

**CITY OF CLAREMONT
CITY COUNCIL MEETING
AGENDA PACKET**



**July 7, 2014
Claremont City Hall
7:00 pm**



**CITY OF CLAREMONT
CITY COUNCIL MEETING**

Regular Meeting

July 7, 2014

7:00 PM

Council Chambers, Claremont City Hall

AGENDA

1. CALL TO ORDER

2. APPROVAL OF AGENDA

3. INVOCATION & PLEDGE OF ALLEGIANCE

4. MAYOR'S REPORT

5. CONSENT AGENDA

- A. Regular Meeting Minutes – June 2, 2014
- B. Closed Session Minutes- June 2, 2014
- C. Resolution 01-14 Appearance Committee Appointment
- D. Resolution 02-14 Carolina Thread Trail
- E. Memorandum of Understanding with North Carolina Wireless

6. CITIZEN'S CONCERNS AND COMMENTS

7. PRESENTATIONS

- A. Fiscal Year 2014 Goal Reviews
- B. Connor Family
- C. Fire Dept. 2014-2015 Officer Installations

8. PUBLIC HEARINGS

- A. Development Agreement between the City of Claremont & Apple Inc
- B. Economic Development Agreement between the City of Claremont & Apple Inc

9. OLD BUSINESS

10. NEW BUSINESS

- A. Fiscal Year 2014 Audit Contract
- B. Wooten Company Contract for CMAQ Sidewalks – C-5195
- C. Contract with Smeal Fire Apparatus Company
- D. Development Agreement between the City of Claremont & Apple Inc
- E. Economic Development Agreement between the City of Claremont and Apple Inc.
- F. Resolution 03-14 Exchange of Land Rights

- G. Resolution 04-14 Surplus Property
- H. Coffee Cup – Streetscape Enhancement Funding
- I. Budget Transfer

11. DEPARTMENT & COMMITTEE REPORTS

- A. Quarterly Financial Report
- B. Department Dashboard Report
- C. Parks & Recreation Committee
- D. Appearance Commission

12. CITY MANAGER’S REPORT

13. CLOSED SESSION

14. ADJOURN

City of Claremont Board & Committee Meetings

<u>City Council Meeting</u> 1 st Monday of each month	August 4 th	Council Chambers 7:00pm
<u>Planning Board</u> 2 nd Monday of each month	July 14 th	Council Chambers 7:00 pm
<u>Appearance Committee</u> 2 nd Monday of each month	Next meeting in Sept.	Claremont Library 6:00 pm
<u>Parks & Recreation</u> 4 th Monday of each month	July 28 th	Claremont City Offices 6:00 pm
<u>Youth Council</u> 1 st Sunday of each month	August 3 rd	Council Chambers 3:00 pm
<u>Claremont Tailgate Market</u> Every Friday beginning April 26 th		City Hall Parking Lot 3-6pm

SAVE THE DATE:



“A progressive City dedicated to preserving small town values while planning for the future”

REQUEST FOR COUNCIL ACTION

Date of Meeting: July 7, 2014

To: Mayor and the City Council

From: Doug Barrick, City Manager

Action Requested: Approval of Consent Agenda

- A. Regular Meeting Minutes - July 7, 2014
- B. Closed Session Minutes- July 7, 2014
- C. Resolution 01-14 Appearance Committee Appointment
- D. Resolution 02-14 Carolina Thread Trail
- E. Memorandum of Understanding with North Carolina Wireless

Recommendation: Approve the Consent Agenda



City of Claremont Regular Meeting Minutes Monday, June 2, 2014

The regular City Council meeting of the City of Claremont was held in the council chambers located at Claremont City Hall at 7:00 p.m. on Monday, June 2, 2014.

The following members of the Claremont City Council were present: Mayor Shawn Brown, Councilmember Timothy Lowrance, Councilmember Dayne Miller, Councilmember Nicky Setzer, Councilmember Dale Setzer and Councilmember Dale Sherrill.

The following personnel of the City of Claremont were present: City Manager Doug Barrick, City Attorney Bob Grant, Administrative Support Clerk Wendy Helms, Rick Damron, Lieutenant Allen Long, Jessica Miller, Fire Chief Bart Travis, Melinda Bumgarner, Public Works Director Tom Winkler and Police Chief Gary Bost.

Others in attendance were: Robert Smith, Cole Travis, Lisa Travis, Laurie LoCicero, Andrea Ramsey, Angela Brown, Robert Winrow, Abbey Moose, David Morrow, John Cathey, Angela Frye, Savannah Frye, Lynn Frye, Jr., Logan Hedrick, Heidi Hedrick, Dalton Miller, Ashley Wike, Dillon Wike, Donald Isenhour, Stacey Isenhour, Ashley Baucom and Olivia Simmons

1. CALL TO ORDER

Mayor Shawn R. Brown called the Claremont City Council meeting to order at 7:00 p.m.

2. APPROVAL OF AGENDA

The agenda was approved as presented.

3. INVOCATION & PLEDGE OF ALLEGIANCE

The invocation was given by Councilmember Timothy Lowrance. Councilmember D.B. Setzer led the pledge of allegiance.

4. MAYOR'S REPORT

Mayor Brown detailed events from the last month. Council participated in the National Day of Prayer. Mayor Brown and City Manager, Doug Barrick recognized seven youth from River Bend Middle School, they were chosen as winners for the Fire Up Claremont. The City of Claremont will be sponsoring the Bunker Hill High School Baseball team, by covering expenses for their trip to the State Baseball Championship game.

5. CONSENT AGENDA

A. May 5, 2014 Regular Meeting Minutes – Councilmember Timothy Lowrance made a motion to

accept May 5, 2014 regular meeting minutes as presented. Councilmember Dayne Miller seconded the motion. The motion passed unanimously.

B. May 5, 2014 Closed Session Minutes- Councilmember Timothy Lowrance made a motion to accept May 5, 2014 closed session minutes as presented. Councilmember Dayne Miller seconded the motion. The motion passed unanimously.

6. CITIZEN'S CONCERN'S & COMMENTS- none

7. PRESENTATIONS

Mayor Shawn R. Brown presented senior members of the Claremont Youth Council with certificates of appreciation and gift cards for their service. Youth Council members in attendance were also recognized.

8. PUBLIC HEARING- Motion was made by Councilmember Nicky Setzer to open a public hearing at 7:11 p.m. Second was made by Councilmember Timothy Lowrance. Motion passed unanimously. Purpose of the public hearing: City Manager, Doug Barrick presented the proposed fiscal year 2015 budget.

Motion was made by Councilmember Nicky Setzer to close the public hearing at 7:13 p.m. Second was made by Councilmember Dayne Miller. Motion passed unanimously.

9. OLD BUSINESS- none

10. NEW BUSINESS

A. Ordinance 15-13 Fiscal Year 2015 Budget- The proposed budget for Fiscal Year 2015 holds the tax rate at \$0.46 tax rate per \$100 of assessed valuation for the tenth year in a row. The proposed budget totals \$2,570,000 which represents an increase of 3% from Fiscal Year 2014. The proposed budget does recommend a 3% increase in water and sewer rates. Motion was made by Councilmember Dale Sherrill to accept Ordinance 15-13. Second was made by Councilmember Dayne Miller. Motion passed unanimously.

B. Fiscal Year 2015 Fire Department Officer Confirmation- The following people were elected by the membership of the fire department to serve as officers for the 2015 year.

Assistant Chief – Jason Lowrance
Assistant Chief – Bruce Hartsoe
Captain- Brian Helms
Captain- Kevin Little
Lieutenant – Cameron Morgan

City Council member Timothy Lowrance abstained from voting.

Motion was made by Councilmember D.B. Setzer to accept the names as presented. Second was made by Councilmember Nicky Setzer. Motion passed unanimously.

C. Fiscal Year 2015 WPCOG Planning Contract- The City of Claremont proposes to renew our technical planning assistance contract with the WPCOG for Fiscal Year 2015. Our planner will now

hold office hours on Mondays from 8-5pm and Wednesdays from 9am-1pm. These new hours will not reflect in an increase in the contract renewal rate. Motion was made by Councilmember Timothy Lowrance to accept the contract with WPCOG for planning services. Second was made by Councilmember Nicky Setzer. Motion passed unanimously.

D. Fiscal Year 2015 Animal Control Agreement- The proposed agreement is for a one year term for Animal Control services proved by Catawba County at an annual rate of \$1,200. Motion was made by Councilmember Dale Sherrill to accept a contract with Catawba County to provide animal control. Second was made by Councilmember Dayne Miller. Motion passed unanimously.

E. Fiscal Year 2015 Fire Inspections Agreements- The proposed agreement is for a one year term for Fire Inspection services proved by Catawba County at an annual rate of \$4,573. A slight decrease from the prior year. Motion was made by Councilmember Nicky Setzer to accept a contract with Catawba County to provide fire inspection services. Second was made by Councilmember D.B. Setzer. Motion passed unanimously.

F. Residential Solid Waste & Recycling Collection Agreement with Republic Services- Highlights of the new contract include:

- Providing a 96 gallon rollout recycling container to all service addresses
- Providing a 96 gallon rollout trash container to all service addresses
- Adding the provision for service to small commercial clients
- Expanded recycling capability
- Small rate increases to offset new services
- Backdoor service persevered
- Five year contract with minor CPI increases with Fiscal Years

Motion was made by Councilmember Dale Sherrill to accept the contract with Republic Services with a clarification in wording provided by Attorney Bob Grant, on page section 18. Second was made by Councilmember D.B. Setzer. Motion passed unanimously.

G. Information Technology Maintenance and Network Support Agreements- The proposed agreements cover network support and IT maintenance. ESP LLC has proved excellent service to the City for the past 4 years and this is a renewal of these services.

Highlights of the contract include:

- Callback within 30 min and on site within 4 hours
- Maintenance and PM of all PCs. Laptops. Tablets and printers
- Full Network services and IT needs under a retainer
- Full security services, antivirus, webhosting, remote desktop

Motion was made by Councilmember Dale Sherrill to accept the contract with ESP, LLC. Second was made by Councilmember Nicky Setzer. Motion passed unanimously.

H. Davis & Floyd Agreement for Engineering Report- In conjunction with our long range sewer capacity planning the City of Claremont proposed to install a pump station at the current site of the North WWTP and replace a current NPDES discharge point with a pump station that would flow wastewater via 10,000 feet of force main to the McLin Creek WWTP. This project would double the treatment capacity of this basin and consolidate the City's Wastewater treatment to one treatment plant. In order to begin phase II of this plan the City need to begin evaluating the long term plans for the McLin Creek Plant. This change order looks at the preliminary engineering and Environmental

documentation for the McLin Creek WWTP. Motion was made by Councilmember Dale Sherrill to accept the contract with Davis & Floyd. Second was made by Councilmember Dayne Miller. Motion passed unanimously.

I. Ordinance 16-13 Fiscal Year 2014 Budget Amendment- Motion was made by Councilmember Dayne Miller to accept budget amendment, Ordinance 16-13. Second was made by Councilmember Dale Sherrill. Motion passed unanimously.

J. Budget Transfer- Motion was made by Councilmember Timothy Lowrance to accept budget transfer. Second was made by Councilmember Dale Sherrill. Motion passed unanimously.

11. DEPARTMENT & COMMITTEE REPORTS

A. Monthly Department Dashboard Report- There was no questions in reference to the monthly dashboard report.

B. Parks and Recreation Committee- Jessica Miller spoke on behalf of the Recreation Committee.

C. Appearance

12. CITY MANAGER'S REPORT- City Manager Barrick reminded everyone of the Touch a Truck, which will be held June 21, 2014. Fire up Claremont has taken shape; some hydrants are already being painted. Mr. Barrick stated that new garbage and recycle receptacles will be distributed the last Wednesday of June. He also reported on the BGA Shell building. The foundation is poured and steel is up. This project was funded by Catawba County, Matthews Construction, Catawba County EDC and the City of Claremont. Claremont's paid their portion by 100% grant funds. City Manager Barrick asked everyone to come out Friday, June 6, 2014 at 3 p.m. and support the Bunker Hill Baseball team, as they leave for the state championship game.

13. CLOSED SESSION: Motion was made by Councilmember Timothy Lowrance to go into a closed session in reference to G.S. 143-318.11(a) (4) at 7:57 p.m. Second was made by Councilmember Dayne Miller. Motion passed unanimously.

Motion was made by Councilmember Timothy Lowrance to recess the closed session at 7:56 p.m. Second was made by Councilmember Dayne Miller. Motion passed unanimously.

14. ADJOURN- Motion was made by Councilmember Nicky Setzer to adjourn the meeting at 7:57 p.m. Second was made by Councilmember Timothy Lowrance. Motion passed unanimously.

Respectfully submitted,
Wendy L. Helms, Administrative Support Clerk

Shawn R. Brown, Mayor

Attested:

Douglas L. Barrick, City Clerk



**CITY OF CLAREMONT
NORTH CAROLINA**

RESOLUTION # 01-14

**A RESOLUTION TO APPOINT DAVID MORROW TO THE CLAREMONT
APPEARANCE COMMITTEE**

WHEREAS, the appearance committee is looking for new members to enhance the diversity and impact of the committee, and

WHEREAS, it has been determined that David Morrow has an interest in serving on this board, and

WHEREAS, the Mayor as recommended David Morrow for this appointment.

**NOW, THEREFORE, BE IT RESOLVED BY THE CLAREMONT CITY
COUNCIL:**

Section 1.

The Claremont City Council Appoints David Morrow to the Appearance Committee.

Adopted this 7th day of July 2014.

Shawn R. Brown, Mayor

ATTEST:

Doug Barrick
City Clerk



**CITY OF CLAREMONT
NORTH CAROLINA**

RESOLUTION # 02-14

**A RESOLUTION TO SUPPORT AND COMMIT TO FUNDING
CONSTRUCTION OF A PAVED GREENWAY TRAIL IN COORDINATION
WITH CAROLINA THREAD TRAIL**

WHEREAS, the Carolina Thread Trail’s mission is to bring resources to the 15-county region in the south-central piedmont of North Carolina and the north-central portion of South Carolina in order to create an interconnected trail system with major regional trails designated as the Carolina Thread Trail designed to connect communities and link them locations of historical, environmental, cultural, and recreational significance, and

WHEREAS, many communities in our region have taken a lead in planning and/or building local trails and greenways, and those efforts can be greatly enhanced by being connected to a larger regional network of trails; and

WHEREAS, the City of Claremont is situated along the primary corridor/route for the Carolina Thread Trail through Catawba County as set forth in the Catawba County Master Plan for the Carolina Thread Trail; and

WHEREAS, the Carolina Thread Trail provides an opportunity for the City to engage in the promotion of healthy living within the community by providing new opportunities for recreation and economic development in the City’s downtown by linking the trail with sidewalk that incorporates downtown businesses in the trail route; and

WHEREAS, the City proposes to design and construct 1,608 linear feet of 8 foot wide paved greenway trail that will incorporate the natural landscape of the City, the historic nature of the rail line and the old hosiery mill, the City’s downtown, and the City park in order to promote public support and awareness; and

WHEREAS, the City intends to apply for funding assistance for the design and construction of such a trail through the city as part of the Carolina Thread Trail Grant Program; and

NOW, THEREFORE IT BE RESOLVED, by the Claremont City Council, that the City of Claremont supports the construction of a paved greenway trail within the city as part of the Carolina Thread Trail; and

BE IT FURTHER RESOLVED, by the Claremont City Council, that the City of Claremont commit to fund the construction of a paved greenway trail not covered under the grant funding received or by any other source of funding that may be received by the city.

Adopted this 7th day of July 2014.

Shawn R. Brown, Mayor

ATTEST:

Doug Barrick
City Clerk



**North Carolina
Wireless**

Wireless Internet Solutions

Phone 828-322-1505

Fax 1-866-559-5682

1985 Tate Blvd. SE Ste. #43 Hickory, NC 28602

info@lightleap.com

Memorandum of Understanding (Draft): "The City of Claremont, NC" and "North Carolina Wireless" a Broadband Internet Provider.

Whereas NCW is a wireless internet service provider serving Catawba and surrounding Counties. NCW offers state of the art broadband, delivering broadband the last mile to areas otherwise not being served or underserved.

Whereas NCW wishes to expand our ability to reach and service additional clients and customers in the greater Catawba Valley Area.

Whereas NCW operates best when we work in conjunction with current owners of elevated assets to offer service. This saves our beautiful views and conserves resources.

Whereas NCW has and continues to work with City, County and State Agencies to offer public-private partnerships that work in the best interest of all concerned to deliver broadband to otherwise unserved or underserved areas of our beautiful state.

Whereas The City of Claremont is and continues to be a forward looking entity desiring to continue to offer the best possible solutions to her citizens and the businesses in their municipality.

Whereas The City of Claremont has existing elevated assets.

Whereas The City of Claremont wishes to encourage commercial suppliers of broadband to offer those services to existing and potentially new businesses, to attract good paying jobs for the citizens of municipality.

**North Carolina
Wireless**

Wireless Internet Solutions

Phone 828-322-1505

Fax 1-866-559-5682

1985 Tate Blvd. SE Ste. #43 Hickory, NC 28602

info@lightleap.com

Therefore: The City of Claremont and NCW do hereby agree to the following:

NCW places a value of approximately \$250 per month to locate on an elevated asset. The most favorable asset for the business industrial complex is the Water Tower located at S. Oxford St.

With the City of Claremont's approval NCW proposes to conduct engineering studies, and site survey/s to demonstrate the feasibility of broadband service to new and expanding business park and others in the general area.

Once the engineering studies are complete and demonstrate positive outcomes, The City of Claremont and NCW would enter into long term agreement whereby NCW would offer broadband services to provide public safety and for enhancement of broadband for municipal activities in the value range of the monthly rental expense to compensate the City of Claremont for the use of the tower space.

Therefore being in Agreement We

William L. Shillito

President/Partner

Doug Barrick

City Manager

Sign this day and date _____

REQUEST FOR COUNCIL ACTION

Date of Meeting: July 7, 2014

To: Mayor and the City Council

From: Doug Barrick, City Manager

Action Requested: Citizen's Concerns and Comments

North Carolina General Statutes require that the City Council allow time at each public meeting for Citizen Input.

Recommendation: Hear Public Concerns and Comments

REQUEST FOR COUNCIL ACTION

Date of Meeting: July 7, 2014

To: Mayor and the City Council

From: Doug Barrick, City Manager

Action Requested: Fiscal Year 2014 Fire Department Goals and CIP Updates

As a part of the Fiscal Year 2014 Budget Process each department of the City established goals to work toward during the fiscal year. The departments also had specific capital improvement needs for the fiscal year. These goals and CIP items were adopted by the City Council as a part of the Fiscal Year 2014 Budget.

Now that the Fiscal Year has come to a close department heads and the city manager will give a brief update on these goals and highlight some of the successes from these goals.

Recommendation: Hear Presentation and Ask Questions

City of Claremont



- CLAREMONT**
International Business Park
- Prysman
 - CertainTeed
 - Progressive Furniture
 - Bed Bath & Beyond
 - Carolina Foam
 - ↑ Dimension Wood Products
 - Centro
 - Rock-Tenn Company
 - Popplemann Plastics
 - ↓ Williams Sonoma
 - Southeastern Freight Lines
 - American Olympic

**FISCAL YEAR 2014
DEPARTMENTAL UPDATES
JULY 7 ,2014**

ADMINISTRATION

- Expand the Cities E-Profile
- Seek ways to expand community engagement and information delivery
- Improve staff opportunities for professional development
- Begin renovations to City Hall
- Revisit Action Planning Process

POLICE

- Update Employee Files
- Audit Evidence Room Inventory
- Transition operations to 800MHz Radio system
- Begin a Police 101 class
- Vehicle Replacements
- 800 MHz Radios
- Radar Replacements
- Begin Planning Building Upgrades

FIRE

- Preplan the remaining 50% of the Commercial & Industrial Occupancies
- Inventory and service all Knox Boxes
- Complete Fire 501(C)(3)
- Bring all members up to NFPA 1403 Standards
- SCBA Bottle Replacement
- 800 MHz Radios
- Begin planning for the replacement of Engine 71 & Truck 78 utilizing a rescue engine

PUBLIC WORKS

- Trenching & Shoring
OSHA Training
- Street Sign
Replacements
- Continue ASE
Certifications for the
Mechanic
- Complete MUTCD
sign inventory
change out

PARKS & RECREATION

- Continue to expand recreation programs
- Revamp and expand Claremont Daze program
- Increase advertising and outreach for programs
- Seek ways to increase historical documents for the History Wall
- City Park Upgrades & Master Plan

WATER & SEWER

- Continue in house collections and distribution system certifications
- Expand Proactive Inspections of water and sewer services
 - Begin Sewer Camera Logging
 - Begin Sewer Smoke Testing
 - Implement yearly valve cleanout & exercise program
- Begin electronic maintenance logging
 - Digital work order system
- Root Control Program
- Spare Pumps for Lift Stations
- Outfall Mower Replacement
- Sewer Inspection Equipment
- Sewer Outfall Maintenance Vehicle

REQUEST FOR COUNCIL ACTION

Date of Meeting: July 7, 2014

To: Mayor and the City Council

From: Doug Barrick, City Manager

Action Requested: Fiscal Year 2015 Fire Department Officers Installation

The officers for the Fire Department for Fiscal Year 2015 are as follows:

Assistant Chief – Jason Lowrance

Assistant Chief – Bruce Hartsoe

Captain- Brian Helms

Captain- Kevin Little

Lieutenant – Cameron Morgan

Lieutenant – Jim Acker

Lieutenant – Ray Ball

“ I, _____ do swear that I will well and truly execute duties of the office of _____ according to the best of my skill and ability, according to the law, so help me God”.

Recommendation: Install Officers

CLAREMONT
STATION 7

CITY OF CLAREMONT, N.C.



• 1893 •

FIRE DEPT.

REQUEST FOR COUNCIL ACTION

Date of Meeting: July 7, 2014

To: Mayor and the City Council

From: Doug Barrick , City Clerk

Action Requested: Hold Public Hearing on a Development Agreement between the City of Claremont and Apple Inc.

A development agreement, pursuant to North Carolina General Statute § 160A-400.20 et. seq., for the following properties or portions of, which total approximately 99.842 acres, and being a portion of the property lying south of Kelly Boulevard described as Catawba County GIS Tax Parcel Identification Number 3761-0915-6074 and having the address of 3123 Kelly Boulevard, Conover, NC 28613. The development uses are a utility scale solar energy system and other associated facilities and uses.

The development of the project and any participation in off-site improvements as specified in the development agreement shall be tied to the successful performance by the developers during project implementation. A draft copy of the development agreement has been available in the Office of the City Clerk, City of Claremont, 3288 East Main Street, Claremont, North Carolina 28610 and notice was published in regards to this hearing in the Newton News Observer on June 25, 2014 and again on July 2, 2014

Recommendation: Hold Public Hearing

Drafted by and Return to:
Womble Carlyle Sandridge and Rice, LLP (JCC)
2100 Wachovia Capitol Center
150 Fayetteville Street
Raleigh North Carolina 27601

STATE OF NORTH CAROLINA

COUNTY OF CATAWBA

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (“Development Agreement”) is made this _____ day of _____, 2014, by and between the **City of Claremont**, a municipal corporation existing under the laws of the State of North Carolina (the “City”), and **Apple Inc.**, a California corporation, its affiliates and related entities, successors or assigns (“Apple”).

WITNESSETH:

WHEREAS, Apple is the contract purchaser of approximately 126,101 acres of real property and 99.842 acres of this real property is more particularly described on *Exhibit A* (the “Property”), which is attached hereto and made a part hereof by reference; and

WHEREAS, the Property contains more than twenty-five (25) acres of developable land within the zoning jurisdiction of the City; and

WHEREAS, Apple has proposed to establish on the Property a large-scale project extending over a period of years with the uses of a utility scale solar energy system and other facilities or uses associated with, convenient to or necessary for operating, maintaining, repairing, upgrading, replacing or restoring the utility scale solar energy system it intends to own and operate on the Property, including but not limited to computer systems and associated components, such as telecommunications and storage systems, power supplies, internet-related equipment and services, data communications connections, environmental controls and security devices (the “Project”); and

WHEREAS, Apple anticipates that the Project will require a long-term commitment of Apple’s resources and will require the careful integration between public capital facilities planning, financing, and construction schedules to be successful from the City’s and Apple’s standpoints; and

WHEREAS, development of the Property as the Project will involve a substantial commitment of private capital by Apple, which Apple is unwilling to risk without sufficient assurances that development standards will remain stable through the extended period of the development of the Project; and

WHEREAS, at the current time, Apple is proposing as part of the Project various accessory buildings, structures and facilities, paved parking and driveways, security installations and utility and related structures and facilities incident to such uses; and

WHEREAS, all of the Property is located in the City's extra-territorial jurisdiction and is zoned Manufacturing-1 (M-1), which assures that the Project is developed under a single zoning district. To provide for the careful integration and coordination between public capital facilities planning, financing, and construction and the development of the Project, Apple intends to file and not withdraw a petition for voluntary annexation of the Property into the corporate limits of the City; and

WHEREAS, the City Clerk has found that the voluntary annexation petition filed by Apple is sufficient under law to permit the City Council to annex the Property into the City's corporate limits with the effective date of annexation being June 30, 2015; and

WHEREAS, the City and Apple are considering an exchange of real property in order to better promote the interests of the citizens of the City and development of the Project; and

WHEREAS, because of the type, size and location of the Project, the City and Apple believe that orderly completion of the Project will be better accomplished by forming a development agreement than through traditional zoning processes; and

WHEREAS, SunPower Corporation, Systems on behalf of Apple has submitted to the City a proposed layout or site plan as part of an application for a building permit to construct the Project and a copy of this layout or site plan is attached as **Exhibit B**, which is incorporated herein; and

WHEREAS, the City's Zoning Administrator and the City's Subdivision Administrator have reviewed **Exhibit B** carefully and find that (a) **Exhibit B** is in compliance with all City regulations and (b) that construction and operation of the Project is subject only to Apple or Apple's designee acquiring the permits or approvals specifically listed in paragraph 3.3 of this Development Agreement and complying with these permits and approvals; and

WHEREAS, upon the City Council's approval of this Development Agreement, the right to complete the Project shall be vested for the duration of this Development Agreement; and

WHEREAS, after careful review and deliberation, the City finds that the Project constitutes a development suitable to be planned and developed through a development agreement as permitted by Part 3D of Article 19 of Chapter 160A of the North Carolina General Statutes and that it is in the City's interest to enter into this Development Agreement because significant benefits to the City and its citizens will be realized as a result of the Project and this Development Agreement; and

WHEREAS, the details concerning the Property required by N.C.G.S. § 160A-400.25 are set forth in ***Exhibit C*** and made a part hereof by reference, and the schedule for development of the Property (the “Development Schedule”) is attached hereto as ***Exhibit D*** and made a part hereof by reference; and

WHEREAS, the City has published notice of and has held a public hearing concerning this Development Agreement as required by N.C.G.S. § 160A-400.24 and otherwise completed all steps, conditions and requirements necessary for the City Council to consider the adoption of this Development Agreement as permitted by law; and

WHEREAS, after holding the public hearing and carefully considering the terms and conditions of this Development Agreement, the City Council duly adopted the Development Agreement as an ordinance as required by N.C.G.S. § 160A-400.22 and directed its execution by the Mayor and attestation by the City Clerk.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, and pursuant to North Carolina law including N.C.G.S. § 160A-400.20 *et seq.*, the City and Apple agree as follows:

1. Definitions:

1.1 Recitals: The definitions set forth in the recitals to this Development Agreement are incorporated herein by this reference.

1.2 Additional Property: As defined in Section 5 of this Development Agreement.

1.3 Apple: Apple together with its successors and assigns, and (when appropriate in the context) their respective officers, directors, and employees.

1.4 Development Permit: A building permit, zoning permit, subdivision approval, special or conditional use permit, variance, or any other official action by the City having the effect of permitting the development of Real Property.

1.5 Effective Date: The Effective Date is the date the Development Agreement is executed by both parties after the adoption of an ordinance approving the Development Agreement by the City Council. The City shall sign and deliver the Development Agreement to Apple within three (3) calendar days of adopting the ordinance approving the Development Agreement.

1.6 Incentives Agreement: As defined in Section 10.8 of this Development Agreement.

1.7 Land Development Regulations: Ordinances and regulations enacted by the City for the regulation of any aspect of development and including zoning, subdivision, or any other land development ordinances.

1.8 Laws: All ordinances, resolutions, regulations, comprehensive plans, land development regulations, policies, and rules adopted by the City affecting the development of Real Property, and including, without limitation, laws governing permitted uses of Real Property, density, design, and improvements.

1.9 NCDOT: North Carolina Department of Transportation.

1.10 Project Development Law: As defined in Section 4 of this Development Agreement.

1.11 Real Property: All real property subject to land use regulation by the City and including any improvements or structures customarily regarded as a part of real property.

1.12 City: The City together with its successors and assigns, and (when appropriate in the context) its elected officials, employees, agents and independent contractors.

2. Establishment and Provision of Public Infrastructure by the City: In order to provide sufficient public infrastructure for the Project and other properties and citizens located in the vicinity of the Project, the City shall undertake the following:

2.1 Fire and Other Emergency Services: The City shall provide appropriate response times for all emergency services, e.g. fire and police, for incidents occurring at the Project or properties located in the vicinity of the Project and shall install a fire hydrant, at no cost to Apple, at the entrance to the Project for fire protection of the Project no later than issuance of a certificate of occupancy for the Project. The City shall not impose fees for fire or any other police or emergency services on Apple in excess of those imposed on other properties or citizens within the City's corporate limits.

2.2 Transportation Improvements/Requirements, Water/Sewer and Other Municipal Services: The City does not and shall not require Apple to construct acceleration or deceleration lanes or turn lanes and the only transportation improvements required for the Project are those identified by the driveway permits to be issued by NCDOT to Apple or its designee in connection with the Project. Municipal water and sewer services are available to the Property and upon Apple's request, the City shall provide to the Project and Property such other municipal services as it provides its other citizens, now or in the future, such as solid waste disposal, and shall not impose fees for the same in excess of those imposed on other properties or citizens within the City's corporate limits.

3. Coordination and Management of Development Approvals for the Project: In order to provide for coordination and management of the development reviews, approvals and permits associated with the Project, the City agrees as follows:

3.1 Reviews and Approvals: The City and its contractor, Catawba County Building Inspection Department, shall provide expedited review, inspection and approval of all plans and work associated with completion of the Project.

3.2 Cooperation and Assistance: The City shall assist and cooperate with Apple and the contractor of Apple's choice in connection with reviews, approvals and permits issued by Catawba County or the State of North Carolina associated with the Project.

3.3 Future Development Permits and Approvals for the Project: The parties agree that Apple needs to obtain only the following permits and/or approvals in order to complete the development of the Project:

- A. City/Catawba County Building Inspection Department
 - i. Building Permit(s)
 - ii. Soil Erosion and Sedimentation Control Permit(s)
 - iii. Stormwater Permit(s)

- B. State
 - i. NCDOT Driveway Permit(s)

The failure of this Development Agreement to identify a particular permit, condition, term or restriction does not relieve Apple of the necessity of complying with the Project Development Law. Further, nothing herein prohibits Apple from seeking other or further reviews, permits or approvals in connection with use of the Property.

4. Vested Rights to Complete the Project; Application of Laws and Land Development Regulations: Except for the limited grounds stated in the current (as of the Effective Date) version of N.C.G.S. § 160A-385.1(e), the Project shall be subject only to the Laws and Land Development Regulations and policies enacted and applicable to the Property and Project at the time of the City's approval of the Development Agreement by adoption of an ordinance (the "Project Development Law"). Additionally, no future development moratoria or development impact fees shall apply to the Project without the written consent of Apple or its successors in interest. Laws, rules, regulations or policies enacted, adopted, formed or administered by the City or any of its boards, officials or staff subsequent to the adoption of the Development Agreement, including but not limited to land use, streets, buffers, the division of land, grading, landscaping, water, sewer, stormwater, setbacks, flood hazards, water supply watershed, flood damage prevention, parking and signage, shall not directly or indirectly be applicable to any aspect of the Project for a period of twenty (20) years after the Effective Date. Subject to the provisions in N.C.G.S. §160A-400.26(c), in the event that State or federal law is changed after the Effective Date in such a way that prevents compliance with the Development Agreement by Apple, the City and Apple will review the terms of the Development Agreement and will work together in good faith to modify the affected provisions to accomplish the intended purpose of the Development Agreement and the economic benefits foreseen by the parties when they entered into the Development Agreement.

5. Apple's Construction Staging Area: Apple including its contractors, employees, agents, successors and assigns shall have the right to use such portion of a tract of land located on the northerly side of Kelly Boulevard, 8.264 acres in total (0.803 acres in the right-of-way for South Oxford Street; net 7.461 acres tract), being conveyed from Apple to the City, the same being a portion of Catawba County GIS Tax Parcel PIN 3761-09-15-6074 (hereinafter "the North Tract"), from time to time, as a construction staging area, including

without limitation the installation of construction oversight trailers, asphalt or gravel driveway and parking area, and necessary utilities, the clearing and grading of the applicable portions of the North Tract, and the storage of materials and construction equipment, in connection with the construction of a utility scale solar energy system and other facilities or uses associated with, convenient to or necessary for operating, maintaining, repairing, upgrading, replacing or restoring the utility scale solar energy system on the Property with said right of use as a construction staging area being for the benefit of and as an appurtenance to the Property pursuant to the terms hereof.

During the period from the Effective Date of this Development Agreement through the date that is two (2) years after the Effective Date of this Development Agreement, the plans (including scope and location) for the construction staging area activities on the North Tract shall be determined by Apple in its reasonable business discretion. Thereafter, and from time to time as required by Apple, the plans (including scope and location) for any subsequent construction staging area activities on the North Tract shall be prepared by Apple so as to avoid interfering unreasonably with areas of the North Tract that have been improved or that are being used by the City and shall be submitted to the City for approval prior to commencement of such activities. If the subsequent use of the North Tract for the construction staging area activities is not reasonably feasible, then Apple and the City agree to cooperate to determine if there is other property owned by the City that may be suitable for use by Apple as a construction staging area at no cost to Apple. The City's approval of the plans shall not be unreasonably withheld, conditioned or delayed. If the City has not communicated regarding such plans within ten (10) days after receipt thereof, it shall be presumed that the City has no objection to the plans. Upon completion of any such construction staging area activities, Apple shall be entitled to leave any asphalt or gravel driveway and parking area in place, but otherwise Apple shall be required to remove all of its property and restore any disturbed areas on the North Tract to their condition as existed prior to such construction staging area activities, except that cleared areas need not be replanted.

6. Condition on Obligations: The obligations of the parties under this Development Agreement are conditioned upon Apple's acquisition of all or part of the Property. In the event Apple does not acquire any of the Property by December 31, 2014, this Development Agreement shall automatically be cancelled, rendered void, and be of no further force or effect and neither Apple nor the City shall have any duties specified herein. In the event Apple does not become the owner of all of the Property, and at Apple's sole right and option, Apple may elect to reduce the size of the Project by sending notice of its election to the City no later than December 31, 2014, and the Project shall be deemed to be the size elected by Apple and all other provisions of this Development Agreement shall be deemed to conform with Apple's election. Notwithstanding any description of the Property to the contrary, this Development Agreement is hereby adopted and approved by the City to apply to any real property contiguous to any part of the Property (whether in one or more parcels, the "Additional Property") that Apple may later acquire during the term of this Development Agreement. If Apple acquires the Additional Property, then the legal description of the Additional Property shall be attached to this Development Agreement as an additional exhibit and Apple shall send notice to the City of Apple's desire to have this Development Agreement include the specified property. Upon the City's receipt of this notice, the City shall promptly modify the Development Agreement consistent with Apple's plans for the Additional Property.

