



June 8, 2026
City Council Regular Meeting

Mayor David Moore
Mayor Pro-Tem Phyllis Harris
Councilman William T. Brooks
Councilman Ivory Craig
Councilman Jeff Meadows
Councilman Kenneth Reeves
Councilwoman Lauren Shoemaker
Marie M. Anders, City Attorney
Jonathan Blanton, City Manager



City of Mount Holly City Council Regular Meeting

June 8, 2026 | 7:00 PM
Municipal Complex - Council Chambers
400 East Central Avenue
Mount Holly, NC 28120

CALL TO ORDER

INVOCATION: Gavin Cerilli from Erskine College

PLEDGE OF ALLEGIANCE: Boy Scout Troop #59

SET THE AGENDA

CONSENT AGENDA

1. Proclamation for Aphasia Awareness Month
2. Amendment to Capital Project Ordinance for the Waste Water Treatment Plant Decommissioning.
3. Amendment to Capital Project Ordinance for South Gateway Road Project
4. Amendment to Capital Project Ordinance for 911 Communication Center Upgrade
5. Call for a public hearing to consider an update to Section 153.049 of the Subdivision Land Development Ordinance to develop standards for private streets. Case # TA-26-4.
6. Call for a public hearing to consider an update to Section 153.085 of the Subdivision Land Development Ordinance to require fencing for BMPs. Case # TA-26-5.
7. Call for a public hearing to consider an update to Sections 5.11-C-3-h & 5-12-C-3-h of the Zoning Ordinance to update the maximum height of fences in the LI & HI zoning districts. Case # TA-26-6.
8. Call for a public hearing to consider rezoning Parcel # 123202 from R-8-MF to R-8-SF. Case # R-26-3.
9. Approval of City Council Meeting Minutes - May 18, 2026

PRESENTATIONS

1. Proclamation Honoring Will Crist for His Service to the Planning Commission
Mayor Moore
2. Proclamation for Bonnie Beatty celebrating her 106th Birthday
Mayor Moore

PUBLIC HEARING

1. Proposed Fiscal Year 2026/2027 Budget and Fee Schedule

Jonathan Blanton, Ashley Whetstine



**City of Mount Holly
City Council
Regular Meeting**

June 8, 2026 | 7:00 PM
Municipal Complex - Council Chambers
400 East Central Avenue
Mount Holly, NC 28120

2. Public hearing to consider a rezoning of Tax Parcel #184436 from R-12 (Single Family) to B-3 (General Business), Case R-26-2.

Brandon Livingston

PUBLIC COMMENT –Three (3) Minute Limit

NEW BUSINESS

1. Discussion on Public Input Process for Downtown Redevelopment

Brian DuPont

2. City Manager Report

Jonathan Blanton

CLOSED SESSION

1. Closed Session Pursuant to N.C.G.S 143-318.11(a) (3 and 5)

ADJOURN



Regular Meeting Agenda Action Form

Meeting Date

June 8, 2026

From

Tara Douglas, City Clerk
City Clerk

CONSENT AGENDA Item # 1

Proclamation for Aphasia Awareness Month

Will this require a public hearing?

No

Background/Purpose of Request

Proclamation to acknowledge Aphasia Awareness Month

Fiscal Impact

Will Item affect current budget?
Reviewed by Finance Director?
Preaudit Certification Required?
Capital Project Ordinance
Required?
Budget Transfer Required?
Total City Dollars:
Budget Code:
Reviewed by City Attorney?

Manager/Staff Recommendation

Attachments

1. 2026 Aphasia Awareness Month Proclamation



PROCLAMATION
NATIONAL APHASIA AWARENESS MONTH
June 2026

WHEREAS, Aphasia is an acquired language disorder that affects a person's ability to communicate through speaking, understand language, reading or writing, while leaving intelligence intact; and

WHEREAS, aphasia is most commonly caused by stroke, but may also result from traumatic brain injury, brain tumors, or progressive neurological diseases; and

WHEREAS, approximately two million people in the United States are living with aphasia, including thousands of residents of the State of North Carolina; and

WHEREAS, individuals with aphasia often face significant barriers to communication, employment, healthcare access, and community participation; and

WHEREAS, increased public awareness and understanding of aphasia can reduce stigma, promote inclusion, and support communication access for all individuals; and

WHEREAS, National Aphasia Awareness Month provides an important opportunity to recognize the resilience of people with aphasia, honor their families and care partners, increase public understanding of aphasia, reduce stigma and isolation, and promote communication access and inclusion.

NOW, THEREFORE, I, David Moore, City of Mount Holly Mayor, hereby proclaim the month of June 2026 as "APHASIA AWARENESS MONTH" in the City of Mount Holly, North Carolina and encourage all residents to learn more about aphasia and support individuals living with communication disabilities.

Proclaimed this 8th day of June 2026.

David Moore, Mayor

Attest:

Tara Douglas, NCCMC/CMC
City Clerk



Regular Meeting Agenda Action Form

Meeting Date

June 8, 2026

From

Robert Stewart, Deputy Utility Director
Utility Department

CONSENT AGENDA Item # 2

Amendment to Capital Project Ordinance for the Waste Water Treatment Plant Decommissioning.

Will this require a public hearing?

No

Background/Purpose of Request

To amend the Capital Project Ordinance for the Waste Water Plant Decommissioning project to include the interest earned.

Fiscal Impact

Will Item affect current budget? No
Reviewed by Finance Director? Yes
Preaudit Certification Required? Yes
Capital Project Ordinance Required? Yes
Budget Transfer Required? no

Total City Dollars: \$1,330,000
Budget Code: 45-00-8220-550
Reviewed by City Attorney? no

Manager/Staff Recommendation

Staff recommends the approval of the Capital Project Ordinance amendment to include interest earned.

Attachments

1. Amended Capital Project Ordinance Decommissioning WWTP 6-2026
2. BD#14-1

**AMENDED CAPITAL PROJECT ORDINANCE FOR
DECOMMISSIONING THE WASTEWATER TREATMENT PLANT**

BE IT ORDAINED by the Governing Board of the City of Mount Holly, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is for the Decommissioning of the Waste Water Treatment Plant. The project will be funded with State Budget Grant Funds.

Section 2. The officers of this unit are hereby directed to proceed with the capital project within the terms of the budget contained herein.

Section 3. The following amounts are appropriated for the project:

Construction	\$14,630,000.00
Professional Services	\$1,500,000.00
Soft Costs	\$100,000.00
<u>Contingency</u>	<u>\$100,000.00</u>
TOTAL	\$16,330,000.00

Section 4. The following revenues are anticipated to be available to complete this project:

Interest Earned	\$1,330,000
<u>State Budget Grant Funds</u>	<u>\$15,000,000.00</u>
TOTAL	\$16,330,000.00

Section 5. The Finance Officer is hereby directed to maintain within the capital project ordinance sufficient specific detailed accounting records to satisfy all financial reporting requirements.

Section 6. Copies of this capital project ordinance shall be furnished to the Finance Officer for direction in carrying out this project.

THIS ORDINANCE ADOPTED THIS THE 8TH DAY OF JUNE 2026.

David Moore, Mayor
City of Mount Holly

ATTEST:

Tara Douglas, CMC
City Clerk



**CITY OF MOUNT HOLLY
FY 25-26 Budget Amendment**

Account Number	Description	Account Debit	Account Credit
45-00-2980-000	Fund Balance Appropriation	\$109,096.00	
45-00-3831-800	Interest Earned	\$1,220,904.00	
45-00-8220-550	Construction		\$ 1,330,000
TOTAL		\$1,330,000.00	\$ 1,330,000.00

Date Submitted: 08-Jun-26

Finance Officer: _____

City Manager: _____

Department Comments:

Budget Amendment #16 to move funds to cover 911 Comm Center Upgrade



Regular Meeting Agenda Action Form

Meeting Date	From
June 8, 2026	Steven Haynie, Manager of Capital Projects and Inspections Public Works

CONSENT AGENDA Item # 3

Amendment to Capital Project Ordinance for South Gateway Road Project

Will this require a public hearing?

No

Background/Purpose of Request

We are adding funds that have been approved by City Council in FY25/26 to the existing Capital Project Ordinance for the South Gateway Road Project that was approved by City Council on March 10, 2025.

Fiscal Impact

Will Item affect current budget? NO
 Reviewed by Finance Director? YES
 Preaudit Certification Required? YES
 Capital Project Ordinance Required? YES
 Budget Transfer Required? YES

Total City Dollars: \$633,171.22
Budget Code: 41-00-9200-550
 Reviewed by City Attorney? NO

Manager/Staff Recommendation

Staff recommends approval to transfer funds to the Capital Project Ordinance South Gateway Road Project.

Attachments

1. 3-10-2025 Capital Project Ordinance So. Gateway Road
2. Capital Project Ordinance Amendment South Gateway Road
3. South Gateway Road Active PO 2026
4. BD#15

CAPITAL PROJECT ORDINANCE FOR SOUTH GATEWAY ROAD PROJECT

BE IT ORDAINED by the Governing Board of the City of Mount Holly, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statues of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is for South Gateway Road Improvements. The project will be funded through fund balance.

Section 2. The officers of this unit are hereby directed to proceed with the capital project within the terms of the budget contained herein.

Section 3. The following amounts are appropriated for the project:

Construction	\$ 2,618,490
Contingency	252,250
Administrative Costs	129,260
TOTAL	\$ 3,000,000

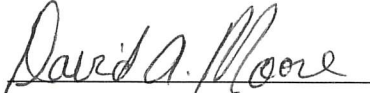
Section 4. The following revenues are anticipated to be available to complete this project:

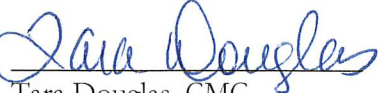
<u>Transfer from General Fund Balance</u>	<u>\$ 3,000,000</u>
TOTAL	\$ 3,000,000

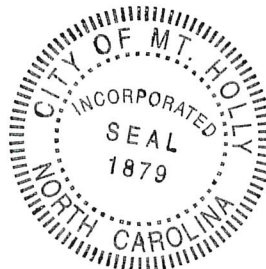
Section 5. The Finance Officer is hereby directed to maintain within the capital project ordinance sufficient specific detailed accounting records to satisfy all financial reporting requirements.

Section 6. Copies of this capital project ordinance shall be furnished to the Finance Officer for direction in carrying out this project.

THIS ORDINANCE ADOPTED THIS THE 10TH DAY OF MARCH 2025.


David Moore, Mayor
City of Mount Holly

ATTEST:

Tara Douglas, CMC
City Clerk



**AMENDED CAPITAL PROJECT ORDINANCE FOR
SOUTH GATEWAY ROAD PROJECT**

BE IT ORDAINED by the Governing Board of the City of Mount Holly, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is for South Gateway Road Improvements. The project will be funded through the Fund Balance.

Section 2. The officers of this unit are hereby directed to proceed with the capital project within the terms of the budget contained herein.

Section 3. The following amounts are appropriated for the project:

Construction	\$2,618,490.00
Soft Costs	\$762,431.22
<u>Contingency</u>	<u>\$252,250.00</u>
TOTAL	\$3,633,171.22

Section 4. The following revenues are anticipated to be available to complete this project:

<u>Transfer from General Fund Balance</u>	<u>\$3,633,171.22</u>
TOTAL	\$3,633,171.22

Section 5. The Finance Officer is hereby directed to maintain within the capital project ordinance sufficient specific detailed accounting records to satisfy all financial reporting requirements.

Section 6. Copies of this capital project ordinance shall be furnished to the Finance Officer for direction in carrying out this project.

THIS ORDINANCE ADOPTED THIS THE 8TH DAY OF June 2026.

David Moore, Mayor
City of Mount Holly

ATTEST:

Tara Douglas, CMC
City Clerk

PURCHASE ORDER

BILL TO:

City of Mount Holly
400 E Central Ave
P. O. Box 406
Mount Holly NC 28120
PHONE: (704) 827-3931

FAX:

PURCHASE ORDER NO: 16341

This PO number must appear on all packages
and correspondence

Page 1 of 1

VENDOR: 34014

KISINGER CAMPO & ASSOCIATES
201 N FRANKILN STREET
SUITE 900
TAMPA FL 33602

SHIP TO:

UTILITIES ADMINISTRATION
218 ADRIAN ST
PO BOX 406
MOUNT HOLLY NC 28120
(704) 951-0074

Notes to Vendor:

Order Date: 04/01/2026

Date Required:

Ship Via:

Quantity	U/M	Catalog No	Description	Unit Price	Total
1.00			CEI SERVICES SOUTH GATEWAY ROAD PHASE 1	73,933.4400	73,933.44

SubTotal	73,933.44
Sales Tax	0.00
Order Total	73,933.44

Requested By: STEVEN HAYNIE

Approved for Payment: _____

Account Distribution

<u>REVIEWED BY</u>	<u>APPROVED BY</u>	<u>ACCOUNT NUMBER</u>	<u>ACCOUNT DESCRIPTION</u>	<u>AMOUNT</u>
Jmills	Jmills	10-00-8000-550	CAPITAL OUTLAY	73,933.44

CEI SERVICES: SOUTH GATEWAY ROAD PHASE 1

NCGS 143-133.3 prohibits the Town from entering into contracts with contractors and subcontractors who have not complied with the requirement of Article 2 of Chapter 64 of the North Carolina General Statutes. Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if contractor utilizes a subcontractor, contractor shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

THIS INSTRUMENT HAS BEEN PREAUDITED IN THE MANNER REQUIRED BY THE LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACT

Authorized Signature: _____



PURCHASE ORDER

BILL TO:

City of Mount Holly
400 E Central Ave
P. O. Box 406
Mount Holly NC 28120
PHONE: (704) 827-3931 FAX:

DUPLICATE

PURCHASE ORDER NO: 16027
This PO number must appear on all packages
and correspondence

Page 1 of 1

VENDOR: 34047

LAND DESIGN, INC
PO BOX 36959
CHARLOTTE NC 28236-6959

SHIP TO:

City of Mount Holly
400 E Central Ave
P. O. Box 406
Mount Holly NC 28120
(704) 827-3931

Notes to Vendor:

Order Date: 07/02/2025 Date Required: Ship Via:

Quantity	U/M	Catalog No	Description	Unit Price	Total
1.00			PHASE 2 - BRIDGE DESIGN REENCUMBER PO #15561	59,237.7800	59,237.78
1.00			PHASE 1 AND PHASE 2 BRIDGE DESIGN SOUTH GATEWAY ROAD CONNECTOR	500,000.0000	500,000.00
				SubTotal	559,237.78
				Sales Tax	0.00
				Order Total	<u>559,237.78</u>

Requested By: STEVEN HAYNIE

Approved for Payment: _____

Account Distribution

<u>REVIEWED BY</u>	<u>APPROVED BY</u>	<u>ACCOUNT NUMBER</u>	<u>ACCOUNT DESCRIPTION</u>	<u>AMOUNT</u>
Jmills	Jmills	10-00-8000-550	CAPITAL OUTLAY	559,237.78

PHASE 2 - BRIDGE DESIGN . REENCUMBER PO #15561

NCGS 143-133.3 prohibits the Town from entering into contracts with contractors and subcontractors who have not complied with the requirement of Article 2 of Chapter 64 of the North Carolina General Statutes. Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if contractor utilizes a subcontractor, contractor shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

THIS INSTRUMENT HAS BEEN PREAUDITED IN THE MANNER REQUIRED BY THE LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACT

Authorized Signature: 

PURCHASE ORDER

DUPLICATE

BILL TO:

City of Mount Holly
400 E Central Ave
P. O. Box 406
Mount Holly NC 28120
PHONE: (704) 827-3931 FAX:

PURCHASE ORDER NO: 15854

This PO number must appear on all packages
and correspondence

Page 1 of 1

VENDOR: 9636

AVIATOR PAVING COMPANY
CHARLOTTE, LLC
10306 INDUSTRIAL DRIVE
PINEVILLE NC 28134

SHIP TO:

Streets & Solid Waste
218 Adrian St
MOUNT HOLLY NC 28120

(980) 310-1095

Notes to Vendor:

Order Date: 07/01/2025 Date Required: Ship Via:

Quantity	U/M	Catalog No	Description	Unit Price	Total
1.00			CONSTRUCTION SOUTH GATEWAY ROAD CONNECTOR PHASE I	2,618,490.0000	2,618,490.00
1.00			CONTINGENCY	252,250.0000	252,250.00
				SubTotal	2,870,740.00
				Sales Tax	0.00
				Order Total	2,870,740.00

Requested By: STEVEN HAYNIE

Approved for Payment: _____

Account Distribution

REVIEWED BY	APPROVED BY	ACCOUNT NUMBER	ACCOUNT DESCRIPTION	AMOUNT
Jmills	Jmills	41-00-9200-550	CONSTRUCTION - S GATE	2,618,490.00
Jmills	Jmills	41-00-9200-552	CONTINGENCY - S GATEW	252,250.00

CONSTRUCTION & CONTINGENCY

NCGS 143-133.3 prohibits the Town from entering into contracts with contractors and subcontractors who have not complied with the requirement of Article 2 of Chapter 64 of the North Carolina General Statutes. Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if contractor utilizes a subcontractor, contractor shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

THIS INSTRUMENT HAS BEEN PREAUDITED IN THE MANNER REQUIRED BY THE LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACT

Authorized Signature: _____



CITY OF MOUNT HOLLY
FY 25-26 Budget Amendment

Account Number	Description	Account Debit	Account Credit
10-00-8000-550	Capital Outlay		\$633,171.22
10-00-4120-985	Transfer to Capital Projects	\$633,171.22	
41-00-9200-550	Construction	\$633,171.22	
41-00-3985-982	Transfer From General Fund		\$633,171.22
TOTAL		\$1,266,342.44	\$ 1,266,342.44

Date Submitted: 08-Jun-26

Finance Officer: _____

City Manager: _____

Department Comments:

Budget Amendment #15 to move funds to cover South Gateway



Regular Meeting Agenda Action Form

Meeting Date	From
June 8, 2026	Steven Haynie, Manager of Capital Projects and Inspections Public Works

CONSENT AGENDA Item # 4

Amendment to Capital Project Ordinance for 911 Communication Center Upgrade

Will this require a public hearing?

No

Background/Purpose of Request

We are adding funds that have been approved by City Council in FY25/26 to the existing Capital Project Ordinance for the 911 Communication Center Upgrade that was approved by City Council on January 12, 2025.

Fiscal Impact

Will Item affect current budget?	NO
Reviewed by Finance Director?	YES
Preaudit Certification Required?	YES
Capital Project Ordinance Required?	YES
Budget Transfer Required?	YES
Total City Dollars:	\$95886.00
Budget Code:	
Reviewed by City Attorney?	NO

Manager/Staff Recommendation

Staff recommends approval to add previously approved funds to the Capital Project Ordinance for 911 Communication Center Upgrade.

Attachments

1. 1-12-26 Capital Proj Ordinance 911 Call Center Upgrade
2. Amended Capital Project Ordinance 911 Center Upgrade
3. 911 Center Upgrade Open PO FY26-26
4. 911 Center Upgrade Open PO FY26-27
5. 911 Center Executed UPS Design
6. EDIFICE SIGNED CONTRACT
7. SCN Contract
8. BD#16

**CAPITAL PROJECT ORDINANCE FOR
911 CENTER UPGRADE**

BE IT ORDAINED by the Governing Board of the City of Mount Holly, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is for the 911 Center Upgrade. The project will be funded through the General Fund Balance.

Section 2. The officers of this unit are hereby directed to proceed with the capital project within the terms of the budget contained herein.

Section 3. The following amounts are appropriated for the project:

Construction	\$959,756.00
Soft Costs	\$17,792.00
Contingency	\$95,975.00
TOTAL	\$1,073,523.00

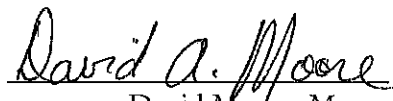
Section 4. The following revenues are anticipated to be available to complete this project:

<u>Transfer from General Fund Balance</u>	<u>\$1,073,523.00</u>
TOTAL	\$1,073,523.00


Section 5. The Finance Officer is hereby directed to maintain within the capital project ordinance sufficient specific detailed accounting records to satisfy all financial reporting requirements.

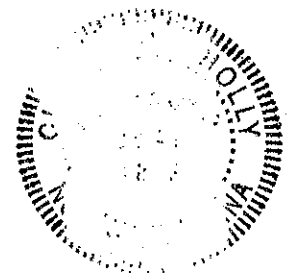
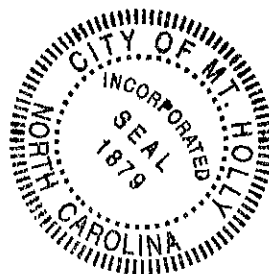
Section 6. Copies of this capital project ordinance shall be furnished to the Finance Officer for direction in carrying out this project.

THIS ORDINANCE ADOPTED THIS THE 12TH DAY OF JANUARY 2026.


David Moore, Mayor
City of Mount Holly

ATTEST:


Tara Douglas, CMC
City Clerk



**AMENDED CAPITAL PROJECT ORDINANCE FOR
911 CENTER UPGRADE**

BE IT ORDAINED by the Governing Board of the City of Mount Holly, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is for the 911 Center Upgrade. The project will be funded through the General Fund Balance.

Section 2. The officers of this unit are hereby directed to proceed with the capital project within the terms of the budget contained herein.

Section 3. The following amounts are appropriated for the project:

Construction	\$959,756.00
Soft Costs	\$113,678.00
<u>Contingency</u>	<u>\$95,975.00</u>
TOTAL	\$1,169,409.00

Section 4. The following revenues are anticipated to be available to complete this project:

Transfer from current year operating budget	\$95,886.00
<u>Transfer from general Fund Balance</u>	<u>\$1,073,523.00</u>
TOTAL	\$1,169,409.00

Section 5. The Finance Officer is hereby directed to maintain within the capital project ordinance sufficient specific detailed accounting records to satisfy all financial reporting requirements.

Section 6. Copies of this capital project ordinance shall be furnished to the Finance Officer for direction in carrying out this project.

THIS ORDINANCE ADOPTED THIS THE 8TH DAY OF June 2026.

David Moore, Mayor
City of Mount Holly

ATTEST:

Tara Douglas, CMC
City Clerk



CITY OF MOUNT HOLLY

To:	<u>Purchasing/Administration</u>	From:	<u>Steven Haynie</u>
			<i>Name of Requestor</i>
Date:	<u>5/11/2026</u>	Department:	<u>Admin</u>

Catalog No.	Qty.	Item/Description	Unit Cost	Total Cost	Account Code
				-	
	1	Edifice Pre-Construction Services	11,086.00	11,086.00	10-10-4310-194
		911 Communication Center Upgrade		-	
		CMAR Services (Construction Manager @ Risk)		-	
				-	
				-	
				-	
				-	
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				-	
				-	
				-	
				-	
				-	
				-	
	1	Taxable Labor		-	
	1	Shipping		-	
				-	
				-	
SUB - TOTAL				11,086.00	
If tax is to be added insert Y in the shaded box			<input checked="" type="checkbox"/>	Sales Tax	
				Labor	
TOTAL				\$ 11,086.00	

RECOMMENDED VENDOR

Name: Edifice, LLC
Address: PO Box 36349 Charlotte NC, 28236
Phone: 704-332-0900 **Fax:** 704-3320901

OTHER QUOTE(S)

Name: _____
Address: _____
Phone: _____ **Fax:** _____
Total Cost: _____

Name: _____
Address: _____
Phone: _____ **Fax:** _____
Total Cost: _____

RECOMMENDED BY:	APPROVED BY:
 X <u>B.K. A.</u> DEPARTMENT HEAD	X _____ FINANCE OFFICER
<u>5-15-26</u> Date	_____ Date

For Accounting Use Only	
Requisition Number Req. No: _____	Purchase Order Number P.O. No.: _____

PURCHASE ORDER

BILL TO:

City of Mount Holly
400 E Central Ave
P. O. Box 406
Mount Holly NC 28120
PHONE: (704) 827-3931 FAX:

PURCHASE ORDER NO: 16223
This PO number must appear on all packages
and correspondence

VENDOR: 34495

STEWART-COOPER-NEWELL
ARCHITECTS, PA
719 E SECOND AVENUE
GASTONIA NC 28054

SHIP TO:

UTILITIES ADMINISTRATION
218 ADRIAN ST
PO BOX 406
MOUNT HOLLY NC 28120
(704) 951-0074

Notes to Vendor:

Order Date: 12/12/2025 Date Required: Ship Via:

Quantity	U/M	Catalog No	Description	Unit Price	Total
1.00			DESIGN/ARCHITECT SERVICES 911 COMMUNICATION CENTER UPGRADE	80,000.0000	80,000.00
SubTotal					80,000.00
Sales Tax					0.00
Order Total					80,000.00

Requested By: STEVEN HAYNIE

Approved for Payment: _____

Account Distribution

<u>REVIEWED BY</u>	<u>APPROVED BY</u>	<u>ACCOUNT NUMBER</u>	<u>ACCOUNT DESCRIPTION</u>	<u>AMOUNT</u>
Jmills	Jmills	10-10-4310-194	PROFESSIONAL SERVICES	80,000.00

DESIGN/ARCHITECT SERVICES: 911 COMMUNICATION CENTER UPGRADE

NCGS 143-133.3 prohibits the Town from entering into contracts with contractors and subcontractors who have not complied with the requirement of Article 2 of Chapter 64 of the North Carolina General Statutes. Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statues. Further, if contractor utilizes a subcontractor, contractor shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

THIS INSTRUMENT HAS BEEN PREAUDITED IN THE MANNER REQUIRED BY THE LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACT

Authorized Signature: 

PURCHASE ORDER

BILL TO:

City of Mount Holly
400 E Central Ave
P. O. Box 406
Mount Holly NC 28120
PHONE: (704) 827-3931 FAX:

PURCHASE ORDER NO: 16224
This PO number must appear on all packages
and correspondence

Page 1 of 1

VENDOR: 34495

STEWART-COOPER-NEWELL
ARCHITECTS, PA
719 E SECOND AVENUE
GASTONIA NC 28054

SHIP TO:

UTILITIES ADMINISTRATION
218 ADRIAN ST
PO BOX 406
MOUNT HOLLY NC 28120
(704) 951-0074

Notes to Vendor:

Order Date: 12/31/2025 Date Required: Ship Via:

Quantity	U/M	Catalog No	Description	Unit Price	Total
1.00			911 COMMUNICATION CENTER UPGRADE: PORTION OF DESIGN	17,792.0000	17,792.00

SubTotal	17,792.00
Sales Tax	0.00
Order Total	17,792.00

Requested By: STEVEN HAYNIE

Approved for Payment: _____

Account Distribution

<u>REVIEWED BY</u>	<u>APPROVED BY</u>	<u>ACCOUNT NUMBER</u>	<u>ACCOUNT DESCRIPTION</u>	<u>AMOUNT</u>
Jmills	Jmills	41-00-9300-620	SOFT COST	17,792.00

911 COMMUNICATION CENTER UPGRADE: PORTION OF DESIGN

NCGS 143-133.3 prohibits the Town from entering into contracts with contractors and subcontractors who have not complied with the requirement of Article 2 of Chapter 64 of the North Carolina General Statutes. Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if contractor utilizes a subcontractor, contractor shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

THIS INSTRUMENT HAS BEEN PREAUDITED IN THE MANNER REQUIRED BY THE LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACT

Authorized Signature: _____





Stewart · Cooper · Newell Architects

March 30, 2026

City of Mount Holly
400 E. Central Avenue
Mount Holly, NC 28120

Attn: Mr. Steven Haynie, Manager of Capital Projects & Inspections

Re: **Mount Holly 911 Communications Center**
Additional Services: Electrical Engineering

Mr. Haynie,

Stewart Cooper Newell Architects appreciates your willingness to entertain a contract amendment for the **Mount Holly 911 Communications Center**. Our initial proposal included the evaluation of loads that could be removed from the UPS to facilitate the new loads that were being added to the project and assign a new normal power panel for the loads removed from the UPS. However, it was deemed that the new loads being added to the UPS exceed the loads that are being removed. With the existing UPS already nearing maximum load capacity and the expansion no longer feasible due to manufacturer issues, a new UPS is required for the project.

After discussion with the Owner, their request to include UPS design and specification to the electrical scope of work has resulted in a revised scope of design services.

The revision scope includes specifying a new UPS system that can accommodate the loads of the project and fit within the available physical space, revising electrical design to accommodate the new UPS and providing specifications to assist in bidding the new UPS.

Our fee proposal to provide the above additional services will be as following:

Revised MEPFP Drawings:	\$4,800
--------------------------------	----------------

If this proposal is acceptable, please have the appropriate party sign and return this letter and we will send an AIA Contract Amendment form.

Stewart Cooper Newell Architects looks forward to completing this current crucial project with City of Mount Holly. In addition, we look forward to helping the City with other projects as we build for the future.

Please call for clarifications as required.

Sincerely,

James Stumbo, AIA, LEE AP BD+C
Vice President



Stewart · Cooper · Newell Architects

Signed and Approved by: _____

Jonathan D. Blanton

Title: City Manager

City of Mount Holly

Date: 04-13/2024



**Exhibit C -
Preconstruction Scope of Services
City of Mount Holly
911 Communication Center Upgrade Project
May 12, 2025**

PRECONSTRUCTION SERVICES (From June 2025 to March 2026):

Scope of services will include but not be limited to the following activities:

General Preconstruction Services at Each Phase of Design

Schematic Design

- Update and coordination meetings with owner and design team – Bi-Weekly or as needed
- Programming review and verification
- Develop a project schedule with design milestones, budget milestones, authorities having jurisdiction review and approvals, owner activities, and high-level construction activities and milestones
- Quantity take off and unit cost pricing analysis
- Schematic design estimate
- Clarifications to estimate
- Value engineering review and workshop with owner and designer
- Reconcile estimate with independent professional construction cost estimator hired by others
- High level constructability review
- Facilitate estimate review meeting and refine the estimate based on team comments
- Establish Project Collaborative website for the Project Team to utilize and share information

Design Development

- Update and coordination meetings with owner and design team – Bi-Weekly or as needed
 - Discuss initial topics, open and action items, new items, design related items, Owner related items, preconstruction and construction related items. Schedule updates and constant budget impact discussions
- Schedule updates and coordination of Long Lead materials and components
- Product and system analysis with recommendations
- Design development budget update and estimate
 - Quantity take-off and unit cost pricing analysis
 - Solicit key trades for current market pricing as needed
 - Clarifications to estimate
 - Reconcile estimate with independent professional construction cost estimator if hired by others
 - Reconcile estimate with the Project Team
 - Facilitate estimate review meeting and refine the estimate based on team comments
 - Value engineering review and workshop with owner and designer
 - Analyze products and building systems and make recommendations

- Identify and create bidding Trade Packages
- Develop initial Site Logistics and Phasing Plans
- Constructability Review
 - Verify items from Schematic Design
 - Create and coordinate new items with the project team
- Edifice will identify and track preferred alternates the owner and project have deemed necessary. Edifice will assist with preparation of the project documents in conjunction preferred alternates that require board of commissioner's approval.

Construction Documents

- Update and coordination meetings with owner and design team – Bi-Weekly or as needed
 - Discuss initial topics, open and action items, new items, design related items, Owner related items, preconstruction and construction related items. Schedule updates and constant budget impact discussions
 - Start prequalifying trade contractor
 - Schedule the Project Outreach and Information meeting
 - Schedule updates and coordination of Long Lead materials and components
 - Construction document budget update and estimate
 - Quantity take-off and unit cost pricing analysis
 - Verify value engineering from design development and create, analyze, and agree on new ideas
 - Design quality control and/or VE workshop with owner and designer
 - Clarifications to estimate
 - Perform quality control review of construction documents
 - Conduct estimate review meeting and refine cost estimate based on feedback
 - Constructability review and verification of Design Development Constructability review items
 - Start creating the detailed construction schedule milestones
 - Finalize the Site Logistics and Phasing Plans
 - Coordinate a Site-Specific Safety Plan with Chris Gates – Edifice Corporate Safety Director
 - Edifice will identify and track preferred alternates the owner and project have deemed necessary. Edifice will assist with preparation of the project documents in conjunction preferred alternates that require board of commissioner's approval.
- **Prequalification of Trade Contractors**
 - Establish a prequalification process to ensure that all City prequalification policies are adhered to, and project-specific criteria is included.
 - Tailor bid packages for the benefit of the project in terms of available resources and funding
 - Advertise trade package opportunities for those interested in prequalifying to bid the project
 - Occurs at end of Design Development and/or beginning of Construction Documents
 - Edifice will work with the City & Architect on the Prequalification process making sure all policies are followed, and project specific criteria is included
 - Outreach Sessions will be held to help advertise and promote interest in the project
 - Describe prequalification process at Outreach Sessions
 - Target local qualified subcontractor participation

- The City and Edifice will work together to develop the list of Prequalified Trade Contractors in concert with the G.S. 143-135.8 Prequalification and 143-128.1 Construction Management at Risk Contracts
- All City requirements for MWBE or HUB participation will be followed
- Get approval from the City and the Prequalification Committee (if applicable) for recommended prequalified bidders
 - The Prequalification Committee can be members of the Project Team
- Only prequalified trade contractors will be allowed to bid the project
- Create and establish the formal and informal trade packages for bidding

Public Bid Process

- Advertise the project for bid to all prequalified trade contractors
 - Create a Bid Package Manual outlining scopes of work for each trade package and instructions to bidders applicable to the project
 - Conduct an open, competitive public bid process for all trade packages
 - Offer and provide Minority, MWBE, and/or HUB firms assistance during the bidding phase
 - Notify Prequalified Bidders of pre-bid meeting and bid date
 - Conduct Pre-Bid meeting
 - Hold the bid opening in a public location at a City facility or on a Project Team location.
 - Provide feedback to any unsuccessful bidders
 - Edifice will work in concert with the City and the Designers on all the necessary requirements related to the bid opening
 - G.S. 143-129 Procedure for Letting of Public Contracts will be followed
 - All requirements for Minority, MWBE and/or HUB participation will be followed
 - Post Bid meetings with all apparent low, responsive, responsible trade contractors will be held to determine the authenticity and accuracy of bids
 - Award 1st Tier Contracts and engage in the contract process
 - Report actual Minority, MWBE and/or HUB participation vs. Goals
 - Report actual Local participation numbers internally to the City as requested
 - Manage bid tab to include all necessary project preferred alternates.
- **Guaranteed Maximum Price Amendment(s)**
 - Once Post Bid Meetings are finalized and apparent low bidders are determined, a Guaranteed Maximum Price (GMP) Proposal will be put together
 - The GMP Proposal will then become part of the Guaranteed Maximum Price Amendment to the original contract
- **Contract**
 - The AIA A133 – 2019 Standard Form of Agreement Between Owner and Construction Manager as Constructor along with the AIA A201 – 2017 General Conditions of the Contract for Construction are being utilized
 - The value of Preconstruction Services will be the initial contract value. Construction services will be added when the Guaranteed Maximum Price is determined through an Amendment to the contract

EXHIBIT D - Preconstruction Services Fee Estimate

12-May-25

911 Communication Center Upgrade Project

Owner: City of Mount Holly

Start Date Jun-25
 Completion Date Mar-24
 Estimate \$1,000,000

Personnel Activates

Conceptual & Schematic Design	Man-hours	Rate	Labor
Preconstruction Manager	8	\$ 95.00	\$ 760
Project Executive	8	\$ 190.00	\$ 1,520
Subtotal	16		\$ 2,280

Design Development	Man-hours	Rate	Labor
Preconstruction Manager	14	\$ 95.00	\$ 1,330
Project Manager	-	\$ 111.00	\$ -
Project Executive	8	\$ 190.00	\$ 1,520
Subtotal	22		\$ 2,850

Complete CD's	Man-hours	Rate	Labor
Preconstruction Manager	14	\$ 95.00	\$ 1,330
Project Manager	8	\$ 111.00	\$ 888
Project Executive	8	\$ 190.00	\$ 1,520
Subtotal	30		\$ 3,738

Bid Documents and Bidding	Man-hours	Rate	Labor
Preconstruction Manager	14	\$ 95.00	\$ 1,330
Project Manager	8	\$ 111.00	\$ 888
Project Executive	-	\$ 190.00	\$ -
Tech.services - Edifice (Building Scan or Vitruval walk)	-	\$ 75.00	\$ -
Subtotal	22		\$ 2,218

Services Cost Recap

Personnel Activity Summary	Man-hours	Days	Labor
Schematic Design	16	2	\$ 2,280
Design Development	22	3	\$ 2,850
Complete CD's	30	4	\$ 3,738
Bid Documents and Bidding	22	3	\$ 2,218
Subtotal	90	11	\$ 11,086

Pre-construction Summary

Total Labor			\$ 11,086
			\$ -

Total Pre-construction Services Fee \$11,086

AIA[®] Document A133[®] – 2019

Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price

AGREEMENT made as of the **25th** day of **June** in the year **2025**
(In words, indicate day, month, and year.)

BETWEEN the Owner:
(Name, legal status, address, and other information)

The City of Mount Holly
400 E. Central Avenue
Mount Holly, North Carolina 28120
704.827.3931

and the Construction Manager:
(Name, legal status, address, and other information)

Edifice, LLC
4111 South Blvd (28209)
Post Office Box 36349
Charlotte, North Carolina 28236
Telephone: 704-332-0900
North Carolina General Contracting License #10514

for the following Project:
(Name, location, and detailed description)

911 Communication Center Upgrade Project
400 E Central Ave
Mount Holly, North Carolina 28120

The Architect:
(Name, legal status, address, and other information)

Stewart Cooper Newell Architects
719 E Second Ave
Gastonia, NC 28054
704-565-6311

The Owner and Construction Manager agree as follows.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™–2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

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- 15 SCOPE OF THE AGREEMENT

- EXHIBIT A GUARANTEED MAXIMUM PRICE AMENDMENT**
- EXHIBIT B INSURANCE AND BONDS**

ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.
(For each item in this section, insert the information or a statement such as "not applicable" or "unknown at time of execution.")

§ 1.1.1 The Owner's program for the Project, as described in Section 4.1.1:
(Insert the Owner's program, identify documentation that establishes the Owner's program, or state the manner in which the program will be developed.)

Steven Haynie
City of Mount Holly
Manager of Capitol Projects & Inspections
Phone:980.421.6967
E: steven.haynie@mtholly.us

§ 1.1.2 The Project's physical characteristics:
(Identify or describe pertinent information about the Project's physical characteristics, such as size; location; dimensions; geotechnical reports; site boundaries; topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site, etc.)

The building work includes selective demolition and renovating the existing 911 Communications Center, 911 Server room, Copy/Mailroom and department server room in the existing Mount Holly

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Police Department into a new Public Safety Answering Point (PSAP). Demolition includes but is not limited to: metal studs, gypsum board, some potential existing concrete slab work, hard tile, carpet tile, acoustic ceiling tile, mechanical systems, electrical systems, fire suppression system, plumbing systems & fixtures. Demolition above the existing ceiling areas on first floor outside of primary scope includes, but is not limited to: wall, roof work and patching, acoustic ceiling tile, mechanical systems, electrical systems, plumbing systems and structural systems. The renovation work includes, but is not limited to: metal studs, gypsum board, hard tile, electrostatic dissipative flooring, resilient floor tile, carpet tile, acoustic ceiling tile, cloud ceiling system, LightGlass simulated window systems, casework, mechanical systems, electrical systems, Grounding Systems, fire suppression systems, plumbing systems & fixtures.

There will be no site work as part of this project.

§ 1.1.3 The Owner’s budget for the Guaranteed Maximum Price, as defined in Article 6:
(Provide total and, if known, a line item breakdown.)

One Million Dollars (\$1,000,000.00)

§ 1.1.4 The Owner’s anticipated design and construction milestone dates:

.1 Design phase milestone dates, if any:

TBD

.2 Construction commencement date:

TBD

.3 Substantial Completion date or dates:

TBD

.4 Other milestone dates:

TBD

§ 1.1.5 The Owner’s requirements for accelerated or fast-track scheduling, or phased construction, are set forth below:
(Identify any requirements for fast-track scheduling or phased construction.)

Not Applicable

§ 1.1.6 The Owner’s anticipated Sustainable Objective for the Project:
(Identify and describe the Owner’s Sustainable Objective for the Project, if any.)

Not Applicable

§ 1.1.6.1 If the Owner identifies a Sustainable Objective, the Owner and Construction Manager shall complete and incorporate AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, into this Agreement to define the terms, conditions and services related to the Owner’s Sustainable Objective. If E234–2019 is incorporated into this agreement, the Owner and Construction Manager shall incorporate the completed E234–2019 into the agreements with the consultants and contractors performing services or Work in any way associated with the Sustainable Objective.

§ 1.1.7 Other Project information:
(Identify special characteristics or needs of the Project not provided elsewhere.)

See 1.1.2

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§ 1.1.8 The Owner identifies the following representative in accordance with Section 4.2:
(List name, address, and other contact information.)

Steven Haynie
City of Mount Holly
Manager of Capitol Projects & Inspections
Phone:980.421.6967
E: steven.Haynie@mtholly.us

§ 1.1.9 The persons or entities, in addition to the Owner’s representative, who are required to review the Construction Manager’s submittals to the Owner are as follows:
(List name, address and other contact information.)

TBD

§ 1.1.10 The Owner shall retain the following consultants and contractors:
(List name, legal status, address, and other contact information.)

.1 Geotechnical Engineer:

(Paragraphs deleted)

NA Engineer:

NA

.3 Other, if any:

(List any other consultants retained by the Owner, such as a Project or Program Manager.)

To Be Determined

§ 1.1.11 The Architect’s representative:
(List name, address, and other contact information.)

STEWART-COOPER-NEWELL ARCHITECTS, P.A.
Kim Parton, NCARB
719 E. Second Avenue
Gastonia, NC 28054
P: (704) 865-6311
F: (704) 865-0046

§ 1.1.12 The Construction Manager identifies the following representative in accordance with Article 3:
(List name, address, and other contact information.)

Tim Bender
Project Executive
Edifice, LLC
4111 South Boulevard
Charlotte, North Carolina 28209
tbender@edificeinc.com
704-332-0900

§ 1.1.13 The Owner’s requirements for the Construction Manager’s staffing plan for Preconstruction Services, as required under Section 3.1.9:
(List any Owner-specific requirements to be included in the staffing plan.)

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See the attached **Preconstruction Scope of Services (Exhibit C)** and **Preconstruction Service Fee (Exhibit D)**

§ 1.1.14 The Owner's requirements for subcontractor procurement for the performance of the Work:
(List any Owner-specific requirements for subcontractor procurement.)

On public projects in North Carolina, follow all procurement requirements for Construction Management at Risk projects as written in NC G.S. 143-128.

§ 1.1.15 Other Initial Information on which this Agreement is based:

TBD – Implement Design Documents into the contract at GMP

§ 1.2 The Owner and Construction Manager may rely on the Initial Information. Both parties, however, recognize that such information may materially change and, in that event, the Owner and the Construction Manager shall appropriately adjust the Project schedule, the Construction Manager's services, and the Construction Manager's compensation. The Owner shall adjust the Owner's budget for the Guaranteed Maximum Price and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

§ 1.3 Neither the Owner's nor the Construction Manager's representative shall be changed without ten days' prior notice to the other party.

ARTICLE 2 GENERAL PROVISIONS

§ 2.1 The Contract Documents

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract and are as fully a part of the Contract as if attached to this Agreement or repeated herein. Upon the Owner's acceptance of the Construction Manager's Guaranteed Maximum Price proposal, the Contract Documents will also include the documents described in Section 3.2.3 and identified in the Guaranteed Maximum Price Amendment and revisions prepared by the Architect and furnished by the Owner as described in Section 3.2.8. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. If anything in the other Contract Documents, other than a Modification, is inconsistent with this Agreement, this Agreement shall govern. An enumeration of the Contract Documents, other than a Modification, appears in Article 15.

§ 2.2 Relationship of the Parties

The Construction Manager accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to cooperate with the Architect and exercise the Construction Manager's skill and judgment in furthering the interests of the Owner to furnish efficient construction administration, management services, and supervision; to furnish at all times an adequate supply of workers and materials; and to perform the Work in an expeditious and economical manner consistent with the Owner's interests. The Owner agrees to furnish or approve, in a timely manner, information required by the Construction Manager and to make payments to the Construction Manager in accordance with the requirements of the Contract Documents. The Construction Manager expects the Owner and Architect to work together as the Project Team for the betterment and ultimate benefit of the project.

§ 2.3 General Conditions

§ 2.3.1 For the Preconstruction Phase, AIA Document A201™-2017, General Conditions of the Contract for Construction, shall apply as follows: Section 1.5, Ownership and Use of Documents; Section 1.7, Digital Data Use and Transmission; Section 1.8, Building Information Model Use and Reliance; Section 2.2.4, Confidential Information; Section 3.12.10, Professional Services; Section 10.3, Hazardous Materials; Section 13.1, Governing Law. The term "Contractor" as used in A201-2017 shall mean the Construction Manager.

§ 2.3.2 For the Construction Phase, the general conditions of the contract shall be as set forth in A201-2017, which document is incorporated herein by reference. The term "Contractor" as used in A201-2017 shall mean the Construction Manager.

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ARTICLE 3 CONSTRUCTION MANAGER'S RESPONSIBILITIES

The Construction Manager's Preconstruction Phase responsibilities are set forth in Sections 3.1 and 3.2, and in the applicable provisions of A201-2017 referenced in Section 2.3.1. The Construction Manager's Construction Phase responsibilities are set forth in Section 3.3. The Owner and Construction Manager may agree, in consultation with the Architect, for the Construction Phase to commence prior to completion of the Preconstruction Phase, in which case, both phases will proceed concurrently. The Construction Manager shall identify a representative authorized to act on behalf of the Construction Manager with respect to the Project.

§ 3.1 Preconstruction Phase

§ 3.1.1 Extent of Responsibility

The Construction Manager shall exercise reasonable care in performing its Preconstruction Services. The Owner and Architect shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of services and information furnished by the Construction Manager. The Construction Manager, however, does not warrant or guarantee estimates and schedules except as may be included as part of the Guaranteed Maximum Price. The Construction Manager is not required to ascertain that the Drawings and Specifications are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Construction Manager shall promptly report to the Architect and Owner any nonconformity discovered by or made known to the Construction Manager as a request for information.

§ 3.1.2 The Construction Manager shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other.

§ 3.1.3 Consultation

§ 3.1.3.1 The Construction Manager shall schedule and conduct meetings with the Architect and Owner to discuss such matters as procedures, progress, coordination, and scheduling of the Work.

§ 3.1.3.2 The Construction Manager shall advise the Owner and Architect on proposed site use and improvements, selection of materials, building systems, and equipment. The Construction Manager shall also provide recommendations to the Owner and Architect, consistent with the Project requirements, on constructability; availability of materials and labor; time requirements for procurement, installation and construction; prefabrication; and factors related to construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions. The Construction Manager shall consult with the Architect regarding professional services to be provided by the Construction Manager during the Construction Phase.

§ 3.1.3.3 The Construction Manager shall assist the Owner and Architect in establishing building information modeling and digital data protocols for the Project, using AIA Document E203™-2013, Building Information Modeling and Digital Data Exhibit, to establish the protocols for the development, use, transmission, and exchange of digital data.

§ 3.1.4 Project Schedule

When Project requirements in Section 4.1.1 have been sufficiently identified, the Construction Manager shall prepare and periodically update a Project schedule for the Architect's information and the Owner's acceptance. The Construction Manager shall obtain the Architect's approval for the portion of the Project schedule relating to the performance of the Architect's services. The Project schedule shall coordinate and integrate the Construction Manager's services, the Architect's services, other Owner consultants' services, and the Owner's responsibilities; and identify items that affect the Project's timely completion. The updated Project schedule shall include the following: submission of the Guaranteed Maximum Price proposal; components of the Work; times of commencement and completion required of each Subcontractor; ordering and delivery of products, including those that must be ordered in advance of construction; and the occupancy requirements of the Owner.

§ 3.1.5 Phased Construction

The Construction Manager, in consultation with the Architect, shall provide recommendations with regard to accelerated or fast-track scheduling, procurement, and sequencing for phased construction. The Construction Manager shall take into consideration cost reductions, cost information, constructability, provisions for temporary facilities, and procurement and construction scheduling issues.

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(2052020850)

§ 3.1.6 Cost Estimates

§ 3.1.6.1 Based on the preliminary design and other design criteria prepared by the Architect, the Construction Manager shall prepare, for the Architect's **information** and the Owner's approval, preliminary estimates of the Cost of the Work or the cost of program requirements using area, volume, or similar conceptual estimating techniques. If the Architect or Construction Manager suggests alternative materials and systems, the Construction Manager shall provide cost evaluations of those alternative materials and systems.

§ 3.1.6.2 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall prepare and update, at appropriate intervals agreed to by the Owner, Construction Manager and Architect, an estimate of the Cost of the Work with increasing detail and refinement. The Construction Manager shall include in the estimate those costs to allow for the further development of the design, price escalation, and market conditions, until such time as the Owner and Construction Manager agree on a Guaranteed Maximum Price for the Work. The estimate shall be provided for the Architect's **information** and the Owner's approval. The Construction Manager shall inform the Owner and Architect in the event that the estimate of the Cost of the Work exceeds the latest approved Project budget, and make recommendations for corrective action.

§ 3.1.6.3 If the Architect is providing cost estimating services as a Supplemental Service, and a discrepancy exists between the Construction Manager's cost estimates and the Architect's cost estimates, the Construction Manager and the Architect shall work together to reconcile the cost estimates.

§ 3.1.7 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall consult with the Owner and Architect and make recommendations regarding constructability and schedules, for the Architect's **information** and the Owner's approval.

§ 3.1.8 The Construction Manager shall provide recommendations and information to the Owner and Architect regarding equipment, materials, services, and temporary Project facilities.

§ 3.1.9 The Construction Manager shall provide a staffing plan for Preconstruction Phase services for the Owner's review and approval.

§ 3.1.10 If the Owner identified a Sustainable Objective in Article 1, the Construction Manager shall fulfill its Preconstruction Phase responsibilities as required in AIA Document E234™-2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, attached to this Agreement.

§ 3.1.11 Subcontractors and Suppliers

§ 3.1.11.1 If the Owner has provided requirements for subcontractor procurement in section 1.1.14, the Construction Manager shall provide a subcontracting plan, addressing the Owner's requirements, for the Owner's review and approval.

§ 3.1.11.2 The Construction Manager shall develop bidders' interest in the Project.

§ 3.1.11.3 The processes described in Article 9 shall apply if bid packages will be issued during the Preconstruction Phase.

§ 3.1.12 Procurement

The Construction Manager shall prepare, for the Architect's **information** and the Owner's acceptance, a procurement schedule for items that must be ordered in advance of construction. The Construction Manager shall expedite and coordinate the ordering and delivery of materials that must be ordered in advance of construction. If the Owner agrees to procure any items prior to the establishment of the Guaranteed Maximum Price, the Owner shall procure the items on terms and conditions acceptable to the Construction Manager. Upon the establishment of the Guaranteed Maximum Price, the Owner shall assign all contracts for these items to the Construction Manager and the Construction Manager shall thereafter accept responsibility for them.

§ 3.1.13 Compliance with Laws

The Construction Manager shall comply with applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to its performance under this Contract, and with equal employment opportunity programs, and other programs as may be required by governmental and quasi-governmental authorities.

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§ 3.1.14 Other Preconstruction Services

Insert a description of any other Preconstruction Phase services to be provided by the Construction Manager, or reference an exhibit attached to this document
(Describe any other Preconstruction Phase services, such as providing cash flow projections, development of a project information management system, early selection or procurement of subcontractors, etc.)

See the attached Preconstruction Scope of Services (Exhibit C) and Preconstruction Service Fee (Exhibit D)

§ 3.2 Guaranteed Maximum Price Proposal

§ 3.2.1 At a time to be mutually agreed upon by the Owner and the Construction Manager, the Construction Manager shall prepare a Guaranteed Maximum Price proposal for the Owner’s and Architect’s **information**, and the Owner’s acceptance. The Guaranteed Maximum Price in the proposal shall be the sum of the Construction Manager’s estimate of the Cost of the Work, the Construction Manager’s contingency described in Section 3.2.4, and the Construction Manager’s Fee described in Section 6.1.2.

§ 3.2.2 To the extent that the Contract Documents are anticipated to require further development, the Guaranteed Maximum Price includes the costs attributable to such further development consistent with the Contract Documents and reasonably inferable therefrom. Such further development does not include changes in scope, systems, kinds and quality of materials, finishes, or equipment, all of which, if required, shall be incorporated by Change Order.

