

BURNSVILLE TOWN COUNCIL
AGENDA
Regular Meeting - Thursday, April 4, 2024, 6pm
Burnsville Town Hall

1. Adoption of Agenda
2. Public Comment
3. Consideration of Minutes
 - a. Regular meeting held on March 7, 2024
 - b. Closed session meeting held on March 7, 2024
 - c. Special Meeting held on March 28, 2024
 - d. Closed session held on March 28, 2024
4. Public Hearings
5. Presentations
 - a. East Main Sidewalk Feasibility Study - Todd Mcaulliffe, Aecom
 - b. CIP/AMP Rate Study - Mike Dowd & Dale Schepers, McGill Associates
 - c. Emergency Operations Plan - Jeff Howell
6. Manager's Update - Heather Hockaday
 - a. Project updates
 - b. Tax Report
7. Clerk's Update
 - a. CDBG-I Compliance Plan updates
 - b. ABC Board vacancy
8. Department Updates
 - a. Public Works - Shane Dale
 - i. Consideration of annual mowing contract
 - b. Finance - Leslie Crowder
 - i. Budget vs. Actual, previously provided to Council
 - ii. Budget Amendment
 - c. Fire Department - Niles Howell
 - d. Police Department - Brian Buchanan
 - i. Consideration of resolution for law enforcement retirement
 - e. Zoning/Code Enforcement - Brian Buchanan
 - f. Burnsville Town Center - Corbin Cooper
9. Council Members' Reports
10. Updates from Advisory Boards and Non-Profits
 - a. Yancey/Burnsville Chamber of Commerce
 - b. High Country Council of Governments

11. Closed Session - Enter closed session pursuant to NCGS 143-318.11(a)(6) to conduct Manager & Clerk evaluations.
12. Next Town Council Meeting
 - a. Budget meeting April 22, 2024, 10am
 - b. Regular meeting May 2, 2024, 6pm
13. Adjourn

BURNSVILLE TOWN COUNCIL
Regular Meeting - Thursday, March 7, 2024, 6pm
Burnsville Town Hall

On Thursday, March 7, 2024 at 6pm, the Burnsville Town Council with Mayor Russell Fox and members Judy Buchanan, Denise Collier, Randy Ollis, and Bill Wheeler present, held a regular meeting at the Burnsville Town Hall. Also in attendance were town staff members Heather Hockaday, Shane Dale, Brian Buchanan, Niles Howell, Leslie Crowder, Chad Fox, Corbin Cooper and several visitors. Mayor Pro Tem Judy Buchanan called the meeting to order at 6pm and stated that the purpose of the meeting was to conduct regular business for the month of March 2024.

Adoption of the agenda - Randy Ollis moved to adopt the agenda as presented. Bill Wheeler seconded the motion, which carried. All were in agreement.

Public Comment

- Danny McIntosh expressed appreciation for Fire Chief Niles Howell, saying that the Fire Station has become a community center with Chief Howell being an excellent caretaker of the facility.

Mr. McIntosh also mentioned American Recovery Act funds and the previously unimaginable opportunities to update infrastructure that they present. He said that it puts a tremendous amount of pressure on Town Staff and he thanked them for getting the work done.

Councilor Judy Buchanan echoed the sentiment of appreciation for Chief Howell's above and beyond service to Burnsville and its citizens.

Consideration of Minutes - Minutes from a regular meeting held on February 1, 2024, a special meeting held on February 12, 2024, and a special meeting held on February 27, 2024 were considered. Bill Wheeler made a motion to approve all minutes as read. Denise Collier seconded the motion, which carried. All were in agreement. Closed session minutes from a meeting held on February 1, 2024 were distributed and signed by all during the meeting.

Public Hearings - There was no public hearing.

Presentations - There was no presentation.

Manager's Update - Town Manager Heather Hockaday

1. Project updates
 - ARPA grant projects
 - Water Treatment Plant - Mrs. Hockaday reported that advertisements went out for bids recently, with the bid opening scheduled for March 19th.
 - Bakers Creek Pump Station - Construction is scheduled to start in April. Public Works Director Shane Dale said that the permits were pulled earlier in the day.

Mayor Russell Fox arrived at 6:06pm.

- Bolens Creek Raw Water Line/Cane River Intake Pump Station - Mrs. Hockaday said that all of the design and bid documents have been submitted to DEQ, with the raw water line ready to advertise. The Town is waiting on the final approval for the plans, specifications, and bid documents on the

- Cane River intake pump rehabilitation. She mentioned how much more energy efficient the new pumps will be.
 - Main Street Waterlines - Design and bid documents were submitted on February 27th for State review.
 - East Main Sewer Interceptor - Design and bid documents are scheduled to be submitted for review on March 15th. The lines have been inspected by camera, with everything ready for bidding, after DEQ approval.
 - Maintenance Shed stream daylighting - Mrs. Hockaday has the preliminary plan. Shane Dale had a nearby sewer line measured by camera in order to be avoided. Engineers will look at permits soon and work will start late summer or early fall.
 - Meadow Road Culvert - Engineers were on site in February and have prepared a final design. Mrs. Hockaday is working with them to develop bid specifications so the projects can go out for construction bids. She said that they are still waiting on news from the Golden leaf application. Golden Leaf funds would enable replacement of the entire culvert rather than just the sink hole section that is allowed by FEMA.
 - Lead service line inventory - The Town received an intent to fund from DEQ in the amount of \$360,000, a 0% interest loan with 35% principal forgiveness. She is still waiting on official loan terms from DEQ and the offer and acceptance resolution. She said that a scope of work has been submitted and an RFQ will be sent out once the Town receives the loan terms. The inventory is due October 16, 2024.
 - West Main Sewer Interceptor - Construction contracts should be executed on or before March 29, 2024. Engineers are working with Cajenn Construction and Rehabilitation Services Inc. to execute documents.
 - N. Main Public Works/Police Building - Mrs. Hockaday introduced a proposal from John Arnaud to complete the construction plans and do construction administration. Judy Buchanan made a motion to accept the *Proposal* for architectural services for the North Main Street Police and Public Works building renovation from John Arnaud Architect PLLC and authorize Town Manager Heather Hockaday to sign the agreement. Bill Wheeler seconded the motion, which carried unanimously.
2. Consideration of GIS & GNSS Agreement with High Country - The agreement addressed bi-annual updates for any changes made to infrastructure. Randy Ollis moved to approve *A Contract For The Provisions of Geographic System (GIS) & Global Navigation Satellite System (GNSS) Services For The Town Of Burnsville* with the High Country Council of Governments. Judy Buchanan seconded the motion, which carried. All were in agreement.
 3. Founders' Day Resolution - Mrs. Hockaday mentioned a discussion with Dylan Wilson about the 190th anniversary of the establishment of Burnsville, having an annual recognition, and creating a committee to recognize a citizen who has served Burnsville or been instrumental in keeping its history alive. Mrs. Hockaday said that on September 1, 1930, the Yancey County Commission adopted a resolution to name the town square "Bailey Square". She felt that a Founders' Day would be a good way to commemorate the establishment of Burnsville and the people that helped create it.

Dylan Wilson said that John "Yellow Jacket" Bailey was a common man who gave a great deal of his time to others and that a sign on the town square would be supportive of the rich history of our area. He said that since there are now only a few ways that history is celebrated, a Founders' Day would be a way to remember our history and share it with

others. He said that an award in John Bailey's name would be a great way to recognize selfless citizens that have given their life to the area.

The Council was supportive of the idea and Mayor Fox moved to approve the *Founders' Day Resolution*. Judy Buchanan seconded the motion, which carried. All were in agreement.

4. Town Hall mural discussion - Mrs. Hockaday presented a visual for a mural concept to go on a large wall downstairs at Town Hall by artist Rhea Ormond. Ms. Ormond described the inspiration for the mural, displaying early doctors, an apple tree with yellow jackets, and Town Hall in the background. Randy Ollis moved to approve the mural design and installation at Town Hall. Judy Buchanan seconded the motion, which carried. All were in agreement.
5. Farmers' Market lot rental - The Yancey County Farmers' Market had recently requested use of the parking lot near Town Hall in case the new County pavilion on Swiss Avenue was not ready in time for opening day. Mrs. Hockaday said that the pavilion is expected to be ready before the market opens on April 13th.

Christina Gordon, president of the Farmers' Market Board, said that she met with the County Manager recently and it looks like everything will be ready to go by opening day. She said that a use agreement would be reviewed at the next County meeting. There was a discussion of storage options, parking, and talks with NCDOT about improved cross walks and signage.

6. Tax Report - Mrs. Hockaday presented a tax report and mentioned the 94.75% collection rate and advertisement of delinquent accounts.
7. Board of Adjustment membership - Mrs. Hockaday presented a draft of language to create a BOA that is separate from the Town Council to guide an amendment to the ordinance and the development of policies. The BOA would consist of five members serving three year staggered terms. She summarized topics such as requirements for membership, terms, reappointments, and types of experience helpful for quasi-judicial meetings. She said that requirements would be sent to the Planning Board for recommendation. The amount of \$100 per meeting was agreed upon to be fair for members' time.

Judy Buchanan moved to refer the terms of the text amendment to the Burnsville Planning Board for their recommendation. Mayor Fox seconded the motion, which carried. All were in agreement.

Clerk's Update

Town Clerk Chad Fox presented a road closure request from John Silver of Homeplace, closing South Main Street on September 21, 2024 for the "No Place Like Homeplace Street Fest" in conjunction with the Nu-Wray Inn. Judy Buchanan moved to approve the road closure of South Main Street on September 21, 2024 from 4pm-10pm. Bill Wheeler seconded the motion, which carried. All were in agreement.

Department Updates

1. Public Works - Public Works Director Shane Dale
 - a. Water Shortage Response Plan Resolution - Judy Buchanan moved to approve *Resolution Approving Water Shortage Response Plan For The Town Of Burnsville, North Carolina*. Bill Wheeler seconded the motion, which carried unanimously.
2. Finance - Finance Officer Leslie Crowder previously provided a budget vs actual and overtime report.

- a. Budget amendment - Mrs. Crowder explained that the budget amendment recognizes revenues from a sale of property on Pine Swamp Rd. Randy Ollis approved *Budget Amendment #5 FY: 23/24*. Denise Collier seconded the motion, which carried. All were in agreement.
 - b. Budget meeting - A meeting with Council was set for April 22nd at 10am.
3. Fire Department - Fire Chief Niles Howell presented a call summary for the month of February with 63 calls. He mentioned acquiring new gear and having four new members join the department.
4. Police Department - Police Chief Brian Buchanan presented an activity log and mentioned yearly inservice training and the Battle of the Badges blood drive, won by EMS. He also received approval for the Governors highway safety grant to help replace in-car computers.
5. Zoning/Code Enforcement - Zoning Administrator Brian Buchanan mentioned upcoming items for the Planning Board meeting in April.
6. Burnsville Town Center - Town Center Manager Corbin Cooper reported an increase in events over March of last year, recent crafts shows, and an upcoming rummage sale.

Council Members Report

- Bill Wheeler informed the Council of the new ABC store's grand opening on April 23rd.
- Randy Ollis and Mayor Fox mentioned tree trimming on the maples in front of Town Hall. Mayor Fox said that he has talked to Heritage Tree Service and wanted to make sure that the Council was in agreement to have them proceed with pruning. The Council was in agreement.

Updates from Advisory Boards and Non-Profits

- There were no updates.

Closed Session

Mayor Fox moved to leave open session and enter closed session pursuant to NCGS 143-318.11(a)(5) to discuss the acquisition of real property at 7pm. All were in agreement. Town Manager Heather Hockaday recused herself from the meeting. After a brief recess, the closed session began at 7:09pm.

Judy Buchanan moved to leave closed session and reenter the open session at 7:52pm. Denise Collier seconded the motion, which carried. All were in agreement. No action was taken after entering the open session.

Next Town Council Meeting - April 4, 2024, 6pm.

Adjourn - With there being no further business, Judy Buchanan moved to adjourn the meeting at 7:53pm. Randy Ollis seconded the motion, meeting adjourned.

J. Chad Fox, Town Clerk

T. Russell Fox, Mayor

March 7, 2024

4

BURNSVILLE TOWN COUNCIL
Special Meeting - Thursday, March 28, 2024, 9am
Burnsville Town Hall

On Thursday, March 7, 2024 at 6pm, the Burnsville Town Council with Mayor Russell Fox and members Judy Buchanan, Denise Collier, and Randy Ollis present, held a regular meeting at the Burnsville Town Hall. Also in attendance were town staff members, Leslie Crowder, Chad Fox and Niles Howell, and also Donny Laws. Council Bill Wheeler was absent. Mayor Russell Fox called the meeting to order at 9am.

