



Town of Clayton
Regular Town Council Meeting Agenda
Monday, February 5, 2024 at 6:00 PM
Council Chambers, Town Hall
111 E. Second Street

THE PUBLIC MAY VIEW THE LIVE COUNCIL MEETING ON THE TOWN'S YOUTUBE CHANNEL:
<https://www.youtube.com/TownofClaytonNC>

1. CALL TO ORDER

- a. Call to Order
- b. Pledge of Allegiance
- c. Invocation

2. ADJUSTMENT OF THE AGENDA

- a. **POTENTIAL ACTION:** Approve or Adjust the Agenda

3. CONSENT AGENDA

(Items on the consent agenda are considered routine in nature or have been thoroughly discussed at previous meetings. Any member of the Council may request to have an item removed from the consent agenda for further discussion.)

- a. Minutes
 - January 16, 2024 - Closed Session

Presenter: Heidi Holland, Town Clerk
- b. Circulation Policy

Presenter: Joy Garretson, Library Director

[Resolution Adopting Circulation Policy](#)
[HEML Circulation Policy](#)
- c. Resolution To Accept Public Utilities into The Town of Clayton Public Utility System for Maintenance – Walk at East Village Phase 3A, 3B & 3C.
[Resolution To Accept Public Utilities into The Town of Clayton Public Utility System for Maintenance – Walk at East Village Phase 3A, 3B & 3C](#)

POTENTIAL ACTION: Adopt Consent Agenda as Presented

4. ADMINISTRATIVE ITEMS

5. INTRODUCTIONS AND SPECIAL PRESENTATIONS

- a. Recognition of Boy Scout Troop 57

Presenter: Mayor McLeod
- b. Student Art Proclamation

Presenter: Mayor McLeod to Present to Susan Johnson, Art Festival Chair

[Student Art Month Proclamation](#)

- c. National School Resource Office Day Proclamation
Presenter: Mayor McLeod to Present to Police Department
[National School Resource Officer Day Proclamation](#)
- d. Engineers Week Proclamation
Presenter: Mayor McLeod to Present to Engineering
[Engineer's Week Proclamation](#)
- e. Special Presentation
Presenter: Chief Raney, Fire Chief

6. PUBLIC HEARINGS

- a. Road Renaming
Presenter: Patrick Pierce, Economic Development Director
[Economic Development - Road Renaming 02052024](#)

POTENTIAL ACTION: Adoption of Ordinance #2024-02-01

7. OLD BUSINESS

- a. Water Reclamation Facility Update
Presenter: Louis Duffie, Asst. Program Manager & Adam Sharpe, HDR

8. NEW BUSINESS

- a. Municipal Accounting Services, Cybersecurity and Technical Assistance Memorandum of Agreement
[Municipal Accounting Services, Cybersecurity and Technical Assistance Memorandum of Agreement](#)
Presenter: John Mack, Information Systems Director

POTENTIAL ACTION: Adoption of Resolution #2024-12

9. STAFF REPORTS

- a. Town Manager
- b. Town Attorney
- c. Town Clerk
- d. Other Staff

10. OTHER BUSINESS

- a. Informal Discussion & Public Comment
 - Individuals have three (3) minutes to address the Town Council.
 - Groups will designate a spokesperson. The spokesperson will have five (5) minutes to address the Town Council.
- b. Council Comments

11. CLOSED SESSION

- a. To Discuss Legal Matter in Accordance with NC GS 143-318-.11(a)(3); To Discuss Economic Development NC GS 143-318-.11(a)(4); and To Discuss Purchasing of Real Property in Accordance with NC GS 143-318.11(a)(5)
POTENTIAL ACTION: Motion To Go Into Closed Session

POTENTIAL ACTION: Motion To Return To Open Session

12. ADJOURNMENT

a. Adjourn

POTENTIAL ACTION:

Motion To Adjourn

TOWN OF CLAYTON HEML CIRCULATION POLICY

BE IT RESOLVED by the Clayton Town Council to adopt the HEML Circulation Policy as follows:

Purpose of Policy

The Hocutt-Ellington Memorial Library ("Library") Circulation Policy details library card registration, reserving and lending of materials, and overdue, lost, and damaged item procedures. This policy supports the Library's mission to be a welcoming space for building community and connecting people to ideas and resources.

Confidentiality of Library User Records

The Library will abide by the North Carolina General Statute on Confidentiality of Library User Records (§ 125-19), which states—

- (a) Disclosure. -- A library shall not disclose any library record that identifies a person as having requested or obtained specific materials, information, or services, or as otherwise having used the library, except as provided for in subsection (b).
- (b) Exceptions. -- Library records may be disclosed in the following instances:
 - (1) When necessary for the reasonable operation of the library;
 - (2) Upon written consent of the user; or
 - (3) Pursuant to subpoena, court order, or where otherwise required by law.

Library Cards

All persons who reside on property within Johnston County are entitled to a Library card at no cost. Valid proof of identity and residence are required to obtain a library card. Proof of residence can be shown with photo identification, such as a driver's license with current address listed or a combination of photo identification and a rental lease, utility bill, or comparable bill in the patron's name. Library cards are valid for 3 years from the date of issue, with the exception of some temporary living situations when shorter expiration dates may be issued.

- Children under the age of five may borrow items on their parent/guardian's card. Children from the age of 5-17 can be issued their own library card with parent/guardian consent as long as the parent/guardian has a library card and the child is present at the time of registration. A parent or legal guardian is responsible for the use of library materials by children under the age of 18.
- Homebound patrons may choose a friend or family member to pick up and return library materials on their behalf.
- Library cards expire to ensure staff have a patron's correct contact information. To renew Library cards, patrons must prove their identity and residency within Johnston County in the same way as for the original card application. All fines and fees must be paid before a card can be renewed.

Other Library Card Options

Digital Access Card

Residents of Johnston County may apply for a temporary digital access library card. These library cards provide borrowing privileges to digital resources only and are valid for 6 months.

Non-Resident

Persons who do not pay Johnston County taxes may purchase a non-resident borrower's card according to guidelines found in Chapter 153A Article 14 (Libraries) of North Carolina General Statutes. Non-resident cards are available for three, six, or twelve months. The fee structure for this card is set each year by the Town of Clayton Town Council.

Town Employees

Library cards are issued as a courtesy to all Town of Clayton employees regardless of county residency. A Town Employee card is valid for the duration of employment with the Town of Clayton.

NC Cardinal

The Hocutt-Ellington Memorial Library is a member of the NC Cardinal consortium. A library card issued by the Library is also valid at any NC Cardinal library. Be aware that materials borrowed from other libraries may be subject to owning library policies.

Account Security

To conduct circulation transactions or to receive information about a cardholder's circulation records, patrons must present a valid library card. Patrons conducting business by phone must provide the library card barcode number. Discretionary exceptions to this policy may be made for the occasional forgotten library card if the patron offers valid identification. Minors without official ID will be asked to confirm their address and birthday if they need to check items out without a card.

If a library card is lost or stolen, the cardholder is responsible for notifying the library as soon as possible. Unless a card has been declared lost or stolen, the library assumes that any person presenting the card has the permission of the cardholder to access the account. Replacement cards may be issued for \$5.

Circulation Loan Periods

- Books and other materials (including audiobooks, kits, games, and technology): 21 days
- New adult fiction and all video: 7 days
- Periodicals, reference, and special collections items are available for in-house use only.
- Overdrive eBooks and eAudiobooks: 7 or 14 days
- Kanopy video streaming: 48 or 72 hours

The Library may establish additional loan periods or restrictions for special collections, materials in high demand, or for other items as needed.

Patrons should refer to their online account or checkout slip to find the correct due date for each item.

Renewal of Library Materials

Materials may be renewed twice if there is not a waiting list for the title. Technology materials are not renewable.

Material Loan Limits

Patrons may check out up to 50 items on their library cards. Downloadable items do not count towards your maximum limit. Limitations have been set for the following:

- New Adult Fiction, Easy Holiday, and Video – 5
- New Large Print, Audiobook, and Nonfiction – 10
- Battle of the Books – 3
- Audiobook – 20
- Technology – 1
- Kits and Games – 2
- OverDrive – 5 (4 for e-iNC)
- Kanopy – monthly credits displayed on platform

Note: Patrons cannot check out technology or backpack kits on Juvenile library cards.

Patrons may place up to 25 items on hold at a time.

Overdue Notices

Overdue notices are emailed as a courtesy. Patrons are responsible for the timely return of materials whether or not they receive overdue notices. It is the responsibility of the patron to notify the Library if they do not receive courtesy reminders and to update contact information as it changes.

Courtesy Notification

Patrons will receive an email or text message two (2) days before an item is due back to the library.

Overdue Notices

The first overdue notice will be sent to the patron's email address on record when the item is two (2) days overdue. If the item is not returned, one further overdue notice will be sent at fifteen (15) days overdue. Notices will include a list of overdue materials.

Bill for Replacement

A bill for replacement will be sent when the item is twenty-eight (28) days overdue. This notice will include a bill for the replacement cost of the item(s), including an individual item processing fee per item.

Fines and Fees

Materials kept out beyond the loan periods will be considered overdue, and fine or replacement fees will be assessed. Having overdue materials, fines, or fees on library cards may cause borrowing or service restrictions. Library patrons or the parent/guardian of juvenile library patrons are expected to return library materials promptly and to pay any fines incurred. Fines and fees will be transferred to responsible adult accounts when minors turn 18 years of age.

Overdue Items

Fees for overdue library materials will be as listed in the Town of Clayton Comprehensive List of Fees and Charges.

- Technology: \$5 per day overdue, up to \$25 total per item.

Lost and Damaged Items

Fees for items that are long overdue, lost, or damaged will equal the list/retail price of the item as well as the processing cost. Material replacements are not accepted in lieu of fees.

Lost fees are removed from the patron's account upon return or recovery of the materials in question.

- According to North Carolina statute Chapter 14-398 it is considered theft to borrow but not return library materials.

Claims Returned

Patrons who claim to have returned an item which still shows as checked out on their account, or who claim never to have checked out items that show on their account, may be granted a claims returned. Each instance will be noted in the patron's account. Items will remain on the account, without accruing fines, until the issue is resolved.

After five (5) instances, the library will assume that there is a possibility of false reports of claims returned. The most recent claims returned items will be considered overdue on the patron's account. The patron will be expected to return the items or reimburse the library for the lost materials according to the fee schedule listed.

Fine/fee Collection

Library patrons or the parents of juvenile library patrons are expected to return library materials promptly and to pay any fines incurred.

If a patron's account totals more than \$25 in fees, borrowing privileges are suspended unless:

- The patron is paying through an approved installment plan. Information on this plan will be entered into the patron record. It will be removed upon final payment.
- There are exceptions noted on the patron's record.

Any account that accrues an excess of \$50 in fees will be subject to collection through the North Carolina Debt Setoff Program.

- As authorized by the North Carolina General Statutes, Chapter 105A, the Setoff Debt Collection Act (the "Act"), the Town of Clayton will submit debt to the North Carolina Department of Revenue for collection by applying the debt against any income tax refund more than \$50 that you may be entitled to receive or from lottery proceeds.

Refunds

The library does not issue refunds for fine/fee payments, including those for lost items.

Waiving Fees

Fees may not be waived except in the most extraordinary circumstances. Waivers or reductions of fees may be made on a limited basis at the discretion of the Library Director or their designee in the event of extenuating circumstances, which may include:

- Criminal Act
- Natural Disaster
- Medical Emergency
- Financial Hardship
- Reported Loss or Theft of Library Card
- Library Error

Patrons who have had large amounts of fees waived or reduced may be denied further service.