7. Review to Assess Compliance with the Development Agreement: In accordance with N.C.G.S. § 160A-400.27, the City shall conduct periodic reviews to determine Apple's compliance with this Development Agreement, at which time Apple may be requested to demonstrate good faith compliance with the terms of this Development Agreement; however, in no event shall Apple's failure to satisfy a commencement or completion date of the Project, in and of itself, be a material breach of the Development Agreement and any such failure must be judged by the City based upon the totality of circumstances. As with every agreement in North Carolina, the City and Apple have an implied duty to deal in good faith and fairly with each other regarding their performances under the Development Agreement and both parties agree to work reasonably and cooperatively to address concerns related to any real or perceived inadequate performance of the Development Agreement by either party.

In addition to the foregoing review, from time to time either party, upon its own initiation, may request a review of the other party's prior execution or prospective future ability to execute the provisions of the Development Agreement to assure compliance with the Development Agreement and the accomplishment of the purposes originally intended by the parties.

8. Default and Remedies:

8.1 Cure Periods: In addition to the default and remedies provided in N.C.G.S. § 160A-400.27(b) and (c), in the event of a default in the performance of duties or obligations created by this Development Agreement, the non-defaulting party shall provide written notice of the default to the defaulting party and shall specify a period of not less than sixty (60) days in which the defaulting party shall have a right to cure the default; provided, however, such cure period may be extended if (a) a default cannot reasonably be cured within the cure period provided in such notice, (b) the curing party notifies the non-defaulting party of such fact by no later than the end of the cure period provided in the notice, and (c) the curing party in such extension notice covenants to (and thereafter actually does) diligently pursue the cure to completion. In the event the defaulting party fails to cure the default, the non-defaulting party may either (i) terminate the Development Agreement (provided, however, that no termination of this Development Agreement may be declared by the City absent provision of the notice and opportunity to cure to Apple provided in N.C.G.S. § 160A-400.27) or (ii) enforce this Development Agreement by the remedy of damages or specific performance.

8.2 Development Schedule: The Project shall be developed in accordance with the Development Schedule. The failure to meet a commencement or completion date specified in the Development Schedule shall not, in and of itself, constitute a material breach of this Development Agreement pursuant to N.C.G.S. § 160A-400.27, but must be judged based upon the totality of the circumstances, including, but not limited to, Apple's good faith efforts to attain compliance with the Development Schedule. The Development Schedule is a planning tool and shall not be interpreted as mandating the development pace initially forecast or preventing a faster pace of development if market conditions support a slower or faster pace.

9. Recordation of Agreement: Pursuant to N.C.G.S. § 160A-400.30, within fourteen (14) days after the Effective Date, Apple shall record the Development Agreement with the Office of the Register of Deeds of Catawba County, North Carolina.

10. Term: The term of this Development Agreement shall be a period of twenty (20) years from the Effective Date.

11. Miscellaneous:

11.1 Force Majeure: The parties hereto shall not be liable for any failure to perform hereunder as a result of an external event or events beyond their respective control, including, without limitation, acts of the United States of America, acts of the State of North Carolina, embargos, fire, flood, drought, hurricanes, tornadoes, explosions, acts of God or a public enemy, strikes, labor disputes, vandalism or civil riots. However, if any such event interferes with the performance by a party hereunder, such party shall diligently and in good faith act to the extent within its power to remedy the circumstances affecting its performance or to complete performance in as timely a manner as is reasonably possible.

11.2 Amendment: This Development Agreement may be amended or canceled by mutual written consent of the City and Apple, or their successors in interest or assigns.

11.3 Recitals: The recitals of this Development Agreement are material terms of the Development Agreement and shall be binding upon the parties.

11.4 Severability: If any provision of this Development Agreement, or its application to any person, is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, invalidation of any provision of this Development Agreement, or its application to any person, shall not affect any other provisions of this Development Agreement or its application to any other person or circumstance, and the remaining portions of this Agreement shall continue in full force and effect.

11.5 Notice: All notices or other communications required or permitted to be served hereunder shall be deemed served in accordance with this Development Agreement if the notice is: (a) mailed in a sealed wrapper and deposited in the United States mail, certified mail, return receipt requested, postage prepaid (with delivery conclusively presumed to occur on the third (3rd) business day following such deposit absent evidence of actual failure of delivery) and a courtesy copy delivered via facsimile to the telephone numbers below; or (b) deposited with a national overnight courier service for next day delivery that retains receipts of its deliveries, properly addressed (with delivery conclusively presumed to occur on the next business day following such deposit absent evidence of actual failure of delivery) and a courtesy copy delivered via facsimile to the telephone numbers below:

City: City Manager
City of Claremont
P.O. Box 446
Claremont, NC 28610
Facsimile: None

City Clerk
City of Claremont
P.O. Box 446
Claremont, NC 28610
Facsimile: None

City Attorney
City of Claremont
P.O. Drawer 166
Newton, NC 28658
Facsimile: 828-465-4422

Apple: Apple Inc.
1 Infinite Loop, MS 21-1AC2
Cupertino, CA 95014
Attn: Dan Whisenhunt
Sr. Director, Real Estate & Development
Facsimile: 408-974-3348

Apple Inc.
1 Infinite Loop, MS 4-DLAW
Cupertino, CA 95014
Attn: James C. Fowler
Associate General Counsel
Facsimile: 408-974-7211

with a copy to:

John C. Cooke
Womble Carlyle Sandridge & Rice, LLP
150 Fayetteville Street, Suite 2100
Raleigh, NC 27601
Facsimile: 919-755-6083

The parties, by written notice given to the other, may designate any further or different names or addresses to which all notices or other communications shall be sent without said further or different names or addresses being considered amendments to this Development Agreement.

11.6 Assignment: After notice to the City, Apple may assign its rights and obligations under this Development Agreement (a) to any affiliate controlling, controlled by or under common control with Apple (and upon such assignment the assigning entity shall be relieved of its covenants, commitments and obligations hereunder), or (b) to subsequent owners of all or any portion of the Property, provided that Apple shall not be relieved of its obligation with respect to the portion of the Property retained by Apple without the written consent of the City. In the event that Apple sells the Property in its entirety and assigns its rights and obligations hereunder to its successor in title to the Property, then Apple shall be relieved of all of its covenants, commitments and obligations hereunder.

11.7 Run with the Land: This Development Agreement shall run with the Property and any portion thereof as it may be subdivided or recombined.

11.8 Entire Agreement and Construction with Related Agreements: This Development Agreement contains the entire agreement between the parties regarding the Development Agreement. Except for other agreements between the City and Apple related to the Property or the Project (the "Related Agreements") listed on *Exhibit E*, all prior or contemporaneous oral or written communications are merged into this Development Agreement. To the extent a conflict or inconsistency exists between this Development Agreement and any Related Agreement, the provision which most encourages, promotes and enables the Project controls.

11.9 Multiple Counterparts: This Development Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and it shall not be necessary in making proof of this Development Agreement to produce or account for more than one such fully executed counterpart.

11.10 Applicable Law and Venue: This Development Agreement is governed by and shall be construed in accordance with the laws of the State of North Carolina. The proper venue for litigation related to or arising out of this Development Agreement shall be the North Carolina Superior Court for Catawba County.

11.11 Representations and Warranties of the Parties: The City and Apple, and the persons executing this Development Agreement on their behalf, represent and warrant, as applicable, that (a) such party or person has the full power and authority to enter into this Development Agreement, to execute it on behalf of the party indicated on the signature page, and to perform the obligations hereunder, (b) such party is acting on its own behalf and on behalf of its members, successors and assigns, (c) this Development Agreement is a valid and binding obligation, enforceable against the parties in accordance with its terms, (d) entering into this Development Agreement does not conflict with any other agreements entered into by either party, and (e) the execution, delivery and performance of this Development Agreement has been duly and validly authorized by all necessary corporate or governmental action on its part. Specifically (and not as a limitation), the City represents and warrants to Apple that this Development Agreement has been pre-audited to ensure compliance with the budgetary accounting requirements (if any) that apply thereto. In the event that any of the obligations of the City in this Development Agreement constitute debt, the City has complied, at the time of the obligation to incur the debt and before the debt becomes enforceable against the City, with

any applicable constitutional and statutory procedures for the approval of the debt. Notwithstanding the foregoing, it is not the intent of subsection 10.11(c) to make any individual personally liable for the performance or nonperformance of this Development Agreement.

11.12 Effect on Other Vested Rights: This Development Agreement does not abrogate any rights established or preserved by N.C.G.S. § 160A-385(b) or § 160A-385.1, or that may vest pursuant to common law or otherwise in the absence of this Development Agreement.

11.13 Construction: The parties agree that each party and its counsel have reviewed and revised this Development Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Development Agreement or any amendments or exhibits hereto. This Development Agreement shall be reasonably interpreted and construed to encourage, promote and aid the Project so that the opportunities and positive community impacts of the Project are fully realized by the City, its citizens and Apple.

11.14 Agreement to Cooperate Regarding Validity of the Development Agreement: Notwithstanding a lack of standing or subject matter jurisdiction, a third person (other than the City or Apple) may attempt to initiate a lawsuit challenging the validity of the Development Agreement or any provision thereof. In such an event, the City and Apple hereby agree to cooperate with and assist the other in responding to such litigation and defending the validity of the Development Agreement and any provisions thereof; provided, however, each party shall retain the right to pursue its own independent legal defense. In the event a third party or parties initiate(s) litigation against the City concerning annexation, zoning, layout, design or building permit related to the Project, the City consents to Apple's intervention but reserves unto itself all rights to determine the City's strategies and defenses.

11.15 Confidential Information: Except to the extent required by applicable law, the parties shall maintain the confidentiality of any trade secrets or confidential business information Apple is required to provide to the City in connection with this Development Agreement. Apple will highlight specific items that it determines to be its trade secrets or confidential business information in a separate attachment identified to the City or will place such information in a separate attachment identified as "Confidential Business Information." The City will notify Apple sufficiently in advance of any proposed disclosure of Apple's Confidential Business Information so that Apple, at its expense, may object to it. Apple will indemnify the City against any claims, liabilities, losses and expenses resulting from Apple's decision to object to any such disclosures.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed on the day and year indicated above.

CITY OF CLAREMONT

By: _____
Shawn R. Brown, Mayor

[CITY SEAL]

ATTEST:

By: _____
Douglas L. Barrick, City Clerk

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

I, _____, a Notary Public of _____ County, North Carolina, do hereby certify that Shawn R. Brown, Mayor of the City of Claremont, North Carolina, a municipal corporation, personally came before me this day and acknowledged that he is the Mayor of the City of Claremont, that this Development Agreement has been approved by the Claremont City Council by ordinance in accordance with the requirements of Part 3D of Article 19 of Chapter 160A, that he has been authorized by the City Council to execute this Development Agreement on behalf of the City, that he knows the Corporate Seal of the City, that the Corporate Seal was affixed to this Development Agreement by Douglas L. Barrick, the City Clerk, pursuant to authorization from the City Council, that this Development Agreement is the act and deed of the City of Claremont, and that he acknowledged the due execution of this Development Agreement by him in the aforesaid capacity.

Witness my hand and official seal or stamp, this the ____ day of _____, 2014.

My commission expires: _____
Notary Public

[NOTARY SEAL] _____
Print Name of Notary

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

City of Claremont Finance Director

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed as of the Effective Date.

APPLE INC.

By: _____
Name: Luca Maestri
Title: Chief Financial Officer

STATE OF CALIFORNIA

COUNTY OF SANTA CLARA

On _____, 2014, before me, _____, personally appeared Luca Maestri, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the entity upon behalf of whom the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public
(SEAL)

My commission expires: _____

EXHIBIT A

LEGAL DESCRIPTION

Being shown and described as all of Tract B as shown on the subdivision map recorded in Plat Book _____ at Pages _____ to _____ of the Catawba County Registry.

EXHIBIT B

PROJECT LAYOUT/SITE PLAN

Being the Claremont Solar Park Claremont Site prepared by SunPower dated May 10, 2012 and revised April 22, 2014, which is attached and incorporated as the Project Layout/Site Plan of the Development Agreement.

EXHIBIT C

DISCLOSURES REQUIRED BY N.C.G.S. § 160A-400.25

A description of the development uses permitted on the Property, including population densities and building types, intensities, placement on the site and design: The Project consists of the layout, design and improvements shown on **Exhibit B** and is a Utility Scale Solar Energy System under the City's Zoning Ordinance. The Project includes all accessory uses and accessory structures as they are defined by Section 9-3-9 of the City of Claremont's Zoning Ordinance, in effect on the Effective Date.

It is not anticipated that there will be any people residing in the Project, except for the possibility of security and maintenance employees, and for temporary stays by Apple's employees, representatives or third party contractors or designees.

Building types, intensities, design and placement for the Project are shown on **Exhibit B** of this Development Agreement. Any other future building types, intensities, design and placement will be similar to and compatible with the buildings shown on **Exhibit B** of this Development Agreement.

A description of public facilities that will service the Property, other than those provided in the Development Agreement to be provided by the City of Claremont, the date any such new public facilities will be constructed, and a schedule to assure such public facilities are available concurrent with the impacts of the Property: None.

A description of public facilities that will service the Property, other than those provided in the Development Agreement to be provided by entities other than the City of Claremont, the date any such new public facilities will be constructed, and a schedule to assure such public facilities are available concurrent with the impacts of the Property: None.

A description of any reservation of dedication of land for public purposes and any provisions to protect environmentally sensitive property: Exchange of Property between Apple, the City and Duke Energy, approved by Resolution ____ adopted by the Claremont City Council on _____.

A description of any conditions, terms, restrictions, or other requirements determined to be necessary by the City for the public health, safety or welfare of its citizens: None.

A description of any provisions for the preservation and restoration of historic structures: None.

EXHIBIT D

DEVELOPMENT SCHEDULE REQUIRED

BY N.C.G.S. § 160A-400.25(b)

1. Commencement Date: Subject to the acquisition of the Property and other terms of this Development Agreement, Apple's designee will submit an application for issuance of a grading permit by December 31, 2014. This date will be referred to in this Exhibit as the "Commencement Date."
2. Building Permit Application: Subject to the acquisition of the Property and other terms of this Development Agreement and issuance of a grading permit, Apple's designee will submit an application for issuance of a building permit by June 30, 2015.
3. Construction Date: Subject to the acquisition of the Property, other terms of the Development Agreement and issuance of a grading permit and a building permit allowing construction of the Project, Apple will begin work on the Project within six (6) months of the date of issuance of the building permit for the Project.
4. Project Completion: Apple will have completed the Project within five (5) years of the Commencement Date.

Note: N.C.G.S. § 160A-400.25(b) requires a development schedule and that commencement dates and interim completion dates are at no greater than five-year intervals; however, the failure to meet a commencement or completion date shall not, in and of itself, constitute a material breach of a development agreement.

EXHIBIT E

LIST OF RELATED AGREEMENTS

1. Economic Development Agreement between Apple and the City dated _____.
2. All documents related to exchange of property between the City and Apple authorized by Resolution ____ adopted by the City Council on _____.

REQUEST FOR COUNCIL ACTION

Date of Meeting: July 7, 2014

To: Mayor and the City Council

From: Doug Barrick , City Clerk

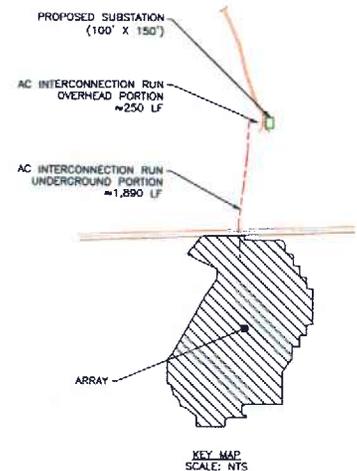
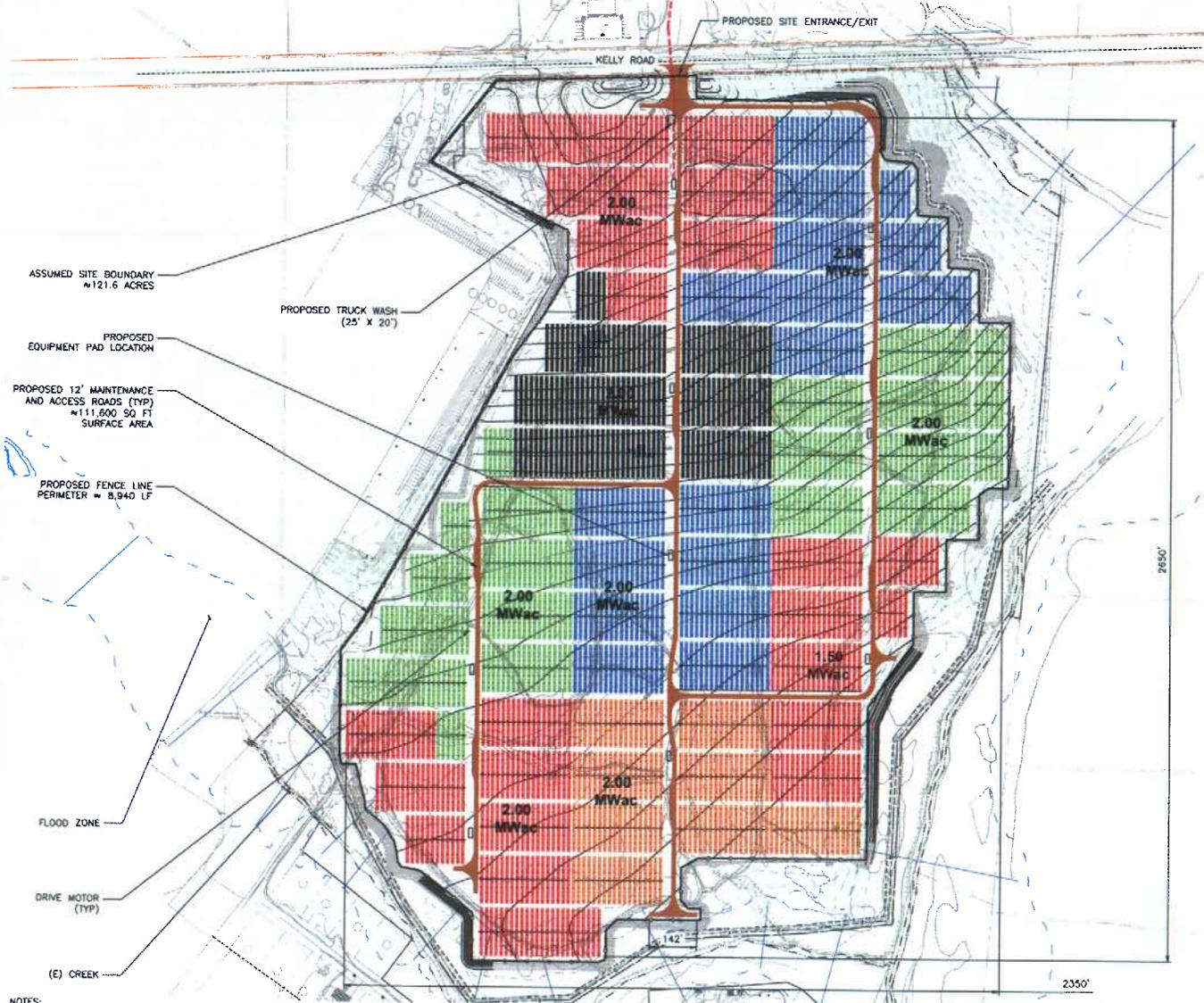
Action Requested: Hold Public Hearing on an Economic Development Agreement between the City of Claremont and Apple Inc.

Hold a public hearing to discuss an economic development agreement with Apple, Inc. as permitted by the provisions of N.C.G.S. § 158-7.1. The public is encouraged to give input on this agreement.

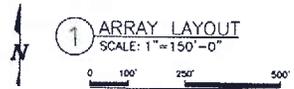
A draft copy of the economic development agreement has been available in the Office of the City Clerk, City of Claremont, 3288 East Main Street, Claremont, North Carolina 28610 and notice was published in regards to this hearing in the Newton News Observer on June 25, 2014.

Recommendation: Hold Public Hearing

EXHIBIT A



- NOTES:**
1. THIS DESIGN ASSUMES THAT THE SITE WILL BE GRADED AND OTHERWISE PREPARED AS REQUIRED TO MEET ALL TOLERANCES OF THE PROPOSED TRACKER ARRAY (SLOPE < 9%). REQUIRED GRADING IS NOT SHOWN ON THIS PLAN.
 2. 90 MPH WIND ZONE, EXPOSURE C, 15 PSF SNOW LOAD, 900 FT SITE ELEVATION, HEAVY DUTY DRIVE STRUTS
 3. ASSUMED CORROSION CATEGORY 2
 4. TOPO-MAP PROVIDED WITH 2' INTERVAL
 5. ALL TREES WITHIN ARRAY BOUNDARY, AND THOSE WHICH WILL SHADE THE ARRAY, NEED TO BE REMOVED PRIOR TO INSTALLATION



LEGEND:

- [8] 2.00 MWac BB
- [1] 1.50 MWac BB

PROPOSED SYSTEM SPECIFICATIONS:

21,924.00 kWp ≈ 17.50 MWac
 (50,400) HIGH EFF. (4.35W) MODULES
 10 MODULES/STRING, 5,040 STRINGS
 81 DRIVE MOTORS, 10,448 PIERS
 GCR=0.45, 9 EQUIPMENT PADS
 AZIMUTH ANGLE: 0°

NOTE: THE PROPOSED ARRAY LAYOUT SHOWN IS DESIGNED TO FIT EXISTING CONDITIONS AS THEY ARE DESCRIBED ON THIS DRAWING. kWp AND MODULE QUANTITY, TYPE AND LAYOUT ARE SUBJECT TO CHANGE BASED ON SUNPOWER VERIFICATION OF ACTUAL SITE CONDITIONS, AS WELL AS ON MODULE AVAILABILITY AT THE DATE OF ORDER.

SUNPOWER

144 HARBORWAY SOUTH
 IRVING, CA 94604
 (916) 434-0550

ENGINEER'S STAMP

**CLAREMONT SOLAR PARK
 CLAREMONT SITE**

3123 KELLY BOULEVARD
 CLAREMONT, CA 91710

**OASIS C1 TRACKER
 ARRAY LAYOUT**

REV	REVISION	DATE	BY	CHK
1	2.00 MWac BB	04-23-14	JK	JK

OPPORTUNITY: 408130

PROJECT: _____

DATE DRAWN: 5-10-12

DRAWN BY: ME

0" = 1"

SHEET 1

**STATE OF NORTH CAROLINA
CITY OF CLAREMONT**

**ECONOMIC DEVELOPMENT
AGREEMENT**

This **ECONOMIC DEVELOPMENT AGREEMENT** (this “Agreement”) is made and entered into this ___ day of _____, 2014, by and between the City of Claremont (the “City”), a municipal corporation organized and existing under North Carolina law, having a mailing address of P.O. Box 466, Claremont, North Carolina 28610, Attn: Doug Barrick, City Manager, and Apple Inc. (“Apple”), a California corporation, having a mailing address of 1 Infinite Loop, MS: 21-1AC2, Cupertino, California 95014, Attn: Dan Whisenhunt, Sr. Director, Real Estate & Development. All material transactions regarding this Agreement shall be deemed to have occurred in the City of Claremont, North Carolina.

WITNESSETH:

WHEREAS, the City desires to promote the economic development of the City, increase the City’s tax base and improve the business prospects of the City and surrounding area; and

WHEREAS, the Local Development Act, North Carolina General Statutes Section 158-7.1 (the “Act”) authorizes the City to make appropriations for the purpose of aiding and encouraging the location of manufacturing enterprises and industrial and commercial plants in or near its boundaries, and for other purposes which in the discretion of its governing body will increase the City’s taxable property and business prospects; and

WHEREAS, Apple is a California corporation authorized to do business in the State of North Carolina; and

WHEREAS, Apple intends to purchase real property in Catawba County, North Carolina more particularly described on Schedule 1 (the “Land”) and has agreed with the City to file a voluntary petition for annexation of the Land by the City in consideration of, among other things, the entry by the City into this Agreement, and has heretofore purchased other real property in Catawba County in the vicinity of the Land, and has constructed buildings and other improvements thereon and has installed therein equipment, fixtures and other tangible personal property to serve as a data center, a solar energy electric system and space for other functions (collectively, the “Existing Improvements”);

WHEREAS, in order to improve the operating efficiency and sustainability of the Existing Improvements Apple intends to acquire the Land and install or cause to be installed thereon a solar energy electric system and renovate from time to time the related equipment and other fixtures and tangible personal property (collectively, the “Solar Property”), and to undertake such other work as may be appropriate to accomplish its business purposes; and

WHEREAS, Apple anticipates that the capital costs of the Land and the Solar Property including the equipment, fixtures and other tangible personal property will equal or exceed **Fifty-Five Million Dollars (\$55,000,000)** and that Apple intends the acquisition of the Land and installation of the Solar Property shall be completed by the date stated in paragraph 4 of Exhibit D of the Development Agreement for the Solar Property; and

WHEREAS, the installation of the Solar Property is expected to increase the taxable property in the City and create approximately 75 indirect jobs in connection with the installation of the Solar Property and promote the retention of full time, direct employment at the Existing Facilities; and

WHEREAS, Apple and Catawba County entered into the Economic Development Agreement, dated the 6th day of July, 2009, reference to which is hereby made relating to the location and development of the Existing Facilities, a true copy of which is attached hereto (the "Catawba EDA") and certain defined terms used herein shall have the meanings given them in the Catawba EDA; and

WHEREAS, Apple is encouraged, to the reasonable extent possible, to encourage the contractor selected to install the Solar Property to purchase local services and supplies, local hotel, motel and hospitality services, local building and construction services, and other products and services; and

WHEREAS, the City and Apple understand and agree that under current law eighty percent (80%) of the appraised value of the Solar Property will be excluded from the City's property tax base; and

WHEREAS, as an inducement to Apple and to assist Apple in connection with the installation of the Solar Property the City is willing to agree, in the event North Carolina General Statutes section 105-275 shall be repealed in whole or in part, to appropriate and expend City funds to provide certain economic development incentives for the creation or retention of jobs and to cause capital investment, as provided in this Agreement, all such appropriations and expenditures to be made pursuant to the terms and conditions of this Agreement and the Act; and

WHEREAS, the City has approved the appropriation and expenditure as hereinafter set forth for the specific purpose of making economic development grants based on the value of the Solar Property; and

WHEREAS, Apple acknowledges that but for the City's agreement to enter into this Agreement and other transactions with Apple, Apple would not have agreed to petition the City for annexation of the Land and Solar Property by the City and enter into this Agreement; and

WHEREAS, the parties desire to reduce their agreement to written form;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. This Agreement is executed subject to the fulfillment, on or before August 31, 2014, of each of the following conditions precedent, except to the extent that Apple, in its absolute discretion, may waive one or more thereof in whole or in part (except Paragraph 1.1):

- 1.1 The City shall deliver to Apple an Opinion of Counsel for the City, in form and substance reasonably satisfactory to Apple, that this Agreement has been duly authorized, executed and delivered by the City;
- 1.2 The City shall deliver to Apple, in form and substance reasonably satisfactory to Apple, evidence in the form of a Resolution or Resolutions, or official minutes, of the City duly adopted authorizing the economic development incentives set forth in this Agreement;
- 1.3 The City shall deliver to Apple an Opinion of Counsel for the City, in form and substance reasonably satisfactory to Apple, stating that this Agreement complies with the terms and requirements of the Act and is lawful, binding and enforceable against the City in accordance with its terms; and
- 1.4 No litigation is then pending that challenges this Agreement, nor is there any imminent threat that such litigation will be filed.

The City agrees to use its commercially reasonable efforts to cause the conditions in Paragraphs 1.1, 1.2 and 1.3 to be satisfied on or before August 31, 2014.

2. This Agreement is executed subject to the fulfillment, on or before August 31, 2014, of each of the following conditions precedent, except to the extent that the City, in its absolute discretion, may waive one or more thereof in whole or in part (except Paragraph 2.1):
 - 2.1 Apple shall have entered into an agreement to purchase all or part of the Land;
 - 2.2 Apple shall deliver to the City an officer's certificate confirming that it has purchased all or part of the Land. Such certificate shall be substantially in the form of the certificate attached to this Agreement as Exhibit A. The statements in Exhibit A shall conclusively be deemed to be accurate and complete unless the City objects thereto within 90 days after receipt. The objection will specifically identify the City's concerns. The parties will consult in good faith to try to resolve the City's objections, and upon the City's request Apple will supply verification of the purchases consummated. If the City's objections are not resolved, the parties may pursue their legal and equitable remedies, provided that the annual grants, if any, will continue to be made until and unless a non-appealable judicial decision enjoins them;
 - 2.3 Apple shall deliver to the City an Opinion of in-house Counsel for Apple, in form and substance reasonably satisfactory to the City, that this Agreement has been duly authorized, executed and delivered by Apple; and
 - 2.4 Apple shall deliver to the City an Opinion of Counsel for Apple, in form and substance reasonably satisfactory to the City, stating that this Agreement is lawful, binding and enforceable against Apple in accordance with its terms.

Apple agrees to use its commercially reasonable efforts to cause such conditions to be satisfied on or before August 31, 2014.

3. Each party hereby represents and warrants to the other as follows:
 - 3.1 In order to induce the City to enter into this Agreement and to appropriate and expend monies for payment of economic development incentives pursuant to this Agreement, Apple represents and warrants to the City that as of the execution date hereof:
 - a. It is a corporation duly organized and existing under the laws of the State of California, has a place of business within the State of North Carolina, and is in good standing and authorized to do business in the State of North Carolina;
 - b. It has the corporate power and authority to own its properties and assets and to carry on its business as now being conducted and has the corporate power and authority to execute and perform this Agreement;
 - c. This Agreement: (i) is the lawful, valid and binding agreement of Apple, enforceable against Apple in accordance with its terms; (ii) does not violate any order of any court or other agency of government binding on Apple, the charter documents of Apple or any provision of any indenture, agreement or other instrument to which Apple is a party; and (iii) does not conflict with, result in a breach of, or constitute an event of default, or an event which, with notice or lapse of time, or both, would constitute an event of default, under any material indenture, agreement or other instrument to which Apple is a party;
 - d. There is no suit, claim, action or litigation pending relating to this Agreement, the Solar Property or the use of the Solar Property for its intended purpose, nor (to the best knowledge of Apple) is there any imminent threat that such that litigation will be filed; and
 - e. To the best of Apple's knowledge, there is no impediment to the use of the Solar Property for the purposes contemplated by this Agreement; and
 - 3.2 In order to induce Apple to enter into this Agreement and to develop the Solar Property pursuant to this Agreement, the City represents and warrants to Apple that as of the execution date hereof:
 - a. It is a North Carolina municipal corporation duly organized and existing under the laws of the State of North Carolina;
 - b. It has the power and authority to execute and perform this Agreement;
 - c. This Agreement: (i) is the lawful, valid and binding agreement of the City, enforceable against the City in accordance with its terms; (ii) does not violate any order of any court or other agency of government binding on the City, the charter documents of the City or any provision of any indenture, agreement or other instrument to which the City is a party; and (iii) does not

conflict with, result in a breach of, or constitute an event of default, or an event which, with notice or lapse of time, or both, would constitute an event of default, under any material indenture, agreement or other instrument to which the City is a party;

- d. There is no suit, claim, action or litigation pending relating to this Agreement or the Solar Property or the Land or the use of the Solar Property or the Land for its intended purpose, nor (to the best knowledge of the City) is there any imminent threat that such litigation will be filed; and
 - e. To the best of the City's knowledge, when completed the Solar Property will constitute a "solar energy electric system" as the term is used in North Carolina General Statutes Section 105-275(45) and will be entitled to the partial exclusion of the appraised value of the Solar Property from ad valorem property tax base of and from ad valorem property tax assessed by the City and there is no impediment to the use of the Solar Property or the Land for the purposes contemplated by this Agreement.
4. Subject to satisfaction of the conditions set forth in Paragraphs 1, 2 and 3 above, Apple covenants and agrees with the City that in consideration of the City's agreement to appropriate monies and make the annual grants to Apple upon the happening of the future events described herein, Apple shall develop and operate the Solar Property during the remainder of the Initial Term as defined in the Catawba EDA. Apple reasonably expects the capital expenditures of the Solar Property to meet or exceed **Fifty-Five Million Dollars (\$55,000,000)** and that Apple intends the acquisition of the Land and installation of the Solar Property shall be completed by the date stated in paragraph 4 of Exhibit D of the Development Agreement for the Solar Property. The initial term of this Agreement shall be coterminous with the remainder of the Initial Term of the Catawba EDA. Thereafter, if the term of the Catawba EDA is extended the term of this Agreement shall automatically be extended likewise (i.e., for up to two ten (10)-year renewal terms) such that the term of this Agreement shall be coterminous with the term of the Catawba EDA. Notwithstanding any other provision of this Agreement to the contrary, the term of this Agreement, and any extension of this Agreement by renewal agreements shall not extend beyond January 1, 2040; provided that this limitation shall not prevent the parties hereto from negotiating and/or entering into a separate agreement which, by its terms, may extend beyond January 1, 2040.
5. The City will provide annual cash grants equal to 50% of the additional ad valorem taxes paid to the City during the initial term of this Agreement attributable to any increase in the tax value of the Land as the result of investments in real property on the Land made after the date Apple signs the agreement to purchase the Land and 80% of the additional ad valorem taxes paid to the City during the initial term of this Agreement attributable to the investment in the Solar Property; provided, however, the City shall not be obligated for any grant payments to Apple with respect to the Solar Property for so long as eighty percent (80%) of the tax value of the Solar Property shall be excluded from the City's property tax base and excluded from property tax under North Carolina General Statutes Section 105-275 (the "Exclusion Statute"). "Solar Property" shall not be considered as "investment

land” for purposes of this calculation of additional ad valorem taxes “attributable to investment in the Land” as used in this Section. If the Exclusion Statute shall at anytime during the term of this Agreement be repealed or amended so as to result in more than 20% of the assessed value of the Solar Property being subject to ad valorem property tax assessed by the City, grant payments shall be made by the City to Apple beginning in the year following the year in which the repeal or other amendment is effective as provided in this Paragraph 5. If the Exclusion Statute shall be amended the amount of each annual grant payment to be made by the City with respect to the Solar Property shall equal the amount of additional property tax paid by Apple with respect to the Solar Property after giving effect to the repeal or amendment of the Exclusion Statute as compared to the property tax Apple would have paid in the absence of a repeal or amendment of the Exclusion Statute. Upon payment of the ad valorem property taxes by or on behalf of Apple the City shall, within 60 days, pay to Apple the grant in the amount calculated as provided in this Paragraph 5. The first annual grant payment shall be made with respect to the first tax year of the City following the calendar year in which the annexation of the Land by the City is effective and the annual grant payments shall continue throughout the initial term of this Agreement and thereafter during any renewal terms unless this Agreement shall be terminated as herein provided. The City will not pay any grants after the initial term of this Agreement unless the Term of the Catawba EDA shall be extended pursuant to Paragraph 6 thereof. Nothing contained in this Agreement shall preclude the City and Apple from entering into a subsequent agreement pertaining to economic development incentives. Notwithstanding any other provision of this Agreement to the contrary, nothing in this Agreement shall be construed as to require the City to make grants to Apple or any other person, firm or entity in excess of the ad valorem taxes paid to the City as the result of the investments made by Apple or any other person, firm or entity pursuant to this Agreement.

