantee understands that any sale or transfer of property is subject to the interest of the United States Government in the market value in proportion to its participation in the project as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

Name		Address		Dunn, NC 28335-		
Dunn, City of		PO Box 1065				
Applicant Fiscal Year		County		State (Including ZIP Code)		
From	To	Harnett		NC 28335-		
	20	20	20	20	24	First Full Year
	(1)	(2)	(3)	(4)	(5)	(5)
OPERATING INCOME						
1. Total Revenue				13,828,587		14,000,000
2.						
3.						
4.						
5. Miscellaneous	0	0	0	0	0	0
6. Less: Allowances and Deductions	()	()	()	()	()	(0)
7. Total Operating Income (Add Lines 1 through 6)	0	0	0	13,828,587		14,000,000
OPERATING EXPENSES						
8. Total Expense				12,042,109		12,663,491
9.						
10.						
11.						
12.						
13.						
14.						
15. Interest (RD)	0	0	0	236,358		260,552
16. Depreciation	0	0	0	750,000		800,000
17. Total Operating Expense (Add lines 8 through 16)	0	0	0	13,028,467		13,724,043
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	0	0	0	800,120		275,957
NONOPERATING INCOME						
19.						
20.						
21. Total Nonoperating Income (Add Lines 19 and 20)	0	0	0	0	0	0
22. NET INCOME (LOSS) (Add Lines 18 and 21) (Transfer to Line A Schedule 2)	0	0	0	800,120		275,957

Budget and Projected Cash Flow Approved by Governing Body

Attest: _____ Date 8-27-2024
Melissa Matti, Interim City Clerk
 _____ Date 8-27-2024
William Elmore, Jr., Mayor

PROJECTED CASH FLOW

	20	20	20	20 24	First Full Year
A. Line 22 from Schedule 1 Income (Loss)	0	0	0	800,120	275,957
Add					
B. Items in Operations not Requiring Cash:					
1. Depreciation (Line 16, Schedule 1)	0	0	0	750,000	800,000
2. Others: _____	0	0	0	0	0
C. Cash Provided from:					
1. Proceeds from RD loan/grant				455,000	
2. Proceeds from others					
3. Increase (Decrease) in Accounts Payable, Accruals and other Current Liabilities					
4. Decrease (Increase) in Accounts Receivable, inventories and Other Current Assets (Exclude Cash)					
5. Other: _____					
6. _____					
D. Total all A, B and C Items	0	0	0	2,005,120	1,075,957
E. Less: Cash Expended for:					
1. All Construction, Equipment and New Capital Items (Loan and grant funds)				455,813	
2. Replacement and Additions to Existing Property, Plant and Equipment					0
3. Principal Payment RD Loan					51,278
4. Principal Payment Other Loans				913,569	1,006,843
5. Other: _____					
6. Total E 1 through 5	0	0	0	1,369,382	1,058,121
Add					
F. Beginning Cash Balances			5,949,935	5,949,935	6,585,673
G. Ending Cash Balances (Total of D minus E 6 plus F)	0	0	5,949,935	6,585,673	6,603,509
Item G Cash Balances Composed of:					
Construction Account					
Revenue Account					
Debt Payment Account			1,206,517	1,149,927	1,317,189
O&M Account			1,846,806	2,420,746	2,016,320
Reserve Account			263,391	265,000	270,000
Funded Depreciation Account					
Others: _____			2,633,221	2,750,000	3,000,000

Total - Agrees with Item G	0	0.00	5,949,935.00	6,585,673.00	6,603,509.00

BUDGET ATTACHEMNT

Income Detail

<u>Income Source</u>	<u>Year1_0</u>	<u>Year2_0</u>	<u>Year3_0</u>	<u>Year4_2024</u>	<u>First Full Year</u>
Miscellaneous	0.00	0.00	0.00	0.00	0.00
Less: Allowances and	0.00	0.00	0.00	0.00	0.00
Total Revenue	0.00	0.00	0.00	13,828,587.00	14,000,000.00
TOTALS				13,828,587	14,000,000

Expense Detail

<u>Expense Source</u>	<u>Year1_0</u>	<u>Year2_0</u>	<u>Year3_0</u>	<u>Year4_2024</u>	<u>First Full Year</u>
Total Expense	0.00	0.00	0.00	12,042,109.00	12,663,491.00
Interest	0.00	0.00	0.00	236,358.00	260,552.00
	0.00	0.00	0.00	750,000.00	800,000.00
TOTALS				13,028,467	13,724,043

REQUEST FOR LOWER INTEREST RATE

Applicant: City of Dunn

Project: 2024 - Public Utilities Equipment

Loan Amount: \$405,000.00

I hereby request the interest rate of the referenced loan be the lower of the rate in effect at the time of loan approval or the time of loan closing.

ELMORE WILLIAMS, JR.

MAYOR

(Title)

EQUAL OPPORTUNITY AGREEMENT

This agreement, dated 08-27-2024 between City of Dunn

(herein called "Recipient" whether one or more) and United States Department of Agriculture (USDA), pursuant to the rules and regulations of the Secretary of Labor (herein called the 'Secretary') issued under the authority of Executive Order 11246 as amended, witnesseth:

In consideration of financial assistance (whether by a loan, grant, loan guaranty, or other form of financial assistance) made or to be made by the USDA to Recipient, Recipient hereby agrees, if the cash cost of construction work performed by Recipient or a construction contract financed with such financial assistance exceeds \$10,000 - unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965.

1. To incorporate or cause to be incorporated into any contract for construction work, or modification thereof, subject to the relevant rules, regulations, and orders of the Secretary or of any prior authority that remain in effect, which is paid for in whole or in part with the aid of such financial assistance, the following "Equal Opportunity Clause":

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

- (a) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the USDA setting forth the provisions of this nondiscrimination clause.
- (b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- (c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the USDA, advising the said labor union or workers' representative of the contractor's commitments under this agreement and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (d) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of all rules, regulations and relevant orders of the Secretary of Labor.
- (e) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, rules, regulations, and orders, or pursuant thereto, and will permit access to his books, records, and accounts by the USDA Civil Rights Office, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by Law.
- (g) The contractor will include the provisions of paragraph 1 and paragraph (a) through (g) in every subcontract or purchase order, unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the USDA may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the USDA, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0018. The time required to complete this information collection is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

2. To be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the organization so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.
3. To notify all prospective contractors to file the required 'Compliance Statement', Form RD 400-6, with their bids.
4. Form AD-425, Instructions to Contractors, will accompany the notice of award of the contract. Bid conditions for all nonexempt federal and federally assisted construction contracts require inclusion of the appropriate "Hometown" or "Imposed" plan affirmative action and equal employment opportunity requirements. All bidders must comply with the bid conditions contained in the invitation to be considered responsible bidders and hence eligible for the award.
5. To assist and cooperate actively with USDA and the Secretary in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and rules, regulations, and relevant orders of the Secretary, that will furnish USDA and the Secretary such information such as , but not limited to, Form AD-560, Certification of Nonsegregated Facilities, to submit the Monthly Employment Utilization Report, Form CC-257, as they may require for the supervision of such compliance, and that it will otherwise assist USDA in the discharge of USDA's primary responsibility for securing compliance.
6. To refrain from entering into any contract or contract modification subject to such Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by USDA or the Secretary of Labor pursuant to Part II, Subpart D, of the Executive Order.
7. That if the recipient fails or refuses to comply with these undertakings, the USDA may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the organization under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such organization; and refer the case to the Department of Justice for appropriate legal proceedings.

Signed by the Recipient on the date first written above.

Recipient

Recipient

(CORPORATE SEAL)

City of Dunn
Name of Corporate Recipient

Attest:

Melissa Matti, Interim City Clerk

By _____
William Elmore, Jr., Mayor

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

APPLICANT CERTIFICATION
FEDERAL COLLECTION POLICIES FOR CONSUMER OR COMMERCIAL DEBTS

The Federal Government is authorized to check credit information about the applicant(s) including using the federal Credit Alert Interactive Voice Response System (CAIVRS) or its successors to check to see if the applicant(s) are delinquent or in default on a Federal debt.

The Federal Government is also authorized by law to take any or all of the following actions in the event your loan payments become delinquent or you default on your loan:

- Report your name and account information to a credit reporting agency, and the Credit Alert Interactive Voice Response System (CAIVRS).
- Assess interest and penalty charges for the period of time that payment is not made.
- Assess charges to cover additional administrative costs incurred by the government to service your account.
- Offset amounts to be paid to you from your Federal income tax refund.
- Offset amounts to be paid to you under other Federal Programs.
- Refer your account to a private collection agency to collect the amount due.
- Foreclose on any security you have given for the loan.
- Pursue legal action to collect through the courts.
- Report any written off debt to the Internal Revenue Service as taxable income.
- If you are a current or retired Federal employee, take action to offset your salary, or civil service retirement benefits.
- Debar or suspend you from doing business with the Federal Government either as a participant or principal throughout the executive branch of the Federal Government for the period of debarment or suspension.
- Refer any debt that is delinquent to the Treasury Offset Program (TOP) in accordance with the Debt Collection Improvement Act of 1996.
- Refer any eligible debt that is delinquent to the Treasury for cross servicing in accordance with the Debt Collection Improvement Act of 1996.
- Garnish your wages as allowed by the Debt Collection Improvement Act of 1996.

Any or all of these actions may be used to recover any debts owed when it is determined to be in the interest of the Government to do so.

CERTIFICATION: I/we have read and I/we understand the actions the Federal Government may take in the event that I/we fail to meet my/our scheduled payments in accordance with the terms and conditions of my/our agreement. I/we understand that the above list is not all inclusive and that the Federal Government may deem additional actions necessary to collect should I/we become delinquent.

(Signature-Individual(s))	08-27-2024 (Date)	(Signature-Individual(s))	08-27-2024 (Date)
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	08-27-2024 (Date)	City of Dunn (Name of Applicant)
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<p>ATTEST:</p> <p>_____ (Signature of Attesting Official)</p> <p>Melissa Matti, Interim City Clerk (Title of Attesting Official)</p>	<p style="text-align: center;">(Signature of Authorized Entity Official)</p> <p>William Elmore, Jr., Mayor (Title of Authorized Entity Official)</p> <p>PO Box 1065 (Address)</p> <p>Dunn, NC 28335- (City, State, and Zip Code)</p>
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ASSURANCE AGREEMENT
(Under Title VI, Civil Rights Act of 1964)

The **City of Dunn**

(name of recipient)

PO Box 1065 Dunn, NC 28335-

(address)

As a condition of receipt of Federal financial assistance, you acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of national laws and policies prohibiting discrimination, including but not limited to:

1. Title VI of the Civil Rights Act of 1964, as amended, which prohibits you from discriminating on the basis of race, color, or national origin (42 U.S.C. 2000d et seq.), and 7 CFR Part 15, 7 CFR 1901, Subpart E.

As clarified by Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [in accordance with USDA RD LEP Guidance for RD Funded (Assisted) Programs]. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. You are encouraged to consider the need for language services for LEP persons served or encountered both in developing your budgets and in conducting your programs and activities. For assistance and information regarding your LEP obligations, go to <http://www.lep.gov>;

2. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating on the basis of sex in education programs or activities (20 U.S.C. 1681 et seq.) [as implemented by 7 CFR Part 15, 7 CFR 1901, Subpart E];
3. The Age Discrimination Act of 1975, as amended, which prohibits you from discriminating on the basis of age (42 U.S.C. 6101 et seq.) [as implemented by 7 CFR Part 15, 7 CFR 1901, Subpart E];
4. Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits you from discriminating on the basis of disability (29 U.S.C. 794) [as implemented by 7 CFR Part 15, 7 CFR Part 15b, 7 CFR 1901, Subpart E];
5. Title VIII of the Civil Rights Act, which prohibits you from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (42 U.S.C. 3601 et seq.), as implemented by the Department of Housing and Urban Development at 24 CFR part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units, i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators) be designed and constructed with certain accessible features, see 24 CFR Part 100.201; and
6. Titles II and III of the Americans with Disabilities Act, which prohibit you from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189), as implemented by Department of Justice regulations at 28 C.F.R. parts 35 and 36, and 7 CFR Part 15, 7 CFR Part 15b, 7 CFR 1901, Subpart E.

You also acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions governing USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) access to records, accounts, documents, information, facilities, and staff:

1. You must cooperate with any compliance review or complaint investigation conducted by USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).
2. You must give USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) access to and the right to examine and copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by Title VI, Title IX, Age, and Section 504 implementing regulations and other applicable laws or program guidance.
3. You must keep such records and submit to the responsible Department official or designee timely, complete, and accurate compliance reports at such times, and in such form and containing such information, as the responsible Department official or his designee may determine to be necessary to ascertain whether you have complied or are complying with relevant obligations.
4. You must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.
5. Make available to users, participants, beneficiaries and other interested persons such information regarding the provisions of this agreement and the regulations, and in such manner as the Rural Development or the U.S. Department of Agriculture finds necessary to inform such persons of the protection assured them against discrimination.
6. If, during the past three years, you (the recipient) have been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status, you must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements.
7. In the event any court or administrative agency makes a finding of discrimination on grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status against you, or you settle a case or matter alleging such discrimination, you must forward a copy of the complaint and findings to USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), Office of Civil Rights.

The United States has the right to seek judicial enforcement of these obligations.

You also acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of program-specific nondiscrimination policy requirements found at CFR Part 15, 7 CFR Part 15 b, 12 CFR Part 202, 7 CFR 1901, Subpart E., DR4300-003, DR4330-0300, DR4330-005.

Period of Obligation

In the case of any service, financial aid, covered employment, equipment, property, or structure provided, leased, or improved with federal assistance extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), this assurance obligates the Recipient for the period during which federal assistance is extended. In the case of any transfer of such service, financial aid, equipment, property, or structure, this assurance obligates the transferee for the period during which federal assistance is extended. If any personal property is so provided, this assurance obligates the Recipient for the period during which it retains ownership or possession of the property. In all other cases, this assurance obligates the Recipient for the period during which the federal assistance is extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).

Employment Practices

Where a primary objective of the federal assistance is to provide employment or where the Recipient's employment practices affect the delivery of services in programs or activities resulting from federal assistance extended by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), the Recipient agrees not to discriminate on the grounds of race, color, national origin, sex, age, or disability, in its employment practices. Such employment practices may include, but are not limited to, recruitment, advertising, hiring, layoff or termination, promotion, demotion, transfer, rates of pay, training and participation in upward mobility programs; or other forms of compensation and use of facilities.

Data Collection

The Recipient agrees to compile and maintain information pertaining to programs or activities developed as a result of the Recipient's receipt of federal assistance from Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service). Such information shall include, but is not limited to the following: (1) the manner in which services are or will be provided and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination; (2) the population eligible to be served by race, color, national origin, sex, age, and disability; (3) data regarding covered employment including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English; (4) the location of existing or proposed facilities connected with the program and related information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any person on the basis of prohibited discrimination; (5) the present or proposed membership by race, color, national origin, sex, age and disability in any planning or advisory body which is an integral part of the program; and (6) any additional written data determined by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) to be relevant to the obligation to assure compliance by recipients with laws cited in this assurance agreement.

Under penalty of perjury, the undersigned officials certify that they have read and understand their obligations as herein described, that the information submitted in conjunction with this Document is accurate and complete, and that the recipient is in compliance with the nondiscrimination requirements set out above.

Rights and remedies provided for under this agreement shall be cumulative.

In witness whereof, City of Dunn on this
(name of recipient)

date has caused this agreement to be executed by its duly authorized officers and its seal affixed hereto, or, if a natural person, has hereunto executed this agreement.

(S E A L)

Recipient

8/27/2024

Date

Attest:

Melissa Matti, Interim City Clerk

Title

William Elmore, Jr., Mayor

Title

CERTIFICATION FOR CONTRACTS, GRANTS AND LOANS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or Federal loan, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant or loan.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant or loan, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including contracts, subcontracts, and subgrants under grants and loans) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

William Elmore Jr.
(name)

08/27/2024
(date)

Mayor
(title)

000

USDA-Rural Development
2736 NC Highway 210
Smithfield, NC 27577

Dear Sir:

This is to certify that City of Dunn is in compliance with Federal, State, and Local requirements to include the following:

- a) Compliance with special laws and regulations
- b) Compliance with State Pollution Control or Environmental Protection Agency standards
- c) Consistency with other development plans of the area and State Strategic Plan.
- d) State agency regulating water rights.
- e) Compliance with the Civil Rights Act of 1964.
- f) Compliance with Title IX of the Education Amendments of 1972
- g) Compliance with Section 504 of the Rehabilitation Act of 1973.
- h) Compliance with the Age Discrimination Act of 1975

William Elmore, Jr., Mayor

Date: 8/27/2024

CERTIFIED LIST OF OFFICERS/DIRECTORS

NAME OF APPLICANT: City of Dunn

PO BOX (if applicable) and PHYSICAL ADDRESS OF SECURITY:
PO Box 1065, Dunn, NC 28335

PHONE NUMBER: 910-230-3500 **ALTERNATE NUMBER:** _____

CONTACT PERSON: Steven Neuschafter, 401 East Broad Street, Dunn, NC 28335
(Name) **(Address)**
sneuschafter@dunn-nc.org
(Email Address)

OFFICERS AND DIRECTORS OF GOVERNING BODY

NAME	OFFICE HELD	TERMS OF OFFICE
William P. Elmore, Jr.	Mayor	2027
J. Wesley Sills	Council	2027
April Gauden	Council	2027
Raquel McNeil	Council	2027
Billy N. Tart	Council	2027
Alan Hargis	Council	2027
Dr. David L. Bradham	Council	2027
Steven Neuschafter	City Manager	

I certify that the above is the correct list of officers and directors of the:

City of Dunn as of 8/27/2024
(Applicant Name) **(Date)**

CERTIFIED CORRECT: **(SEAL)**

Melissa Matti, Interim City Clerk

Rural Development

August 27, 2024

North Carolina
State Office4405 Bland Road
Suite 260
Raleigh, NC 27609Voice 919.873.2000
Fax 844.325.6921
TTY 711City of Dunn
Attn: William Elmore, Jr., Mayor
401 East Broad Street - PO Box 1065
Dunn, NC 28335

Subject: Letter of Conditions for a Community Facilities Program Loan and Grant for
2024 Water and Sewer Equipment - Two Ford F150s, Kubota Tractors and
Ford F350

Dear Mayor Elmore,

This letter, with attachments, establishes conditions that must be understood and agreed to by the applicant before further consideration may be given to the application for Federal Assistance. The State and Area Office staff of USDA Rural Development (RD) will administer the loan and/or grant funds for this project on behalf of the Rural Housing Service. All parties may access information and regulations referenced in this letter at our website located at: <https://www.rd.usda.gov/programs-services/community-facilities>. Any changes in project cost, source of funds, scope of services, or any other significant change (this includes significant changes in the Borrower's financial condition, operation, organizational structure or executive leadership) in the project or applicant must be reported to and approved by USDA Rural Development by written amendment to this letter. **Any changes not approved by USDA Rural Development will be cause for discontinuing processing of the application.** If you do not meet the conditions of this letter, the Agency reserves the right to withdraw Agency funding.

This letter is not to be considered as loan/grant approval or as representation to the availability of funds. The application can be processed on the basis of a USDA Rural Development loan not to exceed \$175,000.00 and grant not to exceed \$20,000.00. Funds for this project are provided by the Rural Housing Service (RHS).

Please complete and return the attached Form RD 1942-46, "Letter of Intent to Meet Conditions," and Form RD 1940-1, "Request for Obligation of Funds," within the next ten (10) days, if you desire that we give further consideration to your application. The execution of these and all other documents required by USDA Rural Development must be authorized by appropriate resolutions of the applicant's governing body.

The loan and grant will be considered approved on the date Form RD 1940-1, "Request for Obligation of Funds," is mailed by USDA Rural Development. This is also the date that the interest rate is established. If the interest rate is lower at the time of loan closing, you must make a request in writing to receive the lower rate in effect.

The loan will be repayable over a period not to exceed five (5) years from the date of loan closing at the market interest rate. The first interest installment will be due no later than one full year from the date of loan closing.

USDA is an equal opportunity provider, employer, and lender.

Project Budget—Based on Standard Form 424, “Application for Federal Assistance,” the project cost and funding will be as follows:

a.

Project Expenses	Costs
Development	
Land & Rights	
Legal	\$1,532.00
Architect Fees	
Interest	
Equipment	\$196,744.00
Contingencies	
Refinancing	
Other (Described)	
Resident Inspection	
Total	\$198,276.00

Source of Funds

b.

Funds	Total
USDA Loan	\$175,000.00
USDA Grant	\$20,000.00
Applicant Contributions	\$3,276.00
Other	
Total	\$198,276.00

Any changes in funding sources following obligation of Agency funds must be reported to the processing official. Project feasibility and funding will be reassessed if there is a significant change in project costs after bids are received. If actual project costs exceed the project cost estimates, an additional contribution by the borrower may be necessary.

The applicant will ensure projects are completed in a timely, efficient, and economical manner. Section I of the attached conditions (Items 1—18) must be satisfied prior to interim loan closing or before construction begins, whichever occurs first, in either case not later than one (1) year from the date of this letter. **In the event the project has not advanced to the point of construction within one (1) year, USDA Rural Development reserves the right to discontinue the processing of the application.**

If you have any questions, feel free to contact this office.

Sincerely,

Tobais Fullwood

TOBAIS FULLWOOD

Area Specialist

cc: Community Programs Director, USDA Rural Development,

ATTACHMENT TO LETTER OF CONDITIONS

SECTION I. CONDITIONS TO BE SATISFIED PRIOR TO LOAN/GRANT CLOSING OR BEFORE CONSTRUCTION BEGINS, WHICHEVER OCCURS FIRST

1. **Reserves**—The applicant will establish a separate debt service reserve account in an amount at least equal to an average annual loan installment. This reserve will be accumulated at the rate of at least one-tenth of the average annual installment each year until the required level is reached, which is one average annual loan installment. The reserve account balance must be reported annually to the State Office and included in the audit as a separate and identifiable line item as restricted.

For any fiscal year end in which the debt service reserve account balance is less than the required account total; the applicant will provide the Agency with a twelve month budget and plan to correct the cash shortfall.

2. **Disbursement of Funds**

- a. The applicant will provide evidence that funds from other sources will be made available for the project cost in the amount of \$3,276.00. This evidence should include a copy of the loan/grant award that addresses how funds will be disbursed.
- b. The applicant's contribution of funds toward the project cost shall be considered the first funds expended and must be deposited in its project account before construction is started. Please provide Rural Development evidencing applicant's contribution.
- c. Agency funds will not be used to pre-finance funds committed to the project from other sources.
- d. The Debt Collection Improvement Act (DCIA) of 1996 requires that all Federal payments be made by Electronic Funds Transfer/Automated Clearing House (EFT/ACH). Borrowers receiving payments by EFT will have funds directly deposited to a specified account at a financial institution with funds being available to the recipient on the date of payment. The borrower should complete Form SF-3881, Electronic Funds Transfer Payment Enrollment Form, for each account where funds will be electronically received. The completed form(s) must be received by Rural Development at least forty-five (45) days prior to the first advance of funds. Failure to do so could delay loan closing.

3. **Security Requirements**

- a. At loan closing the applicant will execute the attached Form RD 1942-47, "Loan Resolution (Public Bodies)". Please note the refinancing provision in paragraph 2. Also, on page 3 there is a certification to be executed at loan closing.
- b. The applicant will be required to execute and complete Form RD 3570-03, "Agreement for Administrative Requirements for Community Facilities Grants" and "Notice of Federal Interest" at the time of grant closing.
- c. A UCC Financing Statement lien search will be conducted by the Agency to identify lien priority position. Form UCC-1, "Financing Statement," with Form UCC-1Ad, "UCC Financing Statement Addendum," as appropriate, or other action as allowed by State statute, will be

prepared by USDA Rural Development and filed with the NC Secretary of State and a copy recorded with the Harnett County Recorder (if applicable) to perfect a security interest in collateral to encumber the following:

A \$38.00 filing fee (fee subject to change based on current NC Secretary of State fee schedule) payable to the **Secretary of State** must be provided to the Agency at least 90 days prior to loan closing.

- d. An Installment Purchase Contract will be secured by the United States of America, acting through the Rural Housing Service being named as the registered lien holder on the Certificate of Title for the vehicles being financed.

 - e. The applicant is required to execute Form RD 440-15, Security Agreement, if required by OGC.
4. **Insurance and Bonding Requirements**—The applicant must provide evidence of adequate insurance and fidelity bond coverage by loan closing or start of construction, whichever occurs first. Adequate coverage, in accordance with USDA Rural Development’s regulations, must then be maintained for the life of the loan and evidence must be submitted to Rural Development annually. Evidence that coverage is being maintained must be provided annually thereafter. It is the responsibility of the applicant and not that of USDA Rural Development to assure that adequate insurance and fidelity bond coverage is maintained. Applicants are encouraged to review coverage amounts and deductible provisions with their attorney, consulting engineer, and/or insurance provider(s).
- a. Property Insurance—Fire and extended coverage will be required on all above-ground structures, including applicant-owned equipment and machinery housed therein. Provide USDA Rural Development with proof of coverage and attach Lender’s Loss Payable Endorsement (438 BFU or equivalent) naming the UNITED STATES OF AMERICA as lender.
 - b. Corporate Liability Insurance - The Applicant will provide public liability, and property damage insurance in an amount to adequately protect the applicant from civil action arising from the function of the applicant relative to the project.
 - c. Workers’ Compensation Insurance—The applicant will be required to carry workers’ compensation insurance for all employees in accordance with the State law. Provide USDA Rural Development with proof of coverage.
 - d. General liability and vehicular coverage must be maintained—Provide USDA Rural Development with proof of coverage.
 - e. Fidelity Bond—Persons who have access to the funds and custody to any property will be covered by a fidelity bond or an adequate crime policy that protects the applicant from an employee crime. Coverage may be provided either for all individual positions or persons, or through “blanket” coverage providing protection for all appropriate employees and/or officials. The amount of coverage required by USDA Rural Development will be sufficient to cover the total annual debt and reserve service requirements for the loan. The United States of America will be named as co-obligee on the bond. A certified power-of-attorney with effective date will be attached to each bond. Provide USDA Rural Development with a copy of the bond and the power of attorney.

5. **Civil Rights & Equal Opportunity**— The borrower/grantee has received an award of Federal funding and is required to comply with U.S. statutory and public policy requirements, including but not limited to:
 - a. **Section 504 of the Rehabilitation Act of 1973** – Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Agency financial assistance. The Standard for compliance is the Architectural Barriers Act Accessibility Standards (ABAAS).
 - b. **Civil Rights Act of 1964** – All recipients are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and 7 CFR 1901, Subpart E, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by Paragraph 1901.202(e) of this Title.
 - c. **The Americans with Disabilities Act (ADA) of 1990** – This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications.
 - d. **Age Discrimination Act of 1975** – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
 - e. **Limited English Proficiency (LEP) under Executive Order 13166** - LEP statutes and authorities prohibit exclusion from participation in, denial of benefits of, and discrimination under Federally-assisted and/or conducted programs on the ground of race, color, or national origin. Title VI of the Civil Rights Act of 1964 covers program access for LEP persons. LEP persons are individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English. These individuals may be entitled to language assistance, free of charge. The recipient must take reasonable steps to ensure that LEP persons receive the language assistance necessary to have meaningful access to USDA programs, services, and information the recipient provides. These protections are pursuant to Executive Order 13166 entitled, “Improving Access to Services by Persons with Limited English Proficiency” and further affirmed in the USDA Departmental Regulation 4330-005, “Prohibition Against National Origin Discrimination Affecting Persons with Limited English Proficiency in Programs and Activities Conducted by USDA.”

Agency financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap. The recipient must display posters (provided by the Agency) informing users of these requirements, and the Agency will monitor the recipient’s compliance with these requirements during regular compliance reviews.

As a recipient of Rural Development funding, you are required to post a copy of the Non-Discrimination Statement listed below in your office and include in full, on all materials

produced for public information, public education, and public distribution both print and non-print.

Non-Discrimination Statement

“This institution is an equal opportunity provider and employer.”

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at <https://www.ocio.usda.gov/document/ad-3027>, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

If the material is too small to permit the full statement to be included, the material at a minimum includes the statement in print size no smaller than the text that “This institution is an equal opportunity provider and employer.”

6. **Written Agreements for Professional Services**

- a. The legal service agreement submitted by Pope Law Group, PA is satisfactory to USDA Rural Development.

7. **System Policies, Procedures, Contracts, and Agreements** – The facility must be operated on a sound business plan which involves adopting policies, procedures, and/or ordinances outlining the conditions of service and use of the proposed system.

- a. **Conflict of Interest Policy** – Prior to obligation of funds, you must certify in writing that your organization has in place up-to-date written standards of conduct covering conflict of interest. The standards of conduct must include disciplinary actions in the event of a violation by officers, employees, or agents of the borrower. The standards identified herein apply to any parent, affiliate or subsidiary organization of the borrower that is not a state or local government, or Indian Tribe. Policies and accompanying documents shall be furnished to Rural Development upon request.

You must also submit a disclosure of planned or potential transactions related to the use of Federal funds that may constitute or present the appearance of personal or organizational conflict of interest. Disclosure must be in the form of a written letter signed and dated by the applicant’s official. A negative disclosure in the same format is required if no conflicts are anticipated.

Sample conflict of interest policies may be found at the National Council of Nonprofits website, <https://www.councilofnonprofits.org/tools-resources/conflict-of-interest>, or in Internal Revenue Service Form 1023, Appendix A, “Sample Conflict of Interest Policy,” at <http://www.irs.gov/pub/irs-pdf/i1023.pdf>. Though these examples reference non-profit corporations, the requirement applies to all types of Agency borrowers.

Assistance in developing a conflict of interest policy is available through Agency-contracted technical assistance providers if desired.

8. **Electronic Funds Transfer**—All loan funds will be transferred to borrowers via Electronic Funds Transfer/Automated Clearinghouse Systems (EFT/ACH). Normal transfers will be ACH, with money being placed in Borrower's account two business days after the USDA processing office approves the pay request. The applicant must submit the Electronic Funds Transfer Form containing the banking (ACH) information to the USDA Servicing Office at least 90 days prior to the date of loan closing. Failure to do so could delay loan closing.
9. **Automatic Payments**—The applicant is required to participate in the Pre-Authorized Debit (PAD) payment process for all new and existing indebtedness to USDA Rural Development. It will allow for the applicant's payment to be electronically debited from its account on the date their payment is due. Form RD 3550-28, "Authorization Agreement for Pre-Authorized Payments," is attached. Please fill out and sign your "Individual/Company Information" section, then have your financial institution/bank fill out the bottom portion prior to submitting the form to the USDA Rural Development service office.
10. **Loan Closing**—The permanent loan will be closed in accordance with USDA Rural Development instructions, the legal requirements of the USDA Office of General Counsel, and this Letter of Conditions. All applicable closing documents, including bond documents, must be submitted to USDA Rural Development at least 90 days prior to the planned closing date. Prior to loan closing, a request for reimbursement must be submitted to USDA with all the supporting invoices.
11. **Operating Budget**— Prior to loan closing, USDA Rural Development must review the applicant's approved operating budget. The budget must balance and include the proposed USDA debt service and reserve obligations. Each year the USDA loan is outstanding, the applicant will adopt an annual budget which provides for the annual debt service and reserve payments.
12. **System for Award Management Registration and Unique Entity ID**—You as the recipient must maintain the currency of your information in the System for Award Management (SAM) until you submit the final financial report required under this award and all grant funds under this award have been disbursed or de-obligated, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term. Recipients can register on-line at (<https://www.sam.gov>) You as the recipient may not make a sub-award to an entity unless the entity has provided its Unique Entity ID from SAM.gov to you.
13. **Suspension and Debarment Screening** – You will be asked to provide information on the principals of your organization. Agency staff must conduct screening for suspension and debarment of the entity, as well as its principals through the Do Not Pay Portal.
 - a. Principal –
 - i. An officer, director, owner, partner, principal investigator, or other person within a participant with management or supervisory responsibilities related to a covered transaction; or
 - ii. A consultant or other person, whether or not employed by the participant or paid with federal funds, who –
 1. Is in a position to handle federal funds;
 2. Is in a position to influence or control the use of those funds; or,

Occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction. (2 CFR §180.995)

14. **Litigation.** You are required to notify the Agency within 30 days of receiving notification of being involved in any type of litigation prior to loan closing or start of construction, whichever occurs first. Additional documentation regarding the situation and litigation may be requested by the Agency.

SECTION II. LOAN CONDITIONS TO BE SATISFIED AFTER PROJECT COMPLETION

1. **Financial Statements**—To be submitted on an annual basis in accordance with the following:
 - a. Borrowers and grantees that meet the Federal awards expended threshold established in 2 CFR 200, Subpart F, “Audit Requirements” (expends \$750,000 or more in federal financial assistance per fiscal year) shall submit an audit performed in accordance with the requirements of 2 CFR 200, Subpart F. Audits shall be submitted to USDA Rural Development in accordance with 2 CFR 200, Subpart F.
 - b. All borrowers exempt from USDA audit requirements and who do not otherwise have annual audits, will within 60 days following the end of the borrower’s fiscal year furnish USDA with annual financial statements, consisting of a verification of the organization’s balance sheet and statement of income and expenses. The recipient may use Form RD 442-2, “Statement of Budget, Income and Equity,” and 442-3, “Balance Sheet,” or similar format to provide the financial information.
 - c. An annual audit may be submitted in lieu of annual financial statements for any borrower or grantee that has an audit prepared at its own discretion and expense.
2. **Audit agreement**—If you are required to obtain the services of a licensed Certified Public Accountant (CPA), you must enter into a written audit agreement with the auditor. The audit agreement may include terms and conditions that you and auditor deem appropriate.
3. **Limitations of Additional Debt**- You will not borrow any money from any source or enter into any contract or agreement or incur any other liabilities in connection with making extensions or improvements to the Facility, exclusive of normal maintenance, without obtaining the prior written consent of the Agency.
4. **Compliance Reviews**—Rural Development will be required to periodically conduct a compliance review of this facility and operation. Compliance reviews will be completed during the first year of operations and every three years thereafter. You will need to provide the local office the statistical information as requested.

The Agency will conduct regular compliance reviews of the borrower and its operation in accordance with 7 CFR Part 1901, Subpart E, and 36 CFR 1191, Americans with Disabilities Act (ADA) Accessibility Guidelines for Buildings and Facilities; Architectural Barriers Act (ABA) Accessibility Guidelines. Compliance reviews will typically be conducted in conjunction with the security inspections described in this letter. If beneficiaries (users) are required to complete an application or screening for the use of the facility or service that the recipient provides, the recipient must request and collect data by race (American Indian or Alaska Native, Asian, Black or African American,

White); ethnicity (Hispanic or Latino, Not Hispanic or Latino); and by sex. The Agency will utilize this data as part of the required compliance review.

5. **Continuation of Financing Statement**- At the time of renewal (every 5 years) the borrower must provide a **\$38.00** (or applicable filing fee) check payable to the **Secretary of State** (fee subject to change based on current Secretary of State fee schedule) for the continuation of the Financing Statement until the loan is paid in full.
6. **Security Inspections**—Rural Development is required to conduct an inspection of the facility a minimum of once every three years. The recipient must participate in these inspections and provide the required information.
7. **Graduation**—You may be required to refinance (graduate) the unpaid balance of the RD loan, in whole or in part, if at any time RD determines your entity is able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time, the recipient will be requested to refinance. The ability to refinance will be assessed every other year for those loans that are five years old or older.
8. **Prepayment and Extra Payments** - Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower, with no penalty.

Security instruments, including bonding documents, must contain the following language regarding extra payments, unless prohibited by State statute:

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower. Refunds, extra payments and loan proceeds obtained from outside sources for the purpose of paying down the Agency debt, shall, after payment of interest, be applied to the installments last to become due under this note and shall not affect the obligation of borrower to pay the remaining installments as scheduled in your security instruments.

9. **Financial Covenants**

- a) Beginning in the First Full Year of 2025, a debt service coverage ratio (DSCR) of a least 1.10 will be maintained with debt service to include the loan payments plus all required reserves. If the DSCR drops below 1.10 for any audited year, or quarterly financial report, then an independent management consultant shall be engaged at the expense of the Applicant to prepare a fiscal strategy report that documents how the debt service requirement will be met. This must be provided to the Agency no later than 90 days after any quarter in which the DSCR drops below 1.10.

Debt service coverage is defined as net income plus depreciation and amortization expenses plus interest expense on structured debt divided by the sum of all structured debt payments including required reserve payments still due.

LETTER OF INTENT TO MEET CONDITIONS

Date 08-27-2024

TO: United States Department of Agriculture

USDA Rural Development

(Name of USDA Agency)

2736 NC Highway 210
Smithfield, NC 27577

(USDA Agency Office Address)

We have reviewed and understand the conditions set forth in your letter dated 08-27-2024 . It is our intent to meet all of them not later than 08-27-2025 .

City of Dunn

(Name of Association)

BY _____

William Elmore, Jr - Mayor

(Title)

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a persons is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015 and 0570-0062. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data. needed, and completing and reviewing the collection of information.

LOAN RESOLUTION
(Public Bodies)

A RESOLUTION OF THE City Council

OF THE City of Dunn

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING
A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

2024 Water Plant Vehicles and Equipment

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the City of Dunn
(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of
175,000.00

pursuant to the provisions of NC General Statutes 160; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$ 10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.

- 11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
- 12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
- 13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
- 14. That if the Government requires that a reserve account be established and maintained, disbursements from that account may be used when necessary for payments due on the bond if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:
 - (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
 - (b) Repairing or replacing short-lived assets.
 - (c) Making extensions or improvements to the facility.
- Any time funds are disbursed from the reserve account, additional deposits will be required until the reserve account has reached the required funded level.
- 15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain the Government's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
- 16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
- 17. To accept a grant in an amount not to exceed \$ 20,000.00

under the terms offered by the Government; that the Mayor
 and City Clerk of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee

The vote was: Yeas _____ Nays _____ Absent _____.

IN WITNESS WHEREOF, the City Council of the
City of Dunn has duly adopted this resolution and caused it
 to be executed by the officers below in duplicate on this 27 day of August, 2024.

(SEAL)

 By William Elmore, Jr.
 Title Mayor

Attest:

Melissa Matti, Interim City Clerk
 Title _____

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as _____ of the City of Dunn

hereby certify that the _____ of such Association is composed of _____ members, of whom _____, constituting a quorum, were present at a meeting thereof duly called and held on the _____ day of _____, _____; and that the foregoing resolution was adopted at such meeting by the vote shown above. I further certify that as of _____, the date of closing of the loan from the Government, said resolution remains in effect and has not been rescinded or amended in any way.

Dated, this _____ day of _____, _____.

Title _____

COMMUNITY FACILITIES GRANT AGREEMENT

Grantee and Agency

This Grant Agreement (Agreement) dated 8/27/2024, is a contract for receipt of grant funds under the Community Facility Grant program (7 C.F.R. part 3570, subpart B). These requirements do not supersede the applicable requirements for receipt of Federal funds stated in 2 C.F.R. Part 200, “UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS”, which are incorporated by reference into this Agreement. Further, 7 C.F.R. part 3570, subpart B, and all relevant regulatory requirements apply to applicants and are also incorporated by reference into this Agreement.

This Agreement for the Project and Amount described below (the “Project Description”) and for the Community Facilities grant, CFDA Number 10.766, is between the Grantee, a public body, nonprofit corporation or Indian tribe (you), and the United States of America acting through the Rural Housing Service (RHS or Agency).

I. GENERAL AWARD INFORMATION

1. Grantee Name & Address Dunn, City of PO Box 1065 Dunn, NC 28335-	2. Unique Entity ID. MLLCTPVM8A39
4. Federal Award Identification Number (FAIN) 10.766	3. Case No. 38-043-*****1214
6. Performance Start Date 8/27/2024	5. Award Date 8/27/2024
8. Amount of Federal Funds Obligated for this Action, 20,000.00 and Total Amount of Federal Funds Obligated 195,000.00	7. Performance End Date 8/27/2029
10. Total Project Cost (Budget Approved Amount) 198,276.00	9. Amount of Matching/Other Funds (if applicable) 0.00
12. Grantee Contact (Name, Title, Contact Info) Steven Neuschafer, City Manager	11. Award as Percentage of Total Project Cost 10 %
14. Description of Real Property covered by the grant	13. Agency Contact (Name, Title, Contact Info) Tobais Fullwood, Area Specialist 3919-300- +
	15. Description of Equipment covered by the grant All equipment purchased by USDA Rural Development funds

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 0575-0173 and 0575-0200. Public reporting for this collection of information is estimated to be approximately 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, completing, and reviewing the collection of information. All responses to this collection of information are voluntary. However, in order to obtain or retain a benefit, the information in this form is required by 7 CFR 3570-B, Community Facilities Grant Program, and Section 1002 of the American Rescue Plan Act. Rural Development has no plans to publish information collected under the provisions of this program. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Rural Development Innovation Center, Regulations Management Division at ICRMRequests@usda.gov.

The Agency has agreed to give the Grantee the Grant Funds, subject to the terms and conditions established by the Agency. Provided, however, that any Grant Funds actually advanced and not needed for grant purposes shall be returned immediately to the Agency. The Agency may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement or the applicable regulation.

II. RESPONSIBILITIES

A. Grantee. The Grantee shall cause said project to be completed within the total sums available to it, including Grant Funds, in accordance with any architectural or engineering reports, and any necessary modifications, prepared by Grantee and approved by the Agency as required by 7 C.F.R. part 3570. The Grantee will remain in compliance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements for the duration of the Agreement including 7 C.F.R. part 3570, subpart B and 2 C.F.R. parts 200, 400, 415, 416, 417, 418, 421, and 422. The most commonly-referenced provisions are identified below.

1. **Financial and Program Management.** You must follow the financial and performance management requirements in 2 C.F.R. § 200.300-.309.

a. **Financial Management.** You must maintain a financial management system in compliance with 2 C.F.R. § 200.302.

b. **Internal Controls.** You must maintain internal controls in compliance with 2 C.F.R. § 200.303.

c. **Payments.** You must comply with the payment requirements described in 2 C.F.R. § 200.305. Payment must be requested by using the SF-270, "Request for Advance or Reimbursement" or SF-271, "Request for Reimbursement for Construction Programs" (as applicable). Receipts, hourly wage rate, personnel payroll records, or other documentation must be provided upon request from RHS if the request is for an advance; otherwise, the documentation must be provided at the time of the request. Requests for payment must be sent to the Agency contact listed in Section I.14.

d. **Revisions of the Work Plan and Budget.** You must complete all elements of the Work Plan in Attachment A in accordance with that Attachment and must use project funds only for the purposes and activities specified in Attachment A - Approved Work Plan and Budget. You must further complete the outcomes shown for each Work Plan items within the time and scope constraints shown in Attachment A. You must report any changes and request prior approvals in accordance with 2 C.F.R. § 200.308.

e. **Period of Performance.** You may only incur costs chargeable to the award in accordance with 2 C.F.R. § 200.309.

f. **Bonding.** You must maintain your fidelity bond coverage in the amount of \$ 0.00 for the Period of Performance of the award. (See 2 C.F.R. § 200.304)

- g. Program Income.** You must comply with the requirements of 2 C.F.R. § 200.307. Additionally, if program income is earned during the period of performance, you may use it in accordance with 2 C.F.R. § 200.307(e)(2), provided that you inform us in writing of your intent prior to the award date. However, if you earn program income in excess of what can be used under 2 C.F.R. § 200.307(e)(2) or if you earn unanticipated program income, you must comply with 2 C.F.R. § 200.307(e)(1). Costs incidental to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the award.
2. **Procurement and Property Standards.** You must follow the procurement standards requirements in 2 C.F.R. § 200.310-.326.
3. **Performance and Financial Monitoring and Reporting.** You must follow the requirements in 2 C.F.R. Part 170, including Appendix A, and 2 C.F.R. § 200.327-.329, and submit reports as outlined below. Unless otherwise directed in the addendum to this Agreement, the reports are due as indicated below.
- a. Form SF-425, "Financial Status Report."** Reports are due 30 calendar days after the reporting period ends. A final report is due within 120 days after the Performance End Date specified in Section I.8. of this Agreement or at the completion of your project, whichever date is sooner. Your reporting periods are below (mark one):
- Annually: January 1 - December 31
 - Annually: July 1 - June 30
 - Semi-Annually: January 1 – June 30 and July 1 – December 31
 - Semi-Annually: April 1 – September 30 and October 1 – March 31
 - Quarterly: January 1 – March 31, April 1 – June 30, July 1 – September 30, October 1 – December 31
- b. Performance Reports.** SF-PPR, "Performance Progress Report" is due 30 calendar days after the reporting period ends. A final report is due within 120 days after the Performance End Date specified in Section I.8. of this Agreement or at the completion of your project, whichever date is sooner. Your reporting periods are below (mark one):
- Annually: January 1 - December 31
 - Annually: July 1 - June 30
 - Semi-Annually: January 1 – June 30 and July 1 – December 31
 - Semi-Annually: April 1 – September 30 and October 1 – March 31
 - Quarterly: January 1 – March 31, April 1 – June 30, July 1 – September 30, October 1 – December 31

The performance narrative on the Performance Project Report shall include, but is not limited to, the following:

- i. Describe the activities that the funds reflected in the financial status report were used for;
- ii. A comparison of actual accomplishments to the objectives established for that period;
- iii. Reasons why established objectives were not met, if applicable;
- iv. Problems, delays, or adverse conditions which will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation;
- v. Objectives and timetables established for the next reporting period;

The final report (due 120 calendar days after the period of performance end date) will also address the following:

- i. What have been the most challenging or unexpected aspects of this program?
 - ii. What advice, best practices, and actions would you recommend to other organizations planning a similar program that would increase the success of their program? Please include strengths and limitations of the program. If you had the opportunity, what would you have done differently?
4. **Operations.** The Grantee will manage, operate and maintain the facility, including this project if less than the whole of said facility, continuously in an efficient and economical manner in accordance with 7 C.F.R. § 3570.61(e).
 5. **Funding.** The Grantee will not use grant funds to replace any financial support previously provided or assured from any other source. The Grantee agrees that the Grantee's level of expenditure for the Project shall be maintained and not reduced as a result of Grant Funds in accordance with 7 C.F.R. § 3570.66.
 6. **Default.** Upon any default under its representations or agreements contained in this instrument, 2 C.F.R. Part 200, or 7 C.F.R. Part 3570, Grantee, at the option and demand of the Agency, will immediately repay to the Agency the Grant Funds with any legally permitted interest from the date of the default. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Agreement may be enforced by the Agency, at its option and without regard to prior waivers of previous defaults by Grantee, by judicial proceedings to require specific performance of the terms of this Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by the Agency to assure compliance with the provisions of this Agreement and the laws and regulations under which this grant is made.