Duly adopted this the 5th day of February, 2024 while in regular session.

Jody L. McLeod
Mayor

ATTEST:

Heidi L. Holland, CMC, NCCMC
Town Clerk

Town of Clayton Policy & Procedure Statement



Policy Number	LIBRARY 2024-01
Department	Admin
Subject	HEML Circulation Policy
Approved By	Town Council
Effective Date	February 5, 2024; Resolution #2024-11
Revision Date(s)	

Purpose of Policy

The Hocutt-Ellington Memorial Library ("Library") Circulation Policy details library card registration, reserving and lending of materials, and overdue, lost, and damaged item procedures. This policy supports the Library's mission to be a welcoming space for building community and connecting people to ideas and resources.

Confidentiality of Library User Records

The Library will abide by the North Carolina General Statute on Confidentiality of Library User Records (§ 125-19), which states—

(a) Disclosure. -- A library shall not disclose any library record that identifies a person as having requested or obtained specific materials, information, or services, or as otherwise having used the library, except as provided for in subsection (b).

(b) Exceptions. -- Library records may be disclosed in the following instances:

- (1) When necessary for the reasonable operation of the library;
- (2) Upon written consent of the user; or
- (3) Pursuant to subpoena, court order, or where otherwise required by law.

Library Cards

All persons who reside on property within Johnston County are entitled to a Library card at no cost. Valid proof of identity and residence are required to obtain a library card. Proof of residence can be shown with photo identification, such as a driver's license with current address listed or a combination of photo identification and a rental lease, utility bill, or comparable bill in the patron's name. Library cards are valid for 3 years from the date of issue, with the exception of some temporary living situations when shorter expiration dates may be issued.

- Children under the age of five may borrow items on their parent/guardian's card. Children from the age of 5-17 can be issued their own library card with parent/guardian consent as long as the parent/guardian has a library card and the child is present at the time of registration. A parent or legal guardian is responsible for the use of library materials by children under the age of 18.
- Homebound patrons may choose a friend or family member to pick up and return library materials on their behalf.
- Library cards expire to ensure staff have a patron's correct contact information. To renew Library cards, patrons must prove their identity and residency within Johnston County in

the same way as for the original card application. All fines and fees must be paid before a card can be renewed.

Other Library Card Options

Digital Access Card

Residents of Johnston County may apply for a temporary digital access library card. These library cards provide borrowing privileges to digital resources only and are valid for 6 months.

Non-Resident

Persons who do not pay Johnston County taxes may purchase a non-resident borrower's card according to guidelines found in Chapter 153A Article 14 (Libraries) of North Carolina General Statutes. Non-resident cards are available for three, six, or twelve months. The fee structure for this card is set each year by the Town of Clayton Town Council.

Town Employees

Library cards are issued as a courtesy to all Town of Clayton employees regardless of county residency. A Town Employee card is valid for the duration of employment with the Town of Clayton.

NC Cardinal

The Hocutt-Ellington Memorial Library is a member of the NC Cardinal consortium. A library card issued by the Library is also valid at any NC Cardinal library. Be aware that materials borrowed from other libraries may be subject to owning library policies.

Account Security

To conduct circulation transactions or to receive information about a cardholder's circulation records, patrons must present a valid library card. Patrons conducting business by phone must provide the library card barcode number. Discretionary exceptions to this policy may be made for the occasional forgotten library card if the patron offers valid identification. Minors without official ID will be asked to confirm their address and birthday if they need to check items out without a card.

If a library card is lost or stolen, the cardholder is responsible for notifying the library as soon as possible. Unless a card has been declared lost or stolen, the library assumes that any person presenting the card has the permission of the cardholder to access the account. Replacement cards may be issued for \$5.

Circulation Loan Periods

- Books and other materials (including audiobooks, kits, games, and technology): 21 days
- New adult fiction and all video: 7 days
- Periodicals, reference, and special collections items are available for in-house use only.
- Overdrive eBooks and eAudiobooks: 7 or 14 days
- Kanopy video streaming: 48 or 72 hours

The Library may establish additional loan periods or restrictions for special collections, materials in high demand, or for other items as needed.

Patrons should refer to their online account or checkout slip to find the correct due date for each item.

Renewal of Library Materials

Materials may be renewed twice if there is not a waiting list for the title. Technology materials are not renewable.

Material Loan Limits

Patrons may check out up to 50 items on their library cards. Downloadable items do not count towards your maximum limit. Limitations have been set for the following:

- New Adult Fiction, Easy Holiday, and Video – 5
- New Large Print, Audiobook, and Nonfiction – 10
- Battle of the Books – 3
- Audiobook – 20
- Technology – 1
- Kits and Games – 2
- OverDrive – 5 (4 for e-iNC)
- Kanopy – monthly credits displayed on platform

Note: Patrons cannot check out technology or backpack kits on Juvenile library cards.

Patrons may place up to 25 items on hold at a time.

Overdue Notices

Overdue notices are emailed as a courtesy. Patrons are responsible for the timely return of materials whether or not they receive overdue notices. It is the responsibility of the patron to notify the Library if they do not receive courtesy reminders and to update contact information as it changes.

Courtesy Notification

Patrons will receive an email or text message two (2) days before an item is due back to the library.

Overdue Notices

The first overdue notice will be sent to the patron's email address on record when the item is two (2) days overdue. If the item is not returned, one further overdue notice will be sent at fifteen (15) days overdue. Notices will include a list of overdue materials.

Bill for Replacement

A bill for replacement will be sent when the item is twenty-eight (28) days overdue. This notice will include a bill for the replacement cost of the item(s), including an individual item processing fee per item.

Fines and Fees

Materials kept out beyond the loan periods will be considered overdue, and fine or replacement fees will be assessed. Having overdue materials, fines, or fees on library cards may cause borrowing or service restrictions. Library patrons or the parent/guardian of juvenile library patrons are expected to return library materials promptly and to pay any fines incurred. Fines and fees will be transferred to responsible adult accounts when minors turn 18 years of age.

Overdue Items

Fees for overdue library materials will be as listed in the Town of Clayton Comprehensive List of Fees and Charges.

- Technology: \$5 per day overdue, up to \$25 total per item.

Lost and Damaged Items

Fees for items that are long overdue, lost, or damaged will equal the list/retail price of the item as well as the processing cost. Material replacements are not accepted in lieu of fees.

Lost fees are removed from the patron's account upon return or recovery of the materials in question.

- According to North Carolina statute Chapter 14-398 it is considered theft to borrow but not return library materials.

Claims Returned

Patrons who claim to have returned an item which still shows as checked out on their account, or who claim never to have checked out items that show on their account, may be granted a claims returned. Each instance will be noted in the patron's account. Items will remain on the account, without accruing fines, until the issue is resolved.

After five (5) instances, the library will assume that there is a possibility of false reports of claims returned. The most recent claims returned items will be considered overdue on the patron's account. The patron will be expected to return the items or reimburse the library for the lost materials according to the fee schedule listed.

Fine/fee Collection

Library patrons or the parents of juvenile library patrons are expected to return library materials promptly and to pay any fines incurred.

If a patron's account totals more than \$25 in fees, borrowing privileges are suspended unless:

- The patron is paying through an approved installment plan. Information on this plan will be entered into the patron record. It will be removed upon final payment.
- There are exceptions noted on the patron's record.

Any account that accrues an excess of \$50 in fees will be subject to collection through the North Carolina Debt Setoff Program.

- As authorized by the North Carolina General Statutes, Chapter 105A, the Setoff Debt Collection Act (the "Act"), the Town of Clayton will submit debt to the North Carolina Department of Revenue for collection by applying the debt against any income tax refund more than \$50 that you may be entitled to receive or from lottery proceeds.

Refunds

The library does not issue refunds for fine/fee payments, including those for lost items.

Waiving Fees

Fees may not be waived except in the most extraordinary circumstances. Waivers or reductions of fees may be made on a limited basis at the discretion of the Library Director or their designee in the event of extenuating circumstances, which may include:

- Criminal Act
- Natural Disaster
- Medical Emergency

- Financial Hardship
- Reported Loss or Theft of Library Card
- Library Error

Patrons who have had large amounts of fees waived or reduced may be denied further service.



Regular Town Council Meeting Agenda Cover Sheet

Meeting Date

February 5, 2024

Agenda Location

CONSENT AGENDA

Item Title

Resolution To Accept Public Utilities into The Town of Clayton Public Utility System for Maintenance – Walk at East Village Phase 3A, 3B & 3C.

Suggested Action

Place on Consent Agenda

Strategic Priorities Alignment



☐
Think Clayton
(Administrative)



☐
Think Arts &
Culture



☐
Think
Downtown



☐
Think
Economic
Development



☐
Think Land
Use &
Housing



☐
Think
Mobility



☐
Think Parks,
Recreation
& Natural
Resources



☐
Think Public
Services &
Infrastructure

Public Hearing: No

If Approved, Will Document Require Recordation? No

Does This Item Require a Communication Plan?

- | | |
|--|--|
| ☐ Public Hearing (Required by GS) | ☐ Public Hearing (Not Required by GS) |
| ☐ Newspaper Notice (Required by GS) | ☐ Newspaper Notice (Not Required by GS) |
| ☐ Public Forum/Input Session | ☐ Press Release |
| ☐ E-News Distribution | ☐ Website |
| ☐ Social Media | ☐ Survey |
| ☐ Special Mailing | ☐ None Required |

Summary

Public Utilities (water and sewer), their easements, and applicable apparatuses are required to be designed and built according to the Town of Clayton Manual of Standards, Specifications, and Design. The subject public utilities and pump station have been verified through testing and inspections to be installed per the Town’s Manual of Standards, Specifications, and Design and have been certified and approved by the appropriate regulatory agencies. Engineering staff recommends final acceptance of the subject public utility infrastructure.

Funding Source

N/A

Corresponding Documentation

[UtilityFinalAcceptanceResolution Template -Walk at East Village phase 3](#)

Submitted By: Michael Worner, Engineering

Reviewed By:

Joshua Baird, Engineering Director	Approved - Jan 31 2024
Sam Johnson-Phillips, Deputy Town Clerk	Approved - Jan 31 2024
Heidi Holland, Town Clerk	Approved - Jan 31 2024

**Resolution To Accept Public Utilities into The Town of Clayton Public Utility System for
Maintenance – Walk at East Village Phase 3A, 3B & 3C.**

WHEREAS, public utilities (water and sewer), their easements, and applicable apparatuses are required to be designed and built according to the Town of Clayton Manual of Standards, Specifications and Design; and

WHEREAS the public utility segments listed below have been certified and approved by the appropriate regulatory agencies; and

WHEREAS the public utility segments listed below were monitored and inspected for any construction deficiencies, and

WHEREAS, Town of Clayton Engineering staff has inspected the public utility segments listed below on January 24, 2024, and recommends final acceptance by Town Council for operation and maintenance by the Town and.

NOW, THEREFORE, BE IT RESOLVED that the Town Council of the Town of Clayton, North Carolina accept this list of public utilities and their apparatuses into the Town of Clayton Public Utility System.