§ 3.2.3 The Construction Manager shall include with the Guaranteed Maximum Price proposal a written statement of its basis, which shall include the following:

- .1 A list of the Drawings and Specifications, including all Addenda thereto, and the Conditions of the Contract;
- .2 A list of the clarifications and assumptions made by the Construction Manager in the preparation of the Guaranteed Maximum Price proposal, including assumptions under Section 3.2.2;
- .3 A statement of the proposed Guaranteed Maximum Price, including a statement of the estimated Cost of the Work organized by trade categories or systems, including allowances; the Construction Manager’s contingency set forth in Section 3.2.4; and the Construction Manager’s Fee;
- .4 The anticipated date of Substantial Completion upon which the proposed Guaranteed Maximum Price is based; and
- .5 A date by which the Owner must accept the Guaranteed Maximum Price.

§ 3.2.4 In preparing the Construction Manager’s Guaranteed Maximum Price proposal, the Construction Manager shall include a contingency for the Construction Manager’s exclusive use to cover those costs that are included in the Guaranteed Maximum Price but not otherwise allocated to another line item or included in a Change Order.

§ 3.2.5 The Construction Manager shall meet with the Owner and Architect to review the Guaranteed Maximum Price proposal. In the event that the Owner or Architect discover any inconsistencies or inaccuracies in the information presented, they shall promptly notify the Construction Manager, who shall make appropriate adjustments to the Guaranteed Maximum Price proposal, its basis, or both.

§ 3.2.6 If the Owner notifies the Construction Manager that the Owner has accepted the Guaranteed Maximum Price proposal in writing before the date specified in the Guaranteed Maximum Price proposal, the Guaranteed Maximum Price proposal shall be deemed effective without further acceptance from the Construction Manager. Following acceptance of a Guaranteed Maximum Price, the Owner and Construction Manager shall execute the Guaranteed Maximum Price Amendment amending this Agreement, a copy of which the Owner shall provide to the Architect. The Guaranteed Maximum Price Amendment shall set forth the agreed upon Guaranteed Maximum Price with the information and assumptions upon which it is based.

§ 3.2.7 The Construction Manager shall not incur any cost to be reimbursed as part of the Cost of the Work prior to the execution of the Guaranteed Maximum Price Amendment, unless the Owner provides prior written authorization for such costs.

§ 3.2.8 The Owner shall authorize preparation of revisions to the Contract Documents that incorporate the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment. The Owner shall promptly furnish such revised Contract Documents to the Construction Manager. The Construction Manager shall notify the Owner

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and Architect of any inconsistencies between the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment and the revised Contract Documents.

§ 3.2.9 The Construction Manager shall include in the Guaranteed Maximum Price all sales, consumer, use and similar taxes for the Work provided by the Construction Manager that are legally enacted, whether or not yet effective, at the time the Guaranteed Maximum Price Amendment is executed.

§ 3.3 Construction Phase

§ 3.3.1 General

§ 3.3.1.1 For purposes of Section 8.1.2 of A201–2017, the date of commencement of the Work shall mean the date of commencement of the Construction Phase.

§ 3.3.1.2 The Construction Phase shall commence upon the Owner’s execution of the Guaranteed Maximum Price Amendment or, prior to acceptance of the Guaranteed Maximum Price proposal, by written agreement of the parties. The written agreement shall set forth a description of the Work to be performed by the Construction Manager, and any insurance and bond requirements for Work performed prior to execution of the Guaranteed Maximum Price Amendment.

§ 3.3.2 Administration

§ 3.3.2.1 The Construction Manager shall schedule and conduct meetings to discuss such matters as procedures, progress, coordination, scheduling, and status of the Work. The Construction Manager shall prepare and promptly distribute minutes of the meetings to the Owner and Architect.

§ 3.3.2.2 Upon the execution of the Guaranteed Maximum Price Amendment, the Construction Manager shall prepare and submit to the Owner and Architect a construction schedule for the Work and a submittal schedule in accordance with Section 3.10 of A201–2017.

§ 3.3.2.3 Monthly Report

The Construction Manager shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by the Owner, the Construction Manager shall submit written progress reports to the Owner and Architect, showing percentages of completion and other information required by the Owner.

§ 3.3.2.4 Daily Logs

The Construction Manager shall keep, and make available to the Owner and Architect, a daily log containing a record for each day of weather, portions of the Work in progress, number of workers on site, identification of equipment on site, problems that might affect progress of the work, accidents, injuries, and other information required by the Owner.

§ 3.3.2.5 Cost Control

The Construction Manager shall develop a system of cost control for the Work, including regular monitoring of actual costs for activities in progress and estimates for uncompleted tasks and proposed changes. The Construction Manager shall identify variances between actual and estimated costs and report the variances to the Owner and Architect, and shall provide this information in its monthly reports to the Owner and Architect, in accordance with Section 3.3.2.3 above.

ARTICLE 4 OWNER’S RESPONSIBILITIES

§ 4.1 Information and Services Required of the Owner

§ 4.1.1 The Owner shall provide information with reasonable promptness, regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner’s objectives, constraints, and criteria, including schedule, space requirements and relationships, flexibility and expandability, special equipment, systems, sustainability and site requirements.

§ 4.1.2 Prior to the execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request in writing that the Owner provide reasonable evidence that the Owner has made financial arrangements to fulfill the Owner’s obligations under the Contract. After execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request such information as set forth in A201-2017 Section 2.2.

§ 4.1.3 The Owner shall establish and periodically update the Owner’s budget for the Project, including (1) the budget for the Cost of the Work as defined in Article 7, (2) the Owner’s other costs, and (3) reasonable contingencies related to all of these costs. If the Owner significantly increases or decreases the Owner’s budget for the Cost of the Work, the Owner

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shall notify the Construction Manager and Architect. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 4.1.4 Structural and Environmental Tests, Surveys and Reports. During the Preconstruction Phase, the Owner shall furnish the following information or services with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services. The Construction Manager shall be entitled to rely on the accuracy of information and services furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

§ 4.1.4.1 The Owner shall furnish tests, inspections, and reports, required by law and as otherwise agreed to by the parties, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 4.1.4.2 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and other necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 4.1.4.3 The Owner, when such services are requested, shall furnish services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 4.1.5 During the Construction Phase, the Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services.

§ 4.1.6 If the Owner identified a Sustainable Objective in Article 1, the Owner shall fulfill its responsibilities as required in AIA Document E234™-2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, attached to this Agreement.

§ 4.2 Owner's Designated Representative

The Owner shall identify a representative authorized to act on behalf of the Owner with respect to the Project. The Owner's representative shall render decisions promptly and furnish information expeditiously, so as to avoid unreasonable delay in the services or Work of the Construction Manager. Except as otherwise provided in Section 4.2.1 of A201-2017, the Architect does not have such authority. The term "Owner" means the Owner or the Owner's authorized representative.

§ 4.2.1 Legal Requirements. The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 4.3 Architect

The Owner shall retain an Architect to provide services, duties and responsibilities as described in AIA Document B133™-2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Constructor Edition, including any additional services requested by the Construction Manager that are necessary for the Preconstruction and Construction Phase services under this Agreement. The Owner shall provide the Construction Manager with a copy of the scope of services in the executed agreement between the Owner and the Architect, and any further modifications to the Architect's scope of services in the agreement.

ARTICLE 5 COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES

§ 5.1 Compensation

§ 5.1.1 For the Construction Manager's Preconstruction Phase services described in Sections 3.1 and 3.2, the Owner shall compensate the Construction Manager as follows:

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(Insert amount of, or basis for, compensation and include a list of reimbursable cost items, as applicable.)

Construction Manager shall be paid a Lump Sum of eleven thousand, eighty six dollars and 00/100 (\$11,086) which includes all costs, expenses, and fees for Preconstruction Services. See the attached Preconstruction Scope of Services (Exhibit C) and Preconstruction Service Fee (Exhibit D) for additional information. If the project does not proceed for any reason, then the Construction Manager shall be paid actual costs to date not to exceed eleven thousand, eighty six dollars and 00/00 (\$11,086) and nothing else.

§ 5.1.2 The hourly billing rates for Preconstruction Phase services of the Construction Manager and the Construction Manager's Consultants and Subcontractors, if any, are set forth below.
(If applicable, attach an exhibit of hourly billing rates or insert them below.)

See the attached Preconstruction Scope of Services (Exhibit C) and Preconstruction Service Fee (Exhibit D)

Individual or Position	Rate
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§ 5.1.2.1 Hourly billing rates for Preconstruction Phase services include all costs to be paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, and shall remain unchanged unless the parties execute a Modification.

§ 5.1.3 If the Preconstruction Phase services covered by this Agreement have not been completed within **fourteen (14)** months of the date of this Agreement, through no fault of the Construction Manager, the Construction Manager's compensation for Preconstruction Phase services shall be equitably adjusted.

§ 5.2 Payments

§ 5.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed.

§ 5.2.2 Payments are due and payable upon presentation of the Construction Manager's invoice. Amounts unpaid **Twenty (20)** days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Construction Manager.
(Insert rate of monthly or annual interest agreed upon.)

Twelve (12%) per annum

ARTICLE 6 COMPENSATION FOR CONSTRUCTION PHASE SERVICES

§ 6.1 Contract Sum

§ 6.1.1 The Owner shall pay the Construction Manager the Contract Sum in current funds for the Construction Manager's performance of the Contract after execution of the Guaranteed Maximum Price Amendment. The Contract Sum is the Cost of the Work as defined in Article 7 plus the Construction Manager's Fee.

§ 6.1.2 The Construction Manager's Fee:
(State a lump sum, percentage of Cost of the Work or other provision for determining the Construction Manager's Fee.)

6% of Cost of the Work to be converted to a Lump Sum at Owner's acceptance of the GMP

§ 6.1.3 The method of adjustment of the Construction Manager's Fee for changes in the Work:

The Cost of Work plus (+) 6% for additive changes and 0% for deductive changes.

§ 6.1.4 Limitations, if any, on a Subcontractor's overhead and profit for increases in the cost of its portion of the Work:

Fifteen percent (15%) for work performed by Subcontractor's own forces, and seven and one-half percent (7.5%) for work performed by 2nd Tier subcontractors or lower forces.

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§ 6.1.5 Rental rates for Construction Manager-owned equipment shall not exceed **one hundred percent (100%)** of the standard rental rate paid at the place of the Project.

§ 6.1.6 Liquidated damages, if any:
(Insert terms and conditions for liquidated damages, if any.)

Owner and Contractor acknowledge and agree if Contractor fails to achieve Substantial Completion of the Work within the Contract Time the Contractor agrees to pay Owner as Liquidated Damages, and not as a penalty, but as a reasonable estimate of the amount of damages Owner will suffer, the amount of Five Hundred and 00/100 dollars (\$500.00) per day for each calendar day occurring after the Contract Time during which Contractor fails to achieve Substantial Completion. The Liquidated Damages described herein shall be the Owner's sole and exclusive remedy for any delays.

§ 6.1.7 Other:
(Insert provisions for bonus, cost savings or other incentives, if any, that might result in a change to the Contract Sum.)

If the "Total Cost of the Work", which equals the Cost of the Work as defined in Article 7 plus the Contractor's Fee, is less than the value of the Guaranteed Maximum Price (GMP), then the difference between the Total Cost of the Work and the GMP shall be split as follows: 65% shall be distributed to the Owner 35% shall be distributed to the Construction Manager.

§ 6.2 Guaranteed Maximum Price

The Construction Manager guarantees that the Contract Sum shall not exceed the Guaranteed Maximum Price set forth in the Guaranteed Maximum Price Amendment, subject to additions and deductions by Change Order as provided in the Contract Documents. Costs which would cause the Guaranteed Maximum Price to be exceeded shall be paid by the Construction Manager without reimbursement by the Owner.

§ 6.3 Changes in the Work

§ 6.3.1 The Owner may, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions. The Owner shall issue such changes in writing. The Construction Manager may be entitled to an equitable adjustment in the Contract Time as a result of changes in the Work.

§ 6.3.1.1 The Architect may order minor changes in the Work as provided in Article 7 of AIA Document A201-2017, General Conditions of the Contract for Construction.

§ 6.3.2 Adjustments to the Guaranteed Maximum Price on account of changes in the Work subsequent to the execution of the Guaranteed Maximum Price Amendment may be determined by any of the methods listed in Article 7 of AIA Document A201-2017, General Conditions of the Contract for Construction.

§ 6.3.3 Adjustments to subcontracts awarded on the basis of a stipulated sum shall be determined in accordance with Article 7 of A201-2017, as they refer to "cost" and "fee," and not by Articles 6 and 7 of this Agreement. Adjustments to subcontracts awarded with the Owner's prior written consent on the basis of cost plus a fee shall be calculated in accordance with the terms of those subcontracts.

§ 6.3.4 In calculating adjustments to the Guaranteed Maximum Price, the terms "cost" and "costs" as used in Article 7 of AIA Document A201-2017 shall mean the Cost of the Work as defined in Article 7 of this Agreement and the term "fee" shall mean the Construction Manager's Fee as defined in Section 6.1.2 of this Agreement.

§ 6.3.5 If no specific provision is made in Section 6.1.3 for adjustment of the Construction Manager's Fee in the case of changes in the Work, or if the extent of such changes is such, in the aggregate, that application of the adjustment provisions of Section 6.1.3 will cause substantial inequity to the Owner or Construction Manager, the Construction Manager's Fee shall be equitably adjusted on the same basis that was used to establish the Fee for the original Work, and the Guaranteed Maximum Price shall be adjusted accordingly.

§ 6.3.6 In the event of significant delay or price increase of material occurring during the performance of the contract through no fault of the Contractor, the contract sum, time of performance, and contract requirements shall be equitably adjusted by change order in accordance with the procedures of the contract documents. A

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change in price of an item of material shall be considered significant when the price of an item increases 5% percent between the date of this contract and the date of delivery.

ARTICLE 7 COST OF THE WORK FOR CONSTRUCTION PHASE

§ 7.1 Costs to Be Reimbursed

§ 7.1.1 The term Cost of the Work shall mean costs necessarily incurred by the Construction Manager in the proper performance of the Work. The Cost of the Work shall include only the items set forth in Sections 7.1 through 7.7.

§ 7.1.2 Where, pursuant to the Contract Documents, any cost is subject to the Owner’s prior approval, the Construction Manager shall obtain such approval in writing prior to incurring the cost.

§ 7.1.3 Costs shall be at rates not higher than the standard rates paid at the place of the Project, except with prior approval of the Owner.

§ 7.2 Labor Costs

§ 7.2.1 Wages or salaries of construction workers directly employed by the Construction Manager to perform the construction of the Work at the site or, with the Owner’s prior approval, at off-site workshops.

§ 7.2.2 Wages or salaries of the Construction Manager’s supervisory and administrative personnel when stationed at the site and performing Work, with the Owner’s prior approval.

§ 7.2.2.1 Wages or salaries of the Construction Manager’s supervisory and administrative personnel as noted below: *(Identify the personnel, type of activity and, if applicable, any agreed upon percentage of time to be devoted to the Work.)*

The following personnel’s cost shall be included in the Cost of the Work at the following rates:

Project Executive	\$ 5,536/week (this will be prorated per time spent on project)
Construction Manager	\$ 5,014/week (this will be prorated per time spent on project)
Project Manager	\$ 4,633/week
Assistant Project Manager	\$ 3,114/week
Superintendent	\$ 4,498/week
Assistant Superintendent	\$ 3,114/week
Quality Control Manager	\$ 2,888/week
Project Assistant	\$ 1,986/week

Cost shall commence approximately 2 (two) weeks prior to the start of construction and conclude upon Final Completion. The above stated rates include each personnel’s base salary and burdens described in Article 7.2.4. Contractor shall invoice monthly in arrears for actual time spend by Contractor for the work. Contractor shall keep accurate time records which shall be accessible to the Owner upon request.

§ 7.2.3 Wages and salaries of the Construction Manager’s supervisory or administrative personnel engaged at factories, workshops or while traveling, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

§ 7.2.4 Costs paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Sections 7.2.1 through 7.2.3.

Costs of this Article 7.2.4 for those personnel identified in Article 7.2.2 are included in the stated rates. Costs as noted in this Article 7.2.4 for those personnel associated with Article 7.2.1 are to be considered actual Cost of the Work at the reimbursable rate of 49%.

§ 7.2.5 If agreed rates for labor costs, in lieu of actual costs, are provided in this Agreement, the rates shall remain unchanged throughout the duration of this Agreement, unless the parties execute a Modification.

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§ 7.3 Subcontract Costs

Payments made by the Construction Manager to Subcontractors in accordance with the requirements of the subcontracts and this Agreement.

§ 7.4 Costs of Materials and Equipment Incorporated in the Completed Construction

§ 7.4.1 Costs, including transportation and storage at the site, of materials and equipment incorporated, or to be incorporated, in the completed construction.

§ 7.4.2 Costs of materials described in the preceding Section 7.4.1 in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, if any, shall become the Owner's property at the completion of the Work or, at the Owner's option, shall be sold by the Construction Manager. Any amounts realized from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

§ 7.5 Costs of Other Materials and Equipment, Temporary Facilities and Related Items

§ 7.5.1 Costs of transportation, storage, installation, dismantling, maintenance, and removal of materials, supplies, temporary facilities, **temporary utilities**, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site and fully consumed in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment, and tools, that are not fully consumed, shall be based on the cost or value of the item at the time it is first used on the Project site less the value of the item when it is no longer used at the Project site. Costs for items not fully consumed by the Construction Manager shall mean fair market value.

§ 7.5.2 Rental charges for temporary facilities, machinery, equipment, and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site, and the costs of transportation, installation, dismantling, minor repairs, and removal of such temporary facilities, machinery, equipment, and hand tools. Rates and quantities of equipment owned by the Construction Manager, or a related party as defined in Section 7.8, shall be subject to the Owner's prior approval. The total rental cost of any such equipment may not exceed the purchase price of any comparable item.

§ 7.5.3 Costs of removal of debris from the site of the Work and its proper and legal disposal.

§ 7.5.4 Costs of the Construction Manager's site office, including general office equipment and supplies.

§ 7.5.5 Costs of materials and equipment suitably stored off the site at a mutually acceptable location, subject to the Owner's prior approval.

§ 7.6 Miscellaneous Costs

§ 7.6.1 Premiums for that portion of insurance and bonds required by the Contract Documents that can be directly attributed to this Contract.

Contractor's Insurance is to be considered cost at the following rates applied to the total of all the items identified in this Article 7:

General Liability	0.90%
Builder's Risk	0.35%
Pollution Insurance	0.05%
Contractor's Payment and Performance Bonds	1%
Subcontractor Default Insurance	1.25%

§ 7.6.1.1 Costs for self-insurance, for either full or partial amounts of the coverages required by the Contract Documents, with the Owner's prior approval.

§ 7.6.1.2 Costs for insurance through a captive insurer owned or controlled by the Construction Manager, with the Owner's prior approval.

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§ 7.6.2 Sales, use, or similar taxes, imposed by a governmental authority, that are related to the Work and for which the Construction Manager is liable.

§ 7.6.3 Fees and assessments for the building permit, and for other permits, licenses, and inspections, for which the Construction Manager is required by the Contract Documents to pay.

§ 7.6.4 Fees of laboratories for tests required by the Contract Documents; except those related to defective or nonconforming Work for which reimbursement is excluded under Article 13 of AIA Document A201–2017 or by other provisions of the Contract Documents, and which do not fall within the scope of Section 7.7.3.

§ 7.6.5 Royalties and license fees paid for the use of a particular design, process, or product, required by the Contract Documents.

§ 7.6.5.1 The cost of defending suits or claims for infringement of patent rights arising from requirements of the Contract Documents, payments made in accordance with legal judgments against the Construction Manager resulting from such suits or claims, and payments of settlements made with the Owner’s consent, unless the Construction Manager had reason to believe that the required design, process, or product was an infringement of a copyright or a patent, and the Construction Manager failed to promptly furnish such information to the Architect as required by Article 3 of AIA Document A201–2017. The costs of legal defenses, judgments, and settlements shall not be included in the Cost of the Work used to calculate the Construction Manager’s Fee or subject to the Guaranteed Maximum Price.

§ 7.6.6 Costs for electronic equipment, and software, directly related to the Work and located at the site and Construction Manager’s office, with the Owner’s prior approval. **Costs associated with the items within this Article are to be considered cost at the reimbursable rate of 0.25% of the Cost of Work.**

§ 7.6.7 Costs of **communication services including cell phone, site phones and internet service**, document reproductions and delivery charges.

§ 7.6.8 Deposits lost for causes other than the Construction Manager’s negligence or failure to fulfill a specific responsibility in the Contract Documents.

§ 7.6.9 Legal, mediation and arbitration costs, including attorneys’ fees, other than those arising from disputes between the Owner and Construction Manager, reasonably incurred by the Construction Manager after the execution of this Agreement in the performance of the Work and with the Owner’s prior approval, which shall not be unreasonably withheld.

§ 7.6.10 Expenses incurred in accordance with the Construction Manager’s standard written personnel policy for relocation and temporary living allowances of the Construction Manager’s personnel required for the Work.

§ 7.6.11 That portion of the reasonable expenses of the Construction Manager’s supervisory or administrative personnel incurred while traveling in discharge of duties connected with the Work, **including but not limited to: Superintendent’s vehicle and fuel, Project Manager’s vehicle and fuel and the meals and living expenses of those personnel identified in Article 7.2.2.1.**

§ 7.7 Other Costs and Emergencies

§ 7.7.1 Other costs incurred in the performance of the Work, with the Owner’s prior approval.

§ 7.7.2 Costs incurred in taking action to prevent threatened damage, injury, or loss, in case of an emergency affecting the safety of persons and property, as provided in Article 10 of AIA Document A201–2017.

§ 7.7.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Construction Manager, Subcontractors, or suppliers, provided that such damaged or nonconforming Work was not caused by the negligence of, or failure to fulfill a specific responsibility by, the Construction Manager, and only to the extent that the cost of repair or correction is not recovered by the Construction Manager from insurance, sureties, Subcontractors, suppliers, or others.

§ 7.7.4 The costs described in Sections 7.1 through 7.7 shall be included in the Cost of the Work, notwithstanding any provision of AIA Document A201–2017 or other Conditions of the Contract which may require the Construction Manager to pay such costs, unless such costs are excluded by the provisions of Section 7.9.

§ 7.8 Related Party Transactions

§ 7.8.1 For purposes of this Section 7.8, the term "related party" shall mean (1) a parent, subsidiary, affiliate, or other entity having common ownership of, or sharing common management with, the Construction Manager; (2) any entity in which any stockholder in, or management employee of, the Construction Manager holds an equity interest in excess of ten percent in the aggregate; (3) any entity which has the right to control the business or affairs of the Construction Manager; or (4) any person, or any member of the immediate family of any person, who has the right to control the business or affairs of the Construction Manager.

§ 7.8.2 If any of the costs to be reimbursed arise from a transaction between the Construction Manager and a related party, the Construction Manager shall notify the Owner of the specific nature of the contemplated transaction, including the identity of the related party and the anticipated cost to be incurred, before any such transaction is consummated or cost incurred. If the Owner, after such notification, authorizes the proposed transaction in writing, then the cost incurred shall be included as a cost to be reimbursed, and the Construction Manager shall procure the Work, equipment, goods, or service, from the related party, as a Subcontractor, according to the terms of Article 9. If the Owner fails to authorize the transaction in writing, the Construction Manager shall procure the Work, equipment, goods, or service from some person or entity other than a related party according to the terms of Article 9.

§ 7.9 Costs Not To Be Reimbursed

§ 7.9.1 The Cost of the Work shall not include the items listed below:

- .1 Salaries and other compensation of the Construction Manager’s personnel stationed at the Construction Manager’s principal office or offices other than the site office, except as specifically provided in Section 7.2, or as may be provided in Article 14;
- .2 Bonuses, profit sharing, incentive compensation, and any other discretionary payments, paid to anyone hired by the Construction Manager or paid to any Subcontractor or vendor, unless the Owner has provided prior approval;
- .3 Expenses of the Construction Manager’s principal office and offices other than the site office;
- .4 Overhead and general expenses, except as may be expressly included in Sections 7.1 to 7.7;
- .5 The Construction Manager’s capital expenses, including interest on the Construction Manager’s capital employed for the Work;
- .6 Except as provided in Section 7.7.3 of this Agreement, costs due to the negligence of, or failure to fulfill a specific responsibility of the Contract by, the Construction Manager, Subcontractors, and suppliers, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable;
- .7 Any cost not specifically and expressly described in Sections 7.1 to 7.7;
- .8 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded;

ARTICLE 8 DISCOUNTS, REBATES, AND REFUNDS

§ 8.1 Cash discounts obtained on payments made by the Construction Manager shall accrue to the Owner if (1) before making the payment, the Construction Manager included the amount to be paid, less such discount, in an Application for Payment and received payment from the Owner, or (2) the Owner has deposited funds with the Construction Manager with which to make payments; otherwise, cash discounts shall accrue to the Construction Manager. Trade discounts, rebates, refunds, and amounts received from sales of surplus materials and equipment shall accrue to the Owner, and the Construction Manager shall make provisions so that they can be obtained.

§ 8.2 Amounts that accrue to the Owner in accordance with the provisions of Section 8.1 shall be credited to the Owner as a deduction from the Cost of the Work.

ARTICLE 9 SUBCONTRACTS AND OTHER AGREEMENTS

§ 9.1 Those portions of the Work that the Construction Manager does not customarily perform with the Construction Manager’s own personnel shall be performed under subcontracts or other appropriate agreements with the Construction Manager. The Owner may designate specific persons from whom, or entities from which, the Construction Manager shall obtain bids. The Construction Manager shall obtain bids from Subcontractors, and from suppliers of materials or equipment fabricated especially for the Work, who are qualified to perform that portion of the Work in accordance with the requirements of the Contract Documents. The Construction Manager shall deliver such bids to the Architect and Owner with an indication as to which bids the Construction Manager intends to accept. The Owner then has the right to review the Construction Manager’s list of proposed subcontractors and suppliers in consultation with the Architect and,

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subject to Section 9.1.1, to object to any subcontractor or supplier. Any advice of the Architect, or approval or objection by the Owner, shall not relieve the Construction Manager of its responsibility to perform the Work in accordance with the Contract Documents. The Construction Manager shall not be required to contract with anyone to whom the Construction Manager has reasonable objection.

§ 9.1.1 When a specific subcontractor or supplier (1) is recommended to the Owner by the Construction Manager; (2) is qualified to perform that portion of the Work; and (3) has submitted a bid that conforms to the requirements of the Contract Documents without reservations or exceptions, but the Owner requires that another bid be accepted, then the Construction Manager may require that a Change Order be issued to adjust the Guaranteed Maximum Price by the difference between the bid of the person or entity recommended to the Owner by the Construction Manager and the amount of the subcontract or other agreement actually signed with the person or entity designated by the Owner.

§ 9.2 Subcontracts or other agreements shall conform to the applicable payment provisions of this Agreement, and shall not be awarded on the basis of cost plus a fee without the Owner's prior written approval. If a subcontract is awarded on the basis of cost plus a fee, the Construction Manager shall provide in the subcontract for the Owner to receive the same audit rights with regard to the Subcontractor as the Owner receives with regard to the Construction Manager in Article 10.

ARTICLE 10 ACCOUNTING RECORDS

The Construction Manager shall keep full and detailed records and accounts related to the Cost of the Work, and exercise such controls, as may be necessary for proper financial management under this Contract and to substantiate all costs incurred. The accounting and control systems shall be satisfactory to the Owner. The Owner and the Owner's auditors shall, during regular business hours and upon reasonable notice, be afforded access to, and shall be permitted to audit and copy, the Construction Manager's records and accounts, including complete documentation supporting accounting entries, books, job cost reports, correspondence, instructions, drawings, receipts, subcontracts, Subcontractor's proposals, Subcontractor's invoices, purchase orders, vouchers, memoranda, and other data relating to this Contract. The Construction Manager shall preserve these records for a period of three years after final payment, or for such longer period as may be required by law.

ARTICLE 11 PAYMENTS FOR CONSTRUCTION PHASE SERVICES

§ 11.1 Progress Payments

§ 11.1.1 Based upon Applications for Payment submitted to the Architect by the Construction Manager, and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum, to the Construction Manager, as provided below and elsewhere in the Contract Documents.

§ 11.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

§ 11.1.3 Provided that an Application for Payment is received by the Architect not later than the 25th day of a month, the Owner shall make payment of the amount certified to the Construction Manager not later than the 10th day of the following month. If an Application for Payment is received by the Architect after the application date fixed above, payment of the amount certified shall be made by the Owner not later than fifteen (15) days after the Architect receives the Application for Payment.

(Federal, state or local laws may require payment within a certain period of time.)

§ 11.1.4 With each Application for Payment, the Construction Manager shall submit a **Conditional Waiver and Release of Mechanic's Lien**.

§ 11.1.5 Each Application for Payment shall be based on the most recent schedule of values submitted by the Construction Manager in accordance with the Contract Documents. The schedule of values shall allocate the entire Guaranteed Maximum Price among: (1) the various portions of the Work; (2) any contingency for costs that are included in the Guaranteed Maximum Price but not otherwise allocated to another line item or included in a Change Order; and (3) the Construction Manager's Fee.

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§ 11.1.5.1 The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. The schedule of values shall be used as a basis for reviewing the Construction Manager's Applications for Payment.

§ 11.1.5.2 The allocation of the Guaranteed Maximum Price under this Section 11.1.5 shall not constitute a separate guaranteed maximum price for the Cost of the Work of each individual line item in the schedule of values.

§ 11.1.5.3 When the Construction Manager allocates costs from a contingency to another line item in the schedule of values, the Construction Manager shall submit supporting documentation to the Architect.

§ 11.1.6 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed, or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Construction Manager on account of that portion of the Work and for which the Construction Manager has made payment or intends to make payment prior to the next Application for Payment, by (b) the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values.

§ 11.1.7 In accordance with AIA Document A201-2017 and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 11.1.7.1 The amount of each progress payment shall first include:

- .1 That portion of the Guaranteed Maximum Price properly allocable to completed Work as determined by multiplying the percentage of completion of each portion of the Work by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the most recent schedule of values;
- .2 That portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction or, if approved in writing in advance by the Owner, suitably stored off the site at a location agreed upon in writing;
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified; and
- .4 The Construction Manager's Fee, computed upon the Cost of the Work described in the preceding Sections 11.1.7.1.1 and 11.1.7.1.2 at the rate stated in Section 6.1.2 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work included in Sections 11.1.7.1.1 and 11.1.7.1.2 bears to a reasonable estimate of the probable Cost of the Work upon its completion.

§ 11.1.7.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A201-2017;
- .3 Any amount for which the Construction Manager does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Construction Manager intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A201-2017;
- .5 The shortfall, if any, indicated by the Construction Manager in the documentation required by Section 11.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and
- .6 Retainage withheld pursuant to Section 11.1.8.

§ 11.1.8 Retainage

§ 11.1.8.1 For each progress payment made prior to Substantial Completion of the Work, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)

Five Percent (5%)

§ 11.1.8.1.1 The following items are not subject to retainage:
(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)

Cost of Bonds, Insurance, Permits, General Conditions, and Construction Manager's Fee

§ 11.1.8.2 Reduction or limitation of retainage, if any, shall be as follows:
(If the retainage established in Section 11.1.8.1 is to be modified prior to Substantial Completion of the entire Work, insert provisions for such modification.)

When the project is fifty percent (50%) complete the retainage percentage withheld on the Contractor by the Owner will be reduced to two-and-one-half percent (2.5%) and remain at two-and-one-half percent (2.5%) until Substantial Completion.

§ 11.1.8.3 Except as set forth in this Section 11.1.8.3, upon Substantial Completion of the Work, the Construction Manager may submit an Application for Payment that includes the retainage withheld from prior Applications for Payment pursuant to this Section 11.1.8. The Application for Payment submitted at Substantial Completion shall not include retainage as follows:
(Insert any other conditions for release of retainage, such as upon completion of the Owner's audit and reconciliation, upon Substantial Completion.)

Upon achieving Substantial Completion, the Owner will withhold one hundred fifty percent (150%) of the cost of outstanding punch list items and release the balance of retainage to the Contractor.

§ 11.1.9 If final completion of the Work is materially delayed through no fault of the Construction Manager, the Owner shall pay the Construction Manager any additional amounts in accordance with Article 9 of AIA Document A201-2017.

§ 11.1.10 Except with the Owner's prior written approval, the Construction Manager shall not make advance payments to suppliers for materials or equipment which have not been delivered and suitably stored at the site.

§ 11.1.11 The Owner and the Construction Manager shall agree upon a mutually acceptable procedure for review and approval of payments to subcontractors, and the percentage of retainage held on Subcontracts, and the Construction Manager shall execute subcontracts in accordance with those agreements.

§ 11.1.12 In taking action on the Construction Manager's Applications for Payment the Architect shall be entitled to rely on the accuracy and completeness of the information furnished by the Construction Manager, and such action shall not be deemed to be a representation that (1) the Architect has made a detailed examination, audit, or arithmetic verification, of the documentation submitted in accordance with Section 11.1.4 or other supporting data; (2) that the Architect has made exhaustive or continuous on-site inspections; or (3) that the Architect has made examinations to ascertain how or for what purposes the Construction Manager has used amounts previously paid on account of the Contract. Such examinations, audits, and verifications, if required by the Owner, will be performed by the Owner's auditors acting in the sole interest of the Owner.

§ 11.2 Final Payment

§ 11.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Construction Manager when

- .1 the Construction Manager has fully performed the Contract, except for the Construction Manager's responsibility to correct Work as provided in Article 12 of AIA Document A201-2017, and to satisfy other requirements, if any, which extend beyond final payment;
- .2 the Construction Manager has submitted a final accounting for the Cost of the Work and a final Application for Payment; and
- .3 a final Certificate for Payment has been issued by the Architect in accordance with Section 11.2.2.2.

§ 11.2.2 Within 30 days of the Owner's receipt of the Construction Manager's final accounting for the Cost of the Work, the Owner shall conduct an audit of the Cost of the Work or notify the Architect that it will not conduct an audit.

§ 11.2.2.1 If the Owner conducts an audit of the Cost of the Work, the Owner shall, within 10 days after completion of the audit, submit a written report based upon the auditors' findings to the Architect.

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§ 11.2.2.2 Within seven days after receipt of the written report described in Section 11.2.2.1, or receipt of notice that the Owner will not conduct an audit, and provided that the other conditions of Section 11.2.1 have been met, the Architect will either issue to the Owner a final Certificate for Payment with a copy to the Construction Manager, or notify the Construction Manager and Owner in writing of the Architect's reasons for withholding a certificate as provided in Article 9 of AIA Document A201–2017. The time periods stated in this Section 11.2.2 supersede those stated in Article 9 of AIA Document A201–2017. The Architect is not responsible for verifying the accuracy of the Construction Manager's final accounting.

§ 11.2.2.3 If the Owner's auditors' report concludes that the Cost of the Work, as substantiated by the Construction Manager's final accounting, is less than claimed by the Construction Manager, the Construction Manager shall be entitled to request mediation of the disputed amount without seeking an initial decision pursuant to Article 15 of AIA Document A201–2017. A request for mediation shall be made by the Construction Manager within 30 days after the Construction Manager's receipt of a copy of the Architect's final Certificate for Payment. Failure to request mediation within this 30-day period shall result in the substantiated amount reported by the Owner's auditors becoming binding on the Construction Manager. Pending a final resolution of the disputed amount, the Owner shall pay the Construction Manager the amount certified in the Architect's final Certificate for Payment.

§ 11.2.3 The Owner's final payment to the Construction Manager shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment, or as follows:

§ 11.2.4 If, subsequent to final payment, and at the Owner's request, the Construction Manager incurs costs, described in Sections 7.1 through 7.7, and not excluded by Section 7.9, to correct defective or nonconforming Work, the Owner shall reimburse the Construction Manager for such costs, and the Construction Manager's Fee applicable thereto, on the same basis as if such costs had been incurred prior to final payment, but not in excess of the Guaranteed Maximum Price. If adjustments to the Contract Sum are provided for in Section 6.1.7, the amount of those adjustments shall be recalculated, taking into account any reimbursements made pursuant to this Section 11.2.4 in determining the net amount to be paid by the Owner to the Construction Manager.

§ 11.3 Interest

Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

(Insert rate of interest agreed upon, if any.)

Twelve Percent (12%) per annum

ARTICLE 12 DISPUTE RESOLUTION

§ 12.1 Initial Decision Maker

§ 12.1.1 Any Claim between the Owner and Construction Manager shall be resolved in accordance with the provisions set forth in this Article 12 and Article 15 of A201–2017. However, for Claims arising from or relating to the Construction Manager's Preconstruction Phase services, no decision by the Initial Decision Maker shall be required as a condition precedent to mediation or binding dispute resolution, and Section 12.1.2 of this Agreement shall not apply.

§ 12.1.2 The Architect will serve as the Initial Decision Maker pursuant to Article 15 of AIA Document A201–2017 for Claims arising from or relating to the Construction Manager's Construction Phase services, unless the parties appoint below another individual, not a party to the Agreement, to serve as the Initial Decision Maker.

(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)

§ 12.2 Binding Dispute Resolution

For any Claim subject to, but not resolved by mediation pursuant to Article 15 of AIA Document A201–2017, the method of binding dispute resolution shall be as follows:

(Check the appropriate box.)

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- Arbitration pursuant to Article 15 of AIA Document A201–2017
- Litigation in a court of competent jurisdiction
- Other: *(Specify)*

If the Owner and Construction Manager do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

ARTICLE 13 TERMINATION OR SUSPENSION

§ 13.1 Termination Prior to Execution of the Guaranteed Maximum Price Amendment

§ 13.1.1 If the Owner and the Construction Manager do not reach an agreement on the Guaranteed Maximum Price, the Owner may terminate this Agreement upon not less than seven days’ written notice to the Construction Manager, and the Construction Manager may terminate this Agreement, upon not less than seven days’ written notice to the Owner.

§ 13.1.2 In the event of termination of this Agreement pursuant to Section 13.1.1, the Construction Manager shall be compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination, in accordance with the terms of this Agreement. In no event shall the Construction Manager’s compensation under this Section exceed the compensation set forth in Section 5.1.

§ 13.1.3 Prior to the execution of the Guaranteed Maximum Price Amendment, the Owner may terminate this Agreement upon not less than seven days’ written notice to the Construction Manager for the Owner’s convenience and without cause, and the Construction Manager may terminate this Agreement, upon not less than seven days’ written notice to the Owner, for the reasons set forth in Article 14 of A201–2017.

§ 13.1.4 In the event of termination of this Agreement pursuant to Section 13.1.3, the Construction Manager shall be equitably compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination. In no event shall the Construction Manager’s compensation under this Section exceed the compensation set forth in Section 5.1.

§ 13.1.5 If the Owner terminates the Contract pursuant to Section 13.1.3 after the commencement of the Construction Phase but prior to the execution of the Guaranteed Maximum Price Amendment, the Owner shall pay to the Construction Manager an amount calculated as follows, which amount shall be in addition to any compensation paid to the Construction Manager under Section 13.1.4:

- 1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- 2 Add the Construction Manager’s Fee computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager’s Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion; and
- 3 Subtract the aggregate of previous payments made by the Owner for Construction Phase services.
- 4 **Add a termination fee equal to Twenty-Five percent (25%) of Construction Manager’s originally calculated fee**

§ 13.1.6 The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.1.5.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders. All Subcontracts, purchase orders and rental agreements entered into by the Construction Manager will contain provisions allowing for assignment to the Owner as described above.

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§ 13.1.6.1 If the Owner accepts assignment of subcontracts, purchase orders or rental agreements as described above, the Owner will reimburse or indemnify the Construction Manager for all costs arising under the subcontract, purchase order or rental agreement, if those costs would have been reimbursable as Cost of the Work if the contract had not been terminated. If the Owner chooses not to accept assignment of any subcontract, purchase order or rental agreement that would have constituted a Cost of the Work had this agreement not been terminated, the Construction Manager will terminate the subcontract, purchase order or rental agreement and the Owner will pay the Construction Manager the costs necessarily incurred by the Construction Manager because of such termination.

§ 13.2 Termination or Suspension Following Execution of the Guaranteed Maximum Price Amendment

§ 13.2.1 Termination

The Contract may be terminated by the Owner or the Construction Manager as provided in Article 14 of AIA Document A201–2017.

§ 13.2.2 Termination by the Owner for Cause

§ 13.2.2.1 If the Owner terminates the Contract for cause as provided in Article 14 of AIA Document A201–2017, the amount, if any, to be paid to the Construction Manager under Article 14 of AIA Document A201–2017 shall not cause the Guaranteed Maximum Price to be exceeded, nor shall it exceed an amount calculated as follows:

- .1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- .2 Add the Construction Manager’s Fee, computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager’ Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion;
- .3 Subtract the aggregate of previous payments made by the Owner; and
- .4 Subtract the costs and damages incurred, or to be incurred, by the Owner under Article 14 of AIA Document A201–2017.

§ 13.2.2.2 The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.2.2.1.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders.

§ 13.2.3 Termination by the Owner for Convenience

If the Owner terminates the Contract for convenience in accordance with Article 14 of AIA Document A201–2017, then the Owner shall pay the Construction Manager a termination fee as follows:

(Insert the amount of or method for determining the fee, if any, payable to the Construction Manager following a termination for the Owner’s convenience.)

Construction Manager will be paid under the contract provisions up to termination date plus (1) any and all costs associated with such termination and (2) Contractor’s Fee for all Work not completed.

§ 13.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201–2017; in such case, the Guaranteed Maximum Price and Contract Time shall be increased as provided in Article 14 of AIA Document A201–2017, except that the term "profit" shall be understood to mean the Construction Manager’s Fee as described in Sections 6.1 and 6.3.5 of this Agreement.

ARTICLE 14 MISCELLANEOUS PROVISIONS

§ 14.1 Terms in this Agreement shall have the same meaning as those in A201–2017. Where reference is made in this Agreement to a provision of AIA Document A201–2017 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

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§ 14.2 Successors and Assigns

§ 14.2.1 The Owner and Construction Manager, respectively, bind themselves, their partners, successors, assigns and legal representatives to covenants, agreements, and obligations contained in the Contract Documents. Except as provided in Section 14.2.2 of this Agreement, and in Section 13.2.2 of A201–2017, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 14.2.2 The Owner may, without consent of the Construction Manager, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner’s rights and obligations under the Contract Documents. The Construction Manager shall execute all consents reasonably required to facilitate the assignment.

§ 14.3 Insurance and Bonds

§ 14.3.1 Preconstruction Phase

The Construction Manager shall maintain the following insurance for the duration of the Preconstruction Services performed under this Agreement. If any of the requirements set forth below exceed the types and limits the Construction Manager normally maintains, the Owner shall reimburse the Construction Manager for any additional cost.

§ 14.3.1.1 Commercial General Liability with policy limits of not less than **One Million Dollars and 00/100 (\$1,000,000.00)** for each occurrence and **Two Million Dollars and 00/100 (\$2,000,000.00)** in the aggregate for bodily injury and property damage.

§ 14.3.1.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager with policy limits of not less than **One Million Dollars and 00/100 (\$1,000,000.00)** per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 14.3.1.3 The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided that such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required under Sections 14.3.1.1 and 14.3.1.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 14.3.1.4 Workers’ Compensation at statutory limits and Employers Liability with policy limits not less than **One Million Dollars and 00/100 (\$1,000,000.00)** each accident, **One Million Dollars and 00/100 (\$1,000,000.00)** each employee, and **One Million Dollars and 00/100 (\$1,000,000.00)** policy limit.

§ 14.3.1.5 Not Used

§ 14.3.1.6 Other Insurance

(List below any other insurance coverage to be provided by the Construction Manager and any applicable limits.)

Coverage	Limits
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§ 14.3.1.7 Additional Insured Obligations. To the fullest extent permitted by law, the Construction Manager shall cause the primary and excess or umbrella policies for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Construction Manager’s negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner’s insurance policies and shall apply to both ongoing and completed operations.

§ 14.3.1.8 The Construction Manager shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 14.3.1.

§ 14.3.2 Construction Phase

After execution of the Guaranteed Maximum Price Amendment, the Owner and the Construction Manager shall purchase and maintain insurance as set forth in AIA Document A133™–2019, Standard Form of Agreement Between Owner and

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Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price, Exhibit B, Insurance and Bonds, and elsewhere in the Contract Documents.

§ 14.3.2.1 The Construction Manager shall provide bonds as set forth in AIA Document A133™–2019 Exhibit B, and elsewhere in the Contract Documents.

§ 14.4 Notice in electronic format, pursuant to Article 1 of AIA Document A201–2017, may be given in accordance with AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, if completed, or as otherwise set forth below:

(If other than in accordance with AIA Document E203–2013, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)

Notices shall be delivered electronically to the individuals executing the Agreement.

§ 14.5 Other provisions:

N/A

ARTICLE 15 SCOPE OF THE AGREEMENT

§ 15.1 This Agreement represents the entire and integrated agreement between the Owner and the Construction Manager and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Construction Manager.

§ 15.2 The following documents comprise the Agreement:

- .1 AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price
- .2 AIA Document A133™–2019, Exhibit A, Guaranteed Maximum Price Amendment, if executed
- .3 AIA Document A133™–2019, Exhibit B, Insurance and Bonds
- .4 AIA Document A201™–2017, General Conditions of the Contract for Construction

.6 Other Exhibits:
(Check all boxes that apply.)

Supplementary and other Conditions of the Contract:

Document	Title	Date	Pages
----------	-------	------	-------

.7 Other documents, if any, listed below:
(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A201–2017 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Construction Manager's bid or proposal, portions of Addenda relating to bidding or proposal requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals, are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)

Exhibit C – Preconstruction Scope of Services
Exhibit D – Preconstruction Services Fee

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User Notes:

(2052020850)

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

DocuSigned by:

Michelle Wood

BDE8C0DAFB0A4F4...

Finance Officer, City of Mount Holly, NC

6/27/2025

Date

This Agreement is entered into as of the day and year first written above.

CITY OF MOUNT HOLLY, NC

EDIFICE, LLC

Signed by:

Jonathan Blanton

F48591900EE74BA
OWNER (Signature)

Jonathan Blanton

(Printed name and title)



CONSTRUCTION MANAGER (Signature)

Executive Vice President

(Printed name and title)

Init.

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AIA Document A133[®] – 2019 Exhibit B

Insurance and Bonds

This Insurance and Bonds Exhibit is part of the Agreement, between the Owner and the Construction Manager, dated the **25th** day of **June** in the year **2025**.
(In words, indicate day, month and year.)

for the following **PROJECT**:
(Name and location or address)

911 Communication Center Upgrade Project
400 E Central Ave
Mount Holly, North Carolina 28120

THE OWNER:
(Name, legal status, and address)

The City of Mount Holly
400 E. Central Avenue
Mount Holly, North Carolina 28120
704.827.3931

THE CONSTRUCTION MANAGER:
(Name, legal status, and address)

Edifice, LLC
4111 South Blvd (28209)
Post Office Box 36349
Charlotte, North Carolina 28236
Telephone: 704-332-0900

TABLE OF ARTICLES

- B.1 GENERAL**
- B.2 OWNER'S INSURANCE**
- B.3 CONSTRUCTION MANAGER'S INSURANCE AND BONDS**
- B.4 SPECIAL TERMS AND CONDITIONS**

ARTICLE B.1 GENERAL

The Owner and Construction Manager shall purchase and maintain insurance, and provide bonds, as set forth in this Exhibit. As used in this Exhibit, the term General Conditions refers to AIA Document A201[™]-2017, General Conditions of the Contract for Construction.

ARTICLE B.2 OWNER'S INSURANCE

§ B.2.1 General

Prior to commencement of the Work, the Owner shall secure the insurance, and provide evidence of the coverage, required under this Article B.2 and, upon the Construction Manager's request, provide a copy of the property insurance policy or policies required by

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Document A201[™]-2017, General Conditions of the Contract for Construction. Article 11 of A201[™]-2017 contains additional insurance provisions.

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(1886071661)

Section B.2.3. The copy of the policy or policies provided shall contain all applicable conditions, definitions, exclusions, and endorsements.

§ B.2.2 Liability Insurance

The Owner shall be responsible for purchasing and maintaining the Owner’s usual general liability insurance.

§ B.2.3 Required Property Insurance

§ B.2.3.1 Unless this obligation is placed on the Construction Manager pursuant to Section B.3.3.2.1, the Owner shall purchase and maintain, from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located, property insurance written on a builder’s risk "all-risks" completed value or equivalent policy form and sufficient to cover the total value of the entire Project on a replacement cost basis. The Owner’s property insurance coverage shall be no less than the amount of the initial Contract Sum, plus the value of subsequent Modifications and labor performed and materials or equipment supplied by others. The property insurance shall be maintained until Substantial Completion and thereafter as provided in Section B.2.3.1.3, unless otherwise provided in the Contract Documents or otherwise agreed in writing by the parties to this Agreement. This insurance shall include the interests of the Owner, Construction Manager, Subcontractors, and Sub-subcontractors in the Project as insureds. This insurance shall include the interests of mortgagees as loss payees.

§ B.2.3.1.1 Causes of Loss. The insurance required by this Section B.2.3.1 shall provide coverage for direct physical loss or damage, and shall not exclude the risks of fire, explosion, theft, vandalism, malicious mischief, collapse, earthquake, flood, or windstorm. The insurance shall also provide coverage for ensuing loss or resulting damage from error, omission, or deficiency in construction methods, design, specifications, workmanship, or materials. Sub-limits, if any, are as follows:

(Indicate below the cause of loss and any applicable sub-limit.)

Cause of Loss	Sub-Limit
---------------	-----------

§ B.2.3.1.2 Specific Required Coverages. The insurance required by this Section B.2.3.1 shall provide coverage for loss or damage to falsework and other temporary structures, and to building systems from testing and startup. The insurance shall also cover debris removal, including demolition occasioned by enforcement of any applicable legal requirements, and reasonable compensation for the Architect’s and Construction Manager’s services and expenses required as a result of such insured loss, including claim preparation expenses. Sub-limits, if any, are as follows:

(Indicate below type of coverage and any applicable sub-limit for specific required coverages.)

Coverage	Sub-Limit
----------	-----------

§ B.2.3.1.3 Unless the parties agree otherwise, upon Substantial Completion, the Owner shall continue the insurance required by Section B.2.3.1 or, if necessary, replace the insurance policy required under Section B.2.3.1 with property insurance written for the total value of the Project that shall remain in effect until expiration of the period for correction of the Work set forth in Section 12.2.2 of the General Conditions.

§ B.2.3.1.4 Deductibles and Self-Insured Retentions. If the insurance required by this Section B.2.3 is subject to deductibles or self-insured retentions, the Owner shall be responsible for all loss not covered because of such deductibles or retentions.

§ B.2.3.2 Occupancy or Use Prior to Substantial Completion. The Owner’s occupancy or use of any completed or partially completed portion of the Work prior to Substantial Completion shall not commence until the insurance company or companies providing the insurance under Section B.2.3.1 have consented in writing to the continuance of coverage. The Owner and the Construction Manager shall take no action with respect to partial occupancy or use that would cause cancellation, lapse, or reduction of insurance, unless they agree otherwise in writing.

§ B.2.3.3 Insurance for Existing Structures

If the Work involves remodeling an existing structure or constructing an addition to an existing structure, the Owner shall purchase and maintain, until the expiration of the period for correction of Work as set forth in Section 12.2.2 of

the General Conditions, "all-risks" property insurance, on a replacement cost basis, protecting the existing structure against direct physical loss or damage from the causes of loss identified in Section B.2.3.1, notwithstanding the undertaking of the Work. The Owner shall be responsible for all co-insurance penalties.

§ B.2.4 Optional Extended Property Insurance.

The Owner shall purchase and maintain the insurance selected and described below.

(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. For each type of insurance selected, indicate applicable limits of coverage or other conditions in the fill point below the selected item.)

- § B.2.4.1 Loss of Use, Business Interruption, and Delay in Completion Insurance**, to reimburse the Owner for loss of use of the Owner's property, or the inability to conduct normal operations due to a covered cause of loss.

- § B.2.4.2 Ordinance or Law Insurance**, for the reasonable and necessary costs to satisfy the minimum requirements of the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement or use of the Project.

- § B.2.4.3 Expediting Cost Insurance**, for the reasonable and necessary costs for the temporary repair of damage to insured property, and to expedite the permanent repair or replacement of the damaged property.

- § B.2.4.4 Extra Expense Insurance**, to provide reimbursement of the reasonable and necessary excess costs incurred during the period of restoration or repair of the damaged property that are over and above the total costs that would normally have been incurred during the same period of time had no loss or damage occurred.