5.1 Expedited Review and Permit Approval and other inducements:

- 5.1.1 The City will provide expedited review and approval of site plan and plans and specifications for the Solar Property, with an initial response delivered in sufficient time so that final action is taken in less than two (2) weeks after completed submittal;
- 5.1.2 To the extent of the City’s capability to do so, the City will cooperate with and assist Apple in connection with Apple’s negotiation of agreements for connecting the Solar Property to the transmission lines owned and operated by Duke Energy; and
- 5.1.3 The City will charge building permitting and inspections fees limited to actual cost of services including Express Plan Review.

- 6. Subject to Apple’s sole and absolute discretion, the term of this Agreement shall be automatically extended by two additional terms of 10 years each under the terms and conditions of Paragraph 6 of the Catawba EDA, provided that no additional term(s) shall cause this Agreement to extend beyond January 1, 2040.

7. If Apple is unable to meet the requirements of Paragraph 4 as a result of: (i) an event of force majeure, including but not limited to fires, explosions, acts of God, acts of public enemy, insurrections, riots, terrorism, embargoes, labor disputes, including strikes, lockouts and job actions, or boycotts; (ii) the inability to obtain the governmental permits or approvals (including zoning) necessary for the acquisition of the Land or undertaking and operating the Solar Property after a good faith effort to obtain same has been made; (iii) shortages of materials, water or energy; (iv) changes in laws; or (v) other causes beyond the control of and arising without the fault or negligence of Apple then, in such event, the Initial Term shall be extended for a period equal to the delay caused by any of the foregoing events so long as Apple shall: (a) have furnished the City on a timely basis, upon the occurrence of such event, a notice thereof; and (b) taken all commercially reasonable steps necessary to relieve the effect of such event and to resume development of the Solar Property; provided that no event shall the initial term of this Agreement extend beyond the Initial Term of the Catawba EDA.
8. If Apple shall not invest at least **Fifty-Five Million Dollars (\$55,000,000)** by the date stated in paragraph 4 of Exhibit D of the Development Agreement for the Solar Property, either party may terminate this Agreement by giving written notice to the other. If Apple shall purchase the Land and cause the installation of the Solar Property to be completed and the same to be placed in service and operations to be commenced and thereafter terminate the operation of the Solar Property, except for a reasonable period for the maintenance, repair or replacement of the Solar Property or upon the occurrence of an event of force majeure described in Paragraph 7 above, the City shall have the option of terminating this Agreement whereupon Apple shall be obligated for the repayment to the City of an amount equal to the most recent annual grant payment made by the City to Apple. Upon termination of this Agreement under the provisions of this Paragraph 8 and payment by Apple of any amount due hereunder, this Agreement shall terminate and neither party shall have any further obligation to the other.
9. Both Apple and the City acknowledge that any and all monies appropriated and expended by the City for economic development incentives, as provided in this Agreement, are for a bona fide public purpose and are expended in good faith reliance on the Act. If one or more lawsuits are brought against the City or any City elected official, officer, agent or employee challenging the legality of this Agreement, then the City shall exercise its best efforts to defend against any and all such lawsuits. Apple will support and assist the City in such efforts in any litigation; if both the City and Apple are sued, the parties shall consider whether a joint defense agreement is feasible. The City agrees to maintain adequate public official liability coverage.
10. All notices, certificates or other communications required or permitted to be given or served hereunder shall be deemed given or served in accordance with the provisions of this Agreement if the notice is (i) mailed in a sealed wrapper and is deposited in the United States mail, certified mail, return receipt requested, postage prepaid, or (ii) deposited with a national overnight courier service that retains receipts for its deliveries, properly addressed as follows:

City: City of Claremont

Attn: City Manager
City of Claremont
P.O. Box 446
Claremont, NC 28610

City Clerk
City of Claremont
P.O. Box 446
Claremont, NC 28610

City Attorney
City of Claremont
P.O. Drawer 166
Newton, NC 28658

Apple: Apple Inc.
1 Infinite Loop, MS:21-1AC2
Cupertino, CA 95014
Attn: Dan Whisenhunt, Sr. Director, Real Estate &
Development

Copy to: Apple Inc.
1 Infinite Loop, MS 4-DLAW
Cupertino, CA 95014
Attn: James Fowler

The City or Apple may, by notice given to the other, designate any further or different addresses to which notices, certificates, requests or other communications shall be sent.

11. This Agreement shall inure to the benefit of, and is binding upon, the City and Apple and their respective successors and assigns. However, neither this Agreement, nor any rights, privileges, or claims created by this Agreement may be transferred by Apple without the prior, written approval of the City which approval will not be unreasonably withheld, conditioned or delayed; provided that, Apple may transfer this Agreement to any affiliate controlling, controlled by or under common control with Apple without the City's consent but with notice to the City.
12. Except as otherwise provided in this Agreement, this Agreement may not be amended, changed, modified or altered except by written agreement of the parties.
13. If any provision of this Agreement, or its application to any person, is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, invalidation of any provision of this Agreement, or its application to any person, shall not affect any other provisions of this Agreement or its application to any other person or circumstance, and the remaining portions of this Agreement shall continue in full force and effect.

14. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and It shall not be necessary in making proof of this Agreement to produce or account for more than one such fully-executed counterpart.
15. This Agreement is governed by and shall be construed in accordance with the laws of the State of North Carolina, venue in Catawba County.
16. The term of this Agreement shall commence on the date of execution and expire upon payment by the City of all payments due to Apple hereunder, unless earlier terminated as provided herein. The term of this Agreement shall be in all respects coterminous with the Term of the Catawba EDA, including renewal terms.
17. Both Apple and the City acknowledge and stipulate that this Agreement is the product of mutual negotiation and bargaining and that it has been drafted by counsel for both Apple and the City. As such, the doctrine of construction against the drafter shall have no application to this Agreement.
18. Except to the extent required by applicable law, the parties shall maintain the confidentiality of any trade secrets or confidential business information Apple is required to provide to the City in connection with this Agreement. Apple will highlight specific items that it determines to be its trade secrets or confidential business information in any reports or other materials delivered to the City or will place such information in a separate attachment identified as "Confidential Business Information." The City will notify Apple sufficiently in advance of any proposed disclosure of Apple's Confidential Business Information so that Apple, at its expense, may object to it. Apple will indemnify the City against any claims, liabilities, losses and expenses resulting from Apple's decision to object to any such disclosures.

Executed the date first set forth above.

City of Claremont,
a North Carolina Municipal Corporation

Attest:

By: _____
_____,
Mayor

Apple Inc. a California corporation

By: _____
Luca Maestri,
Chief Financial Officer

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

I, _____ a Notary Public of said county and state, certify that
_____ personally came before me this day and acknowledged that [he/she]
is _____ to the Claremont City Council, a body politic, and that by authority duly
given and as the act of the public body the foregoing instrument was signed in its name by its
Mayor, sealed with its official seal, and attested by [herself/himself] as _____.

Witness my hand and seal this _____ day of _____, 2014.

Notary Public

My commission expires: _____

STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

On _____, 2014, before me, _____ personally appeared Luca Maestri, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me the he executed the same in his authorized capacity, and that by his signature on the instrument the entity upon behalf of whom the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

My commission expires: _____

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

_____, _____

Approved as to form on behalf of the City of Claremont:

_____, City Attorney

Schedule 1

The Land

EXHIBIT A

CERTIFICATE

TO: **The City of Claremont**

This Certificate is delivered pursuant to Paragraph 2.1 of the Economic Development Agreement (the "Agreement), dated the __th day of May, 2014, between the City of Claremont and Apple Inc. ("Apple"). Any capitalized term not otherwise defined herein shall have the meaning assigned to such term in the Agreement.

The undersigned officer of Apple does hereby certify that, to such officer's knowledge:

Apple has entered into a Purchase Agreement for properties identified as (address) to be annexed into the City of Claremont on or about _____, 20__, NC, Parcel ID # _____. A redacted copy of the executed purchase agreement is attached and incorporated herein.

Dated this _____ day of _____, 2014.

Apple Inc.

BY: _____

TITLE: _____

REQUEST FOR COUNCIL ACTION

Date of Meeting: July 7, 2014

To: Mayor and the City Council

From: Doug Barrick, City Manager

Action Requested: Approve FY 14 Audit Contract

North Carolina General Statutes require that the City Council Select and Approve a Certified Public Accountant as soon as possible after the close of each fiscal year to audited all accounts. The auditor shall be selected by and shall report directly to the governing board.

Recommendation: Approve Melanie Starr CPA as the auditor for the FY 14 Budget accounts and approve the contract.

Melanie M. Starr, CPA, PLLC

mstarrcpa@charter.net • 2041 PL Propst Road, Maiden, NC 28650 • 828-234-0409

July 2, 2014
City Council
Town of Claremont
Claremont, NC 28610

I am pleased to confirm my understanding of the services I will provide to the City of Claremont for the year ended June 30, 2014. I will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Claremont as of and for the year ended June 30, 2014. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Claremont's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of my engagement, I will apply certain limited procedures to the City of Claremont's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I will not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.

I have also been engaged to report on supplementary information other than RSI that accompanies the City of Claremont's financial statements. I will subject the following supplementary information to the auditing procedures applied in my audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and I will provide an opinion on it in relation to the financial statements as a whole:

- 1) Combining and individual fund financial statements and schedules
- 2) Schedule of Revenues and Expenditures – Budgetary Comparison

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in my audit of the financial statements, and my auditor's report will not provide an opinion or any assurance on that other information.

- 1) Statistical Section

Audit Objective

The objective of my audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. My audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures I consider necessary to enable me to express such opinions. I will issue a written report upon completion of my audit of the City of Claremont's financial statements. My report will be addressed to the City Council and Town Manager of the City of Claremont. I cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for me to modify my opinions or add emphasis-of-matter or other-matter paragraphs. If my opinions on the financial statements are other than unmodified, I will discuss the reasons with you in advance. If, for any reason, I am unable to complete the audit or are unable to form or have not formed opinions, I may decline to express opinions or may withdraw from this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. As a part of the audit, I will assist you with the preparation of your financial statements and related notes. You are responsible for making all management decision and performing all management functions related to the financial statements and related notes and for accepting all responsibility for such decisions. You will be required to acknowledge in the management representation letter my assistance with the preparation of the financial statements and the related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee any nonaudit services I provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities; to help to ensure that appropriate goals and objects are met for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to me and for the accuracy and completeness of that information. You are also responsible for providing me with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that I may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom I determine it necessary to obtain audit evidence.

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Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to me in the management representation letter that the effects of any uncorrected misstatements aggregated by me during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing me about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing me of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include my report on the supplementary information in any document that contains and indicates that I have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes my report thereon.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for me previous financial audits, attestation engagements, performance audits and other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility including relaying to me corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's view on my current findings, conclusions, and recommendations, as well your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures-General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, my audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. I will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because I will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by me, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, I will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to my attention. I will also inform the appropriate level of management of any violations of laws or governmental regulations that come to my attention, unless clearly inconsequential. My responsibility as auditor is limited to the period covered by my audit and does not extend to any later periods for which I am not engaged as auditors.

My procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. I will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of my audit, I will require certain written representations from you about the financial statements and related matters.

Audit Procedures-Internal Control

My audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that I consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, I will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures-Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I will perform tests of the City of Claremont's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of my audit will not be to provide an opinion on overall compliance and I will not express such an opinion.

Engagement Administration, Fees, and Other

In order to complete my audit on a timely basis and at the lowest possible costs, I will call upon the accounting and clerical personnel of the City of Claremont to assist me in such tasks as location of documents needed in my audit, the pulling of selected invoices, the preparation of confirmation letters, and reconciliations of account balances.

Therefore, I understand that your accounting department will prepare the following as soon as practical after June 30 and have them available for me to use before I begin the audit:

- 1) Electronic version of the ending trial balance of each the various fund general ledgers along with a trial balance of revenue and expenditure ledgers if maintained separately as subsidiary ledgers.
- 2) Reconciliation of each bank account as of June 30.
- 3) List of accounts payable as of June 30.
- 4) List of reimbursement claims collectible as of June 30 (including any claims submitted later based upon the expenditures during the period).
- 5) List of all other accounts receivables as of June 30.
- 6) List of all federal and State awards as of June 30.
- 7) Reconciliation of capital assets and related depreciation activities for the year.
- 8) Pull selected invoices.

I may from time to time, and depending on the circumstances, use third-party service providers in serving your account. I may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, I maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, I will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and I will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that I am unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, I will remain responsible for the work provided by any such third-party service providers.

I understand that your employees will prepare all cash or other confirmations I request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Melanie M. Starr, CPA, PLLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a federal, or State agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. I will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Melanie M. Starr, CPA, PLLC personnel. Furthermore, upon request, I may provide copies of selected audit documentation to aforementioned parties or its designee. These parties, or its designee may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or any additional period requested be the federal or State agencies. If I are aware that a federal or State awarding agency or audit is contesting an audit finding, I will contact the party contesting the audit finding for guidance prior to the destroying the audit documentation.

Melanie M. Starr, CPA, PLLC

• • •

I expect to begin my audit upon approval of the audit contract and to issue my reports no later than October 31, 2014. Melanie Starr is the engagement partner and is responsible for supervising the engagement and signing the report. My fee for these services will be at my standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that I agree that my gross fee, including expenses will not exceed \$17,500. My standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. My invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with my firm policies work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If I elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, *even* if I have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, I will discuss it with you and arrive at a new fee estimate before I incur the additional costs.

I understand that all invoices for audit services be submitted to the North Carolina Local Government Commission for approval before payment. Interim invoices for fees for services provided prior to the release of my report on the examination, internal control, and management advice will not exceed 75% of the agreed total fees.

I appreciate the opportunity to be of service to the City of Claremont and believe this letter accurately summarizes the significant terms of my engagement. If you have any questions, please let me know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Melanie M. Starr, CPA, PLLC

Certified Public Accountant

RESPONSE:

This letter correctly sets forth the understanding of the City of Claremont.

By: _____

Title: _____

Date: _____

City of Claremont

Contract to Audit Accounts (cont.)

Name of Governmental Unit and Discretely Presented Component Unit's (DPCU) if applicable

7. Item No. 22 – E-verify requirements now apply to **all municipal and county contracts**, including the audit contract. There is no e-verify requirement for the audit contract for other types of entities. The best approach to meeting e-verify requirements may be for the municipal or county local government to have its vendors with 25 or more employees in the State of North Carolina sign a document attesting that they have complied with the e-verify requirements for their staff and their sub-contractors. This language is included in Item 22 of the audit contract. Any municipal or county contracts executed Sept 4, 2013 or later whose audit firm has 25 or more employees in the State of North Carolina will need the addendum/language and will be returned to the unit if it is not included. If the e-verify requirements do not apply to your contract, either because you are a city or county but your audit firm has less than 25 employees, or you are an entity to which e-verify does not apply, please mark Item #22 “N/A” or exclude Item #22 by specifically excluding it in Item #23.
8. Signature Area – Make sure all signatures have been obtained. **The contract must be approved by your Governing Board pursuant to G.S. 159-34(a).** NEW - If this contract includes auditing a DPCU that is a Public Authority under the Local Government Budget and Fiscal Control Act it must be named in this Audit contract and the Board chairperson of the DPCU **must also sign** the Audit contract in the area indicated. If the DPCU has a separate Audit, a separate Audit contract is required for the DPCU.
9. Please place the date the Unit’s Governing Board and the DPCU’s governing Board (if applicable) approved the audit contract in the space provided.
 - a. Please make sure that you provide email addresses for the audit firm and finance officer as these will be used to communicate official approval of the contract.
 - b. Has the pre-audit certificate been signed and dated by the appropriate party?
 - c. Has the name and title of the Mayor or Chairperson of the Unit’s Governing Board and the DPCU’s Chairperson (if applicable) been typed or printed on the contract and has he/she signed in the correct area directly under the Auditor’s signature?
10. If the Auditor is performing an audit under the yellow book or single audit rules, has year-end bookkeeping assistance been limited to those areas permitted under the revised GAO Independence Standards? Although not required, we encourage Governmental Units and Auditors to disclose the nature of these services in the contract or an engagement letter. Fees for these services should be shown in the space indicated in Item 9 of the contract.
11. Has the most recently issued peer review report for the audit firm been included with the contract? This is required if the audit firm has received a new peer review report that has not yet been forwarded to us. The audit firm is only required to send the most current Peer Review report to us once – not multiple times.
12. After all the signatures have been obtained and the contract and is complete, please convert the contract and all other supporting documentation to be submitted for approval into a PDF copy. Peer Review Reports should be submitted in a separate PDF file. These documents should be submitted using the most current submission process which can be obtained at the NC Treasurer’s web site – <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>.

Steps to Completing the Audit Contract

1. Complete the Header Information – NEW: If a DPCU is subject to the audit requirements as detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not issued for the DPCU and is to be included in the Primary Government's audit, the DPCU must be named with the parent government on this Audit contract. The Board chairman of the DPCU also must sign the Audit contract.
2. Item No. 1 – Complete the period covered by the audit
3. Item No. 6 – Fill in the audit due date. For Governmental Unit (s), the contract due date can be no later than 4 months after the end of the fiscal year, even though amended contracts may not be required until a later date.
4. Item No. 8 – if the process for invoice approval instructions changed, the Auditor should make sure he and his administrative staff are familiar with the current process. Instructions for each process can be found at the following link. <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>
5. Item No. 9 – Complete the fee section as in the past but please note:
 - The cap on interim payments is 75% of the current audit fee for services rendered if the contracted fee amount is a fixed amount. If any part of the fee is variable, interim payments are limited to 75% of the prior year's total audit fee. If the contract fee is partially variable, we will compare the authorized interim payment on the contract to 75% of last year's actual approved total audit fee amount according to our records. There is a report of audit fees paid by each governmental unit on our web site: <https://www.nctreasurer.com/slg/Pages/Non-Audit-Services-and-Audit-Fees.aspx> - Auditors and Audit Fees. Please call or email Steven Holmberg of our office at 919-807-2394 steven.holmberg@nctreasurer.com if you have any questions about the fees on this list.
 - For variable fees for services, are the hourly rates or other rates clearly stated in detail? If issued separately in an addendum, has the separate page been acknowledged in writing by the Governmental Unit?
 - For fees for services that are a combination of fixed and variable fees, are the services to be provided for the fixed portion of the fee clearly stated? Are the hourly rates or other rates clearly stated for the variable portion of the fee? See previous bullet point regarding variable fees.
 - If there is to be no interim billing, please indicate N/A instead of leaving the line blank.
6. Item No. 16 – If there is a reference to an engagement letter or other document (ex: Addendum), has the engagement letter or other document been acknowledged by the Governmental Unit and attached to the contract submitted to the SLGFD?
 - a. Do the terms and fees specified in the engagement letter agree with the Audit contract? *"In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control."*
 - b. Does the engagement letter contain an indemnification clause? **The audit contract will not be approved if there is an indemnification clause – refer to LGC Memo # 986.**

CONTRACT TO AUDIT ACCOUNTS

City of Claremont

Of _____ Governmental Unit and Discretely Presented Component Unit (DPCU) if applicable

On this 2nd day of July, 2014,

Auditor: Melanie M. Starr, CPA, PLLC Auditor Mailing Address: _____

2041 PL Propst Road, Maiden, NC 28650 Hereinafter referred to as The Auditor

and City Council (Governing Board (s)) of City of Claremont

: hereinafter referred to as the Governmental Unit (s), agree as follows: Governmental Unit (s)

1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning July 1, 2013, and ending June 30, 2014. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCU's, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).

2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with generally accepted auditing standards. The Auditor shall perform the audit in accordance with Government Auditing Standards if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated workpapers may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and/or workpapers are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC CPA Board).

County and Multi-County Health Departments: The Office of State Auditor will designate certain programs that have eligibility requirements to be considered major programs in accordance with OMB Circular A-133 for the State of North Carolina. The LGC will notify the auditor and the County and Multi-Health Department of these programs. A County or a Multi-County Health Department may be selected to audit any of these programs as major.

3. If an entity is determined to be a component of another government as defined by the group audit standards - the entity's auditor will make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unqualified opinion being rendered. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in Government Auditing Standards, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in Government Auditing Standards. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract (See Item 22). If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to Government Accounting Standards or if financial statements are not prepared in accordance with GAAP and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment..

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the State and Local Government Finance Division (SLGFD) within four months of fiscal year end. Audit report is due on: October 31, 2014. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must be submitted to the Secretary of the LGC for approval.

Contract to Audit Accounts (cont.)

City of Claremont

Name of Governmental Unit and Discretely Presented Component Unit's (DPCU) if applicable

7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as same relates to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor will make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report must include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. **Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC.** (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work must be submitted by email in PDF format to the Secretary of the LGC for approval. The invoices must be sent to: lgc.invoice@nctreasurer.com. Subject line should read "Invoice – [Unit Name]. The PDF invoice marked 'approved' with approval date will be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit shall pay to the Auditor, upon approval by the Secretary of the LGC, the following fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts:

Year-end bookkeeping assistance – [For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards]

Audit \$14,000

Preparation of the annual financial statements \$3,500

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee. The 75% cap for interim invoice approval for this audit contract is \$ 13,125 **** NA if no interim billing**

10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall include documentation either in the notes to the audited financial statements or as a separate report submitted to the SLGFD along with the audit report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the SLGFD simultaneously with the Governmental Unit's audited financial statements unless otherwise specified in the bond documents.
11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include but not be limited to the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the client or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the accounting period.
12. If the audit firm is required by the NC CPA Board or the Secretary of the LGC to have a pre-issuance review of their audit work, there must be a statement added to the engagement letter specifying the pre-issuance review including a statement that the Governmental Unit will not be billed for the pre-issuance review. The pre-issuance review must be performed **prior** to the completed audit being submitted to the LGC. The pre-issuance report must accompany the audit report upon submission to the LGC.
13. The Auditor shall electronically submit the report of audit to the LGC when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the SLGFD by any interested parties. Any subsequent revisions to these reports must be sent to the Secretary of the LGC. These audited financial statements are used in the preparation of official statements for debt offerings (the Auditors' opinion is not included) by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and other lawful purposes of the Governmental Unit without subsequent consent of the

Name of Governmental Unit and Discretely Presented Component Unit's (DPCU) if applicable

Auditor. If it is determined by the LGC that corrections need to be made to the Governmental Unit's financial statements, they should be provided within three days of notification unless, another time frame is agreed to by the LGC.

If the OSA designates certain programs to be audited as major programs, as discussed in item #2, a turnaround document and a representation letter addressed to the OSA shall be submitted to the LGC.

The LGC's process for submitting contracts, audit reports and Invoices is subject to change. Auditors should use the submission process in effect at the time of submission. The most current instructions will be found on our website: <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time and/or compensation as may be agreed upon by the Governing Board and the Auditor
15. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, signed and dated by all parties and pre-audited if the change includes a change in audit fee. This document and a written explanation of the change must be submitted by email in PDF format to the Secretary of the LGC for approval. The portal address to upload your amended contract and letter of explanation documents is <http://nctreasurer.slgfd.leapfile.net> No change shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.
16. Whenever the Auditor uses an engagement letter with the Governmental Unit, Item #17 is to be completed by referencing the engagement letter and attaching a copy of the engagement letter to the contract to incorporate the engagement letter into the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control. Engagement letter terms are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item #23 of this contract. Engagement letters containing indemnification clauses will not be approved by the LGC.
17. Special provisions should be limited. Please list any special provisions in an attachment.
18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not issued and the DPCU is included in the primary government audit, the DPCU must be named along with the parent government on this audit contract. Signatures from the DPCU Board chairman and finance officer also must be included on this contract.
19. The contract must be executed, pre-audited, physically signed by all parties including Governmental Unit and Auditor signatures and submitted in PDF format to the Secretary of the LGC. The current portal address to upload your contractual documents is <http://nctreasurer.slgfd.leapfile.net> Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of April, 2014. These instructions are subject to change. Please check the NC Treasurer's web site at www.nctreasurer.com for the most recent instructions.
20. The contract is not valid until it is approved by the LGC Secretary. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.
21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.
22. Municipal & County Contracts: The Auditor acknowledges that any private employer transacting business in this State who employs 25 or more employees in this State must, when hiring an employee to work in the United States, use E Verify to verify the work authorization of the employee in accordance with N.C.G.S. §64 26(a). The Auditor acknowledges further that any such private employer and its subcontractors must comply with all of the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes (North Carolina's E-verify law), and that such private employer has a duty under the law to ensure compliance by its subcontractors. The Auditor further acknowledges that this contract is of the type governed by S.L. 2013-418, which makes it unlawful for a local government to enter into certain types of contracts unless the contractor and its subcontractors comply with North Carolina's E-verify law, and that failure to comply with such law could render this contract void. The Auditor hereby covenants, warrants and represents for itself and its subcontractors that with respect to this contract the Auditor and its subcontractors shall comply with the provisions of North Carolina's E-verify law and that failure to comply with such law shall be deemed a breach of this contract and may render this contract void.
23. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted: (See Item 16 for clarification).

Contract to Audit Accounts (cont.)

City of Claremont

Name of Governmental Unit and Discretely Presented Component Unit's (DPCU) if applicable

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.

Audit Firm Signature:

Melanie M. Starr, CPA, PLLC

Name of Audit Firm

By

Authorized Audit firm representative name: Type or print

Signature of authorized audit firm representative

mstarrcpa@charter.net

Email Address of Audit Firm:

Date July 2, 2014

Governmental Unit Signatures:

By Shawn R. Brown

Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date

By

DPCU Chairperson: Type or print name and title

Signature of Chairperson of DPCU if applicable

Date

Unit Signatures (continued):

By N/A

Chair of Audit Committee - Type or print name

Signature of Audit Committee Chairperson

Date

** If Governmental Unit has no audit committee, this section should be marked "N/A." **

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.

By Stephanie Corn

Governmental Unit Finance Officer: Type or print name

Finance Officer Signature

scorn@cityofclaremont.org

Email Address of Finance Officer

Date

(Pre-audit Certificate must be dated.)

Date Governing Body Approved Audit Contract - G.S. 159-34(a)

Board Approval Date - Primary Government

Board Approval Date - DPCU

REQUEST FOR COUNCIL ACTION

Date of Meeting: July 7, 2014

To: Mayor and the City Council

From: Doug Barrick, City Manager

Action Requested: Approve a Contract with the Wooten Company for Sidewalk Engineering.

The City has been awarded a CMAQ grant for the design and construction of sidewalks within the city totaling 8,030 feet of sidewalks. The Wooten company was selected by staff using a qualifications based selection process. The contract amount is in line with the project budget. It is recommended that City Council approve this contract pending any final changes from NCDOT.

Recommendation: Approve the Contract with the Wooten Company

Doug Barrick

From: Matthews, Marta T <mtmatthews@ncdot.gov>
Sent: Friday, June 27, 2014 1:00 PM
To: Doug Barrick; McSwain, Jacqueline
Cc: Clarence Lockamy
Subject: RE: REVISED CMAQ Sidewalk Engineering Design Proposal

Doug, it's still under review by Professional Services and External Audit. I may have comments back next week. I'm not exactly sure what the process is for the approval at City Council, but maybe there's an option for the council to approve, pending DOT concurrence, and not actually sign the contract until you receive that concurrence...? Hope that helps.

Marta T. Matthews

LOCAL PROGRAMS MANAGEMENT OFFICE * 1595 MAIL SERVICE CENTER * RALEIGH NC 27699-1595 * 919.707.6626 *
mtmatthews@ncdot.gov

Questions about delivering Locally-Administered Projects?

For LGAs: <https://connect.ncdot.gov/municipalities/Funding/Pages/default.aspx>

For NCDOT: <https://inside.ncdot.gov/TransportationServices/Localprograms/Pages/default.aspx>

From: Doug Barrick [mailto:dbarrick@cityofclaremont.org]
Sent: Friday, June 27, 2014 12:35 PM
To: Matthews, Marta T; McSwain, Jacqueline
Cc: Clarence Lockamy
Subject: FW: REVISED CMAQ Sidewalk Engineering Design Proposal
Importance: High

Marta & Jackie,

I just wanted to touch base as we are preparing for our July 7th City Council meeting. Can we go ahead and approve this contract at the City Council level?? Any status update or direction is greatly appreciated.

Thanks

Doug Barrick
City Manager
[City of Claremont](http://CityofClaremont)
dbarrick@cityofclaremont.org
(828) 466-7255 Office
(828) 312-4715 Cell
(828) 459-0596 Fax



CLAREMONT

NORTH CAROLINA

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Email correspondence to and from this sender is subject to the N.C. Public Records Law and may be disclosed to third parties.

From: Doug Barrick
Sent: Tuesday, June 10, 2014 4:09 PM
To: McSwain, Jackie; Matthews, Marta T (mtmatthews@ncdot.gov)
Cc: Clarence Lockamy
Subject: FW: REVISED CMAQ Sidewalk Engineering Design Proposal

Marta & Jackie,

Thank you for getting back to me so quickly today. After speaking with Jackie I had Clarence revise the contract. Please see the attached revisions. Please let me know if we need anything else to move forward.

Thanks

Doug Barrick
City Manager
[City of Claremont](#)
dbarrick@cityofclaremont.org
(828) 466-7255 Office
(828) 312-4715 Cell
(828) 459-0596 Fax



CLAREMONT

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Email correspondence to and from this sender is subject to the N.C. Public Records Law and may be disclosed to third parties.

From: Clarence Lockamy [<mailto:clockamy@thewootencompany.com>]

Sent: Tuesday, June 10, 2014 4:07 PM

To: Doug Barrick

Cc: Lisa Bradshaw

Subject: REVISED CMAQ Sidewalk Engineering Design Proposal

Doug,

Please see the attached revised proposal for the CMAQ sidewalk design.

I have deleted the CE and taken those hours, deleted 6 hours and reassigned the remaining hours to other tasks and other individuals.

Please let me know if additional information is needed.

If acceptable we will provide copies executed by us for you execution.

Thanks,

CML

Clarence Lockamy, PE, PLS

Hickory Branch Manager

The Wooten Company

1430 B Old Lenoir Road NW

Hickory, NC 28601

828.322.5533

Fax 828.322.5242

www.thewootencompany.com



SHORT FORM OF AGREEMENT
BETWEEN OWNER AND ENGINEER
FOR
PROFESSIONAL SERVICES

THIS IS AN AGREEMENT effective as of _____ (“Effective Date”)
between

City of Claremont (“Owner”)

and

L. E. Wooten and Company dba The Wooten Company (“Engineer”)

Owner's Project, of which Engineer's services under this Agreement are a part, is generally identified as follows:

CMAQ Funded Sidewalk Installation (“Project”).

Engineer's Services under this Agreement are generally identified as follows:

Design of approximately 8000 L.F. of 5' Sidewalk and approximately 7300 L.F. of Curb and Gutter including drainage design and minor utility relocation. Also included is assisting the Owner with R/W certification, assistance with advertising, bidding and contract award recommendation and attending a pre-construction conference.

Owner and Engineer further agree as follows:

1.01 *Basic Agreement and Period of Service*

- A. Engineer shall provide, or cause to be provided, the services set forth in this Agreement. If authorized by Owner, or if required because of changes in the Project, Engineer shall furnish services in addition to those set forth above. Owner shall pay Engineer for its services as set forth in Paragraphs 7.01 and 7.02.
- B. Engineer shall complete its services within a reasonable time, or within the following specific time period: **Work to be completed within 24 months subject to NCDOT's approval timeline.**
- C. If the Project includes construction-related professional services, then Engineer's time for completion of services is conditioned on the time for Owner and its contractors to complete construction not exceeding N/A months. If the actual time to complete construction exceeds the number of months indicated, then Engineer's period of service and its total compensation shall be appropriately adjusted.

2.01 *Payment Procedures*

- A. *Invoices*: Engineer shall prepare invoices in accordance with its standard invoicing practices and submit the invoices to Owner on a monthly basis. Invoices are due and payable within 30 days of receipt. If Owner fails to make any payment due Engineer for services and expenses within 30 days after receipt of Engineer's invoice, then the amounts due Engineer will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day. In addition, Engineer may, after giving seven days written notice to Owner, suspend services under this Agreement until Engineer has been paid in full all amounts due for services, expenses, and other related charges. Owner waives any and all claims against Engineer for any such suspension. Payments will be credited first to interest and then to principal.

3.01 *Termination*

- A. The obligation to continue performance under this Agreement may be terminated:

1. For cause,

- a. By either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the Agreement's terms through no fault of the terminating party. Failure to pay Engineer for its services is a substantial failure to perform and a basis for termination.
- b. By Engineer:
- 1) upon seven days written notice if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional; or
 - 2) upon seven days written notice if the Engineer's services for the Project are delayed for more than 90 days for reasons beyond Engineer's control.

Engineer shall have no liability to Owner on account of a termination by Engineer under Paragraph 3.01.A.1.b.

- c. Notwithstanding the foregoing, this Agreement will not terminate as a result of a substantial failure under Paragraph 3.01.A.1.a if the party receiving such notice begins, within seven days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of notice; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30 day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, 60 days after the date of receipt of the notice.
2. For convenience, by Owner effective upon Engineer's receipt of written notice from Owner.

- B. The terminating party under Paragraph 3.01.A may set the effective date of termination at a time up to 30 days later than otherwise provided to allow Engineer to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble Project materials in orderly files.
- C. In the event of any termination under Paragraph 3.01, Engineer will be entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement and all reimbursable expenses incurred through the effective date of termination.

4.01 *Successors, Assigns, and Beneficiaries*

- A. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by Paragraph 4.01.B the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.
- B. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that are due or may become due) in this Agreement without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated or restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.
- C. Unless expressly provided otherwise, nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any contractor, subcontractor, supplier, other individual or entity, or to any surety for or employee of any of them. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.

5.01 *General Considerations*

- A. The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with Engineer's services. Subject to the foregoing standard of care, Engineer and its consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.
- B. Engineer shall not at any time supervise, direct, control, or have authority over any contractor's work, nor shall Engineer have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any contractor, or the safety precautions and programs incident thereto, for security or safety at the Project site, nor for any failure of a contractor to comply with laws and regulations applicable to such contractor's furnishing and performing of its work.

- C. This Agreement is to be governed by the law of the state or jurisdiction in which the Project is located.
- D. Engineer neither guarantees the performance of any contractor nor assumes responsibility for any contractor's failure to furnish and perform its work in accordance with the contract between Owner and such contractor. Engineer is not responsible for variations between actual construction bids or costs and Engineer's opinions or estimates regarding construction costs.
- E. Engineer shall not be responsible for the acts or omissions of any contractor, subcontractor, or supplier, or of any of their agents or employees or of any other persons (except Engineer's own employees) at the Project site or otherwise furnishing or performing any construction work; or for any decision made regarding the construction contract requirements, or any application, interpretation, or clarification of the construction contract other than those made by Engineer.
- F. The general conditions for any construction contract documents prepared hereunder are to be the "Standard General Conditions of the Construction Contract" as prepared by the Engineers Joint Contract Documents Committee (EJCDC C-700, 2007 Edition) unless the parties agree otherwise.
- G. All documents prepared or furnished by Engineer are instruments of service, and Engineer retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed. Owner shall have a limited license to use the documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment for all services relating to preparation of the documents and subject to the following limitations: (1) Owner acknowledges that such documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer; (2) any such use or reuse, or any modification of the documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and consultants; (3) Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and consultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification of the documents without written verification, completion, or adaptation by Engineer; and (4) such limited license to Owner shall not create any rights in third parties.
- H. To the fullest extent permitted by law, Owner and Engineer (1) waive against each other, and the other's employees, officers, directors, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project.
- I. The parties acknowledge that Engineer's scope of services does not include any services related to a Hazardous Environmental Condition (the presence of asbestos, PCBs, petroleum, hazardous substances or waste as defined by the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq., or radioactive materials). If Engineer or any other party encounters a Hazardous Environmental Condition, Engineer may, at its option and without liability

for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until Owner: (1) retains appropriate specialist consultants or contractors to identify and, as appropriate, abate, remediate, or remove the Hazardous Environmental Condition; and (2) warrants that the Site is in full compliance with applicable Laws and Regulations.