SUBDIVISION	LOCATION DESCRIPTION	UTILITY TYPE AND SIZE	LENGTH
Walk at East Village 3A, 3B & 3C	Village Walk Dr.	6" Waterline	1241.00
Walk at East Village 3A, 3B & 3C	Village Walk Dr.	8" Sanitary Sewer	497.81
Walk at East Village 3A, 3B & 3C	Swain St	6" Waterline	838.40
Walk at East Village 3A, 3B & 3C 2	Swain St.	8" Sanitary Sewer	767.91
Walk at East Village 3A, 3B & 3C	Yancy Ln.	6" Waterline	257.30
Walk at East Village 3A, 3B & 3C	Watauga Way	6" Waterline	70.10
Walk at East Village 3A, 3B & 3C	Watauga Way	8" Sanitary Sewer	79.06
Total:			3751.58LF

Duly adopted this the 5th day of February 2024.

Jody McLeod
Mayor

ATTEST:

Heidi L. Holland, NCCMC
Deputy Town Clerk

**TOWN OF CLAYTON
PROCLAMATION
STUDENT ART MONTH**

WHEREAS, the arts, in its many forms, constitute an important part of the community and contribute to the development of our youth; and,

WHEREAS, participation in and enjoyment of the arts can take many forms, including the visual arts, fine arts and performing arts; and,

WHEREAS, The Woman's Club of Clayton has sought to promote the involvement of our youth in various art projects to the betterment of their minds and the community as a whole.

NOW, THEREFORE, LET IT BE PROCLAIMED by the Honorable Mayor and Town Council of the Town of Clayton that the month of February each year, be recognized as:

STUDENT ART MONTH

Let it also be proclaimed that all businesses, industries, and citizens in the Clayton community are urged to support and encourage the school aged children of Clayton to participate in the arts.

Proclaimed by the Clayton Town Council this the 5th day of February 2024.

Jody L. McLeod
Mayor

**TOWN OF CLAYTON
PROCLAMATION
NATIONAL SCHOOL RESOURCE OFFICER DAY**

WHEREAS, The National Association of School Resource Officers (NASRO) is dedicated to making schools and children safer by providing the highest-quality training to school-based law enforcement officers; and

WHEREAS, school resource officers (SROs) bridge gaps between youth and law enforcement and embrace a triad concept of school policing, serving in informal counseling, education and law enforcement roles to support students and communities they serve; and

WHEREAS, by training law enforcement officers to counsel, educate, and protect school communities, the men and women of NASRO continuously lead by example and promote a positive image of law enforcement to school children and school communities; and

WHEREAS, SRO programs across the globe are founded as collaborative efforts by police agencies, law enforcement officers, educators, students, parents, and communities to create safe learning environments, provide valuable resources to school staff members, foster positive relationships with students and develop strategies to resolve problems that affect youth with the goal of protecting all children, so they can reach their fullest potential; and

WHEREAS, school resource officers are valuable and essential members of the education community and deserve unwavering respect and support from the public in the pursuit of keeping schools and students safe; and

NOW, THEREFORE, on behalf of the Clayton Town Council, I, Mayor McLeod, hereby proclaim February 15, 2024 as National School Resource Officer Day, a special day to show appreciation for school-based law enforcement officers, and to encourage all citizens to show their gratitude with displays of support and personal messages.

Proclaimed this the 5th day of February, 2024.

Jody L. McLeod
Mayor

TOWN OF CLAYTON PROCLAMATION ENGINEER'S WEEK

WHEREAS, engineers use their scientific and technical knowledge and skills in creative and innovative ways to fulfill society's needs; and

WHEREAS, engineers face the major technological challenges of our time –from rebuilding towns devastated by natural disaster, cleaning up the environment, and assuring safe, clean, and efficient sources of energy, to designing information systems that will speed our country into the future; and

WHEREAS, engineers are encouraging our young math and science students to realize the practical power of their knowledge; and

WHEREAS, we will look more than ever to engineers and their knowledge and skills to meet the challenges of the twenty-first century; and

NOW, THEREFORE, LET IT BE PROCLAIMED on behalf of the Clayton Town Council, I, Jody McLeod, Mayor of the Town of Clayton, do hereby proclaim February 18-24, 2024, be recognized as:

ENGINEERS WEEK

Proclaimed this the 5th day of February, 2024, while in regular session.

Jody L. McLeod
Mayor



Regular Town Council Meeting Agenda Cover Sheet

Meeting Date

February 5, 2024

Agenda Location

PUBLIC HEARINGS

Item Title

Road Renaming

Presenter(s)

Patrick Pierce, Economic Development Director

Suggested Action

Adoption of Ordinance

Strategic Priorities Alignment



Think Clayton
(Administrative)



Think Arts &
Culture



Think
Downtown



Think
Economic
Development



Think Land
Use &
Housing



Think
Mobility



Think Parks,
Recreation
& Natural
Resources



Think Public
Services &
Infrastructure

Public Hearing: Yes - Legislative

If Approved, Will Document Require Recordation? Yes

Does This Item Require a Communication Plan?

- ☐ Public Hearing (Required by GS)
- ☐ Newspaper Notice (Required by GS)
- ☐ Public Forum/Input Session
- ☒ E-News Distribution
- ☒ Social Media
- ☒ Special Mailing

- ☒ Public Hearing (Not Required by GS)
- ☒ Newspaper Notice (Not Required by GS)
- ☒ Press Release
- ☒ Website
- ☐ Survey
- ☐ None Required

Updates Since Previous Presentation

Since this topic was presented to Council in June 2023, an additional public hearing was held in the Cleveland community and the Johnston County Commissioner held a public hearing on January 2, 2024 regarding the renaming of NC 42W.

Summary

US 70 between I-40 and the US 70/US 70 BUS interchange will officially transition to I-42 later this year. As a part of this transition, NCDOT will renumber and realign US highways and state routes in Clayton and Johnston County, including US 70 BUS, NC 42W and NC 36 (new route), to eliminate confusion for drivers and first responders. In coordination with NCDOT, the Town of Clayton and Johnston County are working together to name current US 70 BUS and NC 42W to eliminate the need for residents to readdress their properties in the future. Current US 70 BUS will be renamed Clayton Boulevard and NC 42W will be renamed Veterans Parkway.

Background/History

Several public meetings have been held by NCDOT, in cooperation with the Town of Clayton and Johnston County, since this issue surfaced in 2022. The renaming and realignment of these routes has also been covered by local media in several stories.

Recommendation

Adopt resolution in support of renaming current US 70 BUS and NC 42W.

Funding Source

N/A

Corresponding Documentation

[Ordinance Renaming Certain Roads Feb 2024 \(005\)](#)

Submitted By: Patrick Pierce, Economic Development

Reviewed By:

Patrick Pierce, Economic
Development Director

Approved - Jan 24 2024

Rich Cappola, Town Manager

Approved - Jan 25 2024

Heidi Holland, Town Clerk

Approved - Jan 25 2024

Ordinance #2024-02-01

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF CLAYTON
RENAMING CERTAIN ROADS**

WHEREAS, the Town Council has determined that it is in the interests of public safety, more efficient emergency response and the general public interest to rename certain roads with the Council's jurisdiction; and

WHEREAS, the Council has advertised and held a public hearing thereon; and

WHEREAS, the NC Department of Transportation has conducted public meetings thereon and the Town has coordinated with NC Department of Transportation and Johnston County regarding the renaming of the State Roads as set forth herein; and

WHEREAS, the County of Johnston has held or will hold such proceedings as it deems appropriate in connection with the road renaming;

NOW, THEREFORE, the Town Council of the Town of Clayton does hereby change the names of the following roads or sections thereof:

(1) the current NC Hwy 42 from US 70 BUS to the extent of the jurisdiction of the Town of Clayton shall be renamed as a result of the NC Department of Transportation's NC Hwy 36 conversion project will be named and henceforth known as **VETERANS PARKWAY**; and

(2) the current US 70 BUS from the Wake/Johnston County line on the west of Clayton to the US 70 and US 70 BUS Interchange on the east of Clayton, to the extent the same is within the jurisdiction of the Town of Clayton, shall henceforth be renamed and known as **CLAYTON BOULEVARD**.

This Ordinance shall be effective as of _____.

DULY ADOPTED the 5th day of February, 2024.

TOWN OF CLAYTON

Jody McLeod, Mayor

ATTEST:

Heidi L. Holland, Town Clerk



Regular Town Council Meeting Agenda Cover Sheet

Meeting Date

February 5, 2024

Agenda Location

NEW BUSINESS

Item Title

Municipal Accounting Services, Cybersecurity and Technical Assistance Memorandum of Agreement

Suggested Action

Adoption of Resolution

Strategic Priorities Alignment



☒
Think Clayton
(Administrative)



☐
Think Arts &
Culture



☐
Think
Downtown



☐
Think
Economic
Development



☐
Think Land
Use &
Housing



☐
Think
Mobility



☐
Think Parks,
Recreation
& Natural
Resources



☒
Think Public
Services &
Infrastructure

Public Hearing: No

If Approved, Will Document Require Recordation? No

Does This Item Require a Communication Plan?

- | | |
|--|--|
| ☐ Public Hearing (Required by GS) | ☐ Public Hearing (Not Required by GS) |
| ☐ Newspaper Notice (Required by GS) | ☐ Newspaper Notice (Not Required by GS) |
| ☐ Public Forum/Input Session | ☐ Press Release |
| ☐ E-News Distribution | ☐ Website |
| ☐ Social Media | ☐ Survey |
| ☐ Special Mailing | ☒ None Required |

Summary

The North Carolina League of Municipalities (NCLM) has received access to funding to support member municipalities with Accounting Services, Cybersecurity, and Technical Assistance with approval of a Memorandum of Agreement which has been offered to the Town of Clayton.

1. Enabling Law and Regulation.

The North Carolina State Budget Act of 2021 (SL 2021-180, as amended by SL 2021-189, and SL 2022-6) provided to the League grant funds provided to the State of North Carolina by the U.S. Treasury pursuant the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319, American Rescue Plan Act of 2021 (hereinafter ARP/CSLFRF). Pursuant to this legislation, the League received two Award Agreements from the Office of State Budget and Management (hereinafter OSBM) and the North Carolina Pandemic Recovery Office (hereinafter NCPRO).

The funds are deemed part of US Treasury Expenditure Category: 6, Revenue Replacement and shall only be spent on governmental services.

2. Grants Awarded to the NC League of Municipalities.

The first Award Agreement is identified as OSBM-NCLM-65. This grant enables the League to provide “financial software and assistance programs for units of local government for expenses related to the COVID-19 pandemic...” This grant is referred to as the Municipal Accounting Services and Cybersecurity Grant.

The second Award Agreement is identified as OSBM-NCLM-66. This grant enables the League “to provide guidance and technical assistance to units of local government in the administration of funds from the Local Fiscal Recovery Fund, as established in Section 2.6 of S.L. 2021-25, and in the administration of projects funded through the State Fiscal Recovery Fund, as established in Section 2.2 of S.L. 2021-25.” This grant is referred to as the Guidance and Technical Assistance Grant.

The Municipal Accounting Services and Cybersecurity Grant and the Guidance and Technical Assistance Grant are collectively referred to herein as the “League Grants”.

One or both of the League Grants fund this Agreement.