Adoption of the agenda - Randy Ollis moved to adopt the agenda as presented. Denise Collier seconded the motion, which carried. All were in agreement.

Consideration of a possible apparatus purchase for the Burnsville Fire Department - Fire Chief Niles Howell said that he would like to replace the Fire Department's 1102 Pumper Tanker and an opportunity to purchase an older model replacement for \$20,000 has come up. Chief Howell said that the 1994 Freightliner has several of the features that the department is looking for. He felt that the pumper tanker looked good and should last a while. He made the council aware that there is money in the budget to cover the cost and asked for permission from the Council to move forward with the purchase. Randy Ollis moved to approve purchase of the 1994 Freightliner Pumper Tanker for the Burnsville Fire Department. Mayor Russell Fox seconded the motion which carried. All were in agreement.

Closed Session

Judy Buchanan moved to leave open session and enter into closed session pursuant to NCGS 143-318.11(a)(5)(i) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease at 9:03am. Denise Collier seconded the motion, which carried. All were in agreement.

Judy Buchanan moved to leave closed session and reenter the open session at 9:51am. Denise Collier seconded the motion, which carried. All were in agreement. No action was taken after entering the open session.

Adjourn - With there being no further business, Randy Ollis moved to adjourn the meeting at 9:52am. Mayor Fox seconded the motion, meeting adjourned.

J. Chad Fox, Town Clerk

T. Russell Fox, Mayor

CITIZEN PARTICIPATION PLAN FOR CDBG-I GRANTEES

CDBG-I Recipient/Grantee Name:	Town of Burnsville
CDBG-I Recipient/Grantee Mailing Address:	PO Box 97, Burnsville, NC 28714
CDBG-I Recipient/Grantee Physical Address (if different from mailing):	2 Town Square, Burnsville, NC 28714
Contact Person & Title:	Heather Hockaday, Town Manager
Contact Email:	<u>hhockaday@townofburnsville.org</u>
Contact Phone Number:	(828) 682-2420
TDD#:	711 (RelayNC)

I. PURPOSE AND INTRODUCTION

The **Town of Burnsville** has designed this community-wide Citizen Participation Plan to provide for and encourage citizen participation in the Community Development Block Grant (CDBG) program.

This Plan is an essential element of the **Town's** present and future community development process and has been developed to comply with the regulations and requirements of the CDBG program as administered by the North Carolina Department of Environmental Quality – Division of Water Infrastructure (NCDEQ-DWI) and the Department of Housing and Urban Development (HUD). The Citizen Participation Plan is required by Section 104(a)(2) of the Housing and Community Development Act and by regulations at 24 CFR 570.486(a)(6).

The primary goal of this Citizen Participation Plan is to provide all citizens of the community with adequate opportunity to participate in an advisory role in the planning, implementation, and assessment of the **Town's** CDBG program(s) and project(s).

The Plan sets forth policies and procedures for citizen participation, which are designed to maximize the opportunity for citizen participation in the community development process. Special emphasis has been placed on encouraging participation by persons of low and moderate incomes, residents of blighted neighborhoods, and residents of areas where community development funds are utilized.

The plan is vitally important to the success of CDBG-funded activities undertaken by local units of general government. Compliance with the plan reduces the number of legal challenges and citizen complaints against the local government recipient.

Local units of general government must provide citizens with reasonable advance notice of and opportunity to comment on proposed activities in an application to the state; and for grants already made, the same opportunities must be provided for activities proposed to be added, deleted, or substantially changed from the original application to the state. Substantially changes include, but not limited to, purpose, scope, location or beneficiaries.

Citizens are encouraged to participate in all phases of the CDBG program(s) and will be provided full access to program information. However, final responsibility and authority for the development and implementation of CDBG program(s) will lie with the **Town of Burnsville**.

2. SCOPE OF PARTICIPATION

The **Town of Burnsville** will make reasonable efforts to provide for citizen participation during the community development process and throughout the planning, implementation and assessment of all CDBG program(s) undertaken by the Town. Local officials will make every effort to involve citizens in all phases of the development, implementation and assessment of community development programs including, but not limited to, the following phases:

- a. Identification and assessment of housing and community development needs; determination of CDBG project(s) and documentation; and the development of CDBG application(s);
- b. Changes and/or amendments to approved CDBG projects; and,
- c. Assessment of CDBG program performance.

All phases of the community development process will be conducted by local officials in an open manner. Citizens of the **Town** are encouraged to participate at all levels and will be given access to program information during each phase of any CDBG program as outlined herein.

3. CITIZEN PARTICIPATION CONTACT PERSON

Heather Hockaday, Town Manager has been designated Citizen Participation Coordinator by the **Mayor** and will serve as the contact person for all matters concerning citizen participation activities. This person shall be responsible for overseeing citizen participation throughout the community development process and the implementation of all citizen participation activities and functions, except those which may be specifically delegated to other parties by this Plan.

The specific duties and responsibilities of the Citizen Participation Coordinator shall include, but not necessarily be limited to: disseminating information concerning proposed projects and the status of current project activities; coordinating various groups which may be participating in the community development process; receiving written comments; serving as a vehicle by which ideas, comments, and proposals from local residents may be transmitted to local officials and/or program staff; and, monitoring the citizen participation process and proposing such amendments to the Citizen Participation Plan as may be necessary.

The Citizen Participation Coordinator may be contacted at **Burnsville Town Hall, 2 Town Square, Burnsville, NC** during regular business hours. All questions concerning citizen participation in the community development process should be addressed to the Citizen Participation Coordinator.

4. TECHNICAL ASSISTANCE

The staff of the **Town of Burnsville** shall provide technical assistance to individual citizens and citizen groups, especially those groups representative of persons of low or moderate income, as may be required to adequately provide for citizen participation in the planning, implementation and assessment of CDBG program(s).

Such technical assistance is intended to increase citizen participation in the community development decision making process and to ensure that such participation is meaningful. Technical assistance shall also be utilized to foster public understanding of CDBG program requirements.

Technical assistance shall be provided on request and may include, but not necessarily be limited to: interpreting the CDBG program and its rules, regulations, procedures and/or requirements; providing information and/or materials concerning the CDBG program; and, assisting low and moderate income citizens, and residents of blighted neighborhoods to develop statements of views, identify their needs, and to develop activities and proposals for projects which, when implemented, will resolve those needs.

Technical assistance may be obtained by contacting the **Mayor** of the **Town** or the Citizen Participation Coordinator.

5. PUBLIC HEARINGS

Citizen participation in the community development process will be conducted on a community-wide basis and will actively involve the views and proposals of all citizens, especially low and moderate income persons and residents of areas where CDBG activities are proposed or on-going.

Public hearings will be held during all phases of the community development process, as outlined herein, to allow citizens to voice opinions and offer proposals concerning the development and performance of CDBG programs. Local officials will respond to questions and proposals from citizens at each public hearing. Any questions that citizens may have concerning a program will be answered and their comments, suggestions, and/or proposals will be received. Citizens may also express comments and views concerning the community development process or any specific CDBG project to the governing body at any regularly scheduled meeting.

PUBLIC HEARING TIMES AND LOCATIONS

All public hearings will be held at times and locations which will be accessible to all citizens, especially persons of low and moderate incomes, and residents of blighted neighborhoods and CDBG project areas.

Public hearings will be scheduled for convenient times as determined by the **Town of Burnsville**. Public hearings may be held at any site which, in the opinion of the **Town** provides adequate access for citizen participation.

Hearings will normally be held at the **Burnsville Town Hall, 2 Town Square, Burnsville, NC**. This site is centrally located and generally accessible to all citizens. This building is also accessible to persons with disabilities. Hearings may, however, at the option of the **Town**, be held at an alternate location to be specified in the public hearing notice(s).

APPLICATION PUBLIC HEARING

One public hearing shall be held during any CDBG program fiscal year prior to the submission of an application to the NCDEQ-DWI for CDBG assistance. The primary purposes of the public hearing shall be to assess community needs and problems in an effort to determine the most critical needs to be addressed by the CDBG program; and also to present for public comment and review the program activities which have been selected by the **Town of Burnsville** to resolve the identified needs.

An application public hearing will be held during the initial stage of program development to discuss items regarding community development and housing needs, the CDBG program, and the application process. The objective of citizen participation at this stage is to provide meaningful, community-wide citizen input into the decision-making process during the assessment of community needs and the consideration of priorities and options associated with the development and submission of a CDBG application. Local officials will also entertain proposals and comments from citizens concerning community development activities at this hearing.

This hearing will normally serve to discuss and review the information appropriate for all applications submitted by the **Town** during any fiscal year. Additional changes in community development or housing needs in the community as determined by local officials can be addressed by a community meeting where citizens can share their comments prior to the submission of other CDBG applications late in the fiscal year.

Citizens will be provided with information concerning the CDBG program at this public hearing. Such information shall include, but not necessarily be limited to: the goals and objectives of the CDBG program; the total amount of CDBG funds available for the fiscal year and for the funding round; the role of citizens in program planning, implementation, and assessment; the range of activities which may be undertaken; the process to be followed in developing a CDBG application; a statement that 100 percent of the CDBG funds will be used to benefit low-to-moderate income people; the schedule of meetings and Town through the CDBG program; and, an identification of projects which could result in the relocation of area residences or businesses; and the actions that would be undertaken if such relocation were necessary; provide citizens with contact information such as address, telephone number, and dates for submitting complaints or grievances. Furthermore, the effectiveness of the Citizen Participation Plan in allowing citizen participation in the community development process and potential changes and/or amendments to the Plan shall also be discussed at this meeting.

The **Town** may, at the option of local officials, review multiple CDBG project applications at one hearing when more than one application is to be submitted during the same fiscal year. Each such hearing shall be held prior to, and in preparation for, the application's approval by the **Town**.

A second objective of citizen participation during this stage is to inform citizens of the proposed project activities to be included in a CDBG application(s) and to solicit comments from citizens concerning these activities.

Citizens attending this hearing will be provided with information concerning the CDBG project(s) proposed including, but not necessarily limited to: the project application(s) to be submitted and the applicable CDBG fund; specific project activities to be included; the location of the project activities; the approximate cost estimate for the proposed activities; the estimate of local match required; the impact of the project on low and moderate income persons; and, the approximate application submittal date.

PROJECT AMENDMENT PUBLIC HEARINGS

The **Town of Burnsville** will assure the opportunity for citizen participation during the implementation of any CDBG program(s) when changes to the project are under consideration by the **Town**. Citizen participation shall be obtained and considered in any amendments to a CDBG program which involves changes in dollar amount spent on any activity, changes in program beneficiaries, changes in the location of approved activities, addition to or deletion of project activities, and major budget shifts between approved activities.

To ensure adequate opportunity for citizen participation during CDBG programs, the **Town** shall hold a public hearing on all formal amendments which require the NCDEQ-DWI approval. For “local” amendments and changes for which the NCDEQ-DWI approval is not required, input from citizens concerning changes or amendments will be received at regularly scheduled **Town Council** meetings where such changes or amendments are considered.

ASSESSMENT OF PERFORMANCE (CLOSE-OUT) PUBLIC HEARINGS

This public hearing must be held after all third-party contracts’ payments have been submitted.

Citizens of the **Town of Burnsville** will be provided with the opportunity to comment on the performance of local officials, the **Town** staff, consultants, engineers, and contractors, and the actual use of CDBG funds during the implementation of a CDBG program. Citizens will also be requested to assess the performance of the **Town** in resolving identified community development and housing needs, and in achieving its community development goals and objectives. On-going community assessment of the effectiveness of the community development process is considered essential to the success of the CDBG program.

At the conclusion of each CDBG project, a public hearing will be held to review program activities and to assess program performance. This hearing shall be held prior to the submission of the Performance Assessment Report and any other required closeout documents to the NCDEQ-DWI for a CDBG project. This hearing will be used to ensure community-wide participation in the evaluation of the CDBG program.

ADDITIONAL HEARINGS

Other public hearings may be held as deemed necessary by the **Town of Burnsville** in order to inform citizens of community development project(s) and activities, and to solicit citizen opinions and comments. All additional hearings shall comply with the requirements set forth in this Plan.

6. PUBLIC HEARING ACCOMMODATIONS AND ACCESSIBILITY

HYBRID HEARINGS

CDBG-I staff highly recommend local governments leverage online resources to hold hybrid public hearings. Hybrid public hearings provide for the ability of the public and interested parties to attend and participate in meetings without having to physically attend. This increases access of the hearings to additional citizens who would be otherwise unable to attend.