- J. Owner and Engineer agree to negotiate each dispute between them in good faith during the 30 days after notice of dispute. If negotiations are unsuccessful in resolving the dispute, then the dispute shall be mediated. If mediation is unsuccessful, then the parties may exercise their rights at law.

6.01 *Total Agreement*

- A. This Agreement (including any expressly incorporated attachments), constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

7.01 *Basis of Payment—Lump Sum*

- A. Using the procedures set forth in Paragraph 2.01, Owner shall pay Engineer as follows:

- 1. A Lump Sum amount of \$ 44,700.

- B. The portion of the compensation amount billed monthly for Engineer's services will be based upon Engineer's estimate of the percentage of the total services actually completed during the billing period.

7.02 *Additional Services:* For additional services of Engineer's employees engaged directly on the Project, Owner shall pay Engineer an amount equal to the cumulative hours charged to the Project by each class of Engineer's employees' times standard hourly rates for each applicable billing class; plus reimbursable expenses and Engineer's consultants' charges, if any. Engineer's standard hourly rates are attached as Appendix 1.

Attachments:

Appendix 1 - Engineer's Standard Hourly Rates

Appendix 2 – Design Services, Additional Services and Services Provided by the Owner

Appendix 3 – E-Verify Affidavit

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the Effective Date of which is indicated on page 1.

OWNER:

City of Claremont

Typed Name: **Shawn Brown**

By (Signature):

Title: **Mayor**

Date Signed:

ENGINEER:

**L.E. Wooten and Company dba
The Wooten Company**

Typed Name: **Dan K. Boone, PE**

By (Signature):

Title: **Vice President**

Date Signed:

Engineer License or Firm's Certificate Number: **F-0115**

State of: **North Carolina**

Address for giving notices:

3288 East Main Street

Claremont, NC 28610

Attn. Doug Barrick, City Manager

Address for giving notices:

1430-B Old Lenoir Road

Hickory, NC 28601

Clarence Lockamy PE, PLS, Branch Manager

PRE-AUDITED STATEMENT

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

Finance Officer:

Date:

This is **Appendix 1, Engineer's Standard Hourly Rates**, referred to in and part of the Short Form of Agreement between Owner and Engineer for Professional Services dated _____, _____.

Engineer's Standard Hourly Rates

**APPENDIX 1
 SCHEDULE OF FEES
 ENGINEERING COST BREAKDOWN
 HOURLY RATES FOR WAGE CATEGORIES**

Wage Category	Hourly Billing Rate
Engineer IV	\$ 172
Engineer III	\$ 160
Engineer II	\$ 117
Engineer I	\$ 82
Designer III	\$ 117
Designer II	\$ 84
Designer I	\$ 63
Inspector III	\$ 71
Inspector II	\$ 63
Inspector I	\$ 59
Surveyor III	\$ 92
Surveyor II	\$ 61
Surveyor I	\$ 52
Construction Admin III	\$ 172
Construction Admin II	\$ 119
Architect II	\$ 117
GIS Specialist III	\$ 97
GIS Specialist II	\$ 70
Planner IV	\$ 172
Planner III	\$ 147
Planner II	\$ 125
Planner I	\$ 93
Community Development Planner I	\$ 104
Project Coordinator	\$ 93
Planning / Community Development Specialist II	\$ 81
Project Assistant	\$ 61
Reimbursables: Mileage will be billed at the current IRS Standard Mileage Rate, Subcontracted Services and other expenses at cost plus 10%.	

The Wooten Company makes annual adjustments on July 1st. The above hourly rates reflect current rates for the period through June 30, 2014. Hourly billing rates (per diem rates) will change effective July 1, 2014 to reflect Direct Payroll Costs (salaries) being paid at that time.

**APPENDIX 2
TO THE
ENGINEERING SERVICES CONTRACT
BETWEEN
THE CITY OF CLAREMONT
AND
L.E. WOOTEN AND COMPANY DBA THE WOOTEN COMPANY
FOR
DESIGN SERVICES RELATED TO THE
CMAQ FUNDED SIDEWALK INSTALLATION PROJECT**

The following Attachment shall become a part of the Contract Agreement.

1.A. DESIGN SERVICES

- (1) Make such surveys, site investigations, and studies as required to design the Project.
- (2) Provide “Level C” Subsurface Utility Engineering (SUE) services for horizontal subsurface utility location data. This includes utility research, utility designating, surveying and gathering existing utility information within the project limits. Telephone consultation and one (1) field meeting with utility providers are included.
- (3) Provide preliminary research of existing easements and right-of-way in the project area. Advise Owner of easements and right-of-way needed. Assist Owner in compiling this information for submittal to the North Carolina Department of Transportation (NCDOT).
- (4) Hold up to four (4) meetings with representatives of the Owner, NCDOT and others as may be necessary to obtain data for developing the design project and make such reports to the Owner as may be reasonably requested by the Owner during the survey and design stages.
- (5) Prepare preliminary plans of the project and review these documents with the Owner and NCDOT in order to establish standards to be used in design.
- (6) Prepare and furnish contract plans and specifications as necessary for the proper construction of the project and prepare all documents necessary for the taking of bids and the letting of contracts for the proposed work. It is understood and agreed that the Engineer shall be permitted to insert in the Owner construction contract documents, provisions for

reimbursement for printing, binding, mailing, and other costs incidental to issuing of said contract plans, specifications, and documents.

- (7) Secure approval of the plans and specifications proposed from the NCDOT and other regulatory agencies as may be required for construction of the improvements.
- (8) Assist the Owner in the advertising for bids.
- (10) Furnish copies of the Bidding Documents as requested by the Contractors, material suppliers, and other interested parties for bidding.
- (11) Prepare, as may be required, written Addenda amending the Bidding Documents.
- (12) Assist the Owner in the receiving of bids, tabulate same for ready comparison, and advise the Owner to the best of our ability as to proper and judicious award of contracts.
- (13) After award of contract(s), the Engineer will prepare the Contract Documents for execution by the Contractor(s) and the Owner.
- (14) After award of contract(s), the Engineer will prepare the Contract Documents for execution by the Contractor(s) and the Owner.
- (15) Attend a pre-construction conference prior to the start of construction.

1.B. ADDITIONAL SERVICES

In addition to the foregoing services being performed, the following services may be provided upon prior written authorization of the Owner.

- (1) Conduct research and surveys and prepare necessary plats and maps for the determination of property ownership and identification of sites and easements to be acquired for the construction of the project.
- (2) Level "B" Subsurface Engineering Utility (SUE) services may be provided through the project corridor or critical areas within the corridor. This service shall be paid by the linear foot surveyed. All Level "C" SUE services are provided as part of the Basic Services of the contract as stated under above in Section 1.A Design Services.

- (3) Redesigns ordered by the Owner after final plans have been accepted by the Owner.
- (4) Appearances before courts or boards on matters of litigation or hearings related to the project.
- (5) The design of other additional utilities improvements not included in the original scope of services.
- (6) Provide Contract Administration Services during construction that are not provided by the Owner.
- (7) The preparation of traffic control plans is based on the use of NCDOT Standard Details. Should NCDOT require more elaborate plans/details to be prepared, this will be done as additional services.

2.A. SERVICES PROVIDED BY THE OWNER

- (1) Designate a person to act as the Owner's representative with respect to the work to be performed under the Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret, and define the Owner policies.
- (2) Provide such legal accounting and insurance counseling services as may be required for the Project.
- (3) Pay all permit and application fees required for the project approval and construction.
- (4) Assist the Engineer by placing at his disposal all available information pertinent to the projects as may be required by the Engineer.
- (5) Guarantee access to and make all provisions for the Engineer to enter upon public and private property as required to perform his services.
- (6) Examine all sketches, drawings, specifications, proposals, and other documents presented by the Engineer, obtaining advice of an attorney, insurance counselor, and other consultants as the Owner deems appropriate for such examination.

- (7) Provide frequent observation of the project in order to apprise the Engineer of specific matters relating to the project that would foster good relations among all parties involved as well as to allow work to progress in an orderly manner.
- (8) Give prompt written notice to the Engineer whenever the Owner observes or otherwise becomes aware of any defect in the project or changed circumstances.
- (9) Furnish the Engineer in a timely manner with copies of pertinent correspondence relating to the project which would not otherwise have been delivered to The Wooten Company.
- (10) Bear all cost of incidentals for the compliance with the requirements of this Article and the foregoing Article entitled "Additional Services".

L.E. Wooten & Company, Inc. dba The Wooten Company

Project Name _____

Service Provided: Engineering Design of CMAQ Sidewalk Project

I, _____ (the individual attesting below), being duly authorized by and on behalf of _____ (the entity subcontracting on project hereinafter "Employer") after first being duly sworn hereby swears or affirms as follows:

1. Employer understands that E-Verify is the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with NCGS §64-25(5).

2. Employer understands that Employers Must Use E-Verify. Each employer, after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify in accordance with NCGS§64-26(a).

3. Employer is a person, business entity, or other organization that transacts business in this State and that employs 25 or more employees in this State. (mark Yes or No)

- a. YES _____, or
- b. NO _____

4. Employer's subcontractors comply with E-Verify, and if Employer is the winning bidder on this project Employer will ensure compliance with E-Verify by any subcontractors subsequently hired by Employer.

This ____ day of _____, 20__.

Signature of Affiant

Print or Type Name: _____

State of North Carolina County of _____

Signed and sworn to (or affirmed) before me, this the _____

day of _____, 2014.

My Commission Expires:

Notary Public

(Affix Official/Notarial Seal)

MAN-HOUR ESTIMATE FOR: CMAQ Sidewalk Project
 CLIENT: City of Claremont
 JOB NO.: 2974
 ESTIMATE BY: CML

PHASE: Design

DATE: 4/29/2014

2013/2014 Billing Rates

Task No.	Task Description	NO. of Dwgs	Dept. Head Engr IV \$172.00	Project Mgr Plnr IV \$172.00	Project Mgr Engr III \$160.00	Project Eng Engr II \$117.00	Junior Engr I \$82.00	Designer III \$117.00	Designer II \$84.00	Designer I \$63.00	GIS III \$97.00	GIS II \$70.00	Inspector III \$71.00	Survey III \$92.00	Survey II \$61.00	Survey I \$52.00	Const Admin III \$172.00	Const Admin II \$119.00	Total Hours
1	Survey			2.0										60.0		30.0			92.0
2	Base Mapping									24.0									24.0
3	Preliminary Layout/Design			12.0			24.0			50.0									86.0
4	Meet with Town to Review Initial Layouts			2.0			2.0												4.0
5	NCDOT Coordination (3 meetings)			6.0			6.0												12.0
6	Drainage Design			20.0			40.0			16.0									76.0
7	Assist City w/ ROW Certification			1.0			8.0												
8	Final Design/Drawings			26.0			56.0			56.0									138.0
9	Permit Applications (Erosion Control, DOT, etc.)			2.0			8.0			4.0									14.0
10	Specifications/Bid Documents			4.0			8.0												12.0
11	Advertisement / Bid Opening / Award Recommendation			8.0			8.0												16.0
12	Pre-Construction Meeting			2.0			2.0												4.0
Totals		0		85.0			162.0			150.0				60.0		30.0			478
Labor cost (\$)				\$14,620			\$13,284			\$9,450				\$5,520		\$1,560			\$44,434

Plus Expenses \$275.00

Total Cost \$44,709

Use Overhead Rate of (170% Std): **170%**
 Inflation Adjustment (0% Std): **0.0%**
 Use Profit of (15% Std): **15%**
 Expense Multiplier of (10% Std): **10%**

* Expenses *
 Travel Est. = **\$250**
 Printing Est. = **\$0**
 SUE Survey* = **\$0**
 EA = **\$0**
 TOTAL EXPENSES = **\$250**

Project Manager: **C. Lockamy**
 Junior Engineer: **M. Flowers**
 Designer I: **K. Scott**
 Surveyor III: **Jay DeCoursey**
 Surveyor I: **K. Scott**



CMAQ PROJECT APPLICATION

FOR NCDOT USE ONLY

In order to be considered a complete application package, all fields must be appropriately completed & required additional information as noted must be attached. No incomplete applications will be considered.

Project Area(s):	<input type="checkbox"/> Burlington-Graham MPO	<input type="checkbox"/> Hickory MPO	<input type="checkbox"/> NW Piedmont RPO	<input type="checkbox"/> Unifour RPO
	<input type="checkbox"/> Cabarrus-Rowan MPO	<input type="checkbox"/> High Point MPO	<input type="checkbox"/> Piedmont Triad RPO	<input type="checkbox"/> Upper Coastal Plain RPO
	<input type="checkbox"/> Capital Area MPO	<input type="checkbox"/> Kerr-Tar RPO	<input type="checkbox"/> Rocky Mount MPO	<input type="checkbox"/> Winston-Salem MPO
	<input type="checkbox"/> Durham-Chapel Hill-Carrboro MPO	<input type="checkbox"/> Lake Norman RPO	<input type="checkbox"/> Rocky River RPO	
	<input type="checkbox"/> Gaston MPO	<input type="checkbox"/> Land of Sky RPO	<input type="checkbox"/> Southwestern RPO	
	<input type="checkbox"/> Greensboro MPO	<input type="checkbox"/> Mecklenburg Union MPO	<input type="checkbox"/> Triangle RPO	<input type="checkbox"/> Statewide

Project Sponsor Information	Agency:	
	Contact Name:	
	Address:	
	Telephone:	
	Email Address:	

Proposed Project Information	Title:	
	Description: Sidewalk Improvements - Application Modification - November 2012 The City of Claremont would like to construct approximately 6,600 linear feet of sidewalk. The proposed sidewalk would connect multi-family and single-family housing to the existing sidewalk network. This connection would give pedestrian access to the City's downtown and a shopping area near I-40 at Exit 135. Claremont would also add sidewalk along Centennial Blvd which would provide residents north of US 70 and south of I-40 access to shopping near Exit 135. The last part of the project would add several small sections of sidewalk that would complete connections for the City's residents. The estimated costs of the sidewalk sections will be \$650,000. <i>Include project details, proposed improvements, purpose, need, how it will provide service, who are the primary players & where it will operate/serve. Attach a sketch design plan of the proposed project which shows the general location of this project.</i>	

GENERAL PROJECT ELIGIBILITY

Check the NC non-attainment or maintenance county(ies) in which the proposed project is located:

<input type="checkbox"/> Cabarrus	<input type="checkbox"/> Davidson	<input type="checkbox"/> Edgecombe	<input type="checkbox"/> Gaston	<input type="checkbox"/> Haywood*	<input type="checkbox"/> Lincoln	<input type="checkbox"/> Orange	<input type="checkbox"/> Swain*	* Indicates partial county AQ designation
<input type="checkbox"/> Catawba	<input type="checkbox"/> Davie	<input type="checkbox"/> Forsyth	<input type="checkbox"/> Granville	<input type="checkbox"/> Iredell*	<input type="checkbox"/> Mecklenburg	<input type="checkbox"/> Person	<input type="checkbox"/> Union	
<input type="checkbox"/> Chatham*	<input type="checkbox"/> Durham	<input type="checkbox"/> Franklin	<input type="checkbox"/> Guilford	<input type="checkbox"/> Johnston	<input type="checkbox"/> Nash	<input type="checkbox"/> Rowan	<input type="checkbox"/> Wake	

Check the CMAQ-eligible project type: (CHECK ALL THAT APPLY)

<input type="checkbox"/> Transportation Control Measures (see below)	<input type="checkbox"/> Transportation Management Associations
<input type="checkbox"/> Extreme Low-Temperature Cold Start Programs	<input type="checkbox"/> Carpooling & Vanpooling
<input type="checkbox"/> Alternative Fuels	<input type="checkbox"/> Freight/Intermodal
<input type="checkbox"/> Congestion Relief & Traffic Flow Improvements	<input type="checkbox"/> Diesel Engine Retrofits
<input type="checkbox"/> Transit Improvements (see below)	<input type="checkbox"/> Idle Reduction
<input type="checkbox"/> Bicycle/Pedestrian Facilities & Programs	<input type="checkbox"/> Training
<input type="checkbox"/> Travel Demand Management	<input type="checkbox"/> I/M Programs
<input type="checkbox"/> Public Education & Outreach Activities	<input type="checkbox"/> Experimental Pilot Projects

If TRANSPORTATION CONTROL MEASURES was chosen above, check the allowable type(s):

<input type="checkbox"/> Programs for improved public transit
<input type="checkbox"/> Restriction of certain roads or lanes to, or construction of such roads or lanes for use by, passenger buses or HOV
<input type="checkbox"/> Employer-based transportation management plans, including incentives
<input type="checkbox"/> Trip-reduction ordinances
<input type="checkbox"/> Traffic flow improvement programs that reduce emissions
<input type="checkbox"/> Fringe & transportation corridor parking facilities serving
<input type="checkbox"/> Multiple-occupancy vehicle programs or transit service
<input type="checkbox"/> Programs to limit/restrict vehicle use in downtown areas or other areas of emission concentration particularly during peak periods
<input type="checkbox"/> Programs for the provision of all forms of high-occupancy, shared-ride services
<input type="checkbox"/> Programs to limit portions of road surfaces or certain sections of the metro area to the use of non-motorized vehicles or pedestrian
<input type="checkbox"/> Programs for secure bicycle storage facilities & other facilities, including bicycle lanes in both public & private areas
<input type="checkbox"/> Programs to control extended idling of vehicles
<input type="checkbox"/> Reducing emissions from extreme cold-start conditions
<input type="checkbox"/> Employer-sponsored programs to permit flexible work schedules
<input type="checkbox"/> Programs/ordinances to facilitate non-automobile travel, provision/utilization of mass transit & to generally reduce the need for SOV travel, as part of transportation planning & development efforts of a locality, including programs & ordinances applicable to new shopping centers, special events & other centers of vehicle activity
<input type="checkbox"/> Programs for new construction/major reconstructions of paths/tracks or areas solely for pedestrian or other non-motorized vehicle use

If TRANSIT IMPROVEMENTS was chosen above, specify how service will be improved:

<input type="checkbox"/> New facilities associated with a service increase	<input type="checkbox"/> New vehicles used to expand the transit fleet
<input type="checkbox"/> Operating assistance for new service (limit three years)	<input type="checkbox"/> Fare subsidies as part of a program to limit exceedances of NAAQS

EMISSIONS REDUCTION CRITERIA

QUANTATIVE analysis of air quality impacts is required for most project types. **QUALITATIVE** analysis is only allowable when it is not possible to accurately quantify emissions benefits, such as public education, marketing & other outreach efforts, which can include advertising alternatives to SOV travel, employer outreach & public education campaigns. The qualitative analysis should be based on a reasoned & logical determination that the project/program will decrease emissions & contribute to attainment or maintenance of NAAQS. The primary benefit of these activities is enhanced communication & outreach that is expected to influence travel behavior & air quality.

Indicate the type of analysis completed: **QUANTATIVE** **QUALITATIVE**

Briefly describe the method used to estimate the emissions reduction: (ATTACH ADDITIONAL SHEET(S) IF NEEDED)

The sidewalk improvements would directly affect 205 housing units. This includes 55 single-family homes, and 65 apartment and duplex units. The City's townhome community, White Oak Manor, would also be connected to the sidewalk system with this project. There are 85 units in this complex. Using the Trip Generation Manual we determined that the single-family home would produce 550 vehicle trips per day; and the apartment units, duplexes and White Oak Manor would produce 1190 vehicle trips per day for a total of 1,740 vehicle trips per day. Staff assumed that these vehicle trips would be light-duty gasoline vehicles and assumed a 0.5 mile replacement rate. Staff assumed that 35 vehicle trips per day would be removed through the connectivity created through the construction of sidewalk.

Carbon Monoxide (Urban Collector) 9.583 grams per mile
 Volatile Organic Compounds (Urban Collector) 0.446 grams per mile
 Oxide of Nitrogen (Urban Collector) 0.335

For QUANTATIVE analyses, list the expected annual emissions BEFORE and AFTER project implementation:	Pollutant	Daily Emissions	Daily Emissions	Daily Emissions
		Before (kg)	After (kg)	Reduction (kg)
	Carbon Monoxide	8.337	8.169	0.168
	Volatile Organic Compounds	3.880	3.802	0.078
	Oxides of Nitrogen	2.914	2.856	0.058
	Total	15.131	14.827	0.304

ESTIMATED PROJECT COSTS & REQUESTED DELIVERY SCHEDULE

Check individual project phases that apply & indicate funding required for each:

Cost estimates should reflect anticipated inflation compounded annually at 5% from the CURRENT calendar year. A minimum 20% match is required for most projects. Please see 23 U.S.C. §120(c) Appendix 3 for a listing of projects that may be funded at up to 100 percent Federal share.

Phase(s)	CMAQ \$	Matching \$	Total \$	Federal Fiscal Year(s)
<input type="checkbox"/> Planning, Engineering & Design				
<input type="checkbox"/> Right-of-Way				
<input type="checkbox"/> Construction	\$520,000	\$130,000	\$650,000	2013
<input type="checkbox"/> Operation				
<input type="checkbox"/> Implementation				
Project Total	\$520,000	\$130,000	\$650,000	

List the source(s) of matching funds:

The matching funds will come from the City of Claremont's General Fund

Operation assistance under CMAQ is intended to help start up viable new transportation services that will benefit air quality & eventually cover their own costs and is limited to three years. Other funding sources should supplement & ultimately replace CMAQ funds for operation assistance. Briefly describe how funding will be secured to continue the program after year three. (ATTACH ADDITIONAL SHEET(S) IF NEEDED)

BENEFIT/COST INFORMATION

Using the Total ANNUAL Emissions Reductions & the Total Project Cost (CMAQ + Match), please calculate the Benefit/Cost Ratio	Total Annual Emissions Reductions (in kg) =	10,076.593 kg
	Total Project Cost (in \$1000) =	\$2,146.2
	Benefit/Cost Ratio =	4.695

MISCELLANEOUS

For construction of trails, has the Department of Interior been contacted? Yes No N/A
 Is the fare/fee subsidy program part of a broad program to reduce emissions? Yes No N/A
 Will the ITS project conform to the National ITS architecture? Yes No N/A

SUPPORTING INFORMATION

Check supporting information included as attachment(s) to this application:

MPO/RPO Support Resolution (REQUIRED unless Statewide) Assumptions
 Additional project description and/or details Other, please specify:
 Complete emissions calculations

MPO/RPO PRIORITY INFORMATION

This project has been prioritized by the MPO/RPO and received the following ranking among all CMAQ requests:

Narrative and Assumptions

The construction of approximately 6,600 linear feet of sidewalk would connect several duplex developments and other multi-family and single family housing along Yount Street, S. Depot Street, Main Street, Calvin Street and School Street to the existing sidewalk network. This connection would give pedestrian access to the City's downtown and a shopping area near I-40 at Exit 135. Claremont would also add sidewalk along Centennial Blvd which would provide residents north of US 70 and south of I-40 access to shopping near Exit 135. The last part of the project would add several small sections of sidewalk that would complete connections for the City's residents. The new sidewalk section along Yount Street would also provide a safe area for children from the duplexes and apartment complexes to wait for the school bus.

Points of interest that would be connected by the additional sidewalks are as follows:

- 2 Banks
- 1 Pharmacy
- US Post Office
- Claremont Elementary School
- Claremont City Park
- City Hall
- Police Station
- Medical Practice/Doctor's Office
- 1 Grocery Store
- 1 Discount Retail Store
- 3 Restaurants
- 2 Convenience Stores

The sidewalk improvements would directly affect 205 housing units. This includes 55 single-family homes, and 65 apartment and duplex units. The City's townhome community, White Oak Manor, would also be connected to the sidewalk system with this project. There are 85 units in this complex. Using the Trip Generation Manual we determined that the single-family home would produce 550 vehicle trips per day; and the apartment units, duplexes and White Oak Manor would produce 1190 vehicle trips per day for a total of 1,740 vehicle trips per day.

Staff assumed that these vehicle trips would be light-duty gasoline vehicles and assumed a 0.5 mile replacement rate. Staff assumed that 35 vehicle trips per day would be removed through the connectivity created through the construction of sidewalk.

Emissions Table 1.

	Vehicle Trips * Mileage Before	Vehicle Trips * Mileage After	Reduction in Emissions (kg)
	$1740 * 0.5 =$ 870	$1705 * 0.5 =$ 852.5	
Carbon Monoxide 9.583	8.337 kg	8.169 kg	0.168 kg
Volatile Organic Compounds 0.446	3.880 kg	3.802 kg	0.078 kg
Oxides of Nitrogen 0.335	2.914 kg	2.856 kg	0.058 kg

PRELIMINARY ESTIMATE OF PROBABLE COST
Sidewalk Along Centennial Blvd.
From End of Ex. Sidewalk to Lookout
3060 LF
City of Claremont, North Carolina

THE WOOTEN COMPANY - Hickory

10/15/2012

DESCRIPTION		UNITS	TOTAL QUANTITY	UNIT COST	ESTIMATED COST
1	Mobilization	LS	1	\$3,000.00	\$3,000.00
2	4" Sidewalk - 5' Width	SY	1,700	\$28.50	\$48,450.00
3	2'-6" Concrete Curb and Gutter	LF	3,000	\$18.50	\$55,500.00
4	Wheel Chair Ramp	EA	3	\$750.00	\$2,250.00
5	Driveway	SY	32	\$48.00	\$1,536.00
6	Asphalt Pavement	SY	350	\$40.00	\$14,000.00
7	Compacted Fill/Earthwork	CY	1,500	\$25.00	\$37,500.00
8	Storm Drainage	LF	600	\$40.00	\$24,000.00
9	Catch Basin	EA	4	\$1,800.00	\$7,200.00
10	Rip Rap	SY	50	\$60.00	\$3,000.00
11	Barrier Fence (Chain Link)	LF	300	\$25.00	\$7,500.00
12	Fire Hydrant Relocation	EA	2	\$1,500.00	\$3,000.00
13	Silt Fence	LF	3,000	\$2.60	\$7,800.00
14	Seed/Mulch	AC	2.0	\$2,500.00	\$5,000.00
15	Traffic Control	LS	1	\$2,500.00	\$2,500.00

Estimated Construction Cost	\$219,236.00
Contingency (15%)	\$32,885.40
Construction Sub-Total	\$252,121.40

Engineering:	
Design/CA	\$15,000.00
Construction Observation	\$3,600.00
Testing	\$15,000.00

ESTIMATED TOTAL PROJECT COST* \$285,721.40

*Easement Acquisition Costs Not Included

* Locate on South Side of Road
Appears to be adequate R/W

PRELIMINARY ESTIMATE OF PROBABLE COST
Sidewalk Along Calvin Street
Between Depot and Lookout
450 LF
City of Claremont, North Carolina

THE WOOTEN COMPANY - Hickory

10/15/2012

DESCRIPTION		UNITS	TOTAL QUANTITY	UNIT COST	ESTIMATED COST
1	Mobilization	LS	1	\$500.00	\$500.00
2	4" Sidewalk - 5' Width	SY	250	\$28.50	\$7,125.00
3	2'-6" Concrete Curb and Gutter	LF	440	\$18.50	\$8,140.00
4	Wheel Chair Ramp	EA	2	\$750.00	\$1,500.00
5	Driveway	SY	8	\$48.00	\$384.00
6	Asphalt Pavement	SY	60	\$40.00	\$2,400.00
7	Compacted Fill/Earthwork	CY	20	\$25.00	\$500.00
8	Storm Drainage	LF	50	\$40.00	\$2,000.00
9	Catch Basin	EA	1	\$1,800.00	\$1,800.00
10	Rip Rap	SY	0	\$60.00	\$0.00
11	Barrier Fence (Chain Link)	LF	0	\$25.00	\$0.00
12	Fire Hydrant Relocation	EA	2	\$1,500.00	\$3,000.00
13	Silt Fence	LF	440	\$2.60	\$1,144.00
14	Seed/Mulch	AC	0.2	\$2,500.00	\$500.00
15	Traffic Control	LS	1	\$500.00	\$500.00

Estimated Construction Cost	\$28,993.00
Contingency (15%)	\$4,348.95
Construction Sub-Total	\$33,341.95

Engineering:	
Design/CA	\$3,000.00
Construction Observation	\$600.00
Testing	\$2,300.00

ESTIMATED TOTAL PROJECT COST* \$39,241.95

*Easement Acquisition Costs Not Included

* Locate on north side
30' R/W - Easement will be needed

PRELIMINARY ESTIMATE OF PROBABLE COST
Sidewalk Along Calvin Street
Between Lookout and School Dr.
465 LF
City of Claremont, North Carolina

THE WOOTEN COMPANY - Hickory

10/15/2012

DESCRIPTION		UNITS	TOTAL QUANTITY	UNIT COST	ESTIMATED COST
1	Mobilization	LS	1	\$500.00	\$500.00
2	4" Sidewalk - 5' Width	SY	260	\$28.50	\$7,410.00
3	2'-6" Concrete Curb and Gutter	LF	500	\$18.50	\$9,250.00
4	Wheel Chair Ramp	EA	2	\$750.00	\$1,500.00
5	Driveway	SY	10	\$48.00	\$480.00
6	Asphalt Pavement	SY	60	\$40.00	\$2,400.00
7	Compacted Fill/Earthwork	CY	20	\$25.00	\$500.00
8	Storm Drainage	LF	40	\$40.00	\$1,600.00
9	Catch Basin	EA	1	\$1,800.00	\$1,800.00
10	Rip Rap	SY	5	\$60.00	\$300.00
11	Barrier Fence (Chain Link)	LF	0	\$25.00	\$0.00
12	Fire Hydrant Relocation	EA	2	\$1,500.00	\$3,000.00
13	Silt Fence	LF	500	\$2.60	\$1,300.00
14	Seed/Mulch	AC	0.2	\$2,500.00	\$500.00
15	Traffic Control	LS	1	\$500.00	\$500.00

Estimated Construction Cost	\$30,540.00
Contingency (15%)	\$4,581.00
Construction Sub-Total	\$35,121.00

Engineering:	
Design/CA	\$3,000.00
Construction Observation	\$600.00
Testing	\$2,300.00

ESTIMATED TOTAL PROJECT COST* \$41,021.00

*Easement Acquisition Costs Not Included

* Locate on south side
30' R/W - Easement will be needed

PRELIMINARY ESTIMATE OF PROBABLE COST

Sidewalk Along S. Depot Street

End of Ex. Sidewalk to Frazier

575 LF

City of Claremont, North Carolina

THE WOOTEN COMPANY - Hickory

10/15/2012

DESCRIPTION		UNITS	TOTAL QUANTITY	UNIT COST	ESTIMATED COST
1	Mobilization	LS	1	\$500.00	\$500.00
2	4" Sidewalk - 5' Width	SY	320	\$28.50	\$9,120.00
3	2'-6" Concrete Curb and Gutter	LF	550	\$18.50	\$10,175.00
4	Wheel Chair Ramp	EA	2	\$750.00	\$1,500.00
5	Driveway	SY	18	\$48.00	\$864.00
6	Asphalt Pavement	SY	10	\$40.00	\$400.00
7	Compacted Fill/Earthwork	CY	20	\$25.00	\$500.00
8	Storm Drainage	LF	130	\$40.00	\$5,200.00
9	Catch Basin	EA	2	\$1,800.00	\$3,600.00
10	Rip Rap	SY	10	\$60.00	\$600.00
11	Barrier Fence (Chain Link)	LF	0	\$25.00	\$0.00
12	Fire Hydrant Relocation	EA	0	\$1,500.00	\$0.00
13	Silt Fence	LF	600	\$2.60	\$1,560.00
14	Seed/Mulch	AC	0.3	\$2,500.00	\$750.00
15	Traffic Control	LS	1	\$500.00	\$500.00

Estimated Construction Cost	\$34,769.00
Contingency (15%)	\$5,215.35
Construction Sub-Total	\$39,984.35

Engineering:	
Design/CA	\$3,500.00
Construction Observation	\$700.00
Testing	\$3,000.00

ESTIMATED TOTAL PROJECT COST* \$47,184.35

*Easement Acquisition Costs Not Included

Recommend staying behind power poles to avoid relocation of poles

PRELIMINARY ESTIMATE OF PROBABLE COST
Sidewalk Along Yount Street
From Depot to Bethlehem
1635 LF
City of Claremont, North Carolina

THE WOOTEN COMPANY - Hickory

10/15/2012

DESCRIPTION		UNITS	TOTAL QUANTITY	UNIT COST	ESTIMATED COST
1	Mobilization	LS	1	\$1,000.00	\$1,000.00
2	4" Sidewalk - 5' Width	SY	910	\$28.50	\$25,935.00
3	2'-6" Concrete Curb and Gutter*	LF	1,640	\$18.50	\$30,340.00
4	Wheel Chair Ramp	EA	3	\$750.00	\$2,250.00
5	Driveway	SY	50	\$48.00	\$2,400.00
6	Asphalt Pavement	SY	200	\$40.00	\$8,000.00
7	Compacted Fill/Earthwork	CY	200	\$25.00	\$5,000.00
8	Storm Drainage	LF	100	\$40.00	\$4,000.00
9	Catch Basin	EA	2	\$1,800.00	\$3,600.00
10	Rip Rap	SY	100	\$60.00	\$6,000.00
11	Barrier Fence (Chain Link)	LF	50	\$25.00	\$1,250.00
12	Fire Hydrant Relocation	EA	0	\$1,500.00	\$0.00
13	Silt Fence	LF	1,640	\$2.60	\$4,264.00
14	Seed/Mulch	AC	0.5	\$2,500.00	\$1,250.00
15	Traffic Control	LS	1	\$1,000.00	\$1,000.00

Estimated Construction Cost	\$95,289.00
Contingency (15%)	\$14,293.35
Construction Sub-Total	\$109,582.35

Engineering:	
Design/CA	\$7,900.00
Construction Observation	\$2,000.00
Testing	\$7,200.00

ESTIMATED TOTAL PROJECT COST* \$126,682.35

*Easement Acquisition Costs Not Included

With an easement, curb and gutter could be deleted from Village East to Bethlehem - 40' R/W shown on GIS
 GIS map shows only 30' R/W from Depot to Village East. Easement will be needed.
 Locate on South side.