- § B.2.4.5 Civil Authority Insurance**, for losses or costs arising from an order of a civil authority prohibiting access to the Project, provided such order is the direct result of physical damage covered under the required property insurance.

- § B.2.4.6 Ingress/Egress Insurance**, for loss due to the necessary interruption of the insured's business due to physical prevention of ingress to, or egress from, the Project as a direct result of physical damage.

- § B.2.4.7 Soft Costs Insurance**, to reimburse the Owner for costs due to the delay of completion of the Work, arising out of physical loss or damage covered by the required property insurance: including construction loan fees; leasing and marketing expenses; additional fees, including those of architects, engineers, consultants, attorneys and accountants, needed for the completion of the construction, repairs, or reconstruction; and carrying costs such as property taxes, building permits, additional interest on loans, realty taxes, and insurance premiums over and above normal expenses.

Init.

§ B.2.5 Other Optional Insurance.

The Owner shall purchase and maintain the insurance selected below.

(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance.)

§ B.2.5.1 Cyber Security Insurance for loss to the Owner due to data security and privacy breach, including costs of investigating a potential or actual breach of confidential or private information. *(Indicate applicable limits of coverage or other conditions in the fill point below.)*

§ B.2.5.2 Other Insurance
(List below any other insurance coverage to be provided by the Owner and any applicable limits.)

Coverage

Limits

ARTICLE B.3 CONSTRUCTION MANAGER'S INSURANCE AND BONDS

§ B.3.1 General

§ B.3.1.1 Certificates of Insurance. The Construction Manager shall provide certificates of insurance acceptable to the Owner evidencing compliance with the requirements in this Article B.3 at the following times: (1) prior to commencement of the Work; (2) upon renewal or replacement of each required policy of insurance; and (3) upon the Owner's written request. An additional certificate evidencing continuation of commercial liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment and thereafter upon renewal or replacement of such coverage until the expiration of the periods required by Section B.3.2.1 and Section B.3.3.1. The certificates will show the Owner as an additional insured on the Construction Manager's Commercial General Liability and excess or umbrella liability policy or policies.

§ B.3.1.2 Deductibles and Self-Insured Retentions. The Construction Manager shall disclose to the Owner upon request any deductible or self-insured retentions applicable to any insurance required to be provided by the Construction Manager.

§ B.3.1.3 Additional Insured Obligations. To the fullest extent permitted by law, the Construction Manager shall cause the commercial general liability coverage to include (1) the Owner, the Architect, the Architect's consultants, and lender upon request as additional insureds for claims caused in whole or in part by the Construction Manager's negligent acts or omissions during the Construction Manager's operations; and (2) the Owner as an additional insured for claims caused in whole or in part by the Construction Manager's negligent acts or omissions for which loss occurs during completed operations. The additional insured coverage shall be primary and non-contributory to any of the Owner's general liability insurance policies and shall apply to both ongoing and completed operations. To the extent commercially available, the additional insured coverage shall be no less than that provided by Insurance Services Office, Inc. (ISO) forms CG 20 10 12 19, CG 20 37 12 19, and, with respect to the Architect and the Architect's consultants, CG 20 32 12 19.

§ B.3.2 Construction Manager's Required Insurance Coverage

§ B.3.2.1 The Construction Manager shall purchase and maintain the following types and limits of insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Construction Manager shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below: *(If the Construction Manager is required to maintain insurance for a duration other than the expiration of the period for correction of Work, state the duration.)*

§ B.3.2.2 Commercial General Liability

§ B.3.2.2.1 Commercial General Liability insurance for the Project written on an occurrence form with policy limits of not less than **One Million Dollars and 00/100 (\$1,000,000.00)** each occurrence, **Two Million Dollars and 00/100**

(\$2,000,000.00) general aggregate, and **Two Million Dollars and 00/00 (\$2,000,000.00)** aggregate for products-completed operations hazard, providing coverage for claims including

- .1 damages because of bodily injury, sickness or disease, including occupational sickness or disease, and death of any person;
- .2 personal injury and advertising injury;
- .3 damages because of physical damage to or destruction of tangible property, including the loss of use of such property;
- .4 bodily injury or property damage arising out of completed operations; and
- .5 the Construction Manager's indemnity obligations under Section 3.18 of the General Conditions.

§ **B.3.2.2.2** The Construction Manager's Commercial General Liability policy under this Section B.3.2.2 shall not contain an exclusion or restriction of coverage for the following:

- .1 Claims by one insured against another insured, if the exclusion or restriction is based solely on the fact that the claimant is an insured, and there would otherwise be coverage for the claim.
- .2 Claims for property damage to the Construction Manager's Work arising out of the products-completed operations hazard where the damaged Work or the Work out of which the damage arises was performed by a Subcontractor.
- .3 Claims for bodily injury other than to employees of the insured.
- .4 Claims for indemnity under Section 3.18 of the General Conditions arising out of injury to employees of the insured.
- .5 Claims or loss excluded under a prior work endorsement or other similar exclusionary language.
- .6 Claims or loss due to physical damage under a prior injury endorsement or similar exclusionary language.
- .7 Claims related to residential, multi-family, or other habitational projects, if the Work is to be performed on such a project.
- .8 Claims related to roofing, if the Work involves roofing.
- .9 Claims related to earth subsidence or movement, where the Work involves such hazards.
- .10 Claims related to explosion, collapse and underground hazards, where the Work involves such hazards.

§ **B.3.2.3** Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager, with policy limits of not less than **One Million Dollars and 00/100 (\$1,000,000.00)** per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles along with any other statutorily required automobile coverage.

§ **B.3.2.4** The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella insurance policies result in the same or greater coverage as the coverages required under Section B.3.2.2 and B.3.2.3, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ **B.3.2.5** Workers' Compensation at statutory limits.

§ **B.3.2.6** Employers' Liability with policy limits not less than **One Million Dollars and 00/100 (\$1,000,000.00)** each accident, **One Million Dollars and 00/100 (\$1,000,000.00)** each employee, and **One Million Dollars and 00/100 (\$1,000,000.00)** policy limit.

§ **B.3.2.7** Intentionally Omitted.

§ **B.3.2.8** Intentionally Omitted.

§ **B.3.2.9** Intentionally Omitted.

§ **B.3.2.10** Intentionally Omitted.

§ **B.3.2.11** Intentionally Omitted.

§ **B.3.2.12** Intentionally Omitted.

§ B.3.3 Construction Manager's Other Insurance Coverage

§ B.3.3.1 Insurance selected and described in this Section B.3.3 shall be purchased from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Construction Manager shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

(If the Construction Manager is required to maintain any of the types of insurance selected below for a duration other than the expiration of the period for correction of Work, state the duration.)

§ B.3.3.2 The Construction Manager shall purchase and maintain the following types and limits of insurance in accordance with Section B.3.3.1.

(Select the types of insurance the Construction Manager is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. Where policy limits are provided, include the policy limit in the appropriate fill point.)

§ B.3.3.2.1 Property insurance of the same type and scope satisfying the requirements identified in Section B.2.3, which, if selected in this Section B.3.3.2.1, relieves the Owner of the responsibility to purchase and maintain such insurance except insurance required by Section B.2.3.1.3 and Section B.2.3.3. The Construction Manager shall comply with all obligations of the Owner under Section B.2.3 except to the extent provided below. The Construction Manager shall disclose to the Owner the amount of any deductible, and the Owner shall be responsible for losses within the deductible. Upon request, the Construction Manager shall provide the Owner with a copy of the property insurance policy or policies required. The Owner shall adjust and settle the loss with the insurer and be the trustee of the proceeds of the property insurance in accordance with Article 11 of the General Conditions unless otherwise set forth below:

(Where the Construction Manager's obligation to provide property insurance differs from the Owner's obligations as described under Section B.2.3, indicate such differences in the space below. Additionally, if a party other than the Owner will be responsible for adjusting and settling a loss with the insurer and acting as the trustee of the proceeds of property insurance in accordance with Article 11 of the General Conditions, indicate the responsible party below.)

Construction Manager will be responsible for adjusting and settling a loss with the insurer and acting as the trustee of the proceeds of property insurance in accordance with Article 2 of the General Conditions.

§ B.3.3.2.2 Railroad Protective Liability Insurance, with policy limits of not less than (\$) per claim and (\$) in the aggregate, for Work within fifty (50) feet of railroad property.

§ B.3.3.2.3 Asbestos Abatement Liability Insurance, with policy limits of not less than (\$) per claim and (\$) in the aggregate, for liability arising from the encapsulation, removal, handling, storage, transportation, and disposal of asbestos-containing materials.

§ B.3.3.2.4 Insurance for physical damage to property while it is in storage and in transit to the construction site on an "all-risks" completed value form.

§ B.3.3.2.5 Property insurance on an "all-risks" completed value form, covering property owned by the Construction Manager and used on the Project, including scaffolding and other equipment.

§ B.3.3.2.6 Other Insurance
(List below any other insurance coverage to be provided by the Construction Manager and any applicable limits.)

Coverage

Limits

Init.

§ B.3.4 Performance Bond and Payment Bond

The Construction Manager shall provide surety bonds, from a company or companies lawfully authorized to issue surety bonds in the jurisdiction where the Project is located, as follows:
(Specify type and penal sum of bonds.)

Type	Penal Sum (\$0.00)
Payment Bond	
Performance Bond	

Payment and Performance Bonds shall be AIA Document A312™, Payment Bond and Performance Bond, or contain provisions identical to AIA Document A312™, current as of the date of this Agreement.

ARTICLE B.4 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Insurance and Bonds Exhibit, if any, are as follows:

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AIA[®] Document A201[®] – 2017

General Conditions of the Contract for Construction

for the following PROJECT:
(Name and location or address)

911 Communication Center Upgrade Project
400 E Central Ave
Mount Holly, North Carolina 28120
THE OWNER:
(Name, legal status and address)

The City of Mount Holly
400 E. Central Avenue
Mount Holly, North Carolina 28120
704.827.3931
THE ARCHITECT:
(Name, legal status and address)

Stewart Cooper Newell Architects
719 E Second Ave
Gastonia, NC 28054
704-565-6311

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ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

For guidance in modifying this document to include supplementary conditions, see AIA Document A503™, Guide for Supplementary Conditions.

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14 **TERMINATION OR SUSPENSION OF THE CONTRACT**

15 **CLAIMS AND DISPUTES**

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Owner:

Signature

Printed Name & Title

Date

Contractor: Edifice, LLC

Signature:

Printed Name & Title

Date

North Carolina General Contracting License #10514

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ARTICLE 1 GENERAL PROVISIONS

§ 1.1 Basic Definitions

§ 1.1.1 The Contract Documents

The Contract Documents are enumerated in the Agreement between the Owner and Contractor (hereinafter the Agreement) and consist of the Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of the Contract, other documents listed in the Agreement, and Modifications issued after execution of the Contract. A Modification is (1) a written amendment to the Contract signed by both parties, (2) a Change Order, (3) a Construction Change Directive, or (4) a written order for a minor change in the Work issued by the Architect. Unless specifically enumerated in the Agreement, the Contract Documents do not include the advertisement or invitation to bid, Instructions to Bidders, sample forms, other information furnished by the Owner in anticipation of receiving bids or proposals, the Contractor's bid or proposal, or portions of Addenda relating to bidding or proposal requirements.

§ 1.1.2 The Contract

The Contract Documents form the Contract for Construction. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral. The Contract may be amended or modified only by a Modification. The Contract Documents shall not be construed to create a contractual relationship of any kind (1) between the Contractor and the Architect or the Architect's consultants, (2) between the Owner and a Subcontractor or a Sub-subcontractor, (3) between the Owner and the Architect or the Architect's consultants, or (4) between any persons or entities other than the Owner and the Contractor. The Architect shall, however, be entitled to performance and enforcement of obligations under the Contract intended to facilitate performance of the Architect's duties.

§ 1.1.3 The Work

The term "Work" means the construction and services required by the Contract Documents, whether completed or partially completed, and includes all other labor, materials, equipment, and services provided or to be provided by the Contractor to fulfill the Contractor's obligations. The Work may constitute the whole or a part of the Project.

§ 1.1.4 The Project

The Project is the total construction of which the Work performed under the Contract Documents may be the whole or a part and which may include construction by the Owner and by Separate Contractors.

§ 1.1.5 The Drawings

The Drawings are the graphic and pictorial portions of the Contract Documents showing the design, location and dimensions of the Work, generally including plans, elevations, sections, details, schedules, and diagrams.

§ 1.1.6 The Specifications

The Specifications are that portion of the Contract Documents consisting of the written requirements for materials, equipment, systems, standards and workmanship for the Work, and performance of related services.

§ 1.1.7 Instruments of Service

Instruments of Service are representations, in any medium of expression now known or later developed, of the tangible and intangible creative work performed by the Architect and the Architect's consultants under their respective professional services agreements. Instruments of Service may include, without limitation, studies, surveys, models, sketches, drawings, specifications, and other similar materials.

§ 1.1.8 Initial Decision Maker

The Initial Decision Maker is the person identified in the Agreement to render initial decisions on Claims in accordance with Section 15.2. The Initial Decision Maker shall not show partiality to the Owner or Contractor and shall not be liable for results of interpretations or decisions rendered in good faith.

§ 1.2 Correlation and Intent of the Contract Documents

§ 1.2.1 The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by the Contractor. The Contract Documents are complementary, and what is required by one shall be as binding as if required by all; performance by the Contractor shall be required only to the extent consistent with the Contract Documents and reasonably inferable from them as being necessary to produce the indicated results.

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§ 1.2.1.1 The invalidity of any provision of the Contract Documents shall not invalidate the Contract or its remaining provisions. If it is determined that any provision of the Contract Documents violates any law, or is otherwise invalid or unenforceable, then that provision shall be revised to the extent necessary to make that provision legal and enforceable. In such case the Contract Documents shall be construed, to the fullest extent permitted by law, to give effect to the parties' intentions and purposes in executing the Contract.

§ 1.2.2 Organization of the Specifications into divisions, sections and articles, and arrangement of Drawings shall not control the Contractor in dividing the Work among Subcontractors or in establishing the extent of Work to be performed by any trade.

§ 1.2.3 Unless otherwise stated in the Contract Documents, words that have well-known technical or construction industry meanings are used in the Contract Documents in accordance with such recognized meanings.

§ 1.3 Capitalization

Terms capitalized in these General Conditions include those that are (1) specifically defined, (2) the titles of numbered articles, or (3) the titles of other documents published by the American Institute of Architects.

§ 1.4 Interpretation

In the interest of brevity the Contract Documents frequently omit modifying words such as "all" and "any" and articles such as "the" and "an," but the fact that a modifier or an article is absent from one statement and appears in another is not intended to affect the interpretation of either statement.

§ 1.5 Ownership and Use of Drawings, Specifications, and Other Instruments of Service

§ 1.5.1 The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and retain all common law, statutory, and other reserved rights in their Instruments of Service, including copyrights. The Contractor, Subcontractors, Sub-subcontractors, and suppliers shall not own or claim a copyright in the Instruments of Service. Submittal or distribution to meet official regulatory requirements or for other purposes in connection with the Project is not to be construed as publication in derogation of the Architect's or Architect's consultants' reserved rights.

§ 1.5.2 The Contractor, Subcontractors, Sub-subcontractors, and suppliers are authorized to use and reproduce the Instruments of Service provided to them, subject to any protocols established pursuant to Sections 1.7 and 1.8, solely and exclusively for execution of the Work. All copies made under this authorization shall bear the copyright notice, if any, shown on the Instruments of Service. The Contractor, Subcontractors, Sub-subcontractors, and suppliers may not use the Instruments of Service on other projects or for additions to the Project outside the scope of the Work without the specific written consent of the Owner, Architect, and the Architect's consultants.

§ 1.6 Notice

§ 1.6.1 Except as otherwise provided in Section 1.6.2, where the Contract Documents require one party to notify or give notice to the other party, such notice shall be provided in writing to the designated representative of the party to whom the notice is addressed and shall be deemed to have been duly served if delivered in person, by mail, by courier, or by electronic transmission if a method for electronic transmission is set forth in the Agreement.

§ 1.6.2 Notice of Claims as provided in Section 15.1.3 shall be provided in writing and shall be deemed to have been duly served only if delivered to the designated representative of the party to whom the notice is addressed by certified or registered mail, or by courier providing proof of delivery.

§ 1.7 Digital Data Use and Transmission

The parties shall agree upon protocols governing the transmission and use of Instruments of Service or any other information or documentation in digital form. The parties will use AIA Document E203™-2013, Building Information Modeling and Digital Data Exhibit, to establish the protocols for the development, use, transmission, and exchange of digital data.

§ 1.8 Building Information Models Use and Reliance

Any use of, or reliance on, all or a portion of a building information model without agreement to protocols governing the use of, and reliance on, the information contained in the model and without having those protocols set forth in AIA Document E203™-2013, Building Information Modeling and Digital Data Exhibit, and the requisite AIA Document

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G202™-2013, Project Building Information Modeling Protocol Form, shall be at the using or relying party's sole risk and without liability to the other party and its contractors or consultants, the authors of, or contributors to, the building information model, and each of their agents and employees.

ARTICLE 2 OWNER

§ 2.1 General

§ 2.1.1 The Owner is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The Owner shall designate in writing a representative who shall have express authority to bind the Owner with respect to all matters requiring the Owner's approval or authorization. Except as otherwise provided in Section 4.2.1, the Architect does not have such authority. The term "Owner" means the Owner or the Owner's authorized representative.

§ 2.1.2 The Owner shall furnish to the Contractor, within fifteen days after receipt of a written request, information necessary and relevant for the Contractor to evaluate, give notice of, or enforce mechanic's lien rights. Such information shall include a correct statement of the record legal title to the property on which the Project is located, usually referred to as the site, and the Owner's interest therein.

§ 2.2 Evidence of the Owner's Financial Arrangements

§ 2.2.1 Prior to commencement of the Work and thereafter, the Owner shall furnish to the Contractor reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract. The Contractor shall have no obligation to commence the Work until the Owner provides such evidence. If commencement of the Work is delayed under this Section 2.2.1, the Contract Time shall be extended appropriately.

§ 2.2.2 Following commencement of the Work and upon written request by the Contractor, the Owner shall furnish to the Contractor reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract only if (1) the Owner fails to make payments to the Contractor as the Contract Documents require; (2) the Contractor identifies in writing a reasonable concern regarding the Owner's ability to make payment when due; or (3) a change in the Work materially changes the Contract Sum. If the Owner fails to provide such evidence, as required, within fourteen days of the Contractor's request, the Contractor may immediately stop the Work and, in that event, shall notify the Owner that the Work has stopped. However, if the request is made because a change in the Work materially changes the Contract Sum under (3) above, the Contractor may immediately stop only that portion of the Work affected by the change until reasonable evidence is provided. If the Work is stopped under this Section 2.2.2, the Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable costs of shutdown, delay and start-up, plus interest as provided in the Contract Documents.

§ 2.2.3 After the Owner furnishes evidence of financial arrangements under this Section 2.2, the Owner shall not materially vary such financial arrangements without prior notice to the Contractor.

§ 2.2.4 Where the Owner has designated information furnished under this Section 2.2 as "confidential," the Contractor shall keep the information confidential and shall not disclose it to any other person. However, the Contractor may disclose "confidential" information, after seven (7) days' notice to the Owner, where disclosure is required by law, including a subpoena or other form of compulsory legal process issued by a court or governmental entity, or by court or arbitrator(s) order. The Contractor may also disclose "confidential" information to its employees, consultants, sureties, Subcontractors and their employees, Sub-subcontractors, and others who need to know the content of such information solely and exclusively for the Project and who agree to maintain the confidentiality of such information.

§ 2.3 Information and Services Required of the Owner

§ 2.3.1 Except for permits and fees that are the responsibility of the Contractor under the Contract Documents, including those required under Section 3.7.1, the Owner shall secure and pay for necessary approvals, easements, assessments and charges required for construction, use or occupancy of permanent structures or for permanent changes in existing facilities.

§ 2.3.2 The Owner shall retain an architect lawfully licensed to practice architecture, or an entity lawfully practicing architecture, in the jurisdiction where the Project is located. That person or entity is identified as the Architect in the Agreement and is referred to throughout the Contract Documents as if singular in number.

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§ 2.3.3 If the employment of the Architect terminates, the Owner shall employ a successor to whom the Contractor has no reasonable objection and whose status under the Contract Documents shall be that of the Architect.

§ 2.3.4 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a legal description of the site. The Contractor shall be entitled to rely on the accuracy of information furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

§ 2.3.5 The Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Contractor's performance of the Work with reasonable promptness after receiving the Contractor's written request for such information or services.

§ 2.3.6 Unless otherwise provided in the Contract Documents, the Owner shall furnish to the Contractor one copy of the Contract Documents for purposes of making reproductions pursuant to Section 1.5.2.

§ 2.4 Owner's Right to Stop the Work

If the Contractor fails to correct Work that is not in accordance with the requirements of the Contract Documents as required by Section 12.2 or repeatedly fails to carry out Work in accordance with the Contract Documents, the Owner may issue a written order to the Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, the right of the Owner to stop the Work shall not give rise to a duty on the part of the Owner to exercise this right for the benefit of the Contractor or any other person or entity, except to the extent required by Section 6.1.3.

§ 2.5 Owner's Right to Carry Out the Work

If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a ten-day period after receipt of notice from the Owner to commence and continue correction of such default or neglect with diligence and promptness, the Owner may, without prejudice to other remedies the Owner may have, correct such default or neglect. Such action by the Owner and amounts charged to the Contractor are both subject to prior approval of the Architect and the Architect may, pursuant to Section 9.5.1, withhold or nullify a Certificate for Payment in whole or in part, to the extent reasonably necessary to reimburse the Owner for the reasonable cost of correcting such deficiencies, including Owner's expenses and compensation for the Architect's additional services made necessary by such default, neglect, or failure. If current and future payments are not sufficient to cover such amounts, the Contractor shall pay the difference to the Owner. If the Contractor disagrees with the actions of the Owner or the Architect, or the amounts claimed as costs to the Owner, the Contractor may file a Claim pursuant to Article 15.

ARTICLE 3 CONTRACTOR

§ 3.1 General

§ 3.1.1 The Contractor is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The Contractor shall be lawfully licensed, if required in the jurisdiction where the Project is located. The Contractor shall designate in writing a representative who shall have express authority to bind the Contractor with respect to all matters under this Contract. The term "Contractor" means the Contractor or the Contractor's authorized representative.

§ 3.1.2 The Contractor shall perform the Work in accordance with the Contract Documents.

§ 3.1.3 The Contractor shall not be relieved of its obligations to perform the Work in accordance with the Contract Documents either by activities or duties of the Architect in the Architect's administration of the Contract, or by tests, inspections or approvals required or performed by persons or entities other than the Contractor.

§ 3.2 Review of Contract Documents and Field Conditions by Contractor

§ 3.2.1 Execution of the Contract by the Contractor is a representation that the Contractor has visited the site, become generally familiar with local conditions under which the Work is to be performed, and correlated personal observations with requirements of the Contract Documents.

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§ 3.2.2 Because the Contract Documents are complementary, the Contractor shall, before starting each portion of the Work, carefully study and compare the various Contract Documents relative to that portion of the Work, as well as the information furnished by the Owner pursuant to Section 2.3.4, shall take field measurements of any existing conditions related to that portion of the Work, and shall observe any conditions at the site affecting it. These obligations are for the purpose of facilitating coordination and construction by the Contractor and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, the Contractor shall promptly report to the Architect any errors, inconsistencies or omissions discovered by or made known to the Contractor as a request for information in such form as the Architect may require. It is recognized that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional, unless otherwise specifically provided in the Contract Documents.

§ 3.2.3 The Contractor is not required to ascertain that the Contract Documents are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Contractor shall promptly report to the Architect any nonconformity discovered by or made known to the Contractor as a request for information in such form as the Architect may require.

§ 3.2.4 If the Contractor believes that additional cost or time is involved because of clarifications or instructions the Architect issues in response to the Contractor's notices or requests for information pursuant to Sections 3.2.2 or 3.2.3, the Contractor shall submit Claims as provided in Article 15. If the Contractor fails to perform the obligations of Sections 3.2.2 or 3.2.3, the Contractor shall pay such costs and damages to the Owner, subject to Section 15.1.7, as would have been avoided if the Contractor had performed such obligations. If the Contractor performs those obligations, the Contractor shall not be liable to the Owner or Architect for damages resulting from errors, inconsistencies or omissions in the Contract Documents, for differences between field measurements or conditions and the Contract Documents, or for nonconformities of the Contract Documents to applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities.

§ 3.3 Supervision and Construction Procedures

§ 3.3.1 The Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for, and have control over, construction means, methods, techniques, sequences, and procedures, and for coordinating all portions of the Work under the Contract. If the Contract Documents give specific instructions concerning construction means, methods, techniques, sequences, or procedures, the Contractor shall evaluate the jobsite safety thereof and shall be solely responsible for the jobsite safety of such means, methods, techniques, sequences, or procedures. If the Contractor determines that such means, methods, techniques, sequences or procedures may not be safe, the Contractor shall give timely notice to the Owner and Architect, and shall propose alternative means, methods, techniques, sequences, or procedures. The Architect shall evaluate the proposed alternative solely for conformance with the design intent for the completed construction. Unless the Architect objects to the Contractor's proposed alternative, the Contractor shall perform the Work using its alternative means, methods, techniques, sequences, or procedures.

§ 3.3.2 The Contractor shall be responsible to the Owner for acts and omissions of the Contractor's employees, Subcontractors and their agents and employees, and other persons or entities performing portions of the Work for, or on behalf of, the Contractor or any of its Subcontractors.

§ 3.3.3 The Contractor shall be responsible for inspection of portions of Work already performed to determine that such portions are in proper condition to receive subsequent Work.

§ 3.4 Labor and Materials

§ 3.4.1 Unless otherwise provided in the Contract Documents, the Contractor shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation, and other facilities and services necessary for proper execution and completion of the Work, whether temporary or permanent and whether or not incorporated or to be incorporated in the Work.

§ 3.4.2 Except in the case of minor changes in the Work approved by the Architect in accordance with Section 3.12.8 or ordered by the Architect in accordance with Section 7.4, the Contractor may make substitutions only with the consent of the Owner, after evaluation by the Architect and in accordance with a Change Order or Construction Change Directive.

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§ 3.4.3 The Contractor shall enforce strict discipline and good order among the Contractor's employees and other persons carrying out the Work. The Contractor shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

§ 3.5 Warranty

§ 3.5.1 The Contractor warrants to the Owner and Architect that materials and equipment furnished under the Contract will be of good quality and new unless the Contract Documents require or permit otherwise. The Contractor further warrants that the Work will conform to the requirements of the Contract Documents and will be free from defects, except for those inherent in the quality of the Work the Contract Documents require or permit. Work, materials, or equipment not conforming to these requirements may be considered defective. The Contractor's warranty excludes remedy for damage or defect caused by abuse, alterations to the Work not executed by the Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by the Architect, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

§ 3.5.2 All material, equipment, or other special warranties required by the Contract Documents shall be issued in the name of the Owner, or shall be transferable to the Owner, and shall commence in accordance with Section 9.8.4.

§ 3.6 Taxes

The Contractor shall pay sales, consumer, use and similar taxes for the Work provided by the Contractor that are legally enacted when bids are received or negotiations concluded, whether or not yet effective or merely scheduled to go into effect.

§ 3.7 Permits, Fees, Notices and Compliance with Laws

§ 3.7.1 Unless otherwise provided in the Contract Documents, the Contractor shall secure and pay for the building permit as well as for other permits, fees, licenses, and inspections by government agencies necessary for proper execution and completion of the Work that are customarily secured after execution of the Contract and legally required at the time bids are received or negotiations concluded.

§ 3.7.2 The Contractor shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to performance of the Work.

§ 3.7.3 If the Contractor performs Work knowing it to be contrary to applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities **without such notice to the Architect and Owner**, the Contractor shall assume appropriate responsibility for such Work and shall bear the costs attributable to correction.

§ 3.7.4 Concealed or Unknown Conditions

If the Contractor encounters conditions at the site that are (1) subsurface or otherwise concealed physical conditions that differ materially from those indicated in the Contract Documents or (2) unknown physical conditions of an unusual nature that differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, the Contractor shall promptly provide notice to the Owner and the Architect before conditions are disturbed and in no event later than 14 days after first observance of the conditions. The Architect will promptly investigate such conditions and, if the Architect determines that they differ materially and cause an increase or decrease in the Contractor's cost of, or time required for, performance of any part of the Work, will recommend that an equitable adjustment be made in the Contract Sum or Contract Time, or both. If the Architect determines that the conditions at the site are not materially different from those indicated in the Contract Documents and that no change in the terms of the Contract is justified, the Architect shall promptly notify the Owner and Contractor, stating the reasons. If either party disputes the Architect's determination or recommendation, that party may submit a Claim as provided in Article 15.

§ 3.7.5 If, in the course of the Work, the Contractor encounters human remains or recognizes the existence of burial markers, archaeological sites or wetlands not indicated in the Contract Documents, the Contractor shall immediately suspend any operations that would affect them and shall notify the Owner and Architect. Upon receipt of such notice, the Owner shall promptly take any action necessary to obtain governmental authorization required to resume the operations. The Contractor shall continue to suspend such operations until otherwise instructed by the Owner but shall continue with all other operations that do not affect those remains or features. Requests for adjustments in the Contract Sum and Contract Time arising from the existence of such remains or features may be made as provided in Article 15.

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§ 3.8 Allowances

§ 3.8.1 The Contractor shall include in the Contract Sum all allowances stated in the Contract Documents. Items covered by allowances shall be supplied for such amounts and by such persons or entities as the Owner may direct, but the Contractor shall not be required to employ persons or entities to whom the Contractor has reasonable objection.

§ 3.8.2 Unless otherwise provided in the Contract Documents,

- .1 allowances shall cover the cost to the Contractor of materials and equipment delivered at the site and all required taxes, less applicable trade discounts;
- .2 Contractor's costs for unloading and handling at the site, labor, installation costs, overhead, profit, and other expenses contemplated for stated allowance amounts shall be included in the Contract Sum but not in the allowances; and
- .3 whenever costs are more than or less than allowances, the Contract Sum shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under Section 3.8.2.1 and (2) changes in Contractor's costs under Section 3.8.2.2.

Allowances will be defined elsewhere in the Exhibits to describe what is or is not included in the Allowance.

§ 3.8.3 Materials and equipment under an allowance shall be selected by the Owner with reasonable promptness.

§ 3.9 Superintendent

§ 3.9.1 The Contractor shall employ a competent superintendent and necessary assistants who shall be in attendance at the Project site during performance of the Work. The superintendent shall represent the Contractor, and communications given to the superintendent shall be as binding as if given to the Contractor.

§ 3.9.2 The Contractor, as soon as practicable after award of the Contract, **upon request**, shall notify the Owner and Architect of the name and qualifications of a proposed superintendent. Within 14 days of receipt of the information, the **Owner** may notify the Contractor, stating whether the Owner has reasonable objection to the proposed superintendent. Failure of the **Owner** to provide notice within the 14-day period shall constitute notice of no reasonable objection.

§ 3.9.3 The Contractor shall not employ a proposed superintendent to whom the Owner or Architect has made reasonable and timely objection. The Contractor shall not change the superintendent without the Owner's consent, which shall not unreasonably be withheld or delayed. **Conversely, the Architect shall not employ a proposed Construction Administrator or Project Architect to whom the Contractor has reasonable objection.**

§ 3.10 Contractor's Construction and Submittal Schedules

§ 3.10.1 The Contractor, promptly after being awarded the Contract, shall submit for the Owner's and Architect's information a Contractor's construction schedule for the Work. The schedule shall contain detail appropriate for the Project, including (1) the date of commencement of the Work, interim schedule milestone dates, and the date of Substantial Completion; (2) an apportionment of the Work by construction activity; and (3) the time required for completion of each portion of the Work. The schedule shall provide for the orderly progression of the Work to completion and shall not exceed time limits current under the Contract Documents. The schedule shall be revised at appropriate intervals as required by the conditions of the Work and Project.

§ 3.10.2 The Contractor, promptly after being awarded the Contract and thereafter as necessary to maintain a current submittal schedule, shall submit a submittal schedule for the Architect's approval. The Architect's approval shall not be unreasonably delayed or withheld. The submittal schedule shall (1) be coordinated with the Contractor's construction schedule, and (2) allow the Architect reasonable time to review submittals. If the Contractor fails to submit a submittal schedule, or fails to provide submittals in accordance with the approved submittal schedule, the Contractor shall not be entitled to any increase in Contract Sum or extension of Contract Time based on the time required for review of submittals.

§ 3.10.3 The Contractor shall perform the Work in general accordance with the most recent schedules submitted to the Owner and Architect.

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§ 3.11 Documents and Samples at the Site

The Contractor shall make available, at the Project site, the Contract Documents, including Change Orders, Construction Change Directives, and other Modifications, in good order and marked currently to indicate field changes and selections made during construction, and the approved Shop Drawings, Product Data, Samples, and similar required submittals. These shall be in electronic form or paper copy, available to the Architect and Owner, and delivered to the Architect for submittal to the Owner upon completion of the Work as a record of the Work as constructed.

§ 3.12 Shop Drawings, Product Data and Samples

§ 3.12.1 Shop Drawings are drawings, diagrams, schedules, and other data specially prepared for the Work by the Contractor or a Subcontractor, Sub-subcontractor, manufacturer, supplier, or distributor to illustrate some portion of the Work.

§ 3.12.2 Product Data are illustrations, standard schedules, performance charts, instructions, brochures, diagrams, and other information furnished by the Contractor to illustrate materials or equipment for some portion of the Work.

§ 3.12.3 Samples are physical examples that illustrate materials, equipment, or workmanship, and establish standards by which the Work will be judged.

§ 3.12.4 Shop Drawings, Product Data, Samples, and similar submittals are not Contract Documents. Their purpose is to demonstrate how the Contractor proposes to conform to the information given and the design concept expressed in the Contract Documents for those portions of the Work for which the Contract Documents require submittals. Review by the Architect is subject to the limitations of Section 4.2.7. Informational submittals upon which the Architect is not expected to take responsive action may be so identified in the Contract Documents. Submittals that are not required by the Contract Documents may be returned by the Architect without action.

§ 3.12.5 The Contractor shall review for compliance with the Contract Documents, approve, and submit to the Architect, Shop Drawings, Product Data, Samples, and similar submittals required by the Contract Documents, in accordance with the submittal schedule approved by the Architect or, in the absence of an approved submittal schedule, with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the Owner or of Separate Contractors.

§ 3.12.6 By submitting Shop Drawings, Product Data, Samples, and similar submittals, the Contractor represents to the Owner and Architect that the Contractor has (1) reviewed and approved them, (2) determined and verified materials, field measurements and field construction criteria related thereto, or will do so, and (3) checked and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents.

§ 3.12.7 The Contractor shall perform no portion of the Work for which the Contract Documents require submittal and review of Shop Drawings, Product Data, Samples, or similar submittals, until the respective submittal has been approved by the Architect.

§ 3.12.8 The Work shall be in accordance with approved submittals except that the Contractor shall not be relieved of responsibility for deviations from the requirements of the Contract Documents by the Architect's approval of Shop Drawings, Product Data, Samples, or similar submittals, unless the Contractor has specifically notified the Architect of such deviation at the time of submittal and (1) the Architect has given written approval to the specific deviation as a minor change in the Work, or (2) a Change Order or Construction Change Directive has been issued authorizing the deviation. The Contractor shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples, or similar submittals, by the Architect's approval thereof.

§ 3.12.9 The Contractor shall direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples, or similar submittals, to revisions other than those requested by the Architect on previous submittals. In the absence of such notice, the Architect's approval of a resubmission shall not apply to such revisions.

§ 3.12.10 The Contractor shall not be required to provide professional services that constitute the practice of architecture or engineering unless such services are specifically required by the Contract Documents for a portion of the Work or unless the Contractor needs to provide such services in order to carry out the Contractor's responsibilities

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for construction means, methods, techniques, sequences, and procedures. The Contractor shall not be required to provide professional services in violation of applicable law.

§ 3.12.10.1 If professional design services or certifications by a design professional related to systems, materials, or equipment are specifically required of the Contractor by the Contract Documents, the Owner and the Architect will specify all performance and design criteria that such services must satisfy. The Contractor shall be entitled to rely upon the adequacy and accuracy of the performance and design criteria provided in the Contract Documents. The Contractor shall cause such services or certifications to be provided by an appropriately licensed design professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings, and other submittals prepared by such professional. Shop Drawings, and other submittals related to the Work, designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to the Architect. The Owner and the Architect shall be entitled to rely upon the adequacy and accuracy of the services, certifications, and approvals performed or provided by such design professionals, provided the Owner and Architect have specified to the Contractor the performance and design criteria that such services must satisfy. Pursuant to this Section 3.12.10, the Architect will review and approve or take other appropriate action on submittals only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents.

§ 3.12.10.2 If the Contract Documents require the Contractor's design professional to certify that the Work has been performed in accordance with the design criteria, the Contractor shall furnish such certifications to the Architect at the time and in the form specified by the Architect.

§ 3.13 Use of Site

The Contractor shall confine operations at the site to areas permitted by applicable laws, statutes, ordinances, codes, rules and regulations, lawful orders of public authorities, and the Contract Documents and shall not unreasonably encumber the site with materials or equipment.

§ 3.14 Cutting and Patching

§ 3.14.1 The Contractor shall be responsible for cutting, fitting, or patching required to complete the Work or to make its parts fit together properly. All areas requiring cutting, fitting, or patching shall be restored to the condition existing prior to the cutting, fitting, or patching, unless otherwise required by the Contract Documents.

§ 3.14.2 The Contractor shall not damage or endanger a portion of the Work or fully or partially completed construction of the Owner or Separate Contractors by cutting, patching, or otherwise altering such construction, or by excavation. The Contractor shall not cut or otherwise alter construction by the Owner or a Separate Contractor except with written consent of the Owner and of the Separate Contractor. Consent shall not be unreasonably withheld. The Contractor shall not unreasonably withhold, from the Owner or a Separate Contractor, its consent to cutting or otherwise altering the Work.

§ 3.15 Cleaning Up

§ 3.15.1 The Contractor shall keep the premises and surrounding area free from accumulation of waste materials and rubbish caused by operations under the Contract. At completion of the Work, the Contractor shall remove waste materials, rubbish, the Contractor's tools, construction equipment, machinery, and surplus materials from and about the Project.

§ 3.15.2 If the Contractor fails to clean up as provided in the Contract Documents, the Owner may do so and the Owner shall be entitled to reimbursement from the Contractor.

§ 3.16 Access to Work

The Contractor shall provide the Owner and Architect with access to the Work in preparation and progress wherever located.

§ 3.17 Royalties, Patents and Copyrights

The Contractor shall pay all royalties and license fees. The Contractor shall defend suits or claims for infringement of copyrights and patent rights and shall hold the Owner and Architect harmless from loss on account thereof, but shall not be responsible for defense or loss when a particular design, process, or product of a particular manufacturer or manufacturers is required by the Contract Documents, or where the copyright violations are contained in Drawings,

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Specifications, or other documents prepared by the Owner or Architect. However, if an infringement of a copyright or patent is discovered by, or made known to, the Contractor, the Contractor shall be responsible for the loss unless the information is promptly furnished to the Architect.

§ 3.18 Indemnification

§ 3.18.1 To the fullest extent permitted by law, the Contractor shall indemnify and hold harmless the Owner, Architect, Architect’s consultants, and agents and employees of any of them from and against claims, damages, losses, and expenses, including but not limited to attorneys’ fees, arising out of or resulting from performance of the Work, provided that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), but only to the extent caused by the negligent acts or omissions of the Contractor, a Subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss, or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity that would otherwise exist as to a party or person described in this Section 3.18.

§ 3.18.2 In claims against any person or entity indemnified under this Section 3.18 by an employee of the Contractor, a Subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, the indemnification obligation under Section 3.18.1 shall not be limited by a limitation on amount or type of damages, compensation, or benefits payable by or for the Contractor or a Subcontractor under workers’ compensation acts, disability benefit acts, or other employee benefit acts.

ARTICLE 4 ARCHITECT

§ 4.1 General

§ 4.1.1 The Architect is the person or entity retained by the Owner pursuant to Section 2.3.2 and identified as such in the Agreement.

§ 4.1.2 Duties, responsibilities, and limitations of authority of the Architect as set forth in the Contract Documents shall not be restricted, modified, or extended without written consent of the Owner, Contractor, and Architect. Consent shall not be unreasonably withheld.

§ 4.2 Administration of the Contract

§ 4.2.1 The Architect will provide administration of the Contract as described in the Contract Documents and will be an Owner’s representative during construction until the date the Architect issues the final Certificate for Payment. The Architect will have authority to act on behalf of the Owner only to the extent provided in the Contract Documents.

§ 4.2.2 The Architect will visit the site at intervals appropriate to the stage of construction, or as otherwise agreed with the Owner, to become generally familiar with the progress and quality of the portion of the Work completed, and to determine in general if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect will not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. The Architect will not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for the safety precautions and programs in connection with the Work, since these are solely the Contractor’s rights and responsibilities under the Contract Documents.

§ 4.2.3 On the basis of the site visits, the Architect will keep the Owner reasonably informed about the progress and quality of the portion of the Work completed, and promptly report to the Owner (1) known deviations from the Contract Documents, (2) known deviations from the most recent construction schedule submitted by the Contractor, and (3) defects and deficiencies observed in the Work. The Architect will not be responsible for the Contractor’s failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect will not have control over or charge of, and will not be responsible for acts or omissions of, the Contractor, Subcontractors, or their agents or employees, or any other persons or entities performing portions of the Work.

§ 4.2.4 Communications

The Owner and Contractor shall include the Architect in all communications that relate to or affect the Architect’s services or professional responsibilities. The Owner shall promptly notify the Architect of the substance of any direct communications between the Owner and the Contractor otherwise relating to the Project. Communications by and with the Architect’s consultants shall be through the Architect. Communications by and with Subcontractors and

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suppliers shall be through the Contractor. Communications by and with Separate Contractors shall be through the Owner. The Contract Documents may specify other communication protocols.

§ 4.2.5 Based on the Architect's evaluations of the Contractor's Applications for Payment, the Architect will review and certify the amounts due the Contractor and will issue Certificates for Payment in such amounts.

§ 4.2.6 The Architect has authority to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect will have authority to require inspection or testing of the Work in accordance with Sections 13.4.2 and 13.4.3, whether or not the Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 4.2.7 The Architect will review and approve, or take other appropriate action upon, the Contractor's submittals such as Shop Drawings, Product Data, and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect's action will be taken in accordance with the submittal schedule approved by the Architect or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time to permit adequate review. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities, or for substantiating instructions for installation or performance of equipment or systems, all of which remain the responsibility of the Contractor as required by the Contract Documents. The Architect's review of the Contractor's submittals shall not relieve the Contractor of the obligations under Sections 3.3, 3.5, and 3.12. The Architect's review shall not constitute approval of safety precautions or of any construction means, methods, techniques, sequences, or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 4.2.8 The Architect will prepare Change Orders and Construction Change Directives, and may order minor changes in the Work as provided in Section 7.4. The Architect will investigate and make determinations and recommendations regarding concealed and unknown conditions as provided in Section 3.7.4.

§ 4.2.9 The Architect will conduct inspections to determine the date or dates of Substantial Completion and the date of final completion; issue Certificates of Substantial Completion pursuant to Section 9.8; receive and forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract and assembled by the Contractor pursuant to Section 9.10; and issue a final Certificate for Payment pursuant to Section 9.10.

§ 4.2.10 If the Owner and Architect agree, the Architect will provide one or more Project representatives to assist in carrying out the Architect's responsibilities at the site. The Owner shall notify the Contractor of any change in the duties, responsibilities and limitations of authority of the Project representatives.

§ 4.2.11 The Architect will interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 4.2.12 Interpretations and decisions of the Architect will be consistent with the intent of, and reasonably inferable from, the Contract Documents and will be in writing or in the form of drawings. When making such interpretations and decisions, the Architect will endeavor to secure faithful performance by both Owner and Contractor, will not show partiality to either, and will not be liable for results of interpretations or decisions rendered in good faith.

§ 4.2.13 The Architect's decisions on matters relating to aesthetic effect will be final if consistent with the intent expressed in the Contract Documents.

§ 4.2.14 The Architect will review and respond to requests for information about the Contract Documents. The Architect's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness. If appropriate, the Architect will prepare and issue supplemental Drawings and Specifications in response to the requests for information.

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ARTICLE 5 SUBCONTRACTORS

§ 5.1 Definitions

§ 5.1.1 A Subcontractor is a person or entity who has a direct contract with the Contractor to perform a portion of the Work at the site. The term "Subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include a Separate Contractor or the subcontractors of a Separate Contractor.

§ 5.1.2 A Sub-subcontractor is a person or entity who has a direct or indirect contract with a Subcontractor to perform a portion of the Work at the site. The term "Sub-subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Sub-subcontractor or an authorized representative of the Sub-subcontractor.

§ 5.2 Award of Subcontracts and Other Contracts for Portions of the Work

§ 5.2.1 If specifically requested in writing, the Contractor, as soon as practicable after award of the Contract, shall notify the Owner and Architect of the persons or entities proposed for each principal portion of the Work, including those who are to furnish materials or equipment fabricated to a special design. Within 14 days of receipt of the information, the Architect may notify the Contractor whether the Owner or the Architect (1) has reasonable objection to any such proposed person or entity or (2) requires additional time for review. Failure of the Architect to provide notice within the 14-day period shall constitute notice of no reasonable objection.

§ 5.2.2 The Contractor shall not contract with a proposed person or entity to whom the Owner or Architect has made reasonable and timely objection. The Contractor shall not be required to contract with anyone to whom the Contractor has made reasonable objection.

§ 5.2.3 If the Owner or Architect has reasonable objection to a person or entity proposed by the Contractor, the Contractor shall propose another to whom the Owner or Architect has no reasonable objection. If the proposed but rejected Subcontractor was reasonably capable of performing the Work, the Contract Sum and Contract Time shall be increased or decreased by the difference, if any, occasioned by such change, and an appropriate Change Order shall be issued before commencement of the substitute Subcontractor's Work.

§ 5.2.4 The Contractor shall not substitute a Subcontractor, person, or entity for one previously selected if the Owner or Architect makes reasonable objection to such substitution.

§ 5.3 Subcontractual Relations

By appropriate written agreement, the Contractor shall require each Subcontractor, to the extent of the Work to be performed by the Subcontractor, to be bound to the Contractor by terms of the Contract Documents, and to assume toward the Contractor all the obligations and responsibilities, including the responsibility for safety of the Subcontractor's Work that the Contractor, by these Contract Documents, assumes toward the Owner and Architect. Each subcontract agreement shall preserve and protect the rights of the Owner and Architect under the Contract Documents with respect to the Work to be performed by the Subcontractor so that subcontracting thereof will not prejudice such rights, and shall allow to the Subcontractor, unless specifically provided otherwise in the subcontract agreement, the benefit of all rights, remedies, and redress against the Contractor that the Contractor, by the Contract Documents, has against the Owner. Where appropriate, the Contractor shall require each Subcontractor to enter into similar agreements with Sub-subcontractors. The Contractor shall make available to each proposed Subcontractor, prior to the execution of the subcontract agreement, copies of the Contract Documents to which the Subcontractor will be bound, and, upon written request of the Subcontractor, identify to the Subcontractor terms and conditions of the proposed subcontract agreement that may be at variance with the Contract Documents. Subcontractors will similarly make copies of applicable portions of such documents available to their respective proposed Sub-subcontractors.

§ 5.4 Contingent Assignment of Subcontracts

§ 5.4.1 Each subcontract agreement for a portion of the Work is assigned by the Contractor to the Owner, provided that

- .1 assignment is effective only after termination of the Contract by the Owner for cause pursuant to Section 14.2 and only for those subcontract agreements that the Owner accepts by notifying the Subcontractor and Contractor; and
- .2 assignment is subject to the prior rights of the surety, if any, obligated under bond relating to the Contract.

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When the Owner accepts the assignment of a subcontract agreement, the Owner assumes the Contractor's rights and obligations under the subcontract.

§ 5.4.2 Upon such assignment, if the Work has been suspended for more than 30 days, the Subcontractor's compensation shall be equitably adjusted for increases in cost resulting from the suspension.

§ 5.4.3 Upon assignment to the Owner under this Section 5.4, the Owner may further assign the subcontract to a successor contractor or other entity. If the Owner assigns the subcontract to a successor contractor or other entity, the Owner shall nevertheless remain legally responsible for all of the successor contractor's obligations under the subcontract.

ARTICLE 6 CONSTRUCTION BY OWNER OR BY SEPARATE CONTRACTORS

§ 6.1 Owner's Right to Perform Construction and to Award Separate Contracts

§ 6.1.1 The term "Separate Contractor(s)" shall mean other contractors retained by the Owner under separate agreements. The Owner reserves the right to perform construction or operations related to the Project with the Owner's own forces, and with Separate Contractors retained under Conditions of the Contract substantially similar to those of this Contract, including those provisions of the Conditions of the Contract related to insurance and waiver of subrogation.

§ 6.1.2 When separate contracts are awarded for different portions of the Project or other construction or operations on the site, the term "Contractor" in the Contract Documents in each case shall mean the Contractor who executes each separate Owner-Contractor Agreement.

§ 6.1.3 The Owner shall provide for coordination of the activities of the Owner's own forces and of each Separate Contractor with the Work of the Contractor, who shall cooperate with them. The Contractor shall participate with any Separate Contractors and the Owner in reviewing their construction schedules. The Contractor shall make any revisions to its construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by the Contractor, Separate Contractors, and the Owner until subsequently revised.

§ 6.1.4 Unless otherwise provided in the Contract Documents, when the Owner performs construction or operations related to the Project with the Owner's own forces or with Separate Contractors, the Owner or its Separate Contractors shall have the same obligations and rights that the Contractor has under the Conditions of the Contract, including, without excluding others, those stated in Article 3, this Article 6, and Articles 10, 11, and 12.

§ 6.2 Mutual Responsibility

§ 6.2.1 The Contractor shall afford the Owner and Separate Contractors reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities, and shall connect and coordinate the Contractor's construction and operations with theirs as required by the Contract Documents.

§ 6.2.2 If part of the Contractor's Work depends for proper execution or results upon construction or operations by the Owner or a Separate Contractor, the Contractor shall, prior to proceeding with that portion of the Work, promptly notify the Architect of apparent discrepancies or defects in the construction or operations by the Owner or Separate Contractor that would render it unsuitable for proper execution and results of the Contractor's Work. Failure of the Contractor to notify the Architect of apparent discrepancies or defects prior to proceeding with the Work shall constitute an acknowledgment that the Owner's or Separate Contractor's completed or partially completed construction is fit and proper to receive the Contractor's Work. The Contractor shall not be responsible for discrepancies or defects in the construction or operations by the Owner or Separate Contractor that are not apparent.

§ 6.2.3 The Contractor shall reimburse the Owner for costs the Owner incurs that are payable to a Separate Contractor because of the Contractor's delays, improperly timed activities or defective construction. The Owner shall be responsible to the Contractor for costs the Contractor incurs because of a Separate Contractor's delays, improperly timed activities, damage to the Work or defective construction.

§ 6.2.4 The Contractor shall promptly remedy damage that the Contractor wrongfully causes to completed or partially completed construction or to property of the Owner or Separate Contractor as provided in Section 10.2.5.

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§ 6.2.5 The Owner and each Separate Contractor shall have the same responsibilities for cutting and patching as are described for the Contractor in Section 3.14.

§ 6.3 Owner's Right to Clean Up

If a dispute arises among the Contractor, Separate Contractors, and the Owner as to the responsibility under their respective contracts for maintaining the premises and surrounding area free from waste materials and rubbish, the Owner may clean up and the Architect will allocate the cost among those responsible.

ARTICLE 7 CHANGES IN THE WORK

§ 7.1 General

§ 7.1.1 Changes in the Work may be accomplished after execution of the Contract, and without invalidating the Contract, by Change Order, Construction Change Directive or order for a minor change in the Work, subject to the limitations stated in this Article 7 and elsewhere in the Contract Documents.

§ 7.1.2 A Change Order shall be based upon agreement among the Owner, Contractor, and Architect. A Construction Change Directive requires agreement by the Owner and Architect and may or may not be agreed to by the Contractor. An order for a minor change in the Work may be issued by the Architect alone.

§ 7.1.3 Changes in the Work shall be performed under applicable provisions of the Contract Documents. The Contractor shall proceed promptly with changes in the Work, unless otherwise provided in the Change Order, Construction Change Directive, or order for a minor change in the Work.