- Local governments may use online platforms to hold hybrid hearings that facilitate public access to all questions and responses and provide timely responses from local officials.
 - Hybrid hearing methods could include but are not limited to, Google Hangouts, Adobe Connect, Facebook Live, a video streaming service (WebEx, Zoom, youtube, etc.), local community television stations, live streaming on county/city website, or other virtual platforms can help accommodate these meetings. A call-in option that does not require internet connection is strongly recommended.
- All hybrid hearings held shall provide reasonable notification and access for citizens, timely responses from local officials to all citizen questions and issues, and public access to all questions and responses.
- Local governments must take appropriate actions to encourage the participation of all residents, including the elderly, minorities, persons with limited English proficiency, as well as persons with disabilities. Therefore, a hybrid hearing method or platform that is selected must provide appropriate accommodations made for those individuals that may not be able to physically attend the meeting.
- Whether hearings are in-person or hybrid, local governments must take appropriate steps to ensure effective communication with persons with disabilities consistent with the requirements of accessibility laws, such as Section 504 of the Rehabilitation Act and the Americans with Disabilities Act.
 - Thus, a local government must provide appropriate auxiliary aids and services where necessary to afford individuals with hearing and vision impairments an equal opportunity to access and participate in such hearings.
 - These may include effective methods that make verbally delivered information available to individuals who are deaf or hard of hearing, and visually delivered materials available to individuals who are blind or have low vision.
 - The type of auxiliary aid or service necessary to ensure effective communication will vary in accordance with the method of communication used by the individual; the nature, length, and complexity of the communication involved; and the context in which the communication is taking place.
 - In determining what types of auxiliary aids and services are necessary, a local government shall give primary consideration to the requests of individuals with disabilities. In order to be effective, auxiliary aids and services should be provided in accessible formats, in a timely manner, and in such a way as to

protect the privacy and independence of the individual with a disability.

- For hybrid hearings, such steps should include ensuring that information is provided on an accessible website, that e-mails and other digital notifications are accessible, and that the application or platform used to host the hearing is also accessible. Additional services such as audio description or captioning may also be needed to provide effective communication in a digital context.
 - There are some helpful guidelines for ensuring the accessibility of web-based and digital materials are available through the World Wide Web Consortium's Web Accessibility Initiative at <https://www.w3.org/WAI/>. Examples of auxiliary aids and services that may be necessary when conducting hearings online can be found at 28 CFR 35.104.
- Local governments are highly encouraged to use various forms of social media, and we will accept public comments in written form (i.e. emailed comments, mailed, comments collected via social media, and other communication types made possible by web-based platforms or digital materials).
 - Local governments must document their efforts and the reason for them and update their citizen participation plans as soon as possible to add the use of virtual hearings if the plan doesn't already mention them.
 - Additional information on public hearing requirements can be found in Appendix B: Public Hearings.
 - Local governments should consult with their attorney before undertaking such meetings to ensure conformance with the NC Senate Bill 704.

Additional legal resources are:

- Session Law 2020-3: Act to Provide Aid to North Carolinians in Response to the Coronavirus Disease 2019 (COVID-19)
<https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S704v6.pdf>
- School of Government's summary of Session Law 2020-3:
<https://canons.sog.unc.edu/new-rules-for-meetings-of-public-bodies-during-state-level-declared-emergencies/>

LIMITED ENGLISH PROFICIENCY RESIDENTS

The **Town of Burnsville** has followed the guidance provided in the Language Access Plan (LAP) to determine the need to undertake reasonable actions to facilitate the participation of persons with Limited English Proficiency. Local officials will undertake all reasonable actions necessary to allow such persons to participate in the community development process. Such actions may include the provision of an interpreter and/or the provision of materials in the appropriate language or format for persons with Limited English Proficiency.

PUBLIC HEARING NOTICE

Notice of public hearings must be published in a local newspaper of general circulation, in a non-legal section of the paper at least ten (10) days prior to the hearing date, but no more than 25 days prior to the meeting date. Each notice of a hearing shall include the time, date, place, and topics and procedures to be discussed.

ACCESSIBILITY TO LOW AND MODERATE INCOME PERSONS

The public hearing procedures outlined herein are designed to promote participation by low and moderate income citizens, as well as residents of blighted neighborhoods and CDBG project areas in any public hearing(s).

Local officials may take additional steps to further promote participation by such groups, or to target program information to these persons should officials feel that such persons may otherwise be excluded or should additional action be deemed necessary.

Activities to promote additional participation may include: posting of notices in blighted neighborhoods and in places frequented by low and moderate income persons, and holding public hearings in low and moderate income neighborhoods or areas of existing or proposed CDBG project activities.

ACCESSIBILITY TO PERSONS WITH DISABILITIES

The locations of all public hearings as described herein shall be made accessible to persons with disabilities. The **Town of Burnsville** shall provide a sign language interpreter whenever the Citizen Participation Coordinator is notified in advance that one or more deaf persons will be in attendance.

The **Town** shall provide a qualified reader whenever the Citizen Participation Coordinator is notified in advance that one or more visually impaired persons will be in attendance.

Additionally, the **Town** shall provide reasonable accommodations whenever the Citizen Participation Coordinator is notified in advance that one or more persons with mobility or developmental disabilities will be in attendance.

7. PROGRAM INFORMATION

Citizens will be provided full access to CDBG program information during all phases of a CDBG project. Local officials of the **Town of Burnsville** shall make reasonable effort to assure that CDBG program information is available to all citizens, especially those of low and moderate incomes and those residing in blighted or Limited English Proficiency neighborhoods and/or CDBG project areas.

To facilitate citizen access to CDBG program information, the Citizen Participation Coordinator will keep all documents related to a CDBG program on file in the **Burnsville Town Hall**. Information from the project files shall be made available for examination and duplication, on request, during regular business hours. CDBG program information and materials, concerning specific CDBG projects will be available and distributed to the public at the regularly scheduled public hearings as outlined in this Plan. Furthermore, information concerning any CDBG project will be available at regularly scheduled council meetings where the program is discussed.

Materials to be made available shall include, but are not necessarily limited to: the Citizen Participation Plan; records of public hearing; mailings and promotional materials; prior CDBG program applications; letters of approval; grant agreements; the environmental review record; financial and procurement records; project design and construction specifications; labor standards materials; performance and evaluation reports; other reports required by the NCDEQ-DWI and/or HUD; proposed and approved CDBG program application(s) for the current year or project; written comments or complaints received concerning the community development program, and written responses from the **Town**; and, copies of the applicable Federal and State rules, regulations, policies, requirements and procedures governing the CDBG program.

In no case shall the **Town** disclose any information concerning the financial status of any program participant(s) which may be required to document program eligibility or benefit. Furthermore, the **Town** shall not disclose any information which may, in the opinion of the **Mayor**, be deemed of a confidential nature.

8. PROCEDURES FOR COMMENTS, OBJECTIONS AND COMPLAINTS

The public hearings scheduled, as described in this Citizen Participation Plan, are designed to facilitate public participation in all phases of the community development process. Citizens are encouraged to submit their views and proposals on all aspects of a community development program at the public hearings. However, to ensure that citizens are given the opportunity to assess and comment on all aspects of the community development program on a continuous basis, citizens may, at any time, submit written comments or complaints to the **Town of Burnsville**.

Any citizen or citizen's group desiring to comment or object to any phase of the planning, development or approval of the application for CDBG funds, or to the implementation of any CDBG program, should submit such comments or objections in writing to the **Mayor**. Should, after a reasonable period, a party believe that his/her comment or complaint has not been properly addressed or considered by the **Mayor** then the aggrieved may appeal his/her case to the **Town**.

Local officials shall make every effort to provide written responses to citizen proposals or complaints within fifteen (15) working days of the receipt of such comments or complaints where practicable.

Should the **Town** be unable to sufficiently resolve an objection or complaint, it may be forwarded by the aggrieved party to the NCDEQ-DWI.

Citizens may, at any time, contact the NCDEQ-DWI and/or HUD directly to register comments, objections or complaints concerning the **Town** CDBG application(s) and/or program(s). Citizens are encouraged, however, to attempt to resolve any complaints at the local level as outlined above prior to contacting the NCDEQ-DWI or HUD.

All comments or complaints submitted to the NCDEQ-DWI or the HUD shall be addressed in writing to:

NC Department of Environmental Quality
Division of Water Infrastructure / CDBG-I Unit
1633 Mail Service Center
Raleigh, North Carolina 27699-1633

Or:

U.S. Department of Housing and Urban Development
Community Planning and Development Division
Greensboro Field Office
1500 Pinecroft Road
Greensboro, North Carolina 27407

Records of all comments, objections and/or complaints by citizens concerning the **Town** CDBG program and subsequent action taken in response to those comments shall be maintained on file at **Town** and shall be made available for public inspection upon request.

9. AMENDMENTS

The **Town of Burnsville** may, from time to time, modify the provisions outlined herein through amendment to this Citizen Participation Plan. It shall be the policy of the **Town** to periodically review and discuss the effectiveness of this Citizen Participation Plan in allowing citizen participation in the community development process and in helping to meet the community development needs and goals identified by the citizens of the **Town**. To this end, the effectiveness of the Plan will be discussed at public hearings held in conjunction with the community development program as discussed herein, and potential amendments to the Plan will be reviewed at this time.

Amendments to the Plan will be made as necessary. All amendments shall be approved by resolution of the **Town** and shall be incorporated into this Plan.

10. AUTHORITY

No portion of this Citizen Participation Plan shall be construed to restrict the responsibility and authority of the elected officials of the **Town of Burnsville** in the development, implementation, and execution of any Community Development Block Grant program.

ADOPTED this _____ day of _____, 20 ____.

(Chief Elected Official)

ATTEST:

(Clerk)

Procurement Policy and Plan for CDBG-I Grantees

WHEREAS, the **Town of Burnsville** will comply with the terms and conditions of federal funding that is awarded and accepted, including, but not limited to, the terms and conditions of the Grant Contract, and the *Procurement Policy of the North Carolina Department of Environmental Quality's Water Infrastructure Division, Community Development Block Grant-Infrastructure Program (CDBG-I Procurement Policy)*, attached;

WHEREAS, the States were advised by Housing and Urban Development (HUD) to develop their own procurement policies, and the CDBG-Infrastructure Program has developed and adopted the attached policy (*CDBG-I Procurement Policy*) as reference for its grantee communities, using portions of 2 CFR Part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards," supplemented with NC General Statutes 143-64.31, 143-129, and 143-131; and 24 C.F.R. § 570.489(g), which explicitly prohibit cost plus a percentage of cost and percentage of construction cost methods of contracting. In addition, all purchase orders and contracts shall include any clauses required by Federal Statutes, executive orders, and implementing regulations including the Section 3 clause, per 24 C.F.R. 570.489 (g) and 24 C.F.R. 135.38;

WHEREAS, the **Town of Burnsville**, as the recipient of Federal CDBG funds, acknowledges its responsibility to and will adhere to the aforesaid *CDBG-I Procurement Policy* of the North Carolina Department of Environmental Quality's Division of Water Infrastructure;

WHEREAS, the **Town of Burnsville** will, to the extent applicable, follow methods of procurement, procure by contracting with small, minority firms, women's business enterprises, and labor surplus area firms, when those entities offer the best level of knowledge, skills and abilities for professional services, and when those entities offer the knowledge, skills and abilities and are the lowest cost responsive, responsible bidders in building trade and related services; and

WHEREAS, the **Town of Burnsville** will demonstrate contract cost and price awareness and adhere to awarding agency contract provisions (2 CFR Part 200, Appendix II, except for items F and J, which were not adopted by the CDBG-Infrastructure Program, as allowed under 2 CFR Part 200.101(d)(1));

NOW THEREFORE, BE IT RESOLVED;

SECTION 1: All procurement of goods and services by the **Town of Burnsville** with CDBG grant funds shall be accomplished in accordance with the requirements of the *CDBG-I Procurement Policy*, and HUD implementing regulations at 24 CFR Part 570.489 (g) and (h), which prohibits cost plus a percentage of construction cost method of contracting for services.

SECTION 2: In addition, all purchase orders and contracts shall include any clauses required by Federal Statutes, Executive Orders, and implementing regulations including the Section 3 clause, per 24 CFR 570.489(g) and 24 CFR 135.38, or the North Carolina General Statutes Chapter 143 applying to procurement in general by North Carolina municipalities and counties.

SECTION 3: When Federal and State regulations are different, the more restrictive regulation shall apply to the procurement in question, as outlined in the *CDBG-I Procurement Policy*

SECTION 4: The **Town of Burnsville** will adhere to the following guidelines during procurement of goods and services using Federal funds:

- A. In all cases where goods or services are procured based on one bid or proposal received, the **Town** will follow established principles to verify the reasonable cost of the procurement and shall contact the State Agency supervising the grant program before making any contract award based on non-competitive negotiation. The **Town** shall follow all noticing and advertising requirements prior to accepting the single source respondent. Written permission from the CDBG-I Program shall be obtained prior to entering into a single source contract.
- B. Section 3 certified businesses, and historically underutilized businesses, including women-owned and minority-owned enterprises shall be included on bidders' or professional services' lists maintained by the **Town**. Firms shall be solicited for all competitive negotiations, small purchases, and informal and formal bids when such firms are potential competitive sources for goods and services.