7. **Real Property.** Use the real property including land, improvements, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed and in accordance with 2 C.F.R. § 200.311; 2 C.F.R. § 200.312; 7 C.F.R. § 15.4(a)(2) and 7 C.F.R. § 3570.92. In accordance with Title VI of the Civil Rights Act of 1964, deeds for real property must comply with the requirements for the Reverter and Habendum clauses.
 - a. Title to real property shall vest in the Grantee subject to the condition that the Grantee shall use the real property for the authorized purpose of the original grant as long as needed.
 - b. The Grantee shall obtain the Agency's approval to use the real property in other projects when the Grantee determines that the property is no longer needed for the original grant purposes. Use in other projects shall be limited to those under other Federal grant programs or programs that have purposes consistent with those authorized for support by the Agency.
 - c. When the real property is no longer needed, as provided in paragraphs (a) and (b) above, the Grantee shall request disposition instructions from the Agency. The Agency will observe the following rules in the disposition instructions:
 - i. The Grantee may be permitted to retain title after it compensates the Federal government in an amount computed by applying the Federal percentage of participation in the cost of the original Project to the fair market value of the property;
 - ii. The Grantee may be directed to sell the property under guidelines provided by the Agency and pay the Federal government an amount computed by applying the Federal percentage of participation in the cost of the original Project to the proceeds from sale (after deducting actual and reasonable selling and fix-up expenses, if any, from the sales proceeds). When the Grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practical and result in the highest possible return;
 - iii. The Grantee may be directed to transfer title to the property to the Federal government provided that in such cases the Grantee shall be entitled to compensation computed by applying the Grantee's percentage of participation in the cost of the program or Project to the current fair market value of the property;
8. **Equipment.** Abide by the following conditions pertaining to equipment which is furnished by the Agency or acquired wholly or in part with Grant Funds. Equipment is defined at 2 C.F.R. § 200.33 and is tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

- a. **Use of equipment.** The Grantee shall use the equipment in the Project for which it was acquired as long as needed. When no longer needed for the original project, the Grantee shall use the equipment in connection with its other federally sponsored activities, if any, in the following order of priority:
 - i. Activities sponsored by the Agency.
 - ii. Activities sponsored by other Federal agencies.

- b. **Use of equipment.** During the time that equipment is held for use on the project for which it was acquired, the Grantee shall make it available for use on other projects if such other use will not interfere with the work on the project for which the property was originally acquired. First preference for such other use shall be given to the Agency sponsored projects. Second preference will be given to other federally sponsored projects.

- c. **Disposition of equipment.** When the Grantee no longer needs the property as provided in paragraph 1 (a) and (b) above, the equipment may be sold or used for other activities in accordance with 2 C.F.R. § 200.313 and 7 C.F.R. §15.4(a)(3) :
 - i. Equipment with a current fair market value of less than \$5,000. The Grantee may use the property for other activities without reimbursement to the Federal government or sell the property and retain the proceeds.

 - ii. Equipment with a current fair market value of \$5,000 or more. The Grantee may retain the property for other uses provided that compensation is made to the Agency. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original Project to the current fair market value of the property. If the Grantee has no need for the equipment and the equipment has further use value, the Grantee shall request disposition instructions from the Agency.

 - iii. The Agency shall determine whether the equipment can be used to meet RHS or its successor agency's requirements. If no such requirements exist, the availability of the property shall be reported, in accordance with the guidelines of the Federal Property Management Regulations (FPMR), to the General Services Administration by the Agency to determine whether a requirement for the equipment exists in other Federal agencies. They shall issue instructions to the Grantee no later than 120 days after the Grantee's request and the following procedures shall govern:

- If so instructed or if disposition instructions are not issued within 120 calendar days after the Grantee's request, the Grantee shall sell the equipment and reimburse the Agency an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the Grantee shall be permitted to deduct and retain from the Federal share 10 percent of the proceeds or \$500, whichever is less, for the Grantee's selling and handling expenses.
- If the Grantee is instructed to ship the property elsewhere, the Grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the Grantee participation in the cost of the original grant Project or program to the current fair market value of the equipment plus any reasonable shipping or interim storage costs incurred.
- If the Grantee is instructed to otherwise dispose of the equipment, the Grantee shall be reimbursed by the Agency for such costs incurred in its disposition.

- d. The Grantee's property management standards for equipment shall be in accordance with 2 CFR § 200.313 and shall include:
- i. Property records which accurately provide for: a description of the equipment; manufacturer's serial number or other identification number; acquisition date and cost; source of the equipment; percentage (at the end of budget year) of Federal participation in the cost of the Project for which the equipment was acquired; location, use, and condition of the equipment and the date the information was reported; and ultimate disposition data including sales price, or the method used to determine current fair market value if the Grantee reimburses the Agency for its share.
 - ii. A physical inventory of equipment shall be taken, and the results reconciled with the equipment records at least once every two years to verify the existence, current utilization, and continued need for the equipment.
 - iii. A control system shall be in effect to ensure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented.
 - iv. Adequate maintenance procedures shall be implemented to keep the equipment in good condition.
 - v. Proper sales procedures shall be established for unneeded equipment which would provide for competition to the extent practicable and result in the highest possible return;

9. **Earned Interest.** Grantee agree to account for and to return to Agency interest earned on grant funds pending their disbursement for program purposes when the Grantee is a unit of local government. States and agencies or an instrumentality of a State shall not be held accountable for interest earned on Grant Funds pending their disbursement.
10. **Record Retention and Access.** You must retain records related to this work performed under this Agreement and allow access to them in accordance with 2 C.F.R. § 200.333-.337.
11. **Closeout.** You must comply with the closeout requirements in 2 C.F.R. § 200.344.
12. **Post-Closeout Adjustments and Continuing Responsibilities.** You must continue to comply with the requirements in 2 C.F.R. § 200.345 even after the Period of Performance for this Agreement has ended.
13. **Cost Principles.** You must comply with the provisions in 2 C.F.R. Part 200, Subpart E.
14. **Audits.** You must comply with the provisions in 2 C.F.R. Part 200, Subpart F.
15. **Civil Rights Compliance.** Unless otherwise provided in the addendum, you must comply with Executive Order 12898, Executive Order 13166- Limited English Proficient, the Americans with Disabilities Act of 1990, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973 as applicable. You must make the public facility or services available to all persons in the Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status or physical or mental disability at reasonable rates, including assessments, taxes, or fees. You may make modifications as long as they are reasonable and nondiscriminatory. Your compliance shall include collection and maintenance of data on race, sex, and national origin of your membership, ownership, and employees. This data must be available to us for Civil Rights Compliance Reviews. You must submit to a post-award compliance review conducted after the final disbursement of grant funds has occurred.
16. **Execute Agreements.** The Grantee will execute any agreements required by the Agency which the Grantee is legally authorized to execute. If any such agreement has been executed by the Grantee as a result of a loan being made to the Grantee by the Agency contemporaneously with the making of this grant, that agreement applies equally to the grant and another identical agreement need not be executed in connection with this grant.

17. **Universal Identifier and Central Contractor Registration.** The Grantee must have a Unique Entity ID number in order to apply for, receive, and report on a Federal award. Additionally, the Grantee must comply with the additional requirements set forth in Attachment C regarding the Unique Entity ID Requirements and the Central Contractor Registry (CCR) Requirements found at 2 CFR Part 25, including Appendix A. For the purposes of this Agreement, “you” in Attachment B shall mean “Grantee” as defined hereunder;

18. **Federal Funding Accountability and Transparency Act.** The Grantee is responsible for complying with all requirements of the Federal award. For all Federal awards, this includes the provisions of the Federal Funding Accountability and Transparency Act (FFATA), which includes requirements on executive compensation, and also requirements implementing the Act for the Grantee at 2 CFR Part 25 Financial Assistance Use of Universal Identifier and Central Contractor Registration and 2 CFR Part 170 Reporting Subaward and Executive Compensation Information. See also statutory requirements for whistleblower protections at 10 U.S.C. 2409, 41 U.S.C. 4712, 10 U.S.C. 2324, 41 U.S.C. 4304 and 4310. See also 2 C.F.R. § 200.111-200.113.

19. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Agency or acquired wholly or in part with Agency funds without the written consent of the Agency except as provided in paragraph 8 (c).

20. Not duplicate other Project purposes for which monies have been received, are committed, or are applied to from other sources (public or private).

B. **Rural Housing Service (RHS).** RHS has agreed to give the Grantee the grant funds, subject to the terms and conditions established by RHS. Provided, however, that any grant funds actually advance and not needed for grant purposes shall be returned immediately to RHS. RHS may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement or the applicable regulation. RHS shall remain in compliance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements for the duration of the Agreement. The most commonly-referenced provisions are identified below.

1. **Payments.** We will advance or reimburse funds up to the Award Amount identified in Section I.9 upon the Grantee’s proper request according to Section II.A.1.c.

2. **Monitoring and Enforcement.** We will monitor the project to ensure that you are in compliance with the terms of the award. If we find that you are not in

compliance, we will enforce the terms of this Agreement using the provisions of 2 C.F.R. § 200.338-.342.

- a. Will assist Grantee, within available appropriations, with such technical assistance as Agency deems appropriate in planning the Project and coordinating the plan with local official comprehensive plans for essential community facilities and with any State or area plans for the area in which the project is located.
 - b. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Agency may determine to be (1) advisable to further the purpose of the grant or to protect Agency's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.
3. **Termination of This Agreement.** This Agreement may be terminated for cause in the event of default on the part of the Grantee or for convenience of the Agency and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Agency agree that the continuation of the Project will not produce beneficial results commensurate with the further expenditure of funds. In all cases termination and notification will be in accordance with 2 C.F.R. § 200.339 and 200.340.

C. **Both Parties.** The Grantee and RHS agree to the following:

1. **Invalid Clauses.** The invalidity of any one or more phrases, clauses, sentences, paragraphs, or provisions of this Agreement shall not affect the remaining portions of the Agreement.
2. **Conflict between this Agreement and Other Applicable Regulations or Laws.** If there is a conflict between this Agreement and the applicable Program Regulation, the applicable Program Regulation shall prevail. If there is a conflict between this Agreement and another law or regulation, RHS shall seek a legal opinion to determine which provision applies.
3. **Dates.** When the date fixed for the performance of an act under this Agreement is on a weekend or Federal holiday, then the performance by the close of business on the next Federal work day shall have the same force and effect as if made performed or exercised on the specified date.

The signatories below certify that they have authority to enter into this Agreement.

Approved by an Authorized Representative of the Grantee:

William Elmore, Jr.

Name (Please Print)

Mayor

Title (Please Print)

Signature

8/27/2024

Date

Approved by the United States of America, Rural Housing Service by:

Tobais Fullwood

Name (Please Print)

Area Specialist

Title (Please Print)

Signature

8/27/2024

Date

Attachment A

Approved Work Plan and Budget

(The work plan must have time, scope, and outcome entries for each task.)

ATTACHMENT B

I. Reporting Executive Compensation.

A. Reporting Total Compensation of Recipient Executives.

1. *Applicability and what to report.* You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if:
 - a. the total Federal funding authorized to date under this award is \$25,000 or more;
 - b. in the preceding fiscal year, you received
 - i. 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards);
 - c. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.html>)
2. *Where and when to report.* You must report executive total compensation described in paragraph b.1. of this award term:
 - a. As part of your registration profile at <http://www.ccr.gov>.
 - b. By the end of the month following the month in which this award is made, and annually thereafter.

B. Reporting of Total Compensation of Subrecipient Executives.

1. *Applicability and what to report.* Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if
 - a. in the subrecipient's preceding fiscal year, the subrecipient received—
 - i. 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 C.F.R. § 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
 - b. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. *Where and when to report.* You must report subrecipient executive total compensation described in paragraph c.1. of this award term:
 - a. To the recipient.
 - b. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (*i.e.*, between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.
- C. *Exemptions.* If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:
1. Subawards, and
 2. The total compensation of the five most highly compensated executives of any subrecipient.
- D. *Definitions.* For purposes of this award term:
1. *Entity* means all of the following, as defined in 2 CFR part 25:
 - a. A Governmental organization, which is a State, local government, or Indian tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization;
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a
 - f. non-Federal entity.
 2. *Executive* means officers, managing partners, or any other employees in management positions.
 3. *Subaward:*
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program.
 - c. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
 4. *Subrecipient* means an entity that:
 - a. Receives a subaward from you (the recipient) under this award; and
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.
 5. *Total compensation* means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 C.F.R. § 229.402(c)(2)):
 - a. *Salary and bonus.*
 - b. *Awards of stock, stock options, and stock appreciation rights.* Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - c. *Earnings for services under non-equity incentive plans.* This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - d. *Change in pension value.* This is the change in present value of defined benefit and actuarial pension plans.
 - e. *Above-market earnings on deferred compensation which is not tax-qualified.*
 - f. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

ATTACHMENT C

I. System for Award Management and Universal Identifier Requirements

- A. Requirement for Registration with the General Services Administration's System for Award Management. Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.
- B. Requirement for Unique Entity ID Numbers.
The Grantee must have a Unique Entity ID number in order to apply for, receive, and report on a Federal award. The DUNS Number is no longer valid for federal award identification. On April 4, 2022, the Unique Entity ID from SAM.gov is now the authoritative identifier for those doing business with the federal government.
- C. Definitions. For purposes of this award term:
1. System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at <http://www.sam.gov>).
 2. The Unique Entity ID from SAM.gov is now the authoritative identifier for those doing business with the federal government. The Unique Entity ID is generated in SAM.gov. If you are registered in SAM.gov (active or not), you already have a Unique Entity ID. It is viewable at SAM.gov. If you are new to SAM.gov and will be registering for the first time, you will get your Unique Entity ID (SAM) during registration.
 3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
 - a. A Governmental organization, which is a State, local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization; and
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
 4. Subaward:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program.
 - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 38-043-*****1214		LOAN NUMBER	FISCAL YEAR 2024
2. BORROWER NAME City of Dunn PO Box 1065 Dunn		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
		4. STATE NAME North Carolina	
		5. COUNTY NAME Harnett	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AI/AN 4 - HISPANIC 5 - A/PI	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10 - PUBLIC COLLEGE/UNIVERSITY 11 - OTHER		8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT
10. SEX CODE 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
14. DIRECT PAYMENT 2 (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO	
17. COMMUNITY SIZE 1 - 10 000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 075 (See FMI)	20. PURPOSE CODE 8	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT 2	24. AMOUNT OF LOAN \$175,000.00		25. AMOUNT OF GRANT
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 4 %	29. REPAYMENT TERMS 5
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)		32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN	
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR		34. BEGINNING FARMER/RANCHER (See FMI)	

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

Loan and Grant approval subject to meeting all requirements of the processing checklist, Letter of Conditions, Office of General Counsel Loan Closing Instructions and the attached Community Facilities Grant Agreement conditions.

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date August 27, 20 24 William Elmore, Jr. - Mayor (Signature of Applicant)

Date _____, 20 _____ (Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: Reginald Speight

Date Approved: _____ Title: State Director

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

"The grantee understands the requirements for receipt of funds under the Community Facilities Grant Program. The grantee assures and certifies that it is in compliance with all applicable laws, regulations, Executive Orders, and other applicable requirements, including those set forth in Form RD 3570-3, 7 CFR parts 3015, 3016, or 3019 as subsequently modified, and the letter of conditions. The following conditions may apply if CFG funds were used to purchase equipment or obtain or improve real property:

"The grantee understands that any property acquired or improved with Federal grant funds may have use and disposition conditions which apply to the property as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

"The grantee understands that any sale or transfer of property is subject to the interest of the United States Government in the market value in proportion to its participation in the project as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 38-043-*****1214		LOAN NUMBER	FISCAL YEAR 2024
2. BORROWER NAME City of Dunn PO Box 1065 Dunn		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
		4. STATE NAME North Carolina	
		5. COUNTY NAME Harnett	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AI/AN 4 - HISPANIC 5 - A/PI	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10 - PUBLIC COLLEGE/UNIVERSITY 11 - OTHER		8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT
9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.	10. SEX CODE 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN. MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO
13. CREDIT REPORT 1 - YES 2 - NO	14. DIRECT PAYMENT (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO
17. COMMUNITY SIZE 1 - 10 000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 303 (See FMI)	20. PURPOSE CODE 8	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT	24. AMOUNT OF LOAN	25. AMOUNT OF GRANT 20,000	
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 0 %	29. REPAYMENT TERMS
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN		
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR	34. BEGINNING FARMER/RANCHER (See FMI)		

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender COPY 3 - State Office

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0570-0062. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

Loan and Grant approval subject to meeting all requirements of the processing checklist, Letter of Conditions, Office of General Counsel Loan Closing Instructions and the attached Community Facilities Grant Agreement conditions.

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date August 27, 20 24

William Elmore, Jr. - Mayor

(Signature of Applicant)

Date _____, 20 ____

(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: Reginald Speight

Date Approved: _____

Title: State Director

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

"The grantee understands the requirements for receipt of funds under the Community Facilities Grant Program. The grantee assures and certifies that it is in compliance with all applicable laws, regulations, Executive Orders, and other applicable requirements, including those set forth in Form RD 3570-3, 7 CFR parts 3015, 3016, or 3019 as subsequently modified, and the letter of conditions. The following conditions may apply if CFG funds were used to purchase equipment or obtain or improve real property:

"The grantee understands that any property acquired or improved with Federal grant funds may have use and disposition conditions which apply to the property as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

"The grantee understands that any sale or transfer of property is subject to the interest of the United States Government in the market value in proportion to its participation in the project as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

Name		Address		State (Including ZIP Code)		
Dunn, City of		PO Box 1065		Dunn, NC 28335-		
Applicant Fiscal Year		County		State (Including ZIP Code)		
From	To	Harnett		NC 28335-		
	20	20	20	20	24	First Full Year
	(1)	(2)	(3)	(4)	(5)	(5)
OPERATING INCOME						
1. Total Revenue				13,828,587	14,000,000	
2.						
3.						
4.						
5. Miscellaneous	0	0	0	0	0	0
6. Less: Allowances and Deductions	()	()	()	()	()	()
7. Total Operating Income (Add Lines 1 through 6)	0	0	0	13,828,587	14,000,000	
OPERATING EXPENSES						
8. Total Expense				12,042,109	12,663,490	
9.						
10.						
11.						
12.						
13.						
14.						
15. Interest (RD)	0	0	0	236,358	260,552	
16. Depreciation	0	0	0	750,000	800,000	
17. Total Operating Expense (Add lines 8 through 16)	0	0	0	13,028,467	13,724,042	
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	0	0	0	800,120	275,958	
NONOPERATING INCOME						
19.						
20.						
21. Total Nonoperating Income (Add Lines 19 and 20)	0	0	0	0	0	0
22. NET INCOME (LOSS) (Add Lines 18 and 21) (Transfer to Line A Schedule 2)	0	0	0	800,120	275,958	

Budget and Projected Cash Flow Approved by Governing Body

Attest: _____
Melissa Matti, Interim City Clerk

William Elmore, Jr., Mayor

8/27/2024
Date
8/27/2024
Date

PROJECTED CASH FLOW

	20	20	20	20 24	First Full Year
A. Line 22 from Schedule 1 Income (Loss)	0	0	0	800,120	275,958
Add					
B. Items in Operations not Requiring Cash:					
1. Depreciation (Line 16, Schedule 1)	0	0	0	750,000	800,000
2. Others: _____	0	0	0	0	0
C. Cash Provided from:					
1. Proceeds from RD loan/grant				198,000	
2. Proceeds from others				0	
3. Increase (Decrease) in Accounts Payable, Accruals and other Current Liabilities					
4. Decrease (Increase) in Accounts Receivable, inventories and Other Current Assets (Exclude Cash)					
5. Other: _____					
6. _____					
D. Total all A, B and C Items	0	0	0	1,748,120	1,075,958
E. Less: Cash Expended for:					
1. All Construction, Equipment and New Capital Items (Loan and grant funds)				198,276	
2. Replacement and Additions to Existing Property, Plant and Equipment					
3. Principal Payment RD Loan					32,311
4. Principal Payment Other Loans				913,569	1,025,810
5. Other: _____					
6. Total E 1 through 5	0	0	0	1,111,845	1,058,121
Add					
F. Beginning Cash Balances			5,949,935	5,949,935	6,586,210
G. Ending Cash Balances (Total of D minus E 6 plus F)	0	0	5,949,935	6,586,210	6,604,047
Item G Cash Balances Composed of:					
Construction Account					
Revenue Account					
Debt Payment Account			1,206,517	1,149,927	1,317,189
O&M Account			1,849,806	2,416,874	2,015,875
Reserve Account			263,391	265,000	270,000
Funded Depreciation Account					
Others: _____			2,633,221	2,754,409	3,000,983

Total - Agrees with Item G	0	0.00	5,952,935.00	6,586,210.00	6,604,047.00

BUDGET ATTACHEMNT

Income Detail

<u>Income Source</u>	<u>Year1_0</u>	<u>Year2_0</u>	<u>Year3_0</u>	<u>Year4_2024</u>	<u>First Full Year</u>
Miscellaneous	0.00	0.00	0.00	0.00	0.00
Less: Allowances and	0.00	0.00	0.00	0.00	0.00
Total Revenue	0.00	0.00	0.00	13,828,587.00	14,000,000.00
TOTALS				13,828,587	14,000,000

Expense Detail

<u>Expense Source</u>	<u>Year1_0</u>	<u>Year2_0</u>	<u>Year3_0</u>	<u>Year4_2024</u>	<u>First Full Year</u>
Interest	0.00	0.00	0.00	236,358.00	260,552.00
	0.00	0.00	0.00	750,000.00	800,000.00
Total Expense	0.00	0.00	0.00	12,042,109.00	12,663,490.00
TOTALS				13,028,467	13,724,042

REQUEST FOR LOWER INTEREST RATE

Applicant: City of Dunn

Project: 2024 - Water and Sewer Equipment

Loan Amount: \$175,000.00

I hereby request the interest rate of the referenced loan be the lower of the rate in effect at the time of loan approval or the time of loan closing.

ELMORE WILLIAMS, JR.

MAYOR

(Title)

EQUAL OPPORTUNITY AGREEMENT

This agreement, dated 08-27-2024 between
City of Dunn

(herein called "Recipient" whether one or more) and United States Department of Agriculture (USDA), pursuant to the rules and regulations of the Secretary of Labor (herein called the 'Secretary') issued under the authority of Executive Order 11246 as amended, witnesseth:

In consideration of financial assistance (whether by a loan, grant, loan guaranty, or other form of financial assistance) made or to be made by the USDA to Recipient, Recipient hereby agrees, if the cash cost of construction work performed by Recipient or a construction contract financed with such financial assistance exceeds \$10,000 - unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965.

I. To incorporate or cause to be incorporated into any contract for construction work, or modification thereof, subject to the relevant rules, regulations, and orders of the Secretary or of any prior authority that remain in effect, which is paid for in whole or in part with the aid of such financial assistance, the following "Equal Opportunity Clause":

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

- (a) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the USDA setting forth the provisions of this nondiscrimination clause.
- (b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- (c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the USDA, advising the said labor union or workers' representative of the contractor's commitments under this agreement and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (d) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of all rules, regulations and relevant orders of the Secretary of Labor.
- (e) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, rules, regulations, and orders, or pursuant thereto, and will permit access to his books, records, and accounts by the USDA Civil Rights Office, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by Law.
- (g) The contractor will include the provisions of paragraph 1 and paragraph (a) through (g) in every subcontract or purchase order, unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the USDA may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the USDA, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collections is 0575-0018. The time required to complete this information collection is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

2. To be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the organization so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.
3. To notify all prospective contractors to file the required 'Compliance Statement', Form RD 400-6, with their bids.
4. Form AD-425, Instructions to Contractors, will accompany the notice of award of the contract. Bid conditions for all nonexempt federal and federally assisted construction contracts require inclusion of the appropriate "Hometown" or "Imposed" plan affirmative action and equal employment opportunity requirements. All bidders must comply with the bid conditions contained in the invitation to be considered responsible bidders and hence eligible for the award.
5. To assist and cooperate actively with USDA and the Secretary in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and rules, regulations, and relevant orders of the Secretary, that will furnish USDA and the Secretary such information such as , but not limited to, Form AD-560, Certification of Nonsegregated Facilities, to submit the Monthly Employment Utilization Report, Form CC-257, as they may require for the supervision of such compliance, and that it will otherwise assist USDA in the discharge of USDA's primary responsibility for securing compliance.
6. To refrain from entering into any contract or contract modification subject to such Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by USDA or the Secretary of Labor pursuant to Part II, Subpart D, of the Executive Order.
7. That if the recipient fails or refuses to comply with these undertakings, the USDA may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the organization under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such organization; and refer the case to the Department of Justice for appropriate legal proceedings.

Signed by the Recipient on the date first written above.

Recipient

Recipient

(CORPORATE SEAL)

City of Dunn
Name of Corporate Recipient

Attest:

Melissa Matti, Interim City Clerk

By _____
William Elmore, Jr., Mayor

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

APPLICANT CERTIFICATION
FEDERAL COLLECTION POLICIES FOR CONSUMER OR COMMERCIAL DEBTS

The Federal Government is authorized to check credit information about the applicant(s) including using the federal Credit Alert Interactive Voice Response System (CAIVRS) or its successors to check to see if the applicant(s) are delinquent or in default on a Federal debt.

The Federal Government is also authorized by law to take any or all of the following actions in the event your loan payments become delinquent or you default on your loan:

- Report your name and account information to a credit reporting agency, and the Credit Alert Interactive Voice Response System (CAIVRS).
- Assess interest and penalty charges for the period of time that payment is not made.
- Assess charges to cover additional administrative costs incurred by the government to service your account.
- Offset amounts to be paid to you from your Federal income tax refund.
- Offset amounts to be paid to you under other Federal Programs.
- Refer your account to a private collection agency to collect the amount due.
- Foreclose on any security you have given for the loan.
- Pursue legal action to collect through the courts.
- Report any written off debt to the Internal Revenue Service as taxable income.
- If you are a current or retired Federal employee, take action to offset your salary, or civil service retirement benefits.
- Debar or suspend you from doing business with the Federal Government either as a participant or principal throughout the executive branch of the Federal Government for the period of debarment or suspension.
- Refer any debt that is delinquent to the Treasury Offset Program (TOP) in accordance with the Debt Collection Improvement Act of 1996.
- Refer any eligible debt that is delinquent to the Treasury for cross servicing in accordance with the Debt Collection Improvement Act of 1996.
- Garnish your wages as allowed by the Debt Collection Improvement Act of 1996.

Any or all of these actions may be used to recover any debts owed when it is determined to be in the interest of the Government to do so.

CERTIFICATION: I/we have read and I/we understand the actions the Federal Government may take in the event that I/we fail to meet my/our scheduled payments in accordance with the terms and conditions of my/our agreement. I/we understand that the above list is not all inclusive and that the Federal Government may deem additional actions necessary to collect should I/we become delinquent.

	08-27-2024		08-27-2024
(Signature-Individual(s))	(Date)	(Signature-Individual(s))	(Date)

	08-27-2024	City of Dunn
(SEAL)	(Date)	(Name of Applicant)

ATTEST:

(Signature of Authorized Entity Official)

William Elmore, Jr., Mayor

(Title of Authorized Entity Official)

PO Box 1065

(Address)

(Signature of Attesting Official)

Melissa Matti, Interim City Clerk

(Title of Attesting Official)

Dunn, NC 28335-

(City, State, and Zip Code)

ASSURANCE AGREEMENT
(Under Title VI, Civil Rights Act of 1964)

The **City of Dunn**

(name of recipient)

PO Box 1065 Dunn, NC 28335-

(address)

As a condition of receipt of Federal financial assistance, you acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of national laws and policies prohibiting discrimination, including but not limited to:

1. Title VI of the Civil Rights Act of 1964, as amended, which prohibits you from discriminating on the basis of race, color, or national origin (42 U.S.C. 2000d et seq.), and 7 CFR Part 15, 7 CFR 1901, Subpart E.

As clarified by Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [in accordance with USDA RD LEP Guidance for RD Funded (Assisted) Programs]. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. You are encouraged to consider the need for language services for LEP persons served or encountered both in developing your budgets and in conducting your programs and activities. For assistance and information regarding your LEP obligations, go to <http://www.lep.gov>;

2. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating on the basis of sex in education programs or activities (20 U.S.C. 1681 et seq.) [as implemented by 7 CFR Part 15, 7 CFR 1901, Subpart E];
3. The Age Discrimination Act of 1975, as amended, which prohibits you from discriminating on the basis of age (42 U.S.C. 6101 et seq.) [as implemented by 7 CFR Part 15, 7 CFR 1901, Subpart E];
4. Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits you from discriminating on the basis of disability (29 U.S.C. 794) [as implemented by 7 CFR Part 15, 7 CFR Part 15b, 7 CFR 1901, Subpart E];
5. Title VIII of the Civil Rights Act, which prohibits you from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (42 U.S.C. 3601 et seq.), as implemented by the Department of Housing and Urban Development at 24 CFR part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units, i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators) be designed and constructed with certain accessible features, see 24 CFR Part 100.201; and
6. Titles II and III of the Americans with Disabilities Act, which prohibit you from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189), as implemented by Department of Justice regulations at 28 C.F.R. parts 35 and 36, and 7 CFR Part 15, 7 CFR Part 15b, 7 CFR 1901, Subpart E.

You also acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions governing USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) access to records, accounts, documents, information, facilities, and staff:

1. You must cooperate with any compliance review or complaint investigation conducted by USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).
2. You must give USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) access to and the right to examine and copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by Title VI, Title IX, Age, and Section 504 implementing regulations and other applicable laws or program guidance.
3. You must keep such records and submit to the responsible Department official or designee timely, complete, and accurate compliance reports at such times, and in such form and containing such information, as the responsible Department official or his designee may determine to be necessary to ascertain whether you have complied or are complying with relevant obligations.
4. You must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.
5. Make available to users, participants, beneficiaries and other interested persons such information regarding the provisions of this agreement and the regulations, and in such manner as the Rural Development or the U.S. Department of Agriculture finds necessary to inform such persons of the protection assured them against discrimination.
6. If, during the past three years, you (the recipient) have been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status, you must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements.
7. In the event any court or administrative agency makes a finding of discrimination on grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status against you, or you settle a case or matter alleging such discrimination, you must forward a copy of the complaint and findings to USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), Office of Civil Rights.

The United States has the right to seek judicial enforcement of these obligations.

You also acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of program-specific nondiscrimination policy requirements found at CFR Part 15, 7 CFR Part 15 b, 12 CFR Part 202, 7 CFR 1901, Subpart E., DR4300-003, DR4330-0300, DR4330-005.

Period of Obligation

In the case of any service, financial aid, covered employment, equipment, property, or structure provided, leased, or improved with federal assistance extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), this assurance obligates the Recipient for the period during which federal assistance is extended. In the case of any transfer of such service, financial aid, equipment, property, or structure, this assurance obligates the transferee for the period during which federal assistance is extended. If any personal property is so provided, this assurance obligates the Recipient for the period during which it retains ownership or possession of the property. In all other cases, this assurance obligates the Recipient for the period during which the federal assistance is extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).

Employment Practices

Where a primary objective of the federal assistance is to provide employment or where the Recipient's employment practices affect the delivery of services in programs or activities resulting from federal assistance extended by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), the Recipient agrees not to discriminate on the grounds of race, color, national origin, sex, age, or disability, in its employment practices. Such employment practices may include, but are not limited to, recruitment, advertising, hiring, layoff or termination, promotion, demotion, transfer, rates of pay, training and participation in upward mobility programs; or other forms of compensation and use of facilities.

Data Collection

The Recipient agrees to compile and maintain information pertaining to programs or activities developed as a result of the Recipient's receipt of federal assistance from Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service). Such information shall include, but is not limited to the following: (1) the manner in which services are or will be provided and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination; (2) the population eligible to be served by race, color, national origin, sex, age, and disability; (3) data regarding covered employment including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English; (4) the location of existing or proposed facilities connected with the program and related information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any person on the basis of prohibited discrimination; (5) the present or proposed membership by race, color, national origin, sex, age and disability in any planning or advisory body which is an integral part of the program; and (6) any additional written data determined by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) to be relevant to the obligation to assure compliance by recipients with laws cited in this assurance agreement.

Under penalty of perjury, the undersigned officials certify that they have read and understand their obligations as herein described, that the information submitted in conjunction with this Document is accurate and complete, and that the recipient is in compliance with the nondiscrimination requirements set out above.

Rights and remedies provided for under this agreement shall be cumulative.

In witness whereof, City of Dunn on this
(name of recipient)

date has caused this agreement to be executed by its duly authorized officers and its seal affixed hereto, or, if a natural person, has hereunto executed this agreement.

(S E A L)

Recipient

8/27/2024

Date

Attest:

Melissa Matti, Interim City Clerk

Title

William Elmore, Jr., Mayor

Title

CERTIFICATION FOR CONTRACTS, GRANTS AND LOANS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or Federal loan, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant or loan.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant or loan, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including contracts, subcontracts, and subgrants under grants and loans) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

William Elmore Jr.
(name)

08/27/2024
(date)

Mayor
(title)

000

USDA-Rural Development
2736 NC Highway 210
Smithfield, NC 27577

Dear Sir:

This is to certify that City of Dunn is in compliance with Federal, State, and Local requirements to include the following:

- a) Compliance with special laws and regulations
- b) Compliance with State Pollution Control or Environmental Protection Agency standards
- c) Consistency with other development plans of the area and State Strategic Plan.
- d) State agency regulating water rights.
- e) Compliance with the Civil Rights Act of 1964.
- f) Compliance with Title IX of the Education Amendments of 1972
- g) Compliance with Section 504 of the Rehabilitation Act of 1973.
- h) Compliance with the Age Discrimination Act of 1975

William Elmore, Jr., Mayor

Date: 8/27/2024

CERTIFIED LIST OF OFFICERS/DIRECTORS

NAME OF APPLICANT: City of Dunn

PO BOX (if applicable) and PHYSICAL ADDRESS OF SECURITY:
PO Box 1065, Dunn, NC 28335

PHONE NUMBER: 910-230-3500 **ALTERNATE NUMBER:** _____

CONTACT PERSON: Steven Neuschafter, 401 East Broad Street, Dunn, NC 28335
(Name) (Address)
sneuschafter@dunn-nc.org
(Email Address)

OFFICERS AND DIRECTORS OF GOVERNING BODY

NAME	OFFICE HELD	TERMS OF OFFICE
William P. Elmore, Jr.	Mayor	2027
J. Wesley Sills	Council	2027
April Gauden	Council	2027
Raquel McNeil	Council	2027
Billy N. Tart	Council	2027
Alan Hargis	Council	2027
Dr. David L. Bradham	Council	2027
Steven Neuschafter	City Manager	

I certify that the above is the correct list of officers and directors of the:

City of Dunn as of 8/27/2024
(Applicant Name) (Date)

CERTIFIED CORRECT:

(SEAL)

Melissa Matti, Interim City Clerk



United States
Department of
Agriculture

Rural Development

Together, America Prospers

Rural Development

August 27, 2024

North Carolina
State Office

4405 Bland Road
Suite 260
Raleigh, NC 27609

Voice 919.873.2000
Fax 844.325.6921
TTY 711

City of Dunn
Attn: William Elmore, Jr., Mayor
401 East Broad Street - PO Box 1065
Dunn, NC 28334

Subject: Letter of Conditions for a Community Facilities Program Loan and Grant for
2024 Public Works Vehicles – Two Ford F350, Ford F150 and other equipment

Dear Mayor Elmore,

This letter, with attachments, establishes conditions that must be understood and agreed to by the applicant before further consideration may be given to the application for Federal Assistance. The State and Area Office staff of USDA Rural Development (RD) will administer the loan and/or grant funds for this project on behalf of the Rural Housing Service. All parties may access information and regulations referenced in this letter at our website located at: <https://www.rd.usda.gov/programs-services/community-facilities>. Any changes in project cost, source of funds, scope of services, or any other significant change (this includes significant changes in the Borrower's financial condition, operation, organizational structure or executive leadership) in the project or applicant must be reported to and approved by USDA Rural Development by written amendment to this letter. **Any changes not approved by USDA Rural Development will be cause for discontinuing processing of the application.** If you do not meet the conditions of this letter, the Agency reserves the right to withdraw Agency funding.

This letter is not to be considered as loan/grant approval or as representation to the availability of funds. The application can be processed on the basis of a USDA Rural Development loan not to exceed \$134,000.00 and grant not to exceed \$25,000.00. Funds for this project are provided by the Rural Housing Service (RHS).

Please complete and return the attached Form RD 1942-46, "Letter of Intent to Meet Conditions," and Form RD 1940-1, "Request for Obligation of Funds," within the next ten (10) days, if you desire that we give further consideration to your application. The execution of these and all other documents required by USDA Rural Development must be authorized by appropriate resolutions of the applicant's governing body.

The loan and grant will be considered approved on the date Form RD 1940-1, "Request for Obligation of Funds," is mailed by USDA Rural Development. This is also the date that the interest rate is established. If the interest rate is lower at the time of loan closing, you must make a request in writing to receive the lower rate in effect.

The loan will be repayable over a period not to exceed 5 years from the date of loan closing at the market interest rate. The first interest installment will be due no later than one full year from the date of loan closing.

USDA is an equal opportunity provider, employer, and lender.

Project Budget—Based on Standard Form 424, “Application for Federal Assistance,” the project cost and funding will be as follows:

a.

Project Expenses	Costs
Development	
Land & Rights	
Legal	\$1,532.00
Architect Fees	
Interest	
Equipment	\$157,631.00
Contingencies	
Refinancing	
Other (Described)	
Resident Inspection	
Total	\$159,163.00

Source of Funds

b.

Funds	Total
USDA Loan	\$134,000.00
USDA Grant	\$25,000.00
Applicant Contributions	\$163.00
Other	
Total	\$159,163.00

Any changes in funding sources following obligation of Agency funds must be reported to the processing official. Project feasibility and funding will be reassessed if there is a significant change in project costs after bids are received. If actual project costs exceed the project cost estimates, an additional contribution by the borrower may be necessary.

The applicant will ensure projects are completed in a timely, efficient, and economical manner. Section I of the attached conditions (Items 1—18) must be satisfied prior to interim loan closing or before construction begins, whichever occurs first, in either case not later than one (1) year from the date of this letter. **In the event the project has not advanced to the point of construction within one (1) year, USDA Rural Development reserves the right to discontinue the processing of the application.**

If you have any questions, feel free to contact this office.

Sincerely,

Tobais Fullwood

TOBAIS FULLWOOD

Area Specialist

cc: Community Programs Director, USDA Rural Development,

ATTACHMENT TO LETTER OF CONDITIONS

SECTION I. CONDITIONS TO BE SATISFIED PRIOR TO LOAN/GRANT CLOSING OR BEFORE CONSTRUCTION BEGINS, WHICHEVER OCCURS FIRST

1. **Reserves**—The applicant will establish a separate debt service reserve account in an amount at least equal to an average annual loan installment. This reserve will be accumulated at the rate of at least one-tenth of the average annual installment each year until the required level is reached, which is one average annual loan installment. The reserve account balance must be reported annually to the State Office and included in the audit as a separate and identifiable line item as restricted.

For any fiscal year end in which the debt service reserve account balance is less than the required account total; the applicant will provide the Agency with a twelve month budget and plan to correct the cash shortfall.

2. **Disbursement of Funds**

- a. The applicant will provide evidence that funds from other sources will be made available for the project cost in the amount of \$163.00. This evidence should include a copy of the loan/grant award that addresses how funds will be disbursed.
- b. The applicant's contribution of funds toward the project cost shall be considered the first funds expended and must be deposited in its project account before construction is started. Please provide Rural Development evidencing applicant's contribution.
- c. Agency funds will not be used to pre-finance funds committed to the project from other sources.
- d. The Debt Collection Improvement Act (DCIA) of 1996 requires that all Federal payments be made by Electronic Funds Transfer/Automated Clearing House (EFT/ACH). Borrowers receiving payments by EFT will have funds directly deposited to a specified account at a financial institution with funds being available to the recipient on the date of payment. The borrower should complete Form SF-3881, Electronic Funds Transfer Payment Enrollment Form, for each account where funds will be electronically received. The completed form(s) must be received by Rural Development at least forty-five (45) days prior to the first advance of funds. Failure to do so could delay loan closing.

3. **Security Requirements**

- a. At loan closing the applicant will execute the attached Form RD 1942-47, "Loan Resolution (Public Bodies)". Please note the refinancing provision in paragraph 2. Also, on page 3 there is a certification to be executed at loan closing.
- b. The applicant will be required to execute and complete Form RD 3570-03, "Agreement for Administrative Requirements for Community Facilities Grants" and "Notice of Federal Interest" at the time of grant closing.
- c. A UCC Financing Statement lien search will be conducted by the Agency to identify lien priority position. Form UCC-1, "Financing Statement," with Form UCC-1Ad, "UCC Financing Statement Addendum," as appropriate, or other action as allowed by State statute, will be

- prepared by USDA Rural Development and filed with the NC Secretary of State and a copy recorded with the Harnett County Recorder (if applicable) to perfect a security interest in collateral to encumber the following:
A \$38.00 filing fee (fee subject to change based on current NC Secretary of State fee schedule) payable to the **Secretary of State** must be provided to the Agency at least 90 days prior to loan closing.
- d. An Installment Purchase Contract will be secured by the United States of America, acting through the Rural Housing Service being named as the registered lien holder on the Certificate of Title for the vehicles being financed.
 - e. The applicant is required to execute Form RD 440-15, Security Agreement, if required by OGC.
4. **Insurance and Bonding Requirements**—The applicant must provide evidence of adequate insurance and fidelity bond coverage by loan closing or start of construction, whichever occurs first. Adequate coverage, in accordance with USDA Rural Development’s regulations, must then be maintained for the life of the loan and evidence must be submitted to Rural Development annually. Evidence that coverage is being maintained must be provided annually thereafter. It is the responsibility of the applicant and not that of USDA Rural Development to assure that adequate insurance and fidelity bond coverage is maintained. Applicants are encouraged to review coverage amounts and deductible provisions with their attorney, consulting engineer, and/or insurance provider(s).
- a. Property Insurance—Fire and extended coverage will be required on all above-ground structures, including applicant-owned equipment and machinery housed therein. Provide USDA Rural Development with proof of coverage and attach Lender’s Loss Payable Endorsement (438 BFU or equivalent) naming the UNITED STATES OF AMERICA as lender.
 - b. Corporate Liability Insurance - The Applicant will provide public liability, and property damage insurance in an amount to adequately protect the applicant from civil action arising from the function of the applicant relative to the project.
 - c. Workers’ Compensation Insurance—The applicant will be required to carry workers’ compensation insurance for all employees in accordance with the State law. Provide USDA Rural Development with proof of coverage.
 - d. General liability and vehicular coverage must be maintained—Provide USDA Rural Development with proof of coverage.
 - e. Fidelity Bond—Persons who have access to the funds and custody to any property will be covered by a fidelity bond or an adequate crime policy that protects the applicant from an employee crime. Coverage may be provided either for all individual positions or persons, or through “blanket” coverage providing protection for all appropriate employees and/or officials. The amount of coverage required by USDA Rural Development will be sufficient to cover the total annual debt and reserve service requirements for the loan. The United States of America will be named as co-obligee on the bond. A certified power-of-attorney with effective date will be attached to each bond. Provide USDA Rural Development with a copy of the bond and the power of attorney.

5. **Civil Rights & Equal Opportunity**— The borrower/grantee has received an award of Federal funding and is required to comply with U.S. statutory and public policy requirements, including but not limited to:
- a. **Section 504 of the Rehabilitation Act of 1973** – Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Agency financial assistance. The Standard for compliance is the Architectural Barriers Act Accessibility Standards (ABAAS).
 - b. **Civil Rights Act of 1964** – All recipients are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and 7 CFR 1901, Subpart E, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by Paragraph 1901.202(e) of this Title.
 - c. **The Americans with Disabilities Act (ADA) of 1990** – This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications.
 - d. **Age Discrimination Act of 1975** – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
 - e. **Limited English Proficiency (LEP) under Executive Order 13166** - LEP statutes and authorities prohibit exclusion from participation in, denial of benefits of, and discrimination under Federally-assisted and/or conducted programs on the ground of race, color, or national origin. Title VI of the Civil Rights Act of 1964 covers program access for LEP persons. LEP persons are individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English. These individuals may be entitled to language assistance, free of charge. The recipient must take reasonable steps to ensure that LEP persons receive the language assistance necessary to have meaningful access to USDA programs, services, and information the recipient provides. These protections are pursuant to Executive Order 13166 entitled, “Improving Access to Services by Persons with Limited English Proficiency” and further affirmed in the USDA Departmental Regulation 4330-005, “Prohibition Against National Origin Discrimination Affecting Persons with Limited English Proficiency in Programs and Activities Conducted by USDA.”

Agency financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap. The recipient must display posters (provided by the Agency) informing users of these requirements, and the Agency will monitor the recipient’s compliance with these requirements during regular compliance reviews.

As a recipient of Rural Development funding, you are required to post a copy of the Non-Discrimination Statement listed below in your office and include in full, on all materials produced for public information, public education, and public distribution both print and non-print.

Non-Discrimination Statement

“This institution is an equal opportunity provider and employer.”

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at <https://www.ocio.usda.gov/document/ad-3027>, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

If the material is too small to permit the full statement to be included, the material at a minimum includes the statement in print size no smaller than the text that “This institution is an equal opportunity provider and employer.”

6. **Written Agreements for Professional Services**

- a. The legal service agreement submitted by Pope Law Group, PA is satisfactory to USDA Rural Development.