PRELIMINARY ESTIMATE OF PROBABLE COST
Sidewalk Along Bethlehem Dr.
From Yount to Catawba Street
665 LF
City of Claremont, North Carolina

THE WOOTEN COMPANY - Hickory

10/15/2012

DESCRIPTION		UNITS	TOTAL QUANTITY	UNIT COST	ESTIMATED COST
1	Mobilization	LS	1	\$1,000.00	\$1,000.00
2	4" Sidewalk - 5' Width	SY	370	\$28.50	\$10,545.00
3	2'-6" Concrete Curb and Gutter	LF	680	\$18.50	\$12,580.00
4	Wheel Chair Ramp	EA	2	\$750.00	\$1,500.00
4	Driveway	SY	12	\$48.00	\$576.00
5	Asphalt Pavement	SY	80	\$40.00	\$3,200.00
6	Compacted Fill/Earthwork	CY	20	\$25.00	\$500.00
7	Storm Drainage	LF	0	\$40.00	\$0.00
8	Catch Basin	EA	0	\$1,800.00	\$0.00
9	Rip Rap	SY	0	\$60.00	\$0.00
10	Barrier Fence (Chain Link)	LF	0	\$25.00	\$0.00
11	Fire Hydrant Relocation	EA	0	\$1,500.00	\$0.00
12	Silt Fence	LF	680	\$2.60	\$1,768.00
13	Seed/Mulch	AC	0.3	\$2,500.00	\$750.00
14	Traffic Control	LS	1	\$500.00	\$500.00

Estimated Construction Cost	\$31,919.00
Contingency (15%)	\$4,787.85
Construction Sub-Total	\$36,706.85

Engineering:	
Design/CA	\$4,000.00
Construction Observation	\$900.00
Testing	\$3,000.00

ESTIMATED TOTAL PROJECT COST*	\$44,606.85
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*Easement Acquisition Costs Not Included

GIS Mapping shows a 40' R/W

PRELIMINARY ESTIMATE OF PROBABLE COST
Sidewalk Along School Dr.
From Calvin to Main Street
1180 LF
City of Claremont, North Carolina

THE WOOTEN COMPANY - Hickory

10/15/2012

DESCRIPTION		UNITS	TOTAL QUANTITY	UNIT COST	ESTIMATED COST
1	Mobilization	LS	1	\$1,500.00	\$1,500.00
2	4" Sidewalk - 5' Width	SY	660	\$28.50	\$18,810.00
3	2'-6" Concrete Curb and Gutter*	LF	580	\$18.50	\$10,730.00
4	Wheel Chair Ramp	EA	2	\$750.00	\$1,500.00
4	Driveway	SY	12	\$48.00	\$576.00
5	Asphalt Pavement	SY	80	\$40.00	\$3,200.00
6	Compacted Fill/Earthwork	CY	20	\$25.00	\$500.00
7	Storm Drainage	LF	60	\$40.00	\$2,400.00
8	Catch Basin	EA	2	\$1,800.00	\$3,600.00
9	Rip Rap	SY	10	\$60.00	\$600.00
10	Barrier Fence (Chain Link)	LF	0	\$25.00	\$0.00
11	Fire Hydrant Relocation	EA	0	\$1,500.00	\$0.00
12	Silt Fence	LF	1,200	\$2.60	\$3,120.00
13	Seed/Mulch	AC	0.2	\$2,500.00	\$500.00
14	Traffic Control	LS	1	\$500.00	\$500.00

Estimated Construction Cost	\$46,036.00
Contingency (15%)	\$6,905.40
Construction Sub-Total	\$52,941.40

Engineering:	
Design/CA	\$5,600.00
Construction Observation	\$1,600.00
Testing	\$5,600.00

ESTIMATED TOTAL PROJECT COST*	\$65,741.40
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*Easement Acquisition Costs Not Included

GIS Mapping shows a 30' +/- R/W
Easement will be needed.
C&G only along existing pavement.

**PRELIMINARY ESTIMATE OF PROBABLE COST
Summary of All**

**8030 LF (Total)
City of Claremont, North Carolina**

THE WOOTEN COMPANY - Hickory

10/31/2012

DESCRIPTION		UNITS	TOTAL QUANTITY	UNIT COST	ESTIMATED COST
1	Mobilization	LS	1	\$8,000.00	\$8,000.00
2	4" Sidewalk - 5' Width	SY	4,470	\$28.50	\$127,395.00
3	2'-6" Concrete Curb and Gutter	LF	7,390	\$18.50	\$136,715.00
4	Wheel Chair Ramp	EA	16	\$750.00	\$12,000.00
5	Driveway	SY	142	\$48.00	\$6,816.00
6	Asphalt Pavement	SY	840	\$40.00	\$33,600.00
7	Compacted Fill/Earthwork	CY	1,800	\$25.00	\$45,000.00
8	Storm Drainage	LF	980	\$40.00	\$39,200.00
9	Catch Basin	EA	12	\$1,800.00	\$21,600.00
10	Rip Rap	SY	175	\$60.00	\$10,500.00
11	Barrier Fence (Chain Link)	LF	350	\$25.00	\$8,750.00
12	Fire Hydrant Relocation	EA	6	\$1,500.00	\$9,000.00
13	Silt Fence	LF	8,060	\$2.60	\$20,956.00
14	Seed/Mulch	AC	3.7	\$2,500.00	\$9,250.00
15	Traffic Control	LS	1	\$6,000.00	\$6,000.00

Estimated Construction Cost	\$486,782.00
Contingency (15%)	\$73,017.30
Construction Sub-Total	\$559,799.30

Engineering:	
Design/CA	\$42,000.00
Construction Observation	\$10,000.00
Testing	\$38,400.00

ESTIMATED TOTAL PROJECT COST* \$650,199.30

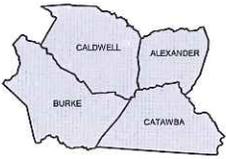
*Easement Acquisition Costs Not Included

Project Name	Estimated Construction Cost	Estimated Total Cost	Estimated Design/CA	Estimated CO	Estimated Testing	Sidewalk (LF)	Est. Easement Req'd		Based on existing R/W and →Typical Steet X-Section provided by DOT
							Sq. Ft. Perm.	Sq. Ft. Temp.	
Centennial	\$252,121.40	\$285,721.40	\$15,000.00	\$3,600.00	\$15,000.00	3,060	0	0	
Calvin (Depot to Lookout)	\$33,341.95	\$39,241.95	\$3,000.00	\$600.00	\$2,300.00	450	3,600	2,250	
Calvin (Lookout to School)	\$35,121.00	\$41,021.00	\$3,000.00	\$600.00	\$2,300.00	465	3,720	2,325	
S. Depot	\$39,984.35	\$47,184.35	\$3,500.00	\$700.00	\$3,000.00	575	0	0	
Yount	\$109,582.35	\$126,682.35	\$7,900.00	\$2,000.00	\$7,200.00	1,635	12,440	8,600	
Bethlehem	\$36,706.85	\$44,606.85	\$4,000.00	\$900.00	\$3,000.00	665	1,995	3,325	
School	\$52,941.40	\$65,741.40	\$5,600.00	\$1,600.00	\$5,600.00	1,180	11,093	3,235	→This assumes a 10' permanent easement from the end of School Dr. to Main Street
TOTAL	\$559,799.30	\$650,199.30	\$42,000.00	\$10,000.00	\$38,400.00	8,030	32,848	19,735	

Fees were adjusted down some due to "economy of scale". Based on Raleigh Office experience with CMAQ projects, additional \$ added to Design/CA and less to CO
Adding C&G along with the "embankment" issues will increase amount of survey work over a normal sidewalk project.
CA will be more extensive due to DOT/FHWA records/reporting requirements

Testing is based on experience with Granite Falls Project - plus additional due to curb and gutter on this project.

*Easement Acquisition Costs Not Included



**GREATER HICKORY
METROPOLITAN PLANNING ORGANIZATION (MPO)**
1880 2nd Avenue NW, PO Box 9026
Hickory, NC 28603
(828) 322-9191



**GREATER HICKORY MPO RESOLUTION ENDORSING
THE MODIFIED CMAQ PROJECT PROPOSAL
FOR THE CITY OF CLAREMONT, NC**

WHEREAS, the proposal began under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) and Moving Ahead for Progress in the 21st Century (MAP-21) continues the Congestion Mitigation and Air Quality Improvement Program (CMAQ); and

WHEREAS, CMAQ is a Federal program that funds transportation projects and programs in air quality non-attainment and maintenance areas to help achieve and maintain national standards for pollutants; and

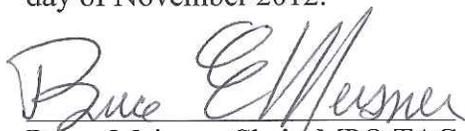
WHEREAS, the North Carolina Department of Transportation (NCDOT) administers the CMAQ program on behalf of non-attainment and maintenance areas within North Carolina; and

WHEREAS, Greater Hickory MPO has administered a CMAQ project selection process among local area jurisdictions in air quality non-attainment and maintenance counties; and

WHEREAS, the Claremont Sidewalk project proposal meet the requirements of CMAQ and the guidelines established by NCDOT to administer the program;

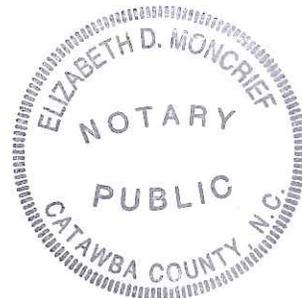
WHEREAS, the project for CMAQ funding by the NCDOT is included in the State Transportation Improvement Plan and the Metropolitan Transportation Improvement Program;

NOW THEREFORE, be it resolved that by the Greater Hickory MPO and Unifour RPO endorses the modified Claremont CMAQ sidewalk project provided here on this, the 28st day of November 2012. I, Bruce Meisner, TAC Chair, do hereby certify that the above is a true and correct copy of an excerpt from the minutes of a meeting of the TAC duly held on this, the 28st day of November 2012.


Bruce Meisner, Chair, MPO TAC

Subscribed and sworn to me on this, the 28th day of November, 2012.


Notary Public Elizabeth D. Moncrief
My commission expires August 10, 2013



REQUEST FOR COUNCIL ACTION

Date of Meeting: July 7, 2014

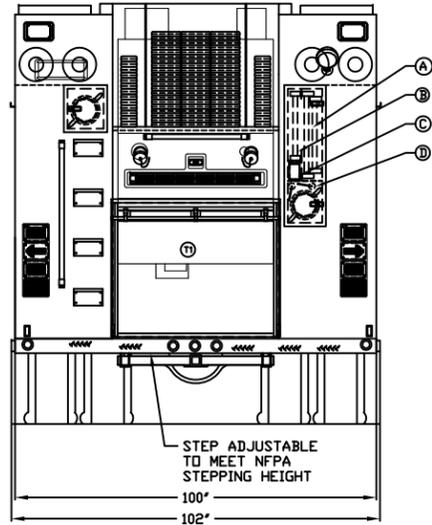
To: Mayor and the City Council

From: Doug Barrick, City Manager

Action Requested: Approve a Contract Smeal Fire Apparatus Company

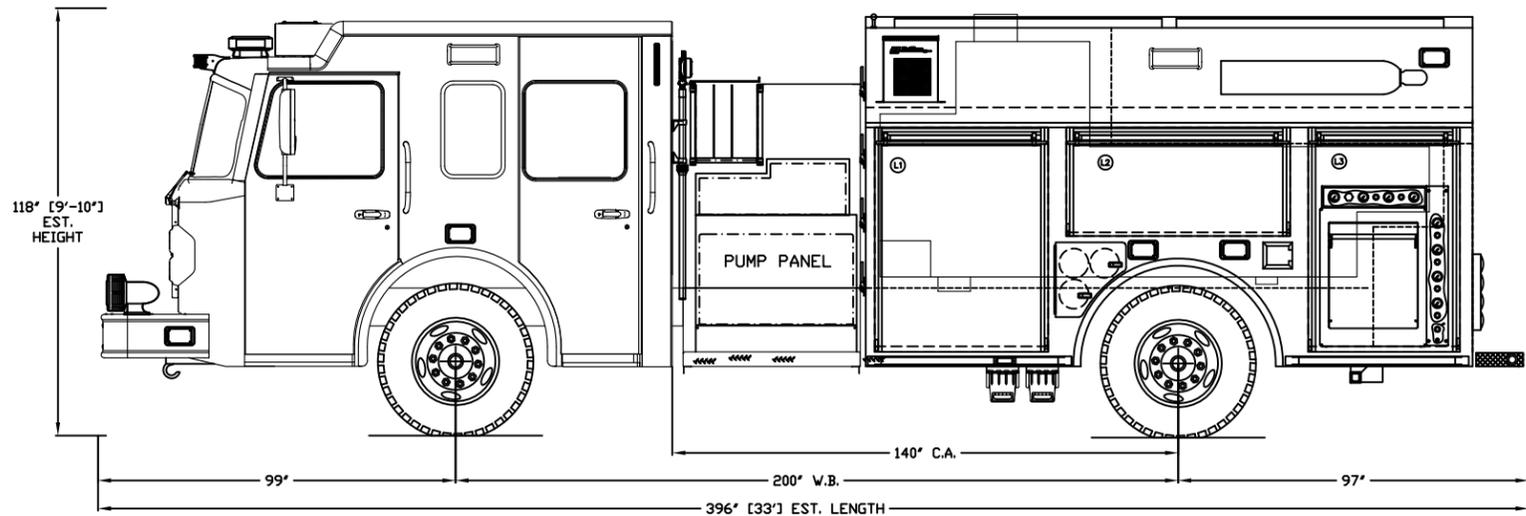
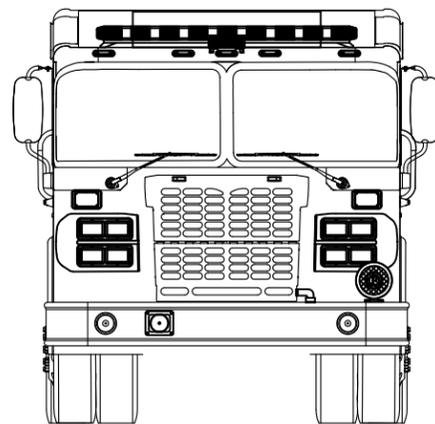
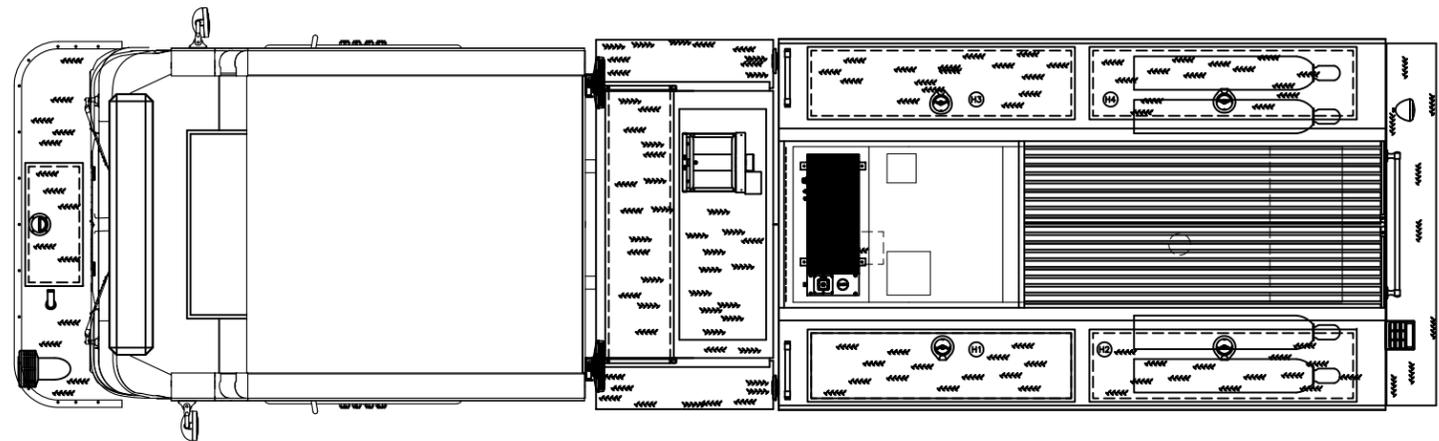
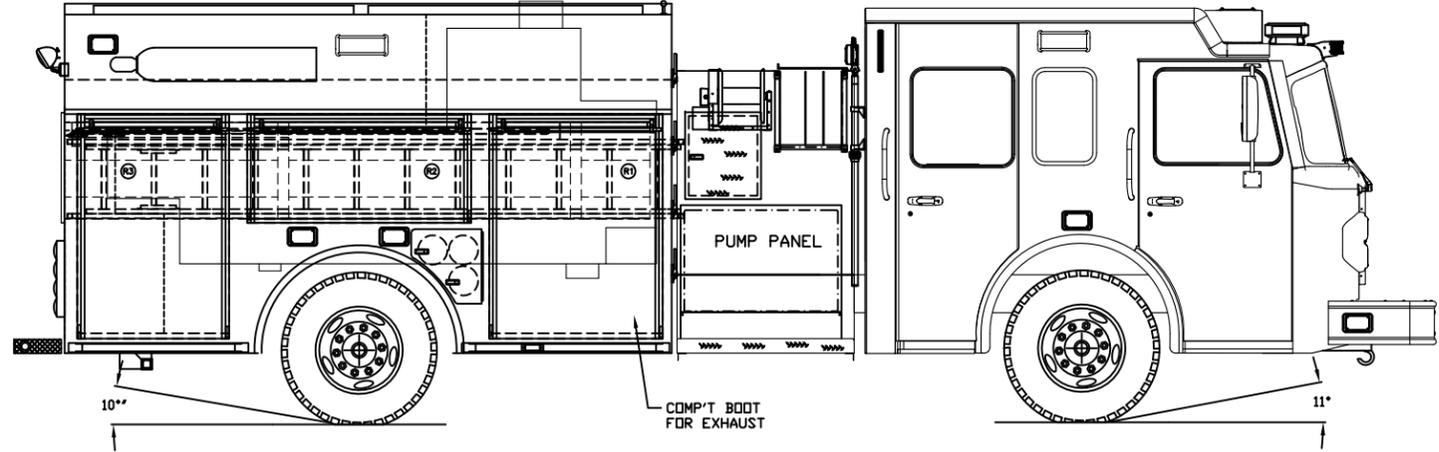
As a member of the HGAC buy consortium the City has been negotiating with various Fire Apparatus companies to find the best apparatus at the best price that meets the department's operational needs for the next 25-30 years. Smeal Fire Apparatus as presented a contract for a 5 man custom cab pumper featuring a 450 hp engine, a 1500 gpm pump, 1000 gallon tank, 30 gallon foam system, a booster reel, electric deck gun, and a SCBA air fill station. The proposed custom cab engine costs is \$445,000. This price is above the proposed budget of \$425,000 however for the needed features no apparatus manufacture has been able to meet the proposed budget for this purchase. In FY 13 the budget for this truck was set at \$475,000 and was dropped in FY 14 due to increased budget needs from the dept. Recently the dept. has been awarded a radio grant which will free up needed capital. It is proposed to authorize an expenditure of \$475,000 to purchase and upfit this truck for service. This would come in the form of a cash down payment followed by installment financing or use of the Capital Reserve funds depending on the results of the financing market.

Recommendation: Approve the HGAC buy contract with Smeal Fire Apparatus and authorize the City Manager to begin the needed financial transactions to complete this purchase.



GROUND LADDERS & PIKE POLES			
ITEM	LADDER LENGTH	MODEL	QTY
A	24' 2-SEC	PEL-24	1
B	16' ROOF	PRL-16	1
C	10' ATTIC	FL-10	1
D	PIKE POLES		2
E			
F			
G			
H			
I			

COMPT.	OPENING	UPPER DEPTH	LOWER
L1	45W X 55.5H	25.75	25.75
L2	59W X 24H	25.75	N/A
L3	39W X 55.5H	25.75	25.75
T1	44W X 31H	26	26
R1	45W X 55.5H	15.25	25.75
R2	59W X 24H	15.25	N/A
R3	39W X 55.5	15.25	25.75
H1-4	18W X 72L	18	18
INTERMEDIATE DIVIDE HEIGHT			
R1	26.5		R3 26.5



NOTE:
UNSPECIFIED DECKGUNS WILL NOT BE INCLUDED IN THE OVERALL HEIGHT OF THE VEHICLE. THE ADDITION OF A DECKGUN MAY INCREASE THE OVERALL HEIGHT OF THE VEHICLE.

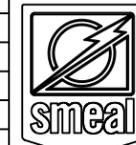
NOTE:
DIMENSIONS SHOWN ARE APPROXIMATE AND ARE SUBJECT TO CHANGE AS MAY BE FOUND NECESSARY DURING CONSTRUCTION. MINOR DETAILS MAY NOT BE SHOWN.
THE DRAWING IS FOR REFERENCE PURPOSES ONLY. SOME ITEMS MAY OR MAY NOT APPEAR ON THE DRAWING THAT MAY OR MAY NOT BE INCLUDED IN THE SPECIFICATIONS.

SPECIFICATIONS SHALL BE THE FINAL AUTHORITY TO DETERMINE WHAT IS SUPPLIED ON THE APPARATUS.

PUMP: HALE QMAX XS 1500 GPM
TANK: POLY 1000 USG
FOAM: 30 USG CELLS
BODY: ALUMINUM
HOSE BED: 90 CUBIC FEET
COMPARTMENTS: 220 CUBIC FEET
CHASSIS: SPARTAN METRO STAR EMFD

PROPOSAL

Date	Approval Signatures	Revisions	Revisions	SMEAL FIRE APPARATUS SNYDER, NE 68664	
	DEALER			CLAREMONT FIRE DEPARTMENT CLAREMONT, N.C.	
	FIRE CHIEF			Drawn by: D. Brodd	Scale: 3/8"=1'
	SALES AD.			Chk'd:	Date: 6/4/14
	PRODUCTION				Drawing No: 12709
	ENGINEERING				
				18 x 24	BID



BID PROPOSAL

City of Claremont
Claremont Fire Department
PO Box 446
Claremont, N.C. 28610



SMEAL FIRE APPARATUS CO.

610 West 4th Street
Snyder, NE 68664

402.568.2224

www.smeal.com

WE BUILD RESPECT.



610 WEST 4TH ST. - P.O. BOX 8
SNYDER, NEBRASKA 68664

smeal.com
(402) 568-2224

WE BUILD RESPECT.

PROPOSAL
(General)

Date: **7/1/2014**

TO: **City of Claremont (Claremont Fire Department)**

PO Box 446 . **Claremont, NC 28610**

Dear Sirs:

We hereby propose and agree to furnish, after your acceptance of this proposal and the proper execution and approval of award of bid, the following apparatus and equipment:

Smeal Custom Pumper with a Spartan MetroStar Chassis

For the sum of: Four hundred forty-five thousand dollars and 00 cents

Dollars 445,000.00

All of which are to be built in accordance with the Smeal proposed specifications attached, and which are made a part of this proposal agreement, to deliver same **30** calendar days after date of receipt and approval of all submitted documents affiliated with order placement with Smeal Fire Apparatus Co., properly executed, subject to all causes beyond our control.

The amount named in this proposal shall remain firm for a period of **60** days from the date of same. All state and local taxes are included above figure. Any and all additional applicable taxes are to be paid by customer upon registration and licensing of vehicle. It is understood by both the Seller and the Buyer that *Change Orders* executed after contract acceptance may delay delivery. It is understood by both the buyer and the seller that *Change Orders* executed after contract acceptance may increase or decrease the price. The purchase price herein is based upon all applicable state and federal manufacturing law, regulations, orders, mandates and standards in effect as of the date of this Agreement (hereinafter "Standards") such as, for example, the Standards mandated by the National Fire Protection Association, tentative interim amendments to the National Fire Protection Association Standard, Underwriters Laboratories of Canada, and the Environmental Protection Agency. The purchase price shall be subject to increase due to any state or federal Standards that are adopted, issued or mandated following the date of this Agreement that require the apparatus(es) described above to be manufactured and/or delivered in compliance with such Standard(s).

This Proposal Document, in order to be effective and binding upon Seller must be signed and accepted by an authorized officer of Seller. The effective date of this Proposal Document will be the date it is signed and accepted by the Seller.

Performance Bond Required:

 X Performance Bond NOT required.

 Performance Bond Required - Performance Bond (Surety Bond) will cover standard one year warranty period only and will not cover extended warranties offered by seller or other component manufacturer.

All checks must be made payable to Smeal Fire Apparatus Co. only and delivered to Seller at its offices in Snyder, Nebraska. Under no circumstances shall payment be made to a dealer or anyone else as Seller's agent. Smeal Fire Apparatus Co. is the only authorized payee. Any representation that payment is to be made to any other party is absolutely unauthorized.

Official ownership documents shall remain property of the seller until the purchase price is paid in full. Upon receipt of payment, ownership documents shall be forwarded to purchaser.

The Proposal is subject to the City of Claremont bid documents and the meeting notes regarding the additions and deletions to the truck to remain in the City Budget. Smeal also agrees that the purchase of this truck will be through the HGAC buying contract per NCGS purchasing laws.

Respectfully submitted,

We agree to accept the above proposal:

x _____

x _____

SMEAL FIRE APPARATUS CO.
C/O: Atlantic Coast Fire Trucks
Rob Smith

(Printed Name)

Date: 07/01/2014 (mmddyy)

Date: _____ (mmddyy)



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Quote Summary with Notes

Customer:	Claremont Fire Department 285Firehouse Lane Claremont, North Carolina 28610	Dealership:	Atlantic Coast Fire Trucks Rob Smith 37 Stonington Drive Murrells Inlet, SC 29576 Rob@acfiretrucks.com
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Quote No: 0012709 **Quote Name:** Claremont Fire Department
S.O. #: **Unit Type:** Custom Side Mount Pumper

Option ID	Entity	Description	Qty	UOM
	Basic Unit Type	Custom Side Mount Pumper	1	SET
S00496	Country	United States	1	EA
S00440	Standards Version	NFPA 1901-2009	1	NA
S00439	Bidding Prerequisites	Yes	1	NA
S00464	Documentation	NFPA	1	NA
S00460	Intent of Specifications	Pumper	1	NA
	Actual Overall Height (in)	118	1	SET
	Actual Overall Length (in)	396	1	SET
	Actual Wheelbase (in)	200	1	SET
	Actual Angle of Approach (deg)	11	1	SET
	Actual Angle of Departure (deg)	10	1	SET
	Requested Overall Height (in)	118	1	SET
	Requested Overall Length (in)	396	1	SET
S00472	Top Speed	Top Speed - GVWR 26,000 lb (11,800 kg) or greater	1	NA
S00492	Miscellaneous Equipment Allowance	Miscellaneous Equipment Allowance - 3,000 Lb.	1	EA
S00483	Miscellaneous Equipment Provider	Customer Supplied Miscellaneous Equipment - Pumper	1	EA
M00058	Owners Manuals and Schematics - Electronic Format	1 USB Drive	1	EA
S00468	Pre-Construction Meeting	Pre-Construction Meeting at Customer/Dealer Location	1	NA
S00471	Final Inspection	Yes	1	NA
S00444	Inspection Certificate	NFPA 1901 Compliance	1	EA
M00014	Unit Certification	NFPA 1901-2009 - Pumper Firefighting Apparatus	1	EA

Option ID	Entity	Description	Qty	UOM
M00044	Pump Testing	Independent Third Party Certification Pump Testing	1	EA
S00457	Pump Certification	U.S. GPM	1	NA
M00046	Foam System Testing	Single Foam Proportioning System Testing	1	EA
S00310	Electrical System Test	12 Volt Electrical System Test	1	EA
M00048	Tilt-Table Test	Yes	1	EA
W10100	Body Structural Integrity Warranty	10 Year	1	EA
W03200	Paint and Corrosion Warranty	3 Year / 10 Year	1	EA
W10300	Stainless Plumbing Warranty	10 Year	1	EA
W05800	Pump Warranty	Hale Standard 5 Year	1	EA
WLF800	Water Tank Warranty	UPF Standard Lifetime	1	EA
W20100	Galvanized Substructure Warranty	20 Year	1	EA
W01500	Smeal Manufactured Parts Warranty	1 Year	1	EA

Chassis

S00559	Chassis Make	Spartan	1	EA
S00565	Model	Metro Star	1	EA
S00578	Cab Type	4-Door	1	EA
S00536	Axle Type	Single	1	EA
S00580	V-Mux Cab	Yes	1	EA
001360	Chassis Preparations	Spartan Preparations	1	EA
001379	Heat Exchanger	Yes	1	EA
001200	Mud Flaps	Yes	1	SET
008280	Emblems	Chassis Supplied - SFA Installed Emblems	1	EA
008389	Wheel Covers	Chassis Supplied Wheel Covers - SFA Installed	1	EA
005591	Charger	Chassis Supplied and Installed 110V Charger and Shoreline Receptacle/AutoEject	1	EA
S00658	Charger Eject	Chassis Supplied and Installed Manual/Auto Eject	1	EA
S00662	Switch Panel	Chassis Supplied and Installed Switch Panel	1	EA
S00717	Vehicle Data Recorder	Chassis Supplied and Installed	1	EA
S00708	Front Bumper	Chassis Supplied and Installed Front Bumper	1	EA
S00682	Air Horn	Chassis Supplied and Installed Air Horns	1	EA
007130	Mechanical Siren	Chassis Supplied Pedestal Q2B Siren - SFA Installed	1	EA
S00683	Mechanical Siren Location	Pedestal Mounted on Front Bumper - Left Outboard	1	EA
S00719	Electronic Siren	Chassis Supplied and Installed Siren in Cab	1	EA
S00796	Speaker	Chassis Supplied and Installed Speaker(s)	0	EA

Pumps

Option ID	Entity	Description	Qty	UOM
007567	Pump	Hale Qmax XS 1500 GPM Single-Stage Pump	1	EA
S00779	Pump Transmission	G-Series Gearbox	1	EA
S00181	Pump Class Rating	Class A Single-Stage Pump Rating	1	EA
S00113	Pump Rating	1500 GPM	1	EA
S00069	Pump Body	Hale Pump Body	1	EA
S00205	Pump Mounting	Fire Pump Mounting	1	EA
005848	PumpColor_USC	Paint Pump Gray and Intakes Primary Body Color by OEM Manufacturer	1	EA
002793	Discharge/Inlet Anodes	Hale Alloy Anodes - 2 Discharge and 2 Intake	1	SET
S00062	Impellers	Hale Qmid/Qmax Standard Impellers	1	EA
000037	Seals	Hale Mechanical Seals	1	EA
010079	Pump Shift	Chassis Supplied and Installed Electric-Over-Air Pump Shift (OEM Wiring)	1	EA
S01013	Pump Shift Lights	Chassis Supplied and Installed Pump Shift Indicating Lights (With Pressure Governor)	1	EA
004936	PumpShiftOverride	Hale Manual Pump Shift Override	1	EA
000044	Priming Pump	Hale ESP Oil-Less Priming Pump	1	EA
003472	Priming Activation Method	Hale PVG Manual Priming Valve	1	EA
006379	Discharge Relief Valve/Governor	Class 1 Total Pressure Governor Plus	1	EA
002210	Intake Relief Valve	Elkhart Intake Relief Valve	1	EA
000054	Master Drain Valve	Trident Master Drain Valve	1	EA
003837	Thermal Relief Valve	Hale Thermal Relief Valve With Lights and Buzzer	1	EA
009960	Pump and Engine Cooling System	Standard - Pump Panel	1	EA
S00073	Pump Manuals	Hale Pump Manuals	1	PR
002483	Foam System	Akron 3126 Foam Eductor	1	EA
		Shop Notes: The Akron 3126 Foam Eductor shall be plumbed to the front bumper.		
S00138	Foam Type	Class B Foam	1	EA
002481	ValveFlushSystem	Single Flush System	1	EA
006645	Manifold	Hale Standard Non-Foam Manifold	1	EA
002618	Port T	3" Tank to Pump	1	EA
000391	Valve	Akron Brass 3" 8800 Tank-to-Pump Valve Controlled at Operators Panel	1	EA
006394	Valve Controller	Trident Push-Pull Handle for Swing-Out Valve	1	EA
S00453	Check Valve	Tank-to-Pump Check Valve	1	EA
S00050	Label Color	SFA Standard Black	1	EA
002596	Port 15	2" Tank Fill	1	EA
006661	Valve	Akron Brass 2" 8800 Valve Controlled at Operators Panel	1	EA

Option ID	Entity	Description	Qty	UOM
006394	Valve Controller	Trident Push-Pull Handle for Swing-Out Valve	1	EA
S00050	Label Color	SFA Standard Black	1	EA
002603	Port D	6" Left-Side Steamer	1	EA
S00136	Suction Tube	Short Suction Tube	1	EA
S00806	Termination	MNST Thread	1	EA
001252	Cap	South Park 6" NST Vented Chrome Cap	1	EA
S00051	Label Color	SFA Standard Chrome	1	EA
002601	Port O	6" Right-Side Steamer	1	EA
S00136	Suction Tube	Short Suction Tube	1	EA
S00806	Termination	MNST Thread	1	EA
001252	Cap	South Park 6" NST Vented Chrome Cap	1	EA
S00051	Label Color	SFA Standard Chrome	1	EA
002572	Port DF	2-1/2" Left-Side (Forward) Partially Recessed Inlet	1	EA
007059	Valve	Akron Brass 2-1/2" 8800 Valve Controlled at Valve	1	EA
S00450	Valve Controller	Akron TSC Manual Control Handle	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
S00802	Termination	FNST Thread	1	EA
001246	Plug	South Park 2-1/2" NST Chrome Plug with Chain	1	EA
S00050	Label Color	SFA Standard Black	1	EA
002564	Port DR	2-1/2" Left-Side (Rearward) Partially Recessed Inlet	1	EA
007059	Valve	Akron Brass 2-1/2" 8800 Valve Controlled at Valve	1	EA
S00450	Valve Controller	Akron TSC Manual Control Handle	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
S00802	Termination	FNST Thread	1	EA
001246	Plug	South Park 2-1/2" NST Chrome Plug with Chain	1	EA
S00050	Label Color	SFA Standard Black	1	EA
002579	Port OF	2-1/2" Right-Side (Forward) Partially Recessed Inlet	1	EA
007059	Valve	Akron Brass 2-1/2" 8800 Valve Controlled at Valve	1	EA
S00450	Valve Controller	Akron TSC Manual Control Handle	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
S00802	Termination	FNST Thread	1	EA
001246	Plug	South Park 2-1/2" NST Chrome Plug with Chain	1	EA
S00050	Label Color	SFA Standard Black	1	EA
006619	Port OR	2-1/2" Right-Side (Rearward) Partially Recessed Inlet	1	EA
007059	Valve	Akron Brass 2-1/2" 8800 Valve Controlled at Valve	1	EA
S00450	Valve Controller	Akron TSC Manual Control Handle	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA

Option ID	Entity	Description	Qty	UOM
S00802	Termination	FNST Thread	1	EA
001246	Plug	South Park 2-1/2" NST Chrome Plug with Chain	1	EA
S00050	Label Color	SFA Standard Black	1	EA
002545	Port 1	2-1/2" Left-Side Discharge	1	EA
006676	Valve	Akron Brass 2-1/2" 8600 Valve Controlled at Operators Panel - Rack & Sector	1	EA
002664	Valve Controller	Trident Push-Pull Handle for Rack and Sector Valve	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
005849	Gauge	2-1/2" Thuemling Liquid Filled Pressure Gauge - psi 0-400	1	EA
S00797	Termination	MNST Thread	1	EA
003464	Elbow	South Park 2-1/2" FNST x 2-1/2" MNST 45 Degree Elbow	1	EA
005460	Cap	South Park 2-1/2" NST Vented Chrome Cap with Chain	1	EA
S00042	Label Color	SFA Standard Red	1	EA
002545	Port 2	2-1/2" Left-Side Discharge	1	EA
006676	Valve	Akron Brass 2-1/2" 8600 Valve Controlled at Operators Panel - Rack & Sector	1	EA
002664	Valve Controller	Trident Push-Pull Handle for Rack and Sector Valve	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
005849	Gauge	2-1/2" Thuemling Liquid Filled Pressure Gauge - psi 0-400	1	EA
S00797	Termination	MNST Thread	1	EA
003464	Elbow	South Park 2-1/2" FNST x 2-1/2" MNST 45 Degree Elbow	1	EA
005460	Cap	South Park 2-1/2" NST Vented Chrome Cap with Chain	1	EA
S00045	Label Color	SFA Standard Blue	1	EA
002538	Port 3	2-1/2" Right-Side Discharge	1	EA
006663	Valve	Akron Brass 2-1/2" 8800 Valve Controlled at Operators Panel	1	EA
006394	Valve Controller	Trident Push-Pull Handle for Swing-Out Valve	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
005849	Gauge	2-1/2" Thuemling Liquid Filled Pressure Gauge - psi 0-400	1	EA
S00797	Termination	MNST Thread	1	EA
003464	Elbow	South Park 2-1/2" FNST x 2-1/2" MNST 45 Degree Elbow	1	EA
005460	Cap	South Park 2-1/2" NST Vented Chrome Cap with Chain	1	EA
S00039	Label Color	SFA Standard Orange	1	EA
002553	Port 5	4" LDH Right-Side Discharge	1	EA
007060	Valve	Akron Brass 3" 8800 Valve Controlled at Operators Panel	1	EA
003769	Valve Controller	Elkhart Brass RC-10 Chrome Handwheel with Position Indicator	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
005849	Gauge	2-1/2" Thuemling Liquid Filled Pressure Gauge - psi 0-400	1	EA
S00797	Termination	MNST Thread	1	EA