Funding Source

N/A

Corresponding Documentation

[Clayton RESOLUTION](#)

[Clayton MOA](#)

Meeting Timeline

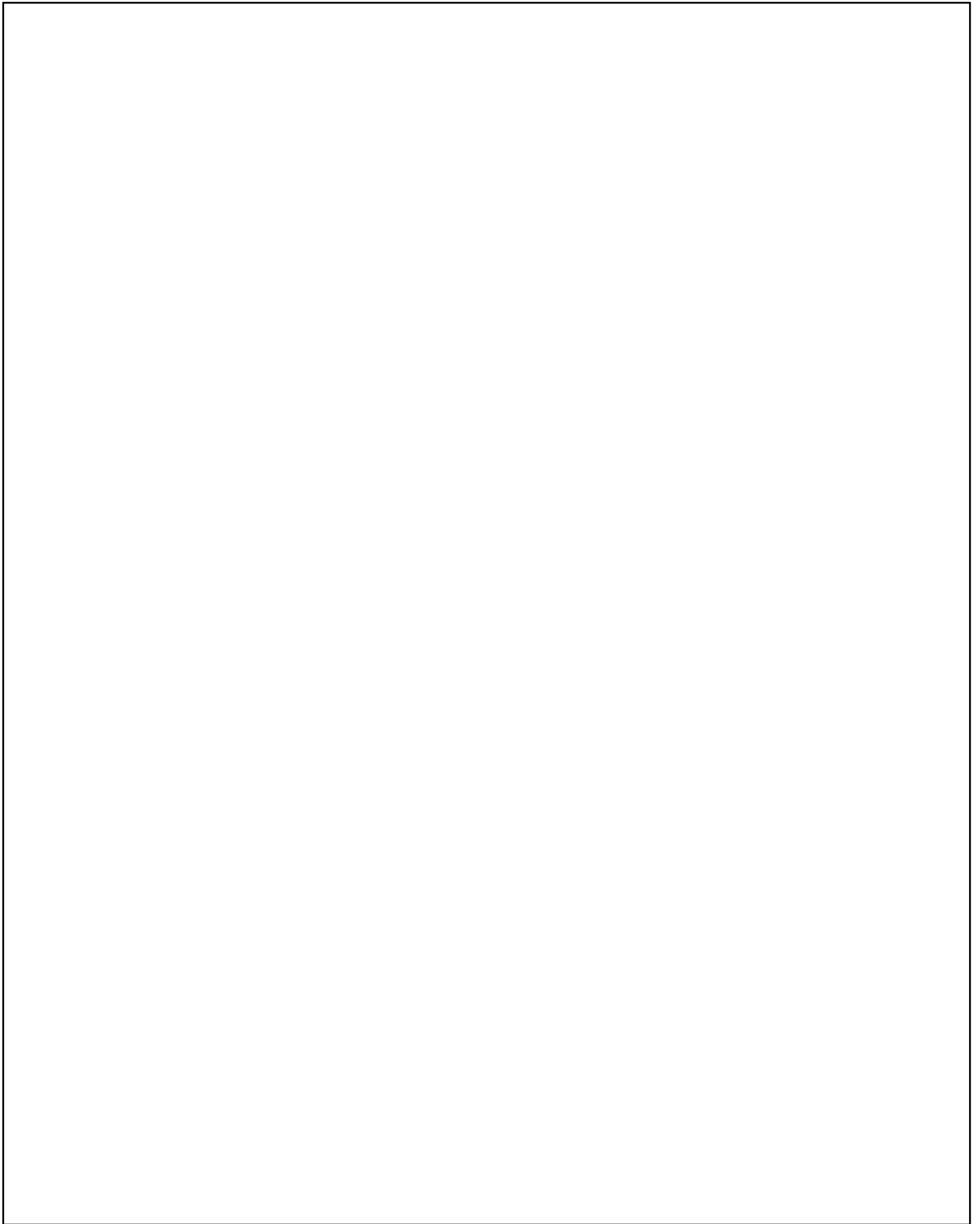
5 mins.

Submitted By: John Mack, IT Services

Reviewed By:

Heidi Holland, Town Clerk

Approved - Jan 31 2024



**RESOLUTION TO APPROVE A MUNICIPAL ACCOUNTING SERVICES,
CYBERSECURITY AND TECHNICAL ASSISTANCE MEMORANDUM OF
AGREEMENT**

WITNESSETH:

WHEREAS, the North Carolina State Budget Act of 2021 (SL 2021-180, as amended by SL 2021-189, and SL 2022-6) provided to the NC League of Municipalities (League) grant funds provided to the State of North Carolina by the U.S. Treasury pursuant the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319, American Rescue Plan Act of 2021 (ARP); and

WHEREAS, the League received two Award Agreements (OSBM-NCLM-65) from the Office of State Budget and Management (OSBM) and the North Carolina Pandemic Recovery Office (NCPRO); and

WHEREAS, the first Award Agreement is identified as OSBM-NCLM-65. This grant enables the League to provide “financial software and assistance programs for units of local government for expenses related to the COVID-19 pandemic...” This grant is referred to as the Municipal Accounting Services and Cybersecurity Grant; and

WHEREAS, the second Award Agreement is identified as OSBM-NCLM-66. This grant enables the League “to provide guidance and technical assistance to units of local government in the administration of funds from the Local Fiscal Recovery Fund, as established in Section 2.6 of S.L. 2021-25, and in the administration of projects funded through the State Fiscal Recovery Fund, as established in Section 2.2 of S.L. 2021-25.” This grant is referred to as the Guidance and Technical Assistance Grant; and

WHEREAS, the Municipal Accounting Services and Cybersecurity Grant and the Guidance and Technical Assistance Grant are collectively referred to herein as the “League Grants”.

WHEREAS, the League Grants are deemed part of US Treasury Expenditure Category: 6, Revenue Replacement and shall only be spent on governmental services; and

WHEREAS, pursuant to US Treasury Guidance, units of local government that receive services that are funded by one or both of the League Grants are beneficiaries of one or both of the League Grants, respectively, and such services are provided at no cost to these local governments; and

WHEREAS, the League has established a Municipal Accounting Services, Cybersecurity and Technical Assistance Memorandum of Agreement pursuant to the terms of the League’s Municipal Accounting Systems and Cybersecurity Grant and the Guidance and Technical Assistance Grant; and

WHEREAS, this Municipal Accounting System, Cybersecurity and Technical Assistance Memorandum of Agreement will offer local municipalities:

(1) Services rendered by the League (League Services) including but not limited to capital expenditures for special purpose software and computer equipment as set forth in §2 C.F.R. 200.439; and

(2) Services rendered by one or more service providers (Contractor Services), retained by the League on behalf of the Municipality, who are members of a particular profession or possess a special skill as set forth in §2 C.F.R. 200.459; and

(3) Equipment, including information technology systems, and supplies, including computing devices, as set forth in §2 C.F.R. 200.439 and §2 C.F.R. 200.453; and

WHEREAS, the Municipal Accounting Services, Cybersecurity and Technical Assistance Memorandum of Agreement, is attached hereto as Exhibit A; and

NOW, THEREFORE BE IT RESOLVED BY THE CITY/TOWN COUNCIL/BOARD OF THE TOWN OF CLAYTON:

1. That, the Municipal Accounting Services, Cybersecurity and Technical Assistance Memorandum of Agreement is hereby approved.
2. That the Manager/Clerk is authorized to execute the attached Memorandum of Agreement (or one substantially equivalent thereto) and such other agreements and actions as necessary in accordance with the League's Municipal Accounting Services and Cybersecurity Grant and the Guidance and Technical Assistance Grant.

Adopted, this the _____ day of _____, 2024

TOWN/CITY OF CLAYTON

By: _____
(Name)
Mayor

ATTEST:

(Name)
Town Clerk

Exhibit A
MUNICIPAL ACCOUNTING SERVICES, CYBERSECURITY AND
TECHNICAL ASSISTANCE MEMORANDUM OF AGREEMENT (MOA).

MUNICIPAL ACCOUNTING SERVICES, CYBERSECURITY AND TECHNICAL ASSISTANCE MEMORANDUM OF AGREEMENT

This Municipal Accounting Services, Cybersecurity and Technical Assistance Memorandum of Agreement (hereinafter the “Agreement”) is entered into as of the Effective Date set out below, by and between the Town of Clayton (hereinafter the “Municipality”) and the NC League of Municipalities (hereinafter the League), each additionally referred to as a “Party”; and collectively as the “Parties.” This Agreement and the obligations hereunder shall be effective upon execution of this Agreement by all Parties (“Effective Date”).

For good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties agree as follows:

Article I. Overview.

1. Enabling Law and Regulation.

The North Carolina State Budget Act of 2021 (SL 2021-180, as amended by SL 2021-189, and SL 2022-6) provided to the League grant funds provided to the State of North Carolina by the U.S. Treasury pursuant the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319, American Rescue Plan Act of 2021 (hereinafter ARP/CSLFRF). Pursuant to this legislation, the League received two Award Agreements from the Office of State Budget and Management (hereinafter OSBM) and the North Carolina Pandemic Recovery Office (hereinafter NCPRO).

The funds are deemed part of US Treasury Expenditure Category: 6, Revenue Replacement and shall only be spent on governmental services.

2. Grants Awarded to the NC League of Municipalities.

The first Award Agreement is identified as **OSBM-NCLM-65**. This grant enables the League to provide “financial software and assistance programs for units of local government for expenses related to the COVID-19 pandemic...” This grant is referred to as the **Municipal Accounting Services and Cybersecurity Grant**.

The second Award Agreement is identified as **OSBM-NCLM-66**. This grant enables the League “to provide guidance and technical assistance to units of local government in the administration of funds from the Local Fiscal Recovery Fund, as established in Section 2.6 of S.L. 2021-25, and in the administration of projects funded through the State Fiscal Recovery Fund, as established in Section 2.2 of S.L. 2021-25.” This grant is referred to as the **Guidance and Technical Assistance Grant**.

The Municipal Accounting Services and Cybersecurity Grant and the Guidance and Technical Assistance Grant are collectively referred to herein as the “**League Grants**”.

One or both of the League Grants fund this Agreement.

3. Status of the Parties.

The undersigned Municipality is a beneficiary of the League Grants. The service providers retained by the League and funded by the League Grants for the benefit of the Municipality are contractors (“Contractors”).

4. Services Offered.

Pursuant to this Agreement, the League hereby offers the following to the Municipality:

- Services rendered by the League (“League Services”). See Exhibit A.
- Services rendered by one or more service providers (“Contractor Services”) retained by the League on behalf of the Municipality, who are members of a particular profession or possess a special skill as set forth in §2 C.F.R. 200.459. See Exhibit B, as applicable (and subsequent Exhibits, as applicable).
- Equipment, including information technology systems, and supplies, including computing devices, as set forth in §2 C.F.R. 200.439 and §2 C.F.R. 200.453. The League shall fund League Services and Contractor Services pursuant to this Agreement.

The League shall fund League Services and Contractor Services pursuant to this Agreement. The Municipality accepts the League Grant(s) pursuant to this Agreement.

5. Additional Services.

Additional Services (hereinafter “Additional Services”) may be offered to the Municipality by the League during the League’s Grant period pursuant to this Agreement. The Municipality’s official, who is designated in the Municipality’s adopting Resolution, may execute further agreements, modifications of this Agreement, and agree to Additional Services to be provided to the Municipality. These Additional Services shall be described in additional Exhibits to this Agreement (Exhibit C, D, E, etc.) that, when executed by the Parties, shall become part of this Agreement.

6. Term of Agreement.

This Agreement shall begin on the Effective Date of this agreement and shall end when terminated at the discretion either party. All expenditures by the League under this Agreement must be obligated on or before December 31, 2024, and expended on or before December 31, 2026. Unless otherwise terminated, this Agreement shall expire on December, 31, 2026. Agreements executed by the Municipality and the Contractor, as may be reflected in Exhibit B, (and subsequent Exhibits attached hereto, as applicable) will survive termination of this Agreement, unless terminated early by the Municipality and the Contractor.