§ 7.1.4 In the event of significant delay or price increase of material occurring during the performance of the contract through no fault of the Contractor, the contract sum, time of performance, and contract requirements shall be equitably adjusted by change order in accordance with the procedures of the contract documents. A change in price of an item of material shall be considered significant when the price of an item increases 5% percent between the date of this contract and the date of installation.

§ 7.2 Change Orders

§ 7.2.1 A Change Order is a written instrument prepared by the Contractor or Architect and signed by the Owner, Contractor, and Architect stating their agreement upon all of the following:

- .1 The change in the Work;
- .2 The amount of the adjustment, if any, in the Contract Sum; and
- .3 The extent of the adjustment, if any, in the Contract Time.

§ 7.3 Construction Change Directives

§ 7.3.1 A Construction Change Directive is a written order prepared by the Architect and signed by the Owner and Architect, directing a change in the Work prior to agreement on adjustment, if any, in the Contract Sum or Contract Time, or both. The Owner may by Construction Change Directive, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions, or other revisions, the Contract Sum and Contract Time being adjusted accordingly.

§ 7.3.2 A Construction Change Directive shall be used in the absence of total agreement on the terms of a Change Order.

§ 7.3.3 If the Construction Change Directive provides for an adjustment to the Contract Sum, the adjustment shall be based on one of the following methods:

- .1 Mutual acceptance of a lump sum properly itemized and supported by sufficient substantiating data to permit evaluation;
- .2 Unit prices stated in the Contract Documents or subsequently agreed upon;
- .3 Cost to be determined in a manner agreed upon by the parties and a mutually acceptable fixed or percentage fee; or
- .4 As provided in Section 7.3.4.

§ 7.3.4 If the Contractor does not respond promptly or disagrees with the method for adjustment in the Contract Sum, the Architect shall determine the adjustment on the basis of reasonable expenditures and savings of those performing the Work attributable to the change, including, in case of an increase in the Contract Sum, an amount for overhead and

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profit as set forth in the Agreement, or if no such amount is set forth in the Agreement, a reasonable amount. In such case, and also under Section 7.3.3.3, the Contractor shall keep and present, in such form as the Architect may prescribe, an itemized accounting together with appropriate supporting data. Unless otherwise provided in the Contract Documents, costs for the purposes of this Section 7.3.4 shall be limited to the following:

1. Costs of labor, including applicable payroll taxes, fringe benefits required by agreement or custom, workers' compensation insurance, and other employee costs approved by the Architect;
2. Costs of materials, supplies, and equipment, including cost of transportation, whether incorporated or consumed;
3. Rental costs of machinery and equipment, exclusive of hand tools, whether rented from the Contractor or others;
4. Costs of premiums for all bonds and insurance, permit fees, and sales, use, or similar taxes, directly related to the change; and
5. Costs of supervision and field office personnel directly attributable to the change.

§ 7.3.5 If the Contractor disagrees with the adjustment in the Contract Time, the Contractor may make a Claim in accordance with applicable provisions of Article 15.

§ 7.3.6 Upon receipt of a Construction Change Directive, the Contractor shall promptly proceed with the change in the Work involved and advise the Architect of the Contractor's agreement or disagreement with the method, if any, provided in the Construction Change Directive for determining the proposed adjustment in the Contract Sum or Contract Time.

§ 7.3.7 A Construction Change Directive signed by the Contractor indicates the Contractor's agreement therewith, including adjustment in Contract Sum and Contract Time or the method for determining them. Such agreement shall be effective immediately and shall be recorded as a Change Order.

§ 7.3.8 The amount of credit to be allowed by the Contractor to the Owner for a deletion or change that results in a net decrease in the Contract Sum shall be actual net cost as confirmed by the Architect. When both additions and credits covering related Work or substitutions are involved in a change, the allowance for overhead and profit shall be figured on the basis of net increase, if any, with respect to that change.

§ 7.3.9 Pending final determination of the total cost of a Construction Change Directive to the Owner, the Contractor may request payment for Work completed under the Construction Change Directive in Applications for Payment. The Architect will make an interim determination for purposes of monthly certification for payment for those costs and certify for payment the amount that the Architect determines, in the Architect's professional judgment, to be reasonably justified. The Architect's interim determination of cost shall adjust the Contract Sum on the same basis as a Change Order, subject to the right of either party to disagree and assert a Claim in accordance with Article 15.

§ 7.3.10 When the Owner and Contractor agree with a determination made by the Architect concerning the adjustments in the Contract Sum and Contract Time, or otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and the Architect will prepare a Change Order. Change Orders may be issued for all or any part of a Construction Change Directive.

§ 7.4 Minor Changes in the Work

The Architect may order minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. The Architect's order for minor changes shall be in writing. If the Contractor believes that the proposed minor change in the Work will affect the Contract Sum or Contract Time, the Contractor shall notify the Architect and shall not proceed to implement the change in the Work. If the Contractor performs the Work set forth in the Architect's order for a minor change without prior notice to the Architect that such change will affect the Contract Sum or Contract Time, the Contractor waives any adjustment to the Contract Sum or extension of the Contract Time.

ARTICLE 8 TIME

§ 8.1 Definitions

§ 8.1.1 Unless otherwise provided, Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work.

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§ 8.1.2 The date of commencement of the Work is the date established in the Agreement.

§ 8.1.3 The date of Substantial Completion is the date certified by the Architect in accordance with Section 9.8.

§ 8.1.4 The term "day" as used in the Contract Documents shall mean calendar day unless otherwise specifically defined.

§ 8.2 Progress and Completion

§ 8.2.1 Time limits stated in the Contract Documents are of the essence of the Contract. By executing the Agreement, the Contractor confirms that the Contract Time is a reasonable period for performing the Work.

§ 8.2.2 The Contractor shall not knowingly, except by agreement or instruction of the Owner in writing, commence the Work prior to the effective date of insurance required to be furnished by the Contractor and Owner.

§ 8.2.3 The Contractor shall proceed expeditiously with adequate forces and shall achieve Substantial Completion within the Contract Time.

§ 8.3 Delays and Extensions of Time

§ 8.3.1 If the Contractor is delayed at any time in the commencement or progress of the Work by (1) an act or neglect of the Owner or Architect, of an employee of either, or of a Separate Contractor; (2) by changes ordered in the Work; (3) by labor disputes, fire, unusual delay in deliveries, unavoidable casualties, adverse weather conditions documented in accordance with Section 15.1.6.2, or other causes beyond the Contractor's control; (4) by delay authorized by the Owner pending mediation and binding dispute resolution; or (5) by other causes that the Contractor asserts, and the Architect determines, justify delay, then the Contract Time shall be extended **and cost increased** for such reasonable time as may be determined.

§ 8.3.2 Claims relating to time shall be made in accordance with applicable provisions of Article 15.

§ 8.3.3 This Section 8.3 does not preclude recovery of damages for delay by either party under other provisions of the Contract Documents.

ARTICLE 9 PAYMENTS AND COMPLETION

§ 9.1 Contract Sum

§ 9.1.1 The Contract Sum is stated in the Agreement and, including authorized adjustments, is the total amount payable by the Owner to the Contractor for performance of the Work under the Contract Documents.

§ 9.1.2 If unit prices are stated in the Contract Documents or subsequently agreed upon, and if quantities originally contemplated are materially changed so that application of such unit prices to the actual quantities causes substantial inequity to the Owner or Contractor, the applicable unit prices shall be equitably adjusted.

§ 9.1.3 **In the event of significant delay or price increase of material occurring during the performance of the contract through no fault of the Contractor, the contract sum, time of performance, and contract requirements shall be equitably adjusted by change order in accordance with the procedures of the contract documents. A change in price of an item of material shall be considered significant when the price of an item increases 5% percent between the date of this contract and the date of delivery.**

§ 9.2 Schedule of Values

Where the Contract is based on a stipulated sum or Guaranteed Maximum Price, the Contractor shall submit a schedule of values to the Architect before the first Application for Payment, **reasonably** allocating the entire Contract Sum to the various portions of the Work. The schedule of values shall be prepared in the form, and supported by the data to substantiate its accuracy, **reasonably** required by the Architect. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's Applications for Payment. Any changes to the schedule of values shall be submitted to the Architect and supported by such data to substantiate its accuracy as the Architect may **reasonably** require, and unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's subsequent Applications for Payment.

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§ 9.3 Applications for Payment

§ 9.3.1 At least ten days before the date established for each progress payment, the Contractor shall submit to the Architect an itemized Application for Payment prepared in accordance with the schedule of values, if required under Section 9.2, for completed portions of the Work. The application shall be notarized, if required, and shall reflect retainage if provided for in the Contract Documents.

§ 9.3.1.1 As provided in Section 7.3.9, such applications may include requests for payment on account of changes in the Work that have been properly authorized by Construction Change Directives, or by interim determinations of the Architect, but not yet included in Change Orders.

§ 9.3.1.2 Applications for Payment shall not include requests for payment for portions of the Work for which the Contractor does not intend to pay a Subcontractor or supplier, unless such Work has been performed by others whom the Contractor intends to pay.

§ 9.3.2 Unless otherwise provided in the Contract Documents, payments shall be made on account of materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. If approved in advance by the Owner, payment may similarly be made for materials and equipment suitably stored off the site at a location agreed upon in writing. Payment for materials and equipment stored on or off the site shall be conditioned upon compliance by the Contractor with procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise protect the Owner's interest, and shall include the costs of applicable insurance, storage, and transportation to the site, for such materials and equipment stored off the site.

§ 9.3.3 The Contractor warrants that title to all Work covered by an Application for Payment will pass to the Owner no later than the time of payment. The Contractor further warrants that upon submittal of an Application for Payment all Work for which Certificates for Payment have been previously issued and payments received from the Owner shall, to the best of the Contractor's knowledge, information, and belief, be free and clear of liens, claims, security interests, or encumbrances, in favor of the Contractor, Subcontractors, suppliers, or other persons or entities that provided labor, materials, and equipment relating to the Work.

§ 9.4 Certificates for Payment

§ 9.4.1 The Architect will, within seven days after receipt of the Contractor's Application for Payment, either (1) issue to the Owner a Certificate for Payment in the full amount of the Application for Payment, with a copy to the Contractor; or (2) issue to the Owner a Certificate for Payment for such amount as the Architect determines is properly due, and notify the Contractor and Owner of the Architect's reasons for withholding certification in part as provided in Section 9.5.1; or (3) withhold certification of the entire Application for Payment, and notify the Contractor and Owner of the Architect's reason for withholding certification in whole as provided in Section 9.5.1.

§ 9.4.2 The issuance of a Certificate for Payment will constitute a representation by the Architect to the Owner, based on the Architect's evaluation of the Work and the data in the Application for Payment, that, to the best of the Architect's knowledge, information, and belief, the Work has progressed to the point indicated, the quality of the Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment in the amount certified. The foregoing representations are subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to results of subsequent tests and inspections, to correction of minor deviations from the Contract Documents prior to completion, and to specific qualifications expressed by the Architect. However, the issuance of a Certificate for Payment will not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work; (2) reviewed construction means, methods, techniques, sequences, or procedures; (3) reviewed copies of requisitions received from Subcontractors and suppliers and other data requested by the Owner to substantiate the Contractor's right to payment; or (4) made examination to ascertain how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

§ 9.5 Decisions to Withhold Certification

§ 9.5.1 The Architect may withhold a Certificate for Payment in whole or in part, to the extent reasonably necessary to protect the Owner, if in the Architect's opinion the representations to the Owner required by Section 9.4.2 cannot be made. If the Architect is unable to certify payment in the amount of the Application, the Architect will notify the Contractor and Owner as provided in Section 9.4.1. If the Contractor and Architect cannot agree on a revised amount, the Architect will promptly issue a Certificate for Payment for the amount for which the Architect is able to make such

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representations to the Owner. The Architect may also withhold a Certificate for Payment or, because of subsequently discovered evidence, may nullify the whole or a part of a Certificate for Payment previously issued, to such extent as may be necessary in the Architect's opinion to protect the Owner from loss for which the Contractor is responsible, including loss resulting from acts and omissions described in Section 3.3.2, because of

- .1 defective Work not remedied;
- .2 third party claims filed or reasonable evidence indicating probable filing of such claims, unless security acceptable to the Owner is provided by the Contractor;
- .3 failure of the Contractor to make payments properly to Subcontractors or suppliers for labor, materials or equipment;
- .4 reasonable evidence that the Work cannot be completed for the unpaid balance of the Contract Sum;
- .5 damage to the Owner or a Separate Contractor;
- .6 reasonable evidence that the Work will not be completed within the Contract Time, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay; or
- .7 repeated failure to carry out the Work in accordance with the Contract Documents.

§ 9.5.2 When either party disputes the Architect's decision regarding a Certificate for Payment under Section 9.5.1, in whole or in part, that party may submit a Claim in accordance with Article 15.

§ 9.5.3 When the reasons for withholding certification are removed, certification will be made for amounts previously withheld.

§ 9.5.4 If the Architect withholds certification for payment under Section 9.5.1.3, the Owner may, at its sole option, issue joint checks to the Contractor and to any Subcontractor or supplier to whom the Contractor failed to make payment for Work properly performed or material or equipment suitably delivered. If the Owner makes payments by joint check, the Owner shall notify the Architect and the Contractor shall reflect such payment on its next Application for Payment.

§ 9.6 Progress Payments

§ 9.6.1 After the Architect has issued a Certificate for Payment, the Owner shall make payment in the manner and within the time provided in the Contract Documents, and shall so notify the Architect.

§ 9.6.2 The Contractor shall pay each Subcontractor, no later than seven days after receipt of payment from the Owner, the amount to which the Subcontractor is entitled, reflecting percentages actually retained from payments to the Contractor on account of the Subcontractor's portion of the Work. The Contractor shall, by appropriate agreement with each Subcontractor, require each Subcontractor to make payments to Sub-subcontractors in a similar manner.

§ 9.6.3 The Architect will, on request, furnish to a Subcontractor, if practicable, information regarding percentages of completion or amounts applied for by the Contractor and action taken thereon by the Architect and Owner on account of portions of the Work done by such Subcontractor.

§ 9.6.4 The Owner has the right to request written evidence from the Contractor that the Contractor has properly paid Subcontractors and suppliers amounts paid by the Owner to the Contractor for subcontracted Work. If the Contractor fails to furnish such evidence within seven days, the Owner shall have the right to contact Subcontractors and suppliers to ascertain whether they have been properly paid. Neither the Owner nor Architect shall have an obligation to pay, or to see to the payment of money to, a Subcontractor or supplier, except as may otherwise be required by law.

§ 9.6.5 The Contractor's payments to suppliers shall be treated in a manner similar to that provided in Sections 9.6.2, 9.6.3 and 9.6.4.

§ 9.6.6 A Certificate for Payment, a progress payment, or partial or entire use or occupancy of the Project by the Owner shall not constitute acceptance of Work not in accordance with the Contract Documents.

§ 9.6.7 Unless the Contractor provides the Owner with a payment bond in the full penal sum of the Contract Sum, payments received by the Contractor for Work properly performed by Subcontractors or provided by suppliers shall be held by the Contractor for those Subcontractors or suppliers who performed Work or furnished materials, or both, under contract with the Contractor for which payment was made by the Owner. Nothing contained herein shall require money to be placed in a separate account and not commingled with money of the Contractor, create any fiduciary

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liability or tort liability on the part of the Contractor for breach of trust, or entitle any person or entity to an award of punitive damages against the Contractor for breach of the requirements of this provision.

§ 9.6.8 Provided the Owner has fulfilled its payment obligations under the Contract Documents, the Contractor shall defend and indemnify the Owner from all loss, liability, damage or expense, including reasonable attorney's fees and litigation expenses, arising out of any lien claim or other claim for payment by any Subcontractor or supplier of any tier. Upon receipt of notice of a lien claim or other claim for payment, the Owner shall notify the Contractor. If approved by the applicable court, when required, the Contractor may substitute a surety bond for the property against which the lien or other claim for payment has been asserted.

§ 9.7 Failure of Payment

If the Architect does not issue a Certificate for Payment, through no fault of the Contractor, within seven days after receipt of the Contractor's Application for Payment, or if the Owner does not pay the Contractor within seven days after the date established in the Contract Documents, the amount certified by the Architect or awarded by binding dispute resolution, then the Contractor may, upon seven additional days' notice to the Owner and Architect, stop the Work until payment of the amount owing has been received. The Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable costs of shutdown, delay and start-up, plus interest as provided for in the Contract Documents.

§ 9.8 Substantial Completion

§ 9.8.1 Substantial Completion is the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use.

§ 9.8.2 When the Contractor considers that the Work, or a portion thereof which the Owner agrees to accept separately, is substantially complete, the Contractor shall prepare and submit to the Architect a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents.

§ 9.8.3 Upon receipt of the Contractor's list, the Architect will make an inspection to determine whether the Work or designated portion thereof is substantially complete. If the Architect's inspection discloses any item, whether or not included on the Contractor's list, which is not sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work or designated portion thereof for its intended use, the Contractor shall, before issuance of the Certificate of Substantial Completion, complete or correct such item upon notification by the Architect. In such case, the Contractor shall then submit a request for another inspection by the Architect to determine Substantial Completion.

§ 9.8.4 When the Work or designated portion thereof is substantially complete, the Architect will prepare a Certificate of Substantial Completion that shall establish the date of Substantial Completion; establish responsibilities of the Owner and Contractor for security, maintenance, heat, utilities, damage to the Work and insurance; and fix the time within which the Contractor shall finish all items on the list accompanying the Certificate. Warranties required by the Contract Documents shall commence on the date of Substantial Completion of the Work or designated portion thereof unless otherwise provided in the Certificate of Substantial Completion.

§ 9.8.5 The Certificate of Substantial Completion shall be submitted to the Owner and Contractor for their written acceptance of responsibilities assigned to them in the Certificate. Upon such acceptance, and consent of surety if any, the Owner shall make payment of retainage applying to the Work or designated portion thereof. Such payment shall be adjusted for Work that is incomplete or not in accordance with the requirements of the Contract Documents.

§ 9.9 Partial Occupancy or Use

§ 9.9.1 The Owner may occupy or use any completed or partially completed portion of the Work at any stage when such portion is designated by separate agreement with the Contractor, provided such occupancy or use is consented to by the insurer and authorized by public authorities having jurisdiction over the Project. Such partial occupancy or use may commence whether or not the portion is substantially complete, provided the Owner and Contractor have accepted in writing the responsibilities assigned to each of them for payments, retainage, if any, security, maintenance, heat, utilities, damage to the Work and insurance, and have agreed in writing concerning the period for correction of the Work and commencement of warranties required by the Contract Documents. When the Contractor considers a

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portion substantially complete, the Contractor shall prepare and submit a list to the Architect as provided under Section 9.8.2. Consent of the Contractor to partial occupancy or use shall not be unreasonably withheld. The stage of the progress of the Work shall be determined by written agreement between the Owner and Contractor or, if no agreement is reached, by decision of the Architect.

§ 9.9.2 Immediately prior to such partial occupancy or use, the Owner, Contractor, and Architect shall jointly inspect the area to be occupied or portion of the Work to be used in order to determine and record the condition of the Work.

§ 9.9.3 Unless otherwise agreed upon, partial occupancy or use of a portion or portions of the Work shall not constitute acceptance of Work not complying with the requirements of the Contract Documents.

§ 9.10 Final Completion and Final Payment

§ 9.10.1 Upon receipt of the Contractor's notice that the Work is ready for final inspection and acceptance and upon receipt of a final Application for Payment, the Architect will promptly make such inspection. When the Architect finds the Work acceptable under the Contract Documents and the Contract fully performed, the Architect will promptly issue a final Certificate for Payment stating that to the best of the Architect's knowledge, information and belief, and on the basis of the Architect's on-site visits and inspections, the Work has been completed in accordance with the Contract Documents and that the entire balance found to be due the Contractor and noted in the final Certificate is due and payable. The Architect's final Certificate for Payment will constitute a further representation that conditions listed in Section 9.10.2 as precedent to the Contractor's being entitled to final payment have been fulfilled.

§ 9.10.2 Neither final payment nor any remaining retained percentage shall become due until the Contractor submits to the Architect (1) an affidavit that payrolls, bills for materials and equipment, and other indebtedness connected with the Work for which the Owner or the Owner's property might be responsible or encumbered (less amounts withheld by Owner) have been paid or otherwise satisfied, (2) a certificate evidencing that insurance required by the Contract Documents to remain in force after final payment is currently in effect, (3) a written statement that the Contractor knows of no reason that the insurance will not be renewable to cover the period required by the Contract Documents, (4) consent of surety, if any, to final payment, (5) documentation of any special warranties, such as manufacturers' warranties or specific Subcontractor warranties, and (6) if required by the Owner, other data establishing payment or satisfaction of obligations, such as receipts and releases and waivers of liens, claims, security interests, or encumbrances arising out of the Contract, to the extent and in such form as may be designated by the Owner. If a Subcontractor refuses to furnish a release or waiver required by the Owner, the Contractor may furnish a bond satisfactory to the Owner to indemnify the Owner against such lien, claim, security interest, or encumbrance. If a lien, claim, security interest, or encumbrance remains unsatisfied after payments are made, the Contractor shall refund to the Owner all money that the Owner may be compelled to pay in discharging the lien, claim, security interest, or encumbrance, including all costs and reasonable attorneys' fees.

§ 9.10.3 If, after Substantial Completion of the Work, final completion thereof is materially delayed through no fault of the Contractor or by issuance of Change Orders affecting final completion, and the Architect so confirms, the Owner shall, upon application by the Contractor and certification by the Architect, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed, corrected, and accepted. If the remaining balance for Work not fully completed or corrected is less than retainage stipulated in the Contract Documents, and if bonds have been furnished, the written consent of the surety to payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by the Contractor to the Architect prior to certification of such payment. Such payment shall be made under terms and conditions governing final payment, except that it shall not constitute a waiver of Claims.

§ 9.10.4 The making of final payment shall constitute a waiver of Claims by the Owner except those arising from

- .1 liens, Claims, security interests, or encumbrances arising out of the Contract and unsettled;
- .2 failure of the Work to comply with the requirements of the Contract Documents;
- .3 terms of special warranties required by the Contract Documents; or
- .4 audits performed by the Owner, if permitted by the Contract Documents, after final payment.

§ 9.10.5 Acceptance of final payment by the Contractor, a Subcontractor, or a supplier, shall constitute a waiver of claims by that payee except those previously made in writing and identified by that payee as unsettled at the time of final Application for Payment.

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ARTICLE 10 PROTECTION OF PERSONS AND PROPERTY

§ 10.1 Safety Precautions and Programs

The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the performance of the Contract.

§ 10.2 Safety of Persons and Property

§ 10.2.1 The Contractor shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury, or loss to

- .1 employees on the Work and other persons who may be affected thereby;
- .2 the Work and materials and equipment to be incorporated therein, whether in storage on or off the site, under care, custody, or control of the Contractor, a Subcontractor, or a Sub-subcontractor; and
- .3 other property at the site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities not designated for removal, relocation, or replacement in the course of construction.

§ 10.2.2 The Contractor shall comply with, and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities, bearing on safety of persons or property or their protection from damage, injury, or loss.

§ 10.2.3 The Contractor shall implement, erect, and maintain, as required by existing conditions and performance of the Contract, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards; promulgating safety regulations; and notifying the owners and users of adjacent sites and utilities of the safeguards.

§ 10.2.4 When use or storage of explosives or other hazardous materials or equipment, or unusual methods are necessary for execution of the Work, the Contractor shall exercise utmost care and carry on such activities under supervision of properly qualified personnel.

§ 10.2.5 The Contractor shall promptly remedy damage and loss (other than damage or loss insured under property insurance required by the Contract Documents) to property referred to in Sections 10.2.1.2 and 10.2.1.3 caused in whole or in part by the Contractor, a Subcontractor, a Sub-subcontractor, or anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable and for which the Contractor is responsible under Sections 10.2.1.2 and 10.2.1.3. The Contractor may make a Claim for the cost to remedy the damage or loss to the extent such damage or loss is attributable to acts or omissions of the Owner or Architect or anyone directly or indirectly employed by either of them, or by anyone for whose acts either of them may be liable, and not attributable to the fault or negligence of the Contractor. The foregoing obligations of the Contractor are in addition to the Contractor's obligations under Section 3.18.

§ 10.2.6 The Contractor shall designate a responsible member of the Contractor's organization at the site whose duty shall be the prevention of accidents. This person shall be the Contractor's superintendent unless otherwise designated by the Contractor in writing to the Owner and Architect.

§ 10.2.7 The Contractor shall not permit any part of the construction or site to be loaded so as to cause damage or create an unsafe condition.

§ 10.2.8 Injury or Damage to Person or Property

If either party suffers injury or damage to person or property because of an act or omission of the other party, or of others for whose acts such party is legally responsible, notice of the injury or damage, whether or not insured, shall be given to the other party within a reasonable time not exceeding 21 days after discovery. The notice shall provide sufficient detail to enable the other party to investigate the matter.

§ 10.3 Hazardous Materials and Substances

§ 10.3.1 The Contractor is responsible for compliance with any requirements included in the Contract Documents regarding hazardous materials or substances. If the Contractor encounters a hazardous material or substance not addressed in the Contract Documents and if reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a material or substance, including but not limited to asbestos or

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polychlorinated biphenyl (PCB), encountered on the site by the Contractor, the Contractor shall, upon recognizing the condition, immediately stop Work in the affected area and notify the Owner and Architect of the condition.

§ 10.3.2 Upon receipt of the Contractor's notice, the Owner shall obtain the services of a licensed laboratory to verify the presence or absence of the material or substance reported by the Contractor and, in the event such material or substance is found to be present, to cause it to be rendered harmless. Unless otherwise required by the Contract Documents, the Owner shall furnish in writing to the Contractor and Architect the names and qualifications of persons or entities who are to perform tests verifying the presence or absence of the material or substance or who are to perform the task of removal or safe containment of the material or substance. The Contractor and the Architect will promptly reply to the Owner in writing stating whether or not either has reasonable objection to the persons or entities proposed by the Owner. If either the Contractor or Architect has an objection to a person or entity proposed by the Owner, the Owner shall propose another to whom the Contractor and the Architect have no reasonable objection. When the material or substance has been rendered harmless, Work in the affected area shall resume upon written agreement of the Owner and Contractor. By Change Order, the Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable additional costs of shutdown, delay, and start-up.

§ 10.3.3 To the fullest extent permitted by law, the Owner shall indemnify and hold harmless the Contractor, Subcontractors, Architect, Architect's consultants, and agents and employees of any of them from and against claims, damages, losses, and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work in the affected area if in fact the material or substance presents the risk of bodily injury or death as described in Section 10.3.1 and has not been rendered harmless, provided that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), except to the extent that such damage, loss, or expense is due to the fault or negligence of the party seeking indemnity.

§ 10.3.4 The Owner shall not be responsible under this Section 10.3 for hazardous materials or substances the Contractor brings to the site unless such materials or substances are required by the Contract Documents. The Owner shall be responsible for hazardous materials or substances required by the Contract Documents, except to the extent of the Contractor's fault or negligence in the use and handling of such materials or substances.

§ 10.3.5 The Contractor shall reimburse the Owner for the cost and expense the Owner incurs (1) for remediation of hazardous materials or substances the Contractor brings to the site and negligently handles, or (2) where the Contractor fails to perform its obligations under Section 10.3.1, except to the extent that the cost and expense are due to the Owner's fault or negligence.

§ 10.3.6 If, without negligence on the part of the Contractor, the Contractor is held liable by a government agency for the cost of remediation of a hazardous material or substance solely by reason of performing Work as required by the Contract Documents, the Owner shall reimburse the Contractor for all cost and expense thereby incurred.

§ 10.4 Emergencies

In an emergency affecting safety of persons or property, the Contractor shall act, at the Contractor's discretion, to prevent threatened damage, injury, or loss. Additional compensation or extension of time claimed by the Contractor on account of an emergency shall be determined as provided in Article 15 and Article 7.

ARTICLE 11 INSURANCE AND BONDS

§ 11.1 Contractor's Insurance and Bonds

§ 11.1.1 The Contractor shall purchase and maintain insurance of the types and limits of liability, containing the endorsements, and subject to the terms and conditions, as described in the Agreement or elsewhere in the Contract Documents. The Contractor shall purchase and maintain the required insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Owner, Architect, and Architect's consultants shall be named as additional insureds under the Contractor's commercial general liability policy or as otherwise described in the Contract Documents.

§ 11.1.2 The Contractor shall provide surety bonds of the types, for such penal sums, and subject to such terms and conditions as required by the Contract Documents. The Contractor shall purchase and maintain the required bonds from a company or companies lawfully authorized to issue surety bonds in the jurisdiction where the Project is located.

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§ 11.1.3 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

§ 11.1.4 **Notice of Cancellation or Expiration of Contractor's Required Insurance.** Within three (3) business days of the date the Contractor becomes aware of an impending or actual cancellation or expiration of any insurance required by the Contract Documents, the Contractor shall provide notice to the Owner of such impending or actual cancellation or expiration. Upon receipt of notice from the Contractor, the Owner shall, unless the lapse in coverage arises from an act or omission of the Owner, have the right to stop the Work until the lapse in coverage has been cured by the procurement of replacement coverage by the Contractor. The furnishing of notice by the Contractor shall not relieve the Contractor of any contractual obligation to provide any required coverage.

§ 11.2 Owner's Insurance

§ 11.2.1 The Owner shall purchase and maintain insurance of the types and limits of liability, containing the endorsements, and subject to the terms and conditions, as described in the Agreement or elsewhere in the Contract Documents. The Owner shall purchase and maintain the required insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located.

§ 11.2.2 **Failure to Purchase Required Property Insurance.** If the Owner fails to purchase and maintain the required property insurance, with all of the coverages and in the amounts described in the Agreement or elsewhere in the Contract Documents, the Owner shall inform the Contractor in writing prior to commencement of the Work. Upon receipt of notice from the Owner, the Contractor may delay commencement of the Work and may obtain insurance that will protect the interests of the Contractor, Subcontractors, and Sub-Subcontractors in the Work. When the failure to provide coverage has been cured or resolved, the Contract Sum and Contract Time shall be equitably adjusted. In the event the Owner fails to procure coverage, the Owner waives all rights against the Contractor, Subcontractors, and Sub-subcontractors to the extent the loss to the Owner would have been covered by the insurance to have been procured by the Owner. The cost of the insurance shall be charged to the Owner by a Change Order. If the Owner does not provide written notice, and the Contractor is damaged by the failure or neglect of the Owner to purchase or maintain the required insurance, the Owner shall reimburse the Contractor for all reasonable costs and damages attributable thereto.

§ 11.2.3 **Notice of Cancellation or Expiration of Owner's Required Property Insurance.** Within three (3) business days of the date the Owner becomes aware of an impending or actual cancellation or expiration of any property insurance required by the Contract Documents, the Owner shall provide notice to the Contractor of such impending or actual cancellation or expiration. Unless the lapse in coverage arises from an act or omission of the Contractor: (1) the Contractor, upon receipt of notice from the Owner, shall have the right to stop the Work until the lapse in coverage has been cured by the procurement of replacement coverage by either the Owner or the Contractor; (2) the Contract Time and Contract Sum shall be equitably adjusted; and (3) the Owner waives all rights against the Contractor, Subcontractors, and Sub-subcontractors to the extent any loss to the Owner would have been covered by the insurance had it not expired or been cancelled. If the Contractor purchases replacement coverage, the cost of the insurance shall be charged to the Owner by an appropriate Change Order. The furnishing of notice by the Owner shall not relieve the Owner of any contractual obligation to provide required insurance.

§ 11.3 Waivers of Subrogation

§ 11.3.1 The Owner and Contractor waive all rights against (1) each other and any of their subcontractors, sub-subcontractors, agents, and employees, each of the other; (2) the Architect and Architect's consultants; and (3) Separate Contractors, if any, and any of their subcontractors, sub-subcontractors, agents, and employees, for damages caused by fire, or other causes of loss, to the extent those losses are covered by property insurance required by the Agreement or other property insurance applicable to the Project, except such rights as they have to proceeds of such insurance. The Owner or Contractor, as appropriate, shall require similar written waivers in favor of the individuals and entities identified above from the Architect, Architect's consultants, Separate Contractors, subcontractors, and sub-subcontractors. The policies of insurance purchased and maintained by each person or entity agreeing to waive claims pursuant to this section 11.3.1 shall not prohibit this waiver of subrogation. This waiver of subrogation shall be effective as to a person or entity (1) even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, (2) even though that person or entity did not pay the insurance premium directly or indirectly, or (3) whether or not the person or entity had an insurable interest in the damaged property.

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§ 11.3.2 If during the Project construction period the Owner insures properties, real or personal or both, at or adjacent to the site by property insurance under policies separate from those insuring the Project, or if after final payment property insurance is to be provided on the completed Project through a policy or policies other than those insuring the Project during the construction period, to the extent permissible by such policies, the Owner waives all rights in accordance with the terms of Section 11.3.1 for damages caused by fire or other causes of loss covered by this separate property insurance.

§ 11.4 Loss of Use, Business Interruption, and Delay in Completion Insurance

The Owner, at the Owner's option, may purchase and maintain insurance that will protect the Owner against loss of use of the Owner's property, or the inability to conduct normal operations, due to fire or other causes of loss. The Owner waives all rights of action against the Contractor and Architect for loss of use of the Owner's property, due to fire or other hazards however caused.

§11.5 Adjustment and Settlement of Insured Loss

§ 11.5.1 A loss insured under the property insurance required by the Agreement shall be adjusted by the Owner as fiduciary and made payable to the Owner as fiduciary for the insureds, as their interests may appear, subject to requirements of any applicable mortgagee clause and of Section 11.5.2. The Owner shall pay the Architect and Contractor their just shares of insurance proceeds received by the Owner, and by appropriate agreements the Architect and Contractor shall make payments to their consultants and Subcontractors in similar manner.

§ 11.5.2 Prior to settlement of an insured loss, the Owner shall notify the Contractor of the terms of the proposed settlement as well as the proposed allocation of the insurance proceeds. The Contractor shall have 14 days from receipt of notice to object to the proposed settlement or allocation of the proceeds. If the Contractor does not object, the Owner shall settle the loss and the Contractor shall be bound by the settlement and allocation. Upon receipt, the Owner shall deposit the insurance proceeds in a separate account and make the appropriate distributions. Thereafter, if no other agreement is made or the Owner does not terminate the Contract for convenience, the Owner and Contractor shall execute a Change Order for reconstruction of the damaged or destroyed Work in the amount allocated for that purpose. If the Contractor timely objects to either the terms of the proposed settlement or the allocation of the proceeds, the Owner may proceed to settle the insured loss, and any dispute between the Owner and Contractor arising out of the settlement or allocation of the proceeds shall be resolved pursuant to Article 15. Pending resolution of any dispute, the Owner may issue a Construction Change Directive for the reconstruction of the damaged or destroyed Work.

ARTICLE 12 UNCOVERING AND CORRECTION OF WORK

§ 12.1 Uncovering of Work

§ 12.1.1 If a portion of the Work is covered contrary to the Architect's request or to requirements specifically expressed in the Contract Documents, it must, if requested in writing by the Architect, be uncovered for the Architect's examination and be replaced at the Contractor's expense without change in the Contract Time.

§ 12.1.2 If a portion of the Work has been covered that the Architect has not specifically requested to examine prior to its being covered, the Architect may request to see such Work and it shall be uncovered by the Contractor. If such Work is in accordance with the Contract Documents, the Contractor shall be entitled to an equitable adjustment to the Contract Sum and Contract Time as may be appropriate. If such Work is not in accordance with the Contract Documents, the costs of uncovering the Work, and the cost of correction, shall be at the Contractor's expense.

§ 12.2 Correction of Work

§ 12.2.1 Before Substantial Completion

The Contractor shall promptly correct Work rejected by the Architect for failing to conform to the requirements of the Contract Documents, discovered before Substantial Completion and whether or not fabricated, installed or completed. Costs of correcting such rejected Work, including additional testing and inspections, the cost of uncovering and replacement, and compensation for the Architect's services and expenses made necessary thereby, shall be at the Contractor's expense.

§ 12.2.2 After Substantial Completion

§ 12.2.2.1 In addition to the Contractor's obligations under Section 3.5, if, within one year after the date of Substantial Completion of the Work or designated portion thereof or after the date for commencement of warranties established

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under Section 9.9.1, or by terms of any applicable special warranty required by the Contract Documents, any of the Work is found to be not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of notice from the Owner to do so, unless the Owner has previously given the Contractor a written acceptance of such condition. The Owner shall give such notice promptly after discovery of the condition. During the one-year period for correction of Work, if the Owner fails to notify the Contractor and give the Contractor an opportunity to make the correction, the Owner waives the rights to require correction by the Contractor and to make a claim for breach of warranty. If the Contractor fails to correct nonconforming Work within a reasonable time during that period after receipt of notice from the Owner or Architect, the Owner may correct it in accordance with Section 2.5.

§ 12.2.2.2 The one-year period for correction of Work shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual completion of that portion of the Work.

§ 12.2.2.3 The one-year period for correction of Work shall not be extended by corrective Work performed by the Contractor pursuant to this Section 12.2.

§ 12.2.3 The Contractor shall remove from the site portions of the Work that are not in accordance with the requirements of the Contract Documents and are neither corrected by the Contractor nor accepted by the Owner.

§ 12.2.4 The Contractor shall bear the cost of correcting destroyed or damaged construction of the Owner or Separate Contractors, whether completed or partially completed, caused by the Contractor's correction or removal of Work that is not in accordance with the requirements of the Contract Documents.

§ 12.2.5 Nothing contained in this Section 12.2 shall be construed to establish a period of limitation with respect to other obligations the Contractor has under the Contract Documents. Establishment of the one-year period for correction of Work as described in Section 12.2.2 relates only to the specific obligation of the Contractor to correct the Work, and has no relationship to the time within which the obligation to comply with the Contract Documents may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Contractor's liability with respect to the Contractor's obligations other than specifically to correct the Work.

§ 12.3 Acceptance of Nonconforming Work

If the Owner prefers to accept Work that is not in accordance with the requirements of the Contract Documents, the Owner may do so instead of requiring its removal and correction, in which case the Contract Sum will be reduced as appropriate and equitable. Such adjustment shall be effected whether or not final payment has been made.

ARTICLE 13 MISCELLANEOUS PROVISIONS

§ 13.1 Governing Law

The Contract shall be governed by the law of **Mecklenburg County, North Carolina**, excluding that jurisdiction's choice of law rules. If the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 15.4.

§ 13.2 Successors and Assigns

§ 13.2.1 The Owner and Contractor respectively bind themselves, their partners, successors, assigns, and legal representatives to covenants, agreements, and obligations contained in the Contract Documents. Except as provided in Section 13.2.2, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 13.2.2 The Owner may, with consent of the Contractor, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner's rights and obligations under the Contract Documents. The Contractor shall execute all consents reasonably required to facilitate the assignment.

§ 13.3 Rights and Remedies

§ 13.3.1 Duties and obligations imposed by the Contract Documents and rights and remedies available thereunder shall be in addition to and not a limitation of duties, obligations, rights, and remedies otherwise imposed or available by law.

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§ 13.3.2 No action or failure to act by the Owner, Architect, or Contractor shall constitute a waiver of a right or duty afforded them under the Contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed upon in writing.

§ 13.4 Tests and Inspections

§ 13.4.1 Tests, inspections, and approvals of portions of the Work shall be made as required by the Contract Documents and by applicable laws, statutes, ordinances, codes, rules, and regulations or lawful orders of public authorities. Unless otherwise provided, the Contractor shall make arrangements for such tests, inspections, and approvals with an independent testing laboratory or entity acceptable to the Owner, or with the appropriate public authority, and shall bear all related costs of tests, inspections, and approvals. The Contractor shall give the Architect timely notice of when and where tests and inspections are to be made so that the Architect may be present for such procedures. The Owner shall bear costs of tests, inspections, or approvals that do not become requirements until after bids are received or negotiations concluded. The Owner shall directly arrange and pay for tests, inspections, or approvals where building codes or applicable laws or regulations so require.

§ 13.4.2 If the Architect, Owner, or public authorities having jurisdiction determine that portions of the Work require additional testing, inspection, or approval not included under Section 13.4.1, the Architect will, upon written authorization from the Owner, instruct the Contractor to make arrangements for such additional testing, inspection, or approval, by an entity acceptable to the Owner, and the Contractor shall give timely notice to the Architect of when and where tests and inspections are to be made so that the Architect may be present for such procedures. Such costs, except as provided in Section 13.4.3, shall be at the Owner's expense.

§ 13.4.3 If procedures for testing, inspection, or approval under Sections 13.4.1 and 13.4.2 reveal failure of the portions of the Work to comply with requirements established by the Contract Documents, all costs made necessary by such failure, including those of repeated procedures and compensation for the Architect's services and expenses, shall be at the Contractor's expense.

§ 13.4.4 Required certificates of testing, inspection, or approval shall, unless otherwise required by the Contract Documents, be secured by the Contractor and promptly delivered to the Architect.

§ 13.4.5 If the Architect is to observe tests, inspections, or approvals required by the Contract Documents, the Architect will do so promptly and, where practicable, at the normal place of testing.

§ 13.4.6 Tests or inspections conducted pursuant to the Contract Documents shall be made promptly to avoid unreasonable delay in the Work.

§ 13.5 Interest

Payments due and unpaid under the Contract Documents shall bear interest from the date payment is due at the rate the parties agree upon in writing or, in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

ARTICLE 14 TERMINATION OR SUSPENSION OF THE CONTRACT

§ 14.1 Termination by the Contractor

§ 14.1.1 The Contractor may terminate the Contract if the Work is stopped for a period of 30 consecutive days through no act or fault of the Contractor, a Subcontractor, a Sub-subcontractor, their agents or employees, or any other persons or entities performing portions of the Work, for any of the following reasons:

- .1 Issuance of an order of a court or other public authority having jurisdiction that requires all Work to be stopped;
- .2 An act of government, such as a declaration of national emergency, that requires all Work to be stopped;
- .3 Because the Architect has not issued a Certificate for Payment and has not notified the Contractor of the reason for withholding certification as provided in Section 9.4.1, or because the Owner has not made payment on a Certificate for Payment within the time stated in the Contract Documents; or
- .4 The Owner has failed to furnish to the Contractor reasonable evidence as required by Section 2.2.

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§ 14.1.2 The Contractor may terminate the Contract if, through no act or fault of the Contractor, a Subcontractor, a Sub-subcontractor, their agents or employees, or any other persons or entities performing portions of the Work, repeated suspensions, delays, or interruptions of the entire Work by the Owner as described in Section 14.3, constitute in the aggregate more than 100 percent of the total number of days scheduled for completion, or 120 days in any 365-day period, whichever is less.

§ 14.1.3 If one of the reasons described in Section 14.1.1 or 14.1.2 exists, the Contractor may, upon seven days' notice to the Owner and Architect, terminate the Contract and recover from the Owner payment for Work executed, as well as reasonable overhead and profit on Work not executed, and costs incurred by reason of such termination.

§ 14.1.4 If the Work is stopped for a period of 60 consecutive days through no act or fault of the Contractor, a Subcontractor, a Sub-subcontractor, or their agents or employees or any other persons or entities performing portions of the Work because the Owner has repeatedly failed to fulfill the Owner's obligations under the Contract Documents with respect to matters important to the progress of the Work, the Contractor may, upon seven additional days' notice to the Owner and the Architect, terminate the Contract and recover from the Owner as provided in Section 14.1.3.

§ 14.2 Termination by the Owner for Cause

§ 14.2.1 The Owner may terminate the Contract if the Contractor

- .1 repeatedly refuses or fails to supply enough properly skilled workers or proper materials;
- .2 fails to make payment to Subcontractors or suppliers in accordance with the respective agreements between the Contractor and the Subcontractors or suppliers;
- .3 repeatedly disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority; or
- .4 otherwise is guilty of substantial breach of a provision of the Contract Documents.

§ 14.2.2 When any of the reasons described in Section 14.2.1 exist, and upon certification by the Architect that sufficient cause exists to justify such action, the Owner may, without prejudice to any other rights or remedies of the Owner and after giving the Contractor and the Contractor's surety, if any, seven days' notice, terminate employment of the Contractor and may, subject to any prior rights of the surety:

- .1 Exclude the Contractor from the site and take possession of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Contractor;
- .2 Accept assignment of subcontracts pursuant to Section 5.4; and
- .3 Finish the Work by whatever reasonable method the Owner may deem expedient. Upon written request of the Contractor, the Owner shall furnish to the Contractor a detailed accounting of the costs incurred by the Owner in finishing the Work.

§ 14.2.3 When the Owner terminates the Contract for one of the reasons stated in Section 14.2.1, the Contractor shall not be entitled to receive further payment until the Work is finished.

§ 14.2.4 If the unpaid balance of the Contract Sum exceeds costs of finishing the Work, including compensation for the Architect's services and expenses made necessary thereby, and other damages incurred by the Owner and not expressly waived, such excess shall be paid to the Contractor. If such costs and damages exceed the unpaid balance, the Contractor shall pay the difference to the Owner. The amount to be paid to the Contractor or Owner, as the case may be, shall be certified by the Initial Decision Maker, upon application, and this obligation for payment shall survive termination of the Contract.

§ 14.3 Suspension by the Owner for Convenience

§ 14.3.1 The Owner may, without cause, order the Contractor in writing to suspend, delay or interrupt the Work, in whole or in part for such period of time as the Owner may determine.

§ 14.3.2 The Contract Sum and Contract Time shall be adjusted for increases in the cost and time caused by suspension, delay, or interruption under Section 14.3.1. Adjustment of the Contract Sum shall include profit. No adjustment shall be made to the extent

- .1 that performance is, was, or would have been, so suspended, delayed, or interrupted, by another cause for which the Contractor is responsible; or
- .2 that an equitable adjustment is made or denied under another provision of the Contract.

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§ 14.4 Termination by the Owner for Convenience

§ 14.4.1 The Owner may, at any time, terminate the Contract for the Owner’s convenience and without cause.

§ 14.4.2 Upon receipt of notice from the Owner of such termination for the Owner’s convenience, the Contractor shall

- .1 cease operations as directed by the Owner in the notice;
- .2 take actions necessary, or that the Owner may direct, for the protection and preservation of the Work; and
- .3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

§ 14.4.3 In case of such termination for the Owner’s convenience, the Owner shall pay the Contractor for Work properly executed; costs incurred by reason of the termination, including costs attributable to termination of Subcontracts; and the termination fee, if any, set forth in the Agreement.

ARTICLE 15 CLAIMS AND DISPUTES

§ 15.1 Claims

§ 15.1.1 Definition

A Claim is a demand or assertion by one of the parties seeking, as a matter of right, payment of money, a change in the Contract Time, or other relief with respect to the terms of the Contract. The term "Claim" also includes other disputes and matters in question between the Owner and Contractor arising out of or relating to the Contract. The responsibility to substantiate Claims shall rest with the party making the Claim. This Section 15.1.1 does not require the Owner to file a Claim in order to impose liquidated damages in accordance with the Contract Documents.

§ 15.1.2 Time Limits on Claims

The Owner and Contractor shall commence all Claims and causes of action against the other and arising out of or related to the Contract, whether in contract, tort, breach of warranty or otherwise, in accordance with the requirements of the binding dispute resolution method selected in the Agreement and within the period specified by applicable law, but in any case not more than 10 years after the date of Substantial Completion of the Work. The Owner and Contractor waive all Claims and causes of action not commenced in accordance with this Section 15.1.2.

§ 15.1.3 Notice of Claims

§ 15.1.3.1 Claims by either the Owner or Contractor, where the condition giving rise to the Claim is first discovered prior to expiration of the period for correction of the Work set forth in Section 12.2.2, shall be initiated by notice to the other party and to the Initial Decision Maker with a copy sent to the Architect, if the Architect is not serving as the Initial Decision Maker. Claims by either party under this Section 15.1.3.1 shall be initiated within 21 days after occurrence of the event giving rise to such Claim or within 21 days after the claimant first recognizes the condition giving rise to the Claim, whichever is later.

§ 15.1.3.2 Claims by either the Owner or Contractor, where the condition giving rise to the Claim is first discovered after expiration of the period for correction of the Work set forth in Section 12.2.2, shall be initiated by notice to the other party. In such event, no decision by the Initial Decision Maker is required.

§ 15.1.4 Continuing Contract Performance

§ 15.1.4.1 Pending final resolution of a Claim, except as otherwise agreed in writing or as provided in Section 9.7 and Article 14, the Contractor shall proceed diligently with performance of the Contract and the Owner shall continue to make payments in accordance with the Contract Documents.

§ 15.1.4.2 The Contract Sum and Contract Time shall be adjusted in accordance with the Initial Decision Maker’s decision, subject to the right of either party to proceed in accordance with this Article 15. The Architect will issue Certificates for Payment in accordance with the decision of the Initial Decision Maker.

§ 15.1.5 Claims for Additional Cost

If the Contractor wishes to make a Claim for an increase in the Contract Sum, notice as provided in Section 15.1.3 shall be given before proceeding to execute the portion of the Work that is the subject of the Claim. Prior notice is not required for Claims relating to an emergency endangering life or property arising under Section 10.4.

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§ 15.1.6 Claims for Additional Time

§ 15.1.6.1 If the Contractor wishes to make a Claim for an increase in the Contract Time, notice as provided in Section 15.1.3 shall be given. The Contractor's Claim shall include an estimate of cost and of probable effect of delay on progress of the Work. In the case of a continuing delay, only one Claim is necessary.

§ 15.1.6.2 If adverse weather conditions are the basis for a Claim for additional time, such Claim shall be documented by data substantiating that weather conditions were abnormal for the period of time, could not have been reasonably anticipated, and had an adverse effect on the scheduled construction.

§ 15.1.7 Waiver of Claims for Consequential Damages

The Contractor and Owner waive Claims against each other for consequential damages arising out of or relating to this Contract. This mutual waiver includes

- .1 damages incurred by the Owner for rental expenses, for losses of use, income, profit, financing, business and reputation, and for loss of management or employee productivity or of the services of such persons; and
- .2 damages incurred by the Contractor for principal office expenses including the compensation of personnel stationed there, for losses of financing, business and reputation, and for loss of profit, except anticipated profit arising directly from the Work.

This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination in accordance with Article 14. Nothing contained in this Section 15.1.7 shall be deemed to preclude assessment of liquidated damages, when applicable, in accordance with the requirements of the Contract Documents.

§ 15.2 Initial Decision

§ 15.2.1 Claims, excluding those where the condition giving rise to the Claim is first discovered after expiration of the period for correction of the Work set forth in Section 12.2.2 or arising under Sections 10.3, 10.4, and 11.5, shall be referred to the Initial Decision Maker for initial decision. The Architect will serve as the Initial Decision Maker, unless otherwise indicated in the Agreement. Except for those Claims excluded by this Section 15.2.1, an initial decision shall be required as a condition precedent to mediation of any Claim. If an initial decision has not been rendered within 30 days after the Claim has been referred to the Initial Decision Maker, the party asserting the Claim may demand mediation and binding dispute resolution without a decision having been rendered. Unless the Initial Decision Maker and all affected parties agree, the Initial Decision Maker will not decide disputes between the Contractor and persons or entities other than the Owner.

§ 15.2.2 The Initial Decision Maker will review Claims and within ten days of the receipt of a Claim take one or more of the following actions: (1) request additional supporting data from the claimant or a response with supporting data from the other party, (2) reject the Claim in whole or in part, (3) approve the Claim, (4) suggest a compromise, or (5) advise the parties that the Initial Decision Maker is unable to resolve the Claim if the Initial Decision Maker lacks sufficient information to evaluate the merits of the Claim or if the Initial Decision Maker concludes that, in the Initial Decision Maker's sole discretion, it would be inappropriate for the Initial Decision Maker to resolve the Claim.

§ 15.2.3 In evaluating Claims, the Initial Decision Maker may, but shall not be obligated to, consult with or seek information from either party or from persons with special knowledge or expertise who may assist the Initial Decision Maker in rendering a decision. The Initial Decision Maker may request the Owner to authorize retention of such persons at the Owner's expense.

§ 15.2.4 If the Initial Decision Maker requests a party to provide a response to a Claim or to furnish additional supporting data, such party shall respond, within ten days after receipt of the request, and shall either (1) provide a response on the requested supporting data, (2) advise the Initial Decision Maker when the response or supporting data will be furnished, or (3) advise the Initial Decision Maker that no supporting data will be furnished. Upon receipt of the response or supporting data, if any, the Initial Decision Maker will either reject or approve the Claim in whole or in part.