Option ID	Entity	Description	Qty	UOM
006214	Elbow	South Park 4" FNST x 4" MNST 30 Degree Elbow	1	EA
001247	Cap	South Park 4" NST Vented Chrome Cap with Chain	1	EA
S00047	Label Color	SFA Standard Dark Green	1	EA
002549	Port 6	1-1/2" Left-Front Bumper Discharge Above the Gravelshield	1	EA
S01008	Foam	Foam Capable Discharge	1	EA
006661	Valve	Akron Brass 2" 8800 Valve Controlled at Operators Panel	1	EA
006394	Valve Controller	Trident Push-Pull Handle for Swing-Out Valve	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
005849	Gauge	2-1/2" Thuemling Liquid Filled Pressure Gauge - psi 0-400	1	EA
S00797	Termination	MNST Thread	1	EA
S00184	Cap	Preconnect Discharge	1	EA
S00050	Label Color	SFA Standard Black	1	EA
S00498	Port 7	1-1/2" Preconnect Crosslay	1	EA
006661	Valve	Akron Brass 2" 8800 Valve Controlled at Operators Panel	1	EA
006394	Valve Controller	Trident Push-Pull Handle for Swing-Out Valve	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
005849	Gauge	2-1/2" Thuemling Liquid Filled Pressure Gauge - psi 0-400	1	EA
S00797	Termination	MNST Thread	1	EA
S00184	Cap	Preconnect Discharge	1	EA
S00044	Label Color	SFA Standard Yellow	1	EA
S00498	Port 8	1-1/2" Preconnect Crosslay	1	EA
006661	Valve	Akron Brass 2" 8800 Valve Controlled at Operators Panel	1	EA
006394	Valve Controller	Trident Push-Pull Handle for Swing-Out Valve	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
005849	Gauge	2-1/2" Thuemling Liquid Filled Pressure Gauge - psi 0-400	1	EA
S00797	Termination	MNST Thread	1	EA
S00184	Cap	Preconnect Discharge	1	EA
S00049	Label Color	SFA Standard White	1	EA
S00502	Port 9	2-1/2" Preconnect Crosslay	1	EA
006663	Valve	Akron Brass 2-1/2" 8800 Valve Controlled at Operators Panel	1	EA
006394	Valve Controller	Trident Push-Pull Handle for Swing-Out Valve	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
005849	Gauge	2-1/2" Thuemling Liquid Filled Pressure Gauge - psi 0-400	1	EA
S00797	Termination	MNST Thread	1	EA
S00184	Cap	Preconnect Discharge	1	EA
S00048	Label Color	SFA Standard Gray	1	EA
002538	Port 10	2-1/2" Right-Side Discharge	1	EA

Option ID	Entity	Description	Qty	UOM
006663	Valve	Akron Brass 2-1/2" 8800 Valve Controlled at Operators Panel	1	EA
006394	Valve Controller	Trident Push-Pull Handle for Swing-Out Valve	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
005849	Gauge	2-1/2" Thuemling Liquid Filled Pressure Gauge - psi 0-400	1	EA
S00797	Termination	MNST Thread	1	EA
003464	Elbow	South Park 2-1/2" FNST x 2-1/2" MNST 45 Degree Elbow	1	EA
005460	Cap	South Park 2-1/2" NST Vented Chrome Cap with Chain	1	EA
S00046	Label Color	SFA Standard Light Green	1	EA
002541	Port 11	2-1/2" Right Rear Discharge	1	EA
006663	Valve	Akron Brass 2-1/2" 8800 Valve Controlled at Operators Panel	1	EA
006394	Valve Controller	Trident Push-Pull Handle for Swing-Out Valve	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
005849	Gauge	2-1/2" Thuemling Liquid Filled Pressure Gauge - psi 0-400	1	EA
S00797	Termination	MNST Thread	1	EA
003464	Elbow	South Park 2-1/2" FNST x 2-1/2" MNST 45 Degree Elbow	1	EA
005460	Cap	South Park 2-1/2" NST Vented Chrome Cap with Chain	1	EA
S00040	Label Color	SFA Standard Burnt Orange	1	EA
002543	Port 13	2-1/2" Left Rear Discharge	1	EA
006663	Valve	Akron Brass 2-1/2" 8800 Valve Controlled at Operators Panel	1	EA
006394	Valve Controller	Trident Push-Pull Handle for Swing-Out Valve	1	EA
008028	Drain	Trident Quarter-Turn Manual Drain	1	EA
005849	Gauge	2-1/2" Thuemling Liquid Filled Pressure Gauge - psi 0-400	1	EA
S00797	Termination	MNST Thread	1	EA
003464	Elbow	South Park 2-1/2" FNST x 2-1/2" MNST 45 Degree Elbow	1	EA
005460	Cap	South Park 2-1/2" NST Vented Chrome Cap with Chain	1	EA
S00038	Label Color	SFA Standard Brown	1	EA
Tanks				
000333	Water Tank	UPF Rectangular 1000 U.S. Gallon Tank	1	EA
S00014	Water Tank Mounting	Standard	1	EA
000350	Water Tank Drain	1-1/2" Drain Valve	1	EA
005735	Tank Sleeve	UPF 4" Tank Sleeve (Qty = Feet)	41	FT
006909	Small Tank Notch	UPF Small Tank Notch (Qty = Each)	3	EA
006908	Large Tank Notch	UPF Large Tank Notch (Qty = Cubic Feet)	68	FT3
S00011	Fill Tower	UPF Tank Fill Tower - Black	1	EA
008187	Overflow	UPF 4" Overflow	1	EA
003589	Water Level Gauge(s)	Class 1 Intelli-Tank - Pump Operator's Panel	1	EA
002177	Water Level Display(s)	Whelen PSTANK - Cab Sides - Class 1 Driver	1	EA

Option ID	Entity	Description	Qty	UOM
000252	Foam Tank	UPF 30 U.S. Gallon Foam Cell	1	EA
S01471	Foam Fill Tower	UPF (Black)	1	EA
S00138	Foam Type	Class B	1	EA
002930	Foam Level Gauge	Class 1 Intelli-Tank Gauge - Class B Foam	1	EA
Doors and Lights				
Pump Compartment				
002633	Pump Compartment Material	1/8" Aluminum Custom Side Mount	1	EA
S00154	Pump Compartment Structure	Separate Pump Compartment	1	EA
005726	Dunnage Compartment	Tread Plate Dunnage Compartment Above Pump Module	1	EA
003490	Dunnage Compartment Cover	Vinyl Dunnage Compartment Cover	1	EA
004731	Lighting Inside of Pump Compartment	On-Scene 9" Night Axe LED Pump Module Lights	1	PR
004789	Pump Panel	Left Side Controls - Line-X Panel	1	SET
003659	Pump Panel Lighting	On-Scene Night Axe LED Pump Panel Lighting	1	PR
006940	Master Gauges	4-1/2" Thuemling Liquid Filled Pressure/Vacuum Gauges - psi - - 30-0-400	1	PR
000356	Pressure Vacuum Test Ports	Class 1 Model 121384 Pressure and Vacuum Test Ports	1	EA
007164	Bezels and Trim Rings	Standard Bezels and Trim Rings	1	EA
003556	Left Running Board	Tread Plate Bolt-On Running Board	1	EA
003556	Right Running Board	Tread Plate Bolt-On Running Board	1	EA
007440	Crosslay(s)	Two (2) 1-1/2" and One (1) 2-1/2" Crosslays Above Pump Panel	1	SET
S00163	Crosslay 1 Capacity	Crosslay - 200' of 1-3/4" Hose	1	EA
S00172	Crosslay 1 Stack Type	Single Stack - Crosslay	1	EA
S00163	Crosslay 2 Capacity	Crosslay - 200' of 1-3/4" Hose	1	EA
S00172	Crosslay 2 Stack Type	Single Stack - Crosslay	1	EA
S00167	Crosslay 3 Capacity	Crosslay - 200' of 2-1/2" Hose	1	EA
S00172	Crosslay 3 Stack Type	Single Stack - Crosslay	1	EA
004557	Crosslay(s) End Covers	Crosslay Webbing End Covers - Sides Over Rollers with Velcro Center	1	SET
007020	Crosslay(s) Top Cover	Hinged Tread Plate Cover (Side Mount)	1	EA
000205	Crosslays Rollers	Yes	1	SET
007018	Crosslay Flooring	Dura-Dek Flooring	1	EA
007013	Crosslays Finish Coating	Abraded Finish	1	EA
007015	Crosslays Divider	Aluminum Divider	2	EA
000935	Crosslays Divider Coating	Abraded Finish	1	EA
005149	Front Access Panel	Tread Plate Front Access Panel with Compression Latches - Alum. Body	1	EA

Option ID	Entity	Description	Qty	UOM
000460	Right Access Panel	Tread Plate Access Panel with Compression Latches	1	EA
Body				
002630	Body Material	1/8" Aluminum Custom Body - 100" Wide	1	EA
005155	Screws	Stainless Steel Screws	1	EA
001210	Bag of Bolts	Bag of Bolts	1	EA
M00005	Body Length	Aluminum Body 160" - 179"	1	EA
005119	Subframe	Hot-Dip Galvanized Sub-Frame	1	EA
005954	Heat Deflector Shield	5" Exhaust Heat Deflector Shield - Aluminum Body	1	EA
S50092	Left Body Configuration	Custom Pumper Full Depth Rescue Style	1	EA
006361	Left Door Configuration	Left Door Configuration	1	EA
S50093	Compartment	L1	1	EA
S00204	Compartment Door	ROM Roll-Up Door Construction - Satin Finish	1	EA
S00213	Door Handle	ROM Non-Locking	1	EA
002524	Compartment Lighting	On-Scene Night Axe LED 45" Light	2	EA
	Requested Dimensions	No Requested Dimensions	1	SET
	Opening Height	55.50	1	SET
	Opening Width	45.00	1	SET
	Upper Depth	25.75	1	SET
	Lower Depth	25.75	1	SET
	Intermediate Divide Height	55.50	1	SET
000424	Additional Option(s)	Full Height Cmpt - Full Depth - Double Set of Aluminum Strut Channels	1	SET
002749	Additional Option(s)	Shelf - Permanent - Line-X Aluminum - Full Depth	1	EA
007810	Additional Option(s)	Tool Board - Slide-Out (Locking Roller Assembly) - Full-Height, Full Depth - Line-X Aluminum	2	EA
S50094	Compartment	L2	1	EA
S00204	Compartment Door	ROM Roll-Up Door Construction - Satin Finish	1	EA
S00213	Door Handle	ROM Non-Locking	1	EA
002520	Compartment Lighting	On-Scene Night Axe LED 9" Light	2	EA
	Requested Dimensions	No Requested Dimensions	1	SET
	Opening Height	24.00	1	SET
	Opening Width	59.00	1	SET
	Upper Depth	25.75	1	SET
	Lower Depth	25.75	1	SET
	Intermediate Divide Height	24.00	1	SET
000687	Additional Option(s)	Tool Board - Swing-Out - Standard Height - Line-X Aluminum	1	EA
S50095	Compartment	L3	1	EA
S00204	Compartment Door	ROM Roll-Up Door Construction - Satin Finish	1	EA

Option ID	Entity	Description	Qty	UOM
S00213	Door Handle	ROM Non-Locking	1	EA
002524	Compartment Lighting	On-Scene Night Axe LED 45" Light	1	EA
	Requested Dimensions	No Requested Dimensions	1	SET
	Opening Height	55.50	1	SET
	Opening Width	39.00	1	SET
	Upper Depth	25.75	1	SET
	Lower Depth	25.75	1	SET
	Intermediate Divide Height	55.50	1	SET
002745	Additional Option(s)	Shelf - Adjustable - Line-X Aluminum - Full Depth	2	EA
000424	Additional Option(s)	Full Height Cmpt - Full Depth - Double Set of Aluminum Strut Channels	1	SET
S50112	Right Body Configuration	Custom Pumper Split Depth Rescue Style	1	EA
006360	Right Door Configuration	Right Door Configuration	1	EA
S50113	Compartment	R1	1	EA
S00204	Compartment Door	ROM Roll-Up Door Construction - Satin Finish	1	EA
S00213	Door Handle	ROM Non-Locking	1	EA
002524	Compartment Lighting	On-Scene Night Axe LED 45" Light	2	EA
	Requested Dimensions	No Requested Dimensions	1	SET
	Opening Height	55.50	1	SET
	Opening Width	45.00	1	SET
	Upper Depth	15.25	1	SET
	Lower Depth	25.75	1	SET
	Intermediate Divide Height	26.50	1	SET
002742	Additional Option(s)	Shelf - Adjustable - Abraded Aluminum - Full Depth	1	EA
002746	Additional Option(s)	Shelf - Permanent - Abraded Aluminum - Shallow Depth	2	EA
S50114	Compartment	R2	1	EA
S00204	Compartment Door	ROM Roll-Up Door Construction - Satin Finish	1	EA
S00213	Door Handle	ROM Non-Locking	1	EA
002520	Compartment Lighting	On-Scene Night Axe LED 9" Light	2	EA
	Requested Dimensions	No Requested Dimensions	1	SET
	Opening Height	24.00	1	SET
	Opening Width	59.00	1	SET
	Upper Depth	15.25	1	SET
	Lower Depth	15.25	1	SET
	Intermediate Divide Height	24.00	1	SET
S50115	Compartment	R3	1	EA
S00204	Compartment Door	ROM Roll-Up Door Construction - Satin Finish	1	EA

Option ID	Entity	Description	Qty	UOM
S00213	Door Handle	ROM Non-Locking	1	EA
002524	Compartment Lighting	On-Scene Night Axe LED 45" Light	1	EA
	Requested Dimensions	No Requested Dimensions	1	SET
	Opening Height	55.50	1	SET
	Opening Width	39.00	1	SET
	Upper Depth	15.25	1	SET
	Lower Depth	25.75	1	SET
	Intermediate Divide Height	26.50	1	SET
002748	Additional Option(s)	Shelf - Permanent - Line-X Aluminum - Shallow Depth	2	EA
S66871	Rear Body Configuration	Flat Back - Ladders to Right of Water Tank - 1 Cmpt - Roll-Up Door	1	EA
006042	Rear Door Configuration	Rear Door Configuration	1	EA
S66872	Compartment	T1	1	EA
S00204	Compartment Door	ROM Roll-Up Door Construction - Satin Finish	1	EA
S00213	Door Handle	ROM Non-Locking	1	EA
002521	Compartment Lighting	On-Scene Night Axe LED 18" Light	2	EA
	Requested Dimensions	Add Customers EAGLE SIDE WINDER XT	1	SET
	Opening Height	31.00	1	SET
	Opening Width	44.00	1	SET
	Upper Depth	26.00	1	SET
	Lower Depth	26.00	1	SET
	Intermediate Divide Height	31.00	1	SET
000474	Body Compartment Venting	All Compartments - Air Release and Drain Holes	1	EA
UPO0000019640	Left Hatch Compartment Configuration	Customer Supplied/SFA Installed Sidewinder XT - Two (2) Bottles Hatch Compartment	1	IN
S00250	Left Hatch Compartment	Left Hatch	1	EA
002705	Compartment Lighting	Truck-Lite Model 40	4	EA
	Requested Dimensions	Install Customers (2)6000psi DOT Cylinders and plumb to fill station	1	SET
	Opening Length	72	1	SET
	Opening Width(s)	18	1	SET
	Depth	18	1	SET
UPO0000019640	Right Hatch Compartment Configuration	Customer Supplied/SFA Installed Sidewinder XT - Two (2) Bottles Hatch Compartment	1	IN
S00252	Right Hatch Compartment	Right Hatch	1	EA
002705	Compartment Lighting	Truck-Lite Model 40	4	EA
	Requested Dimensions	Install Customers (2)6000psi DOT Cylinders and plumb to fill station	1	SET
	Opening Length(s)	72	1	SET

Option ID	Entity	Description	Qty	UOM
	Opening Width(s)	18	1	SET
	Depth	18	1	SET
S00020	Tread Plate	Walkways/Overlays/Stepping Surfaces - NFPA 1901	1	EA
003558	Rear Deck	Bolt-On Tread Plate Rear Deck - Flat Back	1	EA
007858	Rear Steps	Bolt-On Steps - Four (4) - 4 Left	1	SET
007897	Left Front of Body Steps	Folding Steps - Four (4) - Front-Left	1	EA
007902	Right Front of Body Steps	Folding Steps - Four (4) - Front-Right	1	EA
000505	Front of Body Overlay	Tread Plate Overlay Both Vertical Areas of Front Compartments	1	SET
002186	Wheel Well	Single Axle Rear Wheel Wells	1	SET
003559	Fenderettes	Stainless Steel Fenderettes	1	PR
S00288	Door Finish	Brushed Finish	1	EA
S00978	Wheel Well Location	WL1 Wheel Well Position	1	EA
007491	Wheel Well Option	Triple Triangle 8" Air Bottle Compartment - OEM Stainless Steel Brushed Door	1	EA
002662	Left Fuel Fill	Left Fuel Fill - Fire Shopp Brushed Door	1	EA
S00981	Wheel Well Location	WR1 Wheel Well Position	1	EA
007492	Wheel Well Option	Triple Triangle 8" Air Bottle Compartment - OEM Stainless Steel Brushed Door	1	EA
005118	Rub Rails	"C" Channel Design Body Rub Rails	1	EA
000515	Tow Option(s)	One Rear Tow Hook	1	EA
000588	Hose Bed	Standard Hose Bed	1	EA
S01309	Hose Type - Position A	Double-Jacket Hose - 200' of 2-1/2"	1	EA
S01414	Hose Type - Position C	Rubber Hose - 1000' of 5"	1	EA
S01309	Hose Type - Position F	Double-Jacket Hose - 200' of 2-1/2"	1	EA
S01025	Hose Bed Restraint	Restraint Incorporated with the Top Cover	1	EA
S00260	Hose Bed Finish	Painted Primary Body Color	1	EA
000597	Hose Bed Cover	Pumper Vinyl Hose Bed Cover - Side Button Snaps with Footman Loop / J-Hook on Rear	1	EA
S00255	Cover Color	Red Vinyl Restraint	1	EA
004933	Hose Bed Divider	1/4" Abraded Aluminum Adjustable Hose Bed Divider	2	EA
	Hose Bed Capacity	80	1	SET
002714	Ladder Storage	Inside Body - Right of Water Tank - Painted Aluminum Door	1	EA
006010	Ladder(s)	Alco-Lite 10' Folding Attic Ladder with Brackets - FL-10	1	EA
001302	Ladder(s)	Alco-Lite 14' Roof Ladder - PRL-14	1	EA
001305	Ladder(s)	Alco-Lite 24' Two-Section Ladder - PEL-24	1	EA
S00309	Pike Pole Storage	Aluminum Pike Pole Tube in Ladder Storage Compartment	2	EA
UPO0000018286	Hard Suction Hose Storage	Storage for 1 Hard Hoses in Ladder Compartment	1	EA
UPO0000018593	Location	Behind Right Side Roll Up Doors	1	EA

Option ID	Entity	Description	Qty	UOM
002734	Hard Suction Hose Storage	Storage for 1 Hard Hose in Enclosed Compartment with Rear Painted Door	1	EA
S00237	Location	Behind Left Side Rollup Doors	1	EA
004949	Wheel Chocks	Cast Products Wheel Chocks - TMC1008-4 and Bracket - Alum Body	1	PR
S00030	Location	Wheel Chocks Under Left Front of Body	1	EA
S00015	Handrail(s) Material	Knurled Aluminum Handrails	1	EA
002427	Additional Option(s)	License Plate Bracket	1	EA
004929	Additional Option(s)	Access Panel for Fuel Tank Gauge - Pumpers	1	EA
000517	Additional Option(s)	Knurled Aluminum Handrail - Body (Rear) - Above Compartment and Below Hose Bed - Horizontal	1	EA
000526	Additional Option(s)	Knurled Aluminum Handrail - Body (Rear) - Rear Face - Vertical - Left	1	EA
Electrical				
002955	Electrical System	Standard Electrical System	1	EA
S00314	Sealed Switches	V-Mux Sealed Switches	1	EA
002851	Tail Lights	Whelen - 600 Series LED Stop/Tail/Turn/Halogen Backup - 4-Light Vertical Cluster	1	PR
008730	Turn-Signal Lights	Two Truck-Lite Model 21 LED Lights in the Rub Rails	1	PR
002728	Ground Lights	Truck-Lite Ground Lights - Model 40	4	EA
002796	Ground Lighting Bracket(s)	Ground Light Bracket	4	EA
006261	Clearance Lights	Grote Red LED Clearance Lights	1	SET
000645	Hose Bed Loading Lights	Unity AG-R Light on Rear	1	EA
002192	Rear Work Light Switch	Rear Work Light Switch	1	EA
002433	Receiver Tube(s)	Left and Right Side Receiver Tubes	1	EA
004882	Camera System	Chassis Supplied and OEM Installed Back-Up Camera System	1	EA
	Radio Model	None	1	SET
008785	Generator	Harrison 10kW Hydraulic Generator - MCR	1	EA
002782	Starter Option	Remote Starts - Hydraulic Generators - In Cab and on Pump Panel	1	PR
000680	PTO Option	Standard Hot Shift PTO	1	EA
S00311	Generator Info Center	Fire Research Frog-D Generator Display	1	EA
007206	Location	Above the Body, Behind the Crosslays	1	EA
007410	Load Center	16-Circuit Non-GFI Breaker Box	1	EA
S00886	Load Center Location	L1 - Back Wall	1	EA
004935	Load Center Cmpt Drip Tray	ROM Drip Tray	1	EA
000859	Additional Option(s)	Transfer Switch - Generator-to-Shoreline	1	EA
S00422	Warning Light Zone	Upper Zone A	1	NA
000850	Warning Light(s)	Whelen - Freedom 72" LED Lightbar - FN72QLED - Raised Roof - 12 Red, 2 White (Fully Populated Front)	1	EA

Option ID	Entity	Description	Qty	UOM
S00424	Warning Light Zone	Upper Zone C	1	NA
UPO0000019643	Warning Light(s)	Warning Lights, Whelen, ROTA-BEAM LED, Two (2) Red	1	EA
S00423	Warning Light Zone	Upper Zone B	1	NA
UPO0000019641	Warning Light(s)	Warning Lights, Whelen, ROTA-BEAM LED, (1) Red	1	EA
S00425	Warning Light Zone	Upper Zone D	1	NA
UPO0000019641	Warning Light(s)	Warning Lights, Whelen, ROTA-BEAM LED, (1) Red	1	EA
S00426	Warning Light Zone	Lower Zone A	1	NA
S00383	Warning Light(s)	Chassis Supplied Warning Lights	2	NA
S00427	Warning Light Zone	Lower Zone B	1	NA
UPO0000019644	Warning Light(s)	Warning Lights, Whelen, ROTA-BEAM LED, Two (2) Red	2	EA
S00428	Warning Light Zone	Lower Zone C	1	NA
UPO0000019645	Warning Light(s)	Warning Lights, Whelen, ROTA-BEAM LED, Two (2) Red, Lower Zone C	2	EA
S00429	Warning Light Zone	Lower Zone D	1	NA
UPO0000019644	Warning Light(s)	Warning Lights, Whelen, ROTA-BEAM LED, Two (2) Red	2	EA
003120	Traffic Directional Light	Whelen 6-Light LED Low-Profile Traffic Advisor - TAL65	1	EA
S00385	Location	Recess Mounted - Rear of the Body	1	NA
S01475	Traffic Directional Light Controller	Whelen Traffic Advisor Controller - TACTLD1	1	EA
007544	12V Scene Light(s)	FRC LED Spectra - Surface Mounted 12V Light - SPA260-Q15	1	EA
002878	Light Switch(s)	In Cab - 'LEFT SCENE'	1	EA
S00509	Location	Left Side of Body	1	EA
007544	12V Scene Light(s)	FRC LED Spectra - Surface Mounted 12V Light - SPA260-Q15	1	EA
004887	Light Switch(s)	In Cab - 'REAR SCENE' - Wired to Reverse	1	SET
S00511	Location	Rear Face of Body	1	EA
007544	12V Scene Light(s)	FRC LED Spectra - Surface Mounted 12V Light - SPA260-Q15	1	EA
002880	Light Switch(s)	In Cab - 'RIGHT SCENE'	1	EA
S00510	Location	Right Side of Body	1	EA
002933	AC Lighting Option(s)	FRC LED Spectra - Side Mount Push-Up Telescoping 120V Light - SPA530-K20	1	EA
004902	AC Lighting Option(s)	120V Light Switch On Pump Panel	1	EA
002896	AC Lighting Option(s)	FRC - Steady Rest Bracket - SR	1	EA
000706	AC Lighting Option(s)	On Rear Face of Custom Chassis - Left Side	1	EA
002933	AC Lighting Option(s)	FRC LED Spectra - Side Mount Push-Up Telescoping 120V Light - SPA530-K20	1	EA
004902	AC Lighting Option(s)	120V Light Switch On Pump Panel	1	EA
002896	AC Lighting Option(s)	FRC - Steady Rest Bracket - SR	1	EA
007582	AC Lighting Option(s)	On Rear Face of Custom Chassis - Right Side	1	EA

Option ID	Entity	Description	Qty	UOM
004424	Cord Reel Option(s)	Akron 120V 10/3 Cord Reel - ERWC-15-10	1	EA
002972	Cord Reel Option(s)	200' of 10/3 Yellow Cord	1	EA
000975	Cord Reel Option(s)	Extenda-Lite 120V Junction Box - Pigtail with L5-20 Twist Lock	1	EA
S00420	Cord Reel Option(s)	Dunnage Area	1	EA
Paint and Striping				
009171	Paint Process	Single Tone (Aluminum)	1	EA
UPO0000019646	Single Tone Body Color	White - PPG# FBCH-91778	1	EA
S00715	Chassis Paint Option	Chassis Manufacturer Painted Single Tone	1	EA
001170	Under-Body Finish	Two-Step Undercoating Process	1	EA
007460	Compartment Finish	White Amerlock	1	EA
S00556	Coating Material	Standard	1	EA
001033	Touch-Up Paint	Standard - Two-Ounce Bottle	1	EA
006089	Corrosion Protection	Standard - Electrolysis Corrosion Kontrol (ECK)	1	EA
008610	Body Striping Option	4" Striping - Straight Around Perimeter	1	EA
S00589	Striping Wrap Around Front of Cab	Stop at Side of Bumper - Stripe on Front Bumper	1	EA
S00615	Main Stripe Color	White	1	EA
004522	Rub Rail Striping	Standard	1	EA
S01010	Interior Cab Door Striping	Reflective Striping - Chassis Supplied	1	EA
003620	Chevron Location	Entire Rear and Other Storage Doors - *Exclude T1	1	SET
S00604	Chevron Color	Red / Fluorescent Yellow-Green	1	EA



610 WEST 4TH ST. - P.O. BOX 4
SNYDER, NEBRASKA 68664

smeal.com
(402) 566-2224

WE BUILD RESPECT.

Structural Body Integrity Limited Warranty Smeal Manufactured Parts

Ten (10) Years

1. Smeal Fire Apparatus Company ("Smeal") warrants that the body of each newly constructed apparatus which is manufactured by Smeal shall be free of structural or design failure or workmanship for a period of ten (10) years or 100,000 miles, beginning on the 30th day from the invoice date for the completed apparatus.

2. This warranty shall only cover tubular support, water tank cradle support, body/pump house mount structures, and other structural components as set forth in Smeal's body specifications.

3. Smeal reserves the right to thoroughly examine the apparatus or any parts thereof which are claimed to be defective and Smeal's obligation pursuant to this warranty shall be limited to the repair or replacement of the structural component or components which Smeal determines to have structurally failed due to defective manufacture, design, or workmanship. This repair or replacement shall be without charge to the original purchaser and Smeal shall have the sole right to elect whether the apparatus or items shall be repaired or replaced, which repairs shall be performed solely by Smeal at its principal place of business or at a repair facility selected by Smeal. This warranty covers only labor for repair or replacement which is reasonably necessary, as determined by Smeal, to make the repair or replacement deemed necessary by Smeal. Any labor, time or amounts which are in excess of those reasonably necessary or deemed to be excessive by Smeal are not covered under this warranty. All repairs must be expressly approved in writing by Smeal's Warranty department. The failure to obtain approval for repairs from Smeal or to have the apparatus or item repaired or replaced at Smeal or a place designated by Smeal shall void this warranty. Any repair or replacement performed by Smeal pursuant to this warranty shall be warranted under this warranty only for the duration of the original warranty.

4. This warranty is nontransferable and terminates upon transfer of ownership or possession of the apparatus from the original purchaser to any other third party or entity.

5. Smeal's obligation to render any performance under this warranty is subject to the following conditions:

- The claimed failure must manifest itself during the warranty period.
- The original purchaser must notify Smeal in writing of the claimed failure within thirty (30) days after the claimed failure manifests itself to the original purchaser.
- The claimed defective apparatus or item must be returned to Smeal or Smeal's designee immediately after notification of Smeal with transportation charges prepaid, unless otherwise directed by Smeal. Smeal shall have the unconditional right to thoroughly examine the claimed failures, including the apparatus and any part thereof, prior to conducting or approving any repair or replacement to determine whether the claimed failure is covered by this warranty. The failure of Smeal to conduct any such examination shall not be deemed to be a waiver of its right to deny warranty coverage.

6. This warranty is effective only under normal use and conditions.

In addition, this warranty does not cover:

a) Damage or corrosion due to improper use, improper maintenance, unauthorized alterations to the structure or repairs, chemical deterioration, accidents, acts of God or operation beyond rated capacity; or

b) Any liability for direct or indirect damages or delays resulting from any failures, including but not limited to, special, incidental, or consequential damages, loss of use, and loss of profits; or

c) The cost of transporting original purchaser's apparatus or item to or from any repair facility.

At the request of Smeal, any allegedly defective vehicle shall be returned to Smeal by the purchaser for examination and/or repair. The purchaser shall be responsible for the cost of transportation and for the risk of loss of or damage to the vehicle during such transportation.

d) Non-structural cracks or breakage; or

e) Metal deformities, including buckling or material bending, unless the same was caused by the structural failure of a structural component.

7. This warranty is absolutely void if Smeal determines that the apparatus or any item has been misused, neglected, altered, overloaded, loaded to a state of excessive imbalance, or damaged. In addition this warranty is void if Smeal determines that the original purchaser has misrepresented or concealed any material fact in connection with this warranty claim or that the apparatus or item has been damaged in an accident or act of God or that the failure is attributable to any use by the original customer which is contrary to the intended use for which the product was manufactured or designed by Smeal.

8. THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR USE FOR A PARTICULAR PURPOSE AND ALSO INCLUDES, BUT IS NOT LIMITED TO, WARRANTIES ARISING BY OPERATION OF LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE. THIS WARRANTY IS FURTHER IN LIEU OF ALL OTHER REPRESENTATIONS TO THE ORIGINAL PURCHASER AND ANY OTHER OBLIGATIONS OR LIABILITIES WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, ANY OBLIGATION OR LIABILITY FOR SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES. SMEAL NEITHER GIVES, ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO GIVE OR ASSUME ANY OTHER WARRANTY, OBLIGATION OR LIABILITY ON SMEAL'S BEHALF, UNLESS EXPRESSLY GIVEN OR ASSUMED IN WRITING BY SMEAL.

9. Smeal reserves the right to make changes in the design of and/or improvements on its products or to change specifications on material as it may deem desirable to any item without imposing any obligations on itself to make corresponding changes or improvements in or on its products theretofore manufactured. Only the Smeal apparatus and its components manufactured by Smeal are bound by this warranty. Components of other manufacturers are covered only by such warranties set forth by the component manufacturer.

Option ID: W10100

East Lincoln Fire Dept.
406 S.Knob Road
Stanley, North Carolina 28164 SO#:

NON-ORIGINAL



610 WEST 4TH ST. - P.O. BOX 4
SNYDER, NEBRASKA 68664

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WE BUILD RESPECT.

Galvanized Body Sub-Structure/Tank-Cradle (GS-36) Integrity Limited Warranty: Pumper, Rescue-Pumper & Pumper-Tanker Models

Smeal Manufactured Parts

Twenty (20) Years

1. Smeal Fire Apparatus Company ("Smeal") warrants that the galvanized body sub-structure / tank-cradle (GS-36); which is manufactured by Smeal, shall be free of structural or design failure or workmanship for a period of twenty (20) years or 100,000 miles, beginning on the 30th day from the invoice date for the completed apparatus.

2. This warranty shall only cover structural components identified in the Smeal specifications of the GS-36, including the body sub-structure, tank-cradle and the galvanized pump compartment truck frame mounts.

3. Smeal reserves the right to thoroughly examine the apparatus or any parts thereof which are claimed to be defective and Smeal's obligation pursuant to this warranty shall be limited to the repair or replacement of the structural component or components which Smeal determines to have structurally failed due to defective manufacture, design, or workmanship. This repair or replacement shall be without charge to the original purchaser and Smeal shall have the sole right to elect whether the vehicle or items shall be repaired or replaced, which repairs shall be performed solely by Smeal at its principal place of business or at a repair facility selected by Smeal. This warranty covers only labor for repair or replacement which is reasonably necessary, as determined by Smeal, to make the repair or replacement deemed necessary by Smeal. Any labor, time, or amounts which are in excess of those reasonably necessary or deemed to be excessive by Smeal are not covered under this warranty. All repairs must be expressly approved in writing by the Smeal warranty department. The failure to obtain approval for repairs from Smeal or to have the apparatus or item repaired or replaced at Smeal or a place designated by Smeal shall void this warranty. Any repair or replacement performed by Smeal pursuant to this warranty shall be warranted under this warranty only for the duration of the original warranty.

4. This warranty is nontransferable and terminates upon transfer of ownership or possession of the apparatus from the original purchaser to any other third party or entity.

5. Smeal's obligation to render any performance under this warranty is subject to the following conditions:

a) The claimed failure must manifest itself during the warranty period;

b) The original purchaser must notify Smeal in writing of the claimed failure within thirty (30) days after the claimed failure manifests itself to the original purchaser;

c) The claimed defective apparatus or item must be returned to Smeal or Smeal's designee immediately after notification of Smeal with transportation charges prepaid, unless otherwise directed by Smeal. Smeal shall have the unconditional right to thoroughly examine the claimed failures, including the apparatus and any part thereof, prior to conducting or approving any repair or replacement to determine whether the claimed failure is covered by this warranty. The failure of Smeal to conduct any such examination shall not be deemed to be a waiver of its right to deny warranty coverage.