SECTION 5: The **Town of Burnsville** will adhere to the following guidelines during procurement of professional service contracts:

- A. Professional services shall be procured through the use of Request for Proposals (administrative services) or Request for Qualifications (engineering services). Respondents offering administrative services shall be selected on the basis of the best qualified respondent for the price. Respondents offering engineering services shall be selected on the basis of the best qualified respondent, without regard for price. A written selection procedure shall be used to evaluate respondents, and those records maintained in the procurement files.
- B. The **Town of Burnsville** shall develop a written scope of work for each service to be awarded on the basis of competitive negotiation, which shall include descriptions of tasks to be completed, project timetables, and an outline of fee proposal requirements. The selected engineering services respondent and the **Town** shall then enter into competitive negotiations to arrive at a mutually agreeable price for engineering services. All contracts awarded through competitive negotiations shall be awarded strictly on the basis of the written selection procedure.

SECTION 6: The **Town of Burnsville** will adhere to the following guidelines during procurement of construction contracts:

- A. Construction service contracts shall be competitively bid using sealed bids, with the award going to the lowest responsive, responsible bidder. A minimum of three bids shall be received prior to opening the sealed bids.

SECTION 7: Additionally, the **Town of Burnsville** will adhere to the following guidelines during all procurement:

- A. Prior to any contract award, the **Town of Burnsville** shall verify the consultant and/or contractor's eligibility to participate in a federally assisted program.

- B. No consultant or bidder shall assist in the development of the Request for Proposals, in the Request for Qualifications, nor the construction bid posting in which the consultant or bidder has a direct or indirect interest.
- C. No consultant or bidder shall assist in the evaluation of proposals or bid packages for contracts in which that consultant or bidder has a direct or indirect interest. The **Town of Burnsville** shall adhere to all applicable Federal and State conflict of interest regulations in making contract awards.
- D. The **Town of Burnsville** shall request references or check references of contractors or firms who are awarded contracts with Federal grant funds and will request a written warranty for all goods and services provided through the small purchase's procedure.
- E. The **Town of Burnsville** shall not award any contract for federally-assisted projects on a contingency or cost-plus-percentage of construction basis.
- F. The **Town of Burnsville** shall hold a pre-bid meeting and a pre-construction meeting for each construction project bid competitively using CDBG-Infrastructure funds. Evaluation criteria for the bids may add points for attending the pre-bid meeting of contractors, but it is not a prerequisite.

PASSED BY THE **BURNSVILLE TOWN COUNCIL, BURNSVILLE, NORTH CAROLINA.**

Adopted this _____ day of _____, 20____.

Mayor

ATTEST:

Clerk

NC DEPARTMENT OF ENVIRONMENTAL QUALITY DIVISION OF
WATER INFRASTRUCTURE (DIVISION)
COMMUNITY DEVELOPMENT BLOCK GRANT-INFRASTRUCTURE UNIT

Policy Title: CDBG-I Program Procurement Policy

Revised: December 20, 2023

Version: 6

Effective Date: January 1, 2024

This policy remains effective until it is amended, superseded, or rescinded.

PURPOSE AND SCOPE

Goods and services must be procured in an effective manner and in compliance with Federal, State, and local laws. These laws exist to ensure that funds are awarded through fair and open competition and are spent on eligible and reasonably priced goods and services.

Per 24 CFR Section 570.489(g), when procuring property or services to be paid for in whole or in part with CDBG funds, the State shall follow its procurement policies and procedures. The State shall establish requirements for procurement policies and procedures for units of general local government, based on full and open competition where cost reasonableness has been determined in advance of contract bidding, per 2 CFR 200.324.

Methods of procurement (e.g., small purchase, sealed bids/formal advertising, competitive proposals, and noncompetitive proposals) and their applicability shall be specified by the State. Cost plus a percentage of cost and percentage of construction costs methods of contracting shall not be used.

The policies and procedures shall also include standards of conduct governing employees engaged in the awarding and/or administration of contracts. Other conflicts of interest are covered by § 570.489(h). The State shall ensure that all purchase orders and contracts include any clauses required by Federal statutes, Executive orders, and implementing regulations. The State shall make subrecipient and contractor determinations in accordance with the standards in 2 CFR 200.330.

This policy is for the use of Community Development Block Grant-Infrastructure (CDBG-I) Program grantees (Units of General Local Government). This policy was developed to replace the Uniform Administrative Requirements of Subpart D of 2 Part 200, Sections 200.317-326, *Procurement Standards*, which does not apply to the CDBG State programs, per 2 Part 200.101(d). This policy takes the most restrictive of the two procurement regulations, either state or federal, and applies them to units of general local government's procurement for the CDBG-I program.

Maximum Full and Open Competition.

This policy provides for full and open competitions among prospective vendors and bidders. Competition should ensure that the pricing is fair, and the units of general local government are getting a reasonable price for the goods or services procured. In addition, full and open competition should reduce the potential for conflicts of interest and collusion on bids between

potential bidders and the units of general local government. Maximum full and open competition:

- Prevents fraud, waste, and abuse.
- Increases visibility and transparency.
- Receive reasonable prices from qualified contractors.
- Provides opportunities for all responsible contractors.

Maximizing competition to ensure that procurements are conducted, and contracts are awarded in a way that obtains the most competition that will serve the unit of general local government well.

This policy strives to avoid the following procurement issues:

- Unjustified sole-source contracts,
- Insufficient price or rate quotes from qualified sources,
- Lack of independent cost estimates or cost analyses,
- A failure to rotate vendors on lower priced purchases,
- The use of unreasonably narrow or specific qualification criteria or bid specifications,
- Short timeframes for responding to offers,
- An insufficient number of responsive bidders,
- Overuse of change orders,
- Collusive bidding or price fixing,
- Cost mischarging,
- Source selection fraud,
- Fictitious vendor fraud,
- Failure to check government debarment lists,
- Overuse of small purchase contracts,
- Lack of outreach to minority and women business enterprises, and
- An excessive number of small purchases contracts close to the small purchase dollar limit.

Conflict of Interest and Ethics.

Units of general local government (grantees), as part of their procurement processes, must adhere to the conflict-of-interest regulations, including but not limited to those found at N.C. General Statutes § 14-234(a)(1), 2 C.F.R. § 200. 318(c)(1), §320-321, §323-326, 24 C.F.R. § 570.489 (g) and (h), and 24 C.F.R. § 570.611 must be carried out. It is the unit of general local government obligation to not only avoid conflicts of interest, but also to be alert and question real or apparent conflicts by any others, including procured consultants and contractors.

Units of general local government must maintain procurement integrity through strong documentation and financial controls to avoid fraudulence, misuse, and abuse of federal funds.

- Separation of Duties.

- One method for minimizing the potential for fraud and abuse in the procurement process is to have different individuals handling different parts of the process. For example, where one individual award the contract or orders the goods or services, a separate individual will review the goods or services for performance and/or delivery. An easy guide for compliance is that employees who handle the money, the mail or the goods purchased should be different from employees managing the

bookkeeping and financial accounts. This practice can be difficult in small cities, small departments, or organizations with few employees, but a method of oversight must be established to avoid fraud and unnecessary purchases. The rule of thumb should be that if an employee touches the money, mail, or goods purchased, he or she should not touch the books.

- Documentation.
 - Each step in the procurement process should be documented, from the initial decision to purchase through to final inspection of goods and services and final payment. The records should include, but are not limited to, files on the rationale for selecting the methods of procurement used, selection of contract type, the contractor selection/rejection process, and the basis for the cost or price of a contract. The records should also include a justification for lack of competition when competitive bids or offers are not obtained, and the basis for the award cost or price. Documentation does not end at contract signing but should continue through the delivery of goods and services to record payments, inspection, change orders and cost/price analysis of the change order. Monitoring the performance of the vendor should be documented through inspections and review of performance and delivery.

REASONABLE COSTS

Per 2 CFR 200, a Cost or Price Analysis is required when procuring goods or services with federal funds more than the Simplified Acquisition Threshold, including contract modifications. An independent cost estimate serves as a yardstick for evaluating the reasonableness of the contractor's proposed costs or prices. An independent cost analysis consists of evaluating the separate elements (for example, labor, materials, etc.) that make up a contractor's total cost proposal to determine whether they are allowable, directly related to the requirement, and reasonable.

- Price Analysis – Price analysis is essentially price comparison. It is the evaluation of a proposed price (i.e., total sum) without analyzing any of the separate cost elements.
- Cost Analysis - Cost analysis is the evaluation of the separate elements (e.g., labor, materials, profit, etc.) that make up a contractor's total cost proposal or price to determine if they are allowable, directly related to the requirements and ultimately, reasonable. Cost Analysis should apply to both new contracts and contract modifications or change orders. The basic document in the grantee's efforts to evaluate cost and price is an "independent analysis" based on the procedures described below. The "independent analysis" can be done by grantee staff, by third party consultants, or by examination of existing price lists and product catalogs, but it is not based on bids received. The analysis is done prior to receipt of bids or review of proposals. This is the area where most findings have occurred historically because the analysis was not independent, or it was not documented prior to receipt of bids or proposals.

While the procurement method and degree of analysis depends on the facts surrounding the procurement, the following illustrates some of the cost and price analyses that may be performed in certain procurement situations.

- Micro Purchases – Micro purchases require simple price analysis prior to receiving bids or proposals. They do not require a cost analysis.
- Small Purchases – Grantees should review the proposed prices, from offerors to prices paid for the same or similar services. Catalog or market prices of products sold to the general public can suffice for cost estimates for equipment and supply purchases.
- Sealed Bid – Grantees should always prepare their own cost estimate and compare it to the low competitive bid received. If they are significantly different, the grantee will need to evaluate its initial estimate, compare it to the bids received, and identify the appropriate price.
- Competitive Proposals – To determine the reasonableness of proposed costs, the grantee will need to obtain cost breakdowns showing all the elements of the scope of work and perform a cost analysis using the appropriate set of principles.

Units of general local government should obtain a breakdown of proposed costs and perform a cost analysis of those costs. The following are special circumstances involving contracts and cost analysis requirements:

- Cost Reimbursement Contracts – A Cost Analysis using cost principles must be performed on a Cost Reimbursement Contract.
- Architecture and Engineering Contracts - Cost Analysis is required in determining if the cost portion of an A/E contract is fair and reasonable.
- Construction Contracts – Construction contracts awarded using Sealed Bids do not require Cost Analysis. However, an estimate of market costs should be made prior to awarding the contract. Construction Contracts awarded using any other method of procurement require Cost Analysis. Some grantees will contract out cost analysis to independent architect or engineering firms.

In addition, changes to the contract will require cost analysis in the following situations:

- Contract Modifications – If a grantee is negotiating a modification or change order to a contract that changes the scope and/or impacts the price or estimated cost, the grantee should perform further cost analysis. The only exception to this is if the modification is based on pricing already established in the contract. A contract where the scope is reduced, and the contract price remains the same will still require further cost analysis to determine that the change is fair and reasonable.
- Contract Terminations – If a grantee terminates a contract for convenience, the grantee must use cost analysis and the appropriate cost principles to negotiate the final amount of termination settlement. If the grantee is terminating a cost re-imbursement contract for cause, the grantee should use cost analysis and the appropriate cost principles to negotiate the final amount of termination settlement.
 - In addition, contracts must include termination language in the contract when they are over \$10,000, as described in Appendix II of 2 CFR Part 200.

Price Analysis.

Micro Purchase and Small Purchase procurement methods require price analysis when selecting vendors and suppliers. There are a variety of ways of analyzing price, some of which are illustrated below, but the method and degree of analysis grantees used is dependent on the facts surrounding the procurement situation. Price Analysis should be documented in the procurement file.

- Compare competitive prices received in response to the solicitation to each other.
- Compare proposed prices to prices on existing contracts or contracts proposed in the recent past. Be sure to factor in any changing conditions, including market, inflation, material price changes.
- Apply rough approximations and review significant inconsistencies, which may require a deeper look at prices to determine if the items are truly comparable. The types of approximations might include price per pound, per square foot, per hour or other typical unit pricing mechanisms.
- Review price lists, catalogs, or market prices of similar products to determine the market prices generally available to the public.

Cost Analysis.