§ 15.2.5 The Initial Decision Maker will render an initial decision approving or rejecting the Claim, or indicating that the Initial Decision Maker is unable to resolve the Claim. This initial decision shall (1) be in writing; (2) state the reasons therefor; and (3) notify the parties and the Architect, if the Architect is not serving as the Initial Decision Maker, of any change in the Contract Sum or Contract Time or both. The initial decision shall be final and binding on

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the parties but subject to mediation and, if the parties fail to resolve their dispute through mediation, to binding dispute resolution.

§ 15.2.6 Either party may file for mediation of an initial decision at any time, subject to the terms of Section 15.2.6.1.

§ 15.2.6.1 Either party may, within 30 days from the date of receipt of an initial decision, demand in writing that the other party file for mediation. If such a demand is made and the party receiving the demand fails to file for mediation within 30 days after receipt thereof, then both parties waive their rights to mediate or pursue binding dispute resolution proceedings with respect to the initial decision.

§ 15.2.7 In the event of a Claim against the Contractor, the Owner may, but is not obligated to, notify the surety, if any, of the nature and amount of the Claim. If the Claim relates to a possibility of a Contractor's default, the Owner may, but is not obligated to, notify the surety and request the surety's assistance in resolving the controversy.

§ 15.2.8 If a Claim relates to or is the subject of a mechanic's lien, the party asserting such Claim may proceed in accordance with applicable law to comply with the lien notice or filing deadlines.

§ 15.3 Mediation

§ 15.3.1 Claims, disputes, or other matters in controversy arising out of or related to the Contract, except those waived as provided for in Sections 9.10.4, 9.10.5, and 15.1.7, shall be subject to mediation as a condition precedent to binding dispute resolution.

§ 15.3.2 The parties shall endeavor to resolve their Claims by mediation which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of the Agreement. A request for mediation shall be made in writing, delivered to the other party to the Contract, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of binding dispute resolution proceedings but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration is stayed pursuant to this Section 15.3.2, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 15.3.3 Either party may, within 30 days from the date that mediation has been concluded without resolution of the dispute or 60 days after mediation has been demanded without resolution of the dispute, demand in writing that the other party file for binding dispute resolution. If such a demand is made and the party receiving the demand fails to file for binding dispute resolution within 60 days after receipt thereof, then both parties waive their rights to binding dispute resolution proceedings with respect to the initial decision.

§ 15.3.4 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in **Mecklenburg County, North Carolina**, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 15.4 Arbitration

§ 15.4.1 If the parties have selected arbitration as the method for binding dispute resolution in the Agreement, any Claim subject to, but not resolved by, mediation shall be subject to arbitration which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules in effect on the date of the Agreement. The Arbitration shall be conducted in the place where the Project is located, unless another location is mutually agreed upon. A demand for arbitration shall be made in writing, delivered to the other party to the Contract, and filed with the person or entity administering the arbitration. The party filing a notice of demand for arbitration must assert in the demand all Claims then known to that party on which arbitration is permitted to be demanded.

§ 15.4.1.1 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the Claim would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the Claim.

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§ 15.4.2 The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

§ 15.4.3 The foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity duly consented to by parties to the Agreement, shall be specifically enforceable under applicable law in any court having jurisdiction thereof.

§ 15.4.4 Consolidation or Joinder

§ 15.4.4.1 Subject to the rules of the American Arbitration Association or other applicable arbitration rules, either party may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation, (2) the arbitrations to be consolidated substantially involve common questions of law or fact, and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).

§ 15.4.4.2 Subject to the rules of the American Arbitration Association or other applicable arbitration rules, either party may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.

§ 15.4.4.3 The Owner and Contractor grant to any person or entity made a party to an arbitration conducted under this Section 15.4, whether by joinder or consolidation, the same rights of joinder and consolidation as those of the Owner and Contractor under this Agreement.

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**Exhibit C -
Preconstruction Scope of Services
City of Mount Holly
911 Communication Center Upgrade Project
May 12, 2025**

PRECONSTRUCTION SERVICES (From June 2025 to March 2026):

Scope of services will include but not be limited to the following activities:

General Preconstruction Services at Each Phase of Design

Schematic Design

- Update and coordination meetings with owner and design team – Bi-Weekly or as needed
- Programming review and verification
- Develop a project schedule with design milestones, budget milestones, authorities having jurisdiction review and approvals, owner activities, and high-level construction activities and milestones
- Quantity take off and unit cost pricing analysis
- Schematic design estimate
- Clarifications to estimate
- Value engineering review and workshop with owner and designer
- Reconcile estimate with independent professional construction cost estimator hired by others
- High level constructability review
- Facilitate estimate review meeting and refine the estimate based on team comments
- Establish Project Collaborative website for the Project Team to utilize and share information

Design Development

- Update and coordination meetings with owner and design team – Bi-Weekly or as needed
 - Discuss initial topics, open and action items, new items, design related items, Owner related items, preconstruction and construction related items. Schedule updates and constant budget impact discussions
- Schedule updates and coordination of Long Lead materials and components
- Product and system analysis with recommendations
- Design development budget update and estimate
 - Quantity take-off and unit cost pricing analysis
 - Solicit key trades for current market pricing as needed
 - Clarifications to estimate
 - Reconcile estimate with independent professional construction cost estimator if hired by others
 - Reconcile estimate with the Project Team
 - Facilitate estimate review meeting and refine the estimate based on team comments
 - Value engineering review and workshop with owner and designer
 - Analyze products and building systems and make recommendations



- Identify and create bidding Trade Packages
- Develop initial Site Logistics and Phasing Plans
- Constructability Review
 - Verify items from Schematic Design
 - Create and coordinate new items with the project team
- Edifice will identify and track preferred alternates the owner and project have deemed necessary. Edifice will assist with preparation of the project documents in conjunction preferred alternates that require board of commissioner’s approval.

Construction Documents

- Update and coordination meetings with owner and design team – Bi-Weekly or as needed
 - Discuss initial topics, open and action items, new items, design related items, Owner related items, preconstruction and construction related items. Schedule updates and constant budget impact discussions
 - Start prequalifying trade contractor
 - Schedule the Project Outreach and Information meeting
 - Schedule updates and coordination of Long Lead materials and components
 - Construction document budget update and estimate
 - Quantity take-off and unit cost pricing analysis
 - Verify value engineering from design development and create, analyze, and agree on new ideas
 - Design quality control and/or VE workshop with owner and designer
 - Clarifications to estimate
 - Perform quality control review of construction documents
 - Conduct estimate review meeting and refine cost estimate based on feedback
 - Constructability review and verification of Design Development Constructability review items
 - Start creating the detailed construction schedule milestones
 - Finalize the Site Logistics and Phasing Plans
 - Coordinate a Site-Specific Safety Plan with Chris Gates – Edifice Corporate Safety Director
 - Edifice will identify and track preferred alternates the owner and project have deemed necessary. Edifice will assist with preparation of the project documents in conjunction preferred alternates that require board of commissioner’s approval.
- **Prequalification of Trade Contractors**
- Establish a prequalification process to ensure that all City prequalification policies are adhered to, and project-specific criteria is included.
 - Tailor bid packages for the benefit of the project in terms of available resources and funding
 - Advertise trade package opportunities for those interested in prequalifying to bid the project
 - Occurs at end of Design Development and/or beginning of Construction Documents
 - Edifice will work with the City & Architect on the Prequalification process making sure all policies are followed, and project specific criteria is included
 - Outreach Sessions will be held to help advertise and promote interest in the project
 - Describe prequalification process at Outreach Sessions
 - Target local qualified subcontractor participation



- The City and Edifice will work together to develop the list of Prequalified Trade Contractors in concert with the G.S. 143-135.8 Prequalification and 143-128.1 Construction Management at Risk Contracts
- All City requirements for MWBE or HUB participation will be followed
- Get approval from the City and the Prequalification Committee (if applicable) for recommended prequalified bidders
 - The Prequalification Committee can be members of the Project Team
- Only prequalified trade contractors will be allowed to bid the project
- Create and establish the formal and informal trade packages for bidding

Public Bid Process

- Advertise the project for bid to all prequalified trade contractors
 - Create a Bid Package Manual outlining scopes of work for each trade package and instructions to bidders applicable to the project
 - Conduct an open, competitive public bid process for all trade packages
 - Offer and provide Minority, MWBE, and/or HUB firms assistance during the bidding phase
 - Notify Prequalified Bidders of pre-bid meeting and bid date
 - Conduct Pre-Bid meeting
 - Hold the bid opening in a public location at a City facility or on a Project Team location.
 - Provide feedback to any unsuccessful bidders
 - Edifice will work in concert with the City and the Designers on all the necessary requirements related to the bid opening
 - G.S. 143-129 Procedure for Letting of Public Contracts will be followed
 - All requirements for Minority, MWBE and/or HUB participation will be followed
 - Post Bid meetings with all apparent low, responsive, responsible trade contractors will be held to determine the authenticity and accuracy of bids
 - Award 1st Tier Contracts and engage in the contract process
 - Report actual Minority, MWBE and/or HUB participation vs. Goals
 - Report actual Local participation numbers internally to the City as requested
 - Manage bid tab to include all necessary project preferred alternates.
- **Guaranteed Maximum Price Amendment(s)**
 - Once Post Bid Meetings are finalized and apparent low bidders are determined, a Guaranteed Maximum Price (GMP) Proposal will be put together
 - The GMP Proposal will then become part of the Guaranteed Maximum Price Amendment to the original contract
- **Contract**
 - The AIA A133 – 2019 Standard Form of Agreement Between Owner and Construction Manager as Constructor along with the AIA A201 – 2017 General Conditions of the Contract for Construction are being utilized
 - The value of Preconstruction Services will be the initial contract value. Construction services will be added when the Guaranteed Maximum Price is determined through an Amendment to the contract

EXHIBIT D - Preconstruction Services Fee Estimate				12-May-25
911 Communication Center Upgrade Project		Start Date	Jun-25	
Owner: City of Mount Holly		Completion Date	Mar-24 ^{UB}	
		Estimate	\$1,000,000	
Personnel Activates				
Conceptual & Schematic Design				
	Man-hours	Rate	Labor	
Preconstruction Manager	8	\$ 95.00	\$ 760	
Project Executive	8	\$ 190.00	\$ 1,520	
Subtotal	16		\$ 2,280	
Design Development				
	Man-hours	Rate	Labor	
Preconstruction Manager	14	\$ 95.00	\$ 1,330	
Project Manager	-	\$ 111.00	\$ -	
Project Executive	8	\$ 190.00	\$ 1,520	
Subtotal	22		\$ 2,850	
Complete CD's				
	Man-hours	Rate	Labor	
Preconstruction Manager	14	\$ 95.00	\$ 1,330	
Project Manager	8	\$ 111.00	\$ 888	
Project Executive	8	\$ 190.00	\$ 1,520	
Subtotal	30		\$ 3,738	
Bid Documents and Bidding				
	Man-hours	Rate	Labor	
Preconstruction Manager	14	\$ 95.00	\$ 1,330	
Project Manager	8	\$ 111.00	\$ 888	
Project Executive	-	\$ 190.00	\$ -	
Tech.services - Edifice (Building Scan or Vitrual walk)	-	\$ 75.00	\$ -	
Subtotal	22		\$ 2,218	
Services Cost Recap				
Personnel Activity Summary				
	Man-hours	Days	Labor	
Schematic Design	16	2	\$ 2,280	
Design Development	22	3	\$ 2,850	
Complete CD's	30	4	\$ 3,738	
Bid Documents and Bidding	22	3	\$ 2,218	
Subtotal	90	11	\$ 11,086	
Pre-construction Summary				
Total Labor			\$ 11,086	
			\$ -	
Total Pre-construction Services Fee			\$11,086	



June 25, 2025

To Whom It May Concern,

Subject: E-Verify Affirmation for Edifice LLC

Please accept this letter as a formal declaration and affirmation that Edifice LLC is a participating employer in the E-Verify Program, administered by the United States Department of Homeland Security in partnership with the Social Security Administration.

All current employees of Edifice LLC have been E-Verified to confirm their employment eligibility in the United States, in accordance with E-Verify Program requirements and a commitment to maintaining a legal workforce.

The responsibilities under the E-Verify Program are understood, including the verification of all newly hired employees and the timely resolution of any Tentative Nonconfirmations (TNCs) or other case results.

For further information regarding participation in the E-Verify Program or employment verification practices, please feel free to contact me directly.

Sincerely,

A handwritten signature in black ink, appearing to read "Amy Randall", written over a horizontal line.

Amy Randall

Arandall@edificeinc.com

Director of Human Resources

Edifice LLC

980.321.5389

4111 South Blvd | Charlotte, NC 28209
219 E Washington Street, Suite A | Greenville, SC 29601
401 Seacoast Parkway | Mount Pleasant, SC 29464

edificeinc.com



Project Management Contract Execution Process

- CONTRACT APPROVED BY PROJECT MANAGER AND DEPARTMENT HEAD



- FINANCE AUDIT BY FINANCE DIRECTOR



- SIGNATURE OF APPROVAL BY CITY MANAGER (& CITY CLERK IF NEEDED)



- RETURNED TO PROJECT MANAGER



Notes:

 **AIA**® Document B101® – 2017

Standard Form of Agreement Between Owner and Architect

AGREEMENT made as of the Thirtieth (30th) day of September in the year Two Thousand Twenty Four (2024)
(In words, indicate day, month and year.)

BETWEEN the Architect's client identified as the Owner:
(Name, legal status, address and other information)

City of Mount Holly
400 East Central Avenue
Mount Holly, North Carolina 28120

and the Architect:
(Name, legal status, address and other information)

Stewart-Cooper-Newell Architects, P.A.
719 East Second Avenue
Gastonia, North Carolina 28054
Telephone Number: (704) 865-6311
Fax Number: (704) 865-0046

for the following Project:
(Name, location and detailed description)

City of Mount Holly 911 Communications Center

Design, Construction Documents, Bidding / Negotiations and Standard Construction Administration Services for the renovation of a portion of the existing police department that houses the 911 Communications Center.

See Scope / Proposal Letter dated August 12, 2024, attached as Exhibit "A".

The Owner and Architect agree as follows.

ADDITIONS AND DELETIONS:
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

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ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.

(For each item in this section, insert the information or a statement such as "not applicable" or "unknown at time of execution.")

§ 1.1.1 The Owner's program for the Project:

(Insert the Owner's program, identify documentation that establishes the Owner's program, or state the manner in which the program will be developed.)

See Scope / Proposal Letter dated August 12, 2024, Attached as Exhibit "A".

§ 1.1.2 The Project's physical characteristics:

(Identify or describe pertinent information about the Project's physical characteristics, such as size; location; dimensions; geotechnical reports; site boundaries; topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site, etc.)

§ 1.1.3 The Owner's budget for the Cost of the Work, as defined in Section 6.1:
(Provide total and, if known, a line item breakdown.)

§ 1.1.4 The Owner's anticipated design and construction milestone dates:

- 1 Design phase milestone dates, if any:

Unknown at time of execution

.2 Construction commencement date:

Unknown at time of execution

.3 Substantial Completion date or dates:

Unknown at time of execution

.4 Other milestone dates:

§ 1.1.5 The Owner intends the following procurement and delivery method for the Project:
(Identify method such as competitive bid or negotiated contract, as well as any requirements for accelerated or fast-track design and construction, multiple bid packages, or phased construction.)

Competitive bid

§ 1.1.6 The Owner's anticipated Sustainable Objective for the Project:
(Identify and describe the Owner's Sustainable Objective for the Project, if any.)

N/A

§ 1.1.6.1 If the Owner identifies a Sustainable Objective, the Owner and Architect shall complete and incorporate AIA Document E204™-2017, Sustainable Projects Exhibit, into this Agreement to define the terms, conditions and services related to the Owner's Sustainable Objective. If E204-2017 is incorporated into this agreement, the Owner and Architect shall incorporate the completed E204-2017 into the agreements with the consultants and contractors performing services or Work in any way associated with the Sustainable Objective.

§ 1.1.7 The Owner identifies the following representative in accordance with Section 5.3:
(List name, address, and other contact information.)

Elizabeth Bell
400 East Central Avenue
Mount Holly, North Carolina 28120
Telephone Number: (704) 951-0074
Email Address: elizabeth.bell@mtholly.us

§ 1.1.8 The persons or entities, in addition to the Owner's representative, who are required to review the Architect's submittals to the Owner are as follows:
(List name, address, and other contact information.)

§ 1.1.9 The Owner shall retain the following consultants and contractors:
(List name, legal status, address, and other contact information.)

.1 Geotechnical Engineer:

N/A

.2 Civil Engineer:

N/A

.3 Other, if any:

(List any other consultants and contractors retained by the Owner.)

§ 1.1.10 The Architect identifies the following representative in accordance with Section 2.3:
(List name, address, and other contact information.)

James R. Stumbo, AIA, LEED-AP BD+C
719 East Second Avenue
Gastonia, North Carolina 28054
Telephone Number: (704) 865-6311
Email Address: jstumbo@scn-architects.com

§ 1.1.11 The Architect shall retain the consultants identified in Sections 1.1.11.1 and 1.1.11.2:
(List name, legal status, address, and other contact information.)

§ 1.1.11.1 Consultants retained under Basic Services:

.1 Structural Engineer:

N/A

.2 Plumbing / Mechanical / Electrical Engineer:

Optima Engineering
1927 South Tryon Street, Suite 300
Charlotte, North Carolina 28203

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§ 1.1.11.2 Consultants retained under Supplemental Services:

§ 1.1.12 Other Initial Information on which the Agreement is based:

§ 1.2 The Owner and Architect may rely on the Initial Information. Both parties, however, recognize that the Initial Information may materially change and, in that event, the Owner and the Architect shall appropriately adjust the Architect's services, schedule for the Architect's services, and the Architect's compensation. The Owner shall adjust the Owner's budget for the Cost of the Work and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

§ 1.3 The parties shall agree upon written protocols governing the transmission and use of, and reliance on, Instruments of Service or any other information or documentation in digital form.

The use of Building Information Modeling (BIM) and other Digital Data is yet to be determined

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§ 1.3.1 Any use of, or reliance on, all or a portion of a building information model without agreement to protocols governing the use of, and reliance on, the information contained in the model shall be at the using or relying party's sole risk and without liability to the other party and its contractors or consultants, the authors of, or contributors to, the building information model, and each of their agents and employees.

ARTICLE 2 ARCHITECT'S RESPONSIBILITIES

§ 2.1 The Architect shall provide professional services as set forth in this Agreement. The Architect represents that it is properly licensed in the jurisdiction where the Project is located to provide the services required by this Agreement, or shall cause such services to be performed by appropriately licensed design professionals.

§ 2.2 The Architect shall perform its services consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances. The Architect shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project.

§ 2.3 The Architect shall identify a representative authorized to act on behalf of the Architect with respect to the Project.

§ 2.4 Except with the Owner's knowledge and consent, the Architect shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Architect's professional judgment with respect to this Project.

§ 2.5 The Architect shall maintain the following insurance until termination of this Agreement. If any of the requirements set forth below are in addition to the types and limits the Architect normally maintains, the Owner shall pay the Architect as set forth in Section 11.9.

§ 2.5.1 Commercial General Liability with policy limits of not less than One Million (\$ 1,000,000.00) for each occurrence and Two Million (\$ 2,000,000.00) in the aggregate for bodily injury and property damage.

§ 2.5.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Architect with policy limits of not less than Five Hundred Thousand (\$ 500,000.00) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 2.5.3 The Architect may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required under Sections 2.5.1 and 2.5.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 2.5.4 Workers' Compensation at statutory limits.

§ 2.5.5 Employers' Liability with policy limits not less than One Million (\$ 1,000,000.00) each accident, One Million (\$ 1,000,000.00) each employee, and One Million (\$ 1,000,000.00) policy limit.

§ 2.5.6 Professional Liability covering negligent acts, errors and omissions in the performance of professional services with policy limits of not less than One Million (\$ 1,000,000.00) per claim and Two Million (\$ 2,000,000.00) in the aggregate.

§ 2.5.7 Additional Insured Obligations. To the fullest extent permitted by law, the Architect shall cause the primary and excess or umbrella policies for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Architect's negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies and shall apply to both ongoing and completed operations.

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§ 2.5.8 The Architect shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 2.5.

ARTICLE 3 SCOPE OF ARCHITECT'S BASIC SERVICES

§ 3.1 The Architect's Basic Services consist of those described in this Article 3 and include usual and customary plumbing, mechanical, and electrical engineering services. Services not set forth in this Article 3 are Supplemental or Additional Services.

§ 3.1.1 The Architect shall manage the Architect's services, research applicable design criteria, attend Project meetings, communicate with members of the Project team, and report progress to the Owner.

§ 3.1.2 The Architect shall coordinate its services with those services provided by the Owner and the Owner's consultants. The Architect shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of, services and information furnished by the Owner and the Owner's consultants. The Architect shall provide prompt written notice to the Owner if the Architect becomes aware of any error, omission, or inconsistency in such services or information.

§ 3.1.3 As soon as practicable after the date of this Agreement, the Architect shall submit for the Owner's approval a schedule for the performance of the Architect's services. The schedule initially shall include anticipated dates for the commencement of construction and for Substantial Completion of the Work as set forth in the Initial Information. The schedule shall include allowances for periods of time required for the Owner's review, for the performance of the Owner's consultants, and for approval of submissions by authorities having jurisdiction over the Project. Once approved by the Owner, time limits established by the schedule shall not, except for reasonable cause, be exceeded by the Architect or Owner. With the Owner's approval, the Architect shall adjust the schedule, if necessary, as the Project proceeds until the commencement of construction.

§ 3.1.4 The Architect shall not be responsible for an Owner's directive or substitution, or for the Owner's acceptance of non-conforming Work, made or given without the Architect's written approval.

§ 3.1.5 The Architect shall contact governmental authorities required to approve the Construction Documents and entities providing utility services to the Project. The Architect shall respond to applicable design requirements imposed by those authorities and entities.

§ 3.1.6 The Architect shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project. Based upon typical Agency review comments and approvals encountered with public funded projects, the Architect has budgeted 40 work hours for the response to said Agency comments.

§ 3.2 Schematic Design Phase Services

§ 3.2.1 The Architect shall review the program and other information furnished by the Owner, and shall review laws, codes, and regulations applicable to the Architect's services.

§ 3.2.2 The Architect shall prepare a preliminary evaluation of the Owner's program, schedule, budget for the Cost of the Work, Project site, the proposed procurement and delivery method, and other Initial Information, each in terms of the other, to ascertain the requirements of the Project. The Architect shall notify the Owner of (1) any inconsistencies discovered in the information, and (2) other information or consulting services that may be reasonably needed for the Project.

§ 3.2.3 The Architect shall present its preliminary evaluation to the Owner and shall discuss with the Owner alternative approaches to design and construction of the Project. The Architect shall reach an understanding with the Owner regarding the requirements of the Project.

§ 3.2.4 Based on the Project requirements agreed upon with the Owner, the Architect shall prepare and present, for the Owner's approval, a preliminary design illustrating the scale and relationship of the Project components.

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§ 3.2.5 Based on the Owner's approval of the preliminary design, the Architect shall prepare Schematic Design Documents for the Owner's approval. The Schematic Design Documents shall consist of drawings and other documents including a site plan, if appropriate, and preliminary building plans, sections and elevations; and may include some combination of study models, perspective sketches, or digital representations. Preliminary selections of major building systems and construction materials shall be noted on the drawings or described in writing.

§ 3.2.5.1 The Architect shall consider sustainable design alternatives, such as material choices and building orientation, together with other considerations based on program and aesthetics, in developing a design that is consistent with the Owner's program, schedule and budget for the Cost of the Work. The Owner may obtain more advanced sustainable design services as a Supplemental Service under Section 4.1.1.

§ 3.2.5.2 The Architect shall consider the value of alternative materials, building systems and equipment, together with other considerations based on program and aesthetics, in developing a design for the Project that is consistent with the Owner's program, schedule, and budget for the Cost of the Work.

§ 3.2.6 The Architect shall submit to the Owner an estimate of the Cost of the Work prepared in accordance with Section 6.3.

§ 3.2.7 The Architect shall submit the Schematic Design Documents to the Owner, and request the Owner's approval.

§ 3.3 Design Development Phase Services

§ 3.3.1 Based on the Owner's approval of the Schematic Design Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Design Development Documents for the Owner's approval. The Design Development Documents shall illustrate and describe the development of the approved Schematic Design Documents and shall consist of drawings and other documents including plans, sections, elevations, typical construction details, and diagrammatic layouts of building systems to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, and other appropriate elements. The Design Development Documents shall also include outline specifications that identify major materials and systems and establish, in general, their quality levels.

§ 3.3.2 The Architect shall update the estimate of the Cost of the Work prepared in accordance with Section 6.3.

§ 3.3.3 The Architect shall submit the Design Development Documents to the Owner, advise the Owner of any adjustments to the estimate of the Cost of the Work, and request the Owner's approval.

§ 3.4 Construction Documents Phase Services

§ 3.4.1 Based on the Owner's approval of the Design Development Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Construction Documents for the Owner's approval. The Construction Documents shall illustrate and describe the further development of the approved Design Development Documents and shall consist of Drawings and Specifications setting forth in detail the quality levels and performance criteria of materials and systems and other requirements for the construction of the Work. The Owner and Architect acknowledge that, in order to perform the Work, the Contractor will provide additional information, including Shop Drawings, Product Data, Samples and other similar submittals, which the Architect shall review in accordance with Section 3.6.4.

§ 3.4.2 The Architect shall incorporate the design requirements of governmental authorities having jurisdiction over the Project into the Construction Documents.

§ 3.4.3 During the development of the Construction Documents, the Architect shall assist the Owner in the development and preparation of (1) procurement information that describes the time, place, and conditions of bidding, including bidding or proposal forms; (2) the form of agreement between the Owner and Contractor; and (3) the Conditions of the Contract for Construction (General, Supplementary and other Conditions). The Architect shall also compile a project manual that includes the Conditions of the Contract for Construction and Specifications, and may include bidding requirements and sample forms.

§ 3.4.4 The Architect shall update the estimate for the Cost of the Work prepared in accordance with Section 6.3.

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§ 3.4.5 The Architect shall submit the Construction Documents to the Owner, advise the Owner of any adjustments to the estimate of the Cost of the Work, take any action required under Section 6.5, and request the Owner's approval.

§ 3.5 Procurement Phase Services

§ 3.5.1 General

The Architect shall assist the Owner in establishing a list of prospective contractors. Following the Owner's approval of the Construction Documents, the Architect shall assist the Owner in (1) obtaining either competitive bids or negotiated proposals; (2) confirming responsiveness of bids or proposals; (3) determining the successful bid or proposal, if any; and, (4) awarding and preparing contracts for construction.

§ 3.5.2 Competitive Bidding

§ 3.5.2.1 Bidding Documents shall consist of bidding requirements and proposed Contract Documents.

§ 3.5.2.2 The Architect shall assist the Owner in bidding the Project by:

- .1 facilitating the distribution of Bidding Documents to prospective bidders;
- .2 organizing and conducting a pre-bid conference for prospective bidders;
- .3 preparing responses to questions from prospective bidders and providing clarifications and interpretations of the Bidding Documents to the prospective bidders in the form of addenda; and,
- .4 organizing and conducting the opening of the bids, and subsequently documenting and distributing the bidding results, as directed by the Owner.

§ 3.5.2.3 If the Bidding Documents permit substitutions, upon the Owner's written authorization, the Architect shall, as an Additional Service, consider requests for substitutions and prepare and distribute addenda identifying approved substitutions to all prospective bidders.

§ 3.5.3 Negotiated Proposals

§ 3.5.3.1 Proposal Documents shall consist of proposal requirements and proposed Contract Documents.

§ 3.5.3.2 The Architect shall assist the Owner in obtaining proposals by:

- .1 facilitating the distribution of Proposal Documents for distribution to prospective contractors and requesting their return upon completion of the negotiation process;
- .2 organizing and participating in selection interviews with prospective contractors;
- .3 preparing responses to questions from prospective contractors and providing clarifications and interpretations of the Proposal Documents to the prospective contractors in the form of addenda; and,
- .4 participating in negotiations with prospective contractors, and subsequently preparing a summary report of the negotiation results, as directed by the Owner.

§ 3.5.3.3 If the Proposal Documents permit substitutions, upon the Owner's written authorization, the Architect shall, as an Additional Service, consider requests for substitutions and prepare and distribute addenda identifying approved substitutions to all prospective contractors.

§ 3.6 Construction Phase Services

§ 3.6.1 General

§ 3.6.1.1 The Architect shall provide administration of the Contract between the Owner and the Contractor as set forth below and in AIA Document A201™-2017, General Conditions of the Contract for Construction. If the Owner and Contractor modify AIA Document A201-2017, those modifications shall not affect the Architect's services under this Agreement unless the Owner and the Architect amend this Agreement.

§ 3.6.1.2 The Architect shall advise and consult with the Owner during the Construction Phase Services. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement. The Architect shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, nor shall the Architect be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect shall be responsible for the Architect's negligent acts or omissions, but shall not have control over or charge

of, and shall not be responsible for, acts or omissions of the Contractor or of any other persons or entities performing portions of the Work.

§ 3.6.1.3 Subject to Section 4.2 and except as provided in Section 3.6.6.5, the Architect's responsibility to provide Construction Phase Services commences with the award of the Contract for Construction and terminates on the date the Architect issues the final Certificate for Payment.

§ 3.6.2 Evaluations of the Work

§ 3.6.2.1 The Architect shall visit the site at intervals appropriate to the stage of construction, or as otherwise required in Section 4.2.3, to become generally familiar with the progress and quality of the portion of the Work completed, and to determine, in general, if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of the site visits, the Architect shall keep the Owner reasonably informed about the progress and quality of the portion of the Work completed, and promptly report to the Owner (1) known deviations from the Contract Documents, (2) known deviations from the most recent construction schedule submitted by the Contractor, and (3) defects and deficiencies observed in the Work.

§ 3.6.2.2 The Architect has the authority to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect shall have the authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not the Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 3.6.2.3 The Architect shall interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests shall be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 3.6.2.4 Interpretations and decisions of the Architect shall be consistent with the intent of, and reasonably inferable from, the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and decisions, the Architect shall endeavor to secure faithful performance by both Owner and Contractor, shall not show partiality to either, and shall not be liable for results of interpretations or decisions rendered in good faith. The Architect's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents.

§ 3.6.2.5 Unless the Owner and Contractor designate another person to serve as an Initial Decision Maker, as that term is defined in AIA Document A201-2017, the Architect shall render initial decisions on Claims between the Owner and Contractor as provided in the Contract Documents.

§ 3.6.3 Certificates for Payment to Contractor

§ 3.6.3.1 The Architect shall review and certify the amounts due the Contractor and shall issue certificates in such amounts. The Architect's certification for payment shall constitute a representation to the Owner, based on the Architect's evaluation of the Work as provided in Section 3.6.2 and on the data comprising the Contractor's Application for Payment, that, to the best of the Architect's knowledge, information and belief, the Work has progressed to the point indicated, the quality of the Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment in the amount certified. The foregoing representations are subject to (1) an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, (2) results of subsequent tests and inspections, (3) correction of minor deviations from the Contract Documents prior to completion, and (4) specific qualifications expressed by the Architect.

§ 3.6.3.2 The issuance of a Certificate for Payment shall not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and suppliers and other data requested by the Owner to substantiate the Contractor's right to payment,

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or (4) ascertained how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

§ 3.6.3.3 The Architect shall maintain a record of the Applications and Certificates for Payment.

§ 3.6.4 Submittals

§ 3.6.4.1 The Architect shall review the Contractor's submittal schedule and shall not unreasonably delay or withhold approval of the schedule. The Architect's action in reviewing submittals shall be taken in accordance with the approved submittal schedule or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time, in the Architect's professional judgment, to permit adequate review.

§ 3.6.4.2 The Architect shall review and approve, or take other appropriate action upon, the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. Review of such submittals is not for the purpose of determining the accuracy and completeness of other information such as dimensions, quantities, and installation or performance of equipment or systems, which are the Contractor's responsibility. The Architect's review shall not constitute approval of safety precautions or construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 3.6.4.3 If the Contract Documents specifically require the Contractor to provide professional design services or certifications by a design professional related to systems, materials, or equipment, the Architect shall specify the appropriate performance and design criteria that such services must satisfy. The Architect shall review and take appropriate action on Shop Drawings and other submittals related to the Work designed or certified by the Contractor's design professional, provided the submittals bear such professional's seal and signature when submitted to the Architect. The Architect's review shall be for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect shall be entitled to rely upon, and shall not be responsible for, the adequacy and accuracy of the services, certifications, and approvals performed or provided by such design professionals.

§ 3.6.4.4 Subject to Section 4.2, the Architect shall review and respond to requests for information about the Contract Documents. The Architect shall set forth, in the Contract Documents, the requirements for requests for information. Requests for information shall include, at a minimum, a detailed written statement that indicates the specific Drawings or Specifications in need of clarification and the nature of the clarification requested. The Architect's response to such requests shall be made in writing within any time limits agreed upon, or otherwise with reasonable promptness. If appropriate, the Architect shall prepare and issue supplemental Drawings and Specifications in response to the requests for information.

§ 3.6.4.5 The Architect shall maintain a record of submittals and copies of submittals supplied by the Contractor in accordance with the requirements of the Contract Documents.

§ 3.6.5 Changes in the Work

§ 3.6.5.1 The Architect may order minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. Subject to Section 4.2, the Architect shall prepare Change Orders and Construction Change Directives for the Owner's approval and execution in accordance with the Contract Documents.

§ 3.6.5.2 The Architect shall maintain records relative to changes in the Work.

§ 3.6.6 Project Completion

§ 3.6.6.1 The Architect shall:

- .1 conduct inspections to determine the date or dates of Substantial Completion and the date of final completion;
- .2 issue Certificates of Substantial Completion;
- .3 forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract Documents and received from the Contractor; and,

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4 issue a final Certificate for Payment based upon a final inspection indicating that, to the best of the Architect's knowledge, information, and belief, the Work complies with the requirements of the Contract Documents.

§ 3.6.6.1.1 The Architect shall:

- .1 The Architect shall provide, as a part of the Basic Services, one final inspection after the Contractor notifies the Architect that the project is complete.
- .2 The Architect shall, upon final inspection, prepare a written punch list of items to be completed or corrected and promptly provide the list to the Contractor.
- .3 The Contractor shall be required to complete the project and the items on the punch list and provide all required closeout documents within 30 days of the final inspection.
- .4 The Architect shall provide one (1) re-inspection to verify that the Contractor has completed the project and the final inspection punch list. The Owner and the Contractor shall be promptly notified of any deficiencies noted during this inspection so that they can immediately make the necessary corrections.
- .5 Any additional re-inspections necessitated due to deficiencies being noted under 3.6.6.1.1.4 above and any additional time required by the Architect due to closeout documents being incomplete or the contractor not submitting the documents within 30 days of the final inspection will be billed to the owner on an hourly rate plus reimbursable expenses as detailed in the attached Exhibit B.
- .6 The Owner and Architect agree that the services of the Architect that occur beyond a 60-day period from the initial final inspection will be billed to the owner on an hourly rate plus reimbursable expenses as detailed in the attached Exhibit B.
- .7 The Owner, by force of contract, shall have the right to deduct the charges of the Architect incurred under section 3.6.6.1.1.5 and 3.6.6.1.1.6 from either the Contractor's last application for payment or from liquidated damages charged to the Contractor.

§ 3.6.6.2 The Architect's inspections shall be conducted with the Owner to check conformance of the Work with the requirements of the Contract Documents and to verify the accuracy and completeness of the list submitted by the Contractor of Work to be completed or corrected.

§ 3.6.6.3 When Substantial Completion has been achieved, the Architect shall inform the Owner about the balance of the Contract Sum remaining to be paid the Contractor, including the amount to be retained from the Contract Sum, if any, for final completion or correction of the Work.

§ 3.6.6.4 The Architect shall forward to the Owner the following information received from the Contractor: (1) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment; (2) affidavits, receipts, releases and waivers of liens, or bonds indemnifying the Owner against liens; and (3) any other documentation required of the Contractor under the Contract Documents.

§ 3.6.6.5 Upon request of the Owner, and prior to the expiration of one year from the date of Substantial Completion, the Architect shall, without additional compensation, conduct a meeting with the Owner to review the facility operations and performance.

ARTICLE 4 SUPPLEMENTAL AND ADDITIONAL SERVICES

§ 4.1 Supplemental Services

§ 4.1.1 The services listed below are not included in Basic Services but may be required for the Project. The Architect shall provide the listed Supplemental Services only if specifically designated in the table below as the Architect's responsibility, and the Owner shall compensate the Architect as provided in Section 11.2. Unless otherwise specifically addressed in this Agreement, if neither the Owner nor the Architect is designated, the parties agree that the listed Supplemental Service is not being provided for the Project.

(Designate the Architect's Supplemental Services and the Owner's Supplemental Services required for the Project by indicating whether the Architect or Owner shall be responsible for providing the Identified Supplemental Service. Insert a description of the Supplemental Services in Section 4.1.2 below or attach the description of services as an exhibit to this Agreement.)

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Supplemental Services	Responsibility (Architect, Owner, or not provided)
§ 4.1.1.1 Programming	
§ 4.1.1.2 Multiple preliminary designs	
§ 4.1.1.3 Measured drawings	
§ 4.1.1.4 Existing facilities surveys	
§ 4.1.1.5 Site evaluation and planning	
§ 4.1.1.6 Building Information Model management responsibilities	
§ 4.1.1.7 Development of Building Information Models for post construction use	
§ 4.1.1.8 Civil engineering	
§ 4.1.1.9 Landscape design	
§ 4.1.1.10 Architectural interior design	
§ 4.1.1.11 Value analysis	
§ 4.1.1.12 Detailed cost estimating beyond that required in Section 6.3	
§ 4.1.1.13 On-site project representation	Owner
§ 4.1.1.14 Conformed documents for construction	
§ 4.1.1.15 As-designed record drawings	
§ 4.1.1.16 As-constructed record drawings	
§ 4.1.1.17 Post-occupancy evaluation	
§ 4.1.1.18 Facility support services	
§ 4.1.1.19 Tenant-related services	
§ 4.1.1.20 Architect's coordination of the Owner's consultants	
§ 4.1.1.21 Telecommunications/data design	
§ 4.1.1.22 Security evaluation and planning	
§ 4.1.1.23 Commissioning	
§ 4.1.1.24 Sustainable Project Services pursuant to Section 4.1.3	
§ 4.1.1.25 Fast-track design services	
§ 4.1.1.26 Multiple bid packages	
§ 4.1.1.27 Historic preservation	
§ 4.1.1.28 Furniture, furnishings, and equipment design	
§ 4.1.1.29 Other services provided by specialty Consultants	
§ 4.1.1.30 Other Supplemental Services	

§ 4.1.2 Description of Supplemental Services

§ 4.1.2.1 A description of each Supplemental Service identified in Section 4.1.1 as the Architect's responsibility is provided below.

(Describe in detail the Architect's Supplemental Services identified in Section 4.1.1 or, if set forth in an exhibit, identify the exhibit. The AIA publishes a number of Standard Form of Architect's Services documents that can be included as an exhibit to describe the Architect's Supplemental Services.)

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§ 4.1.2.2 A description of each Supplemental Service identified in Section 4.1.1 as the Owner's responsibility is provided below.
(Describe in detail the Owner's Supplemental Services identified in Section 4.1.1 or, if set forth in an exhibit, identify the exhibit.)

§ 4.1.3 If the Owner identified a Sustainable Objective in Article 1, the Architect shall provide, as a Supplemental Service, the Sustainability Services required in AIA Document E204™-2017, Sustainable Projects Exhibit, attached to this Agreement. The Owner shall compensate the Architect as provided in Section 11.2.

§ 4.2 Architect's Additional Services

The Architect may provide Additional Services after execution of this Agreement without invalidating the Agreement. Except for services required due to the fault of the Architect, any Additional Services provided in accordance with this Section 4.2 shall entitle the Architect to compensation pursuant to Section 11.3 and an appropriate adjustment in the Architect's schedule.

§ 4.2.1 Upon recognizing the need to perform the following Additional Services, the Architect shall notify the Owner with reasonable promptness and explain the facts and circumstances giving rise to the need. The Architect shall not proceed to provide the following Additional Services until the Architect receives the Owner's written authorization:

- .1 Services necessitated by a change in the Initial Information, previous instructions or approvals given by the Owner, or a material change in the Project including size, quality, complexity, the Owner's schedule or budget for Cost of the Work, or procurement or delivery method;
- .2 Services necessitated by the enactment or revision of codes, laws, or regulations, including changing or editing previously prepared Instruments of Service;
- .3 Changing or editing previously prepared Instruments of Service necessitated by official interpretations of applicable codes, laws or regulations that are either (a) contrary to specific interpretations by the applicable authorities having jurisdiction made prior to the issuance of the building permit, or (b) contrary to requirements of the Instruments of Service when those Instruments of Service were prepared in accordance with the applicable standard of care;
- .4 Services necessitated by decisions of the Owner not rendered in a timely manner or any other failure of performance on the part of the Owner or the Owner's consultants or contractors;
- .5 Preparing digital models or other design documentation for transmission to the Owner's consultants and contractors, or to other Owner-authorized recipients;
- .6 Preparation of design and documentation for alternate bid or proposal requests proposed by the Owner;
- .7 Preparation for, and attendance at, a public presentation, meeting or hearing;
- .8 Preparation for, and attendance at, a dispute resolution proceeding or legal proceeding, except where the Architect is party thereto;
- .9 Evaluation of the qualifications of entities providing bids or proposals;
- .10 Consultation concerning replacement of Work resulting from fire or other cause during construction; or,
- .11 Assistance to the Initial Decision Maker, if other than the Architect.

§ 4.2.2 To avoid delay in the Construction Phase, the Architect shall provide the following Additional Services, notify the Owner with reasonable promptness, and explain the facts and circumstances giving rise to the need. If, upon receipt of the Architect's notice, the Owner determines that all or parts of the services are not required, the Owner shall give prompt written notice to the Architect of the Owner's determination. The Owner shall compensate the Architect for the services provided prior to the Architect's receipt of the Owner's notice.

- .1 Reviewing a Contractor's submittal out of sequence from the submittal schedule approved by the Architect;
- .2 Responding to the Contractor's requests for information that are not prepared in accordance with the Contract Documents or where such information is available to the Contractor from a careful study and comparison of the Contract Documents, field conditions, other Owner-provided information, Contractor-prepared coordination drawings, or prior Project correspondence or documentation;
- .3 Preparing Change Orders and Construction Change Directives that require evaluation of Contractor's proposals and supporting data, or the preparation or revision of Instruments of Service;

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- .4 Evaluating an extensive number of Claims as the Initial Decision Maker; or,
- .5 Evaluating substitutions proposed by the Owner or Contractor and making subsequent revisions to Instruments of Service resulting therefrom.

§ 4.2.3 The Architect shall provide Construction Phase Services exceeding the limits set forth below as Additional Services. When the limits below are reached, the Architect shall notify the Owner;

- .1 Two (2) reviews of each Shop Drawing, Product Data Item, sample and similar submittals of the Contractor
- .2 Two (2) visits per month to the site by the Architect during construction
- .3 One (1) inspections for any portion of the Work to determine whether such portion of the Work is substantially complete in accordance with the requirements of the Contract Documents
- .4 One (1) inspections for any portion of the Work to determine final completion.

§ 4.2.4 Except for services required under Section 3.6.6.5 and those services that do not exceed the limits set forth in Section 4.2.3, Construction Phase Services provided more than 60 days after (1) the date of Substantial Completion of the Work or (2) the initial date of Substantial Completion identified in the agreement between the Owner and Contractor, whichever is earlier, shall be compensated as Additional Services to the extent the Architect incurs additional cost in providing those Construction Phase Services.

§ 4.2.5 If the services covered by this Agreement have not been completed within Eighteen (18) months of the date of this Agreement, through no fault of the Architect, extension of the Architect's services beyond that time shall be compensated as Additional Services.

ARTICLE 5 OWNER'S RESPONSIBILITIES

§ 5.1 Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on the Project, including a written program, which shall set forth the Owner's objectives; schedule; constraints and criteria, including space requirements and relationships; flexibility; expandability; special equipment; systems; and site requirements.

§ 5.2 The Owner shall establish the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1; (2) the Owner's other costs; and, (3) reasonable contingencies related to all of these costs. The Owner shall update the Owner's budget for the Project as necessary throughout the duration of the Project until final completion. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Architect. The Owner and the Architect shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 5.3 The Owner shall identify a representative authorized to act on the Owner's behalf with respect to the Project. The Owner shall render decisions and approve the Architect's submittals in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Architect's services.

§ 5.4 The Owner shall furnish surveys to describe physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions, and other necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 5.5 The Owner shall furnish services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 5.6 The Owner shall provide the Supplemental Services designated as the Owner's responsibility in Section 4.1.1.

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§ 5.7 If the Owner identified a Sustainable Objective in Article 1, the Owner shall fulfill its responsibilities as required in AIA Document E204™-2017, Sustainable Projects Exhibit, attached to this Agreement.

§ 5.8 The Owner shall coordinate the services of its own consultants with those services provided by the Architect. Upon the Architect's request, the Owner shall furnish copies of the scope of services in the contracts between the Owner and the Owner's consultants. The Owner shall furnish the services of consultants other than those designated as the responsibility of the Architect in this Agreement, or authorize the Architect to furnish them as an Additional Service, when the Architect requests such services and demonstrates that they are reasonably required by the scope of the Project. The Owner shall require that its consultants and contractors maintain insurance, including professional liability insurance, as appropriate to the services or work provided.

§ 5.9 The Owner shall furnish tests, inspections and reports required by law or the Contract Documents, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 5.10 The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 5.11 The Owner shall provide prompt written notice to the Architect if the Owner becomes aware of any fault or defect in the Project, including errors, omissions or inconsistencies in the Architect's Instruments of Service within three days of such discovery.

§ 5.12 The Owner shall include the Architect in all communications with the Contractor that relate to or affect the Architect's services or professional responsibilities. The Owner shall promptly notify the Architect of the substance of any direct communications between the Owner and the Contractor otherwise relating to the Project. Communications by and with the Architect's consultants shall be through the Architect.

§ 5.13 Before executing the Contract for Construction, the Owner shall coordinate the Architect's duties and responsibilities set forth in the Contract for Construction with the Architect's services set forth in this Agreement. The Owner shall provide the Architect a copy of the executed agreement between the Owner and Contractor, including the General Conditions of the Contract for Construction.

§ 5.14 The Owner shall provide the Architect access to the Project site prior to commencement of the Work and shall obligate the Contractor to provide the Architect access to the Work wherever it is in preparation or progress.

§ 5.15 Within 15 days after receipt of a written request from the Architect, the Owner shall furnish the requested information as necessary and relevant for the Architect to evaluate, give notice of, or enforce lien rights.

ARTICLE 6 COST OF THE WORK

§ 6.1 For purposes of this Agreement, the Cost of the Work shall be the total cost to the Owner to construct all elements of the Project designed or specified by the Architect and shall include contractors' general conditions costs, overhead and profit. The Cost of the Work also includes the reasonable value of labor, materials, and equipment, donated to, or otherwise furnished by, the Owner. The Cost of the Work does not include the compensation of the Architect; the costs of the land, rights-of-way, financing, or contingencies for changes in the Work; or other costs that are the responsibility of the Owner.

§ 6.2 The Owner's budget for the Cost of the Work is provided in Initial Information, and shall be adjusted throughout the Project as required under Sections 5.2, 6.4 and 6.5. Evaluations of the Owner's budget for the Cost of the Work, and the preliminary estimate of the Cost of the Work and updated estimates of the Cost of the Work, prepared by the Architect, represent the Architect's judgment as a design professional. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials, or equipment; the Contractor's methods of determining bid prices; or competitive bidding, market, or negotiating conditions. Accordingly, the Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from the Owner's budget for the Cost of the Work, or from any estimate of the Cost of the Work, or evaluation, prepared or agreed to by the Architect.

§ 6.3 In preparing estimates of the Cost of Work, the Architect shall be permitted to include contingencies for design, bidding, and price escalation; to determine what materials, equipment, component systems, and types of construction

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are to be included in the Contract Documents; to recommend reasonable adjustments in the program and scope of the Project; and to include design alternates as may be necessary to adjust the estimated Cost of the Work to meet the Owner's budget. The Architect's estimate of the Cost of the Work shall be based on current area, volume or similar conceptual estimating techniques. If the Owner requires a detailed estimate of the Cost of the Work, the Architect shall provide such an estimate, if identified as the Architect's responsibility in Section 4.1.1, as a Supplemental Service.

§ 6.4 If, through no fault of the Architect, the Procurement Phase has not commenced within 90 days after the Architect submits the Construction Documents to the Owner, the Owner's budget for the Cost of the Work shall be adjusted to reflect changes in the general level of prices in the applicable construction market.

§ 6.5 If at any time the Architect's estimate of the Cost of the Work exceeds the Owner's budget for the Cost of the Work, the Architect shall make appropriate recommendations to the Owner to adjust the Project's size, quality, or budget for the Cost of the Work, and the Owner shall cooperate with the Architect in making such adjustments.

§ 6.6 If the Owner's budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services is exceeded by the lowest bona fide bid or negotiated proposal, the Owner shall

- .1 give written approval of an increase in the budget for the Cost of the Work;
- .2 authorize rebidding or renegotiating of the Project within a reasonable time;
- .3 terminate in accordance with Section 9.5;
- .4 in consultation with the Architect, revise the Project program, scope, or quality as required to reduce the Cost of the Work; or,
- .5 implement any other mutually acceptable alternative.

§ 6.7 If the Owner chooses to proceed under Section 6.6.4, the Architect shall modify the Construction Documents as necessary to comply with the Owner's budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services, or the budget as adjusted under Section 6.6.1. If the Owner requires the Architect to modify the Construction Documents because the lowest bona fide bid or negotiated proposal exceeds the Owner's budget for the Cost of the Work due to market conditions the Architect could not reasonably anticipate, the Owner shall compensate the Architect for the modifications as an Additional Service pursuant to Section 11.3; otherwise the Architect's services for modifying the Construction Documents shall be without additional compensation. In any event, the Architect's modification of the Construction Documents shall be the limit of the Architect's responsibility under this Article 6.

ARTICLE 7 COPYRIGHTS AND LICENSES

§ 7.1 The Architect and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project.

§ 7.2 The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Architect and the Architect's consultants.

§ 7.3 The Architect grants to the Owner a nonexclusive license to use the Architect's Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner substantially performs its obligations under this Agreement, including prompt payment of all sums due pursuant to Article 9 and Article 11. The Architect shall obtain similar nonexclusive licenses from the Architect's consultants consistent with this Agreement. The license granted under this section permits the Owner to authorize the Contractor, Subcontractors, Sub-subcontractors, and suppliers, as well as the Owner's consultants and separate contractors, to reproduce applicable portions of the Instruments of Service, subject to any protocols established pursuant to Section 1.3, solely and exclusively for use in performing services or construction for the Project. If the Architect rightfully terminates this Agreement for cause as provided in Section 9.4, the license granted in this Section 7.3 shall terminate.

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§ 7.3.1 In the event the Owner uses the Instruments of Service without retaining the authors of the Instruments of Service, the Owner releases the Architect and Architect's consultant(s) from all claims and causes of action arising from such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless the Architect and its consultants from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner's use of the Instruments of Service under this Section 7.3.1. The terms of this Section 7.3.1 shall not apply if the Owner rightfully terminates this Agreement for cause under Section 9.4.

§ 7.4 Except for the licenses granted in this Article 7, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. Any unauthorized use of the Instruments of Service shall be at the Owner's sole risk and without liability to the Architect and the Architect's consultants.

§ 7.5 Except as otherwise stated in Section 7.3, the provisions of this Article 7 shall survive the termination of this Agreement.

ARTICLE 8 CLAIMS AND DISPUTES

§ 8.1 General

§ 8.1.1 The Owner and Architect shall commence all claims and causes of action against the other and arising out of or related to this Agreement, whether in contract, tort, or otherwise, in accordance with the requirements of the binding dispute resolution method selected in this Agreement and within the period specified by applicable law, but in any case not more than 10 years after the date of Substantial Completion of the Work. The Owner and Architect waive all claims and causes of action not commenced in accordance with this Section 8.1.1.

§ 8.1.2 To the extent damages are covered by property insurance, the Owner and Architect waive all rights against each other and against the contractors, consultants, agents, and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A201-2017, General Conditions of the Contract for Construction. The Owner or the Architect, as appropriate, shall require of the contractors, consultants, agents, and employees of any of them, similar waivers in favor of the other parties enumerated herein.

§ 8.1.3 The Architect and Owner waive consequential damages for claims, disputes, or other matters in question, arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination of this Agreement, except as specifically provided in Section 9.7.