6. This warranty is effective only under normal use and conditions.

In addition, this warranty does not cover:

a) Damage or corrosion due to improper use, improper maintenance, unauthorized alterations to the structure or repairs, chemical deterioration, accidents, acts of God, or operation beyond rated capacity; or

b) Any liability for direct or indirect damages of delays resulting from an failures, including, but not limited to, special, incidental, or consequential damages, loss of use, and loss of profits; or

c) The cost of transporting original purchaser's apparatus or item to or from any repair facility.

At the request of Smeal, any allegedly defective vehicle shall be returned to Smeal by the purchaser for examination and/or repair. The purchaser shall be responsible for the cost of transportation and for the risk of loss of or damage to the vehicle during such transportation.

d) Non-structural cracks or breakage; or

e) Metal deformities, including buckling or material bending, unless the same was caused by the structural failure of a structural component.

7. This warranty is absolutely void if Smeal determines that the apparatus or any item has been misused, neglected, altered, overloaded, loaded to a state of excessive imbalance, or damaged. In addition this warranty is void if Smeal determines that the original purchaser has misrepresented or concealed any material fact in connection with this warranty claim or that the vehicle or item has been damaged in an accident or act of God, or that the failure is attributable to any use by the original customer which is contrary to the intended use for which the product was manufactured or designed by Smeal.

8. THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR USE FOR A PARTICULAR PURPOSE AND ALSO INCLUDES, BUT IS NOT LIMITED TO, WARRANTIES ARISING BY OPERATION OF LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE. THIS WARRANTY IS FURTHER IN LIEU OF ALL OTHER REPRESENTATIONS TO THE ORIGINAL PURCHASER AN ANY OTHER OBLIGATIONS OR LIABILITIES WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, ANY OBLIGATION OR LIABILITY FOR SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES. SMEAL NEITHER GIVES, ASSUMES, NOR AUTHORIZES ANY OTHER PERSON TO GIVE OR ASSUME ANY OTHER WARRANTY, OBLIGATION, OR LIABILITY ON SMEAL'S BEHALF, UNLESS EXPRESSLY GIVEN OR ASSUMED IN WRITING BY SMEAL.

9. Smeal reserves the right to make changes in the design of and/or improvements on its products or to change specifications on material as it may deem desirable at any time without imposing any obligations on itself to make corresponding changes or improvements in or on its products theretofore manufactured. Only the Smeal apparatus and its components manufactured by Smeal are bound by this warranty. Components of other manufacturers are covered only by such warranties set forth by the component manufacturer.

Option ID: W20100

Warranty assigned to:

Shop Order Number:

REQUEST FOR COUNCIL ACTION

Date of Meeting: July 7, 2014

To: Mayor and the City Council

From: Doug Barrick, City Manager

Action Requested: Approve a Development Agreement with Apple Inc.

Proposed Project: a 100 acre 17.50 megawatt solar farm. With an intimal investment of \$55 million. The project is located outside of the City at this time however Apple has agreed to a voluntary annexation.

Highlights of the Development Agreement:

Apple with Voluntary Annex in to the corporate limits of the City

The City will provide a fire hydrant at the entrance to the farm

The City will provide normal police and fire services

Apple and Claremont will exchange lands

Apple will lease back new city property for a period of 2 years for construction

The City will vest the development rights for this project for a period of 20 years

Recommendation: Approve the Development Agreement

Drafted by and Return to:
Womble Carlyle Sandridge and Rice, LLP (JCC)
2100 Wachovia Capitol Center
150 Fayetteville Street
Raleigh North Carolina 27601

STATE OF NORTH CAROLINA

COUNTY OF CATAWBA

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (“Development Agreement”) is made this _____ day of _____, 2014, by and between the **City of Claremont**, a municipal corporation existing under the laws of the State of North Carolina (the “City”), and **Apple Inc.**, a California corporation, its affiliates and related entities, successors or assigns (“Apple”).

WITNESSETH:

WHEREAS, Apple is the contract purchaser of approximately 126,101 acres of real property and 99.842 acres of this real property is more particularly described on *Exhibit A* (the “Property”), which is attached hereto and made a part hereof by reference; and

WHEREAS, the Property contains more than twenty-five (25) acres of developable land within the zoning jurisdiction of the City; and

WHEREAS, Apple has proposed to establish on the Property a large-scale project extending over a period of years with the uses of a utility scale solar energy system and other facilities or uses associated with, convenient to or necessary for operating, maintaining, repairing, upgrading, replacing or restoring the utility scale solar energy system it intends to own and operate on the Property, including but not limited to computer systems and associated components, such as telecommunications and storage systems, power supplies, internet-related equipment and services, data communications connections, environmental controls and security devices (the “Project”); and

WHEREAS, Apple anticipates that the Project will require a long-term commitment of Apple’s resources and will require the careful integration between public capital facilities planning, financing, and construction schedules to be successful from the City’s and Apple’s standpoints; and

WHEREAS, development of the Property as the Project will involve a substantial commitment of private capital by Apple, which Apple is unwilling to risk without sufficient assurances that development standards will remain stable through the extended period of the development of the Project; and

WHEREAS, at the current time, Apple is proposing as part of the Project various accessory buildings, structures and facilities, paved parking and driveways, security installations and utility and related structures and facilities incident to such uses; and

WHEREAS, all of the Property is located in the City's extra-territorial jurisdiction and is zoned Manufacturing-1 (M-1), which assures that the Project is developed under a single zoning district. To provide for the careful integration and coordination between public capital facilities planning, financing, and construction and the development of the Project, Apple intends to file and not withdraw a petition for voluntary annexation of the Property into the corporate limits of the City; and

WHEREAS, the City Clerk has found that the voluntary annexation petition filed by Apple is sufficient under law to permit the City Council to annex the Property into the City's corporate limits with the effective date of annexation being June 30, 2015; and

WHEREAS, the City and Apple are considering an exchange of real property in order to better promote the interests of the citizens of the City and development of the Project; and

WHEREAS, because of the type, size and location of the Project, the City and Apple believe that orderly completion of the Project will be better accomplished by forming a development agreement than through traditional zoning processes; and

WHEREAS, SunPower Corporation, Systems on behalf of Apple has submitted to the City a proposed layout or site plan as part of an application for a building permit to construct the Project and a copy of this layout or site plan is attached as **Exhibit B**, which is incorporated herein; and

WHEREAS, the City's Zoning Administrator and the City's Subdivision Administrator have reviewed **Exhibit B** carefully and find that (a) **Exhibit B** is in compliance with all City regulations and (b) that construction and operation of the Project is subject only to Apple or Apple's designee acquiring the permits or approvals specifically listed in paragraph 3.3 of this Development Agreement and complying with these permits and approvals; and

WHEREAS, upon the City Council's approval of this Development Agreement, the right to complete the Project shall be vested for the duration of this Development Agreement; and

WHEREAS, after careful review and deliberation, the City finds that the Project constitutes a development suitable to be planned and developed through a development agreement as permitted by Part 3D of Article 19 of Chapter 160A of the North Carolina General Statutes and that it is in the City's interest to enter into this Development Agreement because significant benefits to the City and its citizens will be realized as a result of the Project and this Development Agreement; and

WHEREAS, the details concerning the Property required by N.C.G.S. § 160A-400.25 are set forth in **Exhibit C** and made a part hereof by reference, and the schedule for development of the Property (the “Development Schedule”) is attached hereto as **Exhibit D** and made a part hereof by reference; and

WHEREAS, the City has published notice of and has held a public hearing concerning this Development Agreement as required by N.C.G.S. § 160A-400.24 and otherwise completed all steps, conditions and requirements necessary for the City Council to consider the adoption of this Development Agreement as permitted by law; and

WHEREAS, after holding the public hearing and carefully considering the terms and conditions of this Development Agreement, the City Council duly adopted the Development Agreement as an ordinance as required by N.C.G.S. § 160A-400.22 and directed its execution by the Mayor and attestation by the City Clerk.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, and pursuant to North Carolina law including N.C.G.S. § 160A-400.20 *et seq.*, the City and Apple agree as follows:

1. Definitions:

1.1 Recitals: The definitions set forth in the recitals to this Development Agreement are incorporated herein by this reference.

1.2 Additional Property: As defined in Section 5 of this Development Agreement.

1.3 Apple: Apple together with its successors and assigns, and (when appropriate in the context) their respective officers, directors, and employees.

1.4 Development Permit: A building permit, zoning permit, subdivision approval, special or conditional use permit, variance, or any other official action by the City having the effect of permitting the development of Real Property.

1.5 Effective Date: The Effective Date is the date the Development Agreement is executed by both parties after the adoption of an ordinance approving the Development Agreement by the City Council. The City shall sign and deliver the Development Agreement to Apple within three (3) calendar days of adopting the ordinance approving the Development Agreement.

1.6 Incentives Agreement: As defined in Section 10.8 of this Development Agreement.

1.7 Land Development Regulations: Ordinances and regulations enacted by the City for the regulation of any aspect of development and including zoning, subdivision, or any other land development ordinances.

1.8 Laws: All ordinances, resolutions, regulations, comprehensive plans, land development regulations, policies, and rules adopted by the City affecting the development of Real Property, and including, without limitation, laws governing permitted uses of Real Property, density, design, and improvements.

1.9 NCDOT: North Carolina Department of Transportation.

1.10 Project Development Law: As defined in Section 4 of this Development Agreement.

1.11 Real Property: All real property subject to land use regulation by the City and including any improvements or structures customarily regarded as a part of real property.

1.12 City: The City together with its successors and assigns, and (when appropriate in the context) its elected officials, employees, agents and independent contractors.

2. Establishment and Provision of Public Infrastructure by the City: In order to provide sufficient public infrastructure for the Project and other properties and citizens located in the vicinity of the Project, the City shall undertake the following:

2.1 Fire and Other Emergency Services: The City shall provide appropriate response times for all emergency services, e.g. fire and police, for incidents occurring at the Project or properties located in the vicinity of the Project and shall install a fire hydrant, at no cost to Apple, at the entrance to the Project for fire protection of the Project no later than issuance of a certificate of occupancy for the Project. The City shall not impose fees for fire or any other police or emergency services on Apple in excess of those imposed on other properties or citizens within the City's corporate limits.

2.2 Transportation Improvements/Requirements, Water/Sewer and Other Municipal Services: The City does not and shall not require Apple to construct acceleration or deceleration lanes or turn lanes and the only transportation improvements required for the Project are those identified by the driveway permits to be issued by NCDOT to Apple or its designee in connection with the Project. Municipal water and sewer services are available to the Property and upon Apple's request, the City shall provide to the Project and Property such other municipal services as it provides its other citizens, now or in the future, such as solid waste disposal, and shall not impose fees for the same in excess of those imposed on other properties or citizens within the City's corporate limits.

3. Coordination and Management of Development Approvals for the Project: In order to provide for coordination and management of the development reviews, approvals and permits associated with the Project, the City agrees as follows:

3.1 Reviews and Approvals: The City and its contractor, Catawba County Building Inspection Department, shall provide expedited review, inspection and approval of all plans and work associated with completion of the Project.

3.2 Cooperation and Assistance: The City shall assist and cooperate with Apple and the contractor of Apple's choice in connection with reviews, approvals and permits issued by Catawba County or the State of North Carolina associated with the Project.

3.3 Future Development Permits and Approvals for the Project: The parties agree that Apple needs to obtain only the following permits and/or approvals in order to complete the development of the Project:

- A. City/Catawba County Building Inspection Department
 - i. Building Permit(s)
 - ii. Soil Erosion and Sedimentation Control Permit(s)
 - iii. Stormwater Permit(s)

- B. State
 - i. NCDOT Driveway Permit(s)

The failure of this Development Agreement to identify a particular permit, condition, term or restriction does not relieve Apple of the necessity of complying with the Project Development Law. Further, nothing herein prohibits Apple from seeking other or further reviews, permits or approvals in connection with use of the Property.

4. Vested Rights to Complete the Project; Application of Laws and Land Development Regulations: Except for the limited grounds stated in the current (as of the Effective Date) version of N.C.G.S. § 160A-385.1(e), the Project shall be subject only to the Laws and Land Development Regulations and policies enacted and applicable to the Property and Project at the time of the City's approval of the Development Agreement by adoption of an ordinance (the "Project Development Law"). Additionally, no future development moratoria or development impact fees shall apply to the Project without the written consent of Apple or its successors in interest. Laws, rules, regulations or policies enacted, adopted, formed or administered by the City or any of its boards, officials or staff subsequent to the adoption of the Development Agreement, including but not limited to land use, streets, buffers, the division of land, grading, landscaping, water, sewer, stormwater, setbacks, flood hazards, water supply watershed, flood damage prevention, parking and signage, shall not directly or indirectly be applicable to any aspect of the Project for a period of twenty (20) years after the Effective Date. Subject to the provisions in N.C.G.S. §160A-400.26(c), in the event that State or federal law is changed after the Effective Date in such a way that prevents compliance with the Development Agreement by Apple, the City and Apple will review the terms of the Development Agreement and will work together in good faith to modify the affected provisions to accomplish the intended purpose of the Development Agreement and the economic benefits foreseen by the parties when they entered into the Development Agreement.

5. Apple's Construction Staging Area: Apple including its contractors, employees, agents, successors and assigns shall have the right to use such portion of a tract of land located on the northerly side of Kelly Boulevard, 8.264 acres in total (0.803 acres in the right-of-way for South Oxford Street; net 7.461 acres tract), being conveyed from Apple to the City, the same being a portion of Catawba County GIS Tax Parcel PIN 3761-09-15-6074 (hereinafter "the North Tract"), from time to time, as a construction staging area, including

without limitation the installation of construction oversight trailers, asphalt or gravel driveway and parking area, and necessary utilities, the clearing and grading of the applicable portions of the North Tract, and the storage of materials and construction equipment, in connection with the construction of a utility scale solar energy system and other facilities or uses associated with, convenient to or necessary for operating, maintaining, repairing, upgrading, replacing or restoring the utility scale solar energy system on the Property with said right of use as a construction staging area being for the benefit of and as an appurtenance to the Property pursuant to the terms hereof.

During the period from the Effective Date of this Development Agreement through the date that is two (2) years after the Effective Date of this Development Agreement, the plans (including scope and location) for the construction staging area activities on the North Tract shall be determined by Apple in its reasonable business discretion. Thereafter, and from time to time as required by Apple, the plans (including scope and location) for any subsequent construction staging area activities on the North Tract shall be prepared by Apple so as to avoid interfering unreasonably with areas of the North Tract that have been improved or that are being used by the City and shall be submitted to the City for approval prior to commencement of such activities. If the subsequent use of the North Tract for the construction staging area activities is not reasonably feasible, then Apple and the City agree to cooperate to determine if there is other property owned by the City that may be suitable for use by Apple as a construction staging area at no cost to Apple. The City's approval of the plans shall not be unreasonably withheld, conditioned or delayed. If the City has not communicated regarding such plans within ten (10) days after receipt thereof, it shall be presumed that the City has no objection to the plans. Upon completion of any such construction staging area activities, Apple shall be entitled to leave any asphalt or gravel driveway and parking area in place, but otherwise Apple shall be required to remove all of its property and restore any disturbed areas on the North Tract to their condition as existed prior to such construction staging area activities, except that cleared areas need not be replanted.

6. Condition on Obligations: The obligations of the parties under this Development Agreement are conditioned upon Apple's acquisition of all or part of the Property. In the event Apple does not acquire any of the Property by December 31, 2014, this Development Agreement shall automatically be cancelled, rendered void, and be of no further force or effect and neither Apple nor the City shall have any duties specified herein. In the event Apple does not become the owner of all of the Property, and at Apple's sole right and option, Apple may elect to reduce the size of the Project by sending notice of its election to the City no later than December 31, 2014, and the Project shall be deemed to be the size elected by Apple and all other provisions of this Development Agreement shall be deemed to conform with Apple's election. Notwithstanding any description of the Property to the contrary, this Development Agreement is hereby adopted and approved by the City to apply to any real property contiguous to any part of the Property (whether in one or more parcels, the "Additional Property") that Apple may later acquire during the term of this Development Agreement. If Apple acquires the Additional Property, then the legal description of the Additional Property shall be attached to this Development Agreement as an additional exhibit and Apple shall send notice to the City of Apple's desire to have this Development Agreement include the specified property. Upon the City's receipt of this notice, the City shall promptly modify the Development Agreement consistent with Apple's plans for the Additional Property.

7. Review to Assess Compliance with the Development Agreement: In accordance with N.C.G.S. § 160A-400.27, the City shall conduct periodic reviews to determine Apple's compliance with this Development Agreement, at which time Apple may be requested to demonstrate good faith compliance with the terms of this Development Agreement; however, in no event shall Apple's failure to satisfy a commencement or completion date of the Project, in and of itself, be a material breach of the Development Agreement and any such failure must be judged by the City based upon the totality of circumstances. As with every agreement in North Carolina, the City and Apple have an implied duty to deal in good faith and fairly with each other regarding their performances under the Development Agreement and both parties agree to work reasonably and cooperatively to address concerns related to any real or perceived inadequate performance of the Development Agreement by either party.

In addition to the foregoing review, from time to time either party, upon its own initiation, may request a review of the other party's prior execution or prospective future ability to execute the provisions of the Development Agreement to assure compliance with the Development Agreement and the accomplishment of the purposes originally intended by the parties.

8. Default and Remedies:

8.1 Cure Periods: In addition to the default and remedies provided in N.C.G.S. § 160A-400.27(b) and (c), in the event of a default in the performance of duties or obligations created by this Development Agreement, the non-defaulting party shall provide written notice of the default to the defaulting party and shall specify a period of not less than sixty (60) days in which the defaulting party shall have a right to cure the default; provided, however, such cure period may be extended if (a) a default cannot reasonably be cured within the cure period provided in such notice, (b) the curing party notifies the non-defaulting party of such fact by no later than the end of the cure period provided in the notice, and (c) the curing party in such extension notice covenants to (and thereafter actually does) diligently pursue the cure to completion. In the event the defaulting party fails to cure the default, the non-defaulting party may either (i) terminate the Development Agreement (provided, however, that no termination of this Development Agreement may be declared by the City absent provision of the notice and opportunity to cure to Apple provided in N.C.G.S. § 160A-400.27) or (ii) enforce this Development Agreement by the remedy of damages or specific performance.

8.2 Development Schedule: The Project shall be developed in accordance with the Development Schedule. The failure to meet a commencement or completion date specified in the Development Schedule shall not, in and of itself, constitute a material breach of this Development Agreement pursuant to N.C.G.S. § 160A-400.27, but must be judged based upon the totality of the circumstances, including, but not limited to, Apple's good faith efforts to attain compliance with the Development Schedule. The Development Schedule is a planning tool and shall not be interpreted as mandating the development pace initially forecast or preventing a faster pace of development if market conditions support a slower or faster pace.

9. Recordation of Agreement: Pursuant to N.C.G.S. § 160A-400.30, within fourteen (14) days after the Effective Date, Apple shall record the Development Agreement with the Office of the Register of Deeds of Catawba County, North Carolina.

10. Term: The term of this Development Agreement shall be a period of twenty (20) years from the Effective Date.

11. Miscellaneous:

11.1 Force Majeure: The parties hereto shall not be liable for any failure to perform hereunder as a result of an external event or events beyond their respective control, including, without limitation, acts of the United States of America, acts of the State of North Carolina, embargos, fire, flood, drought, hurricanes, tornadoes, explosions, acts of God or a public enemy, strikes, labor disputes, vandalism or civil riots. However, if any such event interferes with the performance by a party hereunder, such party shall diligently and in good faith act to the extent within its power to remedy the circumstances affecting its performance or to complete performance in as timely a manner as is reasonably possible.

11.2 Amendment: This Development Agreement may be amended or canceled by mutual written consent of the City and Apple, or their successors in interest or assigns.

11.3 Recitals: The recitals of this Development Agreement are material terms of the Development Agreement and shall be binding upon the parties.

11.4 Severability: If any provision of this Development Agreement, or its application to any person, is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, invalidation of any provision of this Development Agreement, or its application to any person, shall not affect any other provisions of this Development Agreement or its application to any other person or circumstance, and the remaining portions of this Agreement shall continue in full force and effect.

11.5 Notice: All notices or other communications required or permitted to be served hereunder shall be deemed served in accordance with this Development Agreement if the notice is: (a) mailed in a sealed wrapper and deposited in the United States mail, certified mail, return receipt requested, postage prepaid (with delivery conclusively presumed to occur on the third (3rd) business day following such deposit absent evidence of actual failure of delivery) and a courtesy copy delivered via facsimile to the telephone numbers below; or (b) deposited with a national overnight courier service for next day delivery that retains receipts of its deliveries, properly addressed (with delivery conclusively presumed to occur on the next business day following such deposit absent evidence of actual failure of delivery) and a courtesy copy delivered via facsimile to the telephone numbers below:

City: City Manager
City of Claremont
P.O. Box 446
Claremont, NC 28610
Facsimile: None

City Clerk
City of Claremont
P.O. Box 446
Claremont, NC 28610
Facsimile: None

City Attorney
City of Claremont
P.O. Drawer 166
Newton, NC 28658
Facsimile: 828-465-4422

Apple: Apple Inc.
1 Infinite Loop, MS 21-1AC2
Cupertino, CA 95014
Attn: Dan Whisenhunt
Sr. Director, Real Estate & Development
Facsimile: 408-974-3348

Apple Inc.
1 Infinite Loop, MS 4-DLAW
Cupertino, CA 95014
Attn: James C. Fowler
Associate General Counsel
Facsimile: 408-974-7211

with a copy to:

John C. Cooke
Womble Carlyle Sandridge & Rice, LLP
150 Fayetteville Street, Suite 2100
Raleigh, NC 27601
Facsimile: 919-755-6083

The parties, by written notice given to the other, may designate any further or different names or addresses to which all notices or other communications shall be sent without said further or different names or addresses being considered amendments to this Development Agreement.

11.6 Assignment: After notice to the City, Apple may assign its rights and obligations under this Development Agreement (a) to any affiliate controlling, controlled by or under common control with Apple (and upon such assignment the assigning entity shall be relieved of its covenants, commitments and obligations hereunder), or (b) to subsequent owners of all or any portion of the Property, provided that Apple shall not be relieved of its obligation with respect to the portion of the Property retained by Apple without the written consent of the City. In the event that Apple sells the Property in its entirety and assigns its rights and obligations hereunder to its successor in title to the Property, then Apple shall be relieved of all of its covenants, commitments and obligations hereunder.

11.7 Run with the Land: This Development Agreement shall run with the Property and any portion thereof as it may be subdivided or recombined.

11.8 Entire Agreement and Construction with Related Agreements: This Development Agreement contains the entire agreement between the parties regarding the Development Agreement. Except for other agreements between the City and Apple related to the Property or the Project (the "Related Agreements") listed on *Exhibit E*, all prior or contemporaneous oral or written communications are merged into this Development Agreement. To the extent a conflict or inconsistency exists between this Development Agreement and any Related Agreement, the provision which most encourages, promotes and enables the Project controls.

11.9 Multiple Counterparts: This Development Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and it shall not be necessary in making proof of this Development Agreement to produce or account for more than one such fully executed counterpart.

11.10 Applicable Law and Venue: This Development Agreement is governed by and shall be construed in accordance with the laws of the State of North Carolina. The proper venue for litigation related to or arising out of this Development Agreement shall be the North Carolina Superior Court for Catawba County.

11.11 Representations and Warranties of the Parties: The City and Apple, and the persons executing this Development Agreement on their behalf, represent and warrant, as applicable, that (a) such party or person has the full power and authority to enter into this Development Agreement, to execute it on behalf of the party indicated on the signature page, and to perform the obligations hereunder, (b) such party is acting on its own behalf and on behalf of its members, successors and assigns, (c) this Development Agreement is a valid and binding obligation, enforceable against the parties in accordance with its terms, (d) entering into this Development Agreement does not conflict with any other agreements entered into by either party, and (e) the execution, delivery and performance of this Development Agreement has been duly and validly authorized by all necessary corporate or governmental action on its part. Specifically (and not as a limitation), the City represents and warrants to Apple that this Development Agreement has been pre-audited to ensure compliance with the budgetary accounting requirements (if any) that apply thereto. In the event that any of the obligations of the City in this Development Agreement constitute debt, the City has complied, at the time of the obligation to incur the debt and before the debt becomes enforceable against the City, with

any applicable constitutional and statutory procedures for the approval of the debt. Notwithstanding the foregoing, it is not the intent of subsection 10.11(c) to make any individual personally liable for the performance or nonperformance of this Development Agreement.

11.12 Effect on Other Vested Rights: This Development Agreement does not abrogate any rights established or preserved by N.C.G.S. § 160A-385(b) or § 160A-385.1, or that may vest pursuant to common law or otherwise in the absence of this Development Agreement.

11.13 Construction: The parties agree that each party and its counsel have reviewed and revised this Development Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Development Agreement or any amendments or exhibits hereto. This Development Agreement shall be reasonably interpreted and construed to encourage, promote and aid the Project so that the opportunities and positive community impacts of the Project are fully realized by the City, its citizens and Apple.

11.14 Agreement to Cooperate Regarding Validity of the Development Agreement: Notwithstanding a lack of standing or subject matter jurisdiction, a third person (other than the City or Apple) may attempt to initiate a lawsuit challenging the validity of the Development Agreement or any provision thereof. In such an event, the City and Apple hereby agree to cooperate with and assist the other in responding to such litigation and defending the validity of the Development Agreement and any provisions thereof; provided, however, each party shall retain the right to pursue its own independent legal defense. In the event a third party or parties initiate(s) litigation against the City concerning annexation, zoning, layout, design or building permit related to the Project, the City consents to Apple's intervention but reserves unto itself all rights to determine the City's strategies and defenses.

11.15 Confidential Information: Except to the extent required by applicable law, the parties shall maintain the confidentiality of any trade secrets or confidential business information Apple is required to provide to the City in connection with this Development Agreement. Apple will highlight specific items that it determines to be its trade secrets or confidential business information in a separate attachment identified to the City or will place such information in a separate attachment identified as "Confidential Business Information." The City will notify Apple sufficiently in advance of any proposed disclosure of Apple's Confidential Business Information so that Apple, at its expense, may object to it. Apple will indemnify the City against any claims, liabilities, losses and expenses resulting from Apple's decision to object to any such disclosures.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed on the day and year indicated above.

CITY OF CLAREMONT

By: _____
Shawn R. Brown, Mayor

[CITY SEAL]

ATTEST:

By: _____
Douglas L. Barrick, City Clerk

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

I, _____, a Notary Public of _____ County, North Carolina, do hereby certify that Shawn R. Brown, Mayor of the City of Claremont, North Carolina, a municipal corporation, personally came before me this day and acknowledged that he is the Mayor of the City of Claremont, that this Development Agreement has been approved by the Claremont City Council by ordinance in accordance with the requirements of Part 3D of Article 19 of Chapter 160A, that he has been authorized by the City Council to execute this Development Agreement on behalf of the City, that he knows the Corporate Seal of the City, that the Corporate Seal was affixed to this Development Agreement by Douglas L. Barrick, the City Clerk, pursuant to authorization from the City Council, that this Development Agreement is the act and deed of the City of Claremont, and that he acknowledged the due execution of this Development Agreement by him in the aforesaid capacity.

Witness my hand and official seal or stamp, this the ____ day of _____, 2014.

My commission expires: _____
Notary Public

[NOTARY SEAL] _____
Print Name of Notary

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

City of Claremont Finance Director

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed as of the Effective Date.

APPLE INC.

By: _____
Name: Luca Maestri
Title: Chief Financial Officer

STATE OF CALIFORNIA

COUNTY OF SANTA CLARA

On _____, 2014, before me, _____, personally appeared Luca Maestri, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the entity upon behalf of whom the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public
(SEAL)

My commission expires: _____

EXHIBIT A

LEGAL DESCRIPTION

Being shown and described as all of Tract B as shown on the subdivision map recorded in Plat Book _____ at Pages _____ to _____ of the Catawba County Registry.

EXHIBIT B

PROJECT LAYOUT/SITE PLAN

Being the Claremont Solar Park Claremont Site prepared by SunPower dated May 10, 2012 and revised April 22, 2014, which is attached and incorporated as the Project Layout/Site Plan of the Development Agreement.

EXHIBIT C

DISCLOSURES REQUIRED BY N.C.G.S. § 160A-400.25

A description of the development uses permitted on the Property, including population densities and building types, intensities, placement on the site and design: The Project consists of the layout, design and improvements shown on **Exhibit B** and is a Utility Scale Solar Energy System under the City's Zoning Ordinance. The Project includes all accessory uses and accessory structures as they are defined by Section 9-3-9 of the City of Claremont's Zoning Ordinance, in effect on the Effective Date.

It is not anticipated that there will be any people residing in the Project, except for the possibility of security and maintenance employees, and for temporary stays by Apple's employees, representatives or third party contractors or designees.

Building types, intensities, design and placement for the Project are shown on **Exhibit B** of this Development Agreement. Any other future building types, intensities, design and placement will be similar to and compatible with the buildings shown on **Exhibit B** of this Development Agreement.

A description of public facilities that will service the Property, other than those provided in the Development Agreement to be provided by the City of Claremont, the date any such new public facilities will be constructed, and a schedule to assure such public facilities are available concurrent with the impacts of the Property: None.

A description of public facilities that will service the Property, other than those provided in the Development Agreement to be provided by entities other than the City of Claremont, the date any such new public facilities will be constructed, and a schedule to assure such public facilities are available concurrent with the impacts of the Property: None.

A description of any reservation of dedication of land for public purposes and any provisions to protect environmentally sensitive property: Exchange of Property between Apple, the City and Duke Energy, approved by Resolution ____ adopted by the Claremont City Council on _____.

A description of any conditions, terms, restrictions, or other requirements determined to be necessary by the City for the public health, safety or welfare of its citizens: None.

A description of any provisions for the preservation and restoration of historic structures: None.

EXHIBIT D

DEVELOPMENT SCHEDULE REQUIRED

BY N.C.G.S. § 160A-400.25(b)

1. Commencement Date: Subject to the acquisition of the Property and other terms of this Development Agreement, Apple's designee will submit an application for issuance of a grading permit by December 31, 2014. This date will be referred to in this Exhibit as the "Commencement Date."
2. Building Permit Application: Subject to the acquisition of the Property and other terms of this Development Agreement and issuance of a grading permit, Apple's designee will submit an application for issuance of a building permit by June 30, 2015.
3. Construction Date: Subject to the acquisition of the Property, other terms of the Development Agreement and issuance of a grading permit and a building permit allowing construction of the Project, Apple will begin work on the Project within six (6) months of the date of issuance of the building permit for the Project.
4. Project Completion: Apple will have completed the Project within five (5) years of the Commencement Date.

Note: N.C.G.S. § 160A-400.25(b) requires a development schedule and that commencement dates and interim completion dates are at no greater than five-year intervals; however, the failure to meet a commencement or completion date shall not, in and of itself, constitute a material breach of a development agreement.

EXHIBIT E

LIST OF RELATED AGREEMENTS

1. Economic Development Agreement between Apple and the City dated _____.
2. All documents related to exchange of property between the City and Apple authorized by Resolution ____ adopted by the City Council on _____.

REQUEST FOR COUNCIL ACTION

Date of Meeting: July 7, 2014

To: Mayor and the City Council

From: Doug Barrick, City Manager

Action Requested: Approve an Economic Development Agreement with Apple Inc.

Proposed Project: a 100 acre 17.50 megawatt solar farm. With an intimal investment of \$55 million. The project is located outside of the City at this time however Apple has agreed to a voluntary annexation.

Highlights of the Economic Development Agreement:

- Investment of \$55 Million in the property
- Creation of 75 indirect jobs during the construction
- City to provide annual grant payments of 80% of the solar value –only if NCGS 105-275 is repealed or revised. Under a revision the City would pick up the delta between the revised law and 80%

Recommendation: Approve the Economic Development Agreement

**STATE OF NORTH CAROLINA
CITY OF CLAREMONT**

**ECONOMIC DEVELOPMENT
AGREEMENT**

This **ECONOMIC DEVELOPMENT AGREEMENT** (this “Agreement”) is made and entered into this ___ day of _____, 2014, by and between the City of Claremont (the “City”), a municipal corporation organized and existing under North Carolina law, having a mailing address of P.O. Box 466, Claremont, North Carolina 28610, Attn: Doug Barrick, City Manager, and Apple Inc. (“Apple”), a California corporation, having a mailing address of 1 Infinite Loop, MS: 21-1AC2, Cupertino, California 95014, Attn: Dan Whisenhunt, Sr. Director, Real Estate & Development. All material transactions regarding this Agreement shall be deemed to have occurred in the City of Claremont, North Carolina.

WITNESSETH:

WHEREAS, the City desires to promote the economic development of the City, increase the City’s tax base and improve the business prospects of the City and surrounding area; and

WHEREAS, the Local Development Act, North Carolina General Statutes Section 158-7.1 (the “Act”) authorizes the City to make appropriations for the purpose of aiding and encouraging the location of manufacturing enterprises and industrial and commercial plants in or near its boundaries, and for other purposes which in the discretion of its governing body will increase the City’s taxable property and business prospects; and

WHEREAS, Apple is a California corporation authorized to do business in the State of North Carolina; and

WHEREAS, Apple intends to purchase real property in Catawba County, North Carolina more particularly described on Schedule 1 (the “Land”) and has agreed with the City to file a voluntary petition for annexation of the Land by the City in consideration of, among other things, the entry by the City into this Agreement, and has heretofore purchased other real property in Catawba County in the vicinity of the Land, and has constructed buildings and other improvements thereon and has installed therein equipment, fixtures and other tangible personal property to serve as a data center, a solar energy electric system and space for other functions (collectively, the “Existing Improvements”);

WHEREAS, in order to improve the operating efficiency and sustainability of the Existing Improvements Apple intends to acquire the Land and install or cause to be installed thereon a solar energy electric system and renovate from time to time the related equipment and other fixtures and tangible personal property (collectively, the “Solar Property”), and to undertake such other work as may be appropriate to accomplish its business purposes; and

WHEREAS, Apple anticipates that the capital costs of the Land and the Solar Property including the equipment, fixtures and other tangible personal property will equal or exceed **Fifty-Five Million Dollars (\$55,000,000)** and that Apple intends the acquisition of the Land and installation of the Solar Property shall be completed by the date stated in paragraph 4 of Exhibit D of the Development Agreement for the Solar Property; and

WHEREAS, the installation of the Solar Property is expected to increase the taxable property in the City and create approximately 75 indirect jobs in connection with the installation of the Solar Property and promote the retention of full time, direct employment at the Existing Facilities; and

WHEREAS, Apple and Catawba County entered into the Economic Development Agreement, dated the 6th day of July, 2009, reference to which is hereby made relating to the location and development of the Existing Facilities, a true copy of which is attached hereto (the "Catawba EDA") and certain defined terms used herein shall have the meanings given them in the Catawba EDA; and

WHEREAS, Apple is encouraged, to the reasonable extent possible, to encourage the contractor selected to install the Solar Property to purchase local services and supplies, local hotel, motel and hospitality services, local building and construction services, and other products and services; and

WHEREAS, the City and Apple understand and agree that under current law eighty percent (80%) of the appraised value of the Solar Property will be excluded from the City's property tax base; and

WHEREAS, as an inducement to Apple and to assist Apple in connection with the installation of the Solar Property the City is willing to agree, in the event North Carolina General Statutes section 105-275 shall be repealed in whole or in part, to appropriate and expend City funds to provide certain economic development incentives for the creation or retention of jobs and to cause capital investment, as provided in this Agreement, all such appropriations and expenditures to be made pursuant to the terms and conditions of this Agreement and the Act; and

WHEREAS, the City has approved the appropriation and expenditure as hereinafter set forth for the specific purpose of making economic development grants based on the value of the Solar Property; and

WHEREAS, Apple acknowledges that but for the City's agreement to enter into this Agreement and other transactions with Apple, Apple would not have agreed to petition the City for annexation of the Land and Solar Property by the City and enter into this Agreement; and

WHEREAS, the parties desire to reduce their agreement to written form;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. This Agreement is executed subject to the fulfillment, on or before August 31, 2014, of each of the following conditions precedent, except to the extent that Apple, in its absolute discretion, may waive one or more thereof in whole or in part (except Paragraph 1.1):

- 1.1 The City shall deliver to Apple an Opinion of Counsel for the City, in form and substance reasonably satisfactory to Apple, that this Agreement has been duly authorized, executed and delivered by the City;
- 1.2 The City shall deliver to Apple, in form and substance reasonably satisfactory to Apple, evidence in the form of a Resolution or Resolutions, or official minutes, of the City duly adopted authorizing the economic development incentives set forth in this Agreement;
- 1.3 The City shall deliver to Apple an Opinion of Counsel for the City, in form and substance reasonably satisfactory to Apple, stating that this Agreement complies with the terms and requirements of the Act and is lawful, binding and enforceable against the City in accordance with its terms; and
- 1.4 No litigation is then pending that challenges this Agreement, nor is there any imminent threat that such litigation will be filed.