Cost Analysis includes the review and evaluation of the separate cost elements, including labor, supplies, equipment, profit, overhead and general conditions. Grantees should prepare an independent cost analysis before receiving bids, proposals, and contract modifications. The method and degree of analysis is dependent on the facts surrounding the procurement situation. An independent estimate must be made before receiving bids or proposals if one of the following applies:

- When evaluating competitive proposals.
- When there is a sole source or non-competitive proposal.
- When only one bid is received after soliciting bids, the grantee does not have enough data to establish cost reasonableness and the grantee is considering awarding the contract to the single bidder.
- When negotiating modifications to contracts that impact on the price or estimated cost.
- When terminating a contract and the contractor is entitled to payment of reasonable costs incurred.
- When awarding a cost-reimbursement contract.

The major categories of costs include both direct costs (direct labor, equipment, supplies, travel and per diem, subcontractors, and other direct costs) and indirect costs (overhead, general and administrative expenses, and profit). In the process of analyzing costs, profit should be analyzed separately, based on complexity of the work, risk to the contractor, investment required, amount of subcontracting involved, and typical profit in the industry. The process for completing a Cost Analysis includes verifying cost data and evaluating the elements of the project as described below. Costs that can be charged against the award are the allowable direct costs and the allocable indirect costs, less any applicable credits.

- Allowable (Allowability) Costs. (2 CFR 200.403 and 24 CFR 570.207 and .610) A cost is allowable under criteria to be allowable under the CDBG program if the expenditure is:
 - Be necessary, reasonable, and directly related to the grant program.
 - Authorized by the State-administered CDBG program.
 - Not prohibited under federal, state, or local laws or regulations.

- Consistently treated.
 - Allocable to the CDBG program.
 - Be adequately documented.
 - Cost must be incurred during the approved budget period.
- Reasonable Costs. (2 CFR 200.404) For the cost to be allowable, it must also be reasonable. This term is generally defined as what a prudent business would pay in a competitive marketplace. In determining the reasonableness of a given cost, pay attention to the following:
 - Is the cost generally recognized as ordinary and necessary for the operation of your organization or the performance of the award?
 - Are the restrictions or requirements imposed by generally accepted sound business practices, arms-length bargaining, Federal and state laws and regulations, and terms and conditions of the award?
 - Are the prices or cost comparable to market prices for goods or services for the geographic area?
 - Are the individuals performing their duties with good judgment under the circumstances, considering their responsibilities to the organization, its members, employees, clients, the public-at-large, and the government?
 - Have there been significant changes from the established practices of the organization that have unreasonably increased costs?
 - Allocable Costs. (2 CFR 200.405) The costs should be related to or required for the performance of the contract. Many costs may be allowable but not related to the work required under the contract, and therefore not allocable.
 - Is the cost incurred specifically for the CDBG grant?
 - Does the cost incurred benefit both the CDBG project and other projects, and can the cost be allocated pro-rata across the relevant funding sources?
 - Has an indirect cost plan been approved to allocate indirect costs?

The process for applying cost and price analysis should include the following due diligence review.

- Check the accuracy of the cost and pricing information submitted, and evaluate:
 - The necessity for proposed cost items. A cost may be allowable under the cost principles and even allocable to the type of work to be performed, but still not be necessary for the specific contract.
 - The application of audited or pre-negotiated indirect cost rates, labor and fringe benefit rates, or other factors.
 - The effect of the vendor's bid approach on potential future costs. Does the vendor have a track record of containing costs (completing contracts at or "under cost")? Do they frequently have cost overruns?
 - The projection of the vendor's cost trends. Is there any indication that the vendor's costs are likely to increase or decrease over the life of the contract?
- Compare costs proposed by the vendor with:
 - Actual costs previously incurred by the same contractor for the same or similar work. Apply any appropriate inflation factors for past work.
 - Actual costs of the same or similar work performed by other contractors.
 - Previous cost estimates from the vendor or others for the same or similar items.

- The methods proposed by the vendor with the requirements of the solicitation (i.e., do the costs reflect the technical approach proposed and the work required?).
- The grantee's independent cost estimate, either created by grantee staff or for the grantee by an independent architect, engineer, appraiser, etc.
- Verify that the vendor's cost submissions comply with the appropriate set of cost principles.

PROCUREMENT METHODS

Units of general local governments must select from one of the following procurement methods based on the type of goods and/or services being procured and their cost.

Micro-Purchases.

Units of general local government can use this method for contracts without soliciting pricing or bids if the price of the goods or services is fair and reasonable. To the extent practicable, must distribute micro-purchases among qualified suppliers.

Applies To:

- All purchases of goods and services, including construction.
- Up to the micro-purchase threshold of \$10,000.

Process:

1. Must distribute micro-purchases equitably among qualified suppliers to the extent practicable.
2. Must ensure solicitation from small, historically underutilized businesses, (HUB), minority- and women-owned enterprises (M/WBE), and Section 3 businesses.
3. Cannot divide contract to lower cost below micro-purchase threshold to avoid competitive bidding requirements.
4. If using this method for services, check for eligibility at SAM.gov and at the NC Department of Administration Debarred Vendors listing prior to finalizing the service contract.
5. Can award contract without competition if price is fair and reasonable.
6. Must document decision process for the purchase.
 - Requires needs and rationale documentation.
 - Requires cost reasonableness documentation.
 - Requires documentation of best efforts to use M/WBE firms when possible.

[Cite 2 CFR 200. There is no comparable method in State law; therefore, all purchases and service contracts that meet the above threshold must comply with this federal method.]

Small Purchases.

Units of general local government will use this method as the informal bidding process for goods and services. Units of general local government cannot divide the contract for the purpose of evading competitive (formal) bidding requirements or to get costs under the threshold.

Applies To:

- All purchases of goods and services, including construction.
- \$10,001 up to the Simplified Acquisition Threshold (now \$250,000) or the equivalent local/state threshold if more restrictive (it is for purchase of goods). Threshold includes contract modifications that increase total cost.
 - Construction: Cost up to \$250,000
 - Goods: Cost up to \$89,999
- Fixed price, unit price, or not-to-exceed contract types.

Process:

1. Cost or price analysis (updated cost estimate provided by the project engineer) is not required prior to soliciting bids for goods but is required for construction.
2. Obtain price or rate quotes from at least three (3) sources.
3. Must take affirmative steps to ensure solicitation from small, historically underutilized businesses (HUB), minority- and women-owned enterprises (M/WBE), and Section 3 business concerns.
4. If using this method for services, check for eligibility at SAM.gov and at the NC Department of Administration Debarred Vendors listing prior to finalizing the service contract.
5. Standard of award.
 - Award contract to the lowest responsive, responsible bidder.
6. Documentation for Files.
 - Requires everything required by micro-purchase.
 - Requires documented informal solicitation of bids/prices – solicitation information should be consistent for all vendors.
 - Requires cost reasonable documentation.
 - Requires applicable federal contracting language and provisions in the written contract.

[Cite 2 CFR §§ 200); PDAT Supplement at II-6, V-8; NCGS 143-131; NCGS 143-131(b)) Purchases and service contracts less than \$30,000 are not subject to state competitive bidding requirements. Per NCGS 143-128.2, local governments must establish good faith efforts prior to bid solicitation.]

Sealed Bids.

Units of general local government will use this formal bidding process for construction. Units of general local government cannot divide the contract for the purpose of evading competitive bidding requirements.

Applies To:

- Purchase and service contracts costing more than the Simplified Acquisition Threshold (>\$250,000) or the equivalent local/state threshold if more restrictive.
- For the CDBG-I Program, the thresholds are:
 - Construction: \$250,001 and over.
 - Goods: \$90,000 and over.
- Preferred method for construction contracts above the simplified acquisition threshold.

Requires an independent cost estimate or price analysis (updated cost estimate provided by the project engineer) is required prior to soliciting bids for all types.

Bid Alternates:

The CDBG-I program allows specific bid alternates. Bid alternates should only be used as an option to get more work done if the base bid is low enough that acceptance of an alternate(s) stays within the budget, or to receive prices for different materials, or an alternative construction method for the project.

1. An Additive bid is a body of work that the grantee may award with the base bid if there is sufficient funding after the bids are received.
2. A Deductive bid is a body of work that the owner may delete from the base bid if there is insufficient funding to award the full base bid.
 - a. The purpose of both Additive and Deductive bids is to build flexibility into the bidding process so that the grantee can award the maximum amount of the project possible dependent on funding available.
3. An Alternate bid is a bid in which the grantee asks for prices for an alternate method of constructing something in the base bid or using alternate materials. The alternate price would be the differential between the price included in the base bid and the price for the alternate method or material. In developing the bid form, it's important to make sure that it's clear that the alternate bid amount should be the differential price.
 - a. Alternates that specify a different material to stay within the budget or get more value for the dollars spent (e.g., base bid has DIP specified and associated unit price. Alternate would propose using PVC in lieu of DIP. The difference in price of the material may or may not make a difference to the owner).

Alternates should stand alone and not dependent on another alternate being accepted or rejected at the time of award. If it becomes apparent there are sufficient funds to add scope to the project, the owner must re-procure / re-bid the additional scope of work. Adding a bid alternate (i.e., increasing the scope) that was previously rejected via change order violates this procurement policy.

Alternates may not be used to help "choose the bidder" the grantees want to work with. The base bid and alternates should be evaluated in the same manner for all bidders.

Alternates should be used sparingly. Too many alternates may confuse bidders or make the project look so complicated that contractors don't bid at all. They should be limited to a reasonable number.

Process:

The following process may begin once units of general local government receive bid and design package approval from the Division.

1. Coordinate Dates.
 - Contact the CDBG-I Unit Grant Representative assigned to your project to coordinate pre-bid meeting dates prior to finalizing the bid notice.
 - A pre-bid meeting must be held involving all interested contractors and invested parties (CDBG-I Program Staff, Project Engineer, Grant Administrator, and local government representatives).
 - The meeting must be scheduled to give contractors sufficient time to factor in the additional work required to comply with Davis-Bacon and Section 3 regulations.
2. Bid Notice.
 - A complete, adequate, and realistic set of plans/specifications or purchase description is available to bidders.
 - All required federal and state language must be in the bid notice. A sample bid notice can be found on the Division of Water Infrastructure website.
 - A digital copy of the final bid notice must be received by the NCDEQ at the time it goes out for solicitation.
 - Public advertisement of at least thirty (30) days prior to bid opening.
3. Solicitation of Bids.
 - Solicit bids from an adequate number of known suppliers.
 - At least three (3) direct solicitations, in addition to the public advertisement, and publication on both the state NC eVP system and HUB websites (this is the responsibility of the local governments not NCDEQ).
 - Take affirmative steps to directly solicit bids must include qualified HUB, M/WBEs, small businesses, and Section 3 business concerns in the area.
 - Section 3 business concerns must meet the requirements of 24 CFR Part 75.
4. Minimum Number of Bids Needed.
 - Public bid opening at date and time advertised.

- For construction, a 5% bid bond is required for all bidders; performance and payment bonds of 100% of the contract price is required of the winning bidder.
- At least two (2) bidders for the purchase of goods and services, or if the contract is a construction repair contract.
- At least three (3) bidders *minimum* are required for bid opening on the first attempt for construction.
 - If three (3) bidders DO NOT bid on the project, the bids MAY NOT be opened.
 - The grantee must then publicly advertise in a newspaper with a larger distribution for at least seven days (NCGS 143-129).
 - If two (2) or more bids are received, then bids may be opened.
 - If one (1) bid is received, then a price analysis must be conducted, and a letter sent to DEQ Division of Water Infrastructure requesting permission to move forward with sole source procurement.

5. Standard of Contract Award:

- Award to the lowest, responsive, responsible bidder. The local governing board approval is required unless the governing board has delegated award authority to an individual official or employee.
 - Determination of lowest price must include factors such as discounts, transportation costs, and lifecycle costs.
 - Determination of responsive and responsible, see the NC School of Government's "*Awarding Competitively Bid Contracts, Lowest Responsive Responsible Bidder Flowchart.*"
- Can reject any and all bids for "sound documented reasons" – must be stated in the bid notice.
- Check for eligibility to receive federal funds at SAM.gov and at the NC Department of Administration Debarred Vendors listing prior to finalizing the construction contract.
- Contract awarded on a firm-fixed-price basis in writing with all applicable contract provisions.

6. Process after Multiple Failed Attempts

If a local government has attempted, and failed, to secure a sealed bid after two attempts, the local government must:

- Reassess and repackaging (i.e., construction timeframe, scope of work, etc.) the project to fit the CDBG-I funds awarded without compromising the LMI.

- Take into consideration the plan holders' comments within your control to simplify the bids.
- If applicable, limit bid alternates no more than three (3).
- Once this is completed, approved by the NCDEQ CDBG-I Unit, the project can go out for sealed bids under this method from the beginning.