7. **System Policies, Procedures, Contracts, and Agreements** – The facility must be operated on a sound business plan which involves adopting policies, procedures, and/or ordinances outlining the conditions of service and use of the proposed system.

- a. **Conflict of Interest Policy** – Prior to obligation of funds, you must certify in writing that your organization has in place up-to-date written standards of conduct covering conflict of interest. The standards of conduct must include disciplinary actions in the event of a violation by officers, employees, or agents of the borrower. The standards identified herein apply to any parent, affiliate or subsidiary organization of the borrower that is not a state or local government, or Indian Tribe. Policies and accompanying documents shall be furnished to Rural Development upon request.

You must also submit a disclosure of planned or potential transactions related to the use of Federal funds that may constitute or present the appearance of personal or organizational conflict of interest. Disclosure must be in the form of a written letter signed and dated by the applicant’s official. A negative disclosure in the same format is required if no conflicts are anticipated.

Sample conflict of interest policies may be found at the National Council of Nonprofits website, <https://www.councilofnonprofits.org/tools-resources/conflict-of-interest>, or in Internal Revenue Service Form 1023, Appendix A, “Sample Conflict of Interest Policy,” at <http://www.irs.gov/pub/irs-pdf/i1023.pdf>. Though these examples reference non-profit corporations, the requirement applies to all types of Agency borrowers.

Assistance in developing a conflict of interest policy is available through Agency-contracted technical assistance providers if desired.

8. **Electronic Funds Transfer**—All loan funds will be transferred to borrowers via Electronic Funds Transfer/Automated Clearinghouse Systems (EFT/ACH). Normal transfers will be ACH, with money being placed in Borrower's account two business days after the USDA processing office approves the pay request. The applicant must submit the Electronic Funds Transfer Form containing the banking (ACH) information to the USDA Servicing Office at least 90 days prior to the date of loan closing. Failure to do so could delay loan closing.
9. **Automatic Payments** –The applicant is required to participate in the Pre-Authorized Debit (PAD) payment process for all new and existing indebtedness to USDA Rural Development. It will allow for the applicant's payment to be electronically debited from its account on the date their payment is due. Form RD 3550-28, "Authorization Agreement for Pre-Authorized Payments," is attached. Please fill out and sign your "Individual/Company Information" section, then have your financial institution/bank fill out the bottom portion prior to submitting the form to the USDA Rural Development service office.
10. **Loan Closing**—The permanent loan will be closed in accordance with USDA Rural Development instructions, the legal requirements of the USDA Office of General Counsel, and this Letter of Conditions. All applicable closing documents, including bond documents, must be submitted to USDA Rural Development at least 90 days prior to the planned closing date. Prior to loan closing, a request for reimbursement must be submitted to USDA with all the supporting invoices.
11. **Operating Budget**— Prior to loan closing, USDA Rural Development must review the applicant's approved operating budget. The budget must balance and include the proposed USDA debt service and reserve obligations. Each year the USDA loan is outstanding, the applicant will adopt an annual budget which provides for the annual debt service and reserve payments.
12. **System for Award Management Registration and Unique Entity ID**—You as the recipient must maintain the currency of your information in the System for Award Management (SAM) until you submit the final financial report required under this award and all grant funds under this award have been disbursed or de-obligated, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term. Recipients can register on-line at (<https://www.sam.gov>) You as the recipient may not make a sub-award to an entity unless the entity has provided its Unique Entity ID from SAM.gov to you.
13. **Suspension and Debarment Screening** – You will be asked to provide information on the principals of your organization. Agency staff must conduct screening for suspension and debarment of the entity, as well as its principals through the Do Not Pay Portal.
 - a. Principal –
 - i. An officer, director, owner, partner, principal investigator, or other person within a participant with management or supervisory responsibilities related to a covered transaction; or
 - ii. A consultant or other person, whether or not employed by the participant or paid with federal funds, who –
 1. Is in a position to handle federal funds;
 2. Is in a position to influence or control the use of those funds; or,Occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction. (2 CFR §180.995)

14. **Litigation.** You are required to notify the Agency within 30 days of receiving notification of being involved in any type of litigation prior to loan closing or start of construction, whichever occurs first. Additional documentation regarding the situation and litigation may be requested by the Agency.

SECTION II. LOAN CONDITIONS TO BE SATISFIED AFTER PROJECT COMPLETION

1. **Financial Statements**—To be submitted on an annual basis in accordance with the following:
 - a. Borrowers and grantees that meet the Federal awards expended threshold established in 2 CFR 200, Subpart F, “Audit Requirements” (expends \$750,000 or more in federal financial assistance per fiscal year) shall submit an audit performed in accordance with the requirements of 2 CFR 200, Subpart F. Audits shall be submitted to USDA Rural Development in accordance with 2 CFR 200, Subpart F.
 - b. All borrowers exempt from USDA audit requirements and who do not otherwise have annual audits, will within 60 days following the end of the borrower’s fiscal year furnish USDA with annual financial statements, consisting of a verification of the organization’s balance sheet and statement of income and expenses. The recipient may use Form RD 442-2, “Statement of Budget, Income and Equity,” and 442-3, “Balance Sheet,” or similar format to provide the financial information.
 - c. An annual audit may be submitted in lieu of annual financial statements for any borrower or grantee that has an audit prepared at its own discretion and expense.
2. **Audit agreement**—If you are required to obtain the services of a licensed Certified Public Accountant (CPA), you must enter into a written audit agreement with the auditor. The audit agreement may include terms and conditions that you and auditor deem appropriate.
3. **Limitations of Additional Debt**- You will not borrow any money from any source or enter into any contract or agreement or incur any other liabilities in connection with making extensions or improvements to the Facility, exclusive of normal maintenance, without obtaining the prior written consent of the Agency.
4. **Compliance Reviews**—Rural Development will be required to periodically conduct a compliance review of this facility and operation. Compliance reviews will be completed during the first year of operations and every three years thereafter. You will need to provide the local office the statistical information as requested.

The Agency will conduct regular compliance reviews of the borrower and its operation in accordance with 7 CFR Part 1901, Subpart E, and 36 CFR 1191, Americans with Disabilities Act (ADA) Accessibility Guidelines for Buildings and Facilities; Architectural Barriers Act (ABA) Accessibility Guidelines. Compliance reviews will typically be conducted in conjunction with the security inspections described in this letter. If beneficiaries (users) are required to complete an application or screening for the use of the facility or service that the recipient provides, the recipient must request and collect data by race (American Indian or Alaska Native, Asian, Black or African American, White); ethnicity (Hispanic or Latino, Not Hispanic or Latino); and by sex. The Agency will utilize this data as part of the required compliance review.

5. **Continuation of Financing Statement**- At the time of renewal (every 5 years) the borrower must provide a **\$38.00** (or applicable filing fee) check payable to the **Secretary of State** (fee subject to change based on current Secretary of State fee schedule) for the continuation of the Financing Statement until the loan is paid in full.
6. **Security Inspections**—Rural Development is required to conduct an inspection of the facility a minimum of once every three years. The recipient must participate in these inspections and provide the required information.
7. **Graduation**—You may be required to refinance (graduate) the unpaid balance of the RD loan, in whole or in part, if at any time RD determines your entity is able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time, the recipient will be requested to refinance. The ability to refinance will be assessed every other year for those loans that are five years old or older.
8. **Prepayment and Extra Payments** - Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower, with no penalty.

Security instruments, including bonding documents, must contain the following language regarding extra payments, unless prohibited by State statute:

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower. Refunds, extra payments and loan proceeds obtained from outside sources for the purpose of paying down the Agency debt, shall, after payment of interest, be applied to the installments last to become due under this note and shall not affect the obligation of borrower to pay the remaining installments as scheduled in your security instruments.

9. **Financial Covenants**

- a) Beginning in the First Full Year of 2025, a debt service coverage ratio (DSCR) of a least 1.10 will be maintained with debt service to include the loan payments plus all required reserves. If the DSCR drops below 1.10 for any audited year, or quarterly financial report, then an independent management consultant shall be engaged at the expense of the Applicant to prepare a fiscal strategy report that documents how the debt service requirement will be met. This must be provided to the Agency no later than 90 days after any quarter in which the DSCR drops below 1.10.

Debt service coverage is defined as net income plus depreciation and amortization expenses plus interest expense on structured debt divided by the sum of all structured debt payments including required reserve payments still due.

LETTER OF INTENT TO MEET CONDITIONS

Date 08-27-2024

TO: United States Department of Agriculture

USDA Rural Development

(Name of USDA Agency)

2736 NC Highway 210
Smithfield, NC 27577

(USDA Agency Office Address)

We have reviewed and understand the conditions set forth in your letter dated 08-27-2024 . It is our intent to meet all of them not later than 08-27-2025 .

City of Dunn

(Name of Association)

BY _____

William Elmore, Jr - Mayor

(Title)

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a persons is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015 and 0570-0062. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data, needed, and completing and reviewing the collection of information.

Position 5
LOAN RESOLUTION
(Public Bodies)

A RESOLUTION OF THE City Council

OF THE City of Dunn

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING
A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS
2024 Public Works Vehicles

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the City of Dunn
(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of
134,000.00

pursuant to the provisions of NC General Statutes 160; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$ 10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.

- 11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
- 12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
- 13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
- 14. That if the Government requires that a reserve account be established and maintained, disbursements from that account may be used when necessary for payments due on the bond if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:
 - (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
 - (b) Repairing or replacing short-lived assets.
 - (c) Making extensions or improvements to the facility.

Any time funds are disbursed from the reserve account, additional deposits will be required until the reserve account has reached the required funded level.
- 15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain the Government's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
- 16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
- 17. To accept a grant in an amount not to exceed \$ 25,000

under the terms offered by the Government; that the Mayor
 and City Clerk of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee

The vote was: Yeas _____ Nays _____ Absent _____ .

IN WITNESS WHEREOF, the City Council of the
City of Dunn has duly adopted this resolution and caused it
 to be executed by the officers below in duplicate on this 27 day of August, 2024 .

(SEAL)

 By William Elmore, Jr.
 Title Mayor

Attest:

Melissa Matti, Interim City Clerk
 Title _____

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as _____ of the City of Dunn _____

hereby certify that the _____ of such Association is composed of

_____ members, of whom _____, constituting a quorum, were present at a meeting thereof duly called and

held on the _____ day of _____, _____; and that the foregoing resolution was adopted at such meeting

by the vote shown above. I further certify that as of _____, the date of closing of the loan from the Government, said resolution remains in effect and has not been rescinded or amended in any way.

Dated, this _____ day of _____, _____.

Title _____

COMMUNITY FACILITIES GRANT AGREEMENT

Grantee and Agency

This Grant Agreement (Agreement) dated 8/27/2024, is a contract for receipt of grant funds under the Community Facility Grant program (7 C.F.R. part 3570, subpart B). These requirements do not supersede the applicable requirements for receipt of Federal funds stated in 2 C.F.R. Part 200, "UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS", which are incorporated by reference into this Agreement. Further, 7 C.F.R. part 3570, subpart B, and all relevant regulatory requirements apply to applicants and are also incorporated by reference into this Agreement.

This Agreement for the Project and Amount described below (the "Project Description") and for the Community Facilities grant, CFDA Number 10.766, is between the Grantee, a public body, nonprofit corporation or Indian tribe (you), and the United States of America acting through the Rural Housing Service (RHS or Agency).

I. GENERAL AWARD INFORMATION

1. Grantee Name & Address Dunn, City of PO Box 1065 Dunn, NC 28335-	2. Unique Entity ID. MLLCTPVM8A39 3. Case No. 38-043-*****1214
4. Federal Award Identification Number (FAIN) 10.766	5. Award Date 8/27/2024
6. Performance Start Date 8/27/2024	7. Performance End Date 8/27/2024
8. Amount of Federal Funds Obligated for this Action, \$25,000.00 and Total Amount of Federal Funds Obligated 159,000.00	9. Amount of Matching/Other Funds (if applicable) \$163.00
10. Total Project Cost (Budget Approved Amount) 159,163.00	11. Award as Percentage of Total Project Cost 16 %
12. Grantee Contact (Name, Title, Contact Info) Steve Neuschafer, City Manager	13. Agency Contact (Name, Title, Contact Info) Tobais Fullwood, Area Specialist 919-300-4
14. Description of Real Property covered by the grant	15. Description of Equipment covered by the grant All equipment purchased by USDA Rural Development funds

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 0575-0173 and 0575-0200. Public reporting for this collection of information is estimated to be approximately 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, completing, and reviewing the collection of information. All responses to this collection of information are voluntary. However, in order to obtain or retain a benefit, the information in this form is required by 7 CFR 3570-B, Community Facilities Grant Program, and Section 1002 of the American Rescue Plan Act. Rural Development has no plans to publish information collected under the provisions of this program. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Rural Development Innovation Center, Regulations Management Division at ICRMRequests@usda.gov.

The Agency has agreed to give the Grantee the Grant Funds, subject to the terms and conditions established by the Agency. Provided, however, that any Grant Funds actually advanced and not needed for grant purposes shall be returned immediately to the Agency. The Agency may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement or the applicable regulation.

II. RESPONSIBILITIES

A. Grantee. The Grantee shall cause said project to be completed within the total sums available to it, including Grant Funds, in accordance with any architectural or engineering reports, and any necessary modifications, prepared by Grantee and approved by the Agency as required by 7 C.F.R. part 3570. The Grantee will remain in compliance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements for the duration of the Agreement including 7 C.F.R. part 3570, subpart B and 2 C.F.R. parts 200, 400, 415, 416, 417, 418, 421, and 422. The most commonly-referenced provisions are identified below.

1. **Financial and Program Management.** You must follow the financial and performance management requirements in 2 C.F.R. § 200.300-.309.

a. **Financial Management.** You must maintain a financial management system in compliance with 2 C.F.R. § 200.302.

b. **Internal Controls.** You must maintain internal controls in compliance with 2 C.F.R. § 200.303.

c. **Payments.** You must comply with the payment requirements described in 2 C.F.R. § 200.305. Payment must be requested by using the SF-270, "Request for Advance or Reimbursement" or SF-271, "Request for Reimbursement for Construction Programs" (as applicable). Receipts, hourly wage rate, personnel payroll records, or other documentation must be provided upon request from RHS if the request is for an advance; otherwise, the documentation must be provided at the time of the request. Requests for payment must be sent to the Agency contact listed in Section I.14.

d. **Revisions of the Work Plan and Budget.** You must complete all elements of the Work Plan in Attachment A in accordance with that Attachment and must use project funds only for the purposes and activities specified in Attachment A - Approved Work Plan and Budget. You must further complete the outcomes shown for each Work Plan items within the time and scope constraints shown in Attachment A. You must report any changes and request prior approvals in accordance with 2 C.F.R. § 200.308.

e. **Period of Performance.** You may only incur costs chargeable to the award in accordance with 2 C.F.R. § 200.309.

f. **Bonding.** You must maintain your fidelity bond coverage in the amount of \$ 0.00 for the Period of Performance of the award. (See 2 C.F.R. § 200.304)

- g. Program Income.** You must comply with the requirements of 2 C.F.R. § 200.307. Additionally, if program income is earned during the period of performance, you may use it in accordance with 2 C.F.R. § 200.307(e)(2), provided that you inform us in writing of your intent prior to the award date. However, if you earn program income in excess of what can be used under 2 C.F.R. § 200.307(e)(2) or if you earn unanticipated program income, you must comply with 2 C.F.R. § 200.307(e)(1). Costs incidental to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the award.
2. **Procurement and Property Standards.** You must follow the procurement standards requirements in 2 C.F.R. § 200.310-.326.
3. **Performance and Financial Monitoring and Reporting.** You must follow the requirements in 2 C.F.R. Part 170, including Appendix A, and 2 C.F.R. § 200.327-.329, and submit reports as outlined below. Unless otherwise directed in the addendum to this Agreement, the reports are due as indicated below.
- a. Form SF-425, "Financial Status Report."** Reports are due 30 calendar days after the reporting period ends. A final report is due within 120 days after the Performance End Date specified in Section I.8. of this Agreement or at the completion of your project, whichever date is sooner. Your reporting periods are below (mark one):
- Annually: January 1 - December 31
 - Annually: July 1 - June 30
 - Semi-Annually: January 1 – June 30 and July 1 – December 31
 - Semi-Annually: April 1 – September 30 and October 1 – March 31
 - Quarterly: January 1 – March 31, April 1 – June 30, July 1 – September 30, October 1 – December 31
- b. Performance Reports.** SF-PPR, "Performance Progress Report" is due 30 calendar days after the reporting period ends. A final report is due within 120 days after the Performance End Date specified in Section I.8. of this Agreement or at the completion of your project, whichever date is sooner. Your reporting periods are below (mark one):
- Annually: January 1 - December 31
 - Annually: July 1 - June 30
 - Semi-Annually: January 1 – June 30 and July 1 – December 31
 - Semi-Annually: April 1 – September 30 and October 1 – March 31
 - Quarterly: January 1 – March 31, April 1 – June 30, July 1 – September 30, October 1 – December 31

The performance narrative on the Performance Project Report shall include, but is not limited to, the following:

- i. Describe the activities that the funds reflected in the financial status report were used for;
- ii. A comparison of actual accomplishments to the objectives established for that period;
- iii. Reasons why established objectives were not met, if applicable;
- iv. Problems, delays, or adverse conditions which will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation;
- v. Objectives and timetables established for the next reporting period;

The final report (due 120 calendar days after the period of performance end date) will also address the following:

- i. What have been the most challenging or unexpected aspects of this program?
- ii. What advice, best practices, and actions would you recommend to other organizations planning a similar program that would increase the success of their program? Please include strengths and limitations of the program. If you had the opportunity, what would you have done differently?

4. **Operations.** The Grantee will manage, operate and maintain the facility, including this project if less than the whole of said facility, continuously in an efficient and economical manner in accordance with 7 C.F.R. § 3570.61(e).
5. **Funding.** The Grantee will not use grant funds to replace any financial support previously provided or assured from any other source. The Grantee agrees that the Grantee's level of expenditure for the Project shall be maintained and not reduced as a result of Grant Funds in accordance with 7 C.F.R. § 3570.66.
6. **Default.** Upon any default under its representations or agreements contained in this instrument, 2 C.F.R. Part 200, or 7 C.F.R. Part 3570, Grantee, at the option and demand of the Agency, will immediately repay to the Agency the Grant Funds with any legally permitted interest from the date of the default. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Agreement may be enforced by the Agency, at its option and without regard to prior waivers of previous defaults by Grantee, by judicial proceedings to require specific performance of the terms of this Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by the Agency to assure compliance with the provisions of this Agreement and the laws and regulations under which this grant is made.

7. **Real Property.** Use the real property including land, improvements, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed and in accordance with 2 C.F.R. § 200.311; 2 C.F.R. § 200.312; 7 C.F.R. §15.4(a)(2) and 7 C.F.R. § 3570.92. In accordance with Title VI of the Civil Rights Act of 1964, deeds for real property must comply with the requirements for the Reverter and Habendum clauses.
- a. Title to real property shall vest in the Grantee subject to the condition that the Grantee shall use the real property for the authorized purpose of the original grant as long as needed.
 - b. The Grantee shall obtain the Agency's approval to use the real property in other projects when the Grantee determines that the property is no longer needed for the original grant purposes. Use in other projects shall be limited to those under other Federal grant programs or programs that have purposes consistent with those authorized for support by the Agency.
 - c. When the real property is no longer needed, as provided in paragraphs (a) and (b) above, the Grantee shall request disposition instructions from the Agency. The Agency will observe the following rules in the disposition instructions:
 - i. The Grantee may be permitted to retain title after it compensates the Federal government in an amount computed by applying the Federal percentage of participation in the cost of the original Project to the fair market value of the property;
 - ii. The Grantee may be directed to sell the property under guidelines provided by the Agency and pay the Federal government an amount computed by applying the Federal percentage of participation in the cost of the original Project to the proceeds from sale (after deducting actual and reasonable selling and fix-up expenses, if any, from the sales proceeds). When the Grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practical and result in the highest possible return;
 - iii. The Grantee may be directed to transfer title to the property to the Federal government provided that in such cases the Grantee shall be entitled to compensation computed by applying the Grantee's percentage of participation in the cost of the program or Project to the current fair market value of the property;
8. **Equipment.** Abide by the following conditions pertaining to equipment which is furnished by the Agency or acquired wholly or in part with Grant Funds. Equipment is defined at 2 C.F.R. § 200.33 and is tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

- a. **Use of equipment.** The Grantee shall use the equipment in the Project for which it was acquired as long as needed. When no longer needed for the original project, the Grantee shall use the equipment in connection with its other federally sponsored activities, if any, in the following order of priority:
 - i. Activities sponsored by the Agency.
 - ii. Activities sponsored by other Federal agencies.

- b. **Use of equipment.** During the time that equipment is held for use on the project for which it was acquired, the Grantee shall make it available for use on other projects if such other use will not interfere with the work on the project for which the property was originally acquired. First preference for such other use shall be given to the Agency sponsored projects. Second preference will be given to other federally sponsored projects.

- c. **Disposition of equipment.** When the Grantee no longer needs the property as provided in paragraph 1 (a) and (b) above, the equipment may be sold or used for other activities in accordance with 2 C.F.R. § 200.313 and 7 C.F.R. §15.4(a)(3) :
 - i. Equipment with a current fair market value of less than \$5,000. The Grantee may use the property for other activities without reimbursement to the Federal government or sell the property and retain the proceeds.

 - ii. Equipment with a current fair market value of \$5,000 or more. The Grantee may retain the property for other uses provided that compensation is made to the Agency. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original Project to the current fair market value of the property. If the Grantee has no need for the equipment and the equipment has further use value, the Grantee shall request disposition instructions from the Agency.

 - iii. The Agency shall determine whether the equipment can be used to meet RHS or its successor agency's requirements. If no such requirements exist, the availability of the property shall be reported, in accordance with the guidelines of the Federal Property Management Regulations (FPMR), to the General Services Administration by the Agency to determine whether a requirement for the equipment exists in other Federal agencies. They shall issue instructions to the Grantee no later than 120 days after the Grantee's request and the following procedures shall govern:

- If so instructed or if disposition instructions are not issued within 120 calendar days after the Grantee's request, the Grantee shall sell the equipment and reimburse the Agency an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the Grantee shall be permitted to deduct and retain from the Federal share 10 percent of the proceeds or \$500, whichever is less, for the Grantee's selling and handling expenses.
 - If the Grantee is instructed to ship the property elsewhere, the Grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the Grantee participation in the cost of the original grant Project or program to the current fair market value of the equipment plus any reasonable shipping or interim storage costs incurred.
 - If the Grantee is instructed to otherwise dispose of the equipment, the Grantee shall be reimbursed by the Agency for such costs incurred in its disposition.
- d. The Grantee's property management standards for equipment shall be in accordance with 2 CFR § 200.313 and shall include:
- i. Property records which accurately provide for: a description of the equipment; manufacturer's serial number or other identification number; acquisition date and cost; source of the equipment; percentage (at the end of budget year) of Federal participation in the cost of the Project for which the equipment was acquired; location, use, and condition of the equipment and the date the information was reported; and ultimate disposition data including sales price, or the method used to determine current fair market value if the Grantee reimburses the Agency for its share.
 - ii. A physical inventory of equipment shall be taken, and the results reconciled with the equipment records at least once every two years to verify the existence, current utilization, and continued need for the equipment.
 - iii. A control system shall be in effect to ensure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented.
 - iv. Adequate maintenance procedures shall be implemented to keep the equipment in good condition.
 - v. Proper sales procedures shall be established for unneeded equipment which would provide for competition to the extent practicable and result in the highest possible return;

9. **Earned Interest.** Grantee agree to account for and to return to Agency interest earned on grant funds pending their disbursement for program purposes when the Grantee is a unit of local government. States and agencies or an instrumentality of a State shall not be held accountable for interest earned on Grant Funds pending their disbursement.
10. **Record Retention and Access.** You must retain records related to this work performed under this Agreement and allow access to them in accordance with 2 C.F.R. § 200.333-.337.
11. **Closeout.** You must comply with the closeout requirements in 2 C.F.R. § 200.344.
12. **Post-Closeout Adjustments and Continuing Responsibilities.** You must continue to comply with the requirements in 2 C.F.R. § 200.345 even after the Period of Performance for this Agreement has ended.
13. **Cost Principles.** You must comply with the provisions in 2 C.F.R. Part 200, Subpart E.
14. **Audits.** You must comply with the provisions in 2 C.F.R. Part 200, Subpart F.
15. **Civil Rights Compliance.** Unless otherwise provided in the addendum, you must comply with Executive Order 12898, Executive Order 13166- Limited English Proficient, the Americans with Disabilities Act of 1990, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973 as applicable. You must make the public facility or services available to all persons in the Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status or physical or mental disability at reasonable rates, including assessments, taxes, or fees. You may make modifications as long as they are reasonable and nondiscriminatory. Your compliance shall include collection and maintenance of data on race, sex, and national origin of your membership, ownership, and employees. This data must be available to us for Civil Rights Compliance Reviews. You must submit to a post-award compliance review conducted after the final disbursement of grant funds has occurred.
16. **Execute Agreements.** The Grantee will execute any agreements required by the Agency which the Grantee is legally authorized to execute. If any such agreement has been executed by the Grantee as a result of a loan being made to the Grantee by the Agency contemporaneously with the making of this grant, that agreement applies equally to the grant and another identical agreement need not be executed in connection with this grant.

17. **Universal Identifier and Central Contractor Registration.** The Grantee must have a Unique Entity ID number in order to apply for, receive, and report on a Federal award. Additionally, the Grantee must comply with the additional requirements set forth in Attachment C regarding the Unique Entity ID Requirements and the Central Contractor Registry (CCR) Requirements found at 2 CFR Part 25, including Appendix A. For the purposes of this Agreement, "you" in Attachment B shall mean "Grantee" as defined hereunder;
 18. **Federal Funding Accountability and Transparency Act.** The Grantee is responsible for complying with all requirements of the Federal award. For all Federal awards, this includes the provisions of the Federal Funding Accountability and Transparency Act (FFATA), which includes requirements on executive compensation, and also requirements implementing the Act for the Grantee at 2 CFR Part 25 Financial Assistance Use of Universal Identifier and Central Contractor Registration and 2 CFR Part 170 Reporting Subaward and Executive Compensation Information. See also statutory requirements for whistleblower protections at 10 U.S.C. 2409, 41 U.S.C. 4712, 10 U.S.C. 2324, 41 U.S.C. 4304 and 4310. See also 2 C.F.R. § 200.11-200.113.
 19. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Agency or acquired wholly or in part with Agency funds without the written consent of the Agency except as provided in paragraph 8 (c).
 20. Not duplicate other Project purposes for which monies have been received, are committed, or are applied to from other sources (public or private).
- B. Rural Housing Service (RHS).** RHS has agreed to give the Grantee the grant funds, subject to the terms and conditions established by RHS. Provided, however, that any grant funds actually advance and not needed for grant purposes shall be returned immediately to RHS. RHS may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement or the applicable regulation. RHS shall remain in compliance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements for the duration of the Agreement. The most commonly-referenced provisions are identified below.
1. **Payments.** We will advance or reimburse funds up to the Award Amount identified in Section I.9 upon the Grantee's proper request according to Section II.A.1.c.
 2. **Monitoring and Enforcement.** We will monitor the project to ensure that you are in compliance with the terms of the award. If we find that you are not in

compliance, we will enforce the terms of this Agreement using the provisions of 2 C.F.R. § 200.338-.342.

- a. Will assist Grantee, within available appropriations, with such technical assistance as Agency deems appropriate in planning the Project and coordinating the plan with local official comprehensive plans for essential community facilities and with any State or area plans for the area in which the project is located.
 - b. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Agency may determine to be (1) advisable to further the purpose of the grant or to protect Agency's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.
3. **Termination of This Agreement.** This Agreement may be terminated for cause in the event of default on the part of the Grantee or for convenience of the Agency and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Agency agree that the continuation of the Project will not produce beneficial results commensurate with the further expenditure of funds. In all cases termination and notification will be in accordance with 2 C.F.R. § 200.339 and 200.340.

C. **Both Parties.** The Grantee and RHS agree to the following:

1. **Invalid Clauses.** The invalidity of any one or more phrases, clauses, sentences, paragraphs, or provisions of this Agreement shall not affect the remaining portions of the Agreement.
2. **Conflict between this Agreement and Other Applicable Regulations or Laws.** If there is a conflict between this Agreement and the applicable Program Regulation, the applicable Program Regulation shall prevail. If there is a conflict between this Agreement and another law or regulation, RHS shall seek a legal opinion to determine which provision applies.
3. **Dates.** When the date fixed for the performance of an act under this Agreement is on a weekend or Federal holiday, then the performance by the close of business on the next Federal work day shall have the same force and effect as if made performed or exercised on the specified date.

The signatories below certify that they have authority to enter into this Agreement.

Approved by an Authorized Representative of the Grantee:

William Elmore, Jr.
Name (Please Print)

Mayor
Title (Please Print)

Signature 8/27/2024
Date

Approved by the United States of America, Rural Housing Service by:

Tobais Fullwood
Name (Please Print)

Area Specialist
Title (Please Print)

Signature 8/27/2024
Date

Attachment A

Approved Work Plan and Budget

(The work plan must have time, scope, and outcome entries for each task.)

ATTACHMENT B

I. Reporting Executive Compensation.

A. Reporting Total Compensation of Recipient Executives.

1. *Applicability and what to report.* You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if:
 - a. the total Federal funding authorized to date under this award is \$25,000 or more;
 - b. in the preceding fiscal year, you received
 - i. 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards);
 - c. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.html>)
2. *Where and when to report.* You must report executive total compensation described in paragraph b.1. of this award term:
 - a. As part of your registration profile at <http://www.ccr.gov>.
 - b. By the end of the month following the month in which this award is made, and annually thereafter.

B. Reporting of Total Compensation of Subrecipient Executives.

1. *Applicability and what to report.* Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if
 - a. in the subrecipient's preceding fiscal year, the subrecipient received—
 - i. 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 C.F.R. § 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
 - b. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. *Where and when to report.* You must report subrecipient executive total compensation described in paragraph c.1. of this award term:
 - a. To the recipient.
 - b. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (*i.e.*, between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.
- C. *Exemptions.* If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:
1. Subawards, and
 2. The total compensation of the five most highly compensated executives of any subrecipient.
- D. *Definitions.* For purposes of this award term:
1. *Entity* means all of the following, as defined in 2 CFR part 25:
 - a. A Governmental organization, which is a State, local government, or Indian tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization;
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a
 - f. non-Federal entity.
 2. *Executive* means officers, managing partners, or any other employees in management positions.
 3. *Subaward:*
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program.
 - c. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
 4. *Subrecipient* means an entity that:
 - a. Receives a subaward from you (the recipient) under this award; and
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.
 5. *Total compensation* means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 C.F.R. § 229.402(c)(2)):
 - a. *Salary and bonus.*
 - b. *Awards of stock, stock options, and stock appreciation rights.* Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - c. *Earnings for services under non-equity incentive plans.* This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - d. *Change in pension value.* This is the change in present value of defined benefit and actuarial pension plans.
 - e. *Above-market earnings on deferred compensation which is not tax-qualified.*
 - f. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

ATTACHMENT C

I. System for Award Management and Universal Identifier Requirements

- A. Requirement for Registration with the General Services Administration's System for Award Management. Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.
- B. Requirement for Unique Entity ID Numbers.
The Grantee must have a Unique Entity ID number in order to apply for, receive, and report on a Federal award. The DUNS Number is no longer valid for federal award identification. On April 4, 2022, the Unique Entity ID from SAM.gov is now the authoritative identifier for those doing business with the federal government.
- C. Definitions. For purposes of this award term:
1. System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at <http://www.sam.gov>).
 2. The Unique Entity ID from SAM.gov is now the authoritative identifier for those doing business with the federal government. The Unique Entity ID is generated in SAM.gov. If you are registered in SAM.gov (active or not), you already have a Unique Entity ID. It is viewable at SAM.gov. If you are new to SAM.gov and will be registering for the first time, you will get your Unique Entity ID (SAM) during registration.
 3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
 - a. A Governmental organization, which is a State, local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization; and
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
 4. Subaward:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program.
 - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED ()			
Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 38-043-*****1214		LOAN NUMBER	FISCAL YEAR 2024
2. BORROWER NAME City of Dunn PO Box 1065 Dunn		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
		4. STATE NAME North Carolina	
		5. COUNTY NAME Harnett	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AI/AN 4 - HISPANIC 5 - A/PI	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10 - PUBLIC COLLEGE/UNIVERSITY 11 - OTHER	8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
10. SEX CODE 6 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN, MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO	13. CREDIT REPORT 1 - YES 2 - NO
14. DIRECT PAYMENT 2 (See FMI)	15. TYPE OF PAYMENT 2 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 2 1 - YES 2 - NO	
17. COMMUNITY SIZE 1 - 10,000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000	18. USE OF FUNDS CODE (See FMI)		
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 075 (See FMI)	20. PURPOSE CODE 8	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 2 1 - INITIAL 2 - SUBSEQUENT	24. AMOUNT OF LOAN 134,000.00	25. AMOUNT OF GRANT	
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 4 %	29. REPAYMENT TERMS 5
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN		
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR		34. BEGINNING FARMER/RANCHER (See FMI)	

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender COPY 3 - State Office

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0570-0062. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

Loan and Grant approval subject to meeting all requirements of the processing checklist, Letter of Conditions, Office of General Counsel Loan Closing Instructions and the attached Community Facilities Grant Agreement conditions.

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date August 27, 20 24

William Elmore, Jr., Mayor

(Signature of Applicant)

Date _____, 20 _____

(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: Reginald Speight

Date Approved: _____

Title: State Director

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

"The grantee understands the requirements for receipt of funds under the Community Facilities Grant Program. The grantee assures and certifies that it is in compliance with all applicable laws, regulations, Executive Orders, and other applicable requirements, including those set forth in Form RD 3570-3, 7 CFR parts 3015, 3016, or 3019 as subsequently modified, and the letter of conditions. The following conditions may apply if CFG funds were used to purchase equipment or obtain or improve real property:

"The grantee understands that any property acquired or improved with Federal grant funds may have use and disposition conditions which apply to the property as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

"The grantee understands that any sale or transfer of property is subject to the interest of the United States Government in the market value in proportion to its participation in the project as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 38-043-*****1214		LOAN NUMBER	FISCAL YEAR 2024
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13. CREDIT REPORT 1 - YES 2 - NO	14. DIRECT PAYMENT (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO
17. COMMUNITY SIZE 1 - 10,000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 303 (See FMI)	20. PURPOSE CODE 8	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT	24. AMOUNT OF LOAN		25. AMOUNT OF GRANT 25,000
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 0%	29. REPAYMENT TERMS
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN		
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR	34. BEGINNING FARMER/RANCHER (See FMI)		

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender COPY 3 - State Office

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0570-0062. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. **COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL**

Loan and Grant approval subject to meeting all requirements of the processing checklist, Letter of Conditions, Office of General Counsel Loan Closing Instructions and the attached Community Facilities Grant Agreement conditions.

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: **Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."**

Date August 27, 20 24

William Elmore, Jr. - Mayor

(Signature of Applicant)

Date _____, 20 _____

(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: Reginald Speight

Date Approved: _____

Title: State Director

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

"The grantee understands the requirements for receipt of funds under the Community Facilities Grant Program. The grantee assures and certifies that it is in compliance with all applicable laws, regulations, Executive Orders, and other applicable requirements, including those set forth in Form RD 3570-3, 7 CFR parts 3015, 3016, or 3019 as subsequently modified, and the letter of conditions. The following conditions may apply if CFG funds were used to purchase equipment or obtain or improve real property:

"The grantee understands that any property acquired or improved with Federal grant funds may have use and disposition conditions which apply to the property as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

"The grantee understands that any sale or transfer of property is subject to the interest of the United States Government in the market value in proportion to its participation in the project as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

Name		Address		State (Including ZIP Code)		
Dunn, City of		PO Box 1065		Dunn, NC 28335-		
Applicant Fiscal Year		County		State (Including ZIP Code)		
From	To	Harnett		NC 28335-		
	20	20	20	20	24	First Full Year
	(1)	(2)	(3)	(4)	(5)	(5)
OPERATING INCOME						
1. Total Revenue				13,828,587		14,000,000
2.						
3.						
4.						
5. Miscellaneous	0	0	0	0	0	0
6. Less: Allowances and Deductions	()	()	()	()	()	()
7. Total Operating Income (Add Lines 1 through 6)	0	0	0	13,828,587		14,000,000
OPERATING EXPENSES						
8. Total Expense				12,042,109		12,666,210
9.						
10.						
11.						
12.						
13.						
14.						
15. Interest (RD)	0	0	0	236,358		260,552
16. Depreciation	0	0	0	750,000		800,000
17. Total Operating Expense (Add lines 8 through 16)	0	0	0	13,028,467		13,726,762
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	0	0	0	800,120		273,238
NONOPERATING INCOME						
19.						
20.						
21. Total Nonoperating Income (Add Lines 19 and 20)	0	0	0	0		0
22. NET INCOME (LOSS) (Add Lines 18 and 21) (Transfer to Line A Schedule 2)	0	0	0	800,120		273,238

Budget and Projected Cash Flow Approved by Governing Body

Attest: _____ Date 8/27/2024
 _____ Date 8/27/2024
 Melissa Matti, Interim City Clerk
 William Elmore, Jr., Mayor

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

PROJECTED CASH FLOW

	20	20	20	20 24	First Full Year
A. Line 22 from Schedule 1 Income (Loss)	0	0	0	800,120	273,238
Add					
B. Items in Operations not Requiring Cash:					
1. Depreciation (Line 16, Schedule 1)	0	0	0	750,000	800,000
2. Others: _____	0	0	0	0	0
C. Cash Provided from:					
1. Proceeds from RD loan/grant				159,000	
2. Proceeds from others					
3. Increase (Decrease) in Accounts Payable, Accruals and other Current Liabilities					
4. Decrease (Increase) in Accounts Receivable, inventories and Other Current Asset(Exclude Cash)					
5. Other: _____					
6. _____					
D. Total all A, B and C Items	0	0	0	1,709,120	1,073,238
E. Less: Cash Expended for:					
1. All Construction, Equipment and New Capital Items (Loan and grant funds)				159,087	
2. Replacement and Additions to Existing Property, Plant and Equipment					
3. Principal Payment RD Loan					24,741
4. Principal Payment Other Loans				913,569	1,033,390
5. Other: _____					
6. Total E 1 through 5	0	0	0	1,072,656	1,058,131
Add					
F. Beginning Cash Balances			5,949,935	5,949,935	6,586,399
G. Ending Cash Balances (Total of D minus E 6 plus F)	0	0	5,949,935	6,586,399	6,601,506
Item G Cash Balances Composed of:					
Construction Account					
Revenue Account					
Debt Payment Account			1,206,517	1,154,249	1,302,764
O&M Account			1,846,806	2,417,150	2,032,168
Reserve Account			263,391	265,000	270,000
Funded Depreciation Account					
Others: Restricted			2,633,221	2,750,000	2,996,574

Total - Agrees with Item G	0	0.00	5,949,935.00	6,586,399.00	6,601,506.00

BUDGET ATTACHEMNT

Income Detail

<u>Income Source</u>	<u>Year1_0</u>	<u>Year2_0</u>	<u>Year3_0</u>	<u>Year4_2024</u>	<u>First Full Year</u>
Miscellaneous	0.00	0.00	0.00	0.00	0.00
Less: Allowances and	0.00	0.00	0.00	0.00	0.00
Total Revenue	0.00	0.00	0.00	13,828,587.00	14,000,000.00
TOTALS				13,828,587	14,000,000

Expense Detail

<u>Expense Source</u>	<u>Year1_0</u>	<u>Year2_0</u>	<u>Year3_0</u>	<u>Year4_2024</u>	<u>First Full Year</u>
Interest	0.00	0.00	0.00	236,358.00	260,552.00
	0.00	0.00	0.00	750,000.00	800,000.00
Total Expense	0.00	0.00	0.00	12,042,109.00	12,666,210.00
TOTALS				13,028,467	13,726,762

NC Instruction 1942-A & 1942-C
Guide 8 (9/97)

REQUEST FOR LOWER INTEREST RATE

Applicant: City of Dunn

Project: 2024 - Public Works Equipment

Loan Amount: \$134,000.00

I hereby request the interest rate of the referenced loan be the lower of the rate in effect at the time of loan approval or the time of loan closing.

ELMORE WILLIAMS, JR.

MAYOR
(Title)

EQUAL OPPORTUNITY AGREEMENT

This agreement, dated 08-27-2024 between
City of Dunn

(herein called "Recipient" whether one or more) and United States Department of Agriculture (USDA), pursuant to the rules and regulations of the Secretary of Labor (herein called the 'Secretary') issued under the authority of Executive Order 11246 as amended, witnesseth:

In consideration of financial assistance (whether by a loan, grant, loan guaranty, or other form of financial assistance) made or to be made by the USDA to Recipient, Recipient hereby agrees, if the cash cost of construction work performed by Recipient or a construction contract financed with such financial assistance exceeds \$10,000 - unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965.

1. To incorporate or cause to be incorporated into any contract for construction work, or modification thereof, subject to the relevant rules, regulations, and orders of the Secretary or of any prior authority that remain in effect, which is paid for in whole or in part with the aid of such financial assistance, the following "Equal Opportunity Clause":

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

- (a) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the USDA setting forth the provisions of this nondiscrimination clause.
- (b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- (c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the USDA, advising the said labor union or workers' representative of the contractor's commitments under this agreement and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (d) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of all rules, regulations and relevant orders of the Secretary of Labor.
- (e) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, rules, regulations, and orders, or pursuant thereto, and will permit access to his books, records, and accounts by the USDA Civil Rights Office, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by Law.
- (g) The contractor will include the provisions of paragraph 1 and paragraph (a) through (f) in every subcontract or purchase order, unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the USDA may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the USDA, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0018. The time required to complete this information collection is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

2. To be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the organization so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.
3. To notify all prospective contractors to file the required 'Compliance Statement', Form RD 400-6, with their bids.
4. Form AD-425, Instructions to Contractors, will accompany the notice of award of the contract. Bid conditions for all nonexempt federal and federally assisted construction contracts require inclusion of the appropriate "Hometown" or "Imposed" plan affirmative action and equal employment opportunity requirements. All bidders must comply with the bid conditions contained in the invitation to be considered responsible bidders and hence eligible for the award.
5. To assist and cooperate actively with USDA and the Secretary in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and rules, regulations, and relevant orders of the Secretary, that will furnish USDA and the Secretary such information such as , but not limited to, Form AD-560, Certification of Nonsegregated Facilities, to submit the Monthly Employment Utilization Report, Form CC-257, as they may require for the supervision of such compliance, and that it will otherwise assist USDA in the discharge of USDA's primary responsibility for securing compliance.
6. To refrain from entering into any contract or contract modification subject to such Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by USDA or the Secretary of Labor pursuant to Part II, Subpart D, of the Executive Order.
7. That if the recipient fails or refuses to comply with these undertakings, the USDA may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the organization under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such organization; and refer the case to the Department of Justice for appropriate legal proceedings.

Signed by the Recipient on the date first written above.

Recipient

Recipient

(CORPORATE SEAL)

City of Dunn
Name of Corporate Recipient

Attest:

Melissa Matti, Interim City Clerk

By _____
William Elmore, Jr., Mayor

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

APPLICANT CERTIFICATION
FEDERAL COLLECTION POLICIES FOR CONSUMER OR COMMERCIAL DEBTS

The Federal Government is authorized to check credit information about the applicant(s) including using the federal Credit Alert Interactive Voice Response System (CAIVRS) or its successors to check to see if the applicant(s) are delinquent or in default on a Federal debt.

The Federal Government is also authorized by law to take any or all of the following actions in the event your loan payments become delinquent or you default on your loan:

- Report your name and account information to a credit reporting agency, and the Credit Alert Interactive Voice Response System (CAIVRS).
- Assess interest and penalty charges for the period of time that payment is not made.
- Assess charges to cover additional administrative costs incurred by the government to service your account.
- Offset amounts to be paid to you from your Federal income tax refund.
- Offset amounts to be paid to you under other Federal Programs.
- Refer your account to a private collection agency to collect the amount due.
- Foreclose on any security you have given for the loan.
- Pursue legal action to collect through the courts.
- Report any written off debt to the Internal Revenue Service as taxable income.
- If you are a current or retired Federal employee, take action to offset your salary, or civil service retirement benefits.
- Debar or suspend you from doing business with the Federal Government either as a participant or principal throughout the executive branch of the Federal Government for the period of debarment or suspension.
- Refer any debt that is delinquent to the Treasury Offset Program (TOP) in accordance with the Debt Collection Improvement Act of 1996.
- Refer any eligible debt that is delinquent to the Treasury for cross servicing in accordance with the Debt Collection Improvement Act of 1996.
- Garnish your wages as allowed by the Debt Collection Improvement Act of 1996.

Any or all of these actions may be used to recover any debts owed when it is determined to be in the interest of the Government to do so.

CERTIFICATION: I/we have read and I/we understand the actions the Federal Government may take in the event that I/we fail to meet my/our scheduled payments in accordance with the terms and conditions of my/our agreement. I/we understand that the above list is not all inclusive and that the Federal Government may deem additional actions necessary to collect should I/we become delinquent.

_____	08-27-2024	_____	08-27-2024
(Signature-Individual(s))	(Date)	(Signature-Individual(s))	(Date)

(SEAL)	08-27-2024	<u>City of Dunn</u>
	(Date)	(Name of Applicant)

ATTEST:

(Signature of Attesting Official)
Melissa Matti, Interim City Clerk
(Title of Attesting Official)

(Signature of Authorized Entity Official)
William Elmore, Jr., Mayor
(Title of Authorized Entity Official)
PO Box 1065
(Address)
Dunn, NC 28335-
(City, State, and Zip Code)

ASSURANCE AGREEMENT
(Under Title VI, Civil Rights Act of 1964)

The **City of Dunn**

(name of recipient)

PO Box 1065 Dunn, NC 28335-

(address)

As a condition of receipt of Federal financial assistance, you acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of national laws and policies prohibiting discrimination, including but not limited to:

1. Title VI of the Civil Rights Act of 1964, as amended, which prohibits you from discriminating on the basis of race, color, or national origin (42 U.S.C. 2000d et seq.), and 7 CFR Part 15, 7 CFR 1901, Subpart E.