§ 8.1.4 The Architect and the Owner waive delay damages for claims, disputes or other matters in question arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all delay damages due to either party's termination.

§ 8.2 Mediation

§ 8.2.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to binding dispute resolution. If such matter relates to or is the subject of a lien arising out of the Architect's services, the Architect may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by binding dispute resolution.

§ 8.2.2 The Owner and Architect shall endeavor to resolve claims, disputes and other matters in question between them by mediation, which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of this Agreement. A request for mediation shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint or other appropriate demand for binding dispute resolution but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this section, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 8.2.3 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 8.2.4 If the parties do not resolve a dispute through mediation pursuant to this Section 8.2, the method of binding dispute resolution shall be the following:
(Check the appropriate box.)

- [X] Arbitration pursuant to Section 8.3 of this Agreement
- [] Litigation in a court of competent jurisdiction
- [] Other: (Specify)

If the Owner and Architect do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.

§ 8.3 Arbitration

§ 8.3.1 If the parties have selected arbitration as the method for binding dispute resolution in this Agreement, any claim, dispute or other matter in question arising out of or related to this Agreement subject to, but not resolved by, mediation shall be subject to arbitration, which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules in effect on the date of this Agreement. A demand for arbitration shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the arbitration.

§ 8.3.1.1 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the claim, dispute or other matter in question would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the claim, dispute or other matter in question.

§ 8.3.2 The foregoing agreement to arbitrate, and other agreements to arbitrate with an additional person or entity duly consented to by parties to this Agreement, shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof.

§ 8.3.3 The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

§ 8.3.4 Consolidation or Joinder

§ 8.3.4.1 Either party, at its sole discretion, may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation; (2) the arbitrations to be consolidated substantially involve common questions of law or fact; and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).

§ 8.3.4.2 Either party, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.

§ 8.3.4.3 The Owner and Architect grant to any person or entity made a party to an arbitration conducted under this Section 8.3, whether by joinder or consolidation, the same rights of joinder and consolidation as the Owner and Architect under this Agreement.

§ 8.4 The provisions of this Article 8 shall survive the termination of this Agreement.

ARTICLE 9 TERMINATION OR SUSPENSION

§ 9.1 If the Owner fails to make payments to the Architect in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Architect's option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, the Architect shall give seven days' written notice to the Owner before suspending services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Owner shall pay the Architect all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.2 If the Owner suspends the Project, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Architect, the Architect may terminate this Agreement by giving not less than seven days' written notice.

§ 9.4 Either party may terminate this Agreement upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

§ 9.5 The Owner may terminate this Agreement upon not less than seven days' written notice to the Architect for the Owner's convenience and without cause.

§ 9.6 If the Owner terminates this Agreement for its convenience pursuant to Section 9.5, or the Architect terminates this Agreement pursuant to Section 9.3, the Owner shall compensate the Architect for services performed prior to termination, Reimbursable Expenses incurred, and costs attributable to termination, including the costs attributable to the Architect's termination of consultant agreements.

§ 9.7 In addition to any amounts paid under Section 9.6, if the Owner terminates this Agreement for its convenience pursuant to Section 9.5, or the Architect terminates this Agreement pursuant to Section 9.3, the Owner shall pay to the Architect the following fees:

(Set forth below the amount of any termination or licensing fee, or the method for determining any termination or licensing fee.)

.1 Termination Fee:

Termination Expenses are in addition to compensation for the Architect's services and include expenses directly attributable to termination for which the Architect is not otherwise compensated, plus an amount for the Architect's anticipated profit on the value of the services not performed by the Architect as follows:

- .1 Twenty percent of the total compensation for Basic and Additional Services earned to date if termination occurs before or during the predesign, site analysis, or Schematic Design Phase; or,
- .2 Ten percent of the total compensation for Basic and Additional Services earned to date if termination occurs during the Design Development Phase or any subsequent phase.

.2 Licensing Fee if the Owner intends to continue using the Architect's Instruments of Service:

To be negotiated at time of request.

§ 9.8 Except as otherwise expressly provided herein, this Agreement shall terminate one year from the date of Substantial Completion.

§ 9.9 The Owner's rights to use the Architect's Instruments of Service in the event of a termination of this Agreement are set forth in Article 7 and Section 9.7.

ARTICLE 10 MISCELLANEOUS PROVISIONS

§ 10.1 This Agreement shall be governed by the law of the place where the Project is located, excluding that jurisdiction's choice of law rules. If the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 8.3.

§ 10.2 Terms in this Agreement shall have the same meaning as those in AIA Document A201-2017, General Conditions of the Contract for Construction.

§ 10.3 The Owner and Architect, respectively, bind themselves, their agents, successors, assigns, and legal representatives to this Agreement. Neither the Owner nor the Architect shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner's rights and obligations under this Agreement, including any payments due to the Architect by the Owner prior to the assignment.

§ 10.4 If the Owner requests the Architect to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least 14 days prior to the requested dates of execution. If the Owner requests the Architect to execute consents reasonably required to facilitate assignment to a lender, the Architect shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to the Architect for review at least 14 days prior to execution. The Architect shall not be required to execute certificates or consents that would require knowledge, services, or responsibilities beyond the scope of this Agreement.

§ 10.5 Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against either the Owner or Architect.

§ 10.6 Unless otherwise required in this Agreement, the Architect shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

§ 10.7 The Architect shall have the right to include photographic or artistic representations of the design of the Project among the Architect's promotional and professional materials. The Architect shall be given reasonable access to the completed Project to make such representations. However, the Architect's materials shall not include the Owner's confidential or proprietary information if the Owner has previously advised the Architect in writing of the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Architect in the Owner's promotional materials for the Project. This Section 10.7 shall survive the termination of this Agreement unless the Owner terminates this Agreement for cause pursuant to Section 9.4.

§ 10.8 If the Architect or Owner receives information specifically designated as "confidential" or "business proprietary," the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except as set forth in Section 10.8.1. This Section 10.8 shall survive the termination of this Agreement.

§ 10.8.1 The receiving party may disclose "confidential" or "business proprietary" information after 7 days' notice to the other party, when required by law, arbitrator's order, or court order, including a subpoena or other form of compulsory legal process issued by a court or governmental entity, or to the extent such information is reasonably necessary for the receiving party to defend itself in any dispute. The receiving party may also disclose such information to its employees, consultants, or contractors in order to perform services or work solely and exclusively for the Project, provided those employees, consultants and contractors are subject to the restrictions on the disclosure and use of such information as set forth in this Section 10.8.

§ 10.9 The invalidity of any provision of the Agreement shall not invalidate the Agreement or its remaining provisions. If it is determined that any provision of the Agreement violates any law, or is otherwise invalid or

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unenforceable, then that provision shall be revised to the extent necessary to make that provision legal and enforceable. In such case the Agreement shall be construed, to the fullest extent permitted by law, to give effect to the parties' intentions and purposes in executing the Agreement.

§ 10.10 To the fullest extent permitted by law, and notwithstanding any other provision of this Agreement, the total liability, in the aggregate, of Architect and Architect's officers, directors, partners, employees, agents and Architect's Consultants, and any of them, to Owner and anyone claiming by, through or under Owner, for any and all claims, losses, costs of damages whatsoever arising out of, resulting from or in any way related to the Project or the Agreement from any cause or causes, including but not limited to the negligence, professional errors or omissions, strict liability or breach of contract or warranty express or implied of Architect or Architect's officers, directors, partners, employees, agents of Architect's Consultants or any of them, shall not exceed the total compensation received by Architect under this Agreement.

§ 10.11 During meetings and discussions, the Architect may opt to record conversations as a means of keeping accurate meeting records and minutes.

ARTICLE 11 COMPENSATION

§ 11.1 For the Architect's Basic Services described under Article 3, the Owner shall compensate the Architect as follows:

- 1 Stipulated Sum
(Insert amount)

Architect's Basic Service Fee shall be Ninety One Thousand Seven Hundred Ninety Two Dollars (\$91,792.00), plus reimbursable expenses as defined in Article 11.8 and attached Exhibit "B".

Fee for Technology Design Services shall be Six Thousand Dollars (\$6,000.00).

See Scope / Proposal letter dated August 12, 2024, attached as Exhibit "A".

- 2 Percentage Basis
(Insert percentage value)

() % of the Owner's budget for the Cost of the Work, as calculated in accordance with Section 11.6.

- 3 Other
(Describe the method of compensation)

§ 11.2 For the Architect's Supplemental Services designated in Section 4.1.1 and for any Sustainability Services required pursuant to Section 4.1.3, the Owner shall compensate the Architect as follows:
(Insert amount of, or basis for, compensation. If necessary, list specific services to which particular methods of compensation apply.)

As mutually agreed as services are required.

§ 11.3 For Additional Services that may arise during the course of the Project, including those under Section 4.2, the Owner shall compensate the Architect as follows:
(Insert amount of, or basis for, compensation.)

As mutually agreed as services are required.

§ 11.4 Compensation for Supplemental and Additional Services of the Architect's consultants when not included in Section 11.2 or 11.3, shall be the amount invoiced to the Architect plus Twenty percent (20%), or as follows:

(Insert amount of, or basis for computing, Architect's consultants' compensation for Supplemental or Additional Services.)

§ 11.5 When compensation for Basic Services is based on a stipulated sum or a percentage basis, the proportion of compensation for each phase of services shall be as follows:

Design Development Phase	Forty	percent (40	%)
Construction Documents Phase	Forty	percent (40	%)
Procurement Phase	Five	percent (5	%)
Construction Phase	Fifteen	percent (15	%)
Total Basic Compensation	one hundred	percent (100	%)

§ 11.6 When compensation identified in Section 11.1 is on a percentage basis, progress payments for each phase of Basic Services shall be calculated by multiplying the percentages identified in this Article by the Owner's most recent budget for the Cost of the Work. Compensation paid in previous progress payments shall not be adjusted based on subsequent updates to the Owner's budget for the Cost of the Work.

§ 11.6.1 When compensation is on a percentage basis and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions. The Architect shall be entitled to compensation in accordance with this Agreement for all services performed whether or not the Construction Phase is commenced.

§ 11.7 The hourly billing rates for services of the Architect and the Architect's consultants are set forth below. The rates shall be adjusted in accordance with the Architect's and Architect's consultants' normal review practices. *(If applicable, attach an exhibit of hourly billing rates or insert them below.)*

See Exhibit "B" – Hourly Rate & Reimbursable Schedule

Employee or Category	Rate (\$0.00)
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§ 11.8 Compensation for Reimbursable Expenses

§ 11.8.1 Reimbursable Expenses are in addition to compensation for Basic, Supplemental, and Additional Services and include expenses incurred by the Architect and the Architect's consultants directly related to the Project, as follows:

- .1 Transportation and authorized out-of-town travel and subsistence;
- .2 Long distance services, dedicated data and communication services, teleconferences, Project web sites, and extranets;
- .3 Permitting and other fees required by authorities having jurisdiction over the Project;
- .4 Printing, reproductions, plots, and standard form documents;
- .5 Postage, handling, and delivery;
- .6 Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner;
- .7 Renderings, physical models, mock-ups, professional photography, and presentation materials requested by the Owner or required for the Project;
- .8 If required by the Owner, and with the Owner's prior written approval, the Architect's consultants' expenses of professional liability insurance dedicated exclusively to this Project, or the expense of additional insurance coverage or limits in excess of that normally maintained by the Architect's consultants;
- .9 All taxes levied on professional services and on reimbursable expenses;
- .10 Site office expenses;

Inlt.

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- .11 Registration fees and any other fees charged by the Certifying Authority or by other entities as necessary to achieve the Sustainable Objective; and,
- .12 Other similar Project-related expenditures.

§ 11.8.2 For Reimbursable Expenses the compensation shall be the expenses incurred by the Architect and the Architect's consultants plus Twenty percent (20 %) of the expenses incurred.

§ 11.9 Architect's Insurance. If the types and limits of coverage required in Section 2.5 are in addition to the types and limits the Architect normally maintains, the Owner shall pay the Architect for the additional costs incurred by the Architect for the additional coverages as set forth below;
(Insert the additional coverages the Architect is required to obtain in order to satisfy the requirements set forth in Section 2.5, and for which the Owner shall reimburse the Architect.)

N/A

§ 11.10 Payments to the Architect

§ 11.10.1 Initial Payments

§ 11.10.1.1 An initial payment of One Thousand Dollars (\$ 1,000.00) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner's account in the final invoice.

§ 11.10.1.2 If a Sustainability Certification is part of the Sustainable Objective, an initial payment to the Architect of Zero (\$-0-) shall be made upon execution of this Agreement for registration fees and other fees payable to the Certifying Authority and necessary to achieve the Sustainability Certification. The Architect's payments to the Certifying Authority shall be credited to the Owner's account at the time the expense is incurred.

§ 11.10.2 Progress Payments

§ 11.10.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Architect's invoice. Amounts unpaid Thirty (30) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Architect.
(Insert rate of monthly or annual interest agreed upon.)

1.5 % Monthly

§ 11.10.2.2 The Owner shall not withhold amounts from the Architect's compensation to impose a penalty or liquidated damages on the Architect, or to offset sums requested by or paid to contractors for the cost of changes in the Work, unless the Architect agrees or has been found liable for the amounts in a binding dispute resolution proceeding.

§ 11.10.2.3 Records of Reimbursable Expenses, expenses pertaining to Supplemental and Additional Services, and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times.

§ 11.10.2.4 If the Owner does not intend to make payment to the Architect by the due date, or is not able to do so, the Owner will provide written notification of such to the Architect. Such written notification shall occur at least two days prior to the payment due date. The written notification shall also clearly state the reasons for the payment not being made on time.

ARTICLE 12 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Agreement are as follows:
(Include other terms and conditions applicable to this Agreement.)

§ 12.1 The Architect shall be named as Additional Insured on the Builder's Risk Insurance Policy that will be furnished by either the Owner or the General Contractor.

The Architect shall also be named as Additional Insured on the General Liability and Auto Liability Policies that will be furnished by the General Contractor as a part of the General Construction Contract.

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The Insurance Companies furnishing the policies for all of the above coverages will be required to furnish a waiver of its rights of subrogation on the General Liability and Worker's Compensation policies, against the Architect, the Architect's Employees and the Architect's Consultants.

The Insurance Policies and Waivers must be furnished to the Architect prior to the beginning of construction.

ARTICLE 13 SCOPE OF THE AGREEMENT

§ 13.1 This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Owner and Architect.

§ 13.2 This Agreement is comprised of the following documents identified below:

- .1 AIA Document B101™-2017, Standard Form Agreement Between Owner and Architect
- .2

(Paragraphs deleted)

Other documents:

(List other documents, if any, forming part of the Agreement.)

Proposal / Scope Letter dated August 12, 2024 - Exhibit "A"
Hourly Rate & Reimbursable Schedule - Exhibit "B"

This Agreement entered into as of the day and year first written above.

CITY OF MT. HOLLY, NORTH CAROLINA

OWNER *(Signature)*

Jonathan Blanton
City Manager

STEWART-COOPER-NEWELL ARCHITECTS, P.A.

ARCHITECT *(Signature)*

James R. Stumbo, AIA, LEED-AP BD+C
Vice-President

(Printed name, title, and license number, if required)

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THIS PROPOSAL, made and entered into this 18th day of September, 2024, by and between the City of Mount Holly hereinafter designated as the Owner, and SCNA Architects hereinafter designated as the Contractor.

The City of Mount Holly agrees to pay the Contractor for services as follows:

<u>Item</u>	<u>Description</u>	<u>Amount</u>
1.	Total Fee Amount	\$ <u>91,792.00</u>
2.	Additional Services	\$ <u>6,000.00</u>
3.	Purchase Order Amount	\$ <u>97,792.00</u>

IN WITNESS WHEREOF, the parties of this Proposal have hereunto set their hands and seals and have executed this Proposal, the day and year first above written.

OWNER:

City of Mount Holly

By: [Signature]

Name: Jonathan Blanton

Title: City Manager

ATTEST:

Name: [Signature]

Title: City Clerk

Financial Audit

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

Michelle Wood

Finance Officer, City of Mount Holly, NC

10-16-24

Date

Seal



Stewart · Cooper · Newell

Exhibit "A"

August 12, 2024

Elizabeth Bell, Project Manager
City of Mount Holly Public Works
400 E. Central Avenue
Mount Holly, NC 28120

**Re: Mount Holly 911 Communications Center
Proposal Fee for Design Services (Rev. 1)**

Dear Ms. Bell,

We have enjoyed working with you and your staff thus far to bring this project through Schematic Design and begin moving forward into construction drawings. We thank you for requesting this proposal for the next step of this important project.

We understand that the total scope of work for the project will include the design, construction documents, bidding and negotiations and standard construction administration for the renovation portion of the existing police department that houses the 911 Communications Center. As mentioned in our **Architectural Fee Proposal for Schematic Design Services** letter, the purpose of performing the first phase of design only was so the city, the police department and the design team would have a much clearer idea of the project scope. Now that we have performed this first phase of work, we will credit the appropriate portions of the fee paid towards the remainder of the project.

The drawings will consist of an Appendix B Code data sheet and Life Safety Plan, Floor Plans, Ceiling Plan, Finish Plan, Interior Elevations, Enlarged Toilet Room Plans and Details, Wall Sections, plumbing, mechanical and electrical (PM&E). The PM&E drawings will show information necessary for permits and construction. We have excluded any civil engineering drawings as we will not be providing a site plan for permitting.

The structural design assumes that the existing structure requires no significant modification. If during the design, structural design is required, this will be offered as an additional service to revise the drawings accordingly.

Construction Administration services include site visits 2 times per month by SCNA, response to RFI's and other questions, review of shop drawings and issuing of addenda. Site visits during the design phase by the engineers are included in the base fee. Inspection services by our engineers (PM&E) after the design phase include 2 site visits, any additional visits will be \$1,080 per visit.

Although we have included the building permit review and permitting assistance, please note that we have not included any application or permit fees, these will be the responsibility of the city.

architecture
needs assessment
masler planning

James C. Stewart, AIA | Kenneth C. Newell, AIA | James R. Stumbo, AIA
719 East Second Avenue • Gastonia, NC 28054
P: 704.865.6311

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Our total Basic Services Fee to provide these services for the project will be \$103,822. Crediting the \$12,030 fee that has been previously paid for Schematic Design work completed in the first design phase leaves a remaining total of \$91,792.

Along with our standard design services, the following additional services for Technology Design Services (Pathways and cabling for the connectivity of the Data, Phone, CATV, Wireless Access System, Hardwired Access Control System (system design by others), Wireless Access Control System (system design by others) and Audio/Video System (system design by others)) can be included in the project:

Technology Design Services: \$6,000

Once you let us know that you wish to proceed, we will draw up a new contract for design services.

Please let us know if you have any questions.

Sincerely,

James Stumbo, AIA, LEED AP BD+C, NFPA



HOURLY RATE & REIMBURSABLE SCHEDULE

Architectural Principal	\$240.00 / hr.
Architect	\$185.00 / hr.
Project Manager - I	\$170.00 / hr.
Project Manager - II	\$160.00 / hr.
Architectural Technician / CAD - I	\$130.00 / hr.
Architectural Technician / CAD - 2	\$120.00 / hr.
Architectural Technician / CAD - 3	\$110.00 / hr.
Construction Administrators	\$170.00 / hr.
Business / Office Manager	\$165.00 / hr.
Administration	\$110.00 / hr.
Intern	\$ 85.00 / hr.

REIMBURSABLE SCHEDULE

Reproduction:

Copies (Black & White)-----	\$ 0.10 /ea.
Copies (Color - 8-1/2 x 11) -----	\$ 0.85 /ea.
Copies (Color - 8-1/2 x 14)-----	\$ 1.00 /ea.
Copies (Color - 11 x 17)-----	\$ 1.50 /ea.
Copies (Color - 24 x 36)-----	\$ 4.50 /ea.

Large Format Bond Plots:

24 x 36 -----	\$ 2.50 /ea.
18 x 24 -----	\$ 2.00 /ea.
30 x 42 -----	\$ 3.50 /ea.
30 x 21 -----	\$ 2.50 /ea.
36 x 48 -----	\$ 4.50 /ea.
12 x 18 -----	\$ 1.50 /ea.
11 x 17 -----	\$ 1.50 /ea.
8-1/2 x 14 -----	\$ 1.00 /ea.

Large Format Reproducibles:

24 x 36 -----	\$ 12.00 /ea.
30 x 42 -----	\$ 15.00 /ea.

Specifications -----	\$ 75.00 /ea.
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Presentation Charges:

30 x 42 Color plot -----	\$ 60.00 /ea.
30 x 42 Color plot on board-----	\$ 80.00 /ea.
24 x 36 Color plot-----	\$ 45.00 /ea.
24 x 36 Color plot on board-----	\$ 65.00 /ea.

CD of drawings - \$1.00 per drawing recorded on CD

Postage / Shipping / Courier ----- Cost x 1.20

Fax ----- \$ 1.00 per sheet

Travel (Meals, Lodging, Airfare, Rental Car)----- Cost x 1.20

Mileage ----- Federal mileage rate x 1.20

Plan Review / Permit Application Fees ----- Cost x 1.20

SCNA-Hourly Rate / Reimbursable Schedule.doc R 11-2023

ARCHITECTURE
PLANNING
INTERIORS
CONSULTING



Regular Meeting Agenda Action Form

Meeting Date

June 8, 2026

From

Paul Lowe, Assistant Planning Director
Planning

CONSENT AGENDA Item # 5

Call for a public hearing to consider an update to Section 153.049 of the Subdivision Land Development Ordinance to develop standards for private streets. Case # TA-26-4.

Will this require a public hearing?

No

Background/Purpose of Request

This proposed update to Section 153.049 of the Subdivision Land Development Ordinance to develop standards for private streets will be presented by our Summer Intern Torin Priddle.

The amendment, submitted by staff, would help to provide standards for the design of private streets and to mandate the creation of a Road Maintenance Agreement & an Ownership Association for developments with private streets. The latter two documents would provide basic standards for the development of private streets-while ensuring these improvements will be maintained in perpetuity. Recording both documents in the Register of Deeds will also allow potential purchasers of property to be informed of potential maintenance costs/constraints before purchasing property.

Currently, the City has no standards for the design & regulation of private streets in minor subdivisions. This amendment will ensure that private streets are designed to accommodate City emergency vehicles while maintaining adequate traffic flow over the course of the road's life. This amendment also puts limits on where private streets can be utilized to ensure that they are not subject to heavy traffic. As a note, developments with private streets can only feature four lots. Lastly, the requirement of the development of a Road Maintenance Agreement & an Owners Association prior to road construction & final plat approval will ensure a designated entity is responsible for ongoing upkeep.

If this call is approved, a public hearing will be held by the Planning Commission on July 8th and by the City Council at your July 13th meeting.

Fiscal Impact

Will Item affect current budget? No.
Reviewed by Finance Director? No.
Preaudit Certification Required? No.

Capital Project Ordinance Required?	No.
Budget Transfer Required?	No.
Total City Dollars:	NA
Budget Code:	NA
Reviewed by City Attorney?	No.

Manager/Staff Recommendation

Approve call as presented.

Attachments

1. Text Amendment Application & Redlines_TA-26-4_Private Streets



APPLICATION FOR TEXT AMENDMENT
CITY OF MOUNT HOLLY, NORTH CAROLINA

Date Filed: **5-27-26**. Application Number: **TA-26-4**

I, the undersigned, do hereby respectfully make a formal application for your review of my request concerning the text amendment described below:

1. The amendment is found in the City of Mount Holly Zoning Ordinance relating to: **amend Section 153.049 of the Subdivision Land Development Ordinance-Sections B-6 &E.**
2. The following statement best describes what you would like the text amendment to reflect: **This proposed text amendment, submitted by staff, would amend Section 153.049 of the Subdivision Land Development Ordinance-Sections B-6 &E which is outlined in the attached redlines to develop regulations for private streets in residential subdivisions.**
3. Name: **Paul Lowe, Assistant Planning Director.**
Address: **400 E Central Avenue Mount Holly, NC 28120.**

704-951-3014
Phone Number

Paul Lowe
Signature of Applicant

INSTRUCTIONS: Applications must be TYPED or LEGIBLE and filed with the City of Mount Holly Planning and Zoning Department, together with the application fee in the amount of **\$250.00** (See Fee Schedule) at least 30 days prior to the Planning Commission meeting for initial consideration.

Proposed Redlines

§ 153.049 STREETS AND STREET IMPROVEMENTS.

The proposed street system shall extend existing and projected streets at not less than the required minimum width and shall be in conformance with the following criteria.

(A) Conformance with Land Development Guidelines.

(1) The location and design of streets shall be in conformance with the Land Development Guidelines. Where the conditions warrant, right-of-way width and pavement width in excess of the minimum street standards may be allowed or required. In any case where any part of a subdivision lies within the corridor of a thoroughfare shown on a Gaston-Cleveland-Lincoln Metropolitan Planning Organization (GCLMPO) or NCDOT Map adopted pursuant to G.S. Chapter 136, Article 2E, no subdivision approval shall be granted with respect to the property in the roadway corridor. Provided, however, no subdivision plat approval shall be delayed by the provision of the Gaston-Cleveland-Lincoln MPO or NCDOT Map procedure for more than three years from the date of its original submittal.

(2) Development that takes place along designated thoroughfares identified in local or regional planning documents should be well planned. At some point in the future, widening or construction of these roads will take place. In order to minimize any negative impacts to adjoining property owners occurring as a result of such widening projects, and to require that all new structures lying on properties along these roads be adequately set back from existing and/or projected road rights-of-way. In this manner, all structures built will be adequately set back from the road when it is widened. The thoroughfare roads are shown on the adopted thoroughfare map, not the official zoning map. This thoroughfare is addressed when a development is submitted for review.

(B) Street classification.

(1) The final determination of the classification of streets in a proposed subdivision shall be made by the Planning and Development Department.

(2) Thoroughfare streets provide for movement of high volumes of traffic throughout the city. In general, thoroughfare streets consist of numbered state roads and other major streets as described in the NCDOT, County or City Thoroughfare Plan. Design criteria for thoroughfare streets shall be on a case-by-case basis. Direct driveway access onto thoroughfares is prohibited.

(3) Commercial streets provide direct access to commercial property and may be served by either thoroughfare or collector streets. Design shall be on a case-by-case basis.

(4) Collector streets connect the residential and commercial streets to thoroughfare streets, and may supplement the thoroughfare system by providing a limited amount of through traffic. Collector streets are required when directly serving more than 150 residential units, when connecting adjoining residential areas, or as determined necessary by the city.

(5) Residential streets provide a dual service of lot access and traffic movement between local residential streets and collector streets.

(6) Private streets may be used within commercial **and** multi-family developments, **and minor residential subdivisions of four or less lots, per (a) of this section**. Design requirements will vary depending on utility and vehicular traffic needs and should be sufficient for service and emergency vehicles. Private streets within subdivided single-family developments are generally prohibited.

(a) Private Street Standards In Minor Residential Subdivisions of Four Lots or Less

1. Private Streets

- a. Unless the recorded plat of a subdivision clearly indicates a road to be private, the recording of such plat shall constitute an offer of dedication of such roads. The City shall have the discretion to require a public right-of-way connection for safety or access purposes.
- b. No private road will be accepted for maintenance by either the City or NCDOT unless and until all City or NCDOT standards for public street acceptance are met.
- c. All private streets shall be constructed according to City right-of-way and roadway standards.
- d. The subdivider or developer shall bear the responsibility for ensuring the availability of water and sewage services, and any required infrastructure must be installed at their expense.

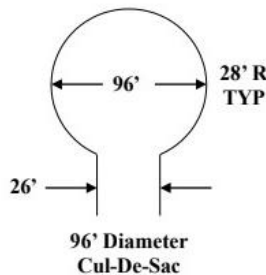
2. Owner's Associations and Maintenance Agreements

- a. Private streets shall be permitted in developments with Owner's Associations and group developments. The Owner's Association is required to own and maintain the private street.
- b. To this end, the subdivider or developer should submit a Road Maintenance Agreement (RMA) as well as the governing documents for an Owner's Association sometime after the initial plat is submitted. These documents must be accepted before the final plat can be signed. The RMA shall be incorporated into the official record of the final plat.
- c. RMAs should clarify who is responsible for maintenance, how costs will be divided, and how funds will be collected.

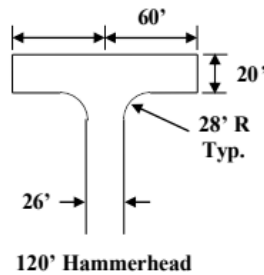
3. Design Standards

- a. Private streets shall serve no more than four lots, including the residual acreage (the remaining, un-subdivided portion of a primary tract of land after one or more smaller lots, rights-of-way, or open space parcels have been split off or dedicated) or dwelling units.
- b. A private street shall be no longer than 250 feet, as measured from where the centerline of the private street intersects with the centerline of a public street.
- c. Private streets exceeding a length of 150 feet shall be required to incorporate a cul-de-sac or turnaround facility designed to accommodate emergency service vehicles. See figures I-III for acceptable turnaround designs.

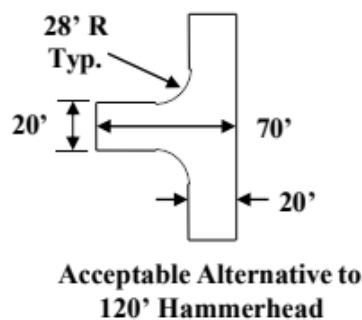
i. Figure I:



ii. Figure II:



iii. Figure III:



- d. No private street shall connect two public streets, unless approved by the City Engineer, who may act in consultation with the North Carolina Department of Transportation (NCDOT).
- e. A minimum 14-foot vertical clearance shall be provided above the travelway to permit the passage of large vehicles under power lines and tree limbs.
- f. Where a private street intersects with a public street, the private street should flare to a width of at least 25 feet to allow for a car to enter the private street while another vehicle is waiting to exit.
- g. Private streets shall intersect with public streets at an angle as close to 90 degrees as the local topography allows.
- h. Bends in the right-of-way shall be at angles that will permit the construction of curves with a 125- foot minimum curve radius.
- i. Private streets shall comply with the drainage standards applicable to public streets.

(C) *Conformance with adjoining street system.* The planned street layout of a proposed subdivision shall be compatible with existing or proposed streets and their classifications on adjoining or nearby tracts.

(D) *Access to adjoining property.* When it is desirable to provide for street access to adjoining property, proposed streets shall be extended to the boundary of such property. For stub out streets, roads shall be built to the property line. Temporary hammerhead turnarounds are required for stub out streets over 200 feet long.

(E) *Reserve strips, half streets and private streets.* Reserve strips and non-access easements adjoining street right-of-way for the purpose of preventing access to or from adjacent property (except those required to prevent access to thoroughfares), and half-streets shall not be permitted under any condition. Private streets shall be permitted only in specific developments as permitted by the Zoning **Subdivision** Ordinance. Easements for sole access to lots are permitted only in accordance with § [153.005\(F\)](#).



Regular Meeting Agenda Action Form

Meeting Date

June 8, 2026

From

Paul Lowe, Assistant Planning Director
Planning

CONSENT AGENDA Item # 6

Call for a public hearing to consider an update to Section 153.085 of the Subdivision Land Development Ordinance to require fencing for BMPs. Case # TA-26-5.

Will this require a public hearing?

No

Background/Purpose of Request

This proposed update to Section 153.049 of the Subdivision Land Development Ordinance to develop standards for private streets will be presented by our Summer Intern Torin Priddle was submitted by staff, and will amend section 153.085 to require fencing be installed around new stormwater detention ponds. Currently, there is no such requirement and these ponds pose a drowning risk, especially to children and the elderly. By fencing these facilities, the City can work to mitigate this risk.

If this call is approved, a hearing will be held on this matter by the Planning Commission on July 8th & by the City Council on July 13th.

Fiscal Impact

Will Item affect current budget? No.
Reviewed by Finance Director? No.
Preaudit Certification Required? No.
Capital Project Ordinance Required? No.
Budget Transfer Required? No.
Total City Dollars: NA
Budget Code: NA
Reviewed by City Attorney? No.

Manager/Staff Recommendation

Approve call as presented, and set public hearing.

Attachments

1. Text Amendment Application & Redlines_TA-26-5_BMP Fencing



**APPLICATION FOR TEXT AMENDMENT
CITY OF MOUNT HOLLY, NORTH CAROLINA**

Date Filed: **5-27-26**. Application Number: **TA-26-5**.

I, the undersigned, do hereby respectfully make a formal application for your review of my request concerning the text amendment described below:

1. The amendment is found in the City of Mount Holly Zoning Ordinance relating to: **amend Section 153.085-A of the Subdivision Land Development Ordinance-Section A.**
2. The following statement best describes what you would like the text amendment to reflect: **This proposed text amendment, submitted by staff, would amend Section 153.085 of the Subdivision Land Development Ordinance-Section A which is outlined in the attached redlines to require fencing for new BMPs in the City.**
3. Name: **Paul Lowe, Assistant Planning Director.**
Address: **400 E Central Avenue Mount Holly, NC 28120.**

704-951-3014

Phone Number

Paul Lowe

Signature of Applicant

INSTRUCTIONS: Applications must be TYPED or LEGIBLE and filed with the City of Mount Holly Planning and Zoning Department, together with the application fee in the amount of **\$250.00** (See Fee Schedule) at least 30 days prior to the Planning Commission meeting for initial consideration.

Proposed Redlines

§ 153.085 SCM, SWM AND DRAINAGE.

(A) Generally.

- (1) Water quality (SCM) and water quantity (SWM) control measures shall be designed and installed for development in watersheds as defined in the city's Zoning Ordinance to achieve 85% removal of Total Suspended Solids (TSS) and the required flow reduction, if required.
- (2) All new development, redevelopment and post construction measures shall meet or exceed the standards as stated in the North Carolina Division of Water Quality Storm water Best Management Practices Manual (NCDENR DWQ SCM Design Manual), latest edition, or as modified herein.
- (3) Storm drainage easements must encircle the water quality facility/SCM and/or SWM facility. Easement must be shown ten feet from the top of the berm of the facility or ten feet from the toe of slope for the facility's embankment, whichever is greater. A storm drainage easement must be shown for any pipe system or channel leading to or draining from the facility. SCM/SWM facilities must be enclosed within easements, privately owned and facilities maintained by a HOA or other approved entity.
- (8) As-built certifications from a registered professional engineer or professional land surveyor are required after SCM and/or SWM construction is complete. Certifications shall be considered proof that the registered professional has inspected the SCM and/or SWM construction, and has verified all dimensions, widths, elevations and overall construction to assure the facility was constructed as per the approved plans.
- (9) All SCM and/or SWM devices shall be maintained by the property owner or homeowner's association. The devices shall be inspected and maintained by the developer/owner/HOA in accordance with the approved design plans. Costs for maintenance and repairs shall be borne by the property owner or homeowner's association.
- (10) High density projects shall control the peak storm water runoff discharged from the site for those areas discharging directly to a city storm drainage system or directly to a property not owned by the applicant of the project. The discharge shall not be any greater than the pre-development discharge based on a ten-year, 24-hour storm event. The emergency overflow shall be designed to discharge a 50-year, 24-hour storm event.
- (11) The storm water management facilities shall be designed for ease of maintenance, access and aesthetic appearance. All SWM facilities are privately owned, operated and maintained by the property owner or HOA. The construction plans, plat and HOA documents shall include a detailed maintenance and inspection schedule for each proposed SCM and SWM facility.
- (12) Fencing shall be provided around the perimeter of all stormwater detention ponds located within the corporate limits. The required fence shall be no less than four feet in height. It shall be a steel or aluminum chain link fence with vinyl coating. All fences shall provide securable entrances to allow access for maintenance personnel and equipment, and to provide for the safety of citizens.



Regular Meeting Agenda Action Form

Meeting Date

June 8, 2026

From

Paul Lowe, Assistant Planning Director
Planning

CONSENT AGENDA Item # 7

Call for a public hearing to consider an update to Sections 5.11-C-3-h & 5-12-C-3-h of the Zoning Ordinance to update the maximum height of fences in the LI & HI zoning districts. Case # TA-26-6.

Will this require a public hearing?

No

Background/Purpose of Request

This amendment proposed by staff would increase the maximum height of fences allowed in the front & side/rear yards in both the LI & HI zoning districts from five feet in the front yards, and eight feet in the side and rear yards to ten feet in height in all areas. A summary of the proposed language is provided below.

Current:

Maximum fence height shall be five feet. Rear yard fences and walls shall be made of brick, stucco, wrought iron, stone, wood or similar materials. Maximum fence height shall be eight feet.

Proposed:

Maximum fence height shall be ten feet. Rear yard fences and walls shall be made of brick, stucco, wrought iron, stone, wood or similar materials. Maximum fence height shall be ten feet. Fences in each district could be either-eight feet all the way around with up to two feet of barbed wire or ten feet with twisted selvage.

This proposed update aims to allow industrial businesses in the City to better protect their properties, while reducing the need for future variances. Staff processed a variance case on this matter recently, and another applicant is considering applying. This proposal would reduce the need for future variance requests from other industrial-based businesses, while assisting property owners to better manage and protect their investments.

If this call is approved, a hearing on this case will be heard by the Planning Commission on July 8th & by the City Council on July 13th meeting.

Fiscal Impact

Will Item affect current budget? No.
Reviewed by Finance Director? No.
Preaudit Certification Required? No.
Capital Project Ordinance Required? No.
Budget Transfer Required? No.
Total City Dollars: NA
Budget Code: NA
Reviewed by City Attorney? No.

Manager/Staff Recommendation

Approve call, & set public hearing.

Attachments

1. Text Amendment Application & Redlines_TA-26-6_Fencing in the HI & LI Districts



**APPLICATION FOR TEXT AMENDMENT
CITY OF MOUNT HOLLY, NORTH CAROLINA**

Date Filed: **5-27-26**. Application Number: **TA-26-6**.

I, the undersigned, do hereby respectfully make a formal application for your review of my request concerning the text amendment described below:

1. The amendment is found in the City of Mount Holly Zoning Ordinance relating to: **amend Sections 5.11-C-3-h & 5-12-C-3-h of the Zoning Ordinance.**
2. The following statement best describes what you would like the text amendment to reflect: **This proposed text amendment, submitted by staff, would Sections 5.11-C-3-h & 5-12-C-3-h of the Zoning Ordinance to permit taller fences in the LI & HI District. The redlines outline the request in further detail.**
3. Name: **Paul Lowe, Assistant Planning Director.**
Address: **400 E Central Avenue Mount Holly, NC 28120.**

704-951-3014

Phone Number

Paul Lowe

Signature of Applicant

INSTRUCTIONS: Applications must be TYPED or LEGIBLE and filed with the City of Mount Holly Planning and Zoning Department, together with the application fee in the amount of **\$250.00** (See **Fee Schedule**) at least 30 days prior to the Planning Commission meeting for initial consideration.

Proposed Redlines

§ 5.11 L-I, LIGHT INDUSTRIAL DISTRICT.

(h) Front and side yard fences and walls shall be brick, stucco, wrought iron, stone or materials similar in appearance and durability. Maximum fence height shall be ~~five~~ **ten** feet. Rear yard fences and walls shall be made of brick, stucco, wrought iron, stone, wood or similar materials. Maximum fence height shall be ~~eight~~ **ten** feet. New construction of perimeter fences on industrial property may be galvanized, chain-link fencing along with barbed-wire runners if necessary for security purposes.

§ 5.12 H-I, HEAVY INDUSTRIAL DISTRICT.

(h) Front and side yard fences and walls shall be brick, stucco, wrought iron, stone or materials similar in appearance and durability. Maximum fence height shall be ~~five~~ **ten** feet. Rear yard fences and walls shall be made of brick, stucco, wrought iron, stone, wood or similar materials. Maximum fence height shall be ~~eight~~ **ten** feet. New construction of perimeter fences on industrial property may be galvanized, chain-link fencing along with barbed-wire runners if necessary for security purposes.



Regular Meeting Agenda Action Form

Meeting Date

June 8, 2026

From

Paul Lowe, Assistant Planning Director
Planning

CONSENT AGENDA Item # 8

Call for a public hearing to consider rezoning Parcel # 123202 from R-8-MF to R-8-SF. Case # R-26-3.

Will this require a public hearing?

No

Background/Purpose of Request

This rezoning application for 400 N Main Street, Parcel #123202, was submitted by Michael Vittatoc is seeking to take this property from R-8-MF to R-8-SF.

If this call is approved, a public hearing on this matter will be held by the Planning Commission on July 8th & on July 13th by the City Council.

Fiscal Impact

Will Item affect current budget?	No.
Reviewed by Finance Director?	No.
Preaudit Certification Required?	No.
Capital Project Ordinance Required?	No.
Budget Transfer Required?	No.
Total City Dollars:	NA
Budget Code:	NA
Reviewed by City Attorney?	No.

Manager/Staff Recommendation

Approve call and set public hearing for this case.

Attachments

1. Application_R-26-3
2. Case R-26-3 Rezoning Exhibit



**MOUNT HOLLY
PLANNING AND DEVELOPMENT**

**Planning Commission
Rezoning Application**

Date Submitted: 5/19/2026 Fee: 2-Acres or less \$300.00 Case Number R-26-3
 2-10 Acres \$400.00 _____
 10 +Acres \$600.00 _____

Provide the required information as indicated below. Pursuant to the Zoning Ordinance, this application will not be processed until application fees are paid; the form below is completed & signed; & all required maps, plans & documents have been submitted to the satisfaction of the Administrator. A pre application meeting with Planning staff is required. Scheduling for the Planning Commission agenda will be based on the determination of a complete application submittal.

Pursuant to Section 14.2 B-2 of the Zoning Ordinance, the undersigned hereby requests Mount Holly to rezone the property described below from the R-5MF zoning district to the R-55F zoning district.

Said property is located 400 N Main St. Mount Holly, NC 28120
 in Riverbend Township; Being a total of: .46 acres.

Further referenced by the Gaston County Tax Department as:

Tax Parcel # <u>1 2 3 2 0 2</u>	Tax Parcel # _____
Tax Parcel # _____	Tax Parcel # _____
Tax Parcel # _____	Tax Parcel # _____

Check One:

- The property requested for rezoning is an entire parcel or parcels as shown on the Gaston County Tax Map.
- The property requested for rezoning is a portion of a parcel or parcels as shown on the Gaston County Tax Map; a written legal description of the property and/or a map are attached.


Check One:

- The applicant is the property owner(s)
- The applicant is an agent representing the property owner(s); the letter of property owner permission is attached.
- The applicant has an option to purchase or lease the property; a copy of the offer to purchase or lease to be submitted if the owner's signature is not provided (financial figures may be deleted).
- The applicant has no connection to the property owner and is requesting a third-party rezoning.

I hereby agree to conform to all applicable laws of the City of Mount Holly and the State of North Carolina and certify that the information provided is complete and accurate to the best of my knowledge. I acknowledge that by filing this application, representatives from Mount Holly Planning and Development may enter the subject property for the purpose of investigation and analysis of this request.

YOU OR SOMEONE REPRESENTING YOU MUST BE PRESENT AT THE PUBLIC HEARING

Submitted by


 Property Owner Signature
Michael Vittorse
 Name
400 N Main St.
 Mailing Address
Mount Holly, NC 28120
 City, State and Zip Code
704-685-0235 Michael@FirstAdvantageMortgage.com
 Phone Number Email Address

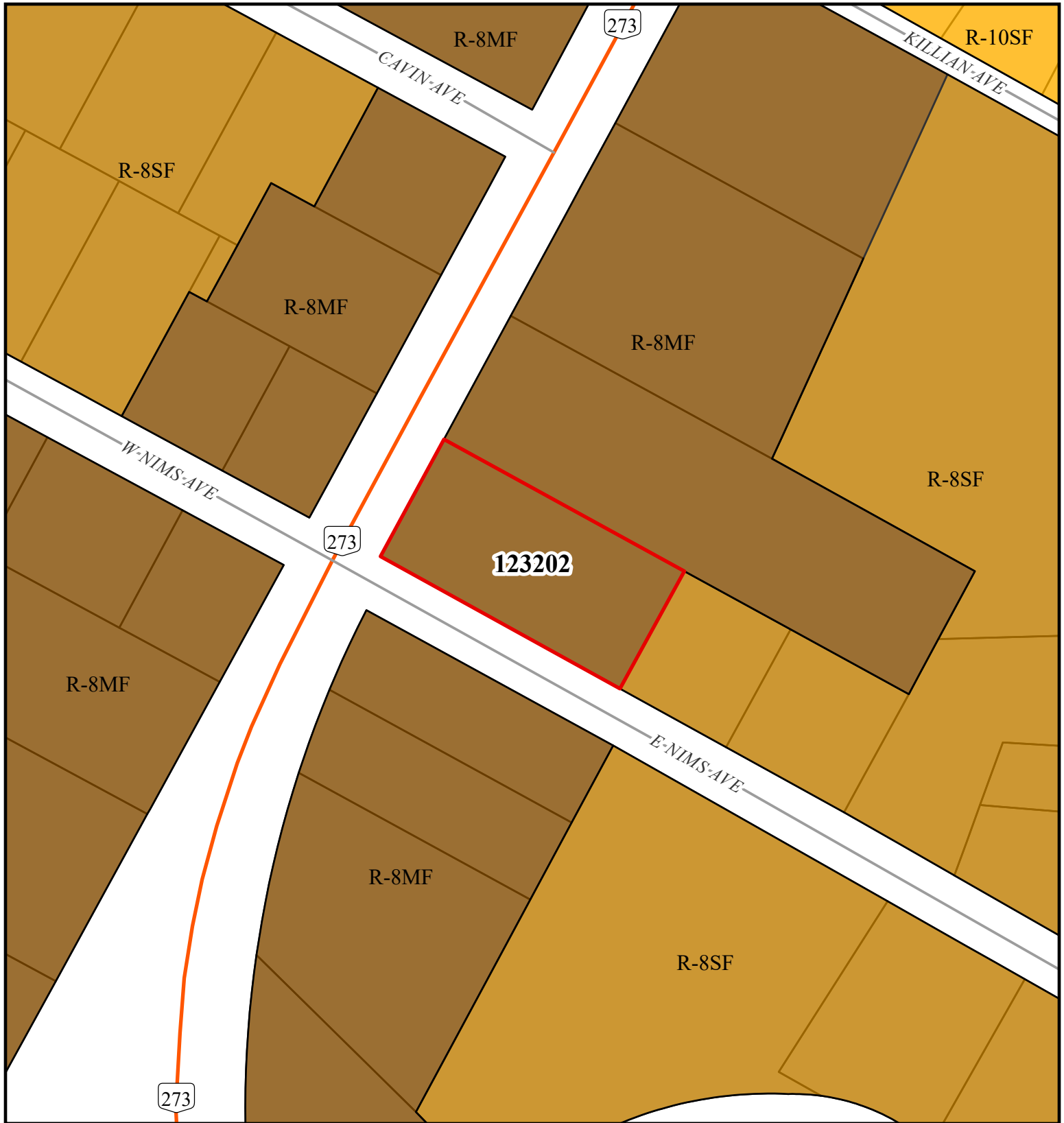
 Representative/ Applicant Signature (if applicable)

 Name

 Mailing Address

 City, State and Zip Code

 Phone Number Email Address

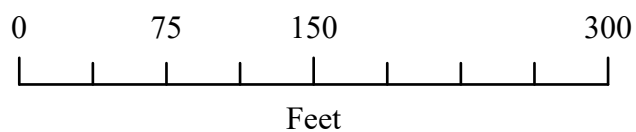


Surrounding Zoning

- R-10SF
- R-8SF
- R-8MF

Proposed Rezoning Exhibit

Case # R-26-3
Parcel #123202



Date Exported: 5/27/2026

CITY OF MOUNT HOLLY
CITY COUNCIL MEETING MINUTES
MONDAY, MAY 18, 2026
COUNCIL CHAMBERS
6:30 PM

CALL TO ORDER

Mayor Moore called the meeting to order at 6:30 pm. The following were present:

Mayor David Moore	Jonathan Blanton, City Manager
Mayor Pro Tem Phyllis Harris	Brian DuPont, Assistant City Manager
Councilman Ivory Craig	Alexis Hines, Human Resources Director
Councilman Jeff Meadows	Brian Reagan, Police Chief
Councilman William Brooks	Greg Beal, Planning Director
Councilwoman Lauren Shoemaker	Ryan Baker, Fire Chief
Councilman Kenneth Reeves	Robert Stewart, Deputy Utilities Director
Marie M. Anders, City Attorney-*ABSENT	Eric Smallwood, Parks and Recreation Director
	Ashley Whetstine, Finance Director
Tara Douglas, City Clerk	Matt Black, Economic Development Director
	Jason Green, Public Works Director

INVOCATION

Fire Chief Ryan Baker led the Council, Staff, and attendees in prayer.

PLEDGE OF ALLEGIANCE

Mayor Pro Tem Harris led the Council, Staff, and attendees in the Pledge of Allegiance.

SET THE AGENDA

Mayor Moore entertained a motion to approve the agenda as presented.

Motion: Councilman Reeves made a motion to approve the agenda as presented. Councilman Meadows seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

CONSENT AGENDA

1. Consideration and approval of Contract for GarlandBurks for FY 2026-2027
2. Approval of City Council Meeting Minutes – May 11, 2026

CITY OF MOUNT HOLLY
CITY COUNCIL MEETING MINUTES
MONDAY, MAY 18, 2026
COUNCIL CHAMBERS
6:30 PM

Mayor Moore entertained a motion to approve the Consent Agenda as presented.

Motion: Mayor Pro Tem Harris made a motion to approve the Consent Agenda as presented. Councilman Meadows seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

Councilman Meadows recognized the GarlandBurks team for their exceptional work for the City of Mount Holly.

PRESENTATIONS

1. Review and Consider Approval of the Tuck Park Mural Project

Paul Lowe

Mr. Lowe stated that this project is a 240 square foot mural planned for Tuckaseege Park and noted that the artist is the same artist that worked on the mural at Pinewood Elementary School. Mr. Lowe stated that if approved, the mural could be completed by the end of June. Mr. Lowe stated that the Public Arts Advisory Committee (PAAC) recommended approval.

Motion: Councilman Craig made a motion to approve the Tuckaseege Park Mural Project. Mayor Pro Tem Harris seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

2. Discussion of the Proposed 2026/2027 Budget and Fee Schedule

Jonathan Blanton, Ashley Whetstone

City Manager Blanton presented the recommended budget for Fiscal Year 2026-2027. Mr. Blanton stated that in a fiscally disciplined effort, the recommended budget was prepared over several months with significant participation from City staff, department directors, our Finance Department and guidance provided by our City Council. Mr. Blanton thanked the Council for the direction given at the February 27, 2026 retreat which kicked off our budget process. Mr. Blanton stated that the recommended budget is balanced and is prepared in accordance with North Carolina General Statute 159-11 and totals \$47,704,017.00. Mr. Blanton stated that the recommended budget consists of the following funds: the General Fund, which is balanced at \$27,531,226.00, the Water and Sewer Fund (Enterprise Fund) is balanced at \$18,533,961.00, the 911 Wireless and Wireline Fund is balanced at \$211,830.00, the Tourism Development Fund is balanced at \$270,000.00, the Powell Bill Fund is balanced at \$1,132,000.00, and a Capital Reserve in the General Fund totaling \$25,000.00. Mr. Blanton explained that the recommended

CITY OF MOUNT HOLLY
CITY COUNCIL MEETING MINUTES
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budget is also supplemented by multiple ongoing capital project ordinances supporting major infrastructure, utility, and recreation improvements throughout the City of Mount Holly. Mr. Blanton stated that this recommended budget reflects the City's continued commitment to responsible financial stewardship, strategic capital investment, workforce stability, and long-term fiscal sustainability.

Mr. Blanton stated that the General Fund is projecting \$27,531,226.00 in revenue for Fiscal Year 2027 and that these funds are derived from property taxes, sales and use tax, investment earnings, and utility franchise taxes. Mr. Blanton stated that the proposed tax for Fiscal Year 2027 remains the same at 0.405 cents. Mr. Blanton stated that the General Fund provides funding to departments such as Council, Administration, Police, Fire, Planning, Streets and Solid Waste and Parks and Recreation. Mr. Blanton stated that expenditures are increasing by 9.2% this year and total capital funding across all departments is approximately \$1.5 million. Mr. Blanton stated that a focus of the recommended budget is the continued investment in capital infrastructure and equipment necessary to maintain high quality municipal services and support Mount Holly's continued growth. Mr. Blanton highlighted that the City has restructured its capital budgeting practices by allocating capital expenditures directly within departmental budgets rather than maintaining a standalone capital account.