7. Overbids and Bid Negotiations

If the bids received exceed the designated budget, the grantee has the following options:

- Reject all bids and re-bid the project; or
- Accept the deductive alternates in the bid packet (if applicable); or
- Delete bid items before contract award if all bidders agree in writing to changes; or
- Accept the low bid and provide additional local funds.

Per N.C.G.S. 143-129(b), units of general local government cannot negotiate with bidders on projects in the formal bidding range unless the bid submitted by the apparent lowest responsive, responsible bidder exceeds funds available for the project. In this case, the grantee may negotiate with that bidder and make "reasonable" changes in specifications and plans to bring the contract price to within funds available, and then it may award the contract to that bidder. If negotiations are unsuccessful, the project must be re-bid.

Any redesign of the procurement project triggers the grantee to reject all bidders and start the procurement process from the beginning to ensure integrity of the process.

8. Documentation:

- Must have a well-documented transparent and formal procurement process, including all steps and decisions on procurement (e.g., required cost reasonable and independent cost estimate, pre-bid meeting minutes, advertisement(s) with an affidavit(s) of publication, copy of each solicitation, copy of the NC eVP system and HUB postings, certified bid tabs, written construction agreement with all required applicable federal contracting language and provisions, documentation of lowest price determination, bid negotiation if applicable).

[Cite 2 CFR §200; NCGS 143-129; NCGS 143-128.2(e). Per NCGS 143-128.2, local governments must establish good faith efforts prior to bid solicitation.]

Competitive Proposals for Professional Services. (Request for Proposals / RFPs). Units of general local government are required to use this method for specific professional services where price is one of the rating criteria.

Applies To:

- Procurement of grant administrators, lawyers, planners, accountants, etc. for the project, regardless of the size of the contract.
- A contract costs more than the simplified acquisition threshold (now \$250,000).
- Situations where conditions are not appropriate for the use of sealed bids.

The following process may begin once the units of general local government have received an award letter from the Division. Units of general local government may begin this process prior to applying to the Division for funding, if the request for proposals have specific language in it in case the funding application is not awarded.

Process:

1. Appoint a Local Selection Review Committee and/or Person.
 - Each local government needs to appoint a local selection review committee and/or person responsible for developing the RFP, receiving the submitted RFPs, reviewing, and evaluating the submissions, and recommending a firm/business to the local governing body.
 - Must have written method for conducting technical evaluations of proposals and contractor selection.
2. Development of Request for Proposals (RFP).
 - Must clearly and accurately state the technical requirements and scope of work for goods and/or services required.
 - Evaluation criteria and relative importance is identified in the RFP.
 - If local government is giving a preference to Section 3 businesses, this must be stated in the RFP.
 - The author of the RFP may not respond to the same RFP. They are ineligible for consideration due to conflict of interest.
 - RFP templates are available on the Division of Water Infrastructure website to assist with RFP development.
3. Solicitation for Proposals.
 - The Request for Proposals (RFP) must be publicly advertised in a newspaper of general circulation. There must be an adequate number of days (at least fifteen (15) business days starting on the date of publication) from the time of advertised notice and submission deadline to allow time for respondents to receive a detailed RFP (if applicable), prepare and submit their proposal.

- There is a short-form RFP local governments may use in a newspaper as a cost saving measure. However, a more detailed RFP must be done.
 - In addition, the detailed RFP must be published on the NC eVP system and HUB website (all this is the responsibility of the local governments not NCDEQ).
 - The detailed RFP must be directly solicited from at least three sources (responsibility of each local government not NCDEQ).
 - Direct solicitations must include qualified HUB, M/WBEs, small businesses, and Section 3 businesses in the area to comply with direct solicitation requirements.
 - Section 3 businesses must meet the requirements of 24 CFR Part 75.
4. Minimum Number of Proposals Needed.
- Must have a minimum of two (2) respondents to move forward with a contract.
 - If there is only one (1) respondent, the RFP must be republished in a newspaper of wider distribution for fifteen business days: in addition to, an expanded direct solicitation effort.
 - If only one firm responds again, request permission in writing from the DEQ CDBG-I Supervisor to use sole source procurement.
5. Review and Rate Received Proposals.
- Any responses to the publicized RFP must be considered to the maximum extent practical.
 - Evaluations of each proposal must be in writing and dated. Those evaluations must be maintained in the project files.
6. Standard of Award.
- Responsible firm with the most advantageous proposal, considering price and other factors identified in the RFP.
 - Check for eligibility to receive federal funds at SAM.gov and at the NC Department of Administration Debarred Vendors listing PRIOR to finalizing the services contract (e.g., grant administrative services, accounting, planning, legal services, etc.).
 - Either a fixed price (a specified price to be paid when the items or services are delivered and accepted) or a cost-reimbursement / “not-to-exceed” (price is usually reimbursed as costs are incurred) contract.
 - The service contract should contain four parts:
 - ◆ Part I – Agreement with Effective Dates
 - ◆ Part II – Scope of Work and Milestones
 - ◆ Part III – Payment Schedule
 - ◆ Part IV – Terms and Conditions (includes federal provisions and clauses)

7. Documentation.

- Must have a well-documented transparent procurement process including, but not limited to advertisement(s) of RFP, affidavit of publication(s) of RFP, NC eVP system and HUB postings, direct solicitation documentation, evaluation criteria, evaluations of every candidate, responses to proposal received, reason for final selection, council/commission meeting minutes of award.

[Cite 2 CFR §200, No similar procedure in state statute that generally applies to procurement]

Competitive (Proposals) Qualifications for Professional Architectural and Engineering (A/E) Services. (Request for Qualifications / RFQs).

Units of general local government are required to use this method for any qualification-based solicitation and selection, where price cannot be a factor in the evaluation.

Applies To:

- Procurement of architectural, engineering, construction management at-risk services and surveying services for the project, regardless of the size of the contract.
- This process may not be used for procurement of grant administrators.

The following process may begin once the units of general local government have received an award letter from the Division. Units of general local government may begin this process prior to applying to the Division for funding, if the request for proposals have specific language in it in case the funding application is not awarded.

Requires cost reasonableness and independent cost estimate. Process:

1. Appoint a Local Selection Review Committee and/or Person.

- Each local government needs to appoint a local selection review committee and/or person responsible for developing the RFQ, receiving the submitted RFQs, reviewing and evaluating the submissions, and recommending a firm/business to the local governing body.

- Must have written method for conducting technical evaluations of qualifications and contractor selection.

2. Development of Request for Proposals (RFQ).

- Must clearly and accurately state the technical requirements and scope of work for goods and/or services required.
- Evaluation criteria and relative importance must be identified in the RFQ; however, price is not a factor in the initial selection of the most qualified firm.

- If local government is giving a preference to Section 3 businesses, this must be stated in the RFQ.
- May use local geographic preferences for the procurement of these specific services, provided that this leaves an appropriate number of qualified firms (three) given the nature and size of the project, to compete for the contract.
- The author of the RFP may not respond to the same RFQ. They are ineligible for consideration due to conflict of interest.
- RFQ templates are available on the Division of Water Infrastructure website to assist with RFQ development.

3. Solicitation for Proposals/Qualifications.

- The Request for Qualifications (RFQ) must be publicly advertised in a newspaper of general circulation. There must be an adequate number of days (at least fifteen (15) business days starting on the date of publication) from the time of advertised notice and submission deadline to allow time for respondents to receive a detailed RFP (if applicable), prepare and submit their proposal.
 - There is a short-form RFQ units of local governments may use in a newspaper as a cost saving measure. However, a more detailed RFP must be done.
- The detailed RFQ must be published on the NC eVP system and HUB website (all this is the responsibility of the local governments not NCDEQ).
- The detailed RFQ must be directly solicited from at least three sources (responsibility of each local government not NCDEQ).
 - Direct solicitations must include qualified HUB, M/WBEs, small businesses, and Section 3 businesses in the area to comply with direct solicitation requirements.
 - Section 3 businesses must meet the requirements of 24 CFR Part 75.

4. Minimum Number of Proposals Needed.

- Must have a minimum of two (2) respondents to move forward with a contract.
 - If there is only one (1) respondent, the RFQ must be republished in a newspaper of wider distribution for at least 15 business days; in addition to an expanded direct solicitation effort.
 - If only one (1) firm responds the second time, request permission in writing from the DEQ CDBG-I Supervisor to use sole source procurement.

5. Review and Rate Received Proposals.

- Any responses to the publicized RFQ must be considered to the maximum extent practical.
- Qualifications of respondents are evaluated to select the most qualified firm.
- Evaluations of each proposal must be in writing and dated. Those evaluations must be maintained in the project files.

6. Standard of Award.

- The most qualified firm, where price is not an evaluation factor in the RFQ.
- Once the most qualified firm is selected, fair and reasonable compensation can then be negotiated.
- Check for eligibility to receive federal funds at www.SAM.gov and at the NC Department of Administration Debarred Vendors listing PRIOR to finalizing the engineering services contract (e.g., engineering services).
- State licensure requirements apply.
- Either a fixed price (a specified price to be paid when the items or services are delivered and accepted) or a cost-reimbursement / “not-to-exceed” (price is usually reimbursed as costs are incurred) contract. The service contract should contain four parts:
 - Part I – Agreement with Effective Dates
 - Part II – Scope of Work and Milestones
 - Part III – Payment Schedule
 - Part IV – Terms and Conditions (includes federal provisions and clauses)

9. Documentation.

- Must have a well-documented transparent procurement process including, but not limited to cost reasonableness and independent cost estimate, advertisement of RFQ, affidavit of publication of RFQ, NC eVP system and HUB postings, direct solicitation documentation, evaluation criteria, evaluations of every candidate, responses to the request for qualifications received, reason for final selection, council/commission meeting minutes of award, written contract with all required applicable federal contracting language and provisions.

[Cite 2 CFR §§200; 200.320(d)(5); NCGS 143-64.31]

Non-Competitive Procurement Method.

Units of general local government may request the use of this method. Must be thoroughly documented with written approval from the NCDEQ CDBG-I Unit.

Applies To:

- Noncompetitive procurement can only be awarded if one or more of the following circumstances apply.

Applies When:

- The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold; or
- The item is available from only one source; or
- The public exigency or emergency for the requirement will not permit a delay that would result from publicizing a competitive solicitation; or
- After solicitation of a number of sources, competition is determined inadequate; or
- Award agency expressly authorizes noncompetitive procurement in response to a written request. *The CDBG-I Program will approve the use of the non-competitive proposal procedure on a case-by-case basis only.*

Process:

1. Perform independent cost estimate or price analysis if procurement is above the simplified acquisition threshold (now \$250,000) or the equivalent local/state threshold if more restrictive.
2. If after the initial solicitation of proposals/qualifications only one response was received, the unit of local government is required to broaden their initial publication and direct solicitation by republishing in a larger circulation newspaper and expanding direct solicitation efforts. If after the second attempt only one response is received:
 - Submit procurement documentation to the NCDEQ CDBG-I Unit to use sole-source procurement.
 - Negotiate profit as a separate element of the contract price.
3. Check for the firm's eligibility to receive federal funds at SAM.gov and at the NC Department of Administration Debarred Vendors listing prior to finalizing the contract.
4. Documentation.
 - All required documentation as listed above, plus a copy of the letter to the DEQ CDBG-I Supervisor requesting permission to use sole source procurement and the response from the DEQ. Also, a copy of the price analysis performed.

[Cite 2 CFR §200); NCGS 143-129(e)(2)]

CONTRACT MODIFICATIONS

To maintain maximum full and open competition with procurement, this policy addresses what type of contract modifications are allowed and not allowed.

Change Orders.

Units of general local government can address an unforeseen problem during the progress of a construction project that was originally bid formally (sealed bids) or informally (small purchases) through change orders instead of using a procurement method. In other words, if a grantee bids out a construction or repair project, and then, during the project, discovers an unanticipated problem that will require additional work (and increased cost), the local government does not have to bid out that additional work.

Though, to maintain the integrity of the bidding process, the change order exception must only be used when (1) the change order work fits within the scope of the original project and (2) the reason for the change is something that was unanticipated or unforeseen at the time the original contract was awarded.

Thus, allowable change orders include:

1. Change orders to account for cost for unforeseen conditions, such as rock or undercut.
2. Change orders may be used for a minor redesign of a project if the redesign is required because of an unforeseeable problem with the original design.
3. Change order to adjust bid quantities to match those installed. Also known as a final adjusting change order.
4. Change order to account for a change of material, such as changing from DIP to PVC.
5. Change order to add minor scopes of work to the project if they are under the threshold for micro purchases.