7. Termination of Agreement.

The League may terminate this Agreement, in whole or in part, at any time upon written notice to the Municipality and the Contractor. The Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to the League to be paid. If the Contractor has any property

in its possession belonging to the League, the Contractor will account for the same, and dispose of it in the manner the League directs.

8. Duties of the Municipality.

The Municipality will utilize League Services and Contractor Services in accordance with this Agreement. It agrees to submit quarterly performance reports for the League Services and Contractor Services received pursuant to this Agreement and to cooperate with the League in appropriate review of these League Services and Contractor Services. The nature and scope of the reports will depend on the project. Any deficiencies or other performance concerns will be addressed with the Municipality and the Contractor.

The Municipality shall obtain and provide to the League a unique entity identifier assigned by the System for Award Management (SAM), which is accessible at www.sam.gov.

The Municipality shall provide the League with all relevant information requested by the League to enable the League to comply with the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note) or other federal or state requirements or audits, unless such information is otherwise confidential under applicable federal or state laws.

Article II. Scope of Funded Activities.

1. Scope of Services

Services provided pursuant to this Agreement are set forth in the Exhibit A & B attached hereto (and subsequent Exhibits as applicable).

2. Approved Budget.

The League, in consultation with the Municipality and the Contractor, shall establish applicable rates and fees to align with the scope of services described in Exhibit B (and subsequent Exhibits as applicable) or amendments thereto as approved in writing by the League. Such charges and rates under this Agreement, once finalized and accepted by the League, are hereinafter referred to as the "Approved Budget". The League shall furnish the Municipality with a copy of the Approved Budget, which will include a detailed summary of charges and rates that the League will be obligated to expend for the benefit of the Municipality using applicable grant funding.

3. Prior Approval for Changes.

The Municipality shall not make any changes, directly or indirectly, to the Contractor Services, or the Approved Budget, without the prior written approval of the League.

4. Allowable Costs for Services Rendered.

All services provided pursuant to this Agreement must fall with the definitions of allowable cost and not be otherwise prohibited under State or Federal law.

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost

Principles, and Audit Requirements for Federal Awards, commonly called Uniform Guidance, Subpart E, defines those items of cost that are allowable, and which are unallowable. These allowable cost requirements are:

1. The costs must be reasonable;
2. The costs must be allocable to eligible projects under the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP);
3. The costs must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances;
4. The costs must conform to any limitations or exclusions set forth in these principles or in the ARP/CSLFRF grant award as to types or amounts of cost items.

5. Prohibited Uses of Funding.

The US Treasury's Final Rule prohibits certain uses of ARP/CSLFRF funds. Specifically, ARP/CSLFRF funds may not be used for projects within the following categories of expenditures:

1. To make a deposit into a pension fund that constitutes an extraordinary payment of an accrued, unfunded liability (Routine contributions which are part of a payroll obligation for an eligible project are allowed);
2. To borrow money or make debt service payments;
3. To replenish rainy day funds or to fund other financial reserves;
4. To satisfy an obligation arising from a settlement agreement, judgment, consent decree, or judicially confirmed debt restricting in a judicial, administrative, or regulatory proceeding;
5. For a project that includes a term or condition that undermines efforts to stop the spread of COVID-19 or discourages compliance with recommendations and guidelines in CDC guidance for stopping the spread of COVID-19;
6. In violation of the conflict-of-interest requirements imposed by the award terms and 2 CFR 200.318(c).
7. For any expenditure that would violate other applicable federal, state, and local laws and regulations.

Article III. Compensation.

1. Payment of Funds.

The League will pay the Contractor identified in Exhibit B (and other Contractors/Consultants identified in subsequent Exhibits as applicable) for services rendered in accordance with the Approved Budget and for the performance of the Contractor Services. No Contractor Services shall be funded by the League outside the parameters of the League Grants. Fees and costs must be supported by evidence of bona fide services rendered.

The Municipality has no obligation to pay for any services identified in the Approved Budget that are the League's responsibility. Services not expressly agreed to by the League shall be the responsibility of the Municipality.

2. Invoices.

Email invoices to Accountspayablearp@nclm.org. Expenses must be reasonable and necessary, documented, itemized, and incurred in accordance with this Agreement. All League expenditures under this Agreement must be obligated on or before December 31, 2024 and expended on or before December 31, 2026.

Article IV. Compliance with Grant Agreement and Applicable Laws.

1. Expenditure Authority.

This Agreement is subject to the laws, regulations, and guidance documents authorizing and implementing the ARP/CSLFRF grant, including, but not limited to, the following:

- Authorizing Statute. Section 603 of the Social Security Act (42 U.S.C. 803), as added by section 9901(a) of the American Rescue Plan Act of 2021 (Pub. L. No. 117-2).
- Implementing Regulations. Subpart A of 31 CFR Part 35 (Coronavirus State and Local Fiscal Recovery Funds), as adopted in the Coronavirus State and Local Fiscal Recovery Funds interim final rule (86 FR 26786, applicable May 17, 2021 through March 31, 2022) and final rule (87 FR 4338, applicable January 27, 2022 through the end of the ARP/CSLFRF award term), and other subsequent regulations implementing Section 603 of the Social Security Act (42 U.S.C. 803).
- Guidance Documents. Applicable guidance documents issued from time-to-time by the US Department of Treasury, including the currently applicable version of the Compliance and Reporting Guidance: State and Local Fiscal Recovery Funds.

This Agreement is also subject to all applicable laws of the State of North Carolina.

2. Conflicts of Interest; Gifts & Favors.

The Municipality understands that (1) it will use Fiscal Recovery Funds to pay for the cost of this Agreement, and (2) the expenditure of Fiscal Recovery Funds is governed by the League's Conflict of Interest Policy and the Federal and State regulatory requirements (including, without limitation, N.C. Gen. Stat. § 14- 234(a)(1) and N.C. Gen. Stat. § 14-234.3(a)).

The Municipality certifies that, as of the date hereof, to the best of its knowledge after reasonable inquiry, no employee, officer, or agent of the Municipality involved in the selection, award, or administration of this Agreement (each, a "Covered Individual"), nor any member of a Covered Individual's immediate family, nor a Covered Individual's partner, nor an organization which employs or is about to employ a Covered Individual, has a financial or other interest in or has received a tangible personal benefit from Fiscal Recovery Funds, except as to the funds legally expended in this Agreement. Should the Municipality obtain knowledge of any such interest, or any tangible personal benefit described in the preceding sentence after the date hereof, the Municipality shall promptly disclose the same to the League in writing.

The Municipality certifies to the League that it has not provided, nor offered to provide, any gratuities, favors, or anything of value to an officer, employee, or agent of the League. Should the Municipality obtain knowledge of the provision, or offer of a provision, of any gratuity, favor, or anything of value to an officer, employee, or agent described in the preceding sentence after the date hereof, the Municipality shall promptly disclose the same to the League in writing.

3. Records Retention and Access.

The Municipality shall maintain all records, books, papers and other documents related to its performance of Approved Activities under this Agreement (including without limitation personnel, property, financial and medical records) through at least December 31, 2031, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit, or other inquiry involving this Agreement. The Municipality shall make all records, books, papers and other documents that relate to this Agreement, unless otherwise privileged, available at all reasonable times for inspection, review or audit by the authorized representatives of the League, the North Carolina State Auditor, the US Department of Treasury, the US Government Accountability Office, and any other authorized state or federal oversight office.

4. Suspension and Debarment.

The Municipality shall comply with the Office of Management and Budget (OMB) Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) in 2 CFR Part 180, as adopted by the U.S. Department of Treasury at 31 CFR Part 19. The Municipality represents that neither it, nor any of its principals has been debarred, suspended, or otherwise determined ineligible to participate in federal assistance awards or contracts. The Municipality further agrees that it will notify the League immediately if it, or any of its principals, is placed on the list of parties excluded from federal procurement or nonprocurement programs available at www.sam.gov.

5. Byrd Anti-Lobbying Amendment.

The Municipality certifies to the League that it has not used and will not use Federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. § 1352. The Municipality shall disclose any lobbying with non-Federally appropriated funds that takes place in connection with obtaining any Federal award. This certification is a material representation of fact upon which the League has relied when entering this Agreement and all liability arising from an erroneous representation shall be borne solely by the Municipality.

6. Publications.

Any publications produced with funds from this Agreement shall display the following language: "This project is supported, in whole or in part, by federal award number SLFRP0129 awarded to NC League of Municipalities through the State of North Carolina by the U.S. Department of the Treasury."

7. Equal Opportunity and Other Relevant Federal Laws

The Municipality agrees during the performance of this Agreement the following:

Civil Rights Laws.

The Municipality shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance.

Fair Housing Laws.

The Municipality shall comply with the Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability.

Disability Protections.

The Municipality shall comply with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance.

Age Discrimination.

The Municipality shall comply with the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 CFR Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance.

Americans with Disabilities Act.

The Municipality shall comply with Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

Clean Air Act.

The Municipality agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq. The Municipality agrees to report each violation to Unit and understands and agrees that Unit will, in turn, report each violation as required to the U.S. Department of the Treasury, and the appropriate Environmental Protection Agency Regional Office.

Federal Water Pollution Control Act.

The Municipality agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq. The Municipality agrees to report each violation to Unit and understands and agrees that Unit will, in turn, report each violation as required to assure notification to the U.S. Department of the Treasury, and the appropriate Environmental Protection Agency Regional Office.

Hatch Act.

The Municipality agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.

Protections for Whistleblowers.

In accordance with 41 U.S.C. § 4712, the Municipality may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.

Uniform Relocation Assistance and Real Property Acquisitions Act of 1970.

(42 U.S.C. §§ 4601-4655) The Municipality will implement standards for predictable real property acquisition and relocation expenses for homeowners and tenants of land acquired through eminent domain.

Governmentwide Requirements for Drug-Free Workplace.

31 C.F.R. Part 20. The Municipality will implement required statements, policies and procedures.

Increasing Seat Belt Use in the United States.

Pursuant to Executive Order 13043, 62 Fed. Reg. 19216 (Apr. 18, 1997), The Municipality encourages its employees to adopt and enforce on-the-job seat belt policies and programs for its employees when operating company-owned, rented or personally owned vehicles.

Reducing Text Messaging While Driving.

Pursuant to Executive Order 13513, 74 Fed. Reg. 51225 (Oct. 6, 2009), The Municipality encourages its employees to adopt and enforce policies that ban text messaging while driving.

Article V. Limitations of Liability

1. Limitations of Liability.

In no event shall the League have any liability to the Municipality or any third party for damages resulting from Municipality's use of services provided through this Agreement or any separate agreement between the Municipality and the Contractor identified in Exhibit B (and other Contractors identified in subsequent Exhibits as applicable)

In no event shall the League be liable for any loss of profit or revenue, including but not limited to loss revenue caused by a cyber security breach, by the Municipality or any consequential, indirect, incidental, special, punitive, or exemplary damages incurred or suffered by the Municipality, even if the League has been advised of the possibility of such

loss or damage. Further, except for claims based on U.S. Patent or U.S. Copyright infringement or for personal injury or physical loss or damage to real or tangible personal property caused by the negligence of the League, Municipality agrees that the League's total liability for all claims of any kinds arising as a result of, or related to, this Agreement, whether based on contract, tort, (including but not limited to strict liability and negligence) warranty, or on other legal or equitable grounds, shall be limited to general money damages and shall not exceed the amounts actually received by Municipality under this Agreement.