As clarified by Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [in accordance with USDA RD LEP Guidance for RD Funded (Assisted) Programs]. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. You are encouraged to consider the need for language services for LEP persons served or encountered both in developing your budgets and in conducting your programs and activities. For assistance and information regarding your LEP obligations, go to <http://www.lep.gov>;

2. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating on the basis of sex in education programs or activities (20 U.S.C. 1681 et seq.) [as implemented by 7 CFR Part 15, 7 CFR 1901, Subpart E];
3. The Age Discrimination Act of 1975, as amended, which prohibits you from discriminating on the basis of age (42 U.S.C. 6101 et seq.) [as implemented by 7 CFR Part 15, 7 CFR 1901, Subpart E];
4. Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits you from discriminating on the basis of disability (29 U.S.C. 794) [as implemented by 7 CFR Part 15, 7 CFR Part 15b, 7 CFR 1901, Subpart E];
5. Title VIII of the Civil Rights Act, which prohibits you from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (42 U.S.C. 3601 et seq.), as implemented by the Department of Housing and Urban Development at 24 CFR part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units, i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators) be designed and constructed with certain accessible features, see 24 CFR Part 100.201; and
6. Titles II and III of the Americans with Disabilities Act, which prohibit you from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189), as implemented by Department of Justice regulations at 28 C.F.R. parts 35 and 36, and 7 CFR Part 15, 7 CFR Part 15b, 7 CFR 1901, Subpart E.

You also acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions governing USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) access to records, accounts, documents, information, facilities, and staff:

1. You must cooperate with any compliance review or complaint investigation conducted by USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).
2. You must give USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) access to and the right to examine and copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by Title VI, Title IX, Age, and Section 504 implementing regulations and other applicable laws or program guidance.
3. You must keep such records and submit to the responsible Department official or designee timely, complete, and accurate compliance reports at such times, and in such form and containing such information, as the responsible Department official or his designee may determine to be necessary to ascertain whether you have complied or are complying with relevant obligations.
4. You must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.
5. Make available to users, participants, beneficiaries and other interested persons such information regarding the provisions of this agreement and the regulations, and in such manner as the Rural Development or the U.S. Department of Agriculture finds necessary to inform such persons of the protection assured them against discrimination.
6. If, during the past three years, you (the recipient) have been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status, you must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements.
7. In the event any court or administrative agency makes a finding of discrimination on grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status against you, or you settle a case or matter alleging such discrimination, you must forward a copy of the complaint and findings to USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), Office of Civil Rights.

The United States has the right to seek judicial enforcement of these obligations.

You also acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of program-specific nondiscrimination policy requirements found at CFR Part 15, 7 CFR Part 15 b, 12 CFR Part 202, 7 CFR 1901, Subpart E., DR4300-003, DR4330-0300, DR4330-005.

Period of Obligation

In the case of any service, financial aid, covered employment, equipment, property, or structure provided, leased, or improved with federal assistance extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), this assurance obligates the Recipient for the period during which federal assistance is extended. In the case of any transfer of such service, financial aid, equipment, property, or structure, this assurance obligates the transferee for the period during which federal assistance is extended. If any personal property is so provided, this assurance obligates the Recipient for the period during which it retains ownership or possession of the property. In all other cases, this assurance obligates the Recipient for the period during which the federal assistance is extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).

Employment Practices

Where a primary objective of the federal assistance is to provide employment or where the Recipient's employment practices affect the delivery of services in programs or activities resulting from federal assistance extended by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), the Recipient agrees not to discriminate on the grounds of race, color, national origin, sex, age, or disability, in its employment practices. Such employment practices may include, but are not limited to, recruitment, advertising, hiring, layoff or termination, promotion, demotion, transfer, rates of pay, training and participation in upward mobility programs; or other forms of compensation and use of facilities.

Data Collection

The Recipient agrees to compile and maintain information pertaining to programs or activities developed as a result of the Recipient's receipt of federal assistance from Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service). Such information shall include, but is not limited to the following: (1) the manner in which services are or will be provided and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination; (2) the population eligible to be served by race, color, national origin, sex, age, and disability; (3) data regarding covered employment including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English; (4) the location of existing or proposed facilities connected with the program and related information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any person on the basis of prohibited discrimination; (5) the present or proposed membership by race, color, national origin, sex, age and disability in any planning or advisory body which is an integral part of the program; and (6) any additional written data determined by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) to be relevant to the obligation to assure compliance by recipients with laws cited in this assurance agreement.

Under penalty of perjury, the undersigned officials certify that they have read and understand their obligations as herein described, that the information submitted in conjunction with this Document is accurate and complete, and that the recipient is in compliance with the nondiscrimination requirements set out above.

Rights and remedies provided for under this agreement shall be cumulative.

In witness whereof, City of Dunn on this
(name of recipient)

date has caused this agreement to be executed by its duly authorized officers and its seal affixed hereto, or, if a natural person, has hereunto executed this agreement.

(S E A L)

Recipient

8/27/2024

Date

Attest:

Melissa Matti, Interim City Clerk

Title

William Elmore, Jr., Mayor

Title

CERTIFICATION FOR CONTRACTS, GRANTS AND LOANS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or Federal loan, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant or loan.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant or loan, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including contracts, subcontracts, and subgrants under grants and loans) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

William Elmore Jr.

(name)

08/27/2024

(date)

Mayor

(title)

000

USDA-Rural Development
2736 NC Highway 210
Smithfield, NC 27577

Dear Sir:

This is to certify that City of Dunn is in compliance with Federal, State, and Local requirements to include the following:

- a) Compliance with special laws and regulations
- b) Compliance with State Pollution Control or Environmental Protection Agency standards
- c) Consistency with other development plans of the area and State Strategic Plan.
- d) State agency regulating water rights.
- e) Compliance with the Civil Rights Act of 1964.
- f) Compliance with Title IX of the Education Amendments of 1972
- g) Compliance with Section 504 of the Rehabilitation Act of 1973.
- h) Compliance with the Age Discrimination Act of 1975

William Elmore, Jr., Mayor

Date: 8/27/2024

CERTIFIED LIST OF OFFICERS/DIRECTORS

NAME OF APPLICANT: City of Dunn

PO BOX (if applicable) and PHYSICAL ADDRESS OF SECURITY:
PO Box 1065, Dunn, NC 28335

PHONE NUMBER: 910-230-3500 **ALTERNATE NUMBER:** _____

CONTACT PERSON: Steven Neuschafter, 401 East Broad Street, Dunn, NC 28335
(Name) **(Address)**
sneuschafter@dunn-nc.org
(Email Address)

OFFICERS AND DIRECTORS OF GOVERNING BODY

NAME	OFFICE HELD	TERMS OF OFFICE
William P. Elmore, Jr.	Mayor	2027
J. Wesley Sills	Council	2027
April Gaulden	Council	2027
Raquel McNeil	Council	2027
Billy N. Tart	Council	2027
Alan Hargis	Council	2027
Dr. David L. Bradham	Council	2027
Steven Neuschafter	City Manager	

I certify that the above is the correct list of officers and directors of the:

City of Dunn **as of** 8/27/2024
(Applicant Name) **(Date)**

CERTIFIED CORRECT: **(SEAL)**

Melissa Matti, Interim City Clerk

Rural Development

August 27, 2024

North Carolina
State Office

4405 Bland Road
Suite 260
Raleigh, NC 27609

Voice 919.873.2000
Fax 844.325.6921
TTY 711

City of Dunn
Attn: William Elmore, Jr., Mayor
401 East Broad Street
PO Box 1065

Subject: Letter of Conditions for a Community Facilities Program Loan and Grant for
2024 Police Vehicles

Dear Mayor Elmore,

This letter, with attachments, establishes conditions that must be understood and agreed to by the applicant before further consideration may be given to the application for Federal Assistance. The State and Area Office staff of USDA Rural Development (RD) will administer the loan and/or grant funds for this project on behalf of the Rural Housing Service. All parties may access information and regulations referenced in this letter at our website located at: <https://www.rd.usda.gov/programs-services/community-facilities>. Any changes in project cost, source of funds, scope of services, or any other significant change (this includes significant changes in the Borrower's financial condition, operation, organizational structure or executive leadership) in the project or applicant must be reported to and approved by USDA Rural Development by written amendment to this letter. **Any changes not approved by USDA Rural Development will be cause for discontinuing processing of the application.** If you do not meet the conditions of this letter, the Agency reserves the right to withdraw Agency funding.

This letter is not to be considered as loan/grant approval or as representation to the availability of funds. The application can be processed on the basis of a USDA Rural Development loan not to exceed \$215,000.00 and grant not to exceed \$50,000.00. Funds for this project are provided by the Rural Housing Service (RHS).

Please complete and return the attached Form RD 1942-46, "Letter of Intent to Meet Conditions," and Form RD 1940-1, "Request for Obligation of Funds," within the next ten (10) days, if you desire that we give further consideration to your application. The execution of these and all other documents required by USDA Rural Development must be authorized by appropriate resolutions of the applicant's governing body.

The loan and grant will be considered approved on the date Form RD 1940-1, "Request for Obligation of Funds," is mailed by USDA Rural Development. This is also the date that the interest rate is established. If the interest rate is lower at the time of loan closing, you must make a request in writing to receive the lower rate in effect.

The loan will be repayable over a period not to exceed 5 years from the date of loan closing at the market interest rate. The first interest installment will be due no later than one full year from the date of loan closing.

USDA is an equal opportunity provider, employer, and lender.

Project Budget—Based on Standard Form 424, “Application for Federal Assistance,” the project cost and funding will be as follows:

a.

Project Expenses	Costs
Development	
Land & Rights	
Legal	\$1,532.00
Architect Fees	
Interest	
Equipment	\$267,877.00
Contingencies	
Refinancing	
Other (Described)	
Resident Inspection	
Total	\$269,409.00

Source of Funds

b.

Funds	Total
USDA Loan	\$215,000.00
USDA Grant	\$50,000.00
Applicant Contributions	\$4,409.00
Other	
Total	\$269,409.00

Any changes in funding sources following obligation of Agency funds must be reported to the processing official. Project feasibility and funding will be reassessed if there is a significant change in project costs after bids are received. If actual project costs exceed the project cost estimates, an additional contribution by the borrower may be necessary.

The applicant will ensure projects are completed in a timely, efficient, and economical manner. Section I of the attached conditions (Items 1—18) must be satisfied prior to interim loan closing or before construction begins, whichever occurs first, in either case not later than one (1) year from the date of this letter. **In the event the project has not advanced to the point of construction within one (1) year, USDA Rural Development reserves the right to discontinue the processing of the application.**

If you have any questions, feel free to contact this office.

Sincerely,

Tobais Fullwood

TOBAIS FULLWOOD

Area Specialist

cc: Community Programs Director, USDA Rural Development,

ATTACHMENT TO LETTER OF CONDITIONS

SECTION I. CONDITIONS TO BE SATISFIED PRIOR TO LOAN/GRANT CLOSING OR BEFORE CONSTRUCTION BEGINS, WHICHEVER OCCURS FIRST

1. **Reserves**—The applicant will establish a separate debt service reserve account in an amount at least equal to an average annual loan installment. This reserve will be accumulated at the rate of at least one-tenth of the average annual installment each year until the required level is reached, which is one average annual loan installment. The reserve account balance must be reported annually to the State Office and included in the audit as a separate and identifiable line item as restricted.

For any fiscal year end in which the debt service reserve account balance is less than the required account total; the applicant will provide the Agency with a twelve month budget and plan to correct the cash shortfall.

2. **Disbursement of Funds**

- a. The applicant will provide evidence that funds from other sources will be made available for the project cost in the amount of \$4,409.00. This evidence should include a copy of the loan/grant award that addresses how funds will be disbursed.
- b. The applicant's contribution of funds toward the project cost shall be considered the first funds expended and must be deposited in its project account before construction is started. Please provide Rural Development evidencing applicant's contribution.
- c. Agency funds will not be used to pre-finance funds committed to the project from other sources.
- d. The Debt Collection Improvement Act (DCIA) of 1996 requires that all Federal payments be made by Electronic Funds Transfer/Automated Clearing House (EFT/ACH). Borrowers receiving payments by EFT will have funds directly deposited to a specified account at a financial institution with funds being available to the recipient on the date of payment. The borrower should complete Form SF-3881, Electronic Funds Transfer Payment Enrollment Form, for each account where funds will be electronically received. The completed form(s) must be received by Rural Development at least forty-five (45) days prior to the first advance of funds. Failure to do so could delay loan closing.

3. **Security Requirements**

- a. At loan closing the applicant will execute the attached Form RD 1942-47, "Loan Resolution (Public Bodies)". Please note the refinancing provision in paragraph 2. Also, on page 3 there is a certification to be executed at loan closing.
- b. The applicant will be required to execute and complete Form RD 3570-03, "Agreement for Administrative Requirements for Community Facilities Grants" and "Notice of Federal Interest" at the time of grant closing.
- c. A UCC Financing Statement lien search will be conducted by the Agency to identify lien priority position. Form UCC-1, "Financing Statement," with Form UCC-1Ad, "UCC Financing Statement Addendum," as appropriate, or other action as allowed by State statute, will be

prepared by USDA Rural Development and filed with the NC Secretary of State and a copy recorded with the Harnett County Recorder (if applicable) to perfect a security interest in collateral to encumber the following:

A \$38.00 filing fee (fee subject to change based on current NC Secretary of State fee schedule) payable to the **Secretary of State** must be provided to the Agency at least 90 days prior to loan closing.

- d. An Installment Purchase Contract will be secured by the United States of America, acting through the Rural Housing Service being named as the registered lien holder on the Certificate of Title for the vehicles being financed.
 - e. The applicant is required to execute Form RD 440-15, Security Agreement, if required by OGC.
4. **Insurance and Bonding Requirements**—The applicant must provide evidence of adequate insurance and fidelity bond coverage by loan closing or start of construction, whichever occurs first. Adequate coverage, in accordance with USDA Rural Development’s regulations, must then be maintained for the life of the loan and evidence must be submitted to Rural Development annually. Evidence that coverage is being maintained must be provided annually thereafter. It is the responsibility of the applicant and not that of USDA Rural Development to assure that adequate insurance and fidelity bond coverage is maintained. Applicants are encouraged to review coverage amounts and deductible provisions with their attorney, consulting engineer, and/or insurance provider(s).
- a. Property Insurance—Fire and extended coverage will be required on all above-ground structures, including applicant-owned equipment and machinery housed therein. Provide USDA Rural Development with proof of coverage and attach Lender’s Loss Payable Endorsement (438 BFU or equivalent) naming the UNITED STATES OF AMERICA as lender.
 - b. Corporate Liability Insurance - The Applicant will provide public liability, and property damage insurance in an amount to adequately protect the applicant from civil action arising from the function of the applicant relative to the project.
 - c. Workers’ Compensation Insurance—The applicant will be required to carry workers’ compensation insurance for all employees in accordance with the State law. Provide USDA Rural Development with proof of coverage.
 - d. General liability and vehicular coverage must be maintained—Provide USDA Rural Development with proof of coverage.
 - e. Fidelity Bond—Persons who have access to the funds and custody to any property will be covered by a fidelity bond or an adequate crime policy that protects the applicant from an employee crime. Coverage may be provided either for all individual positions or persons, or through “blanket” coverage providing protection for all appropriate employees and/or officials. The amount of coverage required by USDA Rural Development will be sufficient to cover the total annual debt and reserve service requirements for the loan. The United States of America will be named as co-obligee on the bond. A certified power-of-attorney with effective date will be attached to each bond. Provide USDA Rural Development with a copy of the bond and the power of attorney.

5. **Civil Rights & Equal Opportunity**— The borrower/grantee has received an award of Federal funding and is required to comply with U.S. statutory and public policy requirements, including but not limited to:
- a. **Section 504 of the Rehabilitation Act of 1973** – Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Agency financial assistance. The Standard for compliance is the Architectural Barriers Act Accessibility Standards (ABAAS).
 - b. **Civil Rights Act of 1964** – All recipients are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and 7 CFR 1901, Subpart E, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by Paragraph 1901.202(e) of this Title.
 - c. **The Americans with Disabilities Act (ADA) of 1990** – This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications.
 - d. **Age Discrimination Act of 1975** – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
 - e. **Limited English Proficiency (LEP) under Executive Order 13166** - LEP statutes and authorities prohibit exclusion from participation in, denial of benefits of, and discrimination under Federally-assisted and/or conducted programs on the ground of race, color, or national origin. Title VI of the Civil Rights Act of 1964 covers program access for LEP persons. LEP persons are individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English. These individuals may be entitled to language assistance, free of charge. The recipient must take reasonable steps to ensure that LEP persons receive the language assistance necessary to have meaningful access to USDA programs, services, and information the recipient provides. These protections are pursuant to Executive Order 13166 entitled, “Improving Access to Services by Persons with Limited English Proficiency” and further affirmed in the USDA Departmental Regulation 4330-005, “Prohibition Against National Origin Discrimination Affecting Persons with Limited English Proficiency in Programs and Activities Conducted by USDA.”

Agency financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap. The recipient must display posters (provided by the Agency) informing users of these requirements, and the Agency will monitor the recipient's compliance with these requirements during regular compliance reviews.

As a recipient of Rural Development funding, you are required to post a copy of the Non-Discrimination Statement listed below in your office and include in full, on all materials

produced for public information, public education, and public distribution both print and non-print.

Non-Discrimination Statement

“This institution is an equal opportunity provider and employer.”

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at <https://www.ocio.usda.gov/document/ad-3027>, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

If the material is too small to permit the full statement to be included, the material at a minimum includes the statement in print size no smaller than the text that “This institution is an equal opportunity provider and employer.”

6. **Written Agreements for Professional Services**

- a. The legal service agreement submitted by Pope Law Group, PA is satisfactory to USDA Rural Development.

7. **System Policies, Procedures, Contracts, and Agreements** – The facility must be operated on a sound business plan which involves adopting policies, procedures, and/or ordinances outlining the conditions of service and use of the proposed system.

- a. **Conflict of Interest Policy** – Prior to obligation of funds, you must certify in writing that your organization has in place up-to-date written standards of conduct covering conflict of interest. The standards of conduct must include disciplinary actions in the event of a violation by officers, employees, or agents of the borrower. The standards identified herein apply to any parent, affiliate or subsidiary organization of the borrower that is not a state or local government, or Indian Tribe. Policies and accompanying documents shall be furnished to Rural Development upon request.

You must also submit a disclosure of planned or potential transactions related to the use of Federal funds that may constitute or present the appearance of personal or organizational conflict of interest. Disclosure must be in the form of a written letter signed and dated by the applicant’s official. A negative disclosure in the same format is required if no conflicts are anticipated.

Sample conflict of interest policies may be found at the National Council of Nonprofits website, <https://www.councilofnonprofits.org/tools-resources/conflict-of-interest>, or in Internal Revenue Service Form 1023, Appendix A, “Sample Conflict of Interest Policy,” at <http://www.irs.gov/pub/irs-pdf/i1023.pdf>. Though these examples reference non-profit corporations, the requirement applies to all types of Agency borrowers.

Assistance in developing a conflict of interest policy is available through Agency-contracted technical assistance providers if desired.

8. **Electronic Funds Transfer**—All loan funds will be transferred to borrowers via Electronic Funds Transfer/Automated Clearinghouse Systems (EFT/ACH). Normal transfers will be ACH, with money being placed in Borrower's account two business days after the USDA processing office approves the pay request. The applicant must submit the Electronic Funds Transfer Form containing the banking (ACH) information to the USDA Servicing Office at least 90 days prior to the date of loan closing. Failure to do so could delay loan closing.
9. **Automatic Payments** The applicant is required to participate in the Pre-Authorized Debit (PAD) payment process for all new and existing indebtedness to USDA Rural Development. It will allow for the applicant's payment to be electronically debited from its account on the date their payment is due. Form RD 3550-28, "Authorization Agreement for Pre-Authorized Payments," is attached. Please fill out and sign your "Individual/Company Information" section, then have your financial institution/bank fill out the bottom portion prior to submitting the form to the USDA Rural Development service office.
10. **Loan Closing**—The permanent loan will be closed in accordance with USDA Rural Development instructions, the legal requirements of the USDA Office of General Counsel, and this Letter of Conditions. All applicable closing documents, including bond documents, must be submitted to USDA Rural Development at least 90 days prior to the planned closing date. Prior to loan closing, a request for reimbursement must be submitted to USDA with all the supporting invoices.
11. **Operating Budget**— Prior to loan closing, USDA Rural Development must review the applicant's approved operating budget. The budget must balance and include the proposed USDA debt service and reserve obligations. Each year the USDA loan is outstanding, the applicant will adopt an annual budget which provides for the annual debt service and reserve payments.
12. **System for Award Management Registration and Unique Entity ID**—You as the recipient must maintain the currency of your information in the System for Award Management (SAM) until you submit the final financial report required under this award and all grant funds under this award have been disbursed or de-obligated, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term. Recipients can register on-line at (<https://www.sam.gov>) You as the recipient may not make a sub-award to an entity unless the entity has provided its Unique Entity ID from SAM.gov to you.
13. **Suspension and Debarment Screening** – You will be asked to provide information on the principals of your organization. Agency staff must conduct screening for suspension and debarment of the entity, as well as its principals through the Do Not Pay Portal.
 - a. Principal –
 - i. An officer, director, owner, partner, principal investigator, or other person within a participant with management or supervisory responsibilities related to a covered transaction; or
 - ii. A consultant or other person, whether or not employed by the participant or paid with federal funds, who –
 1. Is in a position to handle federal funds;
 2. Is in a position to influence or control the use of those funds; or,

Occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction. (2 CFR §180.995)

14. **Litigation.** You are required to notify the Agency within 30 days of receiving notification of being involved in any type of litigation prior to loan closing or start of construction, whichever occurs first. Additional documentation regarding the situation and litigation may be requested by the Agency.

SECTION II. LOAN CONDITIONS TO BE SATISFIED AFTER PROJECT COMPLETION

1. **Financial Statements**—To be submitted on an annual basis in accordance with the following:
 - a. Borrowers and grantees that meet the Federal awards expended threshold established in 2 CFR 200, Subpart F, “Audit Requirements” (expends \$750,000 or more in federal financial assistance per fiscal year) shall submit an audit performed in accordance with the requirements of 2 CFR 200, Subpart F. Audits shall be submitted to USDA Rural Development in accordance with 2 CFR 200, Subpart F.
 - b. All borrowers exempt from USDA audit requirements and who do not otherwise have annual audits, will within 60 days following the end of the borrower’s fiscal year furnish USDA with annual financial statements, consisting of a verification of the organization’s balance sheet and statement of income and expenses. The recipient may use Form RD 442-2, “Statement of Budget, Income and Equity,” and 442-3, “Balance Sheet,” or similar format to provide the financial information.
 - c. An annual audit may be submitted in lieu of annual financial statements for any borrower or grantee that has an audit prepared at its own discretion and expense.
2. **Audit agreement**—If you are required to obtain the services of a licensed Certified Public Accountant (CPA), you must enter into a written audit agreement with the auditor. The audit agreement may include terms and conditions that you and auditor deem appropriate.
3. **Limitations of Additional Debt**- You will not borrow any money from any source or enter into any contract or agreement or incur any other liabilities in connection with making extensions or improvements to the Facility, exclusive of normal maintenance, without obtaining the prior written consent of the Agency.
4. **Compliance Reviews**—Rural Development will be required to periodically conduct a compliance review of this facility and operation. Compliance reviews will be completed during the first year of operations and every three years thereafter. You will need to provide the local office the statistical information as requested.

The Agency will conduct regular compliance reviews of the borrower and its operation in accordance with 7 CFR Part 1901, Subpart E, and 36 CFR 1191, Americans with Disabilities Act (ADA) Accessibility Guidelines for Buildings and Facilities; Architectural Barriers Act (ABA) Accessibility Guidelines. Compliance reviews will typically be conducted in conjunction with the security inspections described in this letter. If beneficiaries (users) are required to complete an application or screening for the use of the facility or service that the recipient provides, the recipient must request and collect data by race (American Indian or Alaska Native, Asian, Black or African American,

White); ethnicity (Hispanic or Latino, Not Hispanic or Latino); and by sex. The Agency will utilize this data as part of the required compliance review.

5. **Continuation of Financing Statement**- At the time of renewal (every 5 years) the borrower must provide a **\$38.00** (or applicable filing fee) check payable to the **Secretary of State** (fee subject to change based on current Secretary of State fee schedule) for the continuation of the Financing Statement until the loan is paid in full.
6. **Security Inspections**—Rural Development is required to conduct an inspection of the facility a minimum of once every three years. The recipient must participate in these inspections and provide the required information.
7. **Graduation**—You may be required to refinance (graduate) the unpaid balance of the RD loan, in whole or in part, if at any time RD determines your entity is able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time, the recipient will be requested to refinance. The ability to refinance will be assessed every other year for those loans that are five years old or older.
8. **Prepayment and Extra Payments** - Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower, with no penalty.

Security instruments, including bonding documents, must contain the following language regarding extra payments, unless prohibited by State statute:

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower. Refunds, extra payments and loan proceeds obtained from outside sources for the purpose of paying down the Agency debt, shall, after payment of interest, be applied to the installments last to become due under this note and shall not affect the obligation of borrower to pay the remaining installments as scheduled in your security instruments.

9. **Financial Covenants**

- a) Beginning in the First Full Year of 2026, a debt service coverage ratio (DSCR) of a least 1.10 will be maintained with debt service to include the loan payments plus all required reserves. If the DSCR drops below 1.10 for any audited year, or quarterly financial report, then an independent management consultant shall be engaged at the expense of the Applicant to prepare a fiscal strategy report that documents how the debt service requirement will be met. This must be provided to the Agency no later than 90 days after any quarter in which the DSCR drops below 1.10.

Debt service coverage is defined as net income plus depreciation and amortization expenses plus interest expense on structured debt divided by the sum of all structured debt payments including required reserve payments still due.

LETTER OF INTENT TO MEET CONDITIONS

Date 08-27-2024

TO: United States Department of Agriculture

USDA Rural Development

(Name of USDA Agency)

2736 NC Highway 210
Smithfield, NC 27577

(USDA Agency Office Address)

We have reviewed and understand the conditions set forth in your letter dated 08-27-2024 . It is our intent to meet all of them not later than 08-27-2025 .

City of Dunn

(Name of Association)

BY _____

William Elmore, Jr - Mayor

(Title)

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a persons is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015 and 0570-0062. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data, needed, and completing and reviewing the collection of information.

USDA
Form RD 1942-47
(Rev. 12-97)

LOAN RESOLUTION
(Public Bodies)

FORM APPROVED
OMB NO. 0575-0015

A RESOLUTION OF THE City Council

OF THE City of Dunn

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

2024 Police Vehicles

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the City of Dunn
(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of 215,000.00

pursuant to the provisions of N.C. General Statutes 160; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$ 10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as _____ of the City of Dunn

hereby certify that the _____ of such Association is composed of _____ members, of whom _____, constituting a quorum, were present at a meeting thereof duly called and held on the _____ day of _____, _____; and that the foregoing resolution was adopted at such meeting by the vote shown above. I further certify that as of _____, the date of closing of the loan from the Government, said resolution remains in effect and has not been rescinded or amended in any way.

Dated, this _____ day of _____, _____.

Title _____

COMMUNITY FACILITIES GRANT AGREEMENT

Grantee and Agency

This Grant Agreement (Agreement) dated 8/27/2024, is a contract for receipt of grant funds under the Community Facility Grant program (7 C.F.R. part 3570, subpart B). These requirements do not supersede the applicable requirements for receipt of Federal funds stated in 2 C.F.R. Part 200, “UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS”, which are incorporated by reference into this Agreement. Further, 7 C.F.R. part 3570, subpart B, and all relevant regulatory requirements apply to applicants and are also incorporated by reference into this Agreement.

This Agreement for the Project and Amount described below (the “Project Description”) and for the Community Facilities grant, CFDA Number 10.766, is between the Grantee, a public body, nonprofit corporation or Indian tribe (you), and the United States of America acting through the Rural Housing Service (RHS or Agency).

I. GENERAL AWARD INFORMATION

1. Grantee Name & Address Dunn, City of PO Box 1065 Dunn, NC 28335-	2. Unique Entity ID. MLLCTPVM8A39 3. Case No. 38-043-*****1214
4. Federal Award Identification Number (FAIN) 10.766	5. Award Date 8/27/2024
6. Performance Start Date 8/27/2024	7. Performance End Date 8/27/2029
8. Amount of Federal Funds Obligated for this Action, \$50,000 and Total Amount of Federal Funds Obligated 265,000.00	9. Amount of Matching/Other Funds (if applicable) \$4,409
10. Total Project Cost (Budget Approved Amount) \$269,409.00	11. Award as Percentage of Total Project Cost 0 %
12. Grantee Contact (Name, Title, Contact Info) Steven Neuschafter, City Manager	13. Agency Contact (Name, Title, Contact Info) Tobais Fullwood, Area Specialist 919-300- +
14. Description of Real Property covered by the grant	15. Description of Equipment covered by the grant All equipment purchased by USDA Rural Development funds

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 0575-0173 and 0575-0200. Public reporting for this collection of information is estimated to be approximately 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, completing, and reviewing the collection of information. All responses to this collection of information are voluntary. However, in order to obtain or retain a benefit, the information in this form is required by 7 CFR 3570-B, Community Facilities Grant Program, and Section 1002 of the American Rescue Plan Act. Rural Development has no plans to publish information collected under the provisions of this program. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Rural Development Innovation Center, Regulations Management Division at ICRMTRRequests@usda.gov.

The Agency has agreed to give the Grantee the Grant Funds, subject to the terms and conditions established by the Agency. Provided, however, that any Grant Funds actually advanced and not needed for grant purposes shall be returned immediately to the Agency. The Agency may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement or the applicable regulation.

ii. RESPONSIBILITIES

A. Grantee. The Grantee shall cause said project to be completed within the total sums available to it, including Grant Funds, in accordance with any architectural or engineering reports, and any necessary modifications, prepared by Grantee and approved by the Agency as required by 7 C.F.R. part 3570. The Grantee will remain in compliance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements for the duration of the Agreement including 7 C.F.R. part 3570, subpart B and 2 C.F.R. parts 200, 400, 415, 416, 417, 418, 421, and 422. The most commonly-referenced provisions are identified below.

1. **Financial and Program Management.** You must follow the financial and performance management requirements in 2 C.F.R. § 200.300-.309.

a. **Financial Management.** You must maintain a financial management system in compliance with 2 C.F.R. § 200.302.

b. **Internal Controls.** You must maintain internal controls in compliance with 2 C.F.R. § 200.303.

c. **Payments.** You must comply with the payment requirements described in 2 C.F.R. § 200.305. Payment must be requested by using the SF-270, "Request for Advance or Reimbursement" or SF-271, "Request for Reimbursement for Construction Programs" (as applicable). Receipts, hourly wage rate, personnel payroll records, or other documentation must be provided upon request from RHS if the request is for an advance; otherwise, the documentation must be provided at the time of the request. Requests for payment must be sent to the Agency contact listed in Section I.14.

d. **Revisions of the Work Plan and Budget.** You must complete all elements of the Work Plan in Attachment A in accordance with that Attachment and must use project funds only for the purposes and activities specified in Attachment A - Approved Work Plan and Budget. You must further complete the outcomes shown for each Work Plan items within the time and scope constraints shown in Attachment A. You must report any changes and request prior approvals in accordance with 2 C.F.R. § 200.308.

e. **Period of Performance.** You may only incur costs chargeable to the award in accordance with 2 C.F.R. § 200.309.

f. **Bonding.** You must maintain your fidelity bond coverage in the amount of \$ 0.00 for the Period of Performance of the award. (See 2 C.F.R. § 200.304)

- g. Program Income.** You must comply with the requirements of 2 C.F.R. § 200.307. Additionally, if program income is earned during the period of performance, you may use it in accordance with 2 C.F.R. § 200.307(e)(2), provided that you inform us in writing of your intent prior to the award date. However, if you earn program income in excess of what can be used under 2 C.F.R. § 200.307(e)(2) or if you earn unanticipated program income, you must comply with 2 C.F.R. § 200.307(e)(1). Costs incidental to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the award.

- 2. Procurement and Property Standards.** You must follow the procurement standards requirements in 2 C.F.R. § 200.310-.326.

- 3. Performance and Financial Monitoring and Reporting.** You must follow the requirements in 2 C.F.R. Part 170, including Appendix A, and 2 C.F.R. § 200.327-.329, and submit reports as outlined below. Unless otherwise directed in the addendum to this Agreement, the reports are due as indicated below.

 - a. Form SF-425, "Financial Status Report."** Reports are due 30 calendar days after the reporting period ends. A final report is due within 120 days after the Performance End Date specified in Section I.8. of this Agreement or at the completion of your project, whichever date is sooner. Your reporting periods are below (mark one):

 - Annually: January 1 - December 31
 - Annually: July 1 - June 30
 - Semi-Annually: January 1 – June 30 and July 1 – December 31
 - Semi-Annually: April 1 – September 30 and October 1 – March 31
 - Quarterly: January 1 – March 31, April 1 – June 30, July 1 – September 30, October 1 – December 31

 - b. Performance Reports.** SF-PPR, "Performance Progress Report" is due 30 calendar days after the reporting period ends. A final report is due within 120 days after the Performance End Date specified in Section I.8. of this Agreement or at the completion of your project, whichever date is sooner. Your reporting periods are below (mark one):

 - Annually: January 1 - December 31
 - Annually: July 1 - June 30
 - Semi-Annually: January 1 – June 30 and July 1 – December 31
 - Semi-Annually: April 1 – September 30 and October 1 – March 31
 - Quarterly: January 1 – March 31, April 1 – June 30, July 1 – September 30, October 1 – December 31

The performance narrative on the Performance Project Report shall include, but is not limited to, the following:

- i. Describe the activities that the funds reflected in the financial status report were used for;
- ii. A comparison of actual accomplishments to the objectives established for that period;
- iii. Reasons why established objectives were not met, if applicable;
- iv. Problems, delays, or adverse conditions which will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation;
- v. Objectives and timetables established for the next reporting period;

The final report (due 120 calendar days after the period of performance end date) will also address the following:

- i. What have been the most challenging or unexpected aspects of this program?
 - ii. What advice, best practices, and actions would you recommend to other organizations planning a similar program that would increase the success of their program? Please include strengths and limitations of the program. If you had the opportunity, what would you have done differently?
4. **Operations.** The Grantee will manage, operate and maintain the facility, including this project if less than the whole of said facility, continuously in an efficient and economical manner in accordance with 7 C.F.R. § 3570.61(e).
 5. **Funding.** The Grantee will not use grant funds to replace any financial support previously provided or assured from any other source. The Grantee agrees that the Grantee's level of expenditure for the Project shall be maintained and not reduced as a result of Grant Funds in accordance with 7 C.F.R. § 3570.66.
 6. **Default.** Upon any default under its representations or agreements contained in this instrument, 2 C.F.R. Part 200, or 7 C.F.R. Part 3570, Grantee, at the option and demand of the Agency, will immediately repay to the Agency the Grant Funds with any legally permitted interest from the date of the default. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Agreement may be enforced by the Agency, at its option and without regard to prior waivers of previous defaults by Grantee, by judicial proceedings to require specific performance of the terms of this Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by the Agency to assure compliance with the provisions of this Agreement and the laws and regulations under which this grant is made.

7. **Real Property.** Use the real property including land, improvements, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed and in accordance with 2 C.F.R. § 200.311; 2 C.F.R. § 200.312; 7 C.F.R. §15.4(a)(2) and 7 C.F.R. § 3570.92. In accordance with Title VI of the Civil Rights Act of 1964, deeds for real property must comply with the requirements for the Reverter and Habendum clauses.
 - a. Title to real property shall vest in the Grantee subject to the condition that the Grantee shall use the real property for the authorized purpose of the original grant as long as needed.
 - b. The Grantee shall obtain the Agency's approval to use the real property in other projects when the Grantee determines that the property is no longer needed for the original grant purposes. Use in other projects shall be limited to those under other Federal grant programs or programs that have purposes consistent with those authorized for support by the Agency.
 - c. When the real property is no longer needed, as provided in paragraphs (a) and (b) above, the Grantee shall request disposition instructions from the Agency. The Agency will observe the following rules in the disposition instructions:
 - i. The Grantee may be permitted to retain title after it compensates the Federal government in an amount computed by applying the Federal percentage of participation in the cost of the original Project to the fair market value of the property;
 - ii. The Grantee may be directed to sell the property under guidelines provided by the Agency and pay the Federal government an amount computed by applying the Federal percentage of participation in the cost of the original Project to the proceeds from sale (after deducting actual and reasonable selling and fix-up expenses, if any, from the sales proceeds). When the Grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practical and result in the highest possible return;
 - iii. The Grantee may be directed to transfer title to the property to the Federal government provided that in such cases the Grantee shall be entitled to compensation computed by applying the Grantee's percentage of participation in the cost of the program or Project to the current fair market value of the property;
8. **Equipment.** Abide by the following conditions pertaining to equipment which is furnished by the Agency or acquired wholly or in part with Grant Funds. Equipment is defined at 2 C.F.R. § 200.33 and is tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

- a. **Use of equipment.** The Grantee shall use the equipment in the Project for which it was acquired as long as needed. When no longer needed for the original project, the Grantee shall use the equipment in connection with its other federally sponsored activities, if any, in the following order of priority:
 - i. Activities sponsored by the Agency.
 - ii. Activities sponsored by other Federal agencies.

- b. **Use of equipment.** During the time that equipment is held for use on the project for which it was acquired, the Grantee shall make it available for use on other projects if such other use will not interfere with the work on the project for which the property was originally acquired. First preference for such other use shall be given to the Agency sponsored projects. Second preference will be given to other federally sponsored projects.

- c. **Disposition of equipment.** When the Grantee no longer needs the property as provided in paragraph 1 (a) and (b) above, the equipment may be sold or used for other activities in accordance with 2 C.F.R. § 200.313 and 7 C.F.R. §15.4(a)(3) :
 - i. Equipment with a current fair market value of less than \$5,000. The Grantee may use the property for other activities without reimbursement to the Federal government or sell the property and retain the proceeds.

 - ii. Equipment with a current fair market value of \$5,000 or more. The Grantee may retain the property for other uses provided that compensation is made to the Agency. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original Project to the current fair market value of the property. If the Grantee has no need for the equipment and the equipment has further use value, the Grantee shall request disposition instructions from the Agency.

 - iii. The Agency shall determine whether the equipment can be used to meet RHS or its successor agency's requirements. If no such requirements exist, the availability of the property shall be reported, in accordance with the guidelines of the Federal Property Management Regulations (FPMR), to the General Services Administration by the Agency to determine whether a requirement for the equipment exists in other Federal agencies. They shall issue instructions to the Grantee no later than 120 days after the Grantee's request and the following procedures shall govern:

- If so instructed or if disposition instructions are not issued within 120 calendar days after the Grantee's request, the Grantee shall sell the equipment and reimburse the Agency an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the Grantee shall be permitted to deduct and retain from the Federal share 10 percent of the proceeds or \$500, whichever is less, for the Grantee's selling and handling expenses.
 - If the Grantee is instructed to ship the property elsewhere, the Grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the Grantee participation in the cost of the original grant Project or program to the current fair market value of the equipment plus any reasonable shipping or interim storage costs incurred.
 - If the Grantee is instructed to otherwise dispose of the equipment, the Grantee shall be reimbursed by the Agency for such costs incurred in its disposition.
- d. The Grantee's property management standards for equipment shall be in accordance with 2 CFR § 200.313 and shall include:
- i. Property records which accurately provide for: a description of the equipment; manufacturer's serial number or other identification number; acquisition date and cost; source of the equipment; percentage (at the end of budget year) of Federal participation in the cost of the Project for which the equipment was acquired; location, use, and condition of the equipment and the date the information was reported; and ultimate disposition data including sales price, or the method used to determine current fair market value if the Grantee reimburses the Agency for its share.
 - ii. A physical inventory of equipment shall be taken, and the results reconciled with the equipment records at least once every two years to verify the existence, current utilization, and continued need for the equipment.
 - iii. A control system shall be in effect to ensure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented.
 - iv. Adequate maintenance procedures shall be implemented to keep the equipment in good condition.
 - v. Proper sales procedures shall be established for unneeded equipment which would provide for competition to the extent practicable and result in the highest possible return;

9. **Earned Interest.** Grantee agree to account for and to return to Agency interest earned on grant funds pending their disbursement for program purposes when the Grantee is a unit of local government. States and agencies or an instrumentality of a State shall not be held accountable for interest earned on Grant Funds pending their disbursement.
10. **Record Retention and Access.** You must retain records related to this work performed under this Agreement and allow access to them in accordance with 2 C.F.R. § 200.333-.337.
11. **Closeout.** You must comply with the closeout requirements in 2 C.F.R. § 200.344.
12. **Post-Closeout Adjustments and Continuing Responsibilities.** You must continue to comply with the requirements in 2 C.F.R. § 200.345 even after the Period of Performance for this Agreement has ended.
13. **Cost Principles.** You must comply with the provisions in 2 C.F.R. Part 200, Subpart E.
14. **Audits.** You must comply with the provisions in 2 C.F.R. Part 200, Subpart F.
15. **Civil Rights Compliance.** Unless otherwise provided in the addendum, you must comply with Executive Order 12898, Executive Order 13166- Limited English Proficient, the Americans with Disabilities Act of 1990, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973 as applicable. You must make the public facility or services available to all persons in the Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status or physical or mental disability at reasonable rates, including assessments, taxes, or fees. You may make modifications as long as they are reasonable and nondiscriminatory. Your compliance shall include collection and maintenance of data on race, sex, and national origin of your membership, ownership, and employees. This data must be available to us for Civil Rights Compliance Reviews. You must submit to a post-award compliance review conducted after the final disbursement of grant funds has occurred.
16. **Execute Agreements.** The Grantee will execute any agreements required by the Agency which the Grantee is legally authorized to execute. If any such agreement has been executed by the Grantee as a result of a loan being made to the Grantee by the Agency contemporaneously with the making of this grant, that agreement applies equally to the grant and another identical agreement need not be executed in connection with this grant.

17. **Universal Identifier and Central Contractor Registration.** The Grantee must have a Unique Entity ID number in order to apply for, receive, and report on a Federal award. Additionally, the Grantee must comply with the additional requirements set forth in Attachment C regarding the Unique Entity ID Requirements and the Central Contractor Registry (CCR) Requirements found at 2 CFR Part 25, including Appendix A. For the purposes of this Agreement, “you” in Attachment B shall mean “Grantee” as defined hereunder;

18. **Federal Funding Accountability and Transparency Act.** The Grantee is responsible for complying with all requirements of the Federal award. For all Federal awards, this includes the provisions of the Federal Funding Accountability and Transparency Act (FFATA), which includes requirements on executive compensation, and also requirements implementing the Act for the Grantee at 2 CFR Part 25 Financial Assistance Use of Universal Identifier and Central Contractor Registration and 2 CFR Part 170 Reporting Subaward and Executive Compensation Information. See also statutory requirements for whistleblower protections at 10 U.S.C. 2409, 41 U.S.C. 4712, 10 U.S.C. 2324, 41 U.S.C. 4304 and 4310. See also 2 C.F.R. § 200.11-200.113.

19. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Agency or acquired wholly or in part with Agency funds without the written consent of the Agency except as provided in paragraph 8 (c).

20. Not duplicate other Project purposes for which monies have been received, are committed, or are applied to from other sources (public or private).

B. **Rural Housing Service (RHS).** RHS has agreed to give the Grantee the grant funds, subject to the terms and conditions established by RHS. Provided, however, that any grant funds actually advance and not needed for grant purposes shall be returned immediately to RHS. RHS may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement or the applicable regulation. RHS shall remain in compliance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements for the duration of the Agreement. The most commonly-referenced provisions are identified below.

1. **Payments.** We will advance or reimburse funds up to the Award Amount identified in Section I.9 upon the Grantee’s proper request according to Section II.A.1.c.

2. **Monitoring and Enforcement.** We will monitor the project to ensure that you are in compliance with the terms of the award. If we find that you are not in

compliance, we will enforce the terms of this Agreement using the provisions of 2 C.F.R. § 200.338-.342.

- a. Will assist Grantee, within available appropriations, with such technical assistance as Agency deems appropriate in planning the Project and coordinating the plan with local official comprehensive plans for essential community facilities and with any State or area plans for the area in which the project is located.
 - b. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Agency may determine to be (1) advisable to further the purpose of the grant or to protect Agency's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.
3. **Termination of This Agreement.** This Agreement may be terminated for cause in the event of default on the part of the Grantee or for convenience of the Agency and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Agency agree that the continuation of the Project will not produce beneficial results commensurate with the further expenditure of funds. In all cases termination and notification will be in accordance with 2 C.F.R. § 200.339 and 200.340.

C. **Both Parties.** The Grantee and RHS agree to the following:

1. **Invalid Clauses.** The invalidity of any one or more phrases, clauses, sentences, paragraphs, or provisions of this Agreement shall not affect the remaining portions of the Agreement.
2. **Conflict between this Agreement and Other Applicable Regulations or Laws.** If there is a conflict between this Agreement and the applicable Program Regulation, the applicable Program Regulation shall prevail. If there is a conflict between this Agreement and another law or regulation, RHS shall seek a legal opinion to determine which provision applies.
3. **Dates.** When the date fixed for the performance of an act under this Agreement is on a weekend or Federal holiday, then the performance by the close of business on the next Federal work day shall have the same force and effect as if made performed or exercised on the specified date.

The signatories below certify that they have authority to enter into this Agreement.

Approved by an Authorized Representative of the Grantee:

William Elmore, Jr.

Name (Please Print)

Mayor

Title (Please Print)

Signature

8/27/2024

Date

Approved by the United States of America, Rural Housing Service by:

Tobais Fullwood

Name (Please Print)

Area Specialist

Title (Please Print)

Signature

8/27/2024

Date

Attachment A

Approved Work Plan and Budget

(The work plan must have time, scope, and outcome entries for each task.)