The following will not be allowed:

- Change orders to add scope of work to a project more than a micro purchase.
- Change orders that exceed 15% of the total construction cost. Change orders should account for no more than 15% of the total project cost unless they represent items 1 and 3 under the above allowable change orders.
- Change orders that appear to circumvent procurement rules for fair and open bidding, etc. (e.g., trying to change order in a bid alternate that was not accepted by the grantee at the time they awarded the contract).
- Change orders whose purpose is to spend excess funds from the grant (i.e., doing additional paving just because “we have extra money”).

- Change orders that are under the scope of the general contractor but require materials or a subcontractor not procured during the bidding process.
- Change orders cannot be used to take advantage of a good deal on a construction project.
- Change orders cannot be used for fundamental redesign of a project and cannot be used to “fix” problems in the project specifications if the unit of local general government was aware of the problems before awarding the contract.

Other Contract Amendments.

As necessary, units of general local government may conduct contract amendments on professional service contracts due to unanticipated circumstances. Any contract amendments that include an increase in costs will not be paid for with CDBG-I grant funds. Grantees must be ready to pay local funds for said contract amendments.

POLICY HISTORY:

Version / Date:	Name / Changes
V.0 / 9/12/2017	Procurement Policy
V.1 / 4/30/2019	Procurement Policy for the CDBG-I Program
V.2 / 7/10/2019	Procurement Policy for the CDBG-I Program / Change in Simplified Thresholds
V.3 / 2/1/2021	Procurement Policy for the CDBG-I Program / Expanded on processes and steps
V.4 / 6/9/ 2021	Procurement Policy for the CDBG-I Program / Clarification on solicitation of HUB, M/WBE and Section 3
V.5 / 4/28/2023	CDBG-I Program Procurement Policy / Reformate, clarification
V.6 / 12/20/2023	Updated for new NC digital system for procurement, what needs to happen after multiple failed seal bidding attempts, clarification on cost reasonable requirements, clarification on change orders and contract amendments, and bid negotiations.

Doug Matheson
Chair of the Board

Dennis Aldridge
Vice-Chair



Larry Fontaine
Secretary

Jeff Whitson
Treasurer

468 New Market Blvd.
Boone, NC 28607

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Executive Board Meeting
March 18, 2024 | 7:00 p.m.
High Country COG Board Room

I. CALL TO ORDER AND INVOCATION

Doug Matheson, Executive Board Chairman

II. CONSIDERATION OF FEBRUARY 2024 MINUTES [ACTION]

Doug Matheson, Executive Board Chairman

III. FINANCIAL MATTERS

Julie Page, Finance Officer

- Financial Highlights as of February 29, 2024 [ACTION]
- Budget Amendment #4 [ACTION]

IV. RECESS OF HCCOG EXECUTIVE BOARD SESSION AND CONVENING OF REGION D DEVELOPMENT CORPORATION SESSION [ACTION]

10 MINUTES

Chris Grubb, Planning and Development Director

- Mountain BizWorks Presentation, Matt Raker, Executive Director

V. CLOSING OF REGION D DEVELOPMENT CORPORATION SESSION AND OPENING OF HCCOG EXECUTIVE BOARD SESSION [ACTION]

VI. ASU MPA PROGRAM – HICKORY COHORT RECRUITMENT PRESENTATION

10 MINUTES

Dr. Patricia Mitchell, CEcD, Dept. of Government & Justice Studies, ASU

VII. GIS UPDATES & SERVICES

10 MINUTES

Jessica Welborn, GISP, GIS Planner HCCOG

VIII. SUPPORT FOR AFFORDABLE CONNECTIVITY PROGRAM RESOLUTION [ACTION]

5 MINUTES

Cory Osborne, Director Economic Recovery & Resilience

IX. RESOLUTION TO UPDATE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs) PLAN [ACTION]

5 MINUTES

Chris Grubb, Planning and Development Director

X. REPORT FROM THE ADVISORY COMMITTEE & EXECUTIVE DIRECTOR

Julie Wiggins, Executive Director

XI. BOARD MEMBER COMMENTS

XII. CHAIRMAN'S COMMENTS

XIII. OTHER BUSINESS

XIV. PUBLIC COMMENT

XV. ADJOURNMENT [ACTION]

The High Country Council of Governments will be the leader in initiating and providing solutions to regional and local challenges, supporting a bright future for the High Country.

**HIGH COUNTRY COUNCIL OF GOVERNMENTS
EXECUTIVE BOARD MEETING
FEBRUARY 19, 2024
MINUTES**

The Executive Board of the High Country Council of Governments (HCCOG) met February 19, 2024, 7:00 pm in the HCCOG Board Room in Boone. The following members were present: Charles Vines, Brenda Lyerly, Stoney Greene, Jeff Whitson, Dale Isom, Kelly Melang, Otis Church, Bill Wheeler, Dennis Aldridge, Larry Fontaine, Harley Masters, Chandler Reece, Teresa McCoy, Wes Brinegar, Tom Hartman, Ray Russell, Paul Robinson, Jr., Jeff Medrick, Doug Matheson, Todd McNeill. The following staff were present: Zack Green, Chris Grubb, Cory Osborne, Julie Page, Julie Wiggins and Linda Slade.

CALL TO ORDER AND INVOCATION

Chairman McNeill called the meeting to order welcomed everyone. Chairman McNeill asked Doug Matheson to lead the Pledge of Allegiance and called on Dennis Alridge to offer the invocation.

CONSIDERATION OF MINUTES

Stoney Greene moved to approve the November 20, 2023 Executive Board minutes, seconded by Brenda Lyerly. Motion carried.

FINANCIAL MATTERS

Financial Highlights

Julie Page, Finance Officer presented the Financial Highlights as of January 31, 2023. Ms. Page also presented Budget Amendment #3 showing an increase in Flood Damage Revenue and expenditure in Area Agency on Aging Fund. Stoney Greene moved to accept the financial statement, as well as the approval of Budget Amendment #3, seconded by Jeff Whitson. Motion carried.

RURAL CENTER COLLABORATIVE BROADBAND INITIATIVE PRESENTATION

Via Zoom presentation, Michael Kelly, Director of Collaborative Broadband and Innovation introduced Joe Freddoso who updated the Board on Collaborative Broadband, a project of the NC Rural Center working with local governments to coordinate regional broadband initiatives. Mr. Freddoso invited municipalities to reach out to learn more on securing broadband into rural areas. Mr. Freddoso's PowerPoint presentation will be forwarded to Executive Board Members.

TECHNICAL ASSISTANCE & UNC CHAPEL HILL ENVIRONMENTAL FINANCE CENTER PRESENTATION

Dr. Austin Thompson-Spain Associate Director of the UNC-Chapel Hill Environmental Finance Center (UNC EFC) presented to the Board via Zoom. The UNC EFC is dedicated to enhancing the ability of governments and other organizations to provide environmental programs and services in fair, effective and financially sustainable way. Dr. Thompson-Spain gave examples of how UNC EFC can assist local governments. Board members asked for Dr. Thompson-Spain's contact information be forward to them. Her presentation will also be shared with the Executive Board Members after the meeting.

RECESS OF HCCOG EXECUTIVE BOARD SESSION AND CONVENING OF REGION D DEVELOPMENT CORPORATION SESSION

Dennis Aldridge moved to close the HCCOG Executive Board Session and Convene the Region D Development Corporation Session. Seconded by Jeff Whitson. Motion Carried. Chris Grubb, Director of Planning & Development presented the minutes of the February 2023 RDDC meeting. Wes Binegar moved to accept the minutes, seconded by Jeff Whitson. Motion carried. Mr. Grubb presented

information regarding a request from Mountain Bizworks to continue a partnership and financial support. Members received information of the impact the RDDC's loan to Mountain Bizworks has made to the region in the past. After discussion, Wes Binegar moved to invite Mountain Bizworks to a meeting to explain more about their organization and their work. Seconded by Stoney Greene. Motion carried. Charles Vines moved to close the RDDC Session and reconvene the HCCOG Executive Board Session. Seconded by Dennis Aldridge. Motion carried.

REPORT FROM PLANNING & DEVELOPMENT

Chris Grubb, Planning & Development Director updated the Board on the Comprehensive Economic Development Strategy (CEDS). The CEDS analyzes regional demographics, infrastructure, economic sectors, and economic development efforts. It also identifies economic development goals and objectives, local economic development projects, projects deemed vital to the region, and performance measures by which to gauge implementation of the CEDS. There are no adjustments to the 2022 High Country Council of Governments CEDS. There are 6 goals outlined for the FFY 2024 HCCOG strategies. The written report was included in the Executive Board packet.

REPORT FROM THE NOMINATING COMMITTEE

It comes as a motion of the Nominating Committee to elect the following offices for the upcoming year: Doug Matheson, Chair, Dennis Aldridge, Vice Chair, Larry Fontaine, Secretary, and Jeff Whitson, Treasurer. All ayes, Motion Carried.

REPORT FROM THE ADVISORY COUNCIL AND EXECUTIVE DIRECTOR

Executive Director Julie Wiggins called attention to the latest annual report and the return on investment of the COG. Ms. Wiggins also alerted members of the 2024 Regional Needs Assessment Survey from the Area Agency on Aging (copy included in packet) and asked members to help distribute the survey.

BOARD MEMBER COMMENTS

It was noted that all members should be sure to vote on March 5.

CHAIRMAN'S COMMENTS

Chairman McNeill welcomed new members to the Board, Ray Russell, Teresa McCoy and Dale Isom. Mr. McNeill also reported that he is running for VP of the NC Association of County Commissioners and encouraged commissioners to attend the late summer annual meeting. Mr. McNeill thanked all members who have their name on ballots in their local counties/municipalities and for their service.

PUBLIC COMMENT

There were no public comments.

ADJOURNMENT

As there was no further business or comments, Stoney Greene moved to adjourn the meeting. Seconded by Otis Church. Motion carried. The meeting adjourned at 8:15 pm.

Chairman, Todd McNeill

Linda Slade, Administrative Assistant

Doug Matheson
Chair of the Board

Dennis Aldridge
Vice-Chair



Larry Fontaine
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FINANCIAL HIGHLIGHTS – MARCH 2024 MEETING

FEBRUARY 29, 2024				
		2023		
Total Fund Balance - Governmental Funds		\$ 2,122,917		
Restricted Fund Balance - GF		\$ 22,457		
Assigned Fund Balance - GF		\$ 553,514		
Unassigned Fund Balance - GF		\$ 1,546,946		
	2024			
Total Expenditures - YTD	\$ 3,756,905	\$ 6,719,237		
Total Fund Balance as % of General Fund Expenditures*	32.94%	31.59%		
Unassigned Fund Balance as % of General Fund Expenditures*	24.00%	23.02%		
*FY2024 Budget Expenditures \$6,444,628		FISCAL YEAR 2024		
		BUDGET	ACTUAL	
Total Revenue				
General	\$ 415,336	\$ 383,482		
Planning/Development	\$ 1,251,640	\$ 710,785		
Resilience Contractual	\$ 41,000	\$ 7,028		
Area Agency on Aging	\$ 2,990,361	\$ 1,608,636		
Workforce Development	\$ 1,746,291	\$ 819,132		
	\$ 6,444,628	\$ 3,529,062		
Total Expenditures				
General	\$ 415,336	\$ 371,309		
Planning/Development	\$ 1,251,640	\$ 823,592		
Resilience Contractual	\$ 41,000	\$ 13,698		
Area Agency on Aging	\$ 2,990,361	\$ 1,616,389		
Workforce Development	\$ 1,746,291	\$ 931,917		
	\$ 6,444,628	\$ 3,756,905		
Revenues over (under) expenditures		\$ (227,843)		
FY2024 PROJECT ORDINANCES				
DESCRIPTION	FISCAL YEAR	BUDGET	REVENUE	EXPENSE
AMERICAN RESCUE PLAN ACT (ARPA)	2022	\$ 593,750.00	\$ 179,476	\$ 225,016
DISASTER RECOVERY NCARCOG	2023	\$ 331,250.00	\$ 69,045	\$ 159,534
ASU FALLS PREVENTION	2023	\$ 251,959.00	\$ 116,986	\$ 152,462
ARPA FCSP	2023	\$ 125,769.00	\$ 50,418	\$ 50,658
ARPA P&A		\$ 147,189.00	\$ -	\$ -
ARPA OMB		\$ 10,456.00	\$ 1,428	\$ 1,428
ARPA EBHP		\$ 39,013.00	\$ 11,322	\$ 11,765
ALLEGHANY COUNCIL ON AGING ARPA		\$ 58,120.00	\$ 473	\$ 473
GENERATIONS ASHE ARPA		\$ 114,666.00	\$ 73,518	\$ 73,518
AVERY SENIOR SERVICES ARPA		\$ 71,006.00	\$ -	\$ -
MITCHELL SENIOR CENTER ARPA		\$ 66,601.00	\$ -	\$ -
WATAUGA PROJECT ON AGING ARPA		\$ 146,001.00	\$ 90,158	\$ 90,158
BROC ARPA		\$ 154,860.00	\$ 88,627	\$ 88,627
WILKES SENIOR RESOURCES ARPA		\$ 107,181.00	\$ 49,324	\$ 43,016
RUBY PARDUE BLACKBURN ADC ARPA		\$ 13,792.00	\$ 7,214	\$ 13,522
YANCEY COMMUNITY CENTER ARPA		\$ 77,944.00	\$ -	\$ -
LEGAL AID OF NC ARPA		\$ 27,000.00	\$ 12,060	\$ 12,060
		\$ 1,159,598.00	\$ 384,542	\$ 385,225
NCWORKS SUBSTANCE USE DISORDER RECOVERY GRANT	2023	\$ 200,000.00	\$ 57,358	\$ 71,920
NCWORKS SMALL BUSINESS WORK-BASED LEARNING GRANT	2023	\$ 500,000.00	\$ 182,876	\$ 219,935
TOTALS		\$ 3,036,557.00	\$ 990,282	\$ 1,214,092
Cash Balances				
Operating Account	\$ 373,327			
NCCMT Account	\$ 1,323,126			
	\$ 1,696,452			

Budget Amendment #4

The financial information in the report reflects the HCCOG's overall financial position for the fiscal year through February 29, 2024 and is for the management discussion purposes only.