Mr. Blanton stated that the capital projects that are provided for in the General Fund include investing in professional bike trails, Disc Golf improvements at Mountain Island Park, kayak access at Sandy River Road, ADA improvements at Tuckaseege Park, new radios for the Police Department, air packs for the Fire Department, cameras to the Mount Holly Museum, and continuing to invest in our public arts program.

Mr. Blanton reviewed the Water and Sewer Fund citing that its revenue is projected at \$18,533,961 for Fiscal Year 2027. Mr. Blanton stated that these funds are derived from water and sewer sales, stormwater revenue, and utility fees. Mr. Blanton stated that the recommended budget provides for a 12% increase in water rates and a 9.5% increase in sewer rates as per the recently approved Raftelis rate study that was approved by the Council several years ago as a five-year plan. Mr. Blanton stated that the Water and Sewer Fund expenditures are increasing by 16.5% with \$5,456,020.00 allocated to capital projects in the Water and Sewer Fund. Mr. Blanton stated that the projects that will be invested in are improvement to our North Water Tank, sewer improvements, drainage improvements and additional infrastructure on Legion Road for our space needs.

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CITY COUNCIL MEETING MINUTES
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Mr. Blanton reviewed the 911-Wireless and Wireline Fund stating that it consists of funding from surcharges on wireless and wireline telephones in the 911 service area. Mr. Blanton stated that these funds are collected by the State of North Carolina and distributed to the City with a projection of \$211,830.00.

Mr. Blanton reviewed the Tourism and Development Authority Fund (TDA) stating that the funding comes from occupancy taxes paid by travelers who stay overnight. Mr. Blanton explained that these funds are overseen and expended by the Tourism Development Board. Mr. Blanton stated that the City is projecting \$270,000.00 in revenues and expenditures.

Mr. Blanton reviewed the Powell Bill Fund stating that it consists of funds for the maintenance of public streets. Mr. Blanton stated that these funds are collected by the State of North Carolina and distributed to the City. Mr. Blanton stated that the City is projecting a \$1,132,000.00 in the Powel Bill Fund. Mr. Blanton stated that the City is planning to purchase a street sweeper out of this fund.

Mr. Blanton stated that the recommended budget also reflects continued efforts to manage debt responsibly. Mr. Blanton stated that General Fund debt services totals approximately \$1,583,378.00, which is a decrease from the previous fiscal year due largely to the retirement of the City's 2017 general obligation debts. Mr. Blanton stated that the Enterprise Fund's debt service totals approximately \$2,480,742.00, which is a decrease from the previous fiscal year as loans continue to mature.

Mr. Blanton emphasized that the recommended budget strategically focuses on three goals; prioritizing maintaining existing infrastructure, improving operational reliability, and strategically planning for future capital needs in order to continue to sustain the successful operational stability that the City and residents enjoy. Mr. Blanton stated that the recommended budget also continues the City's commitment to supporting and retaining a talented workforce that delivers exceptional public services to our residents and to our community. Mr. Blanton stated that the budget includes a 3% Cost of Living Adjustment for employees in recognition of continued inflationary pressures and the importance of maintaining competitive compensation within the regional labor market, particularly with the close proximity of the City of Charlotte and the number of municipalities in Gaston County. Mr. Blanton stated that personnel cost increases reflected through the budget primarily relate to employee retention efforts, rising benefit costs, and operation staffing support. Mr. Blanton explained that the recommended budget does not include significant departmental expansions or any new positions in Fiscal Year 2027. Mr. Blanton stated that the recommended budget reflects the discipline and measured

CITY OF MOUNT HOLLY
CITY COUNCIL MEETING MINUTES
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financial strategy that balances operational needs with long-term fiscal responsibility. Mr. Blanton stated that while Fund Balance appropriations remain necessary to fund large-scale capital projects in Fiscal Year 2027, the recommended budget intentionally seeks to minimize reliance on the Fund Balance where feasible and positions the City to replenish reserves in future fiscal years. Mr. Blanton stated that investing earnings are projected to decrease by approximately 28% due to reductions in available Fund Balance and changing market conditions. Mr. Blanton stated that as a result, the recommended budget emphasizes conservative revenue forecasting and disciplined expenditure management. Mr. Blanton stated that the recommended budget intentionally projects revenue in a conservative manner and thus the Fund Balance is shown as being necessary to balance the budget to meet our statutory obligation to present a balanced budget. Mr. Blanton stated that it is our hope that this will be minimal and our staff is committed to continuing the prosperous path that we have been on over that past few years.

Mr. Blanton reviewed the Fund Balances and explained that these are the savings accounts for the City. Mr. Blanton stated that General Fund Balance is \$16,995,481.00 and the Water and Sewer Fund Balance is \$40,712,004.00.

Mr. Blanton stated that as the City of Mount Holly's budget officer, his highest priority is to exercise fiscal discipline and manage all funds responsibly and that he is proud that the recommended budget reflects that commitment. Mr. Blanton concluded by stating that the recommended budget is balanced and it is in accordance with North Carolina General Statute 159-11 and reflects the City's continued commitment to sound financial management and responsible growth. Mr. Blanton stated that financial forecasting for the upcoming year provides for a 1.9% increase in property taxes, a 7.3% increase in sales and use tax, a 7.1% decrease in utility franchise tax, and a 28.5% decrease in investment earnings. Mr. Blanton stated that as the City Manager, he believes this recommended budget represents the best possible proposal under the City's financial circumstances and within the policy direction provided by this Council.

Mr. Blanton stated that the Public Hearing on this budget is scheduled to be held at the regular City Council meeting at 7:00 pm June 8, 2026 in the Council Chambers. Mr. Blanton stated that any person wishing to make comments may do so at the public hearing prior to the adoption of the budget ordinance which will be presented to the City Council at that time. Mr. Blanton stated that the recommended budget will be available for public review on the City's website and at the Mount Holly Municipal Complex during normal business hours. Mr. Blanton highlighted the professionalism across the organization and stated that he is very proud of the staff that we have in place. Mr. Blanton stated that he would like to extend his sincerest appreciation to our new

CITY OF MOUNT HOLLY
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Finance Director Ashley Whetstine, Deputy Finance Director Becky Conder, the Finance Team and all of our Executive Staff. Mr. Blanton respectfully submitted this recommended budget with the upmost gratitude and appreciation to the City Council for their consideration.

Councilman Meadows inquired about the use of the Unassigned Fund Balance and if it is absolutely necessary. Mr. Blanton stated that we have made a very conservative estimate of revenues, and we are hoping that those will come in stronger than projected and minimize the amount of Fund Balance needed. Mr. Blanton stated that for the budget to be statutorily balanced, the use of a portion of the Fund Balance for the General Fund is required to be statutorily compliant in the drafting of the budget ordinance. Mr. Blanton ensured the Council that every effort will be made to minimize the use of the Fund Balance for operational costs.

Mayor Moore thanked Mr. Blanton, Finance Director Ashley Whetstine, and the entire Executive Staff for their hard work and dedication.

OLD BUSINESS

1. Consideration of a petition for annexation, submitted by Alissa Grice and SJS of NC LLC, for a 33.2105-acre tract of land, located at Parcel #'s 177847, 177844, 177594, 177846, and 218371.

Marie Anders

With City Attorney Anders absent from the meeting, City Manager Blanton presented the item before the Council. Mr. Blanton stated that last week at the May 11, 2026 City Council meeting, the Council approved the rezoning of the Holly Heights property but postponed the annexation vote until tonight in order to get the final signed, reviewed, and legally vetted version. Mr. Blanton stated that the developer and current land owners have signed the agreement. Mr. Blanton stated that the proposed annexation ordinance and agreement have been provided to the Council. Mr. Blanton stated that the terms of the agreement were previously discussed at several meetings including the May 11, 2026 meeting and since the required public hearing was held on April 13, 2026, the Council may move to approve both the annexation agreement and the annexation ordinance tonight. Mr. Blanton recommends approval of both of these documents and stated that he is happy to answer any questions.

Councilman Craig asked Mr. Blanton to give an explanation of the difference between rezoning and annexation.

Mr. Blanton stated that in order to expand municipal boundaries, the City has a tool referred to as voluntary annexation. Mr. Blanton stated the process is that a property owner would make a request to the City to annex property outside the city limits into the City. Mr. Blanton stated that

CITY OF MOUNT HOLLY
CITY COUNCIL MEETING MINUTES
MONDAY, MAY 18, 2026
COUNCIL CHAMBERS
6:30 PM

the Council would review the request by directing the City Clerk to examine the sufficiency of the annexation petition and if the petition is determined to be sufficient, a public hearing is called for in order to move forward with an annexation ordinance. Mr. Blanton explained that if the annexation ordinance passes, the City Council is then tasked with assigning zoning to that property. Mr. Blanton stated that the annexation cannot be contingent on the rezoning, but the rezoning can be contingent on the annexation, which is what happened last week. Mr. Blanton explained that the City Council voted to assign zoning to this particular property contingent on the annexation ordinance and the annexation development being approved by the Council.

Councilman Craig confirmed that this neighborhood would be required to pay city taxes for city sewer and city water. Mr. Blanton stated that if this Council votes to move forward with this annexation ordinance and annexation agreement, this property will be within the City limits of Mount Holly and subject to taxation by the City of Mount Holly and subject to all services by the City of Mount Holly.

Councilwoman Shoemaker inquired about an update for informing citizens about how we are evaluating the upcoming developments. Mr. Blanton stated that staff will be reviewing the Land Use Plan over the summer to evaluate options to recommend to the City Council in August of this year.

Motion: Councilman Meadows made a motion to approve the petition for annexation, submitted by Alissa Grice and SJS of NC LLC, for a 33.2105-acre tract of land, located at Parcel #'s 177847, 177844, 177594, 177846, and 218371. Councilman Brooks seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

NEW BUSINESS

1. City Manager Report

Jonathan Blanton

Mr. Blanton stated that the City Administrative Offices will be closed Monday, May 25, 2026 in honor of the Memorial Day Holiday. Mr. Blanton thanked everyone that came out last weekend for the wildly successful festival. Mr. Blanton stated that the next Mount Holly Nights will be held on June 5, 2026.

Council thanked the Park and Recreation, Special Events Team, for the changes to the recent P.A.C.E festival.

CITY OF MOUNT HOLLY
CITY COUNCIL MEETING MINUTES
MONDAY, MAY 18, 2026
COUNCIL CHAMBERS
6:30 PM

ADJORN

Motion: Mayor Pro Tem Harris made a motion to adjourn the May 18, 2026 City Council Meeting at 6:59 pm. Councilwoman Shoemaker seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

The meeting adjourned at 6:59 pm.



Regular Meeting Agenda Action Form

Meeting Date

June 8, 2026

From

Paul Lowe, Assistant Planning Director
Planning

PRESENTATIONS Item # 1

Proclamation Honoring Will Crist for His Service to the Planning Commission

Will this require a public hearing?

No

Background/Purpose of Request

Will Crist has served on the Planning Commission for over eighteen years, which is one of the longest continual service on the Commission in recent memory. Crist has provided insights and reflections on planning issues that have helped to shape growth in the City, while his cheer and positive reflections have earned him the respect and affection of his fellow Commissioners and staff that have worked with him over the years. Crist tendered his resignation at the May 4th Planning Commission meeting.

Fiscal Impact

Will Item affect current budget? No.
Reviewed by Finance Director? No.
Preaudit Certification Required? No.
Capital Project Ordinance Required? No.
Budget Transfer Required? No.
Total City Dollars: NA
Budget Code: NA
Reviewed by City Attorney? No.

Manager/Staff Recommendation

Present a proclamation to Mr. Crist honoring him for his service to the City.

Attachments

1. Proclamation for Will Crist

CITY OF MOUNT HOLLY-CITY COUNCIL
PROCLAMATION RECOGNIZING & HONORING
WILL CRIST
FOR HIS SERVICE AS A MEMBER OF THE
CITY’S PLANNING COMMISSION

WHEREAS, the City Council of Mount Holly appointed Will Crist to serve on the City’s joint Planning Commission & Board of Adjustment; and

WHEREAS, Crist served the citizens and the larger Mount Holly community dedicating over eighteen years of service to his work on the Commission-serving from November 2007 to May 2026; and

WHEREAS, Crist’s long-term commitment to the Planning Commission of over eighteen years constitutes one of the longest tenured Commission members in City history;

WHEREAS, Crist during his service on the Commission heard approximately 276 cases; and

WHEREAS, and participated in the review, consideration, and approval of six long range plans; and

WHEREAS, through Crist’s efforts the City Council was afforded with ample counsel & advice on a range of planning related matters;

WHEREAS, Crist’s faithful service to the City’s Planning Commission has earned him the respect and consideration of his fellow Commission members, as well as appreciation that is held by City Council, City management, and Departmental staff; and

WHEREAS, even through challenging health trials, Crist still maintained his commitment and determination to serve the City, the Planning Commission, while working with other Commissioners; and

WHEREAS, Crist’s selfless commitment & dedication to his role as a Planning Commission member underlines his want to give back while working to improve his community, and underscores the importance of volunteers in our Country, & the value that one person can have to positively impact their community; and

NOW, THEREFORE, BE IT PROCLAIMED that the City of Mount Holly City Council hereby recognize the outstanding contributions & accomplishments of Will Crist, as a volunteer on the Planning Commission who served with both honor and distinction & are very grateful for his willingness to share his time, talents, & resources for the betterment of the City.

This the 8th day of June, 2026.

David Moore, Mayor
City of Mount Holly

Attested by:

Tara Douglas, City Clerk
City of Mount Holly



Regular Meeting Agenda Action Form

Meeting Date

June 8, 2026

From

Brian DuPont, Assistant City Manager
City Management

PRESENTATIONS Item # 2

Proclamation for Bonnie Beatty celebrating her 106th Birthday

Will this require a public hearing?

No

Background/Purpose of Request

Fiscal Impact

Will Item affect current budget?
Reviewed by Finance Director?
Preaudit Certification Required?
Capital Project Ordinance
Required?
Budget Transfer Required?
Total City Dollars:
Budget Code:
Reviewed by City Attorney?

Manager/Staff Recommendation

Attachments

1. Proclamation_Bonnie Beatty



CITY of MOUNT HOLLY

David Moore, Mayor
Lauren Shoemaker, Mayor Pro Tem
Ivory Craig, Councilman
Jeff Meadows, Councilman
Bryan Hough, Councilman
Kenneth Reeves, Councilman
Phyllis Harris, Councilwoman
Jonathan Blanton, City Manager

400 East Central Ave. Post Office Box 406 Mount Holly, NC 28120 704-827-3931 704-822-2933 fax www.mtholly.us

**PROCLAMATION HONORING BONNIE BEATTY CELEBRATING HER 106TH
BIRTHDAY**

WHEREAS, Bonnie Woods Beatty, affectionately known as “Grandma” Bonnie, will celebrate her remarkable 106th birthday on June 9, 2026; and

WHEREAS, Bonnie was born on June 9, 1920, in Swain County, North Carolina, inside an abandoned railroad car beside a creek that served as temporary shelter for her family during extraordinarily difficult times; and

WHEREAS, she was raised in Bryson City, North Carolina, where she learned the values of perseverance, faith, humility, sacrifice, and hard work while helping her family endure the hardships of mountain life during the Great Depression; and

WHEREAS, Bonnie recalls washing clothes by hand in icy creek water, gathering wood in the snow for the family cookstove, cooking meals over a wood stove and open fireplace, and living without modern conveniences, experiences that shaped her resilient spirit and steadfast character; and

WHEREAS, seeking opportunity and a better future, Bonnie moved with her family to Belmont, North Carolina, in the early 1940s to work in the thriving textile industry, where she later met the love of her life, Dorman Beatty; and

WHEREAS, Bonnie and Dorman Beatty were united in marriage on August 14, 1948, and shared 44 loving years together until Dorman’s passing in 1993; and

WHEREAS, together they raised five children — Hazel, Louise, James, John, and George — through tireless work, devotion to family, and unwavering determination, supporting their household through farming, textile work, and Dorman’s sawmill business, as well as his 25 years of dedicated service with the City of Mount Holly; and

WHEREAS, Bonnie and Dorman’s enduring legacy was honored through the naming of Beatty Woods Townhomes and streets including Sweet Bonnie Lane and Dorman Street, forever preserving their contributions to the community; and

WHEREAS, Bonnie is beloved by all who know her for her joyful spirit, warm smile, generous heart, and the love she shares so freely with family, friends, neighbors, and the many who affectionately claim her as their honorary grandmother; and

WHEREAS, she is famous among her family and friends for her homemade biscuits, cornbread, and banana pudding, traditions lovingly passed down through generations and prepared with the same care she has shown her loved ones throughout her life; and

WHEREAS, Bonnie's life has been guided by deep Christian faith, daily Bible reading, compassion for others, and appreciation for God's creation, finding joy in watching birds, feeding hummingbirds, and delighting in the beauty of the natural world; and

WHEREAS, she remains spirited and vibrant in her 106th year, enjoying NASCAR, WWE wrestling, and cheering for Tiger Woods with enthusiasm that inspires all around her; and

WHEREAS, Bonnie has devoted herself to encouraging kindness and generosity, especially through her heartfelt support of St. Jude Children's Research Hospital and her constant reminder to "help those children"; and

WHEREAS, Bonnie Woods Beatty's extraordinary life stands as a testament to resilience, faith, love of family, service to others, and the enduring strength of the American spirit;

NOW, THEREFORE, I, David Moore, Mayor of Mount Holly, North Carolina, do hereby proclaim and recognize this momentous milestone of a great Mount Holly citizen.

Proclaimed this the 8th day of June, 2026.

David Moore, Mayor

Tara Douglas, City Clerk



Regular Meeting Agenda Action Form

Meeting Date

June 8, 2026

From

Ashley Whetstine, Finance Director
Finance

PUBLIC HEARING Item # 1

Proposed Fiscal Year 2026/2027 Budget and Fee Schedule

Will this require a public hearing?

Yes

Background/Purpose of Request

Proposed Fiscal Year 2026/2027 Budget and Fee Schedule

Fiscal Impact

Will Item affect current budget? No
Reviewed by Finance Director? Yes
Preaudit Certification Required? No
Capital Project Ordinance
Required? No
Budget Transfer Required? No
Total City Dollars:
Budget Code:
Reviewed by City Attorney? No

Manager/Staff Recommendation

Attachments

1. Budget Ordinance Draft FY27
2. 2026-2027 Budget Book for June 8 meeting
3. PN 5-20-2026 PH FY 26-27 Budget Hearing on 6-8-26

**2026-2027 BUDGET ORDINANCE
FOR THE CITY OF MOUNT HOLLY, NORTH CAROLINA**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOUNT HOLLY AS FOLLOWS:

SECTION 1: That the following amounts are hereby estimated that the following revenue will be available in the General Fund for the operation of the City Government and its activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

SCHEDULE A – GENERAL FUND REVENUES

Real & Personal Property Taxes	\$ 12,878,024
Motor Vehicle Taxes	1,191,052
Sales Tax	5,697,545
Franchise Fees	1,292,384
Fees and Permits	957,148
Investments & Other	3,470,300
Transfers and Fund Balance	2,044,773
TOTAL GENERAL FUND	\$ 27,531,226

SECTION 2: That the following amounts are hereby appropriated in the General Fund for the operation of the City Government and its activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027, with the chart of accounts heretofore approved for this City:

SCHEDULE A – GENERAL FUND EXPENDITURES

Council	\$ 325,553
Administrative	3,153,751
Administrative – IT	553,544
Administrative - Maintenance	1,068,700
Police	7,729,002
Fire	5,845,115
Garage	221,715
Streets	2,836,002
Planning & Zoning	967,733
Parks & Recreation	3,246,733
Debt Service	1,583,378
TOTAL GENERAL FUND	\$ 27,531,226

SECTION 3: That the following amounts are hereby estimated that the following revenue will be available in the Water & Sewer Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

SCHEDULE B – UTILITY FUND REVENUES

Water and Sewer Charges	\$ 13,316,419
Stormwater Charges	432,847
Investments & Other	567,000
Transfers & Fund Balance	4,217,695
TOTAL UTILITY FUND	\$ 18,533,961

SECTION 4: That the following amounts are hereby appropriated in the Water & Sewer Fund for the fiscal year beginning July 1, 2026, and ending June 30, 2027, with the chart of accounts heretofore approved for this City:

SCHEDULE B – UTILITY FUND EXPENDITURES

Utilities Administrative	\$ 4,768,190
Utilities Administrative - IT	266,521
Utilities Administrative – Main	862,895
Water	2,452,668
Sewer	2,877,366
Utilities Field Maintenance	4,057,260
Stormwater	768,319
Debt Service	2,480,742
TOTAL UTILITY FUND	\$ 18,533,961

SECTION 5: That the following amounts are hereby estimated that the following revenue will be available in the Street System Fund its activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

SCHEDULE C – STREET SYSTEM FUND REVENUES

Powell Bill Funds	\$ 665,640
Transfers & Fund Balance	466,360
TOTAL STREET SYSTEM FUND	\$ 1,132,000

SECTION 6: That the following amounts are hereby appropriated in the Street System Fund its activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027, with the chart of accounts heretofore approved for this City:

SCHEDULE C – STREET SYSTEM FUND EXPENDITURES

Capital Construction	\$ 1,132,000
TOTAL STREET SYSTEM FUND	\$ 1,132,000

SECTION 7: That the following amounts are hereby estimated that the following revenue will be available in the E-911 Fund for its activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

SCHEDULE D – E-911 FUND REVENUES

PSAP Revenue	\$ 60,000
Fund Balance	151,830
TOTAL E-911	\$ 211,830

SECTION 8: That the following amounts are hereby appropriated in the E-911 Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027, with the chart of accounts heretofore approved for this City:

SCHEDULE D – E-911 FUND EXPENDITURES

PSAP Expenditures	\$ 211,830
TOTAL E-911	\$ 211,830

SECTION 9: That the following amounts are hereby estimated that the following revenue will be available in the Tourism Development Authority Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

SCHEDULE E – TOURISM DEVELOPMENT AUTHORITY REVENUES

Occupancy Tax	\$ 228,000
Fund Balance	42,000

TOTAL TOURISM DEV. AUTH FUND \$ 270,000

SECTION 10: That the following amounts are hereby appropriated in the Tourism Development Authority Fund for its activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027, with the chart of accounts heretofore approved for this City:

SCHEDULE E – TOURISM DEVELOPMENT AUTHORITY EXPENDITURES

Tourism Expenditures	\$ 270,000
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TOTAL TOURISM DEV. AUTH FUND \$ 270,000

SECTION 11: That there is hereby levied the following rate of Forty Point Five Cents (\$.405) per one hundred dollars (\$100) valuation of taxable property situated and lying and being within the confines and limits of the City of Mount Holly and as listed for taxes as of January 1, 2026 for the purpose of raising revenue for the current year’s property tax, as set forth in the estimates of revenue, and in order to finance the foregoing appropriations.

This rate is based on the total valuation of property for the purposes of taxation of \$3,183,329,951 and an estimated rate of collection of 99.50%.

SECTION 12: That the number of City-funded personnel positions in all City-funded Departments shall not exceed the total number by indicated fund as set forth in Attachment A, unless authorized by a subsequent ordinance(s). Any personnel positions that have been authorized in previous budgets but are not contained in Attachment A are hereby abolished. Any Departmental Programs which have been funded in previous budgets but are not contained in the attached Fiscal Year 2026 - 2027 Budget Document (Attachment A) are hereby abolished.

SECTION 13: That there is hereby established, for Fiscal Year 2027, various fees as contained in Attachment A.

SECTION 14: That copies of this ordinance will be kept on file at City Hall and shall be furnished to the City Clerk and Finance Officer to provide direction in the collection of revenues and disbursement of City funds.

SECTION 15: That the City Manager shall serve as Budget Officer. The Budget Officer shall be authorized to reallocate departmental appropriations among the various expenditures within each department. The Budget Officer is authorized during the month of June 2027 to effect interdepartmental transfers of minor budget amendments not to exceed fifteen percent (15%) of the appropriated funds for the department’s allocation, which is being reduced.

SECTION 16: That interfund transfers of moneys shall be accomplished only by authorization from the City Council. The utilization of any contingency appropriation, in any amount, shall be accomplished only by the authorization from the City Council. Approval of a contingency appropriation shall be deemed a budget amendment, which transfers funds from the contingency appropriation to the appropriate object of expenditure.

SECTION 17: That the North Carolina Local Government Budget and Fiscal Control Act authorizes the City Council to amend the budget ordinance at any time during the fiscal year, so long as it complies with North Carolina General Statutes. The City Council must approve all budget amendments, except where the Budget Officer is authorized to make limited transfers.

SECTION 18: That this ordinance and the budget documents shall be the basis for the financial plan of the City of Mount Holly during the 2026 - 2027 Fiscal Year. The Budget Officer shall administer the budget. The accounting system shall establish records, which are in consonance with this budget and this ordinance and the appropriate statutes of the State of North Carolina.

Adopted this 8th day of June 2026

Tara Douglas, City Clerk

David Moore, Mayor



City of Mount Holly Digital Budget Book



Proposed Version - 7/01/2026

Last updated 05/19/26





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BUDGET OVERVIEW

2026-2027 Current Position Allotment Schedule

Position Allotment FY 26-27

ADMINISTRATION : (22 Full, 2 Part, 2 PT Temp)		POLICE (51 Full, 8 Part, 2 Auxiliary)	
Position	Positions Authorized FY 26-27	Position	Positions Authorized FY 26-27
City Manager	1	Police Chief	1
Assistant City Manager	1	Deputy Police Chief	1
HR Director	1	Captain	2
City Clerk	1	Sergeant (includes 1 SRO)	7
Finance Director	1	Corporal (includes 1 SRO)	5
Deputy Finance Director	1	Patrol Officer (includes SRO and Detective)	21
General Ledger Accountant	1	Telecommunicator	8
IT Director	1	Records Management Supervisor	1
Fiscal Analyst	1	PD Executive Assistant	1
Administrative Asst - Finance	1	CSI, Evidence and Accreditation Manager	1
Customer Service Specialist	1	PT Detective/Officer	4
Deputy City Clerk	1	Auxiliary Officer (No Benefits)	2
Deputy Public Works Director of Buildings and Maintenance	1	Crossing Guards - PT (No benefits)	4
Maintenance Technician	2	Lieutenant	3
Landscape Technician	1		
Systems Administrator I	1		
Deputy HR Director	1		
Electrician	1		
Janitor	1		
Revenue Collector (Part Time)	2		
Intern (Part Time Temp)	2		
Economic Development Director	1		
Billing Analyst	1		
		GARAGE (3 Full)	
		Position	
		Mechanic	1
		Mechanic Assistant	2
PLANNING: (6 Full)		FIRE (44 Full, 10 Part)	
Position		Position	
Planning & Development Director	1	Fire Chief	1
Deputy Planning Director	1	Deputy Fire Chief	1
Planner I - CEPS	1	Captain	9
GIS Technician II	1	Fire Marshal	1
Planner II	1	Firefighter	27
Planning Technician	1	Firefighter PT	10
		Administrative Assistant	1
		Fire Division Chief	4
STREETS/SOLID WASTE (20 Full)		PARKS & RECREATION (10 Full, 12 Part)	
Position		Position	
Deputy Public Works Director of Streets & Solid Waste	1	Recreation Superintendent	1
Streets and Solid Waste Division Manager	1	Athletic Coordinator	1
Crew Leader	2	Recreation Maintenance Supervisor	1
Solid Waste Worker I	11	Maintenance Technician	3
Solid Waste Worker II	5	Recreation Specialist	2
		Parks and Recreation Director	1
		PT - Recreation Aide and Maintenance Technician (no benefits)	12
		Special Events Coordinator	1
UTILITIES ADMINISTRATION (9 Full)			

Position

Deputy Public Works Director of Utilities	1
Site Inspector	2
Stormwater Compliance Specialist II	1
Manager of Capital Projects and Inspections	1
Engineer	1
Senior Administrative Support Specialist	1
Meter Analyst	1
Public Works Director	1

WATER (7 Full)

Position	
ORC	1
Plant Operator	6

WASTEWATER (2 Full)

Position	
ORC	1
Plant Operator	1

FIELD SERVICES (15 Full)

Position

Field Division Operations Manager	1
Crew Leader	2
Utility Crew (Utility Tech I or II)	7
Meter Reader	1
Location Tech	1
Pump Specialist	1
Utility Superintendent	1
Pump Technician	1

Total Full Time Positions Allotted	189
Total Part Time Positions Allotted	34
Total Auxiliary Officer Positions Allotted	2
	225

City of Mount Holly Proposed Fee Schedule Fiscal Year 2026-2027



Administration

<p>*Tax rate for the City of Mount Holly is forty point five cents on each one hundred dollars valuation of taxable property situated, lying, and being within the confines and limits of the City of Mount Holly and as listed for taxes as of January 1, 2024</p>	2025-2026	2026-2027
Tax Rate	0.405	0.405
Tag Fee	\$15.00	\$15.00
Copies	\$0.20	\$0.20

<p>*Late Payments (except tax and utility bills) **Annual interest rate compounded monthly on any debt over 30 days overdue, except for Tax and Utility Bills</p>	2025-2026	2025-2026
Interest on Delinquent Taxes	2%	2%
After January 6Th	.75% each month thereafter	.75% each month thereafter
Returned Check Penalty	\$35.00	\$35.00
Garnishment/Attachment Notice Fee	\$30.00	\$30.00
Golf Cart Application Fee	\$35.00	\$35.00
Golf Cart Registration Fee	\$5.00	\$5.00
Yard Sale Permit	\$5.00	\$5.00

Planning and Development

<u>Sign Permits</u>	2025-2026	2026-2027
Signs	\$50.00	\$50.00
Lost Zoning Permits	\$5.00	\$5.00
<u>Zoning permits -Residential</u>		
New Single Family Home Construction	\$125.00	\$125.00
Additions	\$50.00	\$50.00
Renovations (No Expansions)	\$25.00	\$25.00
Demolition	\$10.00	\$10.00
Accessory Structures (decks, garages,sheds, car parts, etc) and Pools	\$50.00	\$50.00
Roof Mounted Solar Panels	\$50.00	\$50.00
Fences & Retaining Walls	\$25.00	\$25.00
Zoning Compliance and Business Registration (Includes Home Occupation)	\$110 (\$100 permit+\$10 Registration)	\$110 (\$100 permit+\$10 Registration)
<u>Commercial</u>		
New		
UP to 1,000 sq ft	\$150.00	\$150.00
1,001 sq ft-5,000 sq ft	\$300.00	\$300.00
5,001 sq ft-10,000 sq ft	\$400.00	\$400.00
Greater than 10,001 sq ft	\$500 plus \$500 per additional 10,000 sq ft	\$500 plus \$500 per additional 10,000 sq ft
<u>Existing</u>		
Renovaitons	\$25.00	\$25.00
Additions	\$50.00	\$50.00
<u>Other</u>		
Rollout Fee	\$110.00	\$110.00
Violations Fee for work completed without a permit or without paying permit fees	Double the adopted fee of the respective permit fee	Double the adopted fee of the respective permit fee
<u>Applications (Application Submittal Fees)</u>		
Variance		
Residential	\$250.00+\$26.00 recording fee	\$250.00+\$26.00 recording fee
Commercial	\$350.00+\$26.00 recording fee	\$350.00+\$26.00 recording fee
Density Averaging Credit Certification	\$1000.00+\$250.00 for each additional given lot over one + \$26.00 recording fee	\$1000.00+\$250.00 for each additional given lot over one + \$26.00 recording fee
<u>Special Use Permit</u>		
2 acres or less	\$300.00+\$26.00 recording fee	\$300.00 +\$26.00 recording fee
2.01-10 acres	\$500.00 +\$26.00 recording fee	\$500.00 +\$26.00 recording fee
10.01 acres or more	\$800.00 +\$26.00 recording fee	\$800.00 +\$26.00 recording fee
Planned Unit Development (PUD)	\$300.00	\$300.00
Appeals	\$300.00	\$300.00
Text Amendment	\$250.00+\$30.00 page *	\$250.00+\$30.00 page *
<u>General Rezoning Application</u>		
2 acres ot less	\$300.00	\$300.00
2.01-10 acres	\$400.00	\$400.00
10.01 acres or more	\$600.00	\$600.00
<u>Conditional District Rezoning Application</u>		

2 acres or less	\$300.00	\$300.00
2.01-10 acres	\$500.00	\$500.00
10.01-25 acres	\$800.00	\$800.00
25.01-100	\$1000.00	\$1000.00
100 acres or more	\$1200.00	\$1200.00
<u>Annexation Application</u>		
< 10 acres	\$2000.00	\$2000.00
10-200 acres	\$5000.00	\$5000.00
>200 acres	\$8000.00	\$8000.00
Public Involvement Meeting	\$500.00	\$500.00
Rezoning Plan reviews (for conditional rezoning and annexations)	Included with the rezoning Fee	Included with the rezoning Fee
Rezoning Plan Resubmittal	\$250.00 (after 3rd submission)	\$250.00 (after 3rd submission)
Rural Fire Department Assessment	**additional fees may apply if annexation involves a rural fire department or other constraints governed by NC General Statute.	**additional fees may apply if annexation involves a rural fire department or other constraints governed by NC General Statute.
TIA	Fee TBD at time of Application	Fee TBD at time of Application
ROW closure Petition	\$1000.00	\$1000.00
R/W Closure	Fee TBD at time of Application	Fee TBD at time of Application
<u>Plan Reviews ***</u>		
Exempt Plats	\$100.00	\$100.00
Subdivisions	\$200.00 or \$5.00 per lot which ever is greater	\$200.00 or \$5.00 per lot which ever is greater
Expedited Reviews ***	Double the adopted fee	Double the adopted fee
<u>Site Plan Reviews</u>		
Site Plan resubmittal	\$50.00 (after 3rd submission)	\$50.00 (after 3rd submission)
<u>Construction Plan Reviews</u>		
Major subdivision or Commercial Site plan	\$750.00	\$750.00
Minor Subdivision	\$300	\$300.00
Construction Plan resubmittal	\$1000.00 (after 3rd submission, per additional plan review)	\$1000.00 (after 3rd submission, per additional plan review)
<u>Engineer Fees ****</u>		
Residential		
Less than 25 lots	\$500.00	\$500.00
25-50 lots	\$1000.00	\$1000.00
More than 50 lots	\$2000.00	\$2000.00
Commercial		
0-5 acres	\$500.00	\$500.00
More than 5 acres	\$1000.00	\$1000.00
Technical Review Committee Meeting after the initial meeting	\$250.00	\$250.00
Financial guarantees (per written agreement)	\$500.00	\$500.00
Subdivision Agreement (Per Phased Plat)	\$500.00	\$500.00
<u>Final Plat Reviews</u>		
Major Subdivision or commercial site plan	\$750.00	\$750.00
Minor subdivision	\$300.00	\$300.00
Final Plat Resubmittal	\$100.00(after 3rd submission)	\$100.00(after 3rd submission)
<u>Watershed Review & Floodplain Permit Review</u>		
Watershed Review		

less than 10 acres	\$500.00	\$500.00
more than 10 acres	\$50.00/acre	\$50.00/acre
Floodplain Development Permit	\$100.00	\$100.00
Floodplain Study Review (TBD consultant review)	Fees vary based on the consultant fees.	Fees vary based on the consultant fees.
<u>Driveway Cut (Driveway permit application)</u>		
Residential	\$25.00	\$25.00
Commerical	\$50.00	\$50.00
Industrial	\$100.00	100.00
<u>Construction Inspection</u>		
Water	\$100.00	\$100.00
Sewer	\$100.00	\$100.00
BMP	\$100.00	\$100.00
Read	\$100.00	\$100.00
Failed Inspection Re-Inspection	\$50.00	\$50.00
<u>Other</u>		
PERC test Application	\$25.00	\$25.00
Zoning Verification Letter	\$20.00	\$20.00
Staff Research	\$30.00/hour	\$30.00/hour
<u>Maps</u>	Size Dependent (See Below GIS Fees)	Size Dependent (See Below GIS Fees)
<u>Coexisting, mobile, and temporary use permits</u>		
<u>3-day permit</u>	<u>\$25.00</u>	<u>\$25.00</u>
<u>90-day permit</u>	<u>\$60.00</u>	<u>\$60.00</u>
<u>Permanent permit</u>	<u>\$110.00</u>	<u>\$110.00</u>
*Text amendment fee of \$30 per page changed throughout ordinance. Applicant may only amend one section, but this fee applies to all pages that are modified due to additional language in document.		
** Per the North Carolina General Assembly Rural Fire Departments must be compensated when annexations impact their boundaries per NCGS § 160A-58.58.		
*** Plans that are resubmitted six months after notes are sent would need to repay all required fees. Staff will treat these resubmittals as new projects. Plans that are resubmitted that have substantially addressed notes provided by staff will not be reviewed. If this occurs, this will count towards one of the provided plan reviews included with the paid fee		
**** Expedited Review for Commercial/Economic Development eligible projects reduce review time to 10 -business days from 20 days; Fee for each item is paid two times the adopted fee for any review and permitting fees associated with project including rezoning, annexations, etc.		
*****Engineer Fees for Commercial Projects are to include Civic, Institutional and Industrial		
***** An initial meeting with City staff to understand the technical aspects prior to submitting applications is recommended. After this recommended meeting and an initial TRC meeting, all future meetings (in-person or virtual) will require a meeting fee paid prior to the scheduling of these meetings.		

Planning Copies		
8 1/2" x11"		
Black and White	\$10.00	\$10.00
Color	\$15.00	15.00
11"x17"		
Black and White	\$12.00	\$12.00
Color	\$17.00	\$17.00
Custom Map (Digital Only) 1 hour minimum	*\$45/hour (requires written request to staff)	*\$45/hour (requires written request to staff)
Nothing larger than 11x17 is available		

Municipal Complex

Municipal Complex Rental Fees	2025-2026	2026-2027
<u>Resident</u>		
Full Hall	\$2500.00	\$2500.00
North Half Hall	\$650.00	\$650.00
Economic Development Rate	\$800.00	\$800.00
<u>Non Resident</u>		
Full Hall	\$3000.00	\$3000.00
North Half Hall	\$650.00	\$650.00
<u>Civic Group</u>		
Inside City	\$500.00	\$500.00
Outside City	\$1500.00	\$1500.00
<u>Cleaning</u>		
Full Hall	\$200.00	\$200.00
North Half Hall	\$150.00	\$150.00
<u>Excess Hours -Part 11pm</u>	\$125.00/hour	\$125.00/hour
<u>Secutiry</u>	\$40.00/hour	\$40.00/hour
<u>Refundable Deposit</u>	\$500.00	\$500.00
<u>Set-up Day Access</u>	\$650.00	\$650.00
Training Rooms		
Resident		
A or B -3 Hours	\$25.00	\$25.00
A and B 3-hours	\$50.00	\$50.00
Each additional hour for A or B	\$25.00	\$25.00
Each additional hour for A and B	\$50.00	\$50.00
Non resident		
A or B -3 Hours	\$50.00	\$50.00
A and B 3-hours	\$100.00	\$100.00
Each additional hour for A or B	\$50.00	\$50.00
Each additional hour for A and B	\$100.00	\$100.00
*Economic Development Rate on Rentals: Rentals that support Economic Development or travel/tourism may reserve space at the Municipal Complex at a discounted rate. Determination of qualifying events will be reviewed by City Manager. All other fees shall still be paid by qualifying events (Deposit, Security, Set Up).		

Recreation

	2025-2026	2026-2027
<u>Old Gym</u>		
Residential	\$50.00/hour	\$50.00/hour
Non-Residential	\$150.00/hour	\$150.00/hour
<u>Tournament—No Lights</u>		
Residential	\$100.00/day	\$100.00/day
Non-Residential	\$200.00/day	\$200.00/day
<u>Ball Field</u>		
Residential	\$5.00/hour	\$5.00/hour
Non-Residential	\$15.00/hour	\$15.00/hour
<u>Ball Field—Lights</u>		
Residential	\$10.00/hour	\$10.00/hour
Non-Residential	\$20.00/hour	\$20.00/hour
<u>Picnic Shelter—Small</u>		
Residential	\$25.00/3hrs	\$25.00/3hrs
Non-Residential	\$50.00/3hrs	\$50.00/3hrs
<u>Picnic Shelter — Large</u>		
Residential	\$50.00/4hrs	\$50.00/4hrs
Non-Residential	\$100.00/4hrs	\$100.00/4hrs
<u>Picnic Shelter—No Bathroom</u>		
Residential	\$25.00/3hrs	\$25.00/3hrs
Non-Residential	\$50.00/3hrs	\$50.00/3hrs
<u>Fitness Center Per Month</u>		
Residential	\$10.00/month	\$10.00/month
Non-Residential	\$30.00/month	\$30.00/month
<u>Group Campsites @ Mt. Island Pack at Mount Holly</u>		
Residential	\$25.00/day	\$25.00/day
Non-Residential	\$50.00/day	\$50.00/day
<u>Adult Athletics</u>		
<u>Softball & Basketball — Per Team</u>		
Residential	\$500.00	\$500.00
Non-Residential	\$550.00	\$550.00
<u>Softball & Basketball — Individual</u>		
Residential	\$55.00	\$55.00
Non-Residential	\$60.00	\$60.00
<u>Volleyball — per team</u>		
Residential	\$175.00	\$175.00
Non-Residential	\$225.00	\$225.00
<u>Volleyball — Individual</u>		
Residential	\$20.00	\$20.00
Non-Residential	\$25.00	\$25.00
<u>Soccer, dodgeball, and Kickball — Per Team</u>		
Residential	\$300.00	\$300.00
Non-Residential	\$350.00	\$350.00
<u>Soccer, dodgeball, and Kickball — Individual</u>		



Residential	\$35.00	\$35.00
Non-Residential	\$40.00	\$40.00
<u>Flag Football — per Team</u>		
Residential	\$350.00	\$350.00
Non-Residential	\$400.00	\$400.00
*Note-Old Gym Cannot be rented for Parties		
<u>3-3 Adult Basketball League</u>		
Residential	\$125.00 team	\$125.00 team
Non-Residential	\$175.00 team	\$175.00 team
<u>Youth Athletics</u>		
Residential	\$50.00	\$60.00
Non-Residential	\$75.00	\$90.00
Late Registration Fee	\$25.00	\$25.00
Instructor Fee	\$25.00/hour	\$25.00/hour
Co-Sponsored Class	\$25.00/hour	\$25.00/hour
For any City employee (full and part time) that is an outside of the City limits resident, then they are eligible to pay the resident rate for any programs while employed with the City of Mount Holly		

Use of Facility (3 hours minimum)	Current	Use of Facility - Tuckseege and Old Gym (use own equipment)	1-10 hrs	11+ hrs
Resident -For parties	\$50.00/hr	Resident for Practices	\$20.00/hr	\$15.00/hr
Non-Resident — for Parties	\$150.00/hr	Non-residents for Practices	\$60.00/hr	\$45.00/hr
Use of Storage	Not allowed	Use of Storage	Not allowed	Not allowed
Use of Pa System	Not allowed	Use of Pa System	Not allowed	Not allowed
Electrical Hookup	No Charge	Electrical Hookup	Not allowed	Not allowed
Kitchen	No Charge	Kitchen	Not allowed	Not allowed
Chairs and Tables	NO Charge	Chairs and tables	Not allowed	Not allowed
The Recreation Department may also require a police officer for certain events.\$50.00 non-refundable clean up fee. \$100.00 refundable damage fee.				

Special Events

	2025-2026	2026-2027
<u>Special Events Service Fee</u>		
Special Event Application Fee	\$200.00	\$200.00
Fee for Services (4hr event)	\$2400.00	\$2400.00
Fee for Service-Alcohol (4hr event)	\$2800.00	\$2800.00
Fee for Service (8hr event)	\$3700.00	\$3700.00
Fee for Service - Alcohol (8hr event)	\$4300.00	\$4300.00
<u>Vendor Fees</u>		
Arts & crafts, business selling items	\$25.00	\$25.00-\$100.00 based on event
Business not selling anything	\$50.00	\$50.00
Non-Profit food vendor	\$45.00	\$45.00
Commercial Food Vendor	\$50.00	\$50.00-\$100.00 based on event
Rides and Entertainment	\$75.00/space	\$75.00/space
Parade Entry	\$20.00	\$20.00
Civic or Church is not selling anything	1 free spot \$25.00 refundable deposit	1 free spot \$25.00 refundable deposit

Water and Sewer

	2025-2026	2026-2027
Water (per 1,000 gallons)		
<u>Base Fee</u>		
Water Availability Fee (Includes first 2,000 gallons) per month		
<u>Inside City</u>		
Residential	\$15.06	\$16.86
Industrial	177.72	\$199.04
Institutional	\$18.41	\$20.62
Business	\$18.41	\$20.62
<u>Outside City</u>		
Residential	\$27.23	\$30.49
Industrial	\$351.70	\$393.90
Institutional	\$33.92	\$37.99
Business	\$33.92	\$37.99
<u>Town of Stanley</u>	\$221.34	\$221.34
<u>Irrigation</u>		
Institutional	\$18.41	\$20.62
Business	\$18.41	\$20.62
Residential	\$15.06	\$16.86
Off	\$15.06	\$16.86
<u>Raw Water</u>	\$158.30	\$177.30
<u>Waterline Replacement Fee</u>		
<u>Inside City</u>		
Residential	\$3.35	\$3.35
Industrial	\$111.00	\$111.00
Institutional	\$5.55	\$5.55
Business	\$5.55	\$5.55
<u>Outside City</u>		
Residential	\$6.70	\$6.70
Industrial	\$222.00	\$222.00
Institutional	\$11.10	\$11.10
Business	\$11.10	\$11.10
<u>Volumetric Rates</u>		
Residential		
Base Tier (Under 2,000 gallons per month)	\$15.06	\$16.86
1st Tier (2,001 – 6,000 gallons per month)	\$5.67	\$6.36
2nd Tier (6,001 – 10,000 gallons per month)	\$6.08	\$6.80
3rd Tier (10,000 plus gallons per month)	\$6.49	\$7.27
Non- Residential		
Basic Tier (Under 2,000 gallons per month)	\$18.41	\$20.62
1st Tier (2,001 – 6,000 gallons per month)	\$7.09	\$7.94
2nd Tier (6,001 – 10,000 gallons per month)	\$7.86	\$8.80
3rd Tier (10,000 – 9,999,999 gallons per month)	\$8.62	\$9.66
4th Tier (10,000,000 plus gallons per month)	\$9.65	\$10.81
Town of Stanley	\$3.27	\$3.38
Raw Water	\$0.59	\$0.67

<u>Water Tap Fees</u>		
¾" Inside city	\$1200.00	\$1200.00
¾" Outside city	\$2100.00	\$2100.00
1" Inside city	\$1400.00	\$1400.00
1" Outside city	\$2500.00	\$2500.00
2" Inside city	\$3300.00	\$3300.00
2" Outside city	\$6300.00	\$6300.00
Wet Tap on existing customer service line	\$1200.00	\$1200.00
<u>Sewer (per 1,000 gallon) Sewer Availability Fee (includes first 2,000 gallons) per month</u>		
<u>Inside City</u>		
Residential	\$18.57	\$2034
Industrial	\$315.05	\$344.98
Institutional	\$24.69	\$27.03
Business	\$24.69	\$27.03
<u>Outside City</u>		
Residential	\$35.05	\$38.38
Industrial	\$628.02	\$687.68
Institutional	\$47.28	\$51.77
Business	\$47.28	\$51.77
<u>A&E</u>	\$470.23	\$470.23
<u>Sewer line Replacement Fee</u>		
<u>Inside City</u>		
Residential	\$6.30	\$6.30
Industrial	\$209.35	\$209.35
Institutional	\$10.50	\$10.50
Business	\$10.50	\$10.50
<u>Outside City</u>		
Residential	\$12.60	\$12.60
Industrial	\$418.70	\$418.70
Institutional	\$21.00	\$21.00
Business	\$21.00	\$21.00
<u>Volumetric Rates</u>		
Residential		
Basic Tier (Under 2,000 gallons per month)	\$18.57	\$20.34
1st Tier (2,001 – 6,000 gallons per month)	\$7.97	\$8.73
2nd Tier (6,001 – 10,000 gallons per month)	\$8.85	\$9.69
3rd Tier (10,000 plus gallons per month)	\$9.21	\$10.09
Non-Residential		
Basic Tier (Under 2,000 gallons per month)	\$24.69	\$27.03
1st Tier (2,001 – 6,000 gallons per month)	\$9.94	\$10.89
2nd Tier (6,001 – 10,000 gallons per month)	\$11.12	\$12.18
3rd Tier (10,000 – 9,999,999 gallons per month)	\$12.31	\$13.48
4th Tier (10,000,000 plus gallons per month)	\$7.79	\$8.53

A&E	\$5.18	\$5.36
Outside customers are double the inside rate		
Sewer Tap Fees		
4" Inside city	\$1200.00	\$1200.00
4" Outside city	\$1700.00	\$1700.00
Over 4" Inside city		
Over 4" Outside city		
Cleanout	\$200.00	\$200.00
Minimum Bill Pretreatment (see worksheet)		
Radio Read Meter Setting Fee		
3/4"	\$350.00	\$350.00
1"	\$425.00	\$425.00
2"	\$1175.00	\$1175.00
Hydrant Meter Rental		
this fee is in addition to volumetric usage	\$0.00	\$30.00/day ; \$200.00/month
<u>Other Fees</u>		
<u>Service Deposit for owners & renters</u>		
<u>Residential</u>		
Inside City	\$65.00	\$65.00
Outside City	\$80.00	\$80.00
<u>Commerical</u>		
Inside City	\$100.00	\$100.00
Outside City	\$115.00	\$115.00
late fee (after 16th	\$15.00	\$15.00
Delinquent Penalty (after 26th)	\$30.00	\$30.00
Lock Fee	\$15.00	\$15.00
Broken Lock Replacement	\$30.00	\$30.00
Returned Check Fee	\$35.00	\$35.00
Meter Testing Fee	\$35.00	\$35.00
Irrigation cut off	\$75.00	\$75.00
Irrigation reconnection	\$75.00	\$75.00
Stormwater	\$3.50/ERU (5000 SF = 1 ERU)	\$3.50/ERU (5000 SF = 1 ERU)

System Development Fees

Meter Size	Water	Wasterwater	Total
5/8" or 3/4"	\$700.00	\$1470.00	\$2170.00
1"	\$1,750.00	\$3,680.00	\$5,430.
2"	\$5,600.00	\$11,760.00	\$17,360.00
3"	\$12,250.00	\$25,730.00	\$37,980.00
4"	\$22,050.00	\$46,310.00	\$68,360.00
6"	\$45,500.00	\$95,550.00	\$141,050.00
8"	\$98,000.00	\$205,800.00	\$303,800.00
10"	147,000.00	\$308,700.00	\$455,700.00
12"	\$185,500.00	\$389,550.00	\$575,050.00

Streets and Sanitation

	2025-2026	2026-2027
Residential (up to 2 cans)		
Additional Can	\$7.10	\$7.10
Purchase	No Cost	No COst
Service	\$7.10	\$7.10
Commercial Rollout (up to 5 cans)		
Additional Can	\$11.91	\$11.91
Purchase	No Cost	No Cost
Service	\$11.91	\$11.91
Commercial Dumpsters (Downtown)*		
Bulk Container	Contracted	Contracted
Bulk Item		
Depends on weight and/or size	\$15.00	\$15.00
Appliances**	\$25.00/items	\$25.00/item
Tires		
Must be off rim	\$5/tire	\$5/tire
Mattress	\$20.00	\$20.00
Box Springs	\$5.00	\$5.00
Matress and Box Spring	\$25.00	\$25.00
*Fee determined by the cost by provider to collect 1 time per week divided by the number of buildings/customers that a dumpster serves.	Example(not actual): Municipal Lane Dumpster provides service to 10 non-residential buildings/customers for a cost of \$750/month. Each building/customer pays 1/10 of total cost.	
If customers require more collection than 1 per week, then the added costs will be equally divided by all buildings/customers.	** City does not pick up computer monitors and televisions.	