ATTACHMENT B

I. Reporting Executive Compensation.

A. Reporting Total Compensation of Recipient Executives.

1. *Applicability and what to report.* You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if:
 - a. the total Federal funding authorized to date under this award is \$25,000 or more;
 - b. in the preceding fiscal year, you received
 - i. 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards);
 - c. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.html>)
2. *Where and when to report.* You must report executive total compensation described in paragraph b.1. of this award term:
 - a. As part of your registration profile at <http://www.ccr.gov>.
 - b. By the end of the month following the month in which this award is made, and annually thereafter.

B. Reporting of Total Compensation of Subrecipient Executives.

1. *Applicability and what to report.* Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if
 - a. in the subrecipient's preceding fiscal year, the subrecipient received—
 - i. 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 C.F.R. § 170.320 (and subawards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
 - b. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at [http://www.sec.gov/answers/execomp.htm.](http://www.sec.gov/answers/execomp.htm))

2. *Where and when to report.* You must report subrecipient executive total compensation described in paragraph c.1. of this award term:
 - a. To the recipient.
 - b. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (*i.e.*, between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.
- C. *Exemptions.* If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:
 1. Subawards, and
 2. The total compensation of the five most highly compensated executives of any subrecipient.
- D. *Definitions.* For purposes of this award term:
 1. *Entity* means all of the following, as defined in 2 CFR part 25:
 - a. A Governmental organization, which is a State, local government, or Indian tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization;
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a
 - f. non-Federal entity.
 2. *Executive* means officers, managing partners, or any other employees in management positions.
 3. *Subaward:*
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program.
 - c. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
 4. *Subrecipient* means an entity that:
 - a. Receives a subaward from you (the recipient) under this award; and
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.
 5. *Total compensation* means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 C.F.R. § 229.402(c)(2)):
 - a. *Salary and bonus.*
 - b. *Awards of stock, stock options, and stock appreciation rights.* Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - c. *Earnings for services under non-equity incentive plans.* This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - d. *Change in pension value.* This is the change in present value of defined benefit and actuarial pension plans.
 - e. *Above-market earnings on deferred compensation which is not tax-qualified.*
 - f. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

ATTACHMENT C

I. System for Award Management and Universal Identifier Requirements

- A. Requirement for Registration with the General Services Administration's System for Award Management. Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.
- B. Requirement for Unique Entity ID Numbers.
The Grantee must have a Unique Entity ID number in order to apply for, receive, and report on a Federal award. The DUNS Number is no longer valid for federal award identification. On April 4, 2022, the Unique Entity ID from SAM.gov is now the authoritative identifier for those doing business with the federal government.
- C. Definitions. For purposes of this award term:
1. System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at <http://www.sam.gov>).
 2. The Unique Entity ID from SAM.gov is now the authoritative identifier for those doing business with the federal government. The Unique Entity ID is generated in SAM.gov. If you are registered in SAM.gov (active or not), you already have a Unique Entity ID. It is viewable at SAM.gov. If you are new to SAM.gov and will be registering for the first time, you will get your Unique Entity ID (SAM) during registration.
 3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
 - a. A Governmental organization, which is a State, local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization; and
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
 4. Subaward:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program.
 - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 38-043-*****1214		LOAN NUMBER	FISCAL YEAR 2024
2. BORROWER NAME City of Dunn PO Box 1065 Dunn		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
		4. STATE NAME North Carolina	
		5. COUNTY NAME Harnett	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AI/AN 4 - HISPANIC 5 - A/PI	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10 - PUBLIC COLLEGE/UNIVERSITY 11 - OTHER		8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT
10. SEX CODE 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
13. CREDIT REPORT 1 - YES 2 - NO	14. DIRECT PAYMENT 2 (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO
17. COMMUNITY SIZE 1 - 10 000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 075 (See FMI)	20. PURPOSE CODE 8	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT 2	24. AMOUNT OF LOAN 215,000.00		25. AMOUNT OF GRANT
26. AMOUNT OF IMMEDIATE ADVANCE		27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 4 %
29. REPAYMENT TERMS 5			
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)		32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN	
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR		34. BEGINNING FARMER/RANCHER (See FMI)	

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

Loan and Grant approval subject to meeting all requirements of the processing checklist, Letter of Conditions, Office of General Counsel Loan Closing Instructions and the attached Community Facilities Grant Agreement conditions.

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date August 27, 20 24 William Elmore, Jr., Mayor (Signature of Applicant)

Date _____, 20 _____ (Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: Reginald Speight

Date Approved: _____ Title: State Director

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

"The grantee understands the requirements for receipt of funds under the Community Facilities Grant Program. The grantee assures and certifies that it is in compliance with all applicable laws, regulations, Executive Orders, and other applicable requirements, including those set forth in Form RD 3570-3, 7 CFR parts 3015, 3016, or 3019 as subsequently modified, and the letter of conditions. The following conditions may apply if CFG funds were used to purchase equipment or obtain or improve real property:

"The grantee understands that any property acquired or improved with Federal grant funds may have use and disposition conditions which apply to the property as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

"The grantee understands that any sale or transfer of property is subject to the interest of the United States Government in the market value in proportion to its participation in the project as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 38-043-*****1214		LOAN NUMBER	FISCAL YEAR 2024
2. BORROWER NAME City of Dunn PO Box 1065 Dunn		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
		4. STATE NAME North Carolina	
		5. COUNTY NAME Harnett	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AI/AN 4 - HISPANIC 5 - A/PI	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10 - PUBLIC COLLEGE/UNIVERSITY 11 - OTHER		8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT
9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.	10. SEX CODE 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO
13. CREDIT REPORT 1 - YES 2 - NO	14. DIRECT PAYMENT (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO
17. COMMUNITY SIZE 1 - 10 000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 303 (See FMI)	20. PURPOSE CODE 9	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT 2	24. AMOUNT OF LOAN	25. AMOUNT OF GRANT 50,000	
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 0 %	29. REPAYMENT TERMS
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN		
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR	34. BEGINNING FARMER/RANCHER (See FMI)		

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender COPY 3 - State Office

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

Loan and Grant approval subject to meeting all requirements of the processing checklist, Letter of Conditions, Office of General Counsel Loan Closing Instructions and the attached Community Facilities Grant Agreement conditions.

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date August 27, 20 24 William Elmore, Jr., Mayor (Signature of Applicant)

Date _____, 20 _____ (Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: Reginald Speight

Date Approved: _____ Title: State Director

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

"The grantee understands the requirements for receipt of funds under the Community Facilities Grant Program. The grantee assures and certifies that it is in compliance with all applicable laws, regulations, Executive Orders, and other applicable requirements, including those set forth in Form RD 3570-3, 7 CFR parts 3015, 3016, or 3019 as subsequently modified, and the letter of conditions. The following conditions may apply if CFG funds were used to purchase equipment or obtain or improve real property:

"The grantee understands that any property acquired or improved with Federal grant funds may have use and disposition conditions which apply to the property as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

"The grantee understands that any sale or transfer of property is subject to the interest of the United States Government in the market value in proportion to its participation in the project as provided by 7 CFR parts 3015, 3016, or 3019 in effect at this time and as may be subsequently modified."

Name		Address		Dunn, NC 28335-		
Dunn, City of		PO Box 1065				
Applicant Fiscal Year		County		State (Including ZIP Code)		
From	To	Harnett		NC 28335-		
	20	20	20	20	24	First Full Year
	(1)	(2)	(3)	(4)		(5)
OPERATING INCOME						
1. Total Revenue	0	0	0	13,828,587		14,000,000
2. _____						
3. _____						
4. _____						
5. Miscellaneous	0	0	0	0		0
6. Less: Allowances and Deductions	()	()	()	()		(0)
7. Total Operating Income (Add Lines 1 through 6)	0	0	0	13,828,587		14,000,000
OPERATING EXPENSES						
8. Total Expense	0	0	0	12,042,109		12,654,025
9. _____						
10. _____						
11. _____						
12. _____						
13. _____						
14. _____						
15. Interest (RD)	0	0	0	236,358		260,552
16. Depreciation	0	0	0	750,000		800,000
17. Total Operating Expense (Add lines 8 through 16)	0	0	0	13,028,467		13,714,577
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	0	0	0	800,120		285,423
NONOPERATING INCOME						
19. _____						
20. _____						
21. Total Nonoperating Income (Add Lines 19 and 20)	0	0	0	0		0
22. NET INCOME (LOSS) (Add Lines 18 and 21) (Transfer to Line A Schedule 2)	0	0	0	800,120		285,423

Budget and Projected Cash Flow Approved by Governing Body

Attest: _____ Date 8-27-2024
Melissa Matti, Interim City Clerk
 _____ Date 8-27-2024
William Elmore, Jr., Mayor

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

PROJECTED CASH FLOW

	20	20	20	20 24	First Full Year
A. Line 22 from Schedule 1 Income (Loss)	0	0	0	800,120	285,423
Add					
B. Items in Operations not Requiring Cash:					
1. Depreciation (Line 16, Schedule 1)	0	0	0	750,000	800,000
2. Others: _____	0	0	0	0	0
C. Cash Provided from:					
1. Proceeds from RD loan/grant	0	0	0	265,000	0
2. Proceeds from others	0	0	0	0	0
3. Increase (Decrease) in Accounts Payable, Accruals and other Current Liabilities	0	0	0	0	0
4. Decrease (Increase) in Accounts Receivable, inventories and Other Current Assets (Exclude Cash)	0	0	0	0	0
5. Other: _____	0	0	0	0	0
6. _____	0	0	0	0	0
D. Total all A, B and C Items	0	0	0	1,815,120	1,085,423
E. Less: Cash Expended for:					
1. All Construction, Equipment and New Capital Items (Loan and grant funds)	0	0	0	269,409	0
2. Replacement and Additions to Existing Property, Plant and Equipment	0	0	0	0	0
3. Principal Payment RD Loan	0	0	0	0	39,696
4. Principal Payment Other Loans	0	0	0	913,569	1,018,425
5. Other: _____	0	0	0	0	0
6. Total E 1 through 5	0	0	0	1,182,978	1,058,121
Add					
F. Beginning Cash Balances	0	0	5,949,935	5,949,935	6,582,077
G. Ending Cash Balances (Total of D minus E 6 plus F)	0	0	5,949,935	6,582,077	6,609,379
Item G Cash Balances Composed of:					
Construction Account	0	0	0	0	0
Revenue Account	0	0	0	0	0
Debt Payment Account	0	0	1,206,517	1,149,927	1,317,189
O&M Account	0	0	1,846,806	2,417,150	2,025,616
Reserve Account	0	0	263,391	265,000	270,000
Funded Depreciation Account	0	0	0	0	0
Others: Restricted	0	0	2,633,221	2,750,000	2,996,574

Total - Agrees with Item G	0	0.00	5,949,935.00	6,582,077.00	6,609,379.00

BUDGET ATTACHEMNT

Income Detail

<u>Income Source</u>	<u>Year1_0</u>	<u>Year2_0</u>	<u>Year3_0</u>	<u>Year4_2024</u>	<u>First Full Year</u>
Miscellaneous	0.00	0.00	0.00	0.00	0.00
Less: Allowances and	0.00	0.00	0.00	0.00	0.00
Total Revenue	0.00	0.00	0.00	13,828,587.00	14,000,000.00
TOTALS				13,828,587	14,000,000

Expense Detail

<u>Expense Source</u>	<u>Year1_0</u>	<u>Year2_0</u>	<u>Year3_0</u>	<u>Year4_2024</u>	<u>First Full Year</u>
Interest	0.00	0.00	0.00	236,357.54	260,552.00
	0.00	0.00	0.00	750,000.00	800,000.00
Total Expense	0.00	0.00	0.00	12,042,109.00	12,654,025.00
TOTALS				13,028,467	13,714,577

REQUEST FOR LOWER INTEREST RATE

Applicant: City of Dunn

Project: 2024 - Police Vehicles

Loan Amount: \$215,000.00

I hereby request the interest rate of the referenced loan be the lower of the rate in effect at the time of loan approval or the time of loan closing.

ELMORE WILLIAMS, JR.

MAYOR
(Title)

EQUAL OPPORTUNITY AGREEMENT

This agreement, dated 08-27-2024 between
City of Dunn

(herein called "Recipient" whether one or more) and United States Department of Agriculture (USDA), pursuant to the rules and regulations of the Secretary of Labor (herein called the 'Secretary') issued under the authority of Executive Order 11246 as amended, witnesseth:

In consideration of financial assistance (whether by a loan, grant, loan guaranty, or other form of financial assistance) made or to be made by the USDA to Recipient, Recipient hereby agrees, if the cash cost of construction work performed by Recipient or a construction contract financed with such financial assistance exceeds \$10,000 - unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965.

1. To incorporate or cause to be incorporated into any contract for construction work, or modification thereof, subject to the relevant rules, regulations, and orders of the Secretary or of any prior authority that remain in effect, which is paid for in whole or in part with the aid of such financial assistance, the following "Equal Opportunity Clause":

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

- (a) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the USDA setting forth the provisions of this nondiscrimination clause.
- (b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- (c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the USDA, advising the said labor union or workers' representative of the contractor's commitments under this agreement and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (d) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of all rules, regulations and relevant orders of the Secretary of Labor.
- (e) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, rules, regulations, and orders, or pursuant thereto, and will permit access to his books, records, and accounts by the USDA Civil Rights Office, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by Law.
- (g) The contractor will include the provisions of paragraph 1 and paragraph (a) through (g) in every subcontract or purchase order, unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the USDA may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the USDA, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0018. The time required to complete this information collection is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

2. To be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the organization so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.
3. To notify all prospective contractors to file the required 'Compliance Statement', Form RD 400-6, with their bids.
4. Form AD-425, Instructions to Contractors, will accompany the notice of award of the contract. Bid conditions for all nonexempt federal and federally assisted construction contracts require inclusion of the appropriate "Hometown" or "Imposed" plan affirmative action and equal employment opportunity requirements. All bidders must comply with the bid conditions contained in the invitation to be considered responsible bidders and hence eligible for the award.
5. To assist and cooperate actively with USDA and the Secretary in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and rules, regulations, and relevant orders of the Secretary, that will furnish USDA and the Secretary such information such as , but not limited to, Form AD-560, Certification of Nonsegregated Facilities, to submit the Monthly Employment Utilization Report, Form CC-257, as they may require for the supervision of such compliance, and that it will otherwise assist USDA in the discharge of USDA's primary responsibility for securing compliance.
6. To refrain from entering into any contract or contract modification subject to such Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by USDA or the Secretary of Labor pursuant to Part II, Subpart D, of the Executive Order.
7. That if the recipient fails or refuses to comply with these undertakings, the USDA may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the organization under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such organization; and refer the case to the Department of Justice for appropriate legal proceedings.

Signed by the Recipient on the date first written above.

Recipient

Recipient

(CORPORATE SEAL)

City of Dunn
Name of Corporate Recipient

Attest:

Melissa Matti, Interim City Clerk

By _____
William Elmore, Jr., Mayor

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

APPLICANT CERTIFICATION
FEDERAL COLLECTION POLICIES FOR CONSUMER OR COMMERCIAL DEBTS

The Federal Government is authorized to check credit information about the applicant(s) including using the federal Credit Alert Interactive Voice Response System (CAIVRS) or its successors to check to see if the applicant(s) are delinquent or in default on a Federal debt.

The Federal Government is also authorized by law to take any or all of the following actions in the event your loan payments become delinquent or you default on your loan:

- Report your name and account information to a credit reporting agency, and the Credit Alert Interactive Voice Response System (CAIVRS).
- Assess interest and penalty charges for the period of time that payment is not made.
- Assess charges to cover additional administrative costs incurred by the government to service your account.
- Offset amounts to be paid to you from your Federal income tax refund.
- Offset amounts to be paid to you under other Federal Programs.
- Refer your account to a private collection agency to collect the amount due.
- Foreclose on any security you have given for the loan.
- Pursue legal action to collect through the courts.
- Report any written off debt to the Internal Revenue Service as taxable income.
- If you are a current or retired Federal employee, take action to offset your salary, or civil service retirement benefits.
- Debar or suspend you from doing business with the Federal Government either as a participant or principal throughout the executive branch of the Federal Government for the period of debarment or suspension.
- Refer any debt that is delinquent to the Treasury Offset Program (TOP) in accordance with the Debt Collection Improvement Act of 1996.
- Refer any eligible debt that is delinquent to the Treasury for cross servicing in accordance with the Debt Collection Improvement Act of 1996.
- Garnish your wages as allowed by the Debt Collection Improvement Act of 1996.

Any or all of these actions may be used to recover any debts owed when it is determined to be in the interest of the Government to do so.

CERTIFICATION: I/we have read and I/we understand the actions the Federal Government may take in the event that I/we fail to meet my/our scheduled payments in accordance with the terms and conditions of my/our agreement. I/we understand that the above list is not all inclusive and that the Federal Government may deem additional actions necessary to collect should I/we become delinquent.

	08-27-2024		08-27-2024
(Signature-Individual(s))	(Date)	(Signature-Individual(s))	(Date)

	08-27-2024	
(SEAL)	(Date)	City of Dunn (Name of Applicant)

	(Signature of Authorized Entity Official)
ATTEST:	William Elmore, Jr., Mayor
	(Title of Authorized Entity Official)
	PO Box 1065
(Signature of Attesting Official)	(Address)
Melissa Matti, Interim City Clerk	Dunn, NC 28335-
(Title of Attesting Official)	(City, State, and Zip Code)

ASSURANCE AGREEMENT
(Under Title VI, Civil Rights Act of 1964)

The **City of Dunn**

(name of recipient)

PO Box 1065 Dunn, NC 28335-

(address)

As a condition of receipt of Federal financial assistance, you acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of national laws and policies prohibiting discrimination, including but not limited to:

1. Title VI of the Civil Rights Act of 1964, as amended, which prohibits you from discriminating on the basis of race, color, or national origin (42 U.S.C. 2000d et seq.), and 7 CFR Part 15, 7 CFR 1901, Subpart E.

As clarified by Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [in accordance with USDA RD LEP Guidance for RD Funded (Assisted) Programs]. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. You are encouraged to consider the need for language services for LEP persons served or encountered both in developing your budgets and in conducting your programs and activities. For assistance and information regarding your LEP obligations, go to <http://www.lep.gov>;

2. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating on the basis of sex in education programs or activities (20 U.S.C. 1681 et seq.) [as implemented by 7 CFR Part 15, 7 CFR 1901, Subpart E];
3. The Age Discrimination Act of 1975, as amended, which prohibits you from discriminating on the basis of age (42 U.S.C. 6101 et seq.) [as implemented by 7 CFR Part 15, 7 CFR 1901, Subpart E];
4. Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits you from discriminating on the basis of disability (29 U.S.C. 794) [as implemented by 7 CFR Part 15, 7 CFR Part 15b, 7 CFR 1901, Subpart E];
5. Title VIII of the Civil Rights Act, which prohibits you from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (42 U.S.C. 3601 et seq.), as implemented by the Department of Housing and Urban Development at 24 CFR part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units, i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators) be designed and constructed with certain accessible features, see 24 CFR Part 100.201; and
6. Titles II and III of the Americans with Disabilities Act, which prohibit you from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189), as implemented by Department of Justice regulations at 28 C.F.R. parts 35 and 36, and 7 CFR Part 15, 7 CFR Part 15b, 7 CFR 1901, Subpart E.

You also acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions governing USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) access to records, accounts, documents, information, facilities, and staff:

1. You must cooperate with any compliance review or complaint investigation conducted by USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).
2. You must give USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) access to and the right to examine and copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by Title VI, Title IX, Age, and Section 504 implementing regulations and other applicable laws or program guidance.
3. You must keep such records and submit to the responsible Department official or designee timely, complete, and accurate compliance reports at such times, and in such form and containing such information, as the responsible Department official or his designee may determine to be necessary to ascertain whether you have complied or are complying with relevant obligations.
4. You must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.
5. Make available to users, participants, beneficiaries and other interested persons such information regarding the provisions of this agreement and the regulations, and in such manner as the Rural Development or the U.S. Department of Agriculture finds necessary to inform such persons of the protection assured them against discrimination.
6. If, during the past three years, you (the recipient) have been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status, you must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements.
7. In the event any court or administrative agency makes a finding of discrimination on grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status against you, or you settle a case or matter alleging such discrimination, you must forward a copy of the complaint and findings to USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), Office of Civil Rights.

The United States has the right to seek judicial enforcement of these obligations.

You also acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of program-specific nondiscrimination policy requirements found at CFR Part 15, 7 CFR Part 15 b, 12 CFR Part 202, 7 CFR 1901, Subpart E., DR4300-003, DR4330-0300, DR4330-005.

Period of Obligation

In the case of any service, financial aid, covered employment, equipment, property, or structure provided, leased, or improved with federal assistance extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), this assurance obligates the Recipient for the period during which federal assistance is extended. In the case of any transfer of such service, financial aid, equipment, property, or structure, this assurance obligates the transferee for the period during which federal assistance is extended. If any personal property is so provided, this assurance obligates the Recipient for the period during which it retains ownership or possession of the property. In all other cases, this assurance obligates the Recipient for the period during which the federal assistance is extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).

Employment Practices

Where a primary objective of the federal assistance is to provide employment or where the Recipient's employment practices affect the delivery of services in programs or activities resulting from federal assistance extended by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), the Recipient agrees not to discriminate on the grounds of race, color, national origin, sex, age, or disability, in its employment practices. Such employment practices may include, but are not limited to, recruitment, advertising, hiring, layoff or termination, promotion, demotion, transfer, rates of pay, training and participation in upward mobility programs; or other forms of compensation and use of facilities.

Data Collection

The Recipient agrees to compile and maintain information pertaining to programs or activities developed as a result of the Recipient's receipt of federal assistance from Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service). Such information shall include, but is not limited to the following: (1) the manner in which services are or will be provided and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination; (2) the population eligible to be served by race, color, national origin, sex, age, and disability; (3) data regarding covered employment including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English; (4) the location of existing or proposed facilities connected with the program and related information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any person on the basis of prohibited discrimination; (5) the present or proposed membership by race, color, national origin, sex, age and disability in any planning or advisory body which is an integral part of the program; and (6) any additional written data determined by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) to be relevant to the obligation to assure compliance by recipients with laws cited in this assurance agreement.

Under penalty of perjury, the undersigned officials certify that they have read and understand their obligations as herein described, that the information submitted in conjunction with this Document is accurate and complete, and that the recipient is in compliance with the nondiscrimination requirements set out above.

Rights and remedies provided for under this agreement shall be cumulative.

In witness whereof, City of Dunn _____ on this
(name of recipient)

date has caused this agreement to be executed by its duly authorized officers and its seal affixed hereto, or, if a natural person, has hereunto executed this agreement.

(S E A L)

Recipient

8/27/2024

Date

Attest:

William Elmore, Jr., Mayor

Melissa Matti, Interim City Clerk

Title

Title

CERTIFICATION FOR CONTRACTS, GRANTS AND LOANS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or Federal loan, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant or loan.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant or loan, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including contracts, subcontracts, and subgrants under grants and loans) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

William Elmore Jr.
(name)

08/27/2024
(date)

Mayor
(title)

000

USDA-Rural Development
2736 NC Highway 210
Smithfield, NC 27577

Dear Sir:

This is to certify that City of Dunn is in compliance with Federal, State, and Local requirements to include the following:

- a) Compliance with special laws and regulations
- b) Compliance with State Pollution Control or Environmental Protection Agency standards
- c) Consistency with other development plans of the area and State Strategic Plan.
- d) State agency regulating water rights.
- e) Compliance with the Civil Rights Act of 1964.
- f) Compliance with Title IX of the Education Amendments of 1972
- g) Compliance with Section 504 of the Rehabilitation Act of 1973.
- h) Compliance with the Age Discrimination Act of 1975

William Elmore, Jr., Mayor

Date: 8/27/2024

CERTIFIED LIST OF OFFICERS/DIRECTORS

NAME OF APPLICANT: City of Dunn

PO BOX (if applicable) and PHYSICAL ADDRESS OF SECURITY:
PO Box 1065, Dunn, NC 28335

PHONE NUMBER: 910-230-3500 **ALTERNATE NUMBER:** _____

CONTACT PERSON: Steven Neuschafter, 401 East Broad Street, Dunn, NC 28335
 (Name) (Address)
sneuschafter@dunn-nc.org
 (Email Address)

OFFICERS AND DIRECTORS OF GOVERNING BODY

NAME	OFFICE HELD	TERMS OF OFFICE
William P. Elmore, Jr.	Mayor	2027
J. Wesley Sills	Council	2027
April Gauden	Council	2027
Raquel McNeil	Council	2027
Billy N. Tart	Council	2027
Alan Hargis	Council	2027
Dr. David L. Bradham	Council	2027
Steven Neuschafter	City Manager	

I certify that the above is the correct list of officers and directors of the:

City of Dunn as of 8/27/2024
 (Applicant Name) (Date)

CERTIFIED CORRECT: (SEAL)

 Melissa Matti, Interim City Clerk

Meeting Date: August 27, 2024

SUBJECT TITLE	Capital Project Ordinance Budget Amendment – Pearsall St Culvert Replacement Project and Stormwater Mapping Project
PRESENTER/DEPARTMENT	Steven Neuschafer/City Manager Cary McNallan/Finance Department
ATTACHMENT(S)	Capital Project Ordinance Amendments Budget Amendment
PUBLIC HEARING PUBLISH DATES	N/A

PURPOSE: To approve capital project ordinance and budget amendments for the Pearsall St Culvert Replacement Project and the Stormwater Mapping Project.

BACKGROUND: On August 13, 2024, the City Council received a report on the estimated cost of the Pearsall Street Culvert Project. To provide funding for the total project, staff has received approval from the NC Department of Environmental Quality (NCDEQ) to shift the remaining grant funds from the Stormwater Mapping Project to the Pearsall Street Culvert Project, in the amount of \$151,000. A capital project ordinance and budget amendment approval is required to reflect this shift in funding.

Approval is also requested to fund a portion of the Pearsall Street Culvert Project with General Fund Reserves to fund the street portion of the project, and Water and Sewer Fund Reserves to fund the utility portion of the project. The remainder of the project costs would be funded with stormwater grant funds and installment financing, which would be repaid with future stormwater fees.

BUDGET IMPACT: Grant funds will be shifted from the Stormwater Mapping Project to the Pearsall Street Project. General Fund Reserves of \$78,669 will be allocated to the Pearsall Street Project along with \$249,784 of Water and Sewer Fund Reserves to cover non-stormwater costs. Installment financing of \$462,107 will be secured near project completion and repaid in future years from stormwater funds.

**RECOMMENDED
MOTION/ACTION
REQUESTED OF
COUNCIL**

Motion to approve the capital project ordinance, budget amendments, and loan reimbursement resolution for the Pearsall St Culvert Replacement Project and the Stormwater Mapping Project.



**Capital Project Ordinance Amendment
Stormwater Mapping**

WHEREAS, the City Council for the City of Dunn, on June 14, 2022, adopted the annual budget ordinance number 02022-08 for the fiscal year beginning July 1, 2022; and,

WHEREAS, the City Council, on September 13, 2022, approved a capital project ordinance for the Stormwater Mapping Project with an approved budget of \$500,000 to be funded from the North Carolina Department of Environmental Quality’s allocation of American Rescue Plan Act (ARPA) grant funds; and,

WHEREAS, this project is now complete and it is necessary to amend the project budget to allow for the remaining grant funds to be transferred to the Pearsall Street Culvert Project; and,

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DUNN, NC, PURSUANT TO SECTION 13.2 OF CHAPTER 159 OF THE GENERAL STATUTES OF NORTH CAROLINA, THAT:

Section 1: The Stormwater Mapping Project budget is amended to reduce the grant funding and appropriate a small transfer of stormwater operating funds to fund project expenditures of fifty cents.

Section 2. The amount of funding appropriated, and amounts budgeted for this project are approved as follows:

<u>Funding Appropriations</u>	<u>Previous Budget</u>	<u>Budget Amendments</u>	<u>Revised Budget</u>
NCDWI ARPA Grant 0003	\$ 500,000.00	\$ (151,000.00)	\$ 349,000.00
Transfer from the Stormwater Fund	\$ -	\$ 0.50	\$ 0.50
Total Funding	\$ 500,000.00	\$ (150,999.50)	\$ 349,000.50
<u>Expenditures:</u>			
Engineering/Administration	\$ 350,000.00	\$ (999.50)	\$ 349,000.50
Construction	\$ 150,000.00	\$ (150,000.00)	\$ -
Total Expenditures	\$ 500,000.00	\$ (150,999.50)	\$ 349,000.50

Section 3: The Finance Director is directed to report periodically on the financial status of each project element in Section 2 and on the total revenues received or claimed.

Section 4: Within five (5) days after this ordinance is adopted, the City Clerk shall file a copy of this ordinance with the Finance Director.

Where community begins!

Section 5: This capital project ordinance shall be effective immediately.

Duly adopted this 27th day of August 2024.

William P. Elmore, Jr.
Mayor

Attest:

Melissa R. Matti
Interim City Clerk



401 E Broad St . PO Box 1065 . Dunn, North Carolina 28335
(910) 230-3500 · CityofDunn.org

**CAPITAL PROJECT ORDINANCE AMENDMENT 2
PEARSALL STREET STORMWATER CULVERT
LOCAL ASSISTANCE FOR STORMWATER INFRASTRUCTURE INVESTMENT PROGRAM
(LASII)
FY22 AMERICAN RESCUE PLAN ACT GRANT (ARPA)
PROJECT # SRP-SW-ARP-0003
PROJECT # SRP-SW-ARP-0030
PROJECT # SRP-SW-ARP-0098**

WHEREAS, the City Council for the City of Dunn, on June 13, 2023, adopted the annual budget ordinance number O2023-13 for the fiscal year beginning July 1, 2023; and,

WHEREAS, the City Council, on June 13, 2023, adopted the capital improvements plan for fiscal year 2023-24; and,

WHEREAS, the City Council, on December 12, 2023, approved a grant capital project ordinance for the Pearsall Street Culvert Project with a budgeted amount of \$400,000; and,

WHEREAS, the City Council, on March 26, 2024, approved a capital project ordinance amendment to increase the project budget by \$490,340 for construction costs to be funded from the North Carolina Department of Environmental Quality (NCDEQ) Division of Water Infrastructure (DWI) grant funding from the Local Assistance for Stormwater Infrastructure Investments (LASII) American Rescue Plan Act; and,

WHEREAS, it is necessary to amend this project's capital project ordinance to increase the project's budget by \$870,560 to provide adequate funding to complete the project; and,

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Dunn, North Carolina, that pursuant to section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Grant Project Ordinance amendment is hereby adopted.

Section 1a: The Pearsall Street Culvert Capital Project is to be amended to included \$151,000 of NCDEQ grant funds (grant project number SRP-SW-ARP-0003) to be financed by the federal American Rescue Plan Act (ARPA) grant funds awarded to the City of Dunn by the North Carolina Department of Environmental Quality (DEQ) Division of Water Infrastructure (DWI). These funds were previously included in the City's Stormwater

Where community begins!

Mapping Project and approval has been received by the State to move the unused portion of this grant to the Pearsall Street Culvert Project.

Section 1b: The Pearsall Street Culvert Capital Project is to be amended by reducing the NCDWI ARPA Grant 0098 funding by \$71,000. This funding and related expenditures are reflected in the Stormwater operating budget.

Section 1c: The Pearsall Street Culvert Capital Project is to be amended to include \$249,784 of funding from the Water and Sewer Fund for related utility costs, \$78,669 in funding from the General Fund for street related costs, and \$462,107 of installment financing for stormwater related costs not covered by grants.

Section 2: The officers of this unit are hereby directed to proceed with the grant project within the terms of the board resolution, grant documents, the rules and regulations of the Division of Water Infrastructure (DWI), and the budget contained herein, until all project activity is completed and is adopted as noted in Section 3.

Section 3: The amount of funding appropriated, and amounts budgeted for engineering and construction are approved as follows:

<u>Funding Appropriations</u>	<u>Previous Budget</u>	<u>Budget Amendments</u>	<u>Revised Budget</u>
NCDWI ARPA Grant 0098	\$ 400,000	\$ (71,000)	\$ 329,000
NCDWI ARPA Grant 0030	\$ 490,340	\$ -	\$ 490,340
NCDWI ARPA Grant 0003	\$ -	\$ 151,000	\$ 151,000
Transfer fr the Water & Sewer Fund	\$ -	\$ 249,784	\$ 249,784
Transfer from the General Fund	\$ -	\$ 78,669	\$ 78,669
Installment Financing-Stormwater	\$ -	\$ 462,107	\$ 462,107
Total Funding	\$ 890,340	\$ 870,560	\$ 1,760,900

Expenditures:

Administration	\$ -	\$ 38,375	\$ 38,375
Engineering	\$ 400,000	\$ 98,900	\$ 498,900
Construction	\$ 490,340	\$ 733,285	\$ 1,223,625
Total Expenditures	\$ 890,340	\$ 870,560	\$ 1,760,900

Section 4: The finance officer is hereby directed to maintain within the Pearsall Street Culvert Project, sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and federal regulations.

Section 5: Funds may be advanced from the General Fund and/or Stormwater Fund for the purpose of making payments as due. Reimbursement requests should be made to the State

grantor agency in an orderly and timely manner. Compliance with all federal and state procurement regulations is required.

Section 6: The finance officer is directed to report, on a quarterly basis, on the financial status of each project element in section 3 and on the total grant revenues received or claimed.

Section 7: Copies of this grant project ordinance shall be furnished to the Clerk, the Budget Officer, and the Finance Officer for direction in carrying out this project.

Adopted this, the 27th day of August 2024 at City of Dunn, North Carolina.

William P. Elmore, Mayor

ATTEST:

Melissa R. Matti, Interim City Clerk

CITY OF DUNN

BUDGET ORDINANCE AMENDMENT

Department: Stormwater

Budget Amendment #: 4

Date: 8/27/2024

FISCAL YEAR ENDING: 6/30/2025

FUND	Acct. #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
Stormwater Fund	031-0831-5800	Reserve for Contingency	\$ 72,476.00	\$ (0.50)	\$ 72,475.50
Stormwater Fund	031-0831-8510	Oper Trfs to Capital Projects	-	0.50	0.50
Stormwater Capital	034-0931-4000	Engineering	350,000.00	(999.50)	349,000.50
Stormwater Capital	034-0931-7600	Construction	150,000.00	(150,000.00)	-
EXPENDITURE TOTAL:			\$ 572,476.00	\$ (150,999.50)	\$ 421,476.50

FUND	Acct. #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
Stormwater Capital	034-0399-0000	SFRF ARPA Funds	\$ 500,000.00	\$ (151,000.00)	\$ 349,000.00
Stormwater Capital	034-0399-1431	Operating Transfer from Stormwater Fund	\$ -	\$ 0.50	\$ 0.50
REVENUE TOTAL:			\$ 500,000.00	\$ (150,999.50)	\$ 349,000.50

CERTIFICATION: I certify this requested budget amendment was approved by the City Council on:

City Manager: 8/27/2024

Finance Director: 8/27/2024

JUSTIFICATION:

Close the Stormwater Mapping Project. Also see the 8/27/24 related council agenda.

FUNDING SOURCE:

Stormwater Fund reserves.

Meeting Date: August 27, 2024

SUBJECT TITLE	Budget Amendment for Police Performance and Wellness Grant
PRESENTER/DEPARTMENT	Cary McNallan/Finance Department
ATTACHMENT(S)	Budget amendment
PUBLIC HEARING PUBLISH DATES	N/A

PURPOSE: To approve a budget amendment related to the acceptance of a Police Performance and Wellness Grant.

BACKGROUND: On August 13, 2024, the City Council approved the acceptance of a North Carolina Chiefs of Police Performance and Wellness Grant in the amount of \$7,528. These grant funds would be used to purchase Essential Personnel Software which would provide a computerized platform for tracking and monitoring police personnel data.

An FY25 budget amendment is needed to account for the grant funds and to appropriate these monies to the Police operating budget to fund the purchase of the software program.

BUDGET IMPACT: The overall budget for the General Fund will increase by \$7,528 by increasing grant revenues and appropriating additional funds to the police operating budget.

RECOMMENDED MOTION/ACTION REQUESTED OF COUNCIL	Motion to approve the attached budget amendment for the General Fund.
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CONSENT ITEM

CITY OF DUNN

BUDGET ORDINANCE AMENDMENT

Department: Police/Non-Deptmnt/ 6
 Budget Amendment #: 6
 Date: 8/27/2024

FISCAL YEAR ENDING: 6/30/2025

FUND	Acct #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
General Fund	010-0510-4502	Software Support	\$ -	\$ 7,528.00	\$ 7,528.00
EXPENDITURE TOTAL:			\$ -	\$ 7,528.00	\$ 7,528.00

FUND	Acct #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
General Fund	010-0359-0003	State Grants	\$ -	\$ 7,528.00	\$ 7,528.00
REVENUE TOTAL:			\$ -	\$ 7,528.00	\$ 7,528.00

CERTIFICATION: I certify this requested budget amendment was approved by the City Council on:

City Manager: 8/27/2024

Finance Director: 8/27/2024

JUSTIFICATION:

Appropriate grant funding approved by the NC Chiefs of Police Performance and Wellness Grant program.

FUNDING SOURCE:

State grant funds.

Meeting Date: August 27, 2024

SUBJECT TITLE	Budget Amendment Request
PRESENTER/DEPARTMENT	Billy Godwin/Assistant City Manager Brian McNeill/Parks and Recreation Director
ATTACHMENT(S)	Playground Design documents Capital Project Ordinance Amendment Budget Amendment
PUBLIC HEARING PUBLISH DATES	N/A

PURPOSE: To approve a capital project ordinance budget amendment for the Clarence Lee Tart Park Renovation Phase Two project, aka Tart Park Improvements Project.

BACKGROUND: The budget amendment request is for the following reasons.

- In April 2024 the City submitted a scope amendment request to the PARTF Authority to remove the picnic shelter renovation from the scope of Tart Park Phase Two PARTF Grant. The request was not approved but the City was allowed to adjust the project budget by moving a portion of funds intended for the shelter to the main playground renovation to retain the full grant allotment.
- Requesting an additional \$30,000 to the project budget to purchase new playground structure and surfacing (see attached) which will include inclusive wheelchair ramp and play features, ages 2-12 accommodations, sunshades, artificial turf surfacing, and site amenities.
- Requesting an additional \$10,000 to the project budget for improvements to include shelter furnishings, shelter electrical power capabilities, and additional landscaping for beautification.

BUDGET IMPACT: The City's share of this project would increase by \$40,000 and would be funded from a transfer from the General Fund Reserves. It is anticipated that the reserves at the end of FY2024 will be higher than originally estimated due to higher-than-expected sales tax and other revenues.

RECOMMENDED MOTION/ACTION REQUESTED OF COUNCIL	Motion to approve the attached project capital ordinance and budget amendment request of \$40,000 for the Tart Park Improvements Project.
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**Capital Project Ordinance Amendment 1
Tart Park Improvements Project**

WHEREAS, the City Council for the City of Dunn, on June 13, 2023, adopted the annual budget ordinance number 02023-13 for the fiscal year beginning July 1, 2023; and,

WHEREAS, the City Council, on June 13, 2023, adopted the capital improvements plan for fiscal year 2023-24; and,

WHEREAS, on November 15, 2022, the City Council formally accepted a North Carolina Parks and Recreation Trust Fund (PARTF) grant from the North Carolina Division of Parks and Recreation; and,

WHEREAS, on March 26, 2024, the City Council approved a \$400,000 capital project ordinance for the Tart Park Improvements Project; and,

WHEREAS, it is necessary to amend this project’s capital project ordinance to increase the project’s budget by \$40,000 to provide adequate funding to complete the project; and,

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DUNN, NC, PURSUANT TO SECTION 13.2 OF CHAPTER 159 OF THE GENERAL STATUTES OF NORTH CAROLINA, THAT:

Section 1: Contractual and construction services for the City of Dunn Tart Park Improvements Project is authorized to be undertaken until all project activity is completed, and is adopted as follows:

Section 2. The amount of funding appropriated, and amounts budgeted for project expenditures are amended and approved as follows:

<u>Funding Appropriations</u>	<u>Previous Budget</u>	<u>Budget Amendments</u>	<u>Revised Budget</u>
State Parks and Recreation Grant	\$ 200,000.00	\$ -	\$ 200,000.00
General Fund Operating Transfer	\$ 200,000.00	\$ 40,000.00	\$ 240,000.00
Total Funding	<u>\$ 400,000.00</u>	<u>\$ 40,000.00</u>	<u>\$ 440,000.00</u>
 <u>Expenditures:</u>			
Engineering	\$ 40,000.00	\$ (40,000.00)	\$ -
Construction	\$ 360,000.00	\$ 80,000.00	\$ 440,000.00
Total Expenditures	<u>\$ 400,000.00</u>	<u>\$ 40,000.00</u>	<u>\$ 440,000.00</u>



Section 3: The Finance Director is directed to report periodically on the financial status of each project element in Section 2 and on the total revenues received or claimed.

Section 4: Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the Federal or State grantor agency in an orderly and timely manner. Compliance with all federal and state procurement regulations is required.

Section 5: Within five (5) days after this ordinance is adopted, the City Clerk shall file a copy of this ordinance with the Finance Director.

Section 6: This capital project ordinance shall be effective immediately.

Duly adopted this 27th day of August 2024.

William P. Elmore, Jr.
Mayor

Attest:

Melissa R. Matti
Interim City Clerk

CITY OF DUNN

BUDGET ORDINANCE AMENDMENT

Department: Administration

Budget Amendment #: 7

Date: 8/27/2024

FISCAL YEAR ENDING: 6/30/2025

FUND	Acct #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
Capital Fund	104-0910-7600	Construction Expense	\$ 360,000.00	\$ 80,000.00	\$ 440,000.00
Capital Fund	104-0910-4000	Engineering	40,000.00	(40,000.00)	-
General Fund	010-0500-8510	Operating Transfer to the Capital Projects Fund		40,000.00	40,000.00
EXPENDITURE TOTAL:			\$ 400,000.00	\$ 80,000.00	\$ 480,000.00

FUND	Acct #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
Capital Fund	104-0399-1401	Operating Transfer from the General Fund	\$ 200,000.00	\$ 40,000.00	\$ 240,000.00
General Fund	010-0368-2001	Fund Balance Appropriation	\$ 577,495.00	\$ 40,000.00	617,495.00
REVENUE TOTAL:			\$ 777,495.00	\$ 80,000.00	\$ 857,495.00

CERTIFICATION: I certify this requested budget amendment was approved by the City Council on:

City Manager: 8/27/2024

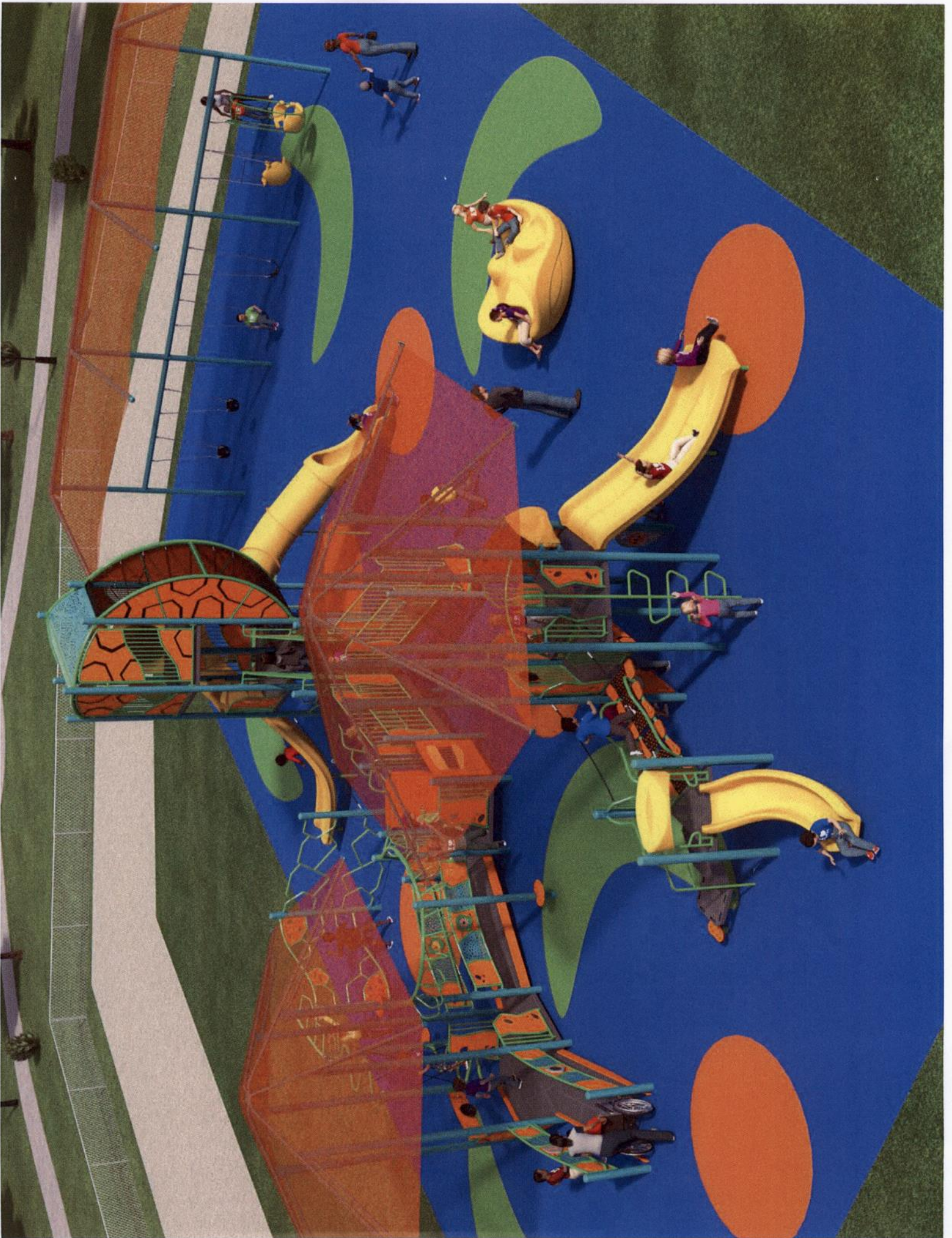
Finance Director: 8/27/2024

JUSTIFICATION:

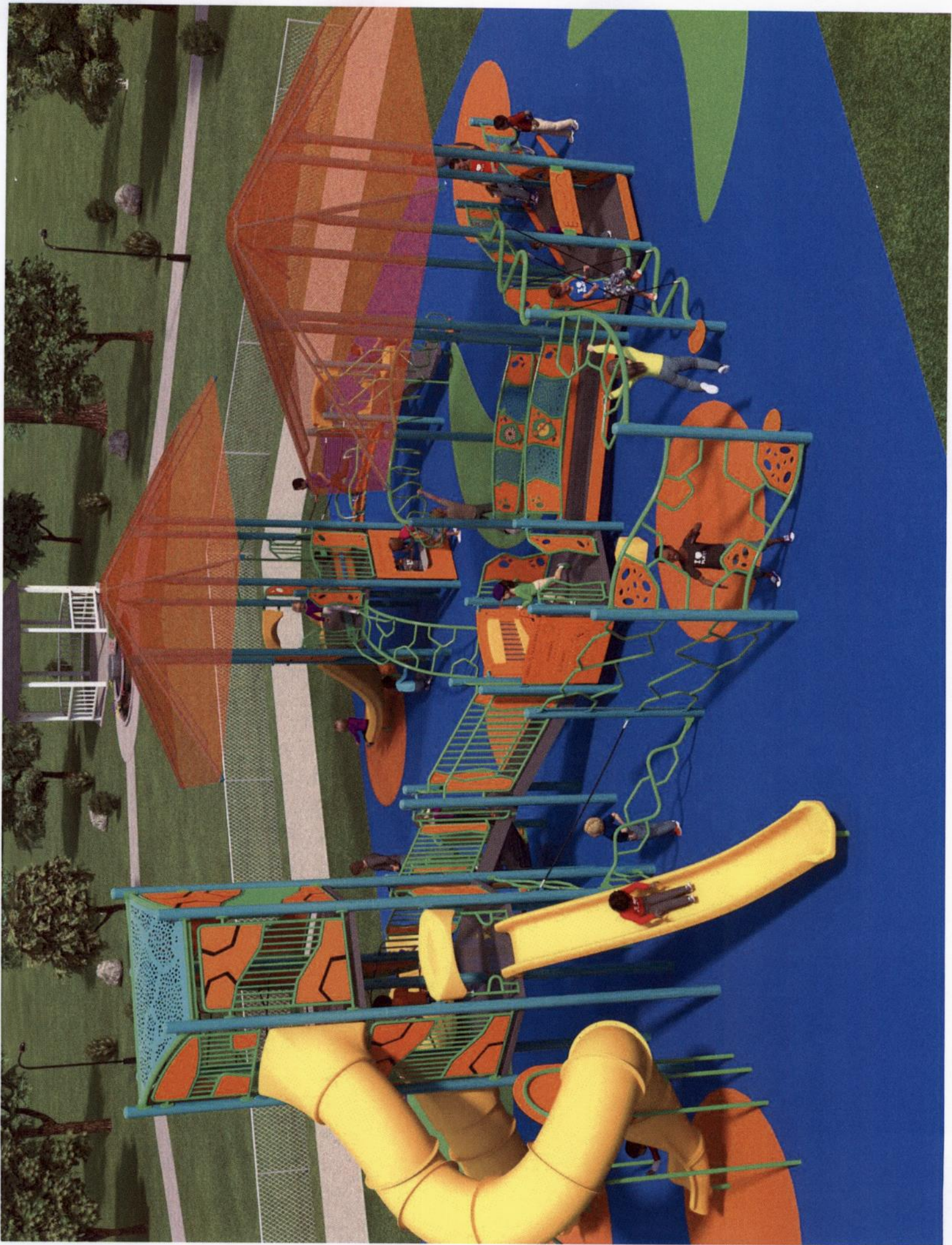
Appropriate additional funding to complete the Tart Park Improvements Project.