Julie Page, Finance Officer

BUDGET AMENDMENT #4

BE IT RESOLVED by the Board of High Country Council of Governments that the following amendment be made to the Budget Resolution for the fiscal year ending June 30, 2024.

SECTION 1: REVENUES BY SOURCE

WORKFORCE DEVELOPMENT FUND

Federal	\$	8,738.00
TOTAL WORKFORCE DEVELOPMENT FUND	\$	8,738.00
TOTAL REVENUES BY SOURCE	\$	8,738.00

SECTION II: EXPENDITURES BY PROGRAM

SPECIAL REVENUE FUNDS

Workforce Development Fund	\$	8,738.00
TOTAL SPECIAL REVENUE FUNDS	\$	8,738.00

TOTAL EXPENDITURES BY PROGRAM \$ 8,738.00

FY2023-2024 ORIGINAL BUDGET	\$	5,998,296.00
Budget Amendment #1 10-16-2023		(\$14,682.00)
Budget Amendment #2 11-20-2023	\$	361,641.00
Budget Amendment #3 12-18-2023	\$	90,635.00
Budget Amendment #4 3-18-2024	\$	8,738.00

TOTAL AMENDED BUDGET FY2024 \$ 6,444,628.00

BY VOTE OF THE HIGH COUNTRY COUNCIL OF GOVERNMENTS UPON MOTION BY:

_____ AND SECONDED BY _____

THIS THE _____ DAY OF _____ 2024.

Doug Matheson, Chair of the Board

Larry Fontaine, Secretary

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs)

2023 UPDATE

October 1, 2022 – September 30, 2023



High Country Council of Governments

January 4, 2024

High Country Council of Governments
468 New Market Boulevard
Boone, NC 28607
828-265-5434

Introduction

The most recent CEDS developed by HCCOG was adopted on November 21, 2022. The next full CEDS update is planned for 2027. The High Country Workforce Development Board (HCWDB) serves as the Strategy Committee to assist HCCOG staff in developing the CEDS. The HCWDB is comprised primarily of private-sector representatives.

The CEDS analyzes regional demographics, infrastructure, economic sectors, and economic development efforts. It also identifies economic development goals and objectives, local economic development projects, projects deemed vital to the region, and performance measures by which to gauge implementation of the CEDS.

This Update discusses changes to the CEDS document and process, and provides update on the CEDS implementation.

Adjustment to the Strategy

There are no adjustments to the 2022 High Country Council of Governments CEDS.

Report on Economic Development Activities

Significant economic development initiatives in the District in FFY 2023 include:

- Development of the Ashe County Industrial Park
- Expansion of NAPCO, Inc. in Alleghany County
- Development of the Masthead Tech Hub in Wilkes County
- Renovation of the Wilkes Motor Speedway
- Development of Outdoor Recreation Plans in Ashe, Wilkes, and Watauga counties
- Continued redevelopment of the Pinebridge Complex in Town of Spruce Pine by Mayland Community College
- Completion of Farmers Market in Yancey County
- Development of High Country Digital Inclusion Plan
- Development of Workforce Housing Analysis for Avery County

Major activities undertaken by High Country COG staff in FFY 2023 to support implementation of the CEDS include:

- Continued administration of the High Country Rural Transportation Planning Organization (RPO)
- Maintained GIS data for Towns of Wilkesboro, North Wilkesboro, Banner Elk, West Jefferson, and Blowing Rock

- Maintained E911 road and address data for Town of Beech Mountain, and Wilkes and Avery Counties
- Developed the following grant applications:
 - Watauga County Slaughter Facility (ARC, EDA)
 - Ashe County Livestock Facility (ARC)
 - Town of Jefferson Streetscape (ARC, NCDOT)
 - Mayland Community College Three Peaks Kitchen (EDA)
 - Ashe County Industrial Park (Golden LEAF Foundation)
 - Town of West Jefferson Asset Inventory and Assessment – Water (NCDEQ)
 - Town of West Jefferson Asset Inventory and Assessment – Sewer (NCDEQ)
- Continued administration of the following projects:
 - Avery County Broadband Expansion – Phase 2
 - Ashe Agricultural Center
 - Jefferson/West Jefferson Water Interconnect Feasibility Study
 - Middle Fork Greenway
 - Town of Boone Deck Hill Water Tank CDBG
 - Town of Boone Asset Inventory and Assessment
 - Watauga Slaughter Facility
 - NC GoldenLeaf Foundation CBGI Program grants for the following projects:
 - Ashe County Industrial Park
 - Town of Spruce Pine NC Hwy. 226 Waterline
 - Watauga CDBG-CV
 - Ashe CDBG-CV
 - Town of Spruce Pine Highway 226 Water Line Project
 - Town of Burnsville Main Sewer Interceptor (West)
 - Town of Burnsville Main Sewer Interceptor Impvmnts (East)
 - Town of Burnsville Bakers Creek Pump Station Improvements
 - Town of Burnsville Bolens Creek Raw Waterlines & Cane River Intake
 - Town of Burnsville Main St/Bennett St/Glendale Ave. Waterline Improvements
 - Avery County Reentry Housing Project CDBG-NR
 - Ashe County Business Park Grading

Evaluation of Progress on Action Plan and Goals

The 2022 High Country Council of Governments CEDS contains the following goals (with example project from 2023 in District):

1. Connect employers to a skilled workforce

2. Accreditation of Wilkes Community College's Associate Degree Nursing program from the National League for Nursing Commission for Nursing Education Accreditation (NLN CNEA)
2. Maintain and improve the district's infrastructure to meet future demand
 - Establishment of fixed-route transit service in Town of Spruce Pine
3. Increase tourist visitation to the district
 - Continued development of Town of Wilkesboro Community Commons and Pavilion
4. Increase industrial and commercial activity in the district
 - Expansion of NAPCO, Inc. in Alleghany County
5. Expand entrepreneurial activity in the district
 - Development of the Masthead Tech Hub in Wilkes County
6. Increase agricultural output
 - Acquisition of new facility for TRACTOR Food Hub in Mitchell County

The EDD's work in FFY 2023 directly addressed each of the six goals.

The 2022 High Country Council of Governments CEDS contains the following performance measures:

- Announced job creation
- Announced private-sector investment
- Increases in average household wages and income
- Number of new businesses
- Federal, state, and local investment in the district
- Educational attainment
- Work Ready Community designations
- Number of self-employed
- Retail sales
- Tourism revenue
- Agricultural impact
- Number of CEDS strategies advanced or accomplished

During FFY 2022, there were 24 new jobs and \$342,000 in private investment announced in the District (Economic Development Partnership of NC).

The following tables depict recent data at county level that illustrate the unemployment numbers. Source- NC Commerce October, 2023

Alleghany	3.6%
Ashe	2.9%
Avery	2.7%
Mitchell	3.3%
Watauga	2.8%
Wilkes	3.7%
Yancey	3.0%

Taxable Revenue by County- NC Department of Revenue

County	Taxable sales and purchases 2023 (\$mil)
Alleghany	13.689
Ashe	37.988
Avery	48.456
Mitchell	21.732
Watauga	130.271
Wilkes	83.662
Yancey	21.913

The table below shows most current available data from NC Commerce on certain CEDS performance measures.

County	Tourism Expenditures 2022 (\$mil)	Jobs from Tourism 2023
Alleghany	47.69	280
Ashe	109.6	543
Avery	247.69	1468
Mitchell	44.28	228
Watauga	501.33	3090
Wilkes	108.88	674
Yancey	71.91	345

Schedule of Goals for the Next Year

For FFY 2024, the High Country COG will work on the following strategies:

1. Assist local governments to apply for and administer grants for economic development projects
2. Assist local governments with economic development planning
3. Assist local governments with planning for and incentivizing workforce housing projects
4. Assist local governments in securing funding for physical infrastructure projects that support economic development (water, sewer, broadband, transportation)
5. Assist local governments in developing/expanding outdoor recreation infrastructure to support tourism in the district
6. Assist local governments with value-added agricultural projects



A RESOLUTION OF THE HIGH COUNTRY COUNCIL OF GOVERNMENTS IN SUPPORT OF THE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs)

WHEREAS, High Country Council of Governments is designated an Economic Development District by the Economic Development Administration, United States Department of Commerce; and

WHEREAS, the Economic Development Administration Reform Act of 1998 identifies a Comprehensive Economic Development Strategy as a requirement to apply for assistance under the Economic Development Administration's public works and economic adjustment programs; and

WHEREAS, successful economic development depends upon careful planning and setting priorities, together with identification of the region's potentials, problems, and resources; and

WHEREAS, continuous development and maintenance of the region's infrastructure, including water and sewer systems and transportation, is fundamental to economic development.

NOW THEREFORE, BE IT RESOLVED that the Executive Board of the High Country Council of Governments, representing the seven counties of Alleghany, Ashe, Avery, Mitchell, Watauga, Wilkes, and Yancey and the nineteen included municipalities in northwestern North Carolina, fully endorses and supports the 2022 High Country Comprehensive Economic Development Strategy and advocates the implementation of the action plans presented therein.

BE IT FURTHER RESOLVED, that the Executive Board of the High Country Council of Governments urges the utilization of the Comprehensive Economic Development Strategy to coordinate the efforts of individuals, organizations, local governments, and private industries concerned with economic development.

ADOPTED BY THE HIGH COUNTRY COUNCIL OF GOVERNMENTS ON THE 18th DAY OF MARCH, 2024.

Doug Matheson, Chairman

Larry Fontaine, Secretary



RESOLUTION IN SUPPORT OF THE AFFORDABLE CONNECTIVITY PROGRAM BY THE HIGH COUNTRY COUNCIL OF GOVERNMENTS EXECUTIVE BOARD

WHEREAS, Congress established the Affordable Connectivity Program making the internet more accessible for over 22.5 million households in the United States; and

WHEREAS, funding for the Affordable Connectivity Program is expected to end by April 2024; and

WHEREAS, internet access is critical for individuals and families for accessing education, healthcare, employment, and other basic needs; and

WHEREAS, the Affordable Connectivity Program provides up to \$30 per month to help eligible households pay for internet service and up to \$75 per month for households on tribal lands; and

WHEREAS, the Affordable Connectivity Program helps to increase adoption rates for internet service by consumers which encourages private sector broadband firms to expand high-speed service in underserved areas including rural communities and neighborhoods where household incomes are below the national and state average;

WHEREAS, wages and household incomes in the High Country Region and Western North Carolina are below the state and national averages; and

WHEREAS, most private broadband providers support the extension of the Affordable Connectivity Program as this support increases adoption rates and the number of customers who subscribe to their internet service;

NOW, THEREFORE, BE IT RESOLVED by the High Country Council of Governments Executive Board as follows:

1. That the High Country Council of Governments Executive Board strongly supports the expansion of broadband internet service in Western North Carolina.
2. That the Board believes extension of the Affordable Connectivity Program will help increase broadband internet availability in Western North Carolina through increased adoption rates.
3. That the Board encourages Congress and the President of the United States to reach a bipartisan agreement to extend the Affordable Connectivity Program until the Federal Communications Commission can implement a long-term solution.
4. This this resolution shall be effective upon its adoption.

Adopted this the 18th day of March, 2024.

Doug Matheson, Chair

Larry Fontaine, Secretary