The City agrees to use its commercially reasonable efforts to cause the conditions in Paragraphs 1.1, 1.2 and 1.3 to be satisfied on or before August 31, 2014.

2. This Agreement is executed subject to the fulfillment, on or before August 31, 2014, of each of the following conditions precedent, except to the extent that the City, in its absolute discretion, may waive one or more thereof in whole or in part (except Paragraph 2.1):
 - 2.1 Apple shall have entered into an agreement to purchase all or part of the Land;
 - 2.2 Apple shall deliver to the City an officer's certificate confirming that it has purchased all or part of the Land. Such certificate shall be substantially in the form of the certificate attached to this Agreement as Exhibit A. The statements in Exhibit A shall conclusively be deemed to be accurate and complete unless the City objects thereto within 90 days after receipt. The objection will specifically identify the City's concerns. The parties will consult in good faith to try to resolve the City's objections, and upon the City's request Apple will supply verification of the purchases consummated. If the City's objections are not resolved, the parties may pursue their legal and equitable remedies, provided that the annual grants, if any, will continue to be made until and unless a non-appealable judicial decision enjoins them;
 - 2.3 Apple shall deliver to the City an Opinion of in-house Counsel for Apple, in form and substance reasonably satisfactory to the City, that this Agreement has been duly authorized, executed and delivered by Apple; and
 - 2.4 Apple shall deliver to the City an Opinion of Counsel for Apple, in form and substance reasonably satisfactory to the City, stating that this Agreement is lawful, binding and enforceable against Apple in accordance with its terms.

Apple agrees to use its commercially reasonable efforts to cause such conditions to be satisfied on or before August 31, 2014.

3. Each party hereby represents and warrants to the other as follows:
 - 3.1 In order to induce the City to enter into this Agreement and to appropriate and expend monies for payment of economic development incentives pursuant to this Agreement, Apple represents and warrants to the City that as of the execution date hereof:
 - a. It is a corporation duly organized and existing under the laws of the State of California, has a place of business within the State of North Carolina, and is in good standing and authorized to do business in the State of North Carolina;
 - b. It has the corporate power and authority to own its properties and assets and to carry on its business as now being conducted and has the corporate power and authority to execute and perform this Agreement;
 - c. This Agreement: (i) is the lawful, valid and binding agreement of Apple, enforceable against Apple in accordance with its terms; (ii) does not violate any order of any court or other agency of government binding on Apple, the charter documents of Apple or any provision of any indenture, agreement or other instrument to which Apple is a party; and (iii) does not conflict with, result in a breach of, or constitute an event of default, or an event which, with notice or lapse of time, or both, would constitute an event of default, under any material indenture, agreement or other instrument to which Apple is a party;
 - d. There is no suit, claim, action or litigation pending relating to this Agreement, the Solar Property or the use of the Solar Property for its intended purpose, nor (to the best knowledge of Apple) is there any imminent threat that such that litigation will be filed; and
 - e. To the best of Apple's knowledge, there is no impediment to the use of the Solar Property for the purposes contemplated by this Agreement; and
 - 3.2 In order to induce Apple to enter into this Agreement and to develop the Solar Property pursuant to this Agreement, the City represents and warrants to Apple that as of the execution date hereof:
 - a. It is a North Carolina municipal corporation duly organized and existing under the laws of the State of North Carolina;
 - b. It has the power and authority to execute and perform this Agreement;
 - c. This Agreement: (i) is the lawful, valid and binding agreement of the City, enforceable against the City in accordance with its terms; (ii) does not violate any order of any court or other agency of government binding on the City, the charter documents of the City or any provision of any indenture, agreement or other instrument to which the City is a party; and (iii) does not

conflict with, result in a breach of, or constitute an event of default, or an event which, with notice or lapse of time, or both, would constitute an event of default, under any material indenture, agreement or other instrument to which the City is a party;

- d. There is no suit, claim, action or litigation pending relating to this Agreement or the Solar Property or the Land or the use of the Solar Property or the Land for its intended purpose, nor (to the best knowledge of the City) is there any imminent threat that such litigation will be filed; and
 - e. To the best of the City's knowledge, when completed the Solar Property will constitute a "solar energy electric system" as the term is used in North Carolina General Statutes Section 105-275(45) and will be entitled to the partial exclusion of the appraised value of the Solar Property from ad valorem property tax base of and from ad valorem property tax assessed by the City and there is no impediment to the use of the Solar Property or the Land for the purposes contemplated by this Agreement.
4. Subject to satisfaction of the conditions set forth in Paragraphs 1, 2 and 3 above, Apple covenants and agrees with the City that in consideration of the City's agreement to appropriate monies and make the annual grants to Apple upon the happening of the future events described herein, Apple shall develop and operate the Solar Property during the remainder of the Initial Term as defined in the Catawba EDA. Apple reasonably expects the capital expenditures of the Solar Property to meet or exceed **Fifty-Five Million Dollars (\$55,000,000)** and that Apple intends the acquisition of the Land and installation of the Solar Property shall be completed by the date stated in paragraph 4 of Exhibit D of the Development Agreement for the Solar Property. The initial term of this Agreement shall be coterminous with the remainder of the Initial Term of the Catawba EDA. Thereafter, if the term of the Catawba EDA is extended the term of this Agreement shall automatically be extended likewise (i.e., for up to two ten (10)-year renewal terms) such that the term of this Agreement shall be coterminous with the term of the Catawba EDA. Notwithstanding any other provision of this Agreement to the contrary, the term of this Agreement, and any extension of this Agreement by renewal agreements shall not extend beyond January 1, 2040; provided that this limitation shall not prevent the parties hereto from negotiating and/or entering into a separate agreement which, by its terms, may extend beyond January 1, 2040.
5. The City will provide annual cash grants equal to 50% of the additional ad valorem taxes paid to the City during the initial term of this Agreement attributable to any increase in the tax value of the Land as the result of investments in real property on the Land made after the date Apple signs the agreement to purchase the Land and 80% of the additional ad valorem taxes paid to the City during the initial term of this Agreement attributable to the investment in the Solar Property; provided, however, the City shall not be obligated for any grant payments to Apple with respect to the Solar Property for so long as eighty percent (80%) of the tax value of the Solar Property shall be excluded from the City's property tax base and excluded from property tax under North Carolina General Statutes Section 105-275 (the "Exclusion Statute"). "Solar Property" shall not be considered as "investment

land” for purposes of this calculation of additional ad valorem taxes “attributable to investment in the Land” as used in this Section. If the Exclusion Statute shall at anytime during the term of this Agreement be repealed or amended so as to result in more than 20% of the assessed value of the Solar Property being subject to ad valorem property tax assessed by the City, grant payments shall be made by the City to Apple beginning in the year following the year in which the repeal or other amendment is effective as provided in this Paragraph 5. If the Exclusion Statute shall be amended the amount of each annual grant payment to be made by the City with respect to the Solar Property shall equal the amount of additional property tax paid by Apple with respect to the Solar Property after giving effect to the repeal or amendment of the Exclusion Statute as compared to the property tax Apple would have paid in the absence of a repeal or amendment of the Exclusion Statute. Upon payment of the ad valorem property taxes by or on behalf of Apple the City shall, within 60 days, pay to Apple the grant in the amount calculated as provided in this Paragraph 5. The first annual grant payment shall be made with respect to the first tax year of the City following the calendar year in which the annexation of the Land by the City is effective and the annual grant payments shall continue throughout the initial term of this Agreement and thereafter during any renewal terms unless this Agreement shall be terminated as herein provided. The City will not pay any grants after the initial term of this Agreement unless the Term of the Catawba EDA shall be extended pursuant to Paragraph 6 thereof. Nothing contained in this Agreement shall preclude the City and Apple from entering into a subsequent agreement pertaining to economic development incentives. Notwithstanding any other provision of this Agreement to the contrary, nothing in this Agreement shall be construed as to require the City to make grants to Apple or any other person, firm or entity in excess of the ad valorem taxes paid to the City as the result of the investments made by Apple or any other person, firm or entity pursuant to this Agreement.

5.1 Expedited Review and Permit Approval and other inducements:

- 5.1.1 The City will provide expedited review and approval of site plan and plans and specifications for the Solar Property, with an initial response delivered in sufficient time so that final action is taken in less than two (2) weeks after completed submittal;
- 5.1.2 To the extent of the City’s capability to do so, the City will cooperate with and assist Apple in connection with Apple’s negotiation of agreements for connecting the Solar Property to the transmission lines owned and operated by Duke Energy; and
- 5.1.3 The City will charge building permitting and inspections fees limited to actual cost of services including Express Plan Review.

- 6. Subject to Apple’s sole and absolute discretion, the term of this Agreement shall be automatically extended by two additional terms of 10 years each under the terms and conditions of Paragraph 6 of the Catawba EDA, provided that no additional term(s) shall cause this Agreement to extend beyond January 1, 2040.

7. If Apple is unable to meet the requirements of Paragraph 4 as a result of: (i) an event of force majeure, including but not limited to fires, explosions, acts of God, acts of public enemy, insurrections, riots, terrorism, embargoes, labor disputes, including strikes, lockouts and job actions, or boycotts; (ii) the inability to obtain the governmental permits or approvals (including zoning) necessary for the acquisition of the Land or undertaking and operating the Solar Property after a good faith effort to obtain same has been made; (iii) shortages of materials, water or energy; (iv) changes in laws; or (v) other causes beyond the control of and arising without the fault or negligence of Apple then, in such event, the Initial Term shall be extended for a period equal to the delay caused by any of the foregoing events so long as Apple shall: (a) have furnished the City on a timely basis, upon the occurrence of such event, a notice thereof; and (b) taken all commercially reasonable steps necessary to relieve the effect of such event and to resume development of the Solar Property; provided that no event shall the initial term of this Agreement extend beyond the Initial Term of the Catawba EDA.
8. If Apple shall not invest at least **Fifty-Five Million Dollars (\$55,000,000)** by the date stated in paragraph 4 of Exhibit D of the Development Agreement for the Solar Property, either party may terminate this Agreement by giving written notice to the other. If Apple shall purchase the Land and cause the installation of the Solar Property to be completed and the same to be placed in service and operations to be commenced and thereafter terminate the operation of the Solar Property, except for a reasonable period for the maintenance, repair or replacement of the Solar Property or upon the occurrence of an event of force majeure described in Paragraph 7 above, the City shall have the option of terminating this Agreement whereupon Apple shall be obligated for the repayment to the City of an amount equal to the most recent annual grant payment made by the City to Apple. Upon termination of this Agreement under the provisions of this Paragraph 8 and payment by Apple of any amount due hereunder, this Agreement shall terminate and neither party shall have any further obligation to the other.
9. Both Apple and the City acknowledge that any and all monies appropriated and expended by the City for economic development incentives, as provided in this Agreement, are for a bona fide public purpose and are expended in good faith reliance on the Act. If one or more lawsuits are brought against the City or any City elected official, officer, agent or employee challenging the legality of this Agreement, then the City shall exercise its best efforts to defend against any and all such lawsuits. Apple will support and assist the City in such efforts in any litigation; if both the City and Apple are sued, the parties shall consider whether a joint defense agreement is feasible. The City agrees to maintain adequate public official liability coverage.
10. All notices, certificates or other communications required or permitted to be given or served hereunder shall be deemed given or served in accordance with the provisions of this Agreement if the notice is (i) mailed in a sealed wrapper and is deposited in the United States mail, certified mail, return receipt requested, postage prepaid, or (ii) deposited with a national overnight courier service that retains receipts for its deliveries, properly addressed as follows:

City: City of Claremont

Attn: City Manager
City of Claremont
P.O. Box 446
Claremont, NC 28610

City Clerk
City of Claremont
P.O. Box 446
Claremont, NC 28610

City Attorney
City of Claremont
P.O. Drawer 166
Newton, NC 28658

Apple: Apple Inc.
1 Infinite Loop, MS:21-1AC2
Cupertino, CA 95014
Attn: Dan Whisenhunt, Sr. Director, Real Estate &
Development

Copy to: Apple Inc.
1 Infinite Loop, MS 4-DLAW
Cupertino, CA 95014
Attn: James Fowler

The City or Apple may, by notice given to the other, designate any further or different addresses to which notices, certificates, requests or other communications shall be sent.

11. This Agreement shall inure to the benefit of, and is binding upon, the City and Apple and their respective successors and assigns. However, neither this Agreement, nor any rights, privileges, or claims created by this Agreement may be transferred by Apple without the prior, written approval of the City which approval will not be unreasonably withheld, conditioned or delayed; provided that, Apple may transfer this Agreement to any affiliate controlling, controlled by or under common control with Apple without the City's consent but with notice to the City.
12. Except as otherwise provided in this Agreement, this Agreement may not be amended, changed, modified or altered except by written agreement of the parties.
13. If any provision of this Agreement, or its application to any person, is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, invalidation of any provision of this Agreement, or its application to any person, shall not affect any other provisions of this Agreement or its application to any other person or circumstance, and the remaining portions of this Agreement shall continue in full force and effect.

14. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and It shall not be necessary in making proof of this Agreement to produce or account for more than one such fully-executed counterpart.
15. This Agreement is governed by and shall be construed in accordance with the laws of the State of North Carolina, venue in Catawba County.
16. The term of this Agreement shall commence on the date of execution and expire upon payment by the City of all payments due to Apple hereunder, unless earlier terminated as provided herein. The term of this Agreement shall be in all respects coterminous with the Term of the Catawba EDA, including renewal terms.
17. Both Apple and the City acknowledge and stipulate that this Agreement is the product of mutual negotiation and bargaining and that it has been drafted by counsel for both Apple and the City. As such, the doctrine of construction against the drafter shall have no application to this Agreement.
18. Except to the extent required by applicable law, the parties shall maintain the confidentiality of any trade secrets or confidential business information Apple is required to provide to the City in connection with this Agreement. Apple will highlight specific items that it determines to be its trade secrets or confidential business information in any reports or other materials delivered to the City or will place such information in a separate attachment identified as "Confidential Business Information." The City will notify Apple sufficiently in advance of any proposed disclosure of Apple's Confidential Business Information so that Apple, at its expense, may object to it. Apple will indemnify the City against any claims, liabilities, losses and expenses resulting from Apple's decision to object to any such disclosures.

Executed the date first set forth above.

City of Claremont,
a North Carolina Municipal Corporation

Attest:

By: _____
_____,
Mayor

Apple Inc. a California corporation

By: _____
Luca Maestri,
Chief Financial Officer

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

I, _____ a Notary Public of said county and state, certify that
_____ personally came before me this day and acknowledged that [he/she]
is _____ to the Claremont City Council, a body politic, and that by authority duly
given and as the act of the public body the foregoing instrument was signed in its name by its
Mayor, sealed with its official seal, and attested by [herself/himself] as _____.

Witness my hand and seal this _____ day of _____, 2014.

Notary Public

My commission expires: _____

STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

On _____, 2014, before me, _____ personally appeared Luca Maestri, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me the he executed the same in his authorized capacity, and that by his signature on the instrument the entity upon behalf of whom the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

My commission expires: _____

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

_____, _____

Approved as to form on behalf of the City of Claremont:

_____, City Attorney

Schedule 1

The Land

EXHIBIT A

CERTIFICATE

TO: **The City of Claremont**

This Certificate is delivered pursuant to Paragraph 2.1 of the Economic Development Agreement (the "Agreement), dated the __th day of May, 2014, between the City of Claremont and Apple Inc. ("Apple"). Any capitalized term not otherwise defined herein shall have the meaning assigned to such term in the Agreement.

The undersigned officer of Apple does hereby certify that, to such officer's knowledge:

Apple has entered into a Purchase Agreement for properties identified as (address) to be annexed into the City of Claremont on or about _____, 20__, NC, Parcel ID # _____. A redacted copy of the executed purchase agreement is attached and incorporated herein.

Dated this _____ day of _____, 2014.

Apple Inc.

BY: _____

TITLE: _____

REQUEST FOR COUNCIL ACTION

Date of Meeting: July 7, 2014

To: Mayor and the City Council

From: Doug Barrick, City Manager

Action Requested: Approve Resolution 03-14 Exchange of Lands

Pursuant to North Carolina General Statute § 160A-271, the City Council of the City of Claremont, North Carolina, states its intention to authorize the exchange of certain City-owned property for certain property owned by Apple Inc. or Apple Inc. has the right to own.

The exchange involves the following interests of land:

The City shall receive from Apple Inc. for greenway, public recreation and other public purposes two tracts of land of approximately 8.264 and 17.995 acres located North and South of Kelly Boulevard between Penny Road and South Depot Street with reservations of various easements and rights. These tracts of land are portions of Tax Parcel Number 376109156074 and their combined value is \$92,793.00

The land rights to be conveyed by the City shall be:

A tract of land approximately 1.51 acres, being the City's former South Waste Water Treatment Plant site and being described in Deed Book 940, Page 324, Catawba County Registry and identified as Tax Parcel Number 376105175825, together with land and access and utility easements in and near South Oxford Road and the City's former Waste Water Treatment Plant site North of Kelly Boulevard and their combined value is \$36,000.00.

Recommendation: Approve Resolution 03-14



**CITY OF CLAREMONT
NORTH CAROLINA**

RESOLUTION # 03-14

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAREMONT
ADOPTING AND APPROVING THE EXCHANGE OF LAND RIGHTS**

WHEREAS, the City of Claremont (the “City”) desires to acquire land from Apple Inc. (“Apple”) which is the portion of tax parcel # 3761-09-6074 lying North of Kelly Boulevard described in the Special Warranty Deed attached as Exhibit I of this resolution (the “Property”) ; and

WHEREAS, in exchange for the Property, Apple desires the City to (i) convey to Apple a permanent easement described in the Deed of Easement attached as Exhibit II of this resolution, and (ii) convey to Duke Energy land described in the Special Warranty Deed attached as Exhibit III of this resolution (the “Land”); and

WHEREAS, the City has investigated the aforementioned exchange and the City Staff has found that the City will receive a full and fair consideration in exchange for its land rights to be conveyed as part of the above-described exchange and recommends adoption of a resolution by the City Council approving the exchange of land rights described above; and

WHEREAS, in order to proceed with the exchange, the City Council agrees to the above stated exchange land rights, and finds that this exchange provides the City full and fair consideration and compensation in accordance with the standards of the North Carolina General Statutes.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City, in its regular session duly assembled, as follows:

- A. The City shall receive from Apple the following, which is a full and fair compensation for the exchange of land rights:
 1. The Property, which is approximately 8.264 acres, conveyed by the Special Warranty Deed attached as Exhibit I of this resolution.
- B. The City shall convey in exchange the following land rights:
 1. The Permanent Easement granted to Apple as provided in the Deed of Easement attached as Exhibit II of this resolution; and
 2. The Land, which is approximately 1.51 acres conveyed by the Special Warranty Deed to Duke Energy attached as Exhibit III of this resolution.

BE IT FURTHER RESOLVED, that the City Council for the City of Claremont authorizes the City Manager to execute the necessary legal documents to complete the exchange of the land rights described in this resolution.

ADOPTED this 7th day of July, 2014.

Shawn R. Brown, Mayor

ATTEST: _____
Doug Barrick, City Clerk

CERTIFICATION

I, _____, City Clerk of the City of Claremont, North Carolina, do hereby certify that the foregoing is a true and exact copy of a Resolution adopted by the City Council of the City of Claremont, North Carolina, in regular session convened on the _____ day of _____, 2014, and the reference having been made in Minute Book _____, Page _____, and recorded in full in Resolutions Book _____, Page _____.

WITNESS my hand and the corporate seal of the City of Claremont, North Carolina, this the _____ day of _____, 2014.

City Clerk

Shawn R. Brown, Mayor

ATTEST:

Doug Barrick
City Clerk

REQUEST FOR COUNCIL ACTION

Date of Meeting: July 7, 2014

To: Mayor and the City Council

From: Doug Barrick, City Manager

Action Requested: Approve Resolution 04-14 for Surplus Property

The items up for surplus under this resolution are a 2005 Toro zero turn lawnmower that has been replaced with a new mower and a 1987 Ford F-350. The Ford will be replaced by the recently ordered Engine 71. It is recommended to sell this vehicle now to gain the maximum value. These items will be sold via Govdeals.com.

Recommendation: Approve Resolution 04-14



**CITY OF CLAREMONT
NORTH CAROLINA**

RESOLUTION # 04-14

A RESOLUTION DECLARING SURPLUS PROPERTY

WHEREAS, it has been determined by the City Council that certain property owned by the City of Claremont is dilapidated and in need of repair or replacement; and

WHEREAS, it has been determined that the cost of repair is beyond the value of the piece of equipment; and

WHEREAS, the City Council is desirous of disposing of the property.

WHEREAS, North Carolina General Statute 160a-270(c) enables municipalities to conduct auctions of real or personal property electronically by authorizing the establishment of an electronic auction services.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Claremont that the following pieces of property shall be declared surplus property and sold via GovDeals online auction service:

Surplus Equipment				
YEAR	MAKE	MODEL	SERIAL NUMBER	CONDITION
2005	Toro	Z Master 74246	250000504	Engine will not run and deck is worn out.

Surplus Vehicle				
YEAR	MAKE	MODEL	VIN #	MILEAGE
1987	FORD	F-350	1FDJF37L1HNA42983	17,797

NOW, THEREFORE, IT IS FURTHER RESOLVED that the City Manager is hereby authorized to dispose of said equipment in accordance with law and may engage 160A-267 for the sale of the vehicle listed above.

Adopted this 7th day of July 2014.

Shawn R. Brown, Mayor

ATTEST:

Doug Barrick
City Clerk

REQUEST FOR COUNCIL ACTION

Date of Meeting: **July 7, 2014**

To: Mayor and the City Council

From: Doug Barrick, City Manager

Action Requested: Streetscape Enhancement Grant Request

In an effort to create a vibrant and active downtown the City has from time to time participate in the enhancement of local businesses that are starting up or expanding their operations.

A request from Candy Coffee of the soon to be Coffee Pot at 3279 East Main Street has come into City Hall for this grant. The request will be used to enhance the streetscape of the building and to provide a suitable restaurant environment.

Recommendation: Grant this request with provisions



CITY OF CLAREMONT
CLAREMONT, NORTH CAROLINA

June 30, 2014

I, Stephanie Corn, authorize the following transfers in the Fiscal Year 2014 budget.

General Fund Line	Debit	Credit
10.4200.0500 FICA	\$12.00	
10.4200.0470 OSHA		\$12.00
10.4200.0700 Retirement	\$11.00	
10.4200.0470 OSHA		\$11.00
10.4200.1110 Telephone	\$400.00	
10.4200.1310 Electricity		\$400.00
10.5450.1310 Electricity	\$1,600	
10.5450.1710 Tires		\$1,600
10.5450.4500 Contracted Services	\$12,500	
10.5100.0200 Salaries		\$12,500
10.5450.7400 Capital Outlay	\$80.00	
10.5450.3600 Uniforms		\$80.00

These transfers do not increase or decrease the Fiscal Year 2014 budget.

Stephanie Corn, Finance Officer

Doug Barrick, City Manager

Department, Committee & Manager Reports

Date of Meeting: July 7, 2014

To: Mayor and the City Council

From: Doug Barrick, City Manager

Action Requested: Allow Departments, Committees & Manager to report on monthly activities and take questions.

Item 11

- A. Quarterly Financial Monthly
- B. Department Dashboard Report
- C. Parks & Recreation Committee
- D. Appearance Commission

Item 12

City Managers Report

Recommendation: Take Reports

Quarterly Financial Report Fiscal Year 2013- 2014

GENERAL FUND REVENUE

4th Quarter

July 2014

	2013-2014 Budget	2013-2014 Actual	% Collected To Budgeted
Property Taxes(Current & Prior Year)	\$1,948,878	\$1,980,199	101.61%
Utility Franchise	\$217,000	\$286,067	131.83%
Sales Tax	\$250,100	\$378,552	151.36%
State Shared Revenues	\$68,278	\$79,339	116.20%
Fees	\$13,900	\$23,232	167.14%
Miscellaneous	\$66,346	\$83,092	125.24%
Occupancy	\$8,500	\$0	0.00%
Investments & Grants	\$7,000	\$5,427	77.53%
Total To Date	\$2,580,002	\$2,835,908	109.92%
Fund Balance Approp.	\$84,533	\$0	0.00%
Total Budget	\$2,664,535	\$2,835,908	106.43%

GENERAL FUND EXPENDITURES

	2013-2014 Budget	2013-2014 Actual	% Expenses To Budget
City Council	\$97,228	\$95,899	98.63%
Administration	\$505,057	\$476,839	94.41%
Library	\$20,300	\$17,819	87.78%
Planning	\$29,150	\$29,150	100.00%
Police	\$855,065	\$795,688	93.06%
Fire	\$344,602	\$321,768	93.37%
Public Works	\$560,984	\$532,117	94.85%
Recreation	\$104,628	\$103,139	98.58%
Debt Service	\$147,521	\$146,560	99.35%
Transfer to other funds	\$0		
Total To Date	\$2,664,535	\$2,518,979	94.54%

Revenues over(under) expenditures \$0 \$316,929

Quarterly Financial Report Fiscal Year 2013- 2014

WATER/SEWER REVENUE

4th Quarter

July 2014

	CURRENT YEAR		
	2013-2014 Budget	2013-2014 Actual	% Collected To Budgeted
Water & Sewer Sales	\$1,057,987	\$1,005,883	95.08%
Taps & Connections	\$5,500	\$1,150	20.91%
Utility Penalties	\$8,800	\$9,790	111.25%
Sprinkler Fees	\$25,000	\$23,800	95.20%
Reconnect Fees	\$2,000	\$3,950	197.50%
Lease Revenues	\$25,200	\$23,520	93.33%
Grants	\$30,000	\$30,000	100.00%
Miscellaneous & Investments	\$94,120	\$94,800	100.72%
Capital Reserve Transfer	\$175,000	\$0	0.00%
Appropriated Fund Balance	\$45,000	\$0	0.00%
Total	\$1,468,607	\$1,192,893	81.23%

WATER/SEWER EXPENSES

	CURRENT YEAR		
	2013-2014 Budget	2013-2014 Actual	% Expenses To Budget
Water Treatment	\$210,475	\$144,606	68.70%
Water Maintenance	\$329,626	\$320,642	97.27%
Sewer Treatment	\$564,264	\$554,791	98.32%
Sewer Maintenance	\$181,784	\$120,251	66.15%
Debt Service	\$182,458	\$153,044	83.88%
Total To Date	\$1,468,607	\$1,293,334	88.07%

Revenue over (under) expenses **(\$100,441)**

Claremont June 2014 Dashboard Report

Police Dept.			Fire Dept.			Financials		
	Month	YTD		Month	YTD		% In	% Out
Calls Answered	774	4034	Calls for Service	39	142	General Fund	106%	95%
Citations Served	108	573	Working Fires	3	30	Enterprise Fund	81%	88%
Warnings	85	363	Training Hours	248	1371			
Number of Arrests	7	43	Prevention Programs	5	53	Rescue Squad		
Accidents	4	48	False Alarms	4	15		Month	YTD
Warrants	4	55	EMS Calls	9	33	Calls for Service	57	370
Open Cases	8	26				Training Hours	62	642
Other Activities & Announcements			Other Activities & Announcements			Other Activities & Announcements		
Officer Bumgargner was promoted to full time Chief Bost and Lt. Long have made an arrest in the BB&T Bank Robbery Case			Officer Assignments for FY15 include: Assistant Chiefs- Lowrance & Hartsoe Captains- Helms & Little Lieutenants- Camron & Acker			The Squad received 11 applications for the open position at Base 1. The goal is to have someone in place by August.		
Public Works			Utility Dept.			Planning & Zoning Dept.		
	Month	YTD		Month	YTD		Month	YTD
Vehicles Serviced	13	46	Water Turned Off	32	70	Zoning Permits	4	21
Recycling Tonnage	4.32	38.3	Water Taps	0	5	Residential Permits	2	10
Solid Waste Tonnage	25.19	209.84	Water Purchased	8,018,500	39,949,500	Commercial Permits	0	6
Street Lights Replaced	2	34	Water Sold	6,161,855	34,785,232	Enforcement Cases	10	26
Work Orders	25	191	McLin WWTP Avg.	137,000	168,800	Planning Board Work	5	14
Sewer Line Jetted	1,882	8,733	North WWTP Avg.	68,000	76,200	Safety Permits	2	5
Other Activities & Announcements			Other Activities & Announcements			Other Activities & Announcements		
Sidewalk installation on Cardinal Lane prep All Residences have been delivered a new Trash & Recycling can			633 of 826 AMR meters installed to date Crews complited 4,821 feet of root control			Planning Board to look at updates to the Sign code and Land Development Plan		

CLAREMONT DAZZLE 2014

October 3 & 4

Friday 6PM to 11PM • Saturday 9AM to 11PM

Downtown Claremont

[FaceBook.com/CityOfClaremont](https://www.facebook.com/CityOfClaremont)

Two Days Of Crazy Fun For Everyone

Friday 6-11

- 6:00PM
 - » Festival Opens
 - » Kids' Rides Open 6-9
- 7:00PM
 - » Too Much Sylvia

Saturday 9-11

- 9:00AM - 10:30AM
 - » Festival Opens
 - » Welcome by Mayor Shawn R. Brown
 - » Southern Gospel: Friends of Christ
 - » Kids' Rides Open @ 10:00
- 10:30AM - 1:15PM
 - » Bluegrass: The Neighbors
- 1:15PM - 4:00PM
 - » Southern Gospel: Driven Quartet
- 4:00PM - 7:00PM
 - » Country: Darrell Harwood
- 7:00PM - 11:00PM
 - » Top 40: The Extraordinaires

Live Music • Food & Vendors • Kids' Rides





Cleveland Book Store
Perry King
Taking Letters Home

Funerary Management

IN LOVING MEMORY OF
REV. STANLEY STYER



IN HONOR OF SERVICE
CHIEF GERALD R. TOLBERT

THE CONNECTION NEWSLETTER



CLAREMONT
NORTH CAROLINA

July 2014

Helping you stay connected

RETHINK RECYCLING

Are you looking for ways to RE-THINK how you view your waste stream. Our new recycling program allows for new materials to be recycled like cardboard, all hard plastics, magazines & much more. Also be on the lookout for ways to Recycle on the go with our downtown recycling containers, recycling in the Park and coming soon recycling at the gas pump.



Did You Know



Claremont Police Department will keep a check on your home while you are on vacation. Call 828-466-7264 to schedule.

Grass higher than 8 inches on improved lots or 24 inches on unimproved lots is against City Ordinance. To report high grass please call City Hall at 828-466-7255.

You can access our calendar of events & activities on our website, which is mobile friendly. This a great way to stay connected

Upcoming Dates to Remember

On Friday July 18th the Tailgate Market will come alive with inflatables, bounce houses, giveaways and activities for kids of all ages. Make plans to join us from 3-6pm in the City Hall Parking Lot.

Movies in the Park kicks off this year on July 19th at 9:00 pm in the City park with the Lego Movie. Arrive early for free nachos and cheese. Bring your own chairs and blankets for this fun family event.

Scholarship Applications for the Fall 2014 Semester's PJ Stanley Memorial Scholarships are due on Friday July 25th. Check the City Website for more information and the application .

Connections

City Hall 466-7255

Police Dept. 466-7265

Fire Dept. 459-9296

Public Works 466-7255

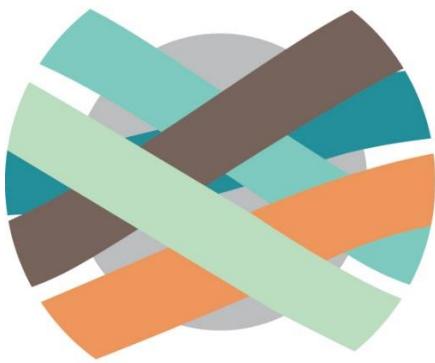
Rescue Squad 459-7968

Website
www.cityofclaremont.org

Our Social Side

Facebook-CityofClaremont
Twitter-@ClaremontNC
Hashtag-#ClaremontNC





CLAREMONT NORTH CAROLINA

FY 15 MISSION, VALUES, & GOALS

Mission Statement

- A progressive city dedicated to preserving small town values while planning for the future.

City Council Core Values:

- Effective local, regional and state partnerships
- Excellent and cost effective services including police, fire, rescue, and public works.
- Long term financial stability
- Planned growth and economic development
- Fiscal accountability
- Leisure and cultural activities
- Environmentally sensible practices
- Citizen Involvement

FY 2015 Departmental Goals

City Council

- Revisit Action Planning process
- Expand on the promotion and support for local businesses and non-profits
- Foster community input, involvement and transparency

Administration

- Evaluate options to expand the City's fiber network
- Evaluate City personnel pay and position classifications
- Seek ways to expand connections with the City

Police

- Focus on Driver training
- Complete and Evidence Management System
- Begin strategic cross trainings with the Fire Dept.

Fire

- Expand fire prevention programs
- Increase use of Firehouse Software
- Strive to bring all members up to NFPA 1403 standards

Public Works

- Have all needed employees complete OSHA and NCDOT trainings
- Continue ASE certification training for the City Mechanic
- Begin a street edge clean off program
- Implement a storm water control maintenance program

Parks & Recreation

- Evaluate existing programs & their effectiveness
- Add new programs that fit our outreach goals
- Implement the parks master plan

Water & Sewer

- Continue in house certifications for distribution and collection systems
- Begin yearly valve cleaning and exercise program
- Begin planning for the expansion of the maintenance facility





City of Claremont Fiscal Year 2015 Resolution Index

Resolutions

Number	Title	Meeting Date
01-14	Appearance Committee Appointment	July 7, 2014
02-14	Carolina Thread Trail Grant Support	July 7, 2014
03-14	Exchange Land Rights (Apple)	July 7, 2014
04-14	Surplus Property	July 7, 2014



City of Claremont
Fiscal Year 2015
Ordinance Index

Ordinances

Number

Title

Meeting Date