THE REMEDIES PROVIDED HEREIN ARE EXCLUSIVE AND IN LIEU OF ALL OTHER REMEDIES, EXCEPT FOR THE WARRANTIES SET FORTH IN THIS AGREEMENT. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, WHETHER ORAL OR WRITTEN, WITH RESPECT TO THE GOODS AND SERVICES COVERED BY OR FURNISHED PURSUANT TO THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES (I) OF MERCHANTABILITY, (II) OF FITNESS FOR A PRACTICAL PURPOSE, OR (III) ARISING FROM COURSE OF PERFORMANCE OR DEALING, OR FROM USAGE OF TRADE.

Article VI. General Conditions.

1. Venue and Jurisdiction.

This Agreement will be governed by and construed in accordance with the laws of North Carolina. The exclusive forum and venue for all actions arising out of this Agreement is the appropriate division of the North Carolina General Court of Justice in Wake County. Such actions may not be commenced in, nor removed to, federal court unless required by law.

2. Nonwaiver.

No action or failure to act by the League constitutes a waiver of any of its rights or remedies that arise out of this Agreement, nor shall such action or failure to act constitute approval of or acquiescence in a breach of this Agreement, except as specifically agreed in writing.

3. Limitation of Authority.

Nothing contained in this Agreement may be deemed or construed to in any way stop, limit, or impair the Municipality from exercising or performing any regulatory, policing, legislative, governmental, or other powers or functions.

4. Assignment.

The Municipality may not assign or delegate any of their rights or duties that arise out of this Agreement without the League's written consent.

5. Integration.

This Agreement contains the entire agreement between the parties pertaining to the subject matter of this Agreement. With respect to that subject matter, there are no promises, agreements, conditions, inducements, warranties, or understandings, written or oral, expressed, or implied, between the parties, other than as set forth or referenced in this Agreement.

6. North Carolina Public Records Law

Notwithstanding any other provisions of this Agreement, this Agreement and all materials submitted to the Municipality by the League are subject to the public records laws of the State of North Carolina and it is the responsibility of the League to properly designate materials that may be protected from disclosure as trade secrets under North Carolina law as such and in the form required by law prior to the submission of such materials to the Municipality. League understands and agrees that the Municipality may take any and all actions necessary to comply with federal, state, and local laws and/or judicial orders and such actions will not constitute a breach of the terms of this Agreement. To the extent that any other provisions of this Agreement conflict with this paragraph, the provisions of this section shall control.

7. E-Verify

League shall comply with E-Verify, 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 and as in accordance with N.C.G.S. §64-25 et seq. In addition, to the best of League's knowledge, any subcontractor employed by League as a part of this contract shall be in compliance with the requirements of E-Verify and N.C.G.S. §64-25 et seq.

8. Iran Divestment Act

League certifies that, as of the date listed below, it is not on the Final Divestment List as created by the State Treasurer pursuant to N.C.G.S. § 147-86.55, et seq. In compliance with the requirements of the Iran Divestment Act and N.C.G.S. § 147-86.59, League shall not utilize in the performance of the contract any subcontractor that is identified on the Final Divestment List.

9. Companies Boycotting Israel Divestment Act

League certifies that it has not been designated by the North Carolina State Treasurer as a company engaged in the boycott of Israel pursuant to N.C.G.S. 147-86.81.

[Remainder of page left blank intentionally. Signatures are on following page.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by digital signature on the respective dates below, and this Agreement shall be effective upon the date of the Municipality's signature.

NC LEAGUE OF MUNICIPALITIES:

**MUNICIPALITY:
TOWN OF CLAYTON**

a North Carolina municipal corporation

By:

By:

Signature

Signature

Rose Vaughn Williams

Name

Executive Director

Title

Date of Signature

Date of Signature

ATTEST:

City/Town/Village Clerk (or designee)

Exhibit A League Services

In addition to the Contractor Services set out in Exhibit B, the League may provide some or all of the services described below.

1. Cyber Security Assessment

The League's Cyber Security Advisor, or Cyber Field Technician ("Security Team"), will conduct a comprehensive assessment of the Municipality's overall cyber security posture ("Security Assessment") against the current standardized framework established by the Center for Internet Security ("CIS"). The Security Team will review approximately 155 security controls in coordination with the Municipality's management, and will provide IT support to establish a baseline security posture matrix. The Security Team will review the results and make appropriate hardware, software, policy, and procedure recommendations in accordance with industry best practices and the baseline standards set by the CIS assessment framework.

2. IT Evaluation

Prior to the installation of accounting software, including Black Mountain software, the League's IT technicians ("Technical Team") will review and evaluate the IT System's environment ("IT Evaluation") of the Municipality to verify the system is adequate to operate the software. The Technical Team will review the computer system for minimum security controls such as password protection, firewall installation and operation, and up to date antivirus programs. The Technical Team will act as a liaison to assist with communications between the software Contractor, which may include Black Mountain Software, and the Municipality. The Technical Team will make appropriate hardware and software recommendations if any deficiencies are found during the IT Evaluation.

3. Hardware and Software Acquisition

In the event that hardware or software deficiencies are found during the IT Evaluation, the League, utilizing funds from the **Municipal Accounting Services and Cybersecurity Grant**, will acquire and transfer title to the Municipality sufficient hardware and software to meet the "Minimum Requirements" as determined by the accounting software Contractor, which may include Black Mountain Software. As determined by the League's IT Director, Cyber Security Advisor, or Cyber Field Technician, computer hardware may be provided under this Agreement, which may include the following: 2 Computers, 1 Laser Printer, 1 Scanner, 2 Monitors, 2 Keyboards, 2 mouse devices, 2 UPS devices. Computer software to be provided under this Agreement may include a Microsoft Office license (if organization has no license).

In the event specific security hardware or software gaps are found during the Security Assessment, the League, utilizing funds from the Cybersecurity Grant, will acquire and transfer title to the Municipality sufficient hardware and software to meet the "Baseline Requirements" as determined by the Security Assessment. As determined by the League's Cyber Advisor, security hardware may be provided under this Agreement, which may include the following: ("NGFW") Next Generation Firewall, Layer 3 Network Switch. Security software may be provided under this agreement, which may include the following: Endpoint Detection & Response ("EDR"), Endpoint

Protection Platform (“EPP”), Extended Detection and Response (“XDR”), or Multi-Factor Authentication (“MFA”).

All hardware and software shall be used only for governmental purposes and primarily used for MAS purposes. The Municipality is responsible for the security, operation, support and maintenance of the provided assets.

4. Hardware and Software Installation

Hardware and software provided by the League will be installed by the Municipality’s IT professionals. If the Municipality has no IT service provider, the League, utilizing funds from the **Municipal Accounting Services and Cybersecurity Grant**, will contract for a third-party IT professional installer to set up and load the hardware and software provided pursuant to this Agreement.

5. Finance Evaluation and Assistance During Implementation

Prior to the installation of the accounting software, which may include Black Mountain software, the League’s Finance Team (“Finance Team”), in consultation with the Municipality and the software Contractor, which may include Black Mountain Software, will determine the appropriate accounting software to be installed. League MAS representatives will further work with accounting software Contractor during the pre-implementation period to prepare the Municipality for conversion actions and assist the Municipality in adopting best practice options for the new system.

6. Ongoing Cyber Security Consulting

Following the initial Security Assessment described in Section 1, the Security Team will consult with the Municipality on an ongoing basis to assist with meeting the recommendations set forth in the assessment and municipal-related cyber security concerns that would typically be addressed by a Chief Information Security Officer (“CISO”).

7. Accounting Assistance Efforts

During the term of this Agreement (as described in Article I, Paragraph 6 above), League Accounting Assistance personnel will provide the Municipality with ongoing assistance with accounting issues, review and assist with best practice accounting and finance processes, and generally assist the Municipality to be current with its bookkeeping and accounting. An emphasis will be placed on ensuring participating Municipalities are prepared for their annual audit. The implementation of best practices and timely preparation should improve the audit experience for both the Municipality and the firm performing the audit.

8. Communication Services

The League’s ARP Communications Specialist will provide the Municipality with communications services to help document and describe how the Municipality utilized ARP/CSLFRF grant funding and the impact of those efforts on the community. Communication activities include, but are not limited to, conducting interviews of municipal staff and officials, researching plans and investment strategies, verifying details of grant investments to deliver community outreach strategies and a press conference.

9. Duties of the Municipality

The Municipality further agrees to: (1) give the League access to data managed by the Municipality in order to facilitate implementation of the Municipal Accounting Services and Cybersecurity Grant; (2) provide on-line “read only” access into the Municipal Accounting System by the League’s Accounting Assistance personnel; (3) permit the League to contact applicable Contractor, including but not limited to Black Mountain Software, on behalf of the Municipality as needed to facilitate implementation of the League’s Grants; (4) make reasonable efforts to maintain industry standards for cybersecurity, which may include allowing the League to perform security audits in the League’s sole discretion; (5) if applicable, use the Standardized Chart of Accounts as provided in the accounting software installation; (6) respond to all requests from the League or Contractor, as applicable, to verify accuracy of monthly invoices submitted to the League by Contractor for grant-funded services provided by Contractor on behalf of the Municipality.

10. Duties of the League Related to Data Security

The League agrees to: (1) access only the Municipality’s data that is necessary to implement the software; (2) restrict access to the Municipality’s data to designated League employees and agents; and (3) take reasonable measures to safeguard the Municipality’s data.

Exhibit B (Contractor Services – aka Consultant Services)

Not Applicable

MUNICIPAL ACCOUNTING SERVICES, CYBERSECURITY AND TECHNICAL ASSISTANCE MEMORANDUM OF AGREEMENT

This Municipal Accounting Services, Cybersecurity and Technical Assistance Memorandum of Agreement (hereinafter the “Agreement”) is entered into as of the Effective Date set out below, by and between the Town of Clayton (hereinafter the “Municipality”) and the NC League of Municipalities (hereinafter the League), each additionally referred to as a “Party”; and collectively as the “Parties.” This Agreement and the obligations hereunder shall be effective upon execution of this Agreement by all Parties (“Effective Date”).

For good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties agree as follows:

Article I. Overview.

1. Enabling Law and Regulation.

The North Carolina State Budget Act of 2021 (SL 2021-180, as amended by SL 2021-189, and SL 2022-6) provided to the League grant funds provided to the State of North Carolina by the U.S. Treasury pursuant the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319, American Rescue Plan Act of 2021 (hereinafter ARP/CSLFRF). Pursuant to this legislation, the League received two Award Agreements from the Office of State Budget and Management (hereinafter OSBM) and the North Carolina Pandemic Recovery Office (hereinafter NCPRO).

The funds are deemed part of US Treasury Expenditure Category: 6, Revenue Replacement and shall only be spent on governmental services.

2. Grants Awarded to the NC League of Municipalities.

The first Award Agreement is identified as **OSBM-NCLM-65**. This grant enables the League to provide “financial software and assistance programs for units of local government for expenses related to the COVID-19 pandemic...” This grant is referred to as the **Municipal Accounting Services and Cybersecurity Grant**.

The second Award Agreement is identified as **OSBM-NCLM-66**. This grant enables the League “to provide guidance and technical assistance to units of local government in the administration of funds from the Local Fiscal Recovery Fund, as established in Section 2.6 of S.L. 2021-25, and in the administration of projects funded through the State Fiscal Recovery Fund, as established in Section 2.2 of S.L. 2021-25.” This grant is referred to as the **Guidance and Technical Assistance Grant**.