FUNDING SOURCE:

General Fund reserves.







Meeting Date: August 27, 2024

SUBJECT TITLE	Consideration to Accept SRP Funding Offer
PRESENTER/DEPARTMENT	City Manager Neuschafer
ATTACHMENT(S)	Resolution to Accept Offer and Acceptance documents
PUBLIC HEARING PUBLISH DATES	n/a

PURPOSE:

The City has received State Reserve Grant approval for funding assistance for Water System AIA – Project No. AIA-D-0302 in the amount of \$150,000. Funds will not be disbursed until offer is accepted.

BACKGROUND:

BUDGET IMPACT:

RECOMMENDED MOTION/ACTION REQUESTED OF COUNCIL	Motion to accept the State Reserve Grant offer of \$150,000 and adopt resolution.
---	---



Resolution to Accept State Reserve Grant Offer

WHEREAS, the North Carolina General Statutes Chapter 159G has created Asset Inventory and Assessment (AIA) grants to assist eligible units of government with meeting their water infrastructure needs, and

WHEREAS, the North Carolina Department of Environmental Quality has offered a State Reserve Grant in the amount of \$150,000 to perform an Asset Inventory and Assessment study detailed in the submitted application, and

WHEREAS, the City of Dunn intends to perform said project in accordance with the agreed scope of work,

NOW, THEREFORE, BE IT RESOLVED BY CITY COUNCIL OF THE CITY OF DUNN:

1. That City of Dunn does hereby accept the State Reserve Grant offer of \$150,000.
2. That the City of Dunn does hereby give assurance to the North Carolina Department of Environmental Quality that any Conditions or Assurances contained in the Award Offer will be adhered to.
3. That (name and title of authorized representative), and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required by the Division of Water Infrastructure.

Adopted this 27th day of August, 2024.

William P. Elmore Jr.
Mayor

ATTEST:

Melissa R. Matti, CMC, NCCMC, CZO
Deputy City Clerk

ROY COOPER
Governor
ELIZABETH S. BISER
Secretary
SHADI ESKAF
Director



NORTH CAROLINA
Environmental Quality

August 9, 2024

Mr. Steven Neuschafer, City Manager
City of Dunn
PO Box 1065
Dunn, NC 28335

SUBJECT: SRP Funding Offer
Water System AIA
Project No. AIA-D-0302

Dear Mr. Neuschafer:

The City of Dunn has been approved for funding assistance according to the subject funding offer. This offer is made subject to the Assurances and Conditions set forth in the Offer and Acceptance Document. Enclosed are two (2) copies of an offer-and-acceptance document, extending funding in the amount of \$150,000. Funds will not be disbursed unless this offer is accepted.

Upon your acceptance, please submit the following items via email at DEQ.DWI.FundingOffer@deq.nc.gov:

1. One (1) copy of the original offer-and-acceptance document, executed by the Authorized Representative for the project, along with the signed "Standard Conditions and Assurances" for SRP Projects. **Please retain the second copy for your files.**
2. 1.5% Fee invoice (attached) and payment.
3. A resolution (sample copy attached), adopted by the governing body, accepting the offer, and making the applicable assurances contained therein.
4. Sales Tax Certification, if applicable (attached).
5. One (1) copy of all executed service agreements and/or contracts.

All work associated with this project must be completed within the approved milestone schedule as shown on your Letter of Intent to Fund.



North Carolina Department of Environmental Quality | Division of Water Infrastructure
512 N. Salisbury Street | 1633 Mail Service Center | Raleigh, North Carolina 27699-1633
919.707.9160

Once the subject project has commenced, the enclosed "AIA/MRF Disbursement Request Form" must be completed and submitted with all disbursement requests. A reference copy of the Disbursement Request Form has been enclosed for your convenience. You are free to reproduce this form should additional copies be needed. Additional information and template forms can be found on DWI's website under the "I Have Funding – Construction and Disbursement" page. Disbursement requests should be sent to Pam Whitley, via Laserfiche at the following link: <https://edocs.deq.nc.gov/Forms/DW-Document-Upload-Form>.

As a reminder, a memorandum requesting your federal identification number was included with the Letter of Intent to Fund. You must complete and submit this form no later than the time when you choose to submit your first request for disbursement.

On behalf of the Department of Environmental Quality, I am pleased to extend this offer of SRP funds, made available by the North Carolina Water Infrastructure Fund. Should you have any questions concerning this offer of funding, or any of the stipulations outlined in this offer package, please contact Kristen Downs at kristen.downs@deq.nc.gov or 919-707-9056.

Sincerely,

DocuSigned by:

Victor D'Amato

52CD62E9DA6B44F...

Victor A. D'Amato, PE

Division of Water Infrastructure, NCDEQ

Enclosures: Offer-and-Acceptance Document (2 copies)
1.5% Fee Invoice
Resolution by Applicant's Governing Body to Accept an Offer of Funding
Sales Tax Certification Form
AIA/MRF Disbursement Request Form

CC: Steven Neuschafer, City Manager; sneuschafer@dunn-nc.org
Kassie Young, WithersRavenel, Inc. (Wilmington, NC); kyoung@withersravenel.com
Brandon Inscore, WithersRavenel, Inc. (Greensboro, NC); binscore@withersravenel.com
Teresa Tripp (via DocuSign)
DWI Administrative Unit (via DocuSign)
Kristen Downs, PhD (via DocuSign)
Matthew Rushing, EI (via DocuSign)
DEQ.DWI.FundingOffer@deq.nc.gov
FILE: SRP (Agreement Number 2000075087)



Meeting Date: August 27, 2024

SUBJECT TITLE	Capital Project Ordinance – Raw Water Pump Station Improvements
PRESENTER/DEPARTMENT	Cary McNallan/Finance Department
ATTACHMENT(S)	Capital Project Ordinance and Budget Amendment
PUBLIC HEARING PUBLISH DATES	N/A

PURPOSE: To approve a capital project ordinance and budget amendment for the Raw Water Pump Station Improvements Project.

BACKGROUND: The City of Dunn intends to make improvements to the Raw Water Pump Station located in Erwin, NC near the Cape Fear River. The City has received a Building Resilient Infrastructure and Communities (BRIC) grant of \$6,438,975 to be used towards the funding of this project. The City has also received a state funding appropriation in the amount of \$7.1M that is to be used for water and sewer infrastructure projects. Staff is recommending the use of a portion of the state funding to be allocated towards this project.

The estimated cost of this project is \$9,094,222. In order to properly account project; funding and expenditures related to this project, a capital project ordinance is required to be adopted.

BUDGET IMPACT: A capital project fund will be established for recording expenditures and funding sources for this project. Funding for the \$9,094,222 project will include \$6,438,975 of Federal BRIC grant funds and \$2,655,247 of NC State Appropriation Funds.

**RECOMMENDED
MOTION/ACTION
REQUESTED OF
COUNCIL**

Motion to approve the Raw Water Pump Station Improvements Capital Project Ordinance and related budget amendment.

ITEM FOR DISCUSSION AND/OR DECISION



**Capital Project Ordinance
Raw Water Pump Station Improvement Project**

WHEREAS, the City Council for the City of Dunn, on June 25, 2024, adopted the annual budget ordinance number O2024-13 for the fiscal year beginning July 1, 2024; and,

WHEREAS, the City Council, on June 25, 2024, adopted the capital improvements plan for fiscal year 2024-25; and,

WHEREAS, the City Council, intends to make improvements to the raw water pump station near the Cape Fear River in Erwin; and,

WHEREAS, the Federal Emergency Management Agency (FEMA) has approved a Building Resilient Infrastructure and Communities (BRIC) grant in the amount of \$6,438,975; and,

WHEREAS, the North Carolina General Assembly's Session Law 2023-134 appropriated \$7,100,000 for City of Dunn water and wastewater projects; and,

WHEREAS, it is necessary to create a capital project to account for the revenues and expenditures of this project; and,

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DUNN, NC, PURSUANT TO SECTION 13.2 OF CHAPTER 159 OF THE GENERAL STATUTES OF NORTH CAROLINA, THAT:

Section 1: Expenditures necessary for the Raw Water Pump Station Improvement Project is authorized to be undertaken until all project activity is completed, and is adopted as follows:

Section 2. The amount of funding appropriated, and amounts budgeted for all project expenditures are approved as follows:

Funding Appropriations

BRIC Grant	\$ 6,438,975
State Appropriations Funding	\$ 2,655,247
Total Funding	<u>\$ 9,094,222</u>

Expenditures:

Administration	\$ 279,657
Engineering	\$ 900,000
Construction	\$ 7,814,565
Contingency	\$ 100,000
Total Expenditures	<u>\$ 9,094,222</u>

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Section 3: The Finance Director is directed to report periodically on the financial status of each project element in Section 2 and on the total revenues received or claimed.

Section 4: Funds may be advanced from the General Fund and/or Water and Sewer Fund for the purpose of making payments as due. Reimbursement requests should be made to the Federal or State grantor agency in an orderly and timely manner. Compliance with all federal and state procurement regulations is required.

Section 5: Within five (5) days after this ordinance is adopted, the City Clerk shall file a copy of this ordinance with the Finance Director.

Section 6: This capital project ordinance shall be effective immediately.

Duly adopted this 27th day of August 2024.

William P. Elmore, Jr.
Mayor

Attest:

Melissa R. Matti
Interim City Clerk

CITY OF DUNN

BUDGET ORDINANCE AMENDMENT

Department: S&W-Capital

Budget Amendment #: 8

Date: 8/27/2024

FISCAL YEAR ENDING: 6/30/2025

FUND	Acct #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
W&S Capital	085-0930-0001	Administration		\$ 279,657.00	\$ 279,657.00
W&S Capital	085-0930-4000	Engineering		900,000.00	900,000.00
W&S Capital	085-0930-7600	Construction		7,814,565.00	7,814,565.00
W&S Capital	085-0930-0002	Contingency		100,000.00	100,000.00
EXPENDITURE TOTAL:			\$ -	\$ 9,094,222.00	\$ 9,094,222.00

FUND	Acct #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
W&S Capital	085-0399-0002	Federal Grant		\$ 6,438,975.00	\$ 6,438,975.00
W&S Capital	085-0399-0003	State Appropriation Funds		\$ 2,655,247.00	\$ 2,655,247.00
REVENUE TOTAL:			\$ -	\$ 9,094,222.00	\$ 9,094,222.00

CERTIFICATION: I certify this requested budget amendment was approved by the City Council on:

City Manager: 8/27/2024

Finance Director: 8/27/2024

JUSTIFICATION:

Establish Capital Proj Ordinance for Raw Water Pump Station Improvement Project

FUNDING SOURCE:

Federal IBRIC Grant and State Appropriation Funds.

Meeting Date: August 27, 2024

SUBJECT TITLE	Capital Project Ordinance – Juniper Creek Area Stormwater Improvements Project
PRESENTER/DEPARTMENT	Cary McNallan/Finance Department
ATTACHMENT(S)	Capital Project Ordinance, Budget Amendment, and Project Reimbursement Resolution
PUBLIC HEARING PUBLISH DATES	N/A

PURPOSE: To approve a capital project ordinance, budget amendment, and reimbursement resolution for the Juniper Creek Area Stormwater Improvements Project.

BACKGROUND: The City of Dunn intends to construct stormwater improvements for the Juniper Creek Area including locations near East Bay Street, South Wilson Avenue, and Merry Street. The City of Dunn has received a \$500,000 Golden Leaf Grant and a grant/loan from the North Carolina Department of Environmental Quality (NCDEQ) in the amount of \$2,359,955 to be used towards funding this project.

In order to properly account for the funding and expenditures related to this \$2,859,955 project, a capital project ordinance is required to be adopted.

BUDGET IMPACT: A capital project fund will be established for recording expenditures and funding sources for this project, as noted above and in the attached project ordinance.

**RECOMMENDED
MOTION/ACTION
REQUESTED OF
COUNCIL**

Motion to approve the Juniper Creek Area Stormwater Improvements Capital Project Ordinance, related budget amendment, and project reimbursement resolution.

**Capital Project Ordinance
Juniper Creek Area Stormwater Improvements**

WHEREAS, the City Council for the City of Dunn, on June 25, 2024, adopted the annual budget ordinance number O2024-13 for the fiscal year beginning July 1, 2024; and,

WHEREAS, the City Council, on June 25, 2024, adopted the capital improvements plan for fiscal year 2024-25; and,

WHEREAS, the City Council, intends to construct stormwater improvements at the location of East Bay Street, South Wilson Avenue, and Merry Street; and,

WHEREAS, the City has been awarded a \$500,000 Golden LEAF (Long-Term Economic Advancement Foundation) grant and the NC Department of Environmental Quality's Division of Water Infrastructure State Water Infrastructure Authority has approved a Clean Water State Revolving Fund low interest loan of up to \$2,805,150, of which \$500,000 is available for a loan forgiveness grant; and,

WHEREAS, it is necessary to create a capital project to account for the revenues and expenditures of this project; and,

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DUNN, NC, PURSUANT TO SECTION 13.2 OF CHAPTER 159 OF THE GENERAL STATUTES OF NORTH CAROLINA, THAT:

Section 1: Expenditures necessary for the Juniper Creek Area Stormwater Improvements Project, located at East Bay Street, South Wilson Avenue, and Merry Street, are authorized to be undertaken until all project activity is completed, and is adopted as follows:

Section 2. The amount of funding appropriated, and amounts budgeted for land acquisition and related costs are approved as follows:

Funding Appropriations

Golden LEAF Grant	\$ 500,000
NCDEQ CWSRF Grant	\$ 500,000
NCDEQ CWSRF Loan Funds	\$ 1,859,955
Total Funding	<u>\$ 2,859,955</u>

Expenditures:

Administration	\$ 57,200
Professional Services	\$ 250,000
Engineering	\$ 315,000
Easements	\$ 150,000
Construction	\$ 1,987,755
Contingency	\$ 100,000
Total Expenditures	<u>\$ 2,859,955</u>

Section 3: The Finance Director is directed to report periodically on the financial status of each project element in Section 2 and on the total revenues received or claimed.

Section 4: Funds may be advanced from the General Fund and/or Stormwater Fund for the purpose of making payments as due. Reimbursement requests should be made to the Federal or State grantor agency in an orderly and timely manner. Compliance with all federal and state procurement regulations is required.

Section 5: Within five (5) days after this ordinance is adopted, the City Clerk shall file a copy of this ordinance with the Finance Director.

Section 6: This capital project ordinance shall be effective immediately.

Duly adopted this 27th day of August 2024.

William P. Elmore, Jr.
Mayor

Attest:

Melissa R. Matti
Deputy City Clerk



401 E Broad St • PO Box 1065 • Dunn, North Carolina 28335
(910) 230-3500 • CityofDunn.org

Mayor
William P. Elmore Jr.
Mayor Pro Tem
J. Wesley Sills
Council Members
April L. Gaulden
Raquel McNeil
Billy Tart
Alan Hargis
Dr. David L. Bradham
City Manager
Steven Neuschafer

RESOLUTION DECLARING OFFICIAL INTENT TO REIMBURSE EXPENDITURES FROM PROCEEDS OF BORROWING

WHEREAS; the City of Dunn desires to undertake certain stormwater improvements in the Juniper Creek Area, and

WHEREAS; it is the intent of the City to finance those improvements through a long term loan or other suitable financing and that the financing will be obtained as a result of a process involving Local Government Commission oversight, if necessary, and approval by the City Council, and

WHEREAS; this Resolution and declaration (the "Declaration") is made pursuant to the requirements of the United States Treasury Regulations Section 1.150-2 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations Section, and

WHEREAS: the City Council of the City of Dunn is authorized to resolve and declare the official intent of the City of Dunn, North Carolina (the "Issuer") with respect to the matters contained herein.

NOW THEREFORE BE IT RESOLVED; that the City of Dunn proposes to undertake the Project as described below, to incur the related and necessary project expenditures, and to finance the cost of the Project with the proceeds of debt to be issued by the City for the project all as described below:

1. Expenditures to be incurred. The City of Dunn (the Issuer) anticipates incurring maximum expenditures (the "Expenditures") of \$2,859,955 for stormwater improvements to the Juniper Creek Area of the City of Dunn.
2. Plan of Finance. The Issuer intends to finance the costs of the Project with the proceeds of a long-term loan or other suitable form of debt, to be issued by the City (the "Borrowing"), the interest on which is to be excluded from gross income for Federal income tax purposes.
3. Maximum Principal Amount of Debt to be issued. The maximum principal amount of the Borrowing to be incurred by the Issuer to finance the Project is \$2,859,955.
4. Declaration of Official Intent to Reimburse. The Issuer, City of Dunn, NC, hereby declares its official intent to reimburse itself with the proceeds of the Borrowing for any of the Expenditures incurred by it prior to the issuance of the Borrowing.
5. Unavailability of Long-Term Funds. No funds for payment for the stormwater improvements in the Juniper Creek Area project, from sources other than the borrowed funds, are or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside by the City pursuant to its budget or financial policies.

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6. Public Availability of Official Intent Resolution. The Resolution shall be made available for public inspection at the office of the City Finance Officer within 30 days after its approval in compliance with the applicable state law governing the availability of records of official acts and shall remain available for public inspection until the borrowed funds are issued.

7. Effective Date. This Resolution shall be effective upon its adoption and approval by the City Council.

BE IT FURTHER RESOLVED, that such evidence of debt, checks, and drafts will be signed or authorized by any two of said officials.

This the 27th day of August, 2024.

William P. Elmore, Jr.
Mayor

Attest:

Melissa R. Matti
Deputy City Clerk

CITY OF DUNN

BUDGET ORDINANCE AMENDMENT

Department: Stormwater-Capital

Budget Amendment #: 9

Date: 8/27/2024

FISCAL YEAR ENDING: 6/30/2025

FUND	Acct #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
Stormwater Capital	059-0931-0001	Administration		\$ 57,200.00	\$ 57,200.00
Stormwater Capital	059-0931-4510	Professional Services		250,000.00	250,000.00
Stormwater Capital	059-0931-4000	Engineering		315,000.00	315,000.00
Stormwater Capital	059-0931-2101	Easements		150,000.00	150,000.00
Stormwater Capital	059-0931-7600	Construction		1,987,755.00	1,987,755.00
Stormwater Capital	059-0931-0002	Contingency		100,000.00	100,000.00
EXPENDITURE TOTAL:			\$ -	\$ 2,859,955.00	\$ 2,859,955.00

FUND	Acct #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
Stormwater Capital	059-0399-0004	Golden Leaf Grant		\$ 500,000.00	\$ 500,000.00
Stormwater Capital	059-0399-0003	NCDEQ CWSRF Grant		\$ 500,000.00	\$ 500,000.00
Stormwater Capital	059-0399-1400	NCDEQ CWSRF Loan Funds		\$ 1,859,955.00	\$ 1,859,955.00
REVENUE TOTAL:			\$ -	\$ 2,859,955.00	\$ 2,859,955.00

CERTIFICATION: I certify this requested budget amendment was approved by the City Council on:

City Manager: 8/27/2024

Finance Director: 8/27/2024

JUSTIFICATION:

Establish Capital Proj Ordinance for the Juniper Creek Area Stormwater Project

FUNDING SOURCE:

Golden Leaf Grant and NCDEQ grant and loan funding.

Meeting Date: August 27, 2024

SUBJECT TITLE	Administrative Reports
PRESENTER/DEPARTMENT	City Manager Neuschafer
ATTACHMENT(S)	Monthly Reports
PUBLIC HEARING PUBLISH DATES	

PURPOSE:

- 1) City Manager's Report/Update on Council Goals
- 2) Financial Report/Assessment Update
- 3) Monthly Departmental Reports Included:
 - Planning & Inspections Report
 - Public Works Reports
 - Public Utilities Report
 - Water Plant Report
 - Wastewater Treatment Plant Report
 - Parks & Recreation Report
 - Police Report



Goals and Objectives FY2024/2025

July 17, 2024

Primary Goal	Plan of Action	Update	Timeline for Start or Finish	Funding needed
1	Infrastructure			
1a	<ul style="list-style-type: none"> • Sewer Plant • Sewer Lines (Repairs sized to accommodate growth) 	Substantial completion Signed July, 2024	Completion As Necessary	Millions
1b	<ul style="list-style-type: none"> • Prioritize Long-term Projects • Clear Annual Priorities for Staff Funding/Budgeting 	Received Grant of \$500,000 for Merry Street project Acquiring easements for Pearsall St. project.	Summer of 24	Millions
1c	<ul style="list-style-type: none"> • Complete Planning and Bid for Water Tower US301S • Create an action plan for the Water Plant 	Original Design Plan under Revision by DMP.	Maximum two years	\$3.5 Million
1d	<ul style="list-style-type: none"> • Prioritize street repairs • Allocate funding 	Preparing engineer selection process & USDA application	RFQ Selection process started.	Approved \$4-5M Debt.
1e	<ul style="list-style-type: none"> • Finish Ordinance and Adopt Plan for implementation 		Summer of 24 to adoption	Time \$100,000
2	Public Relations			
2a	<ul style="list-style-type: none"> • Training for applicable employees • Research PIO position • Monthly Update of PR Activities • Signage for Active City Projects -- Public Works and Utilities 	In Staff Activity Reports Complete	Signage for City projects Summer 24/	\$75,000 \$1,000



Goals and Objectives FY2024/2025

July 17, 2024

Primary Goal	Plan of Action	Update	Timeline for Start or Finish	Funding needed
2b Regional Marketing Plan for Sports Events	<ul style="list-style-type: none"> Communication with Local Businesses early when hosting Sporting Events Reach out to sporting organizations (baseball, softball) to increase future travel ball events Market to regional sporting organizations to host major events 	Recreation & Tourism are working to prepare proposal for community benefit.	Creation of recreation marketing 24/25	\$10,000
3	City Hall Renovations Plumbing Repairs		24/25 budget year	\$65,000
4	Update UDO <ul style="list-style-type: none"> Text Amendments to correct typos and implement newer growth recommendation in land use plan More focus on land use and growth issues during work sessions 		ongoing	Time
5	Business Recruitment and Investments <ul style="list-style-type: none"> Actively Recruit Businesses working in partnership with Downtown, the Chamber and Tourism Market Plan for Business Recruitment Create and Fund Incentive Programs for private sector 		Ongoing – participate with tourism efforts 24/25 budget for incentive	\$50,000 \$25- \$50,000 year



Goals and Objectives FY2024/2025

July 17, 2024

Primary Goal	Plan of Action	Update	Timeline for Start or Finish	Funding needed
	<ul style="list-style-type: none"> investments specifically for <i>restaurants</i> (façade grants, permit fee reductions, etc.) Continue support and involvement with 195/140 Alliance Research Electricity Accessibility for Food Trucks and Conforming Ordinance 		<p>Annual Alliance dues</p> <p>24/25 budget for extending electrical access</p>	<p>\$55,000</p> <p>\$10-20,000</p>
6	Community Character and Beautification			
6a	<ul style="list-style-type: none"> Work with NCDOT to add additional signage through 195 project Increase Code Enforcement efforts along gateways 		<p>24/27 depending on I-95 project</p> <p>ongoing</p>	<p>\$250,000</p> <p>Time</p>
6b	<ul style="list-style-type: none"> Bid and proceed with Phase 1 Develop strategies and funding for future phases 	Awaiting NC DOT and Duke Energy approval Bid documents prepared.	Spring of 2025 completion	\$250,000 budgeted
6c	Reuse of City-owned properties		ongoing	Undetermined
6b	<ul style="list-style-type: none"> Look for funding and develop plan for specific projects Seek community involvement and business participation Look at Public Art Program – partner with schools 		Need plan to direct funding 24/25	Undetermined
6c	Redevelopment Zone	Develop plan and Study feasibility for Redevelopment Zone	Consensus to move forward	Undetermined



Goals and Objectives FY2024/2025

July 17, 2024

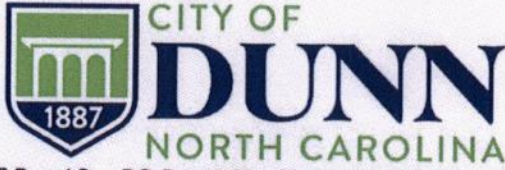
Primary Goal	Plan of Action	Update	Timeline for Start or Finish and determine area	Funding needed
7	Upgrade City Technology			
7a	Update Payroll Software and Water Bill Payment (more user friendly)		Timekeeper software	\$17,000
7b	Update Permitting Software	Request to be included for June Regular Meeting	New software	\$21,000
7c	Prepare Plan for Physical Hardware upgrades	Met with Harnett IT to discuss Hardware Plan	3 yr. computer replacement plan	\$60,000
8	Senior Citizens Transportation			
9	Research Grant for funding		24/25	\$60,000
9a	Increase Walkability/Connectivity			
9a	• Prepare Plan for Phase 2		24/25 develop route	\$500,000+
9b	• Funding and Implementation		Ongoing	Budget maintenance of sidewalk
9b	Identify small and less expensive projects that can be completed in-house	Proposed \$25,000 in annual budget		
10	Parks and Recreation			
10a	• Upgrade Basketball Court Facilities	Ribbon Cutting for Basketball Court was held at the Juneteenth Celebration	Complete	
10a	Codrington Park Improvements			
10a	• Complete Needs Survey for Parks and Recreation		Survey feedback to direct plan 25/26	\$100,000
10a	• Create plan for renovations			
10a	• Burke St Improvements			
10a	• Address Aesthetic Concerns (Berms)	Removal of Mound & Construction of Berm at Resthaven Complete.	Complete	Time



Goals and Objectives FY2024/2025

July 17, 2024

Primary Goal	Plan of Action	Update	Timeline for Start or Finish	Funding needed
11	<ul style="list-style-type: none"> Fencing and Lighting Paving Repairs Facilities		24/25 budget Summer 24	\$20,000 \$50,000
11a	<ul style="list-style-type: none"> Develop Plan Find Funding 		Set as Priority Millions
11b	<ul style="list-style-type: none"> Develop Plan Find Funding Public Works/Public Utilities Complex	USDA Grant Application Nearing Completion. Phase II EPA Testing	Grant Application Summer 24 In process	Phase \$12M



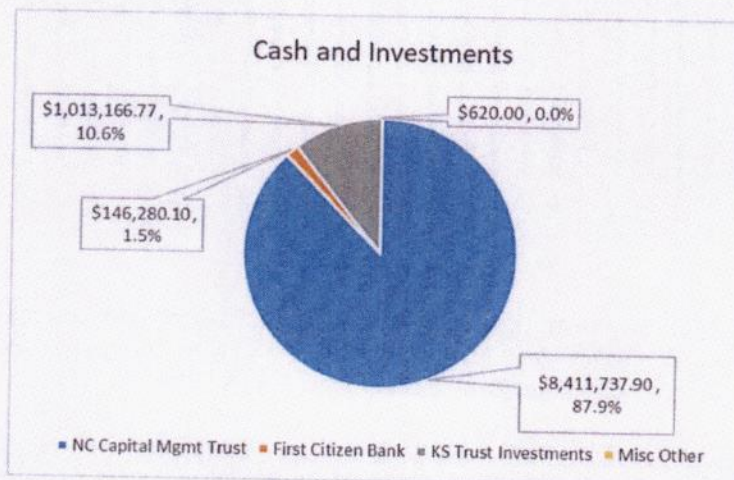
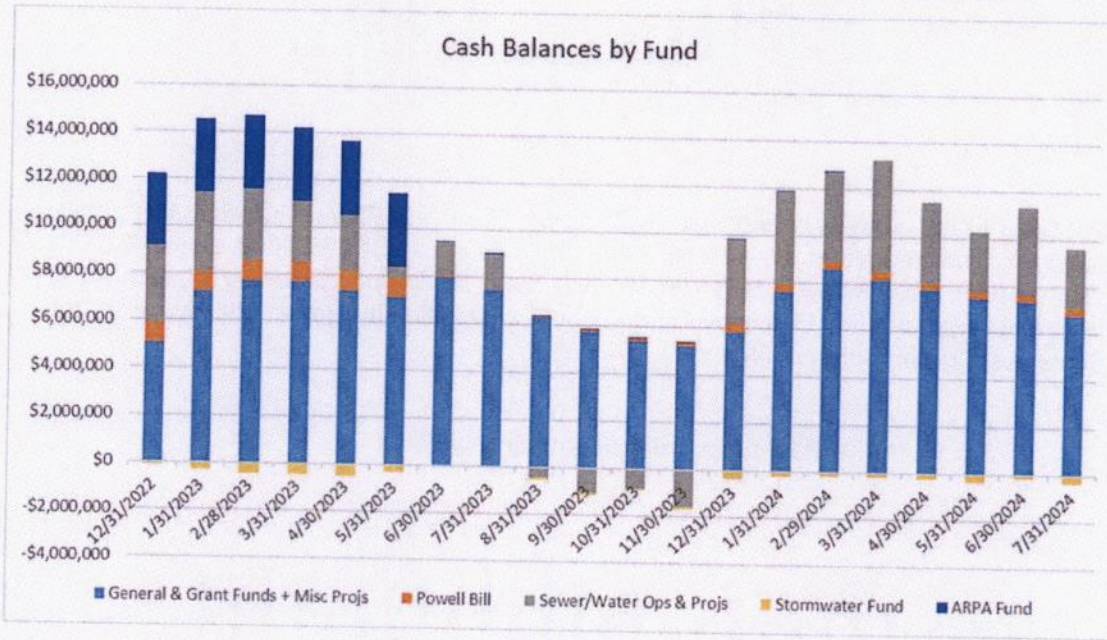
401 E Broad St • PO Box 1065 • Dunn, North Carolina 28335
 (910) 230-3500 • CityofDunn.org

Mayor
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 J. Wesley Sills
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MEMORANDUM

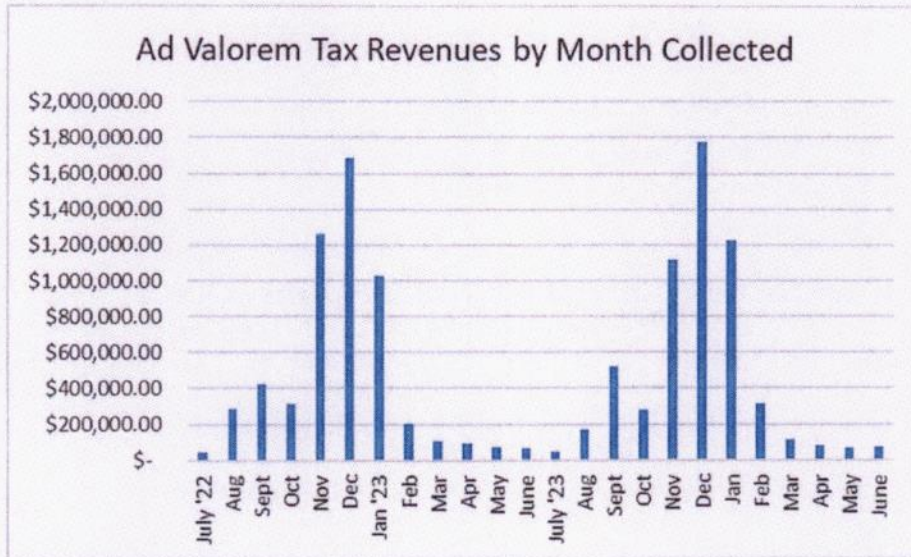
To: Honorable Mayor, City Council Members
From: Cary McNallan, Finance Director
Subject: July 2024 Financial Report (unaudited)
Date: August 7, 2024

- **Cash & Investment Balances:** Cash and investment balances for all funds totaled \$9,571,805 as of July 31, 2024, compared to \$9,061,553 a year ago. The increase is primarily due to the timing of reimbursements of water and sewer project expenditures.

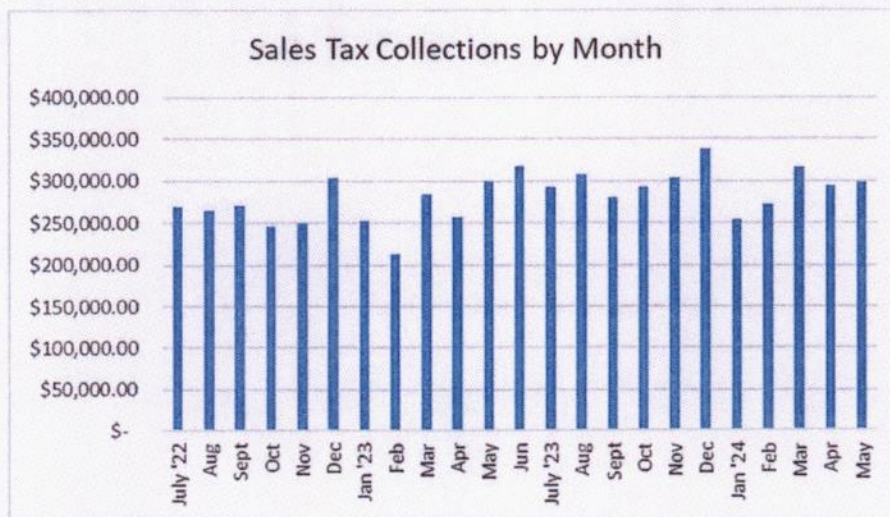


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- The benchmark for this period is 8.3% of the budget, however, revenues and expenditures will continue to be recorded for the next few weeks.
- Property Taxes collected by the County for the month of June 2024 totaled \$73,734 compared to \$65,13 for June 2023. FY24 year to date property tax revenues received are \$5,790,164. Our total estimated taxes for 2024 are \$5,563,300. These totals include taxes for Property, Motor Vehicles, and Downtown Service District.



- For Sales Taxes, our May receipts were \$297,900. This is \$1,573 less than the same period last year. Our budget for sales tax revenue for FY24 is set at \$3,095,000, and so far, this year we have recorded \$3,250,346, or 105.0%. Sales Tax Reports from the Department of Revenue are provided at least two months behind actual collections. Our next sales tax deposit will be September 15th.



- Building Permit Fees for the month of July were \$6,430. To date we have collected a total of \$6,430 or 4.0% of the budget. At the same time last year, our year-to-date revenue was \$21,735. The budget for the 2025 budget year is \$160,000.
- The following charts and graphs include Budgeted and Actual, Revenue and Expenditures for the General Fund, Water & Sewer Fund, Stormwater Fund, and the Powell Bill Fund.

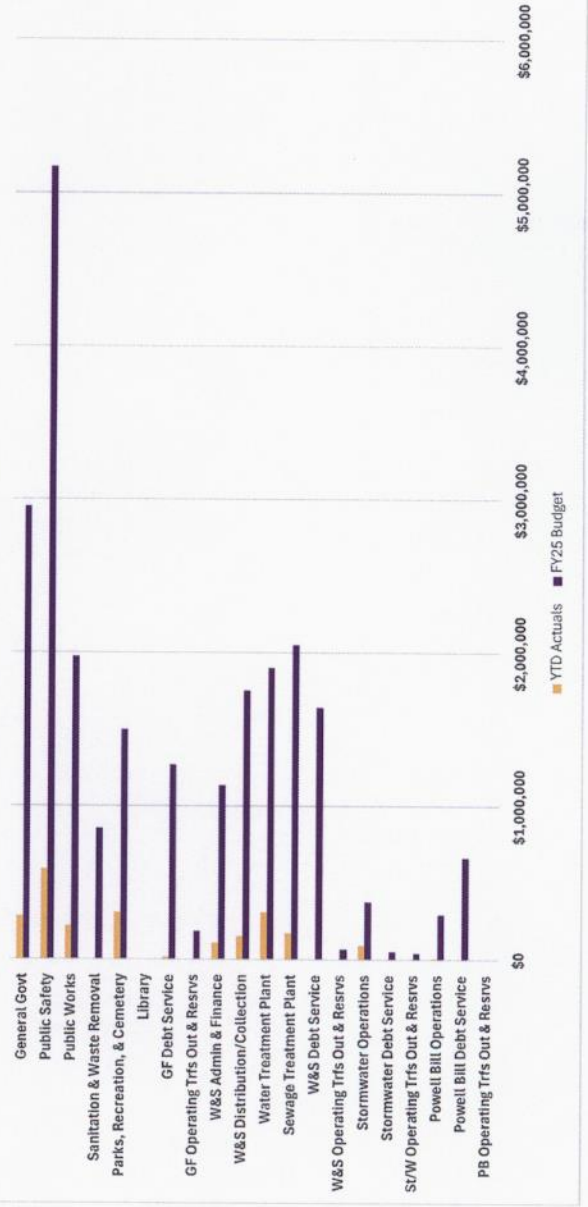
FY25 YTD Actuals vs Budgets - Expenditures

All Funds - FY25		July		FY25		% of Bdg't	
Departments/Funds	FY25 Budget	MTD Actuals	YTD Actuals	YTD Actuals	% of Bdg't		
General Govt	2,957,719.00	283,625.99	283,625.99	283,625.99	9.6%		
Public Safety	5,171,579.00	592,258.25	592,258.25	592,258.25	11.5%		
Public Works	1,977,911.00	223,533.12	223,533.12	223,533.12	11.3%		
Sanitation & Waste Removal	857,000.00	2,028.10	2,028.10	2,028.10	0.2%		
Parks, Recreation, & Cemetery	1,496,758.00	309,132.47	309,132.47	309,132.47	20.7%		
Library	4,482.00	1,794.78	1,794.78	1,794.78	40.0%		
GF Debt Service	1,270,499.00	20,722.47	20,722.47	20,722.47	1.6%		
GF Operating Trfs Out & Resrvs	187,500.00	-	-	-	0.0%		
General Fund Totals	13,923,448.00	1,433,095.18	1,433,095.18	1,433,095.18	10.3%		
W&S Admin & Finance	1,134,957.00	110,295.04	110,295.04	110,295.04	9.7%		
W&S Distribution/Collection	1,753,761.00	155,129.22	155,129.22	155,129.22	8.8%		
Water Treatment Plant	1,903,140.00	309,467.16	309,467.16	309,467.16	16.3%		
Sewage Treatment Plant	2,052,057.00	174,244.98	174,244.98	174,244.98	8.5%		
W&S Debt Service	1,643,553.00	-	-	-	0.0%		
W&S Operating Trfs Out & Resrvs	70,000.00	-	-	-	0.0%		
W&S Fund Totals	8,557,468.00	749,136.40	749,136.40	749,136.40	8.8%		
Stormwater Operations	377,695.00	94,371.03	94,371.03	94,371.03	25.0%		
Stormwater Debt Service	52,630.00	-	-	-	0.0%		
St/W Operating Trfs Out & Resrvs	44,000.00	-	-	-	0.0%		
Stormwater Totals	474,325.00	94,371.03	94,371.03	94,371.03	19.9%		
Powell Bill Operations	296,247.00	11,116.00	11,116.00	11,116.00	3.8%		
Powell Bill Debt Service	665,253.00	-	-	-	0.0%		
PB Operating Trfs Out & Resrvs	-	-	-	-	#DIV/0!		
Powell Bill Totals	961,500.00	11,116.00	11,116.00	11,116.00	1.2%		

FY24 YTD Actuals vs Budgets - Expenditures

All Funds - FY24		July		FY24		% of Bdg't	
Departments/Funds	FY24 Budget	MTD Actuals	YTD Actuals	YTD Actuals	% of Bdg't		
General Govt	2,911,563.22	282,390.61	282,390.61	282,390.61	9.7%		
Public Safety	5,087,426.02	413,100.32	413,100.32	413,100.32	8.1%		
Public Works	2,128,977.22	429,527.92	429,527.92	429,527.92	20.2%		
Sanitation & Waste Removal	841,000.00	-	-	-	0.0%		
Parks, Recreation, & Cemetery	1,435,022.50	96,308.32	96,308.32	96,308.32	6.7%		
Library	103,547.00	-	-	-	0.0%		
GF Debt Service	1,095,864.00	20,722.47	20,722.47	20,722.47	1.9%		
GF Operating Trfs Out & Resrvs	764,435.62	-	-	-	0.0%		
General Fund Totals	14,367,835.58	1,242,049.64	1,242,049.64	1,242,049.64	8.6%		
W&S Admin & Finance	1,122,655.73	93,986.35	93,986.35	93,986.35	8.4%		
W&S Distribution/Collection	1,825,127.93	122,949.50	122,949.50	122,949.50	6.7%		
Water Treatment Plant	2,262,739.03	429,905.95	429,905.95	429,905.95	19.0%		
Sewage Treatment Plant	2,082,096.56	99,046.01	99,046.01	99,046.01	4.8%		
W&S Debt Service	2,871,668.00	-	-	-	0.0%		
W&S Operating Trfs Out & Resrvs	633,803.00	-	-	-	0.0%		
W&S Fund Totals	10,798,090.25	745,887.81	745,887.81	745,887.81	6.9%		
Stormwater Operations	373,211.00	47,753.31	47,753.31	47,753.31	12.8%		
Stormwater Debt Service	52,629.00	-	-	-	0.0%		
St/W Operating Trfs Out & Resrvs	-	-	-	-	#DIV/0!		
Stormwater Totals	425,840.00	47,753.31	47,753.31	47,753.31	11.2%		
Powell Bill Operations	269,748.00	11,116.00	11,116.00	11,116.00	4.1%		
Powell Bill Debt Service	215,252.00	-	-	-	0.0%		
PB Operating Trfs Out & Resrvs	-	-	-	-	#DIV/0!		
Powell Bill Totals	485,000.00	11,116.00	11,116.00	11,116.00	2.3%		