The Municipal Accounting Services and Cybersecurity Grant and the Guidance and Technical Assistance Grant are collectively referred to herein as the “**League Grants**”.

One or both of the League Grants fund this Agreement.

3. Status of the Parties.

The undersigned Municipality is a beneficiary of the League Grants. The service providers retained by the League and funded by the League Grants for the benefit of the Municipality are contractors (“Contractors”).

4. Services Offered.

Pursuant to this Agreement, the League hereby offers the following to the Municipality:

- Services rendered by the League (“League Services”). See Exhibit A.
- Services rendered by one or more service providers (“Contractor Services”) retained by the League on behalf of the Municipality, who are members of a particular profession or possess a special skill as set forth in §2 C.F.R. 200.459. See Exhibit B, as applicable (and subsequent Exhibits, as applicable).
- Equipment, including information technology systems, and supplies, including computing devices, as set forth in §2 C.F.R. 200.439 and §2 C.F.R. 200.453. The League shall fund League Services and Contractor Services pursuant to this Agreement.

The League shall fund League Services and Contractor Services pursuant to this Agreement. The Municipality accepts the League Grant(s) pursuant to this Agreement.

5. Additional Services.

Additional Services (hereinafter “Additional Services”) may be offered to the Municipality by the League during the League’s Grant period pursuant to this Agreement. The Municipality’s official, who is designated in the Municipality’s adopting Resolution, may execute further agreements, modifications of this Agreement, and agree to Additional Services to be provided to the Municipality. These Additional Services shall be described in additional Exhibits to this Agreement (Exhibit C, D, E, etc.) that, when executed by the Parties, shall become part of this Agreement.

6. Term of Agreement.

This Agreement shall begin on the Effective Date of this agreement and shall end when terminated at the discretion either party. All expenditures by the League under this Agreement must be obligated on or before December 31, 2024, and expended on or before December 31, 2026. Unless otherwise terminated, this Agreement shall expire on December, 31, 2026. Agreements executed by the Municipality and the Contractor, as may be reflected in Exhibit B, (and subsequent Exhibits attached hereto, as applicable) will survive termination of this Agreement, unless terminated early by the Municipality and the Contractor.

7. Termination of Agreement.

The League may terminate this Agreement, in whole or in part, at any time upon written notice to the Municipality and the Contractor. The Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to the League to be paid. If the Contractor has any property

in its possession belonging to the League, the Contractor will account for the same, and dispose of it in the manner the League directs.

8. Duties of the Municipality.

The Municipality will utilize League Services and Contractor Services in accordance with this Agreement. It agrees to submit quarterly performance reports for the League Services and Contractor Services received pursuant to this Agreement and to cooperate with the League in appropriate review of these League Services and Contractor Services. The nature and scope of the reports will depend on the project. Any deficiencies or other performance concerns will be addressed with the Municipality and the Contractor.

The Municipality shall obtain and provide to the League a unique entity identifier assigned by the System for Award Management (SAM), which is accessible at www.sam.gov.

The Municipality shall provide the League with all relevant information requested by the League to enable the League to comply with the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note) or other federal or state requirements or audits, unless such information is otherwise confidential under applicable federal or state laws.

Article II. Scope of Funded Activities.

1. Scope of Services

Services provided pursuant to this Agreement are set forth in the Exhibit A & B attached hereto (and subsequent Exhibits as applicable).

2. Approved Budget.

The League, in consultation with the Municipality and the Contractor, shall establish applicable rates and fees to align with the scope of services described in Exhibit B (and subsequent Exhibits as applicable) or amendments thereto as approved in writing by the League. Such charges and rates under this Agreement, once finalized and accepted by the League, are hereinafter referred to as the "Approved Budget". The League shall furnish the Municipality with a copy of the Approved Budget, which will include a detailed summary of charges and rates that the League will be obligated to expend for the benefit of the Municipality using applicable grant funding.

3. Prior Approval for Changes.

The Municipality shall not make any changes, directly or indirectly, to the Contractor Services, or the Approved Budget, without the prior written approval of the League.

4. Allowable Costs for Services Rendered.

All services provided pursuant to this Agreement must fall within the definitions of allowable cost and not be otherwise prohibited under State or Federal law.

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost

Principles, and Audit Requirements for Federal Awards, commonly called Uniform Guidance, Subpart E, defines those items of cost that are allowable, and which are unallowable. These allowable cost requirements are:

1. The costs must be reasonable;
2. The costs must be allocable to eligible projects under the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP);
3. The costs must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances;
4. The costs must conform to any limitations or exclusions set forth in these principles or in the ARP/CSLFRF grant award as to types or amounts of cost items.

5. Prohibited Uses of Funding.

The US Treasury's Final Rule prohibits certain uses of ARP/CSLFRF funds. Specifically, ARP/CSLFRF funds may not be used for projects within the following categories of expenditures:

1. To make a deposit into a pension fund that constitutes an extraordinary payment of an accrued, unfunded liability (Routine contributions which are part of a payroll obligation for an eligible project are allowed);
2. To borrow money or make debt service payments;
3. To replenish rainy day funds or to fund other financial reserves;
4. To satisfy an obligation arising from a settlement agreement, judgment, consent decree, or judicially confirmed debt restricting in a judicial, administrative, or regulatory proceeding;
5. For a project that includes a term or condition that undermines efforts to stop the spread of COVID-19 or discourages compliance with recommendations and guidelines in CDC guidance for stopping the spread of COVID-19;
6. In violation of the conflict-of-interest requirements imposed by the award terms and 2 CFR 200.318(c).
7. For any expenditure that would violate other applicable federal, state, and local laws and regulations.

Article III. Compensation.

1. Payment of Funds.

The League will pay the Contractor identified in Exhibit B (and other Contractors/Consultants identified in subsequent Exhibits as applicable) for services rendered in accordance with the Approved Budget and for the performance of the Contractor Services. No Contractor Services shall be funded by the League outside the parameters of the League Grants. Fees and costs must be supported by evidence of bona fide services rendered.

The Municipality has no obligation to pay for any services identified in the Approved Budget that are the League's responsibility. Services not expressly agreed to by the League shall be the responsibility of the Municipality.

2. Invoices.

Email invoices to Accountspayablearp@nclm.org. Expenses must be reasonable and necessary, documented, itemized, and incurred in accordance with this Agreement. All League expenditures under this Agreement must be obligated on or before December 31, 2024 and expended on or before December 31, 2026.

Article IV. Compliance with Grant Agreement and Applicable Laws.

1. Expenditure Authority.

This Agreement is subject to the laws, regulations, and guidance documents authorizing and implementing the ARP/CSLFRF grant, including, but not limited to, the following:

- Authorizing Statute. Section 603 of the Social Security Act (42 U.S.C. 803), as added by section 9901(a) of the American Rescue Plan Act of 2021 (Pub. L. No. 117-2).
- Implementing Regulations. Subpart A of 31 CFR Part 35 (Coronavirus State and Local Fiscal Recovery Funds), as adopted in the Coronavirus State and Local Fiscal Recovery Funds interim final rule (86 FR 26786, applicable May 17, 2021 through March 31, 2022) and final rule (87 FR 4338, applicable January 27, 2022 through the end of the ARP/CSLFRF award term), and other subsequent regulations implementing Section 603 of the Social Security Act (42 U.S.C. 803).
- Guidance Documents. Applicable guidance documents issued from time-to-time by the US Department of Treasury, including the currently applicable version of the Compliance and Reporting Guidance: State and Local Fiscal Recovery Funds.

This Agreement is also subject to all applicable laws of the State of North Carolina.

2. Conflicts of Interest; Gifts & Favors.

The Municipality understands that (1) it will use Fiscal Recovery Funds to pay for the cost of this Agreement, and (2) the expenditure of Fiscal Recovery Funds is governed by the League's Conflict of Interest Policy and the Federal and State regulatory requirements (including, without limitation, N.C. Gen. Stat. § 14- 234(a)(1) and N.C. Gen. Stat. § 14-234.3(a)).

The Municipality certifies that, as of the date hereof, to the best of its knowledge after reasonable inquiry, no employee, officer, or agent of the Municipality involved in the selection, award, or administration of this Agreement (each, a "Covered Individual"), nor any member of a Covered Individual's immediate family, nor a Covered Individual's partner, nor an organization which employs or is about to employ a Covered Individual, has a financial or other interest in or has received a tangible personal benefit from Fiscal Recovery Funds, except as to the funds legally expended in this Agreement. Should the Municipality obtain knowledge of any such interest, or any tangible personal benefit described in the preceding sentence after the date hereof, the Municipality shall promptly disclose the same to the League in writing.

The Municipality certifies to the League that it has not provided, nor offered to provide, any gratuities, favors, or anything of value to an officer, employee, or agent of the League. Should the Municipality obtain knowledge of the provision, or offer of a provision, of any gratuity, favor, or anything of value to an officer, employee, or agent described in the preceding sentence after the date hereof, the Municipality shall promptly disclose the same to the League in writing.

3. Records Retention and Access.

The Municipality shall maintain all records, books, papers and other documents related to its performance of Approved Activities under this Agreement (including without limitation personnel, property, financial and medical records) through at least December 31, 2031, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit, or other inquiry involving this Agreement. The Municipality shall make all records, books, papers and other documents that relate to this Agreement, unless otherwise privileged, available at all reasonable times for inspection, review or audit by the authorized representatives of the League, the North Carolina State Auditor, the US Department of Treasury, the US Government Accountability Office, and any other authorized state or federal oversight office.

4. Suspension and Debarment.

The Municipality shall comply with the Office of Management and Budget (OMB) Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) in 2 CFR Part 180, as adopted by the U.S. Department of Treasury at 31 CFR Part 19. The Municipality represents that neither it, nor any of its principals has been debarred, suspended, or otherwise determined ineligible to participate in federal assistance awards or contracts. The Municipality further agrees that it will notify the League immediately if it, or any of its principals, is placed on the list of parties excluded from federal procurement or nonprocurement programs available at www.sam.gov.

5. Byrd Anti-Lobbying Amendment.

The Municipality certifies to the League that it has not used and will not use Federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. § 1352. The Municipality shall disclose any lobbying with non-Federally appropriated funds that takes place in connection with obtaining any Federal award. This certification is a material representation of fact upon which the League has relied when entering this Agreement and all liability arising from an erroneous representation shall be borne solely by the Municipality.

6. Publications.

Any publications produced with funds from this Agreement shall display the following language: "This project is supported, in whole or in part, by federal award number SLFRP0129 awarded to NC League of Municipalities through the State of North Carolina by the U.S. Department of the Treasury."

7. Equal Opportunity and Other Relevant Federal Laws

The Municipality agrees during the performance of this Agreement the following:

Civil Rights Laws.

The Municipality shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance.

Fair Housing Laws.

The Municipality shall comply with the Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability.

Disability Protections.

The Municipality shall comply with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance.

Age Discrimination.

The Municipality shall comply with the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 CFR Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance.

Americans with Disabilities Act.

The Municipality shall comply with Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

Clean Air Act.

The Municipality agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq. The Municipality agrees to report each violation to Unit and understands and agrees that Unit will, in turn, report each violation as required to the U.S. Department of the Treasury, and the appropriate Environmental Protection Agency Regional Office.

Federal Water Pollution Control Act.

The Municipality agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq. The Municipality agrees to report each violation to Unit and understands and agrees that Unit will, in turn, report each violation as required to assure notification to the U.S. Department of the Treasury, and the appropriate Environmental Protection Agency Regional Office.

Hatch Act.