Budget to Actual - FY25 Expenditures



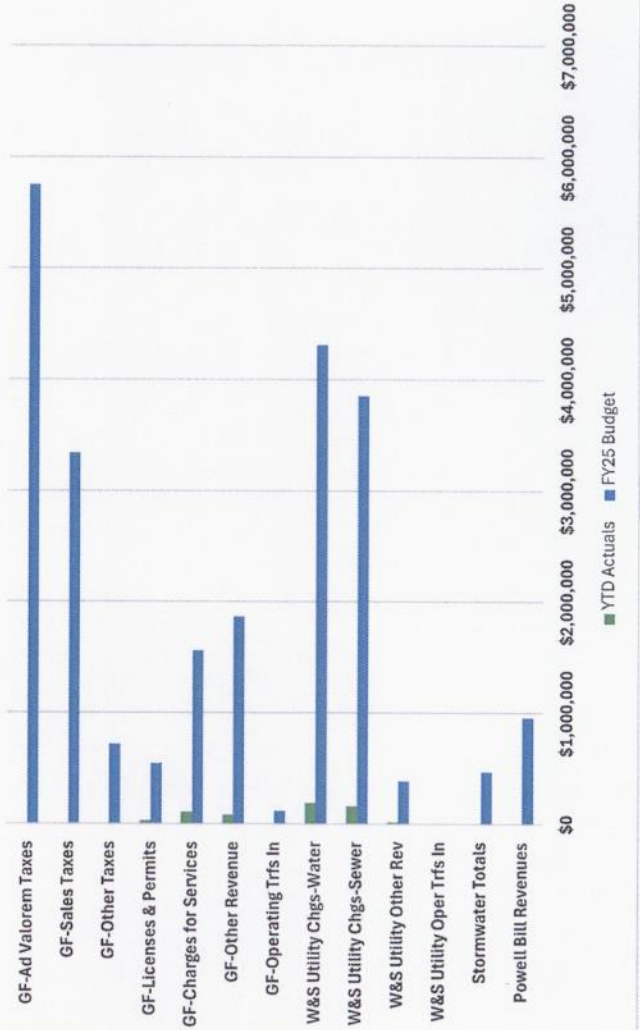
FY25 YTD Actuals vs Budgets - Revenues

All Funds - FY25		July		FY25		% of Bdg	
Revenue Category/Fund	FY25 Budget	MTD Actuals	YTD Actuals	YTD Actuals	% of Bdg		
GF-Ad Valorem Taxes	5,759,728.00	-	-	-	0.0%		
GF-Sales Taxes	3,341,000.00	-	-	-	0.0%		
GF-Other Taxes	718,150.00	-	-	-	0.0%		
GF-Licenses & Permits	548,650.00	31,808.10	31,808.10	31,808.10	5.8%		
GF-Charges for Services	1,563,524.00	111,745.10	111,745.10	111,745.10	7.1%		
GF-Other Revenue	1,871,890.00	82,758.19	82,758.19	82,758.19	4.4%		
GF-Operating Trfs In	120,506.00	-	-	-	0.0%		
General Fund Totals	13,923,448.00	226,311.39	226,311.39	226,311.39	1.6%		
W&S Utility Chgs-Water	4,312,325.00	192,561.88	192,561.88	192,561.88	4.5%		
W&S Utility Chgs-Sewer	3,857,450.00	161,940.69	161,940.69	161,940.69	4.2%		
W&S Utility Other Rev	387,693.00	17,328.15	17,328.15	17,328.15	4.5%		
W&S Utility Oper Trfs In	-	-	-	-	#DIV/0!		
W&S Fund Totals	8,557,468.00	371,830.72	371,830.72	371,830.72	4.3%		
Stormwater Revenues	474,325.00	-	-	-	0.0%		
Stormwater Totals	474,325.00	-	-	-	0.0%		
Powell Bill Revenues	961,500.00	1,203.71	1,203.71	1,203.71	0.1%		
Powell Bill Totals	961,500.00	1,203.71	1,203.71	1,203.71	0.1%		

FY24 YTD Actuals vs Budgets - Revenues

All Funds - FY24		July		FY24		% of Bdg	
Revenue Category/Fund	FY24 Budget	MTD Actuals	YTD Actuals	YTD Actuals	% of Bdg		
GF-Ad Valorem Taxes	5,563,300.00	665.18	665.18	665.18	0.0%		
GF-Sales Taxes	3,125,000.00	-	-	-	0.0%		
GF-Other Taxes	703,500.00	-	-	-	0.0%		
GF-Licenses & Permits	575,200.00	52,366.03	52,366.03	52,366.03	9.1%		
GF-Charges for Services	1,470,324.00	133,131.51	133,131.51	133,131.51	9.1%		
GF-Other Revenue	2,922,280.66	92,742.10	92,742.10	92,742.10	3.2%		
GF-Operating Trfs In	8,230.92	-	-	-	0.0%		
General Fund Totals	14,367,835.58	278,904.82	278,904.82	278,904.82	1.9%		
W&S Utility Chgs-Water	4,555,700.00	161,451.75	161,451.75	161,451.75	3.5%		
W&S Utility Chgs-Sewer	3,890,700.00	143,203.20	143,203.20	143,203.20	3.7%		
W&S Utility Other Rev	2,351,690.25	13,292.56	13,292.56	13,292.56	0.6%		
W&S Utility Oper Trfs In	-	-	-	-	#DIV/0!		
W&S Fund Totals	10,798,090.25	317,947.51	317,947.51	317,947.51	2.9%		
Stormwater Revenues	425,840.00	-	-	-	0.0%		
Stormwater Totals	425,840.00	-	-	-	0.0%		
Powell Bill Revenues	485,000.00	102.43	102.43	102.43	0.0%		
Powell Bill Totals	485,000.00	102.43	102.43	102.43	0.0%		

Budget to Actual - FY25 Revenues



Dunn Capital Project Summary Report

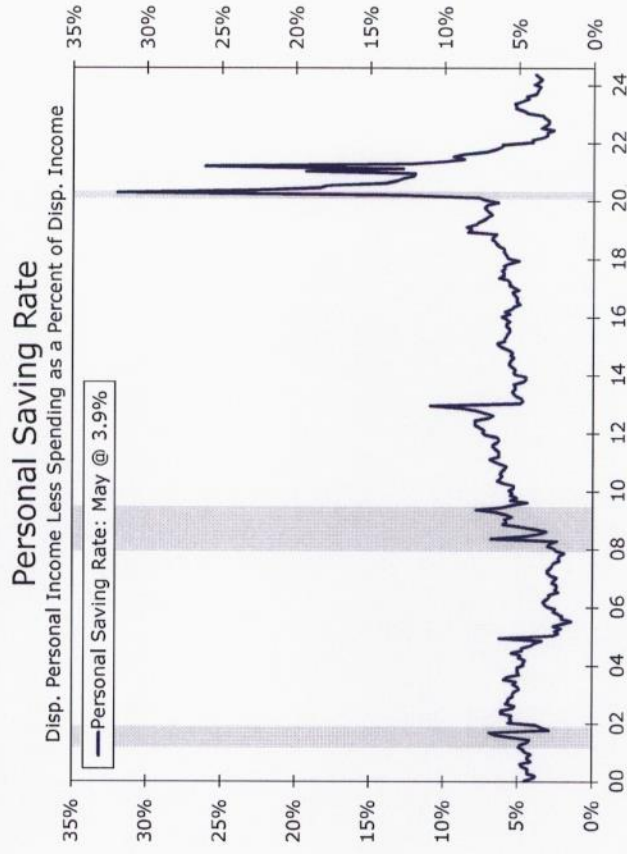
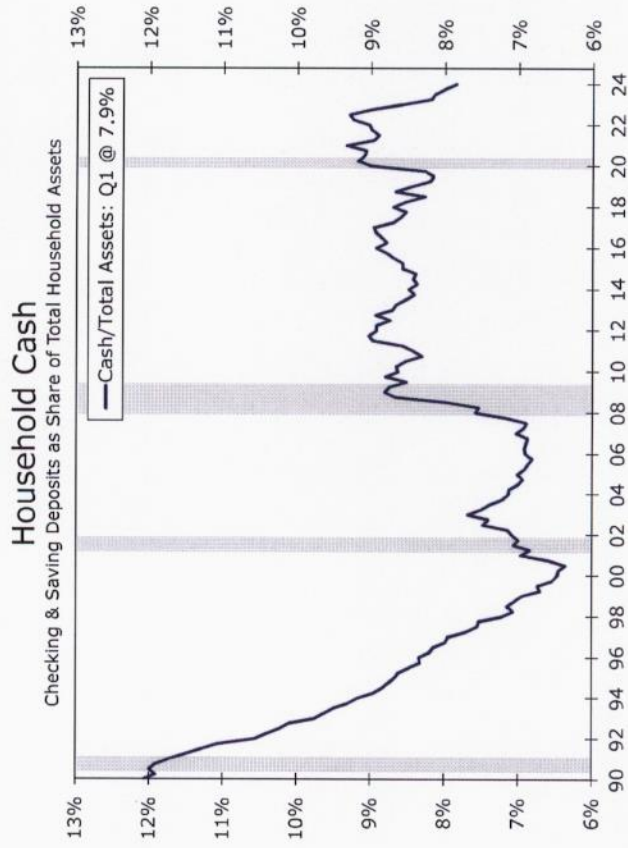
LTD = Life to Date

as of: 6/30/2024

Proj # - Description	Project Budget	LTD Actual Funding	LTD Actual Expenditures	Current Encumbrances	Funding Less Exp/Enc	Budget Balance	% of Bgdt Expended	Grant Funds	Grant % of Proj
General Govt Projects									
Proj 73 - CDBG Housing Rehab Program	574,635.62	574,635.62	574,635.62	-	(0.00)	(0.00)	100.0%	574,000.00	99.9%
Proj 77 - SCIF Grants	650,000.00	690,716.67	135,227.95	-	555,488.72	514,772.05	20.8%	650,000.00	100.0%
Proj 100 - Paving Project	2,100,000.00	2,100,000.00	1,280,622.45	-	819,377.55	819,377.55	61.0%	-	0.0%
Proj 101 - Park to Park Trail Project	566,599.93	566,599.93	566,599.93	-	0.00	0.00	100.0%	-	0.0%
Proj 102 - FY24 Gen Govt Veh & Eq Project	466,861.00	-	441,297.59	-	(441,297.59)	25,563.41	94.5%	-	0.0%
Proj 103 - City Wayfinding Project	250,000.00	250,000.00	20,492.50	2,750.00	226,757.50	226,757.50	8.2%	-	0.0%
Proj 104 - Tart Park Improvements	400,000.00	200,000.00	-	-	200,000.00	400,000.00	0.0%	200,000.00	50.0%
Proj 62 - FY24 Stormwater Veh & Eq Project	266,000.00	-	265,591.00	-	(265,591.00)	409.00	99.8%	-	0.0%
Proj 69G - FY24 Water & Sewer Veh & Eq Project	416,000.00	-	390,515.71	-	(390,515.71)	25,484.29	93.9%	-	0.0%
Total General Govt Projects	\$ 5,690,096.55	\$ 4,381,952.22	\$ 3,674,982.75	\$ 2,750.00	\$ 704,219.47	\$ 2,012,363.80		\$ 1,424,000.00	25.0%
Water and Sewer Projects									
Proj 66 - CDBG-I Wastewtr Collection Syst 2021	1,999,129.00	365,928.88	365,136.18	1,580,683.12	(1,579,890.42)	53,309.70	18.3%	1,999,129.00	100.0%
Proj 67 - CWSRF WW Treatment Plant Imprv 2021	12,554,620.00	12,554,620.00	10,924,866.33	1,614,460.38	15,293.29	15,293.29	87.0%	8,856,100.00	70.5%
Proj 68 - CWSRF Sewer Collection System Rehab	2,000,000.00	-	364,712.50	118,987.50	(483,700.00)	1,516,300.00	18.2%	500,000.00	25.0%
Proj 69E - FY24 Water Treatment Plant Imprv	185,200.00	185,200.00	179,800.00	-	5,400.00	5,400.00	97.1%	-	0.0%
Proj 70 - Tracy Lane W&S Extension	361,400.00	361,400.00	23,670.00	-	337,730.00	337,730.00	6.5%	-	0.0%
Proj 71 - WW Collectn Systm Rehab USDA 2021	2,498,234.38	2,498,234.38	2,498,234.38	-	-	-	100.0%	1,200,000.00	48.0%
Proj 78 - Eastside PumpSta,Forcemain	12,126,000.00	-	581,496.50	661,500.00	(1,242,996.50)	10,883,003.50	4.8%	3,500,000.00	28.9%
Proj 79 - Black River WWTP Effluent	16,100,000.00	-	1,027,946.65	653,161.00	(1,681,107.65)	14,418,892.35	6.4%	15,350,000.00	95.3%
Proj 80 - Machine & Welding Outfall Sewer	8,591,002.00	2,347,102.00	410,804.91	6,679,581.90	(4,743,284.81)	1,500,615.19	4.8%	6,243,900.00	72.7%
Proj 81 - Sewer Asset Inventory & Asmnt (AIA)	400,000.00	50,061.00	58,300.00	341,700.00	(349,939.00)	-	14.6%	400,000.00	100.0%
Proj 82 - Ammons Road Meter Vault	90,888.56	90,888.56	90,888.56	-	-	-	100.0%	-	0.0%
Proj 83 - Champion PS Conversion	452,100.00	452,100.00	9,960.00	48,340.00	393,800.00	393,800.00	2.2%	-	0.0%
Proj 84 - Lead & Copper Srvc Asmnt	500,000.00	-	30,763.68	459,236.32	(490,000.00)	10,000.00	6.2%	300,000.00	60.0%
Total Water and Sewer Projects	\$ 57,858,573.94	\$ 18,905,534.82	\$ 16,566,579.69	\$ 12,157,650.22	\$ (9,818,695.09)	\$ 29,134,344.03		\$ 38,349,129.00	66.3%
Stormwater Projects									
Proj 34 - Stormwater Mapping Project	500,000.00	349,000.00	349,000.50	-	(0.50)	150,999.50	69.8%	500,000.00	100.0%
Proj 60 - E Bay St & S Wilson Av Strmwtr Imprv	118,800.00	118,800.00	1,000.00	800.00	117,000.00	117,000.00	0.8%	-	0.0%
Proj 61 - Pearsall St Culvert-aka Juniper Crk STW	890,340.00	169,692.00	266,605.43	262,694.57	(359,608.00)	361,040.00	29.9%	890,340.00	100.0%
Total Stormwater Projects	\$ 1,509,140.00	\$ 637,492.00	\$ 616,605.93	\$ 263,494.57	\$ (242,608.50)	\$ 629,039.50		\$ 1,390,340.00	92.1%
Grand Totals (all funds)	\$ 65,057,810.49	\$ 23,924,979.04	\$ 20,858,168.37	\$ 12,423,894.79	\$ (9,357,084.12)	\$ 31,775,747.33		\$ 41,163,469.00	63.3%

Household Savings

Households have whittled down the excess cash built up during the pandemic lockdown days.
The personal savings rate has turned lower.



Source: Federal Reserve Board, U.S. Department of Commerce and Wells Fargo Economics

Sales Taxes

Net Sales Tax Collections Monthly Year-over-Year % Change



North Carolina Association
of County Commissioners



NCLM
NC LEAGUE OF MUNICIPALITIES

JULY 2024 | Monthly Development Report

Planning & Inspections Department | 102 N. Powell Ave., Dunn, NC 28334 | phone 910-230-3503 | fax 910-230-9005 | www.dunn-nc.org

Code Enforcement	Type	Number
	Minimum Housing/Water Cut On Inspections	0
	Non-Residential Inspections	0
	Improper refuse in container	0
	Junk & Debris Violations	3
	Household/Indoor Furniture	0
	Junk Vehicles	0
	Junk Vehicles Removed by City	0
	Weeded Lot Violations	7
	Overgrowth	0
	Dead/Unsafe Trees	1
	Misc. Complaints/Public Nuisance	0
	Illegal Dumping	0
	Illegal Signs	0
	Plantings in right of way	0
	Large Limbs	0
	Yard Waste/Trash Can	3

Permits & Inspections		
	Permits Issued	43
	Permit Fees Collected	\$25,064
	Inspections Performed	181 143 Initial 79.0 % 38 reinspections 21.0%
	Plans Reviewed	5
	Demolitions	2
	Certificate of Occupancy's Issued	4
	Food Truck Permits	0
	Food Truck Renewals	0
	ABC Permits	1
	Tent Permits	1
	Special Event/Noise Permit	\$25

Fire Inspections & Permits		
	Fire Inspections Performed	38 including reinspection
	Fire Permits Issued	4
	Fire Invoices Due/ unpaid	\$7,062.00
	Fire Inspection Fees Collected	\$725

Planning & Zoning		
	Development Permits 6	\$ 350 Deck/Carport/Pergola/Garage-

		Screened Porch- Storage Bldg/Barn.- Fences- 2 New Residential Construction- 3 New Commercial Construction- 1 Addition- Parking Lot/driveway/siteplan Other/elec vehicle charging station- Swimming Pool-
	Sign Permits 1	\$ 20 Wall- Wall w/elec Freestanding- Freestanding w/elec Highrise- Face Replace- (no fee) Yard- Temp Banner- 1 Temp- Billboard- Billboard w/elec Interstate w/elec Ground- Political- Special Event-
	Plats/Recombination Approved	\$0
	Minor Subdivision	\$0
	Major Subdivision	\$0
	Annexation	\$0
	Easement	\$0
	Zoning Violations/citations-	\$0
	Zoning Verifications-	\$0
	Rezoning/variance-	\$0
	Conditional/Special Use-	\$700
	Business Registration	\$30
	New- 1	\$30
	Renewals- 0	\$0
	Home Occupation- 0	\$0

Code Enforcement Map July 1st to July 31st, 2024

Please note, that these are all **NEW code enforcement items. This does not include items that were followed up on, or are at a later stage in enforcement. **

Building Permits JULY 2024

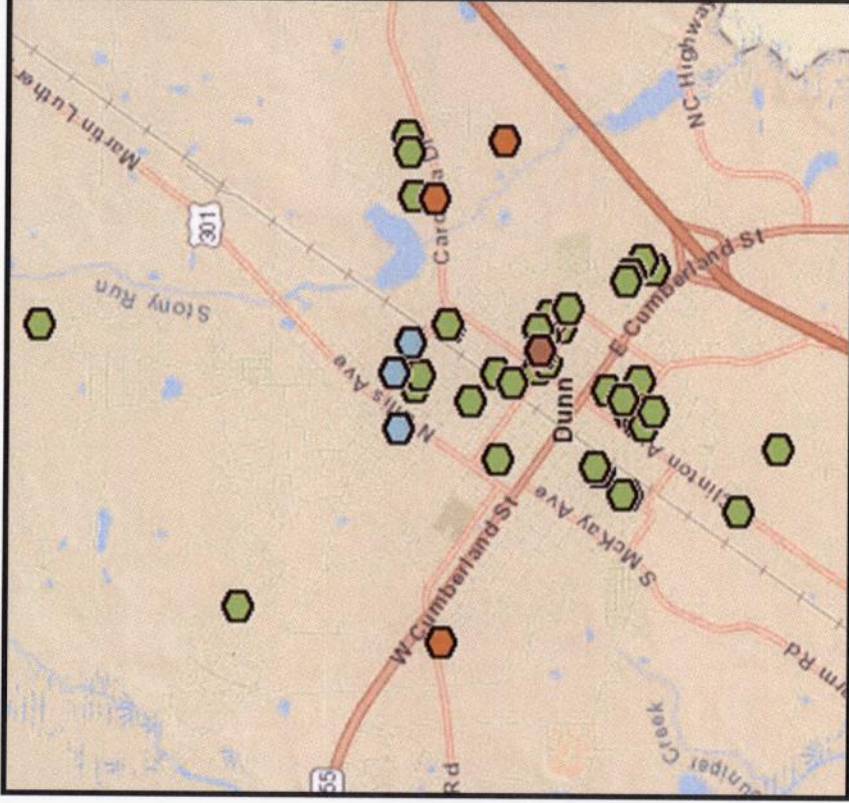
Address	Permit Type
2004 US 301 N	Comm Build Permit
24 Pillar Truth Rd	Comm Elec permit
123 N Wilson Ave	Comm Elec Permit
401 N Fayetteville Ave	Comm Elec permit
2001 W Cumberland	Comm Elec permit
506 N Mckay Ave	Comm Elec Permit
568 Jackson Blvd	Comm Mech Permit
272 Bruce Dr	Res Build & Dev Permits
807 E Harnett St	Res Build & Dev Permits
251 Mcneil Cir	Res Build & Dev Permits
288 Bruce Drive	Res Build & Dev Permits
1602 Lakeshore Dr	Res Build permit
903 S Elm Ave	Res Build permit
405 E Cole St	Res Build permit
141 Courtside Dr	Res Build permit
211 N Wilson	Res Demo Permit
1000 N McKay Ave	Res Demo Permit
101 Queensbury Ct	Res Dev Permit
301 W Godwin St	Res Dev Permit
141 Courtside Dr	Res Dev Permit
501 Long Branch Rd	Res Elec Permit
105 Basin St	Res Elec Permit
205 Village Square Dr	Res Elec Permit
211 Burke St	Res Elec Permit
108 Queensbury Ct	Res Elec Permit
812 E Best St	Res Elec Permit
1007 N Mckay Ave	Res Elec Permit
905 W Pope St	Res Elec Permit
1001 N Orange Ave	Res Elec Permit
211 Burke St	Res Elec Permit
101 Anne St	Res Elec Permit
205 Watauga Ave	Res Elec Permit
1112 Merry St	Res Elec Permit
205 Watauga Ave	Res Mech Permit
103 Violet Rd	Res Mech Permit
103 Violet Rd	Res Mech Permit
1112 Merry St	Res Mech Permit
99 Red Robin Dr	Res Mech Permit
108 Queensbury Ct	Res Mech Permit
205 Village Square Dr	Res Mech permit

Code Enforcement Actions JULY 2024

Id	Address Number	Street Name	Work Type	Date Flagged
18879328	407	East Pearsall Street	High Grass	7/31/2024 9:38:10 AM
18879321	510	South Elm Avenue	High Grass	7/31/2024 9:33:56 AM
18879309	511	South Magnolia Avenue	High Grass	7/31/2024 9:32:39 AM
18879304	507	South Magnolia Avenue	High Grass	7/31/2024 9:32:11 AM
18879299	500	S Magnolia Ave	High Grass	7/31/2024 9:30:38 AM
18879292	407	South Washington Avenue	High Grass	7/31/2024 9:29:09 AM
18879281	211	South Magnolia Avenue	High Grass	7/31/2024 9:26:43 AM
18879263	1118	South Clinton Avenue	High Grass	7/31/2024 9:22:53 AM
18879235	901	N Wilson Ave	High Grass	7/31/2024 9:14:51 AM
18879222	104	East Vance Street	High Grass	7/31/2024 9:10:43 AM
18871831	406	West Edgerton Street	High Grass	7/29/2024 11:32:47 AM
18871804	307	Westfield Drive	High Grass	7/29/2024 11:24:13 AM
18860286	102	Cascade Circle	High Grass	7/24/2024 11:17:37 AM
18830070	703	Queens Avenue	High Grass	7/12/2024 1:16:43 PM
18811730	407	North Elm Avenue	High Grass	7/5/2024 10:34:10 AM
18871573	707	Carolina Drive	Junk/Debris	7/29/2024 10:34:39 AM
18871538	122	Jupiter Dr	Junk/Debris	7/29/2024 10:12:22 AM
18822493	104	Sue Avenue	Junk/Debris	7/10/2024 8:57:00 AM
18866722	310	North Magnolia Avenue	Unsafe Trees	7/26/2024 11:32:43 AM
18816945	808	N Orange Ave	Yard Waste Violation	7/8/2024 2:50:51 PM
18816925	308	West Granville Street	Yard Waste Violation	7/8/2024 2:41:49 PM
18816906	1004	North Fayetteville Avenue	Yard Waste Violation	7/8/2024 2:35:43 PM



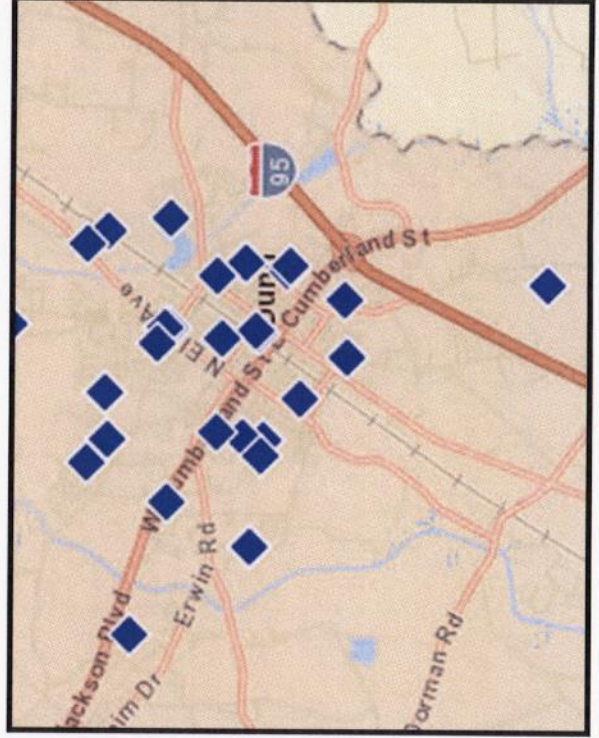
Code Enforcement
July 2024



Code Enforcement Legend

- ★ Building Permits
- ★ Dead Trees
- ★ Furniture & Appliances
- ★ High Grass
- ★ Illegal Dumping
- ★ Illegal Signs
- ★ Improper Refuse in Container
- ★ Indoor Furniture/Appliances
- ★ Junk Vehicle
- ★ Junk/Debris
- ★ Large Limbs
- ★ Minimum Housing
- ★ Non-Residential Maint. Code
- ★ Overgrowth
- ★ Stop Work Order
- ★ Yard Waste Violation
- ★ Zoning Other

Building Permits
July 2024



Building Permits Legend

- ◆ Building Permits

CITY OF DUNN

8/1/2024

Case Number	Violation Address	Owner or Occupant	Status or Conditions
MINIMUM HOUSING STANDARDS			
HC-23-02	125 Spring Branch Road	Stacey Harper	Abandoned, substandard housing. Inspection conducted on 04-15-24 with a warrant. Hearing conducted on 06-24-24 and owner did not show. Findings of Fact and Order issued with deadline of 09-29-24.
HC-23-03	824 East Divine Street	Zelm LLC & Co., c/o Lee Alexander Brown	Substandard housing. Conducted inspection. Hearing postponed per request of owner. Hearing has been rescheduled for 03-11-24 and owner did not show. Findings of Fact and Order issued to Repair or Demolish by a dated not later than 07-07-24.. No visible improvements or permits issued as of 06-24-24. Will prepare for presentation to City Council.
HC-23-04	307 Burke Street	The Come Up Group, LLC (02-05-24)	Substandard housing. Hearing conducted and Order issued to Repair or Demolish by 10-29-23. As of 02-05-24 the ownership has changed. Owner has demolished the structure. CLOSED 07-30-24.

CITY OF DUNN

8/1/2024

HC-23-06	614 East Vance Street	Francisco Gerez Caraballo	Substandard and severe housing conditions. City Council adopted the Ordinance to Demolish on July 23, 2024. Will prepare for arrangements.
HC-23-07	101 West Bay Street	William Randy Lucas (Deceased) c/o Charlene J Sutton	Substandard housing conditions. Pending inspection.
HC-23-08	211 South Magnolia Avenue	Theodore L Williams Jr & Virginia Williams	Substandard housing conditions. Will obtain a title search and schedule Inspection upon receipt.
HC-23-09	401 South Washington Avenue	Theodore L Williams Jr & Virginia Williams	Substandard housing conditions. Will obtain a title search and schedule Inspection upon receipt.
HC-23-10	403-405 South Washington Avenue	Theodore L Williams Jr & Virginia Williams	Substandard housing conditions. Will obtain a title search and schedule Inspection upon receipt.
HC-23-11	407 South Washington Avenue	Theodore L Williams Jr & Virginia Williams	Substandard housing conditions. Will obtain a title search and schedule Inspection upon receipt.
HC-23-12	804 South Washington Avenue	Theodore L Williams Jr & Virginia Williams	Substandard housing conditions. Will obtain a title search and schedule Inspection upon receipt.
HC-23-15	811 East Cumberland Street	John Davis Sutton	Substandard housing conditions. Pending Inspection.

CITY OF DUNN

8/1/2024

HC-23-16	305 West Greenwood Street	Frederick E McNeil	Substandard housing conditions. Hearing held with potential buyers and owner did not attend. The seller & buyers are working with attorney to complete the transfer upon completion of the survey. Will issue the order upon transfer.
HC-23-21	604 East Townsend Street	Tony W Surles	Substandard housing conditions. Pending Inspection.
HC-23-22	309 North Wilson Avenue	Kris Dolan & David Berg (04-12-23)	Substandard housing conditions. Inspection conducted. Hearing held and the owners are working with Planning on conversion to SFR and total renovation. Permits were obtained and work is progressing. Will continue monitoring.
HC-23-23	307 South Washington Avenue	Thomas E Strickland	Substandard housing conditions. Pending Inspection.
HC-23-24	404 North Magnolia Avenue	Roy & ROI (new owners)	Substandard housing. Inspection conducted. Hearing postponed . New owners have obtained permits on 02-29-24 and are working on the renovations. Will continue to monitor.

CITY OF DUNN

8/1/2024

HC-23-25	407 West Johnson Street	Jose Juan Correa	Substandard housing conditions. Owner appears to have abandoned the intent to renovate the structure. Also has failed multiple county inspections in the past. Housing inspection conducted and Hearing held on 07-23-24. Order issued to Repair or Demolish by a date not later than 10-23-24.
HC-23-26	408 North Magnolia Avenue	The Finn Group LLC	Substandard housing. Inspection conducted. Hearing postponed and will be rescheduled.
HC-23-27	502 East Surlles Street	Eugenia McMillian	Substandard housing conditions. Pending Inspection.
HC-23-28	611 North Wilson Avenue	Frank & Lula Clark	Substandard housing conditions. Will schedule inspection soon.
HC-23-29	711 North Magnolia Avenue	James N Wynn	Substandard housing conditions. Pending Inspection.
HC-23-31	807 North Layton Avenue	Clayton Davis	Substandard housing conditions. Pending Inspection.

HC-23-32	1114 South Clinton Avenue	RCC Dawson LLC c/o Pyragna Chhasati	Substandard housing. Inspection conducted. Hearing held. Owner working with Planning concerning permitted uses prior to renovation. Order issued to Repair or Demolish with a deadline of 06-30-24. No permits have been obtained but have been in frequent communication with the architect and engineers working on the project, with first architectural drawings submitted..
HC-23-33	413 South Magnolia Avenue	Anchor Investment Properties LLC	Substandard housing conditions. Pending Inspection.
HC-23-34	202 South Sampson Ave	Caesar A Brewington Jr.	Substandard housing conditions. Pending Inspection.
HC-23-35	1607-1609-1611 Erwin Rd	Minnie F Webb	Substandard housing conditions. Pending Inspection of apartments.
HC-23-37	1001-1003 N Fayetteville Av	Chelsi Fawn Boulware	Abandoned, substandard housing. Pending inspection.
HC-23-38	901 East Johnson Street	Anthony B & Robert L Ross	Substandard housing conditions. Pending Inspection.
HC-23-40	205 North Washington Ave	NW Real Estate Investments LLC (11-28-2023)	Substandard housing. Hearing conducted and Order issued to Repair or Demolish by 11-15-23. Property has now changed ownership to NW Real Estate Investments LLC. Met with new owners and working with Zoning on some issues. Pending further actions.

CITY OF DUNN

8/1/2024

HC-23-42	1600 Erwin Road	West Properties of NC LLC (11-28-2023)	Substandard housing conditions. Pending inspection.
HC-23-43	123 Bruce Drive	Salvador Macias Cardenas	Substandard housing conditions. Pending inspection.
HC-23-44	1009 West Harnett Street	Village Capital & Investment LLC	Vacant and substandard housing conditions. Inspection scheduled for 09-11-23 with no one showing. Ownership changed by Trustee Deed on 12-15-23. Owners have obtained required permits and the structure is under full renovation. Will continue to monitor.
HC-23-45	910 East Divine Street	Winselow Tucker Sr	Substandard housing. Inspection conducted. Hearing to be scheduled soon.
HC-23-46	410 South Fayetteville Avenue	Winged Warriors LLC	Substandard housing conditions. Inspection scheduled for 01-08-24 and owner did not show. Called and found he was out of country. Inspection rescheduled for 03-11-24 and owner did not show. Order issued to Repair or Demolish by a date not later than 10-04-24.

			<p>Substandard housing conditions. Inspection conducted and Hearing was scheduled for 03-11-24. Owner did not show but called relating he would be back in county after the 14th and requested a postponement. No response from owner and no permits obtained. Order issued to Repair or Demolish by a date not later than 08-04-24. Received call from second partner/owner and agreed to meet on site and begin work. Met on site on 06-24-24. Permits have now been applied for and a crew is on site cleaning out the structure and painting the exterior. Other work to begin upon receipt of permits. Will continue to monitor.</p>
HC-23-47	611 West Pearsall Street	J and T Properties of Holly Springs LLC	
NON-RESIDENTIAL BUILDINGS OR STRUCTURES			
NR-23-01	510 Spring Branch Road	New Dunn Hotel LLC c/o Amar N Patell	<p>Vacant substandard building. Inspection scheduled and owner advised he was out of country. Requested to schedule when he returns. Will reschedule inspection soon.</p>

CITY OF DUNN

8/1/2024

NR-23-02	508 Spring Branch Road	Munishree LLC c/o Suresh Patel	Vacant substandard building. Inspection conducted with owner. Pending hearing and other actions.
NR-23-04	506 North McKay Avenue	C L Tart Jr & Mary Lee Brece Tart	Abandoned storage facility. Inspection conducted with maintenance man concerning the clean up of the property and repair of the building. Follow up visit conducted and observed clean up and maintenance is progressing slowly. Will continue to monitor progress.

PUBLIC WORKS DEPARTMENT JULY
2024 MONTHLY REPORT

101 E CLEVELAND ST, DUNN NC 28334 PHONE 910-892-2948 FAX 910-892-8871 www.dunn-nc.org

STREET DEPARTMENT	TYPE	NUMBER
	BRUSH-LIMB PICKUP	227
	BULK	141
	CAN DELIVERY-PICKUP	1
	CATCH BASIN CLEANING	119
	CATCH BASIN LID	2
	CITIZEN COMPLAINT	2
	CULVERT MAINTENANCE	16
	CUT	7
	DITCH MAINTENANCE	7
	DRAINAGE ISSUE	5
	EROSION	1
	FLOODING	5
	LEAVES-GRASS	1
	MISSED PICKUP	3
	OTHER	1
	POTHOLES	33
	REMOVE RECYCLING CAN	2
	RIGHT OF WAY MAINTENANCE	1
	ROAD MAINTENANCE	1
	ROADWAY ROOTS	6
	SAFETY CONCERN	1
	SIDEWALK REPAIR	1
	SIGN INSTALL	3
	SIGN MAINTENANCE	2
	SINK HOLE	2
	SPRAYING	3
	STREET LIGHT OUT	1
	TRASH REMOVAL	3
	WEED EATING	2

TOTAL WORK ORDERS

599

PUBLIC WORKS DEPARTMENT JULY

2024 MONTHLY REPORT

101 E CLEVELAND ST, DUNN NC 28334 PHONE 910-892-2948 FAX 910-892-8871 www.dunn-nc.org

TONNAGE REPORT	TYPE	NUMBER
	SOLID WASTE IN TONS	257.42
	YARD WASTE IN TONS	56.75
	RECYCLING WASTE IN TONS	35.87
	GRAND TOTAL TONS	350.04

*Data from Republic Services Report

PUBLIC WORKS DEPARTMENT JULY
2024 MONTHLY REPORT

101 E CLEVELAND ST, DUNN NC 28334 PHONE 910-892-2948 FAX 910-892-8871 www.dunn-nc.org

CEMETERY DEPARTMENT	TYPE	NUMBER
	FILL GRAVE	64
	GRASS MOWING & WEED EATING	69
	OPEN & CLOSE	8
	POISON SPRAYING	6

147

Public Utilities Dept | August 2024 | Monthly Report

101 E. Cleveland St., Dunn, NC 28334 | phone 910-892-2948 | fax 910-892-8871 | www.dunn-nc.org

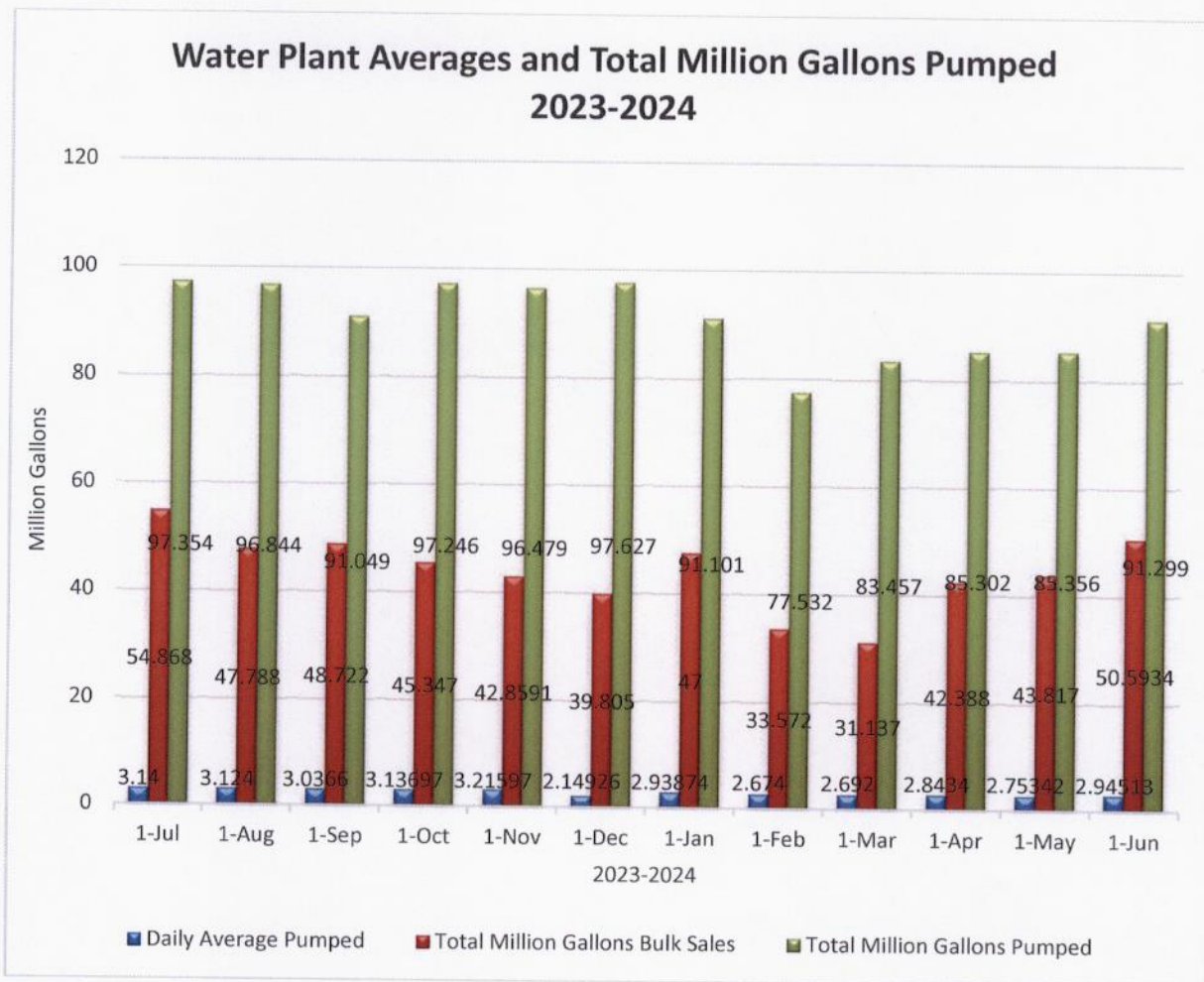
Water/Sewer Department		
	On Call	19
	Leak Repair	2
	Water Tap	5
	New Sewer Tap	5
	Sewer Tap Renewals	
	Water Construction	
	Sewer Stoppage	17
	Sewer Construction	
	Manhole Inspection	25
	Outfall Maintenance	
	Hydrant Repair	12
	Utility Locates	781
	Water Meter Repair/Investigations	1
	Retire Water and Sewer Services	
	Valve Maintenance	1
	Taste and Odor Complaint	
	Water Quality Flushing	
	Low Pressure Complaint	1
	Other – Water	2
	Other – Sewer	3



Public Utilities Dept-WTP | June 2024 | Monthly Report

101 E. Cleveland St., Dunn, NC 28334 | phone 910-892-2948 | fax 910-892-8871 | www.dunn-nc.org

A.B. Uzzle Water Treatment Facility		
	Total Million Gallons Pumped	91.299
	Average Million Gallons Per Day Pumped	2.94513
	Total Million Gallons Bulk Sales	50.5934



*Data from A.B. Uzzle Water Treatment Plant records, and Finance Department billing.



Lead And Copper Rule Revisions: Lead Service Line Inventory

KCI Associates of North Carolina – Update as of June 30, 2024

- ***KCI performed property research and research for background information on the service line inventory spreadsheet;***
 - ***KCI developed the “disadvantaged” areas in the City’s service area to be used for prioritization of field investigations;***
 - ***KCI geocoded “sensitive” properties to be used for prioritization of field investigations;***
 - ***KCI led a virtual meeting with the City of Dunn to discuss GIS issues and direction for the project;***
 - ***KCI drafted a postcard to be sent by the City to property owners describing the LCRR program;***
 - ***KCI compiled GIS data from the City into a GIS tool to be utilized by the project team;***
and
 - ***KCI performed spatial analysis and export of data from GIS to inventory spreadsheet.***
-

Raw Pump Station Generator Repair:

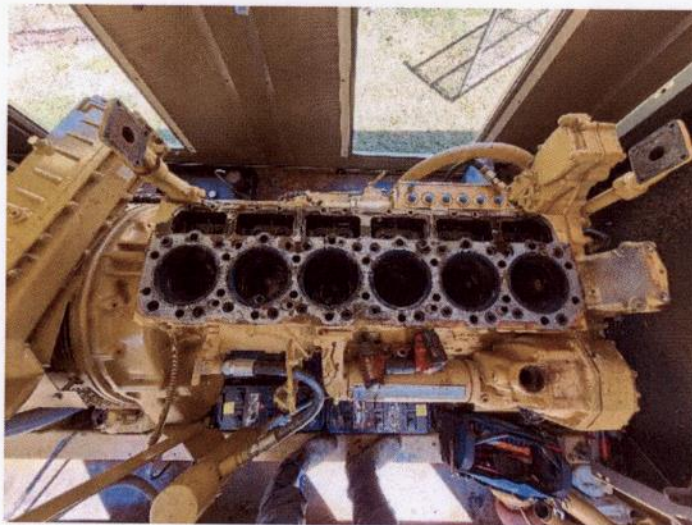


On June 4, 2024, the Raw Pump Station Generator started showing possible engine failure when in operation. Staff contacted Gregory Poole to sample the engine oil, coolant, and fuel to narrow down the possible issues. The lab results indicated that the engine oil and coolant were both contaminated due to a Head Gasket and Oil Cooler failure. Gregory Poole disassembled the engine and replaced the head gasket, oil cooler, and resurfaced the head. The generator has been reassembled and put back in service. The generator is being tested twice a

week until the final set of fluid samples are analyzed.



Side view of the engine. The head and gasket have been removed.



Top view of the engine block looking down on the pistons.

Removed head that contains the exhaust and intake valves and fuel injector nozzles.



Public Utilities Dept | July 2024 | Monthly Report

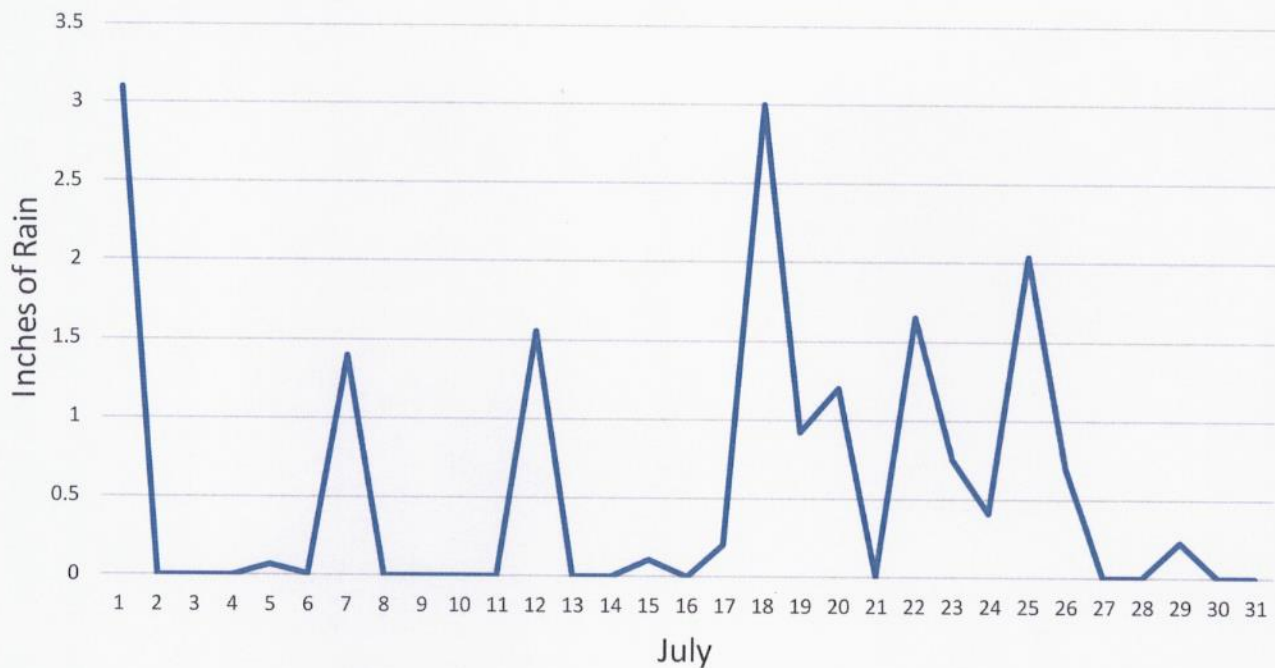
101 E. Cleveland St., Dunn, NC 28334 | phone 910-892-2948 | fax 910-892-8871 | www.dunn-nc.org

Black River Wastewater Treatment Facility		July
	Total Million Gallons Treated	115.316
	Average Million Gallons Per Day Treated	3.719
	Rainfall in Inches	17.35

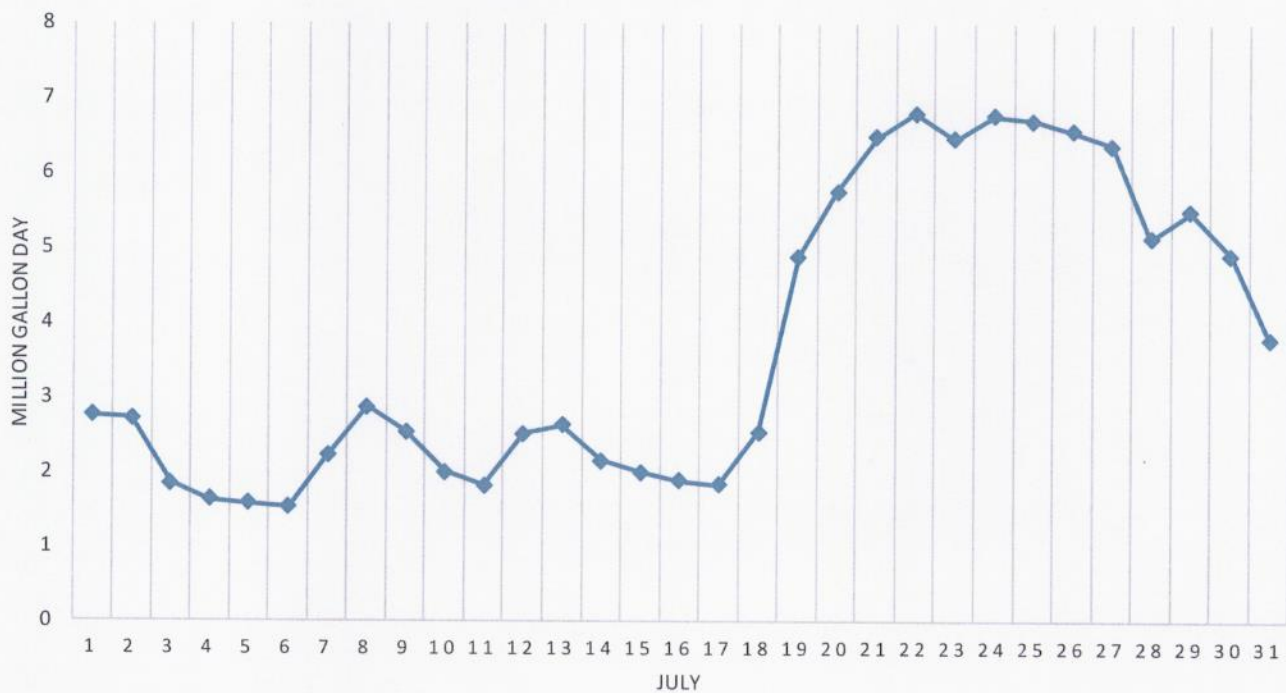
*Data from NC DEQ DMR documents and Black River Wastewater Treatment Plant records



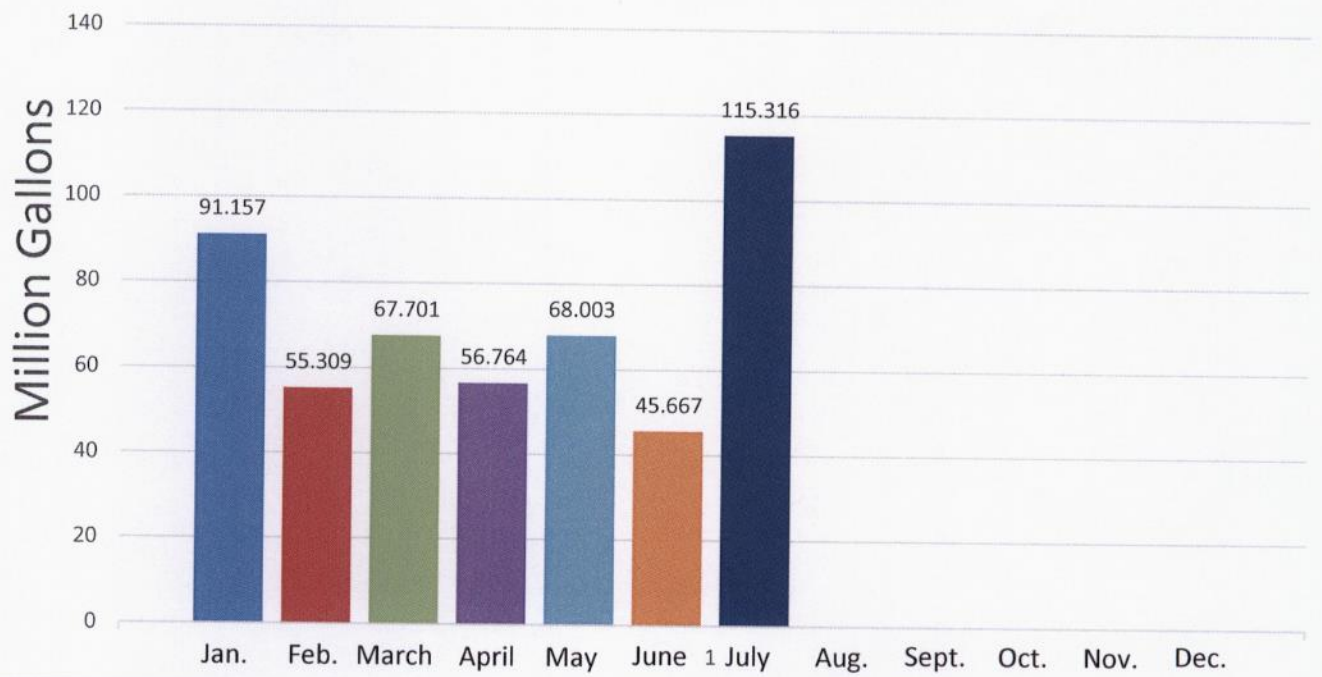
Rain Fall



AVERAGE DAILY FLOW



Total Million Gallons Treated





July Monthly Narrative Report

All-Stars

Dunn hosted the DYB AA(8u) State Tournament June 29th through July 3rd at the Clarence Lee Tart Memorial Park. There were 24 teams competing for the division 1 and division 2 title to represent North Carolina in the World Series including Dunn All-Stars. Overall, the tournament was successful and ended on time despite battling inclement weather. We receive a lot of feedback from parkgoers, mostly positive but some negative. All feedback received will better prepare us from the World Series coming up in 2025. West Robinson won the division 1 bracket and Shallotte won the division 2 bracket to represent North Carolina in the World Series.

Dunn AAA (10U) League participated in the DYB AAA League state tournament in Lockwood Folly, NC July 11th – 12th. They lost their first game to South Brunswick 7-4, then proceeded to win the next two games before their final loss to North Duplin 9-7 ending their season.

Fall Registration

Fall sports registration began on Friday, July 1st. This will include football for ages 5-13, outdoor soccer for ages 3-13, volleyball for ages 8-15, and cheer for ages 6-13. Registration will end on August 7^h. Practices will begin shortly after registration ends. Adult Co-Ed Volleyball registration began on July 11th and will end on July 31st.

Summer Camps

Summer camp ended the week of July 25^h with boys' basketball camp. It has been a busy and successful summer. We hope to continue to offer programs that spark the interest of our youth and their parents while continuing to improve the quality of our services in our department.

Pickleball Clinic

Pickleball clinic registration opened on July 12th for weekly sessions at Tyler Park tennis courts. Sessions will take place at 6:00 pm and 7:00 pm on Tuesdays and Thursdays starting July 30 through August 22nd. The clinic is free to anyone who would love to learn the skills of pickleball. Equipment will be provided, or you can bring your own. Scott McLamb and Jeremy Harellson will be instructing the clinic.

Monthly Recreation Report 2024

Cemeteries

Due to excessive rain, the cemetery staff has been hard at work maintaining all city cemeteries. Staff have filled a total of 64 graves that has suffered from rain damage.

Recreation Advisory Board

The last meeting was held on Tuesday, April 16th, at 6:00 p. m. at the Dunn Community Center. The next meeting is on August 20th and will be held at 6:00 p. m. in the Dunn Community Center.

Social Media Activity July 2024



Good news Dunn! Beat the heat at Codrington Park Pool tomorrow 10am – 5 pm. Admission \$3 adults (18+) and \$2 children (17 and under). Address 410 Burke Street Dunn, NC 28334***Pool hours are Tuesday – Friday 10-5 and Saturday 11-4. Any changes based on weather or lifeguard availability will be announced on our page.***

Post Reach
53k

Engagement
9,664

Page Overview Last 28 days



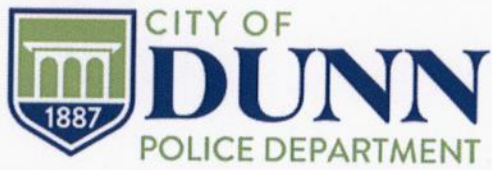
Post Reach
67.8K



Content Interactions
2.2K



Page Followers
4.7K



401 E Broad St . PO Box 1065 . Dunn, North Carolina 28335
 (910) 892-2399 . CityofDunn.org
 Chief of Police Cary Jackson

July 2024 Monthly Crime Stats (07/01/2024 to 07/31/2024)

Crime	Number
Homicide	0
Rape	1
Robbery	0
Aggravated Assault	3
Burglary Forcible Entry	2
Burglary Non-Forced Entry	4
Larceny from Motor Vehicle	3
Larceny all- other	16
Simple Assaults	5

	Criminal	Investigations	Division	
Assigned Cases	Cases Closed	Recovered Property	Arrests	Search Warrants Executed
26	21	\$11,000	3	8

Dunn Police Arrest & Citation Stats

Month	Felony	Misdemeanor	Citations
July	25	80	456

Overdose Stats

Month	Fatal	Non-Fatal	Total	DPD Narcan Use
July	0	3	3	0

	Flock	Safety	Utilizations	
Total Plate Reads:	Hot List Hits	Recovered Property	Leads Established	Agencies Assisted
1.4 million	299	1 Registration Plate 2 Vehicles	2	3

Where community begins!



Dunn Police Department
Community Enhancement Team
Monthly Report

Month: July 2024

Arrest Charges: Felony: 20
Misdemeanor: 51
Juvenile: 0

Citations/Written Warnings Issued: 87

Drugs seized:

Marijuana	27.8	\$278.00
Methamphetamine	17	\$3400.00
Fentanyl	2	\$400.00
Percocet	6.5	\$65.00
Xanax	1.5	\$15.00

Drug Seizure Street Value - \$4,158.00

Guns Seized – 5 – Value \$2750.00

ABC Violations: 13

Community Housing Security Checks: 53

Community Events conducted:

Stuff the Cruiser

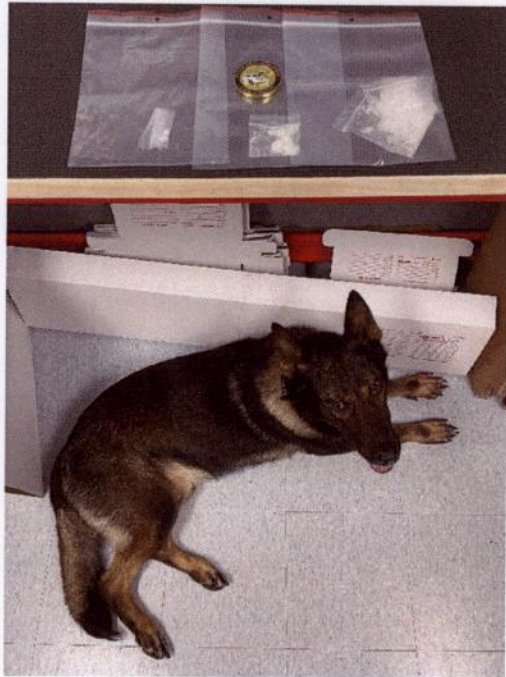
On 7/31/2024, Officers from the CET Unit assisted with the first annual “Stuff the Cruiser” event where we raised a large amount of school supplies for our local schools in preparation for the 2024-2025 School Year.





Additional information:

K9 Apacs was utilized in real-life & training scenarios 32 times this month. In total, operations he was involved in resulted in the seizure of over \$11,955.00 worth of Narcotics to include the seizure of 5 guns one of which was stolen. K9 Apacs was also deployed on two search warrants.





Dunn Police Department
Community Enhancement Team
Monthly Report

Month: July-August

Community Events:

Miracle League Baseball: Dunn PD Officers and Staff partnered with the Miracle League Network for a friendly baseball game to support our community that consists of varying levels of ability.



Coffee with a Cop- Dunn PD Officers and Staff partnered with Inspirational Grounds Coffee for an interactive way to reach out to the public to encourage conversation over a cup of coffee. This is an ongoing partnership that is hosted by different businesses in Dunn each month. This event is great for all ages as the adults ask questions and share any needs; meanwhile, the children love visiting with the Officers, getting stickers, and seeing their patrol cars.





Dunn Police Department
Community Enhancement Team
Monthly Report (con't)

Community Events:

National Night Out- Originally scheduled for 8/13/2024, event was postponed until 09/03/2024 due to Tropical Storm Debbie. This event will host numerous community partners and provide families with back-to-school items, a meal, and resources in our area. This year's event will be hosted at Dunn Parks & Rec's Tart Park.

McKay Courts BBQ Party- Dunn PD's Housing Officer (Ofc. Dixon) and Street Crimes Officer (Ofc. Fernandez) who lives in this area, are hosting an event for this community this Friday (8/15/24). Officers are grilling out hot dogs and serving other items at this location as part of our community enhancement program.

Other:

Dunn PD is currently sponsoring several Cadets who are beginning their BLET programs at local community colleges. These colleges include but are not limited to: Johnston Community College, Fayetteville Tech Community College, Wake Technical Community College, Central Community College, and Sampson Community College.

Dunn PD offered two different college student internships over the summer to assist with college intern credit hours. These internships last several months.



Announcements
Dunn City Council Meeting
August 27, 2024

- City offices will be closed on Monday, September 2nd in observance of Labor Day.
- The Dunn Police Department will host the National Night Out Celebration on Tuesday, September 3rd from 6:00 to 8:00 p.m. at Tart Park.
- Absentee Voting begins September 8th and the deadline to Register to Vote is September 10th at 5:00 p.m.
- The next Work Session of the Dunn City Council is scheduled for Tuesday, September 10th at 6:30 p.m.
- The next Regular Session of the Dunn City Council is scheduled for Tuesday, September 24th at 6:30 p.m.



INFORMATION

- ABC Board Budget Information/Minutes
- Dunn Housing Authority Board/Minutes

CITY OF DUNN ABC BOARD

Minutes of Meeting, June 18, 2024

The Dunn ABC Board met on June 18, 2024. Present were Cindy Smith, Lynn Jernigan, Marc Phillips, Rob Jones, Manager Charles Willis who served as Secretary to the Board, and Finance Officer Rosanna Wilson. Board Chairman Dal Snipes was not present at the meeting. Mr. Phillips led the meeting at the request of Mr. Snipes. Mr. Jones offered a prayer, and the meeting was called to order.

Mr. Willis requested consent to add an item to the agenda not previously listed. All members agreed to the addition.

The Board members reviewed the agenda, and pursuant to GS 18B-201, the Board affirmed there is no conflict of interest with matters coming before the Board today.

Mr. Willis read a letter to the Board prepared by Chairman Snipes due to his necessary absence from his final meeting. (Copy attached)

Mr. Willis presented the minutes of the May 28, 2024 meeting that were approved by the Board. The Board members were given copies of May 2024 Financial Statements. The Board reviewed the statements noting that sales in May 2024 were \$65,955.81 above last year. Year to date sales are \$163,958.90 above last year. Mixed Beverage sales are \$27,481.51 above last year.

Mr. Willis sent May sales for NC ABC Boards to Board members on June 12, 2024.

Mr. Phillips gave a recap of a meeting with Architect/Engineer Joe Smith on May 28 to discuss an addition of approximately 400 square feet to the warehouse space at Store #2 on W. Cumberland Street. Mr. Smith is to proceed with developing plans for the project.

Mr. Phillips opened a Public Hearing at 8:25am for discussion of the Proposed Budget for FY 2024-2025. With no comments, the Public Hearing was closed. Mr. Willis presented the Board with changes to the Proposed Budget and Budget Message for FY 2024-2025. After review and discussion, Mr. Jones motioned to approve the budget proposal and message, seconded by Mrs. Smith. The Board approved with all in favor. (Copies attached)

The Board members were given copies of the Proposed Budget Amendments and Amended Budget Ordinance for FY 2023-2024. Following review and discussion, Mr. Jones motioned to approve the Proposed Budget Amendments and Amended Budget Ordinance, seconded by Mr. Jernigan. The Board adopted the proposals with all in favor. (Copies attached)

CITY OF DUNN ABC BOARD

The Board members discussed the Policies and Procedures Manual and agreed to table discussions until the July meeting. The City Council will be appointing a new Board Chair and new Board member at their meeting June 25, 2024.

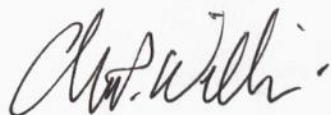
Mr. Willis reminded the Board that Pat Preslar of the NCABC Commission would be conducting a RASP training session in Dunn on Thursday June 27th, 2024, and Board members are encouraged to attend.

The Board agreed to postpone the July meeting from the third Tuesday (16th) to the fourth Tuesday (23rd) due to scheduling conflicts with multiple Board members. Mr. Willis will post the change at both store locations and advise Dunn City Clerk Tammy Williams of the necessary change.

With no other business, Rob Jones moved to adjourn seconded by Lynn Jernigan.

The next Board meeting will be held Tuesday July 23, 2024, at Dunn ABC Store #1, located at 555 Jackson Road, Dunn, NC at 8:00am.

Charles P. Willis



dunn.abc@outlook.com

From: Dal Snipes <dal@snipesinsurance.com>
Sent: Tuesday, June 18, 2024 6:41 AM
To: Charles Willis
Cc: Steven Neuschafer; williamelmorebuilders@gmail.com
Subject: RE: Agenda / June 18th 2024 - Minutes / May 28th

Charles, I'm very sorry that I can't attend my final meeting but I'm still in Harrisburg, PA attending our Keystone board of directors meeting.

It has been an honor and a privilege to have served on the Dunn ABC board all these years and especially an honor to serve as your Chairman.

What we have accomplished over the years has been a testament to our loyal board members, our great and hard working employees, and to you Charles for your dedication and leadership to take us to the next level. We are in a great place.

Our product mix is terrific with new products and brands constantly being added. Our shelves are full and our stores are merchandized perfect. We have invested in store updates and point of sales improvements for our customers. Our warehouses are full with inventory and we have very healthy bank balances.

In addition what we do for our community, our law enforcement, our school alcohol education programs are so essential and I'm proud of what we "put" back.

In closing, I thank the City of Dunn for placing me on the ABC board and allowing me to serve this great City. All the best going forward.

Regards,
Dal

CITY OF DUNN ALCOHOLIC BEVERAGE CONTROL BOARD

Adopted Budget for fiscal year 2024 – 2025

June 18, 2024

RE: BUDGET MESSAGE

To the Dunn ABC Board

The Annual Budget for the fiscal year July 1, 2024 through June 30, 2025 (FY24/25) has been prepared in accordance to N. C. General Statute 18B-702, "Financial Operations of Local Boards". The ABC Board determines, through adoption of an annual budget, the level of customer services that the ABC system will provide and the resources available for operations and capital projects.

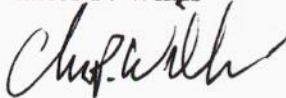
The primary drivers during the preparation of this budget included projected operating costs required to sustain acceptable levels of customer service during fiscal year 2024/2025 and the need to provide distributions to beneficiaries.

The budget consists of projected revenues from liquor sales of \$4.31 million, taxes related to income of \$999 thousand, cost of sales of \$2.2 million, and operating expense costs of \$751 thousand.

Highlights of Budget:

- Retail sales are projected to increase over FY 2023/2024.
- Building and property renovations are planned for FY 2024/2025
- The assumption that no debt will be incurred.
- Employee wages will be evaluated for increases and/or adjustments.
- Profit Distribution to the City of Dunn is projected to be \$200 thousand.
- The ABC Board has four (4) full-time employees and four (8) part-time employees.

Charles P. Willis



Manager: Dunn ABC Board

**APPROVED BUDGET ORDINANCE
DUNN ABC BOARD
Fiscal Year 2024 - 2025**

The following ordinance establishing revenues and setting expense appropriations is hereby proposed to be effective July 1, 2024, through June 30, 2025.

Section 1. Estimated Revenues. It is estimated that the revenues listed below will be available during the fiscal year beginning July 1, 2024 and ending June 30, 2025 to meet the operational and functional appropriations as set forth in Section 2, in accordance with the chart of accounts prescribed by the state ABC Commission.

Estimated Revenues:

Sales	\$4,308,000
Other Income	\$7,150
Total	\$0
	\$4,315,150

Section 2. Appropriations. The following expenses are hereby appropriated for fiscal year 2024 - 2025 and are funded by the revenues made available through Section 1, herein.

Appropriations:

Taxes Based on Revenue	\$999,250
Cost of Goods Sold	\$2,201,000

Operating Expenses	Store(s)	Admin.	Warehouse	Law Enf.	Total
Salaries & Wages					\$415,000
Payroll taxes					\$29,500
Retirement & 401k					\$40,500
Insurance - General & Group					\$55,000
Board Member Per Diem					\$9,000
Repairs & Maintenance					\$35,000
Utilities					\$27,000
Store/Office Supplies					\$20,000
Travel / Vehicle					\$12,000
Professional Fees & Dues					\$23,150
Credit Card & Bank Fees					\$53,000
Cash Over/Short					\$0
Security					\$7,500
Unemployment Insurance					\$200
Contingencies					\$25,000
Total					\$751,850
	Store(s)	Admin.	Warehouse	Law Enf.	Total
Capital Outlay:					
Building	\$0				\$125,000
Computer					\$5,000
Debt Proceeds					\$0
	\$	\$	\$	\$	\$130,000

APPROVED BUDGET AMENDMENTS

DUNN ABC BOARD

FISCAL YEAR 2023 – 2024

The following amendments are proposed to be made to the annual budget ordinance for the fiscal year ending June 30, 2024.

Section 1. To amend Sales, Cost of goods Sold, Taxes based on Revenue, Salaries and Wages, Payroll Taxes, Retirement and 401-K, Board Member Per Diem, and Professional Fees and Dues to reflect increases in these accounts, AND,

To amend Travel and Vehicle, Unemployment Insurance, Repairs and Maintenance, Utilities, Store & Office Supplies, Credit Card & Bank Charges, Security, Contingencies, and Capital Outlay to reflect decreases in these accounts, the appropriations are to be made as follows:

<u>ACCOUNT</u>	<u>DEBIT</u>	<u>CREDIT</u>
Sales		25,300
Taxes based on Revenue	16,755	
Cost of Goods Sold	93,500	
Salaries and Wages	76,000	
Payroll Taxes	5,750	
Insurance – Group & General		1,630
Retirement & 401-K	7,140	
Board Per Diem	330	
Travel and Vehicle		6,500
Unemployment Insurance		130
Repairs and Maintenance		86,200
Utilities		1,335

APPROVED BUDGET AMENDMENTS

DUNN ABC BOARD

FY-2023-2024

(Continued)

<u>ACCOUNT</u>	<u>DEBIT</u>	<u>CREDIT</u>
Professional Fees and Dues	4,097	
Store & Office Supplies		365
Credit Card & Bank Charges		3,450
Security		14,900
Contingencies		25,000
Capital Outlay		38,762
	<hr/>	<hr/>
	203,572	203,572

Section 2. Copies of this budget amendment shall be furnished to the City of Dunn and the ABC Commission. ADOPTED this 18th day of June, 2024.

**AMENDED BUDGET ORDINANCE
DUNN ABC BOARD
Fiscal Year 2023 - 2024**

The following ordinance establishing revenues and setting expense appropriations is hereby proposed to be effective July 1, 2023, through June 30, 2024.

Section 1. Estimated Revenues. It is estimated that the revenues listed below will be available during the fiscal year beginning July 1, 2023 and ending June 30, 2024 to meet the operational and functional appropriations as set forth in Section 2, in accordance with the chart of accounts prescribed by the state ABC Commission.

Estimated Revenues:

Sales	\$4,305,000
Other Income	\$7,050
Total	\$0
	\$4,312,050

Section 2. Appropriations. The following expenses are hereby appropriated for fiscal year 2023 - 2024 and are funded by the revenues made available through Section 1, herein.

Appropriations:

Taxes Based on Revenue	\$981,455
Cost of Goods Sold	\$2,331,500

Operating Expenses	Store(s)	Admin.	Warehouse	Law Enf.	Total
Salaries & Wages					\$376,000
Payroll taxes					\$28,950
Retirement & 401k					\$39,950
Insurance - General & Group					\$52,450
Board Member Per Diem					\$5,370
Repairs & Maintenance					\$36,550
Utilities					\$27,560
Store/Office Supplies					\$23,335
Travel / Vehicle					\$7,600
Professional Fees & Dues					\$21,422
Credit Card & Bank Fees					\$52,900
Cash Over/Short					-\$162
Security					\$7,600
Unemployment Insurance					\$120
Contingencies					\$0
Total					\$679,645

	Store(s)	Admin.	Warehouse	Law Enf.	Total
Capital Outlay:					
Building	\$0				\$74,250
Computer					\$12,150
Debt Proceeds					\$0
	\$	\$	\$	\$	\$86,400
Debt Service/Lease:					
(define)	\$	\$	\$	\$	\$0
					\$0
	\$	\$	\$	\$	\$0
Total Estimated Expenses	\$0	\$0	\$0	\$0	\$4,079,000
Distributions:					
Mandatory 3 1/2% & Bottle Tax					\$200,000
Law Enforcement					\$15,000
Alcohol Education & Rehab.					\$18,050
Other County/Municipal					
Other Distributions					
Total Distributions					\$233,050
Working Capital Retained					\$0
(Appropriated Fund Balance)					\$0
Total Expense, Distribution & Reserve					\$4,312,050

Section 3. Copies of this Approved Budget Ordinance shall be furnished to the City of Dunn, the state ABC Commission, and to the Budget Officer and Finance Officer to be kept on file by them for their direction in disbursement of funds.

APPROVED by the Dunn ABC Board this 18th day of June, 2024.

1:22 PM

06/10/24

Accrual Basis

DUNN ABC Board

Profit & Loss

May 2024

	<u>May 24</u>
Income	
40100 · LIQUOR SALES - STORE #1	146,861.22
40200 · LIQUOR SALES - STORE #2	232,196.03
40300 · LIQUOR SALES - MIXB BEVERAGE #1	22,824.45
41000 · INTEREST EARNED #1	45.43
53101 · N.C. EXCISE TAX #1	-77,795.00
53201 · REHABILITATION TAX #1	-962.99
53401 · MIXED BEVERAGE TAX #1	-1,607.00
53501 · MIXED B. TAX DEPT HUMAN RES. #1	-160.67
	<hr/>
Total Income	321,401.47
Cost of Goods Sold	
50000 · Cost of Goods Sold	216,879.44
61200 · INVENTORY ADJUSTMENT #1	-3,781.39
	<hr/>
Total COGS	213,098.05
	<hr/>
Gross Profit	108,303.42
Expense	
60300 · TRUCK DELIVERY COST	1,000.00
66000 · Payroll Expenses	2,151.27
70101 · SALARIES - DUNN #1	17,326.00
70102 · SALARIES - DUNN #2	10,795.40
70301 · N.C. RETIREMENT FUND #1	2,205.61
70401 · GROUP INSURANCE #1	3,291.08
70501 · 401K FUND #1	851.59
70801 · CASH VARIANCES #1	-11.36
70802 · CASH VARIANCES #2	-4.13
70804 · CC VARIANCES # 2	0.00
70901 · CREDIT CARD CHARGES #1	1,745.55
70902 · CREDIT CARD CHARGES #2	2,068.77
71101 · DEPRECIATION #1	1,574.50
71201 · REPAIRS & MAINT. #1	208.00
71202 · REPAIRS & MAINT. #2	1,960.00
71401 · UTILITIES #1	359.83
71402 · UTILITIES #2	1,235.90
71501 · TELEPHONE #1	337.04
71502 · TELEPHONE #2	222.05
72000 · INSURANCE	1,465.34
72201 · STORE SUPPLIES #1	453.65
72202 · STORE SUPPLIES #2	602.34
72400 · TRAVEL EXPENSES - Willis	2,071.66
73001 · OFFICE SUPPLIES #1	1,323.19
74201 · DUES & SUBSCRIPTIONS #1	2,472.00
74400 · BOARD EXPENSES - SNIPES	100.00
74401 · BOARD EXPENSES - PHILLIPS	80.00
74402 · BOARD EXPENSES - JERNIGAN	80.00
74403 · BOARD EXPENSES - SMITH	80.00
74405 · BOARD EXPENSES-JONES	80.00
75507 · ALC. ED. DUNN AA GROUP	200.00
78101 · BANK CHARGES #1	715.31
	<hr/>
Total Expense	57,040.59
	<hr/>
Net Income	<u>51,262.83</u>

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06/10/24

Accrual Basis

**DUNN ABC Board
Trial Balance
As of May 31, 2024**

	May 31, 24	
	Debit	Credit
10100 · Checking Acct - First Citizens	516,405.45	
14500 · A/R OTHER	0.00	
12000 · Undeposited Funds	0.00	
10801 · PETTY CASH #1	731.02	
11001 · Change Fund #1	6,800.00	
13001 · PREPAID INSURANCE #1	2,523.30	
14100 · INVENTORY #1	667,402.14	
14200 · INVENTORY #2	0.00	
14700 · ALL BREAKAGE	0.00	
15001 · LAND	191,571.78	
15100 · LAND IMPROVEMENTS	106,159.25	
16000 · BUILDINGS	424,565.27	
17001 · STORE EQUIPMENT #1	108,116.01	
17002 · STORE EQUIPMENT #2	40,879.90	
17101 · OFICE EQUIPMENT #1	14,043.56	
17501 · VEHICLES #1	11,963.65	
19001 · ACCUM. DEPRECIATION #1		402,640.72
19500 · Deferred Outflows	98,211.00	
20100 · A/P - DISTILLERIES	4.15	
20300 · A/P - OTHER	19.90	
20101 · A/P - DISTILLERIES (TEMP)	0.00	
20301 · A/P - OTHER (TEMP)		1,194.04
21000 · A/P - INSURANCE WITHHELD	0.00	
21301 · Aflac supplemental - Pre Tax		114.40
21401 · Aflac Supplemental-Post Tax		67.57
22000 · A/P - FEDERAL TAX WITHHELD	230.88	
22100 · A/P - FICA TAX WITHHELD		6.00
22200 · A/P - NC INCOME TAX WITHHELD		730.00
22300 · A/P - 401K -EMPLER		851.59
22400 · A/P - 401K - EMPLEE		1,151.59
22600 · A/P - RETIREMENT - EMPLR		2,205.64
22700 · A/P - RETIREMENT - EMPLEE		1,021.90
22900 · MixBev Tax Payable HR		162.88
23000 · Excise Tax Payable		76,633.77
23100 · Mix Bev Tax-Rev Payable		1,629.00
23300 · SALES TAX PAYABLE		26,625.96
23500 · Retirement Payable	0.00	
24000 · Payroll Liabilities	0.00	
26000 · Net Pension Liability/Asset		100,982.00
25000 · Deferred Inflows		911.00
31000 · City of Dunn Profit Dist	350,000.00	
32000 · Retained Earnings		1,626,720.80
40100 · LIQUOR SALES - STORE #1		1,449,185.07
40200 · LIQUOR SALES - STORE #2		2,306,471.81
40300 · LIQUOR SALES - MIXB BEVERAGE #1		216,323.30
41000 · INTEREST EARNED #1		526.10
41500 · MISC. REFUNDS #1		1,134.20
42000 · OTHER INCOME #1		6,612.18
53101 · N.C. EXCISE TAX #1	862,172.00	
53201 · REHABILITATION TAX #1	10,839.73	
53401 · MIXED BEVERAGE TAX #1	15,904.00	
53501 · MIXED B. TAX DEPT HUMAN RES. #1	1,590.46	
50000 · Cost of Goods Sold	2,145,813.57	
61200 · INVENTORY ADJUSTMENT #1		41,809.66
60300 · TRUCK DELIVERY COST	10,010.00	
66000 · Payroll Expenses	26,779.18	
66900 · Reconciliation Discrepancies	0.02	
70101 · SALARIES - DUNN #1	214,664.64	
70102 · SALARIES - DUNN #2	136,527.99	
70301 · N.C. RETIREMENT FUND #1	26,429.97	
70401 · GROUP INSURANCE #1	32,508.65	
70501 · 401K FUND #1	10,204.70	
70801 · CASH VARIANCES #1		79.49
70802 · CASH VARIANCES #2		64.50

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06/10/24

Accrual Basis

DUNN ABC Board
Trial Balance
As of May 31, 2024

	May 31, 24	
	Debit	Credit
70803 · CC VARIANCES # 1		56.21
70804 · CC VARIANCES # 2	27.77	
70901 · CREDIT CARD CHARGES #1	18,712.02	
70902 · CREDIT CARD CHARGES #2	23,481.18	
71101 · DEPRECIATION #1	16,890.57	
71201 · REPAIRS & MAINT. #1	11,514.17	
71202 · REPAIRS & MAINT. #2	8,389.41	
71401 · UTILITIES #1	5,384.82	
71402 · UTILITIES #2	14,173.81	
71501 · TELEPHONE #1	3,437.82	
71502 · TELEPHONE #2	2,387.73	
71601 · COMPUTER MAINT. #1	15,072.59	
72000 · INSURANCE	15,060.70	
72201 · STORE SUPPLIES #1	10,134.01	
72202 · STORE SUPPLIES #2	6,722.22	
72301 · UNIFORMS #1	435.94	
72400 · TRAVEL EXPENSES - Willis	3,177.02	
72405 · TRAVEL EXPENSES - Wilson	1,104.73	
72500 · UNEMPLOYMENT INSURANCE	118.74	
72601 · LICENSE & OTHER TAXES #1	345.66	
72602 · LICENSE & OTHER TAXES #2	293.16	
73001 · OFFICE SUPPLIES #1	4,210.77	
74001 · PROFESSIONAL SERVICES #1	6,870.00	
74201 · DUES & SUBSCRIPTIONS #1	13,912.39	
74400 · BOARD EXPENSES - SNIPES	1,100.00	
74401 · BOARD EXPENSES - PHILLIPS	880.00	
74402 · BOARD EXPENSES - JERNIGAN	880.00	
74403 · BOARD EXPENSES - SMITH	880.00	
74404 · BOARD EXPENSES - JUDD	80.00	
74405 · BOARD EXPENSES-JONES	800.00	
75008 · Alc. Ed. Coats-Erwin Mid School	1,575.00	
75502 · ALC. ED. TRITON HIGH SCHOOL	1,925.00	
75503 · ALC. ED. DUNN MIDDLE SCHOOL	1,725.00	
75504 · ALC. ED. Dunn Elem Harn. Prim.	3,260.00	
75505 · Alc. Ed. Erwin Elem. School	1,750.00	
75507 · ALC. ED. DUNN AA GROUP	2,200.00	
75510 · ALC. ED. TEACHERS	1,215.00	
75511 · Alc. Ed. Sold Out Youth	4,000.00	
75601 · VEHICLE EXPENSES #1	3,203.23	
78001 · MISCELLANEOUS EXPENSE #1	400.00	
78101 · BANK CHARGES #1	6,181.17	
78102 · BANK CHARGES #2	90.98	
79001 · LAW ENFORCEMENT #1	11,250.00	
79301 · SECURITY #1	3,859.67	
79302 · SECURITY #2	3,726.93	
TOTAL	6,265,911.38	6,265,911.38

**DUNN HOUSING AUTHORITY BOARD OF COMMISSIONERS MEETING
MINUTES
MONDAY, JULY 15, 2024**

The Commissioners of the Dunn Housing Authority (“DHA”) met in regular session at 817 Stewart Street, in Dunn, North Carolina, on Monday, July 15, 2024.

Following “Words of Encouragement” by Eddie Draughon, the meeting was called to order at 4:07pm.

Upon roll call, the following were present and absent:

Present: Vice-Chair, Eddie Draughon, Commissioner Sharon Gant, Commissioner Lois Dail, Commissioner Angela Inman and Secretary, Felicia Chester.

Absent: Board Chair, Kyle Thrower was absent to care for a family member.

Public Comment Period: No Public Comments

Approval of Meeting Minutes:

The motion to accept the minutes from the regular June meeting was made by Eddie Draughon and seconded by Sharon Gant. Angela Inman was not present at the meeting and did not vote.

Ayes and Nays were as follows:

Ayes

Eddie Draughon
Lois Dail
Sharon Gant

Nays

MINUTES OF THE REGULAR JUNE 2024 BOARD MEETING WERE READ AND ACCEPTED.

The motion to accept the minutes of the special meeting held on June 27, 2024 was made by Lois Dail and seconded by Eddie Draughon. Angela Inman was not present at the meeting and did not vote.

Ayes and Nays were as follows:

Ayes

Eddie Draughon
Lois Dail
Sharon Gant

Nays

MINUTES OF THE SPECIAL JUNE BOARD MEETING WERE READ AND ACCEPTED.

Occupancy and Rent Report through 07/15/2024:

As of July 15, 2024, there were two (2) vacant units. Total dwelling rent charged as of July 1, 2024, was \$52,225.00. Based on financial data reported, the total revenue collected was \$53,141.00. The Board was briefed on how applicants are placed on the waiting list based on date and time as well as accepting new applicants would help fill vacancies in the future.

Review of Financial Balance Report:

The monthly financial report for June was unavailable for review. Felicia Chester assured the Board the report would be available for review before the next meeting. There were no other comments or questions.

Business:

The Board was made aware that working on the bathrooms would be the next project after the mechanical closets. Sharon Gant stated that she would recommend keeping people in their homes during that time, if possible. She believes that people are more comfortable in a place that is familiar to them.

Communication:

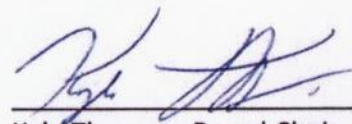
A suggestion was made for the Board to consider distributing school supplies again this year. Sharon Gant suggested getting help from the Resident Advisory Board members to spread the word to their neighbors.

The Board discussed how the children at McKay Courts were taking an interest in their community by picking up paper and other debris on the grounds.

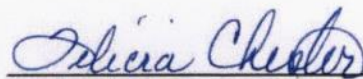
Last but not least, the Board was introduced to the newest member of the Board of Commissioners for Dunn Housing Authority, Angela Inman. We are looking forward to working with her.

Adjournment:

A motion to adjourn was made by Eddie Draughon and seconded by Lois Dail. All members were in favor and the meeting was adjourned at 4:40pm.



Kyle Thrower, Board Chair



Felicia Chester, Secretary

STERICYCLE, INC 1-866-783-7422
CITY OF DUNN

Customer #: 1000447326 Invoice #: 8008095084 Invoice Date : 08-18-2024

Service Date	Customer PO	Proof of Service	Service Description	Qty	Unit of Measure	Unit Price	Surcharges/ Discounts	Subtotal Price
--------------	-------------	------------------	---------------------	-----	-----------------	------------	-----------------------	----------------

Invoice Charges

Sub Total	\$744.00
Surcharges/ Discounts	\$248.50
Tax Total	\$0.00
Site Total	\$992.50
Total Invoice Charges	\$992.50

**DUNN HOUSING AUTHORITY BOARD OF COMMISSIONERS
SPECIAL MEETING
THURSDAY, JUNE 27, 2024
MINUTES**

The Commissioners of the Dunn Housing Authority met in special session at 817 Stewart Street, in Dunn, North Carolina, on Thursday, June 27, 2024 at 3:00pm.

Upon roll call, the following were present and absent:

Present: Chair, Kyle Thrower, Vice-Chair, Eddie Draughon, Commissioners Lois Dail and Sharon Gant, Secretary, Felicia Chester and Housing Manager, Marsha Bass.

Absent: None

Purpose:

The purpose of this meeting was to get approval from the Board to implement the revised Admissions and Continued Occupancy Policy ("ACOP"). After voting to postpone the discussion for a week, the policy was made available for the Board to review. Various questions were asked and answered during the meeting.

Kyle Thrower asked for a motion to approve the implementation of the revised A.C.O.P. The motion was made by Lois Dail and seconded by Eddie Draughon.

Ayes and Nays for both were as follows:

Ayes


Kyle Thrower
Eddie Draughon
Sharon Gant
Lois Dail

Nays

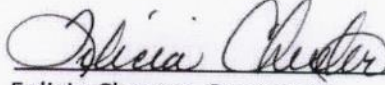
MOTION CARRIED. RESOLUTION NO. 2024-04

Adjournment:

Meeting adjourned at 3:40pm



Kyle Thrower, Board Chair



Felicia Chester, Secretary

**DUNN HOUSING AUTHORITY BOARD OF COMMISSIONERS MEETING
MINUTES
THURSDAY, JUNE 20, 2024**

The Commissioners of the Dunn Housing Authority ("DHA") met in regular session at 817 Stewart Street, in Dunn, North Carolina, on Thursday, June 20, 2024.

Following "Words of Encouragement" by Eddie Draughon, the meeting was called to order at 3:05pm.

Upon roll call, the following were present and absent:

Present: Board Chair, Kyle Thrower, Vice-Chair, Eddie Draughon, Commissioner Sharon Gant, Commissioner Lois Dail, Secretary, Felicia Chester, Occupancy Manager, Bass and Admin./Fiscal Specialist Jamie McKoy.

Absent: None

Public Comment Period: Although Tenant, Deidra Wragg, had not notified the office regarding her concern, she wanted to address the Board. She was able to voice her concerns about maintenance entering her unit. Felicia Chester responded by letting her know that maintenance would be made aware of her concerns.

Approval of Meeting Minutes:

The motion to accept the minutes from the May meeting was made by Lois Dail and seconded by Eddie Draughon.

Ayes and Nays were as follows:

Ayes

Kyle Thrower
Eddie Draughon
Lois Dail
Sharon Gant

Nays

MINUTES OF THE MAY 2024 BOARD MEETING WERE READ AND ACCEPTED.

Occupancy and Rent Report through 06/20/2024:

As of June 20, 2024, there were two (2) vacant units. Total dwelling rent charged as of May 31, 2024, was \$51,411.00. Based on financial data reported, the total revenue collected was \$52,872.00. There were a few questions and comments regarding the debts owed and the amounts recovered by NC Debt Setoff.

A motion to accept the Occupancy and Rent Report was made by Eddie Draughon and seconded by Lois Dail.

Ayes and Nays were as follows:

Ayes

Nays

Kyle Thrower
Eddie Draughon
Lois Dail
Sharon Gant

OCCUPANCY AND RENT REPORT WAS READ AND ACCEPTED.

Review of Financial Balance Report:

The monthly financial report for May was available for review. The months in reserve were mentioned and the year-to-date expenditures for maintenance were also mentioned. There were no other comments

A motion to accept the Financial Balance Reports was made by Eddie Draughon and seconded by Sharon Gant.

Ayes and Nays were as follows:

Ayes

Nays

Kyle Thrower
Eddie Draughon
Sharon Gant
Lois Dail

FINANCIAL BALANCE REPORTS WERE READ AND ACCEPTED.

Business:

New policies and policy revisions were presented to the Board for review. The Commissioners approved the Late Rent Collection Policy required to comply with HUD's 30-day notice before eviction rule (2024-05), the Record Retention Policy (2024-06) and the Petty Leave Policy (2024-07). Kyle Thrower wanted more information on how maintaining electronic files would affect the agency's record retention policies. He was told that the information was not readily available, but it would be given at a later date. More time was needed for reviewing the Admissions and Continued Occupancy Policy and Lease Agreement. The Board will meet in special session on June 27, 2024.

A motion to accept the Late Rent Collection Policy was made by Eddie Draughon and seconded by Lois Dail.
A motion to accept the Record Retention Policy was made by Lois Dail and seconded by Sharon Gant.
A motion to accept the Petty Leave Policy was made by Sharon Gant and seconded by Eddie Draughon.

Ayes and Nays to all were as follows:

Ayes

Kyle Thrower
Eddie Draughon
Lois Dail
Sharon Gant

Nays

MOTION CARRIED. Resolution Nos. 2024-05, 2024-06, 2024-07

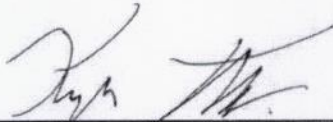
Communication:

Felicia Chester informed the Board that the waiting list would re-open on July 2, 2024. The list would re-open to accept applications for 2-, 3-, 4-, and 5-bedroom apartments.

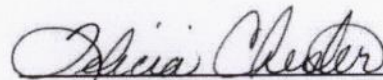
Last but not least, the Board was introduced to the new Administrative and Fiscal Specialist for Dunn Housing Authority, Jamie McKoy.

Adjournment:

A motion to adjourn was made by Eddie Draughon and seconded by Lois Dail. All members were in favor and the meeting was adjourned at 4:35pm.



Kyle Thrower, Board Chair



Felicia Chester, Secretary

CLOSED SESSION CRITERIA

(Specify one or more of the following permitted reasons for closed sessions)

Move that we go into closed session in accordance with:

[N.C.G.S. 143-318.11(a)(1)]

Prevent the disclosure of privileged information

- ↑ Under the North Carolina General Statutes or regulations.
- ↑ Under the regulations or laws of the United States.

[N.C.G.S. 143-318.11(a)(2)]

Prevent the premature disclosure of an honorary award or scholarship

[N.C.G.S. 143-318.11(a)(3)]

Consult with the Attorney

- ↑ To protect the attorney-client privilege.
- ↑ To consider and give instructions concerning a potential or actual claim, administrative procedure, or judicial action.
- ↑ To consider and give instructions concerning a judicial action titled _____ vs _____.

[N.C.G.S. 143-318.11(a)(4)]

To discuss matters relating to the location or expansion of business in the area served by this body.

[N.C.G.S. 143-318.11(a)(5)]

To establish or instruct the staff or agent concerning the negotiation of the price and terms of a contract concerning the acquisition of real property located at _____.

(OR)

To establish or instruct the staff or agent concerning the negotiations of the amount of compensation or other terms of an employment contract.

[N.C.G.S. 143-318.11(a)(6)]

To consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public officer or employee.

(OR)

To hear or investigate a complaint, charge, or grievance by or against a public officer or employee.

[N.C.G.S. 143-318.11(a)(7)]

To plan, conduct, or hear reports concerning investigations of alleged criminal conduct.

School violence 143-318.11(a)(8) and potential terrorist activity (9). To discuss and take action regarding plans to protect public safety.