The Municipality agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.

Protections for Whistleblowers.

In accordance with 41 U.S.C. § 4712, the Municipality may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.

Uniform Relocation Assistance and Real Property Acquisitions Act of 1970.

(42 U.S.C. §§ 4601-4655) The Municipality will implement standards for predictable real property acquisition and relocation expenses for homeowners and tenants of land acquired through eminent domain.

Governmentwide Requirements for Drug-Free Workplace.

31 C.F.R. Part 20. The Municipality will implement required statements, policies and procedures.

Increasing Seat Belt Use in the United States.

Pursuant to Executive Order 13043, 62 Fed. Reg. 19216 (Apr. 18, 1997), The Municipality encourages its employees to adopt and enforce on-the-job seat belt policies and programs for its employees when operating company-owned, rented or personally owned vehicles.

Reducing Text Messaging While Driving.

Pursuant to Executive Order 13513, 74 Fed. Reg. 51225 (Oct. 6, 2009), The Municipality encourages its employees to adopt and enforce policies that ban text messaging while driving.

Article V. Limitations of Liability

1. Limitations of Liability.

In no event shall the League have any liability to the Municipality or any third party for damages resulting from Municipality's use of services provided through this Agreement or any separate agreement between the Municipality and the Contractor identified in Exhibit B (and other Contractors identified in subsequent Exhibits as applicable)

In no event shall the League be liable for any loss of profit or revenue, including but not limited to loss revenue caused by a cyber security breach, by the Municipality or any consequential, indirect, incidental, special, punitive, or exemplary damages incurred or suffered by the Municipality, even if the League has been advised of the possibility of such

loss or damage. Further, except for claims based on U.S. Patent or U.S. Copyright infringement or for personal injury or physical loss or damage to real or tangible personal property caused by the negligence of the League, Municipality agrees that the League's total liability for all claims of any kinds arising as a result of, or related to, this Agreement, whether based on contract, tort, (including but not limited to strict liability and negligence) warranty, or on other legal or equitable grounds, shall be limited to general money damages and shall not exceed the amounts actually received by Municipality under this Agreement.

THE REMEDIES PROVIDED HEREIN ARE EXCLUSIVE AND IN LIEU OF ALL OTHER REMEDIES, EXCEPT FOR THE WARRANTIES SET FORTH IN THIS AGREEMENT. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, WHETHER ORAL OR WRITTEN, WITH RESPECT TO THE GOODS AND SERVICES COVERED BY OR FURNISHED PURSUANT TO THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES (I) OF MERCHANTABILITY, (II) OF FITNESS FOR A PRACTICAL PURPOSE, OR (III) ARISING FROM COURSE OF PERFORMANCE OR DEALING, OR FROM USAGE OF TRADE.

Article VI. General Conditions.

1. Venue and Jurisdiction.

This Agreement will be governed by and construed in accordance with the laws of North Carolina. The exclusive forum and venue for all actions arising out of this Agreement is the appropriate division of the North Carolina General Court of Justice in Wake County. Such actions may not be commenced in, nor removed to, federal court unless required by law.

2. Nonwaiver.

No action or failure to act by the League constitutes a waiver of any of its rights or remedies that arise out of this Agreement, nor shall such action or failure to act constitute approval of or acquiescence in a breach of this Agreement, except as specifically agreed in writing.

3. Limitation of Authority.

Nothing contained in this Agreement may be deemed or construed to in any way stop, limit, or impair the Municipality from exercising or performing any regulatory, policing, legislative, governmental, or other powers or functions.

4. Assignment.

The Municipality may not assign or delegate any of their rights or duties that arise out of this Agreement without the League's written consent.

5. Integration.

This Agreement contains the entire agreement between the parties pertaining to the subject matter of this Agreement. With respect to that subject matter, there are no promises, agreements, conditions, inducements, warranties, or understandings, written or oral, expressed, or implied, between the parties, other than as set forth or referenced in this Agreement.

6. North Carolina Public Records Law

Notwithstanding any other provisions of this Agreement, this Agreement and all materials submitted to the Municipality by the League are subject to the public records laws of the State of North Carolina and it is the responsibility of the League to properly designate materials that may be protected from disclosure as trade secrets under North Carolina law as such and in the form required by law prior to the submission of such materials to the Municipality. League understands and agrees that the Municipality may take any and all actions necessary to comply with federal, state, and local laws and/or judicial orders and such actions will not constitute a breach of the terms of this Agreement. To the extent that any other provisions of this Agreement conflict with this paragraph, the provisions of this section shall control.

7. E-Verify

League shall comply with E-Verify, 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 and as in accordance with N.C.G.S. §64-25 et seq. In addition, to the best of League's knowledge, any subcontractor employed by League as a part of this contract shall be in compliance with the requirements of E-Verify and N.C.G.S. §64-25 et seq.

8. Iran Divestment Act

League certifies that, as of the date listed below, it is not on the Final Divestment List as created by the State Treasurer pursuant to N.C.G.S. § 147-86.55, et seq. In compliance with the requirements of the Iran Divestment Act and N.C.G.S. § 147-86.59, League shall not utilize in the performance of the contract any subcontractor that is identified on the Final Divestment List.

9. Companies Boycotting Israel Divestment Act

League certifies that it has not been designated by the North Carolina State Treasurer as a company engaged in the boycott of Israel pursuant to N.C.G.S. 147-86.81.

[Remainder of page left blank intentionally. Signatures are on following page.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by digital signature on the respective dates below, and this Agreement shall be effective upon the date of the Municipality's signature.

NC LEAGUE OF MUNICIPALITIES:

**MUNICIPALITY:
TOWN OF CLAYTON**

a North Carolina municipal corporation

By:

By:

Signature

Signature

Rose Vaughn Williams

Name

Executive Director

Title

Date of Signature

Date of Signature

ATTEST:

City/Town/Village Clerk (or designee)

Exhibit A League Services

In addition to the Contractor Services set out in Exhibit B, the League may provide some or all of the services described below.

1. Cyber Security Assessment

The League's Cyber Security Advisor, or Cyber Field Technician ("Security Team"), will conduct a comprehensive assessment of the Municipality's overall cyber security posture ("Security Assessment") against the current standardized framework established by the Center for Internet Security ("CIS"). The Security Team will review approximately 155 security controls in coordination with the Municipality's management, and will provide IT support to establish a baseline security posture matrix. The Security Team will review the results and make appropriate hardware, software, policy, and procedure recommendations in accordance with industry best practices and the baseline standards set by the CIS assessment framework.

2. IT Evaluation

Prior to the installation of accounting software, including Black Mountain software, the League's IT technicians ("Technical Team") will review and evaluate the IT System's environment ("IT Evaluation") of the Municipality to verify the system is adequate to operate the software. The Technical Team will review the computer system for minimum security controls such as password protection, firewall installation and operation, and up to date antivirus programs. The Technical Team will act as a liaison to assist with communications between the software Contractor, which may include Black Mountain Software, and the Municipality. The Technical Team will make appropriate hardware and software recommendations if any deficiencies are found during the IT Evaluation.

3. Hardware and Software Acquisition

In the event that hardware or software deficiencies are found during the IT Evaluation, the League, utilizing funds from the **Municipal Accounting Services and Cybersecurity Grant**, will acquire and transfer title to the Municipality sufficient hardware and software to meet the "Minimum Requirements" as determined by the accounting software Contractor, which may include Black Mountain Software. As determined by the League's IT Director, Cyber Security Advisor, or Cyber Field Technician, computer hardware may be provided under this Agreement, which may include the following: 2 Computers, 1 Laser Printer, 1 Scanner, 2 Monitors, 2 Keyboards, 2 mouse devices, 2 UPS devices. Computer software to be provided under this Agreement may include a Microsoft Office license (if organization has no license).

In the event specific security hardware or software gaps are found during the Security Assessment, the League, utilizing funds from the Cybersecurity Grant, will acquire and transfer title to the Municipality sufficient hardware and software to meet the "Baseline Requirements" as determined by the Security Assessment. As determined by the League's Cyber Advisor, security hardware may be provided under this Agreement, which may include the following: ("NGFW") Next Generation Firewall, Layer 3 Network Switch. Security software may be provided under this agreement, which may include the following: Endpoint Detection & Response ("EDR"), Endpoint

Protection Platform (“EPP”), Extended Detection and Response (“XDR”), or Multi-Factor Authentication (“MFA”).

All hardware and software shall be used only for governmental purposes and primarily used for MAS purposes. The Municipality is responsible for the security, operation, support and maintenance of the provided assets.

4. Hardware and Software Installation

Hardware and software provided by the League will be installed by the Municipality’s IT professionals. If the Municipality has no IT service provider, the League, utilizing funds from the **Municipal Accounting Services and Cybersecurity Grant**, will contract for a third-party IT professional installer to set up and load the hardware and software provided pursuant to this Agreement.

5. Finance Evaluation and Assistance During Implementation

Prior to the installation of the accounting software, which may include Black Mountain software, the League’s Finance Team (“Finance Team”), in consultation with the Municipality and the software Contractor, which may include Black Mountain Software, will determine the appropriate accounting software to be installed. League MAS representatives will further work with accounting software Contractor during the pre-implementation period to prepare the Municipality for conversion actions and assist the Municipality in adopting best practice options for the new system.

6. Ongoing Cyber Security Consulting

Following the initial Security Assessment described in Section 1, the Security Team will consult with the Municipality on an ongoing basis to assist with meeting the recommendations set forth in the assessment and municipal-related cyber security concerns that would typically be addressed by a Chief Information Security Officer (“CISO”).

7. Accounting Assistance Efforts

During the term of this Agreement (as described in Article I, Paragraph 6 above), League Accounting Assistance personnel will provide the Municipality with ongoing assistance with accounting issues, review and assist with best practice accounting and finance processes, and generally assist the Municipality to be current with its bookkeeping and accounting. An emphasis will be placed on ensuring participating Municipalities are prepared for their annual audit. The implementation of best practices and timely preparation should improve the audit experience for both the Municipality and the firm performing the audit.

8. Communication Services

The League’s ARP Communications Specialist will provide the Municipality with communications services to help document and describe how the Municipality utilized ARP/CSLFRF grant funding and the impact of those efforts on the community. Communication activities include, but are not limited to, conducting interviews of municipal staff and officials, researching plans and investment strategies, verifying details of grant investments to deliver community outreach strategies and a press conference.

9. Duties of the Municipality

The Municipality further agrees to: (1) give the League access to data managed by the Municipality in order to facilitate implementation of the Municipal Accounting Services and Cybersecurity Grant; (2) provide on-line “read only” access into the Municipal Accounting System by the League’s Accounting Assistance personnel; (3) permit the League to contact applicable Contractor, including but not limited to Black Mountain Software, on behalf of the Municipality as needed to facilitate implementation of the League’s Grants; (4) make reasonable efforts to maintain industry standards for cybersecurity, which may include allowing the League to perform security audits in the League’s sole discretion; (5) if applicable, use the Standardized Chart of Accounts as provided in the accounting software installation; (6) respond to all requests from the League or Contractor, as applicable, to verify accuracy of monthly invoices submitted to the League by Contractor for grant-funded services provided by Contractor on behalf of the Municipality.

10. Duties of the League Related to Data Security

The League agrees to: (1) access only the Municipality’s data that is necessary to implement the software; (2) restrict access to the Municipality’s data to designated League employees and agents; and (3) take reasonable measures to safeguard the Municipality’s data.

Exhibit B (Contractor Services – aka Consultant Services)

Not Applicable