Fire

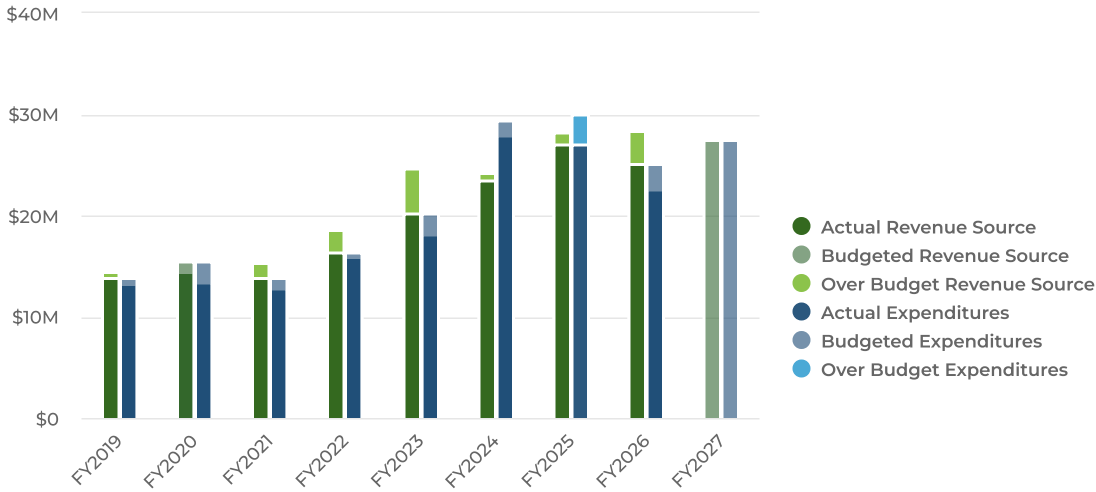
	2025-2026	2026-2027
<u>Fire Plan Review</u>		
Construction Cost < \$50,000	\$155.00	\$155.00
Construction Cost \$50,001 to \$100,000	\$185.00	\$185.00
Construction Cost \$100,001 to \$500,000	\$210.00	\$210.00
Construction Cost \$500,001 to \$1,000,000	\$250.00	\$250.00
Construction Cost \$1,000,001 to \$5,000,000	\$265.00	\$265.00
Construction Cost \$5,000,001 to \$10,000,000	\$560.00	\$560.00
Construction Cost > \$10,000,000	\$1180.00	\$1180.00
Fire Sprinkler Shop Drawings	\$225.00	\$225.00
<u>Performance Test</u>		
Fire Pumps	\$215.00	\$215.00
Sprinklers	\$215.00	\$215.00
Fire Alarm (New Construction)	\$215.00	\$215.00
Fire Alarm(up-fit)	\$215.00	\$215.00
Standpipe Systems	\$215.00	\$215.00
Special Hazards, Suppression Systems	\$150.00	\$150.00
Foam Systems FM200, Clean Agents, Food Truck	\$150.00	\$150.00
<u>Miscellaneous Fees</u>		
Construction Permit	\$200.00	\$200.00
Hazardous Material Permit	\$250.00	\$250.00
Storage Handling & Sale Explosives/Fireworks	\$300.00	\$300.00
Spraying or Dipping of Flammable Finishes	\$300.00	\$300.00
Re-Inspection Fee performance Testing	\$200.00	\$200.00
Blasting Permit	\$250.00	\$250.00
Fireworks Permit	\$250.00	\$250.00
Hydrant Flow Test	\$150.00	\$150.00
Tank removal Permit	\$250.00	\$250.00
NC Mandatory Permits (Chapter 1)	\$150.00	\$150.00
Temporary Membrane Structures Tents	\$200.00	\$200.00
ABC Inspection	\$200.00	\$200.00
Foster Home Inspection	\$25.00	\$25.00
Order to Remedy Violations	\$100.00-300 (based on type)	\$100.00-300 (based on type)

FUND SUMMARIES



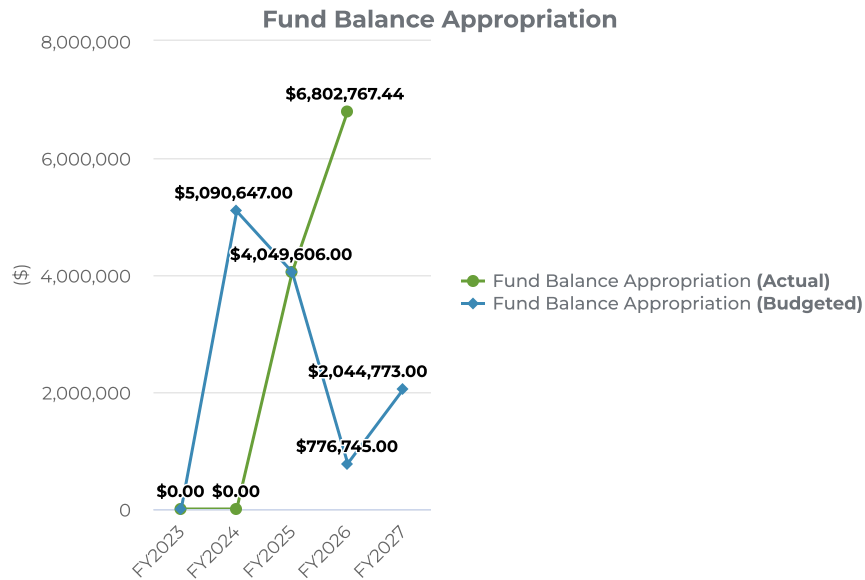
Summary

The FY26 budget was \$25,216,517 and the FY27 General Fund budget is \$27,531,226, representing a 9% increase, or \$2,314,709. This increase includes a fund balance appropriation of \$2,044,773.



Fund Balance Appropriation Trends

Fund Balance Appropriation for FY2026 was originally adopted at \$776,745. Throughout the fiscal year, budget amendments totaling \$6,026,022.44 were approved to support capital projects, resulting in a revised fund balance appropriation of \$6,802,767.44.

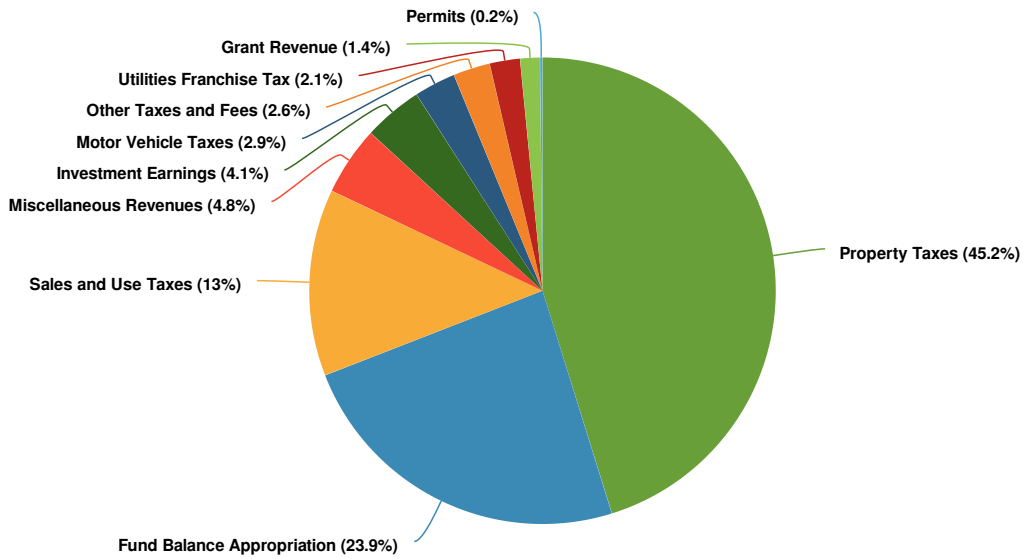


General Fund Comprehensive Summary

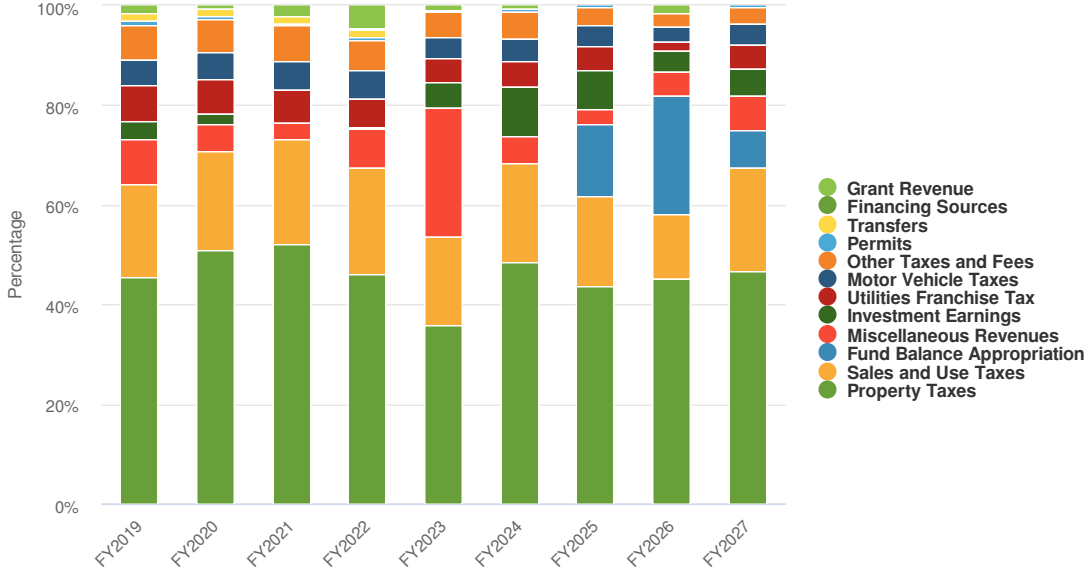
Name	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Beginning Fund Balance:	\$23,304,048.00	\$23,304,048.00	\$18,834,804.00	\$16,995,480.82
Revenues				
Property Taxes	\$11,926,571.00	\$12,356,416.00	\$12,642,629.00	\$12,878,024.00
Motor Vehicle Taxes	\$1,252,420.00	\$1,188,812.00	\$1,260,000.00	\$1,191,052.00
Miscellaneous Revenues	\$742,500.00	\$866,970.00	\$711,000.00	\$1,967,300.00
Sales and Use Taxes	\$4,968,401.00	\$5,175,769.00	\$5,310,380.00	\$5,697,545.00
Other Taxes and Fees	\$1,316,060.00	\$991,448.00	\$928,000.00	\$915,148.00
Utilities Franchise Tax	\$1,082,635.00	\$1,438,268.00	\$1,390,763.00	\$1,292,384.00
Permits	\$93,500.00	\$79,440.00	\$94,000.00	\$42,000.00
Investment Earnings	\$1,637,650.00	\$2,183,703.00	\$2,103,000.00	\$1,503,000.00
Fund Balance Appropriation	\$4,049,606.00	\$4,049,606.00	\$776,745.00	\$2,044,773.00
Total Revenues:	\$27,069,343.00	\$28,330,432.00	\$25,216,517.00	\$27,531,226.00
Expenditures				
Salaries & Benefits	\$14,505,821.00	\$14,437,014.45	\$15,418,825.00	\$17,351,052.00
Operating Expenses	\$6,311,004.00	\$6,201,903.84	\$6,550,071.00	\$7,048,017.00
Capital	\$4,425,450.00	\$7,484,230.00	\$1,551,264.00	\$1,548,779.00
Debt Service	\$1,827,068.00	\$1,954,144.00	\$1,696,357.00	\$1,583,378.00
Total Expenditures:	\$27,069,343.00	\$30,077,292.29	\$25,216,517.00	\$27,531,226.00
Total Revenues Less Expenditures:	\$0.00	-\$1,746,860.29	\$0.00	\$0.00
Ending Fund Balance:	\$23,304,048.00	\$21,557,187.71	\$18,834,804.00	\$16,995,480.82

Revenues by Source

Projected 2026 Revenues by Source



Budgeted and Historical 2027 Revenues by Source



Special Notes:

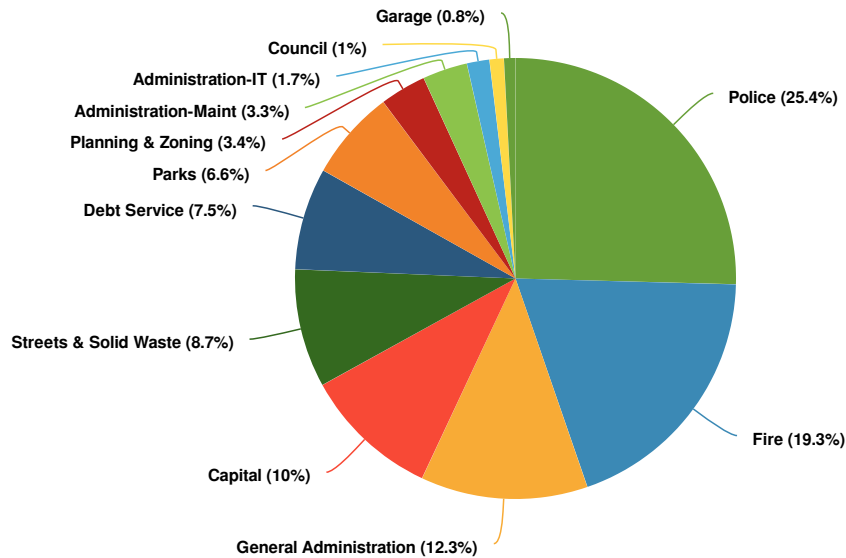
- Fund Balance:** The \$2,044,773 fund balance appropriation consists of \$515,000 in assigned fund balance and \$1,529,773 in unassigned fund balance. The assigned portion includes \$440,000 from ABC revenues and \$75,000 from CaroMont, designated for capital projects as approved by Council.
- Investment Earnings:** Investment earnings reflect a 28% decrease due to a reduction in fund balance and current yield conditions.
- Miscellaneous Revenues:** Miscellaneous revenues increased due to a transfer from Fund 22 – Capital Reserve. These funds will be used to support capital projects.



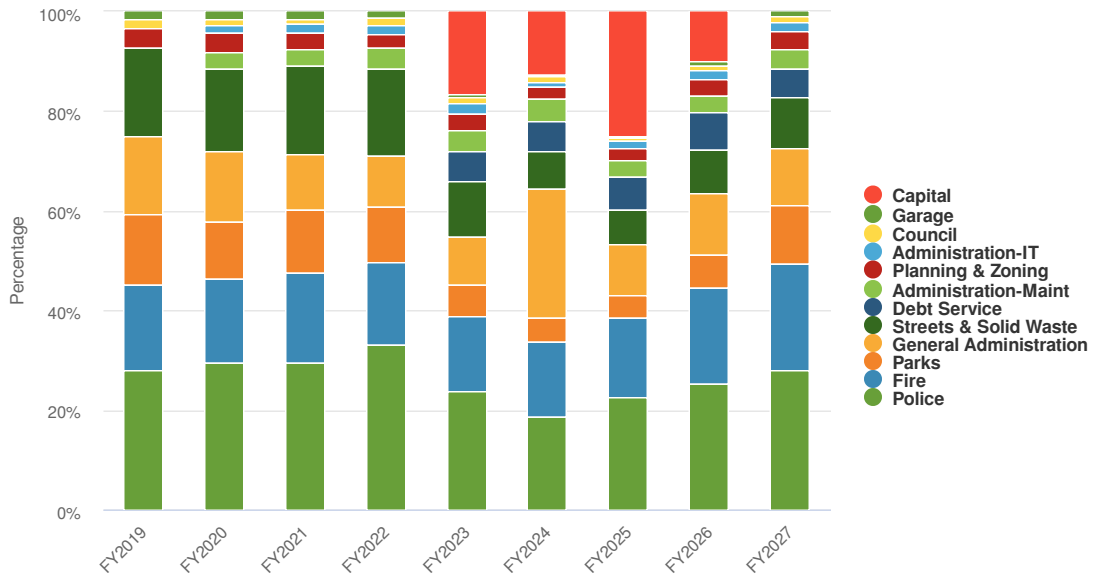
Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Revenue Source					
Property Taxes		\$11,926,571.00	\$12,356,416.00	\$12,642,629.00	\$12,878,024.00
Motor Vehicle Taxes		\$1,252,420.00	\$1,188,812.00	\$1,260,000.00	\$1,191,052.00
Miscellaneous Revenues		\$742,500.00	\$866,970.00	\$711,000.00	\$1,967,300.00
Sales and Use Taxes		\$4,968,401.00	\$5,175,769.00	\$5,310,380.00	\$5,697,545.00
Other Taxes and Fees		\$1,316,060.00	\$991,448.00	\$928,000.00	\$915,148.00
Utilities Franchise Tax		\$1,082,635.00	\$1,438,268.00	\$1,390,763.00	\$1,292,384.00
Permits		\$93,500.00	\$79,440.00	\$94,000.00	\$42,000.00
Investment Earnings		\$1,637,650.00	\$2,183,703.00	\$2,103,000.00	\$1,503,000.00
Fund Balance Appropriation		\$4,049,606.00	\$4,049,606.00	\$776,745.00	\$2,044,773.00
Total Revenue Source:		\$27,069,343.00	\$28,330,432.00	\$25,216,517.00	\$27,531,226.00

Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function



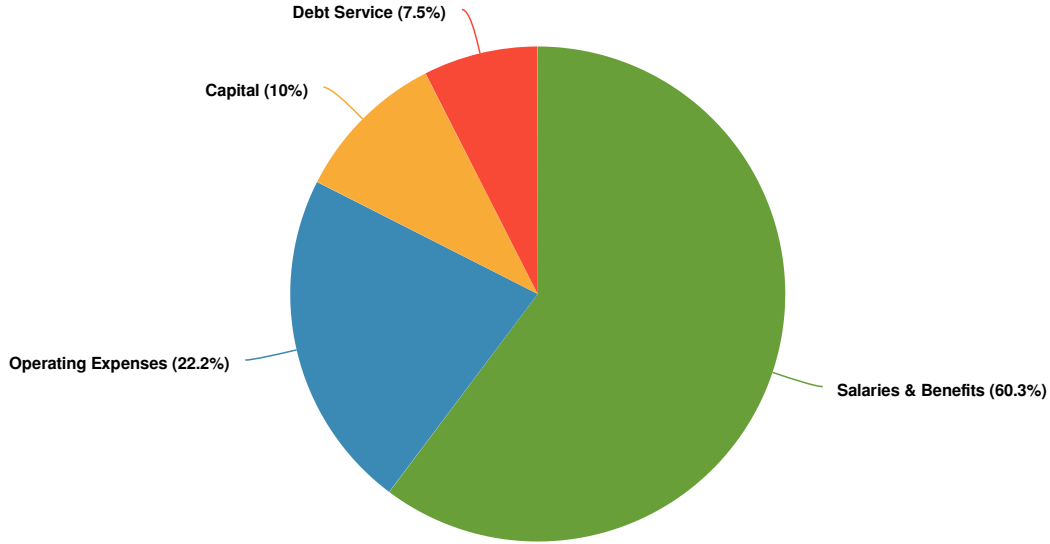
Capital budgeting has been restructured in FY27, with capital no longer presented as a standalone department and instead distributed across individual operating departments. As a result, the Capital department reflects a zero balance in the chart below. Total capital funding across all departments is \$1,583,378, representing 5.75% of the overall General Fund budget.

Name	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expenditures				
Council	\$345,900.00	\$215,553.00	\$373,309.00	\$325,553.00
General Administration	\$2,620,782.00	\$3,038,527.00	\$2,982,999.00	\$3,153,751.00
Administration-IT	\$408,957.00	\$392,045.00	\$450,421.00	\$553,544.00
Administration-Maint	\$653,500.00	\$987,087.00	\$972,117.00	\$1,068,700.00
Police	\$5,811,804.00	\$6,771,815.40	\$6,812,306.00	\$7,729,002.00
Fire	\$4,916,764.00	\$4,841,276.57	\$4,943,560.00	\$5,845,115.00
Garage	\$134,309.00	\$109,606.00	\$222,955.00	\$221,715.00
Streets & Solid Waste	\$3,122,111.00	\$2,120,872.00	\$2,587,550.00	\$2,836,002.00
Planning & Zoning	\$1,010,889.00	\$784,227.00	\$950,078.00	\$967,733.00
Parks	\$1,791,809.00	\$1,377,909.32	\$1,673,601.00	\$3,246,733.00
Capital	\$4,425,450.00	\$7,484,230.00	\$1,551,264.00	\$0.00
Debt Service	\$1,827,068.00	\$1,954,144.00	\$1,696,357.00	\$1,583,378.00
Total Expenditures:	\$27,069,343.00	\$30,077,292.29	\$25,216,517.00	\$27,531,226.00

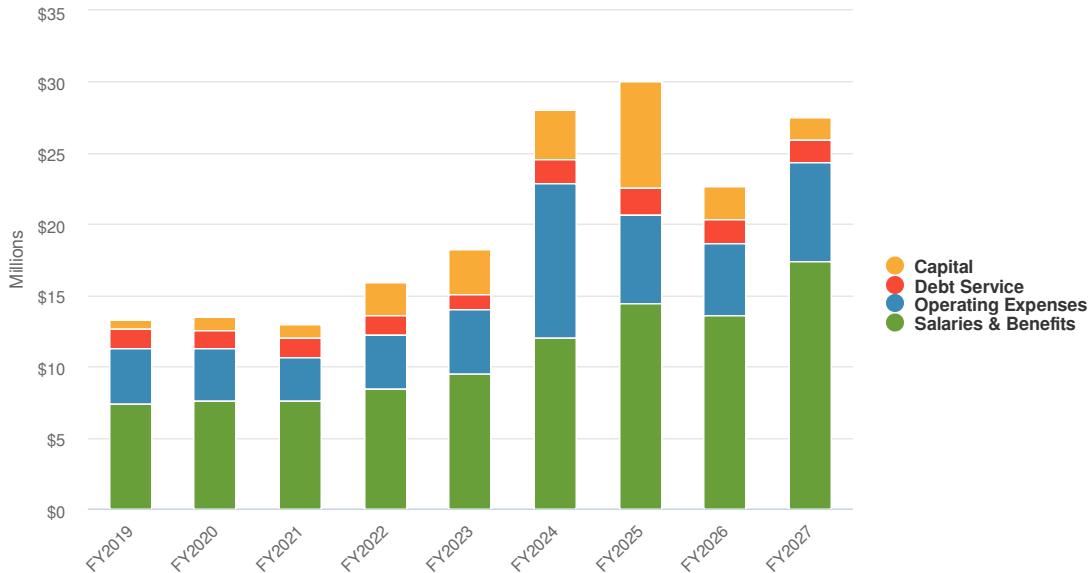
Expenditures by Expense Type

The Capital Line is now being budgeted by Department for better tracking of Inventory and Cost

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type

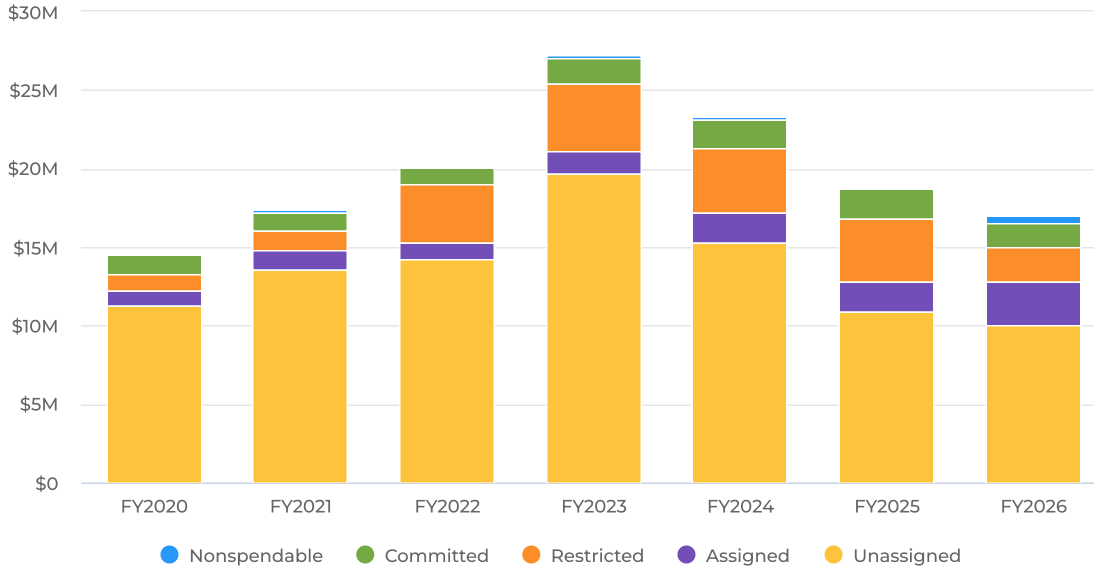


Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Salaries & Benefits		\$14,505,821.00	\$14,437,014.45	\$15,418,825.00	\$17,351,052.00

Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Operating Expenses		\$6,311,004.00	\$6,201,903.84	\$6,550,071.00	\$7,048,017.00
Capital		\$4,425,450.00	\$7,484,230.00	\$1,551,264.00	\$1,548,779.00
Debt Service		\$1,827,068.00	\$1,954,144.00	\$1,696,357.00	\$1,583,378.00
Total Expense Objects:		\$27,069,343.00	\$30,077,292.29	\$25,216,517.00	\$27,531,226.00

Fund Balance

Projections








Assigned	ABC Funds	\$2,176,466.26
Assigned	Caromont	\$336,594.00
Assigned	IBNR	\$180,000.00
Restricted	Statute 8%	\$2,017,322.00
Restricted	Fed/State Forfeitor	\$175,218.00
Committed	Debt Service	\$1,583,000.00
Non-Spendable	GASB Lease	\$449.00

Financial Summary	FY2025	FY2026	% Change
Fund Balance	—	—	
Unassigned	\$10,884,804	\$10,077,881	-7.4%
Assigned	\$1,900,000	\$2,693,060	41.7%
Committed	\$1,900,000	\$1,583,000	-16.7%
Restricted	\$4,000,000	\$2,192,540	-45.2%
Nonspendable	\$150,000	\$449,000	199.3%
Total Fund Balance:	\$18,834,804	\$16,995,481	-9.8%






Fund Balance Breakdown

CITY OF MOUNT HOLLY, NORTH CAROLINA FUND BALANCE CLASSIFICATIONS

GASB establishes a hierarchy for classifying fund balance based on the extent to which amounts are constrained for specific purposes. The City of Mount Holly classifies fund balance as follows:

CLASSIFICATION	LEVEL OF CONSTRAINT	WHO ESTABLISHES IT	HOW IT'S CHANGED/REMOVED	TYPICAL EXAMPLES AT THE CITY OF MOUNT HOLLY
 NONSPENDABLE Amounts that cannot be spent because they are not in spendable form or are legally required to remain intact.	Highest (not spendable)	Nature of the asset or legal requirement	Cannot be spent; only changes if underlying asset changes	<ul style="list-style-type: none"> Inventory and supplies Prepaid items Endowment principal and permanent funds
 RESTRICTED Amounts constrained to specific purposes by external parties or by laws, regulations, or legal agreements.	High (external constraint)	External parties or laws (grants, state statutes, debt covenants, etc.)	Only by external party or legal action	<ul style="list-style-type: none"> Grant funds (federal, state, local) Powell Bill funds Bond proceeds Restricted by state statutes
 COMMITTED Amounts set aside for specific purposes by formal action of the City Council.	Moderate-High (formal action)	City Council (our highest level of decision-making authority)	Same formal action used to commit (resolution/ ordinance)	<ul style="list-style-type: none"> Capital improvement projects Park and recreation projects Economic development initiatives Debt service reserves
 ASSIGNED Amounts intended for specific purposes by the City Manager or designated officials.	Moderate (internal intent)	City Manager or designated official	Can be changed by management/designee	<ul style="list-style-type: none"> Equipment replacement Future operating needs Departmental carryforwards Technology/IT projects
 UNASSIGNED Amounts not assigned to a specific purpose and are available for any lawful purpose.	Lowest (no constraint)	Not specifically assigned	Available for any lawful purpose	<ul style="list-style-type: none"> General Fund residual balance Cash flow and emergency needs One-time opportunities Deficit coverage

HIERARCHY
(Most Constrained to Least Constrained)

 →
  →
  →
  →
 

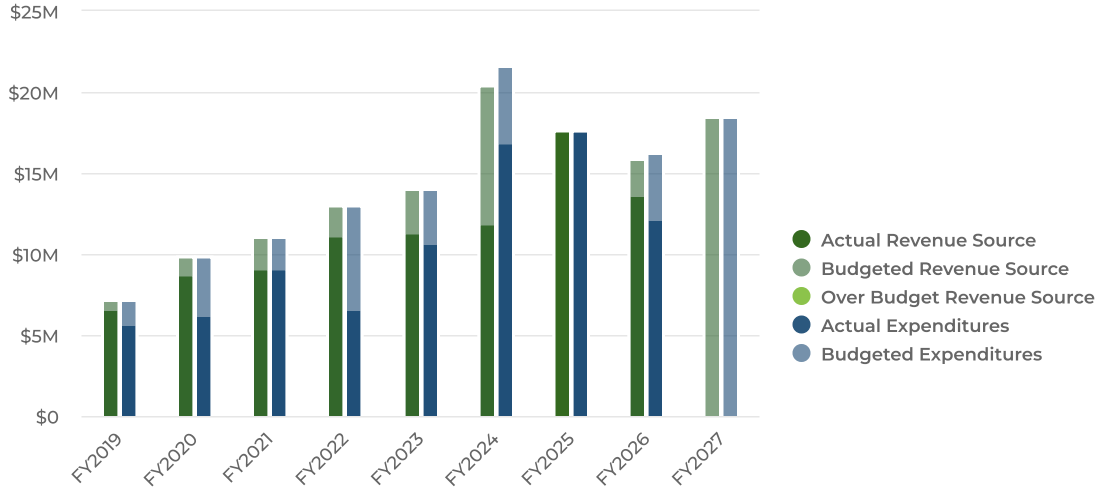
NONSPENDABLE RESTRICTED COMMITTED ASSIGNED UNASSIGNED



Water and Sewer Fund

Summary

FY26 total budget were \$15,903,301 and the FY27 total budget is \$18,533,961, representing an increase of \$2,630,660 or 16.5%. This change includes a \$4,217,695 transfer from the Capital Reserve, which is incorporated into the FY27 budget structure and supports capital projects within the overall funding plan.



Water and Sewer Fund Comprehensive Summary

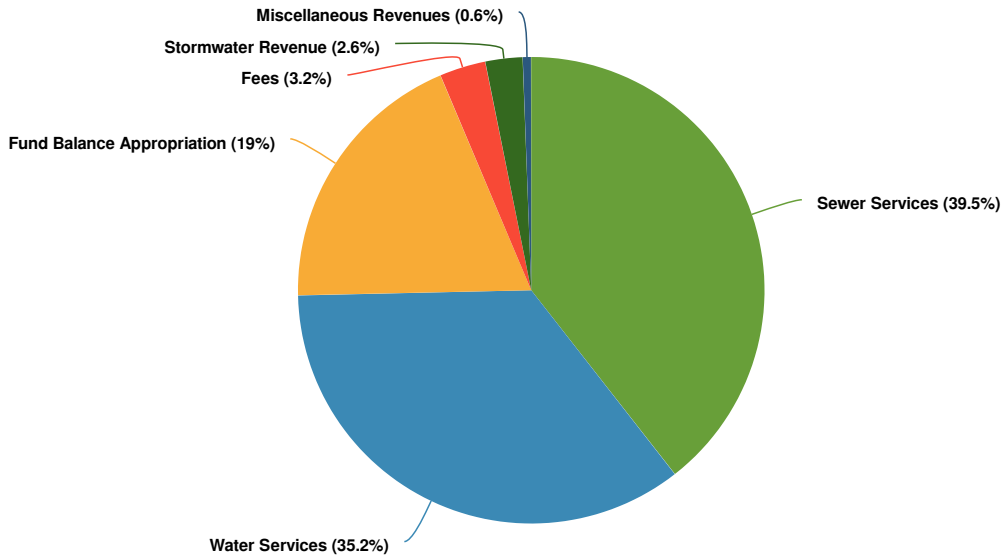
Name	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Beginning Fund Balance:	\$39,113,420.81	\$39,113,420.81	\$40,712,004.00	\$40,712,004.00
Revenues				
Miscellaneous Revenues	\$91,000.00	\$1,000.00	\$100,000.00	\$95,000.00
Investment Earnings	\$0.00	\$166,407.00	\$0.00	\$0.00
Transfers	\$0.00	\$0.00	\$1,900,000.00	\$4,217,695.00
Fund Balance Appropriation	\$5,439,212.00	\$5,439,212.00	\$727,297.00	\$0.00
Water Services	\$5,206,414.00	\$5,206,414.00	\$5,688,419.00	\$6,223,982.00
Stormwater Revenue	\$408,000.00	\$408,000.00	\$420,240.00	\$432,847.00
Fees	\$426,715.00	\$426,715.00	\$472,000.00	\$472,000.00
Sewer Services	\$6,137,938.00	\$6,137,938.00	\$6,595,345.00	\$7,092,437.00
Total Revenues:	\$17,709,279.00	\$17,785,686.00	\$15,903,301.00	\$18,533,961.00
Expenditures				
Salaries & Benefits	\$4,080,666.00	\$4,080,666.00	\$3,962,051.00	\$4,132,173.00
Operating Expenses	\$5,066,903.00	\$5,066,903.00	\$7,479,119.00	\$6,465,026.00
Capital	\$6,162,488.00	\$6,162,488.00	\$2,280,263.00	\$5,456,020.00
Debt Service	\$2,399,222.00	\$2,399,222.00	\$2,550,868.00	\$2,480,742.00
Total Expenditures:	\$17,709,279.00	\$17,709,279.00	\$16,272,301.00	\$18,533,961.00
Total Revenues Less Expenditures:	\$0.00	\$76,407.00	-\$369,000.00	\$0.00



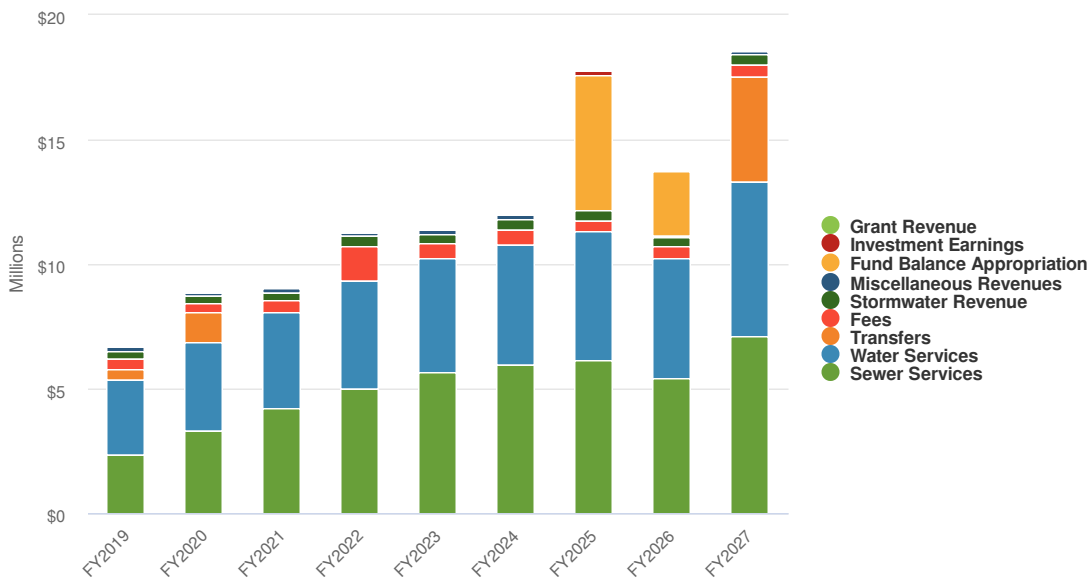
Name	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Ending Fund Balance:	\$39,113,420.81	\$39,189,827.81	\$40,343,004.00	\$40,712,004.00

Revenues by Source

Projected 2026 Revenues by Source



Budgeted and Historical 2026 Revenues by Source



Special Notes:

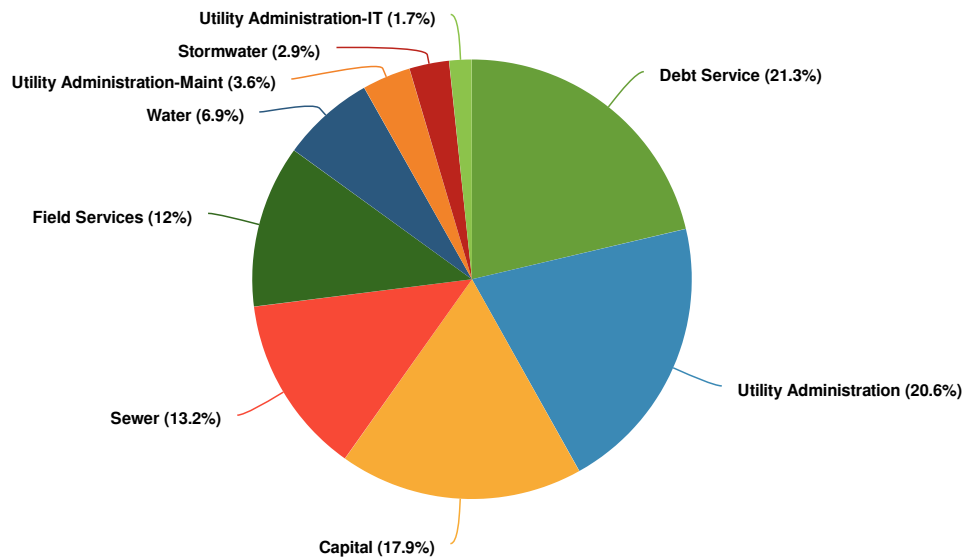
Transfers are increased due to the Capital Reserve Fund being appropriated for capital outlay. The overall increase to the budget is driven by capital outlay expenditures, resulting in a transfer of funds rather than fund balance appropriation.



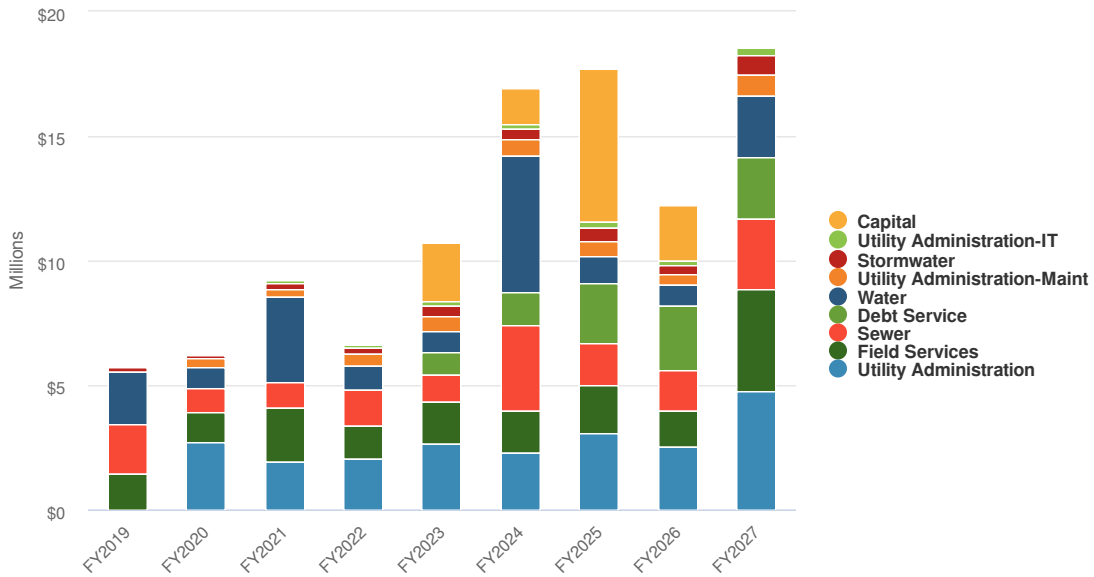
Name	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Revenue Source				
Miscellaneous Revenues	\$91,000.00	\$1,000.00	\$100,000.00	\$95,000.00
Investment Earnings	\$0.00	\$166,407.00	\$0.00	\$0.00
Transfers	\$0.00	\$0.00	\$1,900,000.00	\$4,217,695.00
Fund Balance Appropriation	\$5,439,212.00	\$5,439,212.00	\$727,297.00	\$0.00
Water Services	\$5,206,414.00	\$5,206,414.00	\$5,688,419.00	\$6,223,982.00
Stormwater Revenue	\$408,000.00	\$408,000.00	\$420,240.00	\$432,847.00
Fees	\$426,715.00	\$426,715.00	\$472,000.00	\$472,000.00
Sewer Services	\$6,137,938.00	\$6,137,938.00	\$6,595,345.00	\$7,092,437.00
Total Revenue Source:	\$17,709,279.00	\$17,785,686.00	\$15,903,301.00	\$18,533,961.00

Expenditures by Function

Budgeted Expenditures by Function



Budgeted and Historical Expenditures by Function

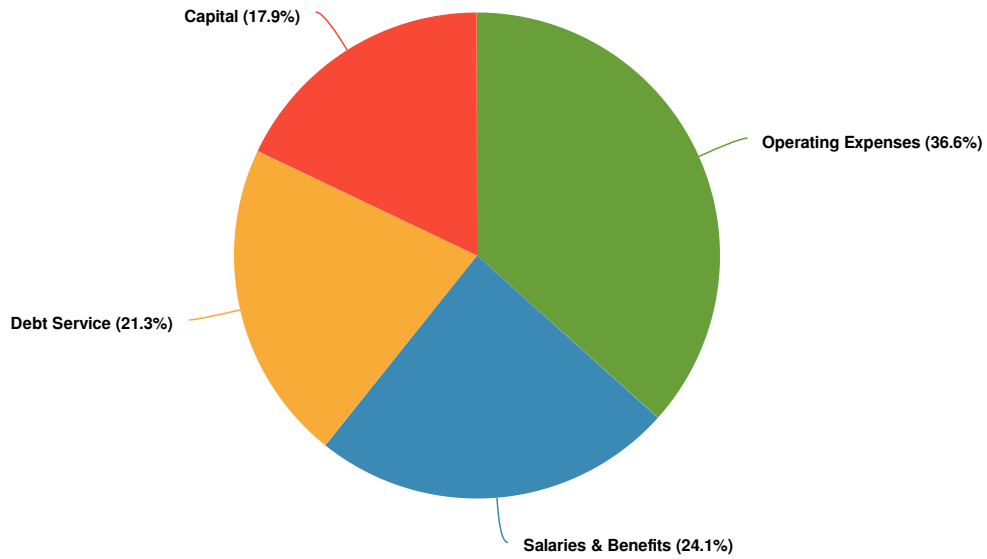


When you look at the table below, you will notice that capital is showing a zero balance, this is because capital, which was previously budgeted as a standalone department, has been realigned into individual departments to improve visibility, tracking, and allocation. This results in capital expenditures comprising 37% of the total departmental budget—\$5,456,020 of the \$16,053,219 budget minus debt services.

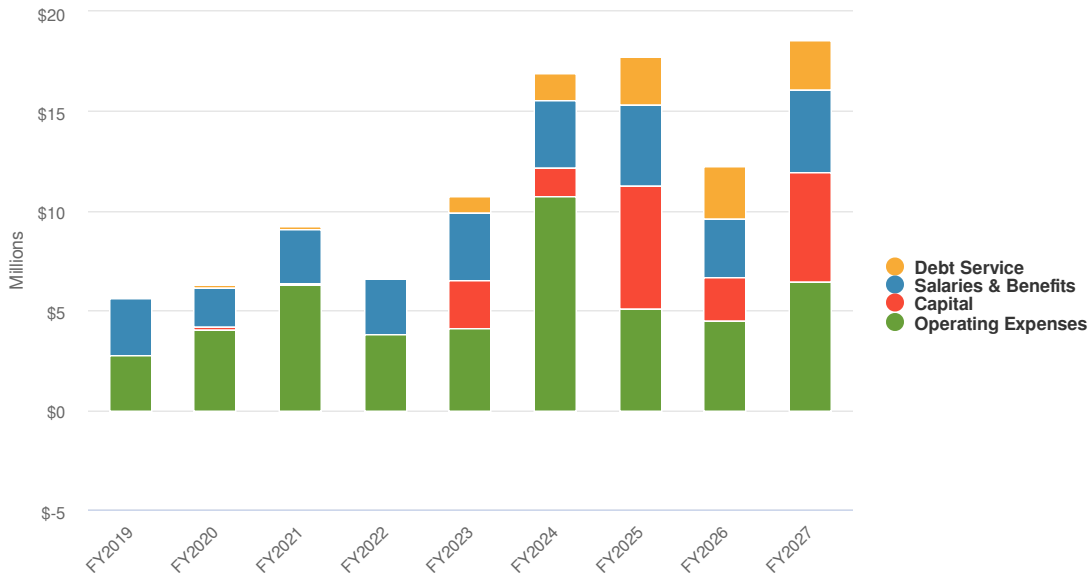
Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expenditures					
Capital		\$6,162,488.00	\$6,162,488.00	\$2,280,263.00	\$0.00
Debt Service		\$2,399,222.00	\$2,399,222.00	\$2,550,868.00	\$2,480,742.00
Stormwater		\$519,940.00	\$519,940.00	\$560,302.00	\$768,319.00
Utility Administration		\$3,060,653.00	\$3,060,653.00	\$2,773,479.00	\$4,768,190.00
Water		\$1,059,256.00	\$1,059,256.00	\$1,218,419.00	\$2,452,668.00
Sewer		\$1,700,358.00	\$1,700,358.00	\$3,480,562.00	\$2,877,366.00
Field Services		\$1,946,214.00	\$1,946,214.00	\$2,504,790.00	\$4,057,260.00
Utility Administration-IT		\$234,835.00	\$234,835.00	\$228,688.00	\$266,521.00
Utility Administration-Maint		\$626,313.00	\$626,313.00	\$674,930.00	\$862,895.00
Total Expenditures:		\$17,709,279.00	\$17,709,279.00	\$16,272,301.00	\$18,533,961.00

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Salaries & Benefits		\$4,080,666.00	\$4,080,666.00	\$3,962,051.00	\$4,132,173.00
Operating Expenses		\$5,066,903.00	\$5,066,903.00	\$7,479,119.00	\$6,465,026.00
Capital		\$6,162,488.00	\$6,162,488.00	\$2,280,263.00	\$5,456,020.00

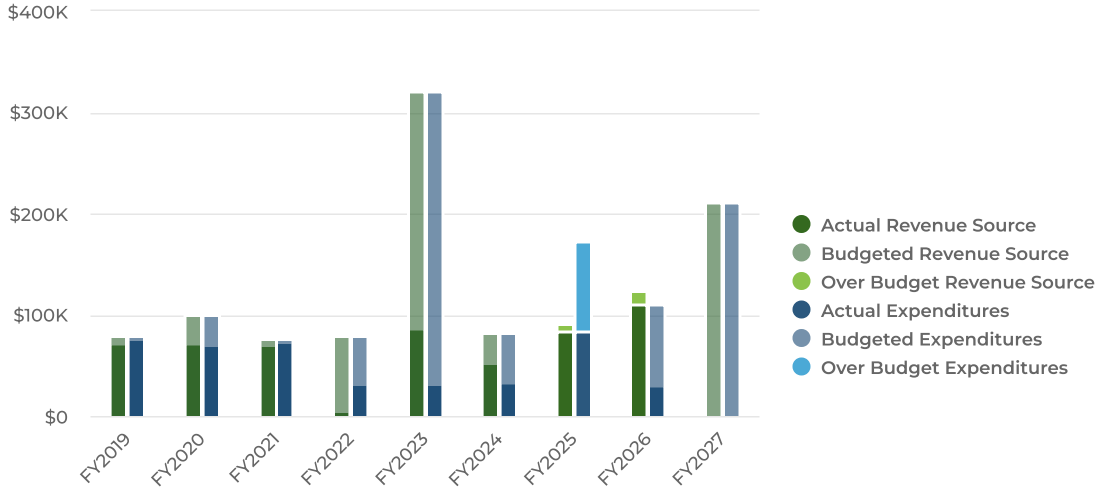
Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Debt Service		\$2,399,222.00	\$2,399,222.00	\$2,550,868.00	\$2,480,742.00
Total Expense Objects:		\$17,709,279.00	\$17,709,279.00	\$16,272,301.00	\$18,533,961.00



911 - Wireless and Wireline

Summary

The City of Mount Holly is projecting a budget of \$211,830, which reflects an increase of \$101,157 compared to the prior year. This increase results in a fund balance appropriation of \$151,830 to balance the FY27 budget. The growth in expenditures is primarily attributable to increased costs in subscription-based services and planned capital outlay. These adjustments reflect ongoing operational needs as well as investment in capital-related items to support departmental functions and service delivery.

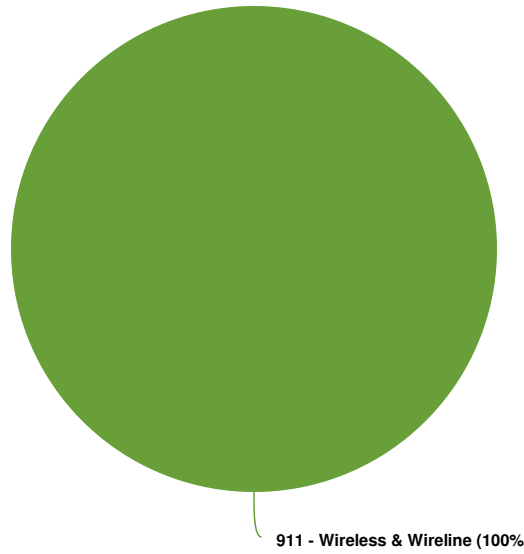


911 - Wireless and Wireline Comprehensive Summary

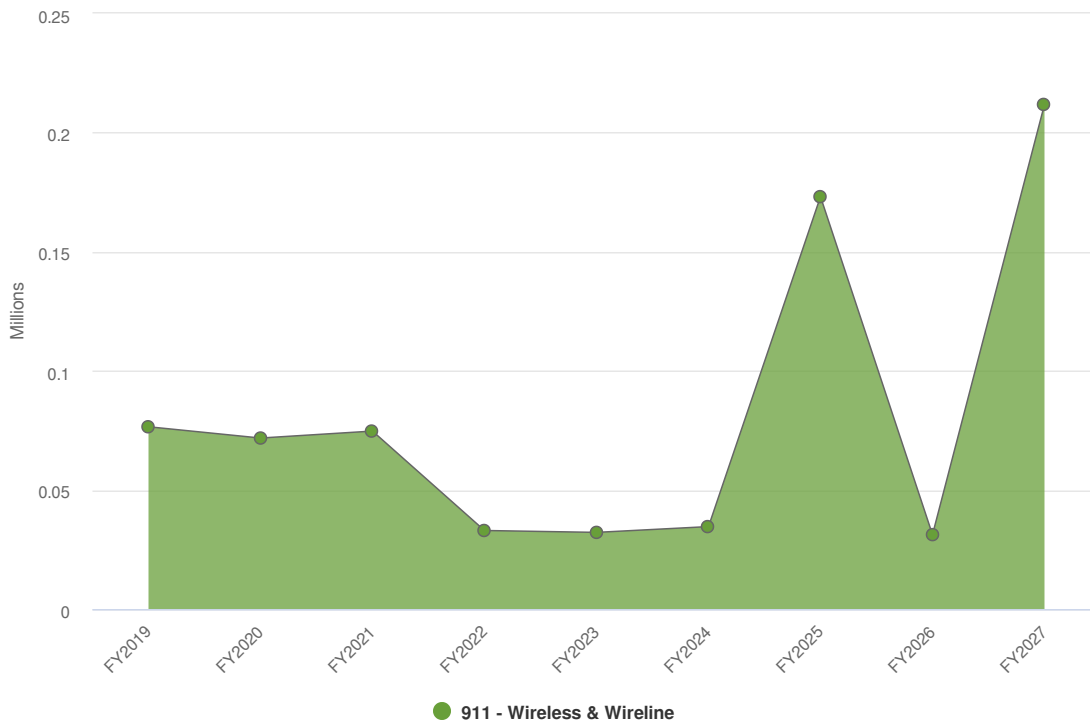
Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Adopted	FY2027 Proposed
Beginning Fund Balance:		\$419,783.35	\$419,783.35	\$262,654.00	\$245,133.49
Revenues					
Investment Earnings		\$14,000.00	\$21,291.00	\$0.00	\$0.00
Fund Balance Appropriation		\$39,300.00	\$39,300.00	\$110,673.00	\$151,830.00
State Revenue		\$30,540.00	\$30,540.00	\$0.00	\$60,000.00
Total Revenues:		\$83,840.00	\$91,131.00	\$110,673.00	\$211,830.00
Expenditures					
Operating Expenses		\$83,840.00	\$29,999.00	\$110,673.00	\$139,964.00
Capital		\$0.00	\$143,114.90	\$0.00	\$71,866.00
Total Expenditures:		\$83,840.00	\$173,113.90	\$110,673.00	\$211,830.00
Total Revenues Less Expenditures:		\$0.00	-\$81,982.90	\$0.00	\$0.00
Ending Fund Balance:		\$419,783.35	\$337,800.45	\$262,654.00	\$245,133.49

Expenditures by Function

Budgeted Expenditures by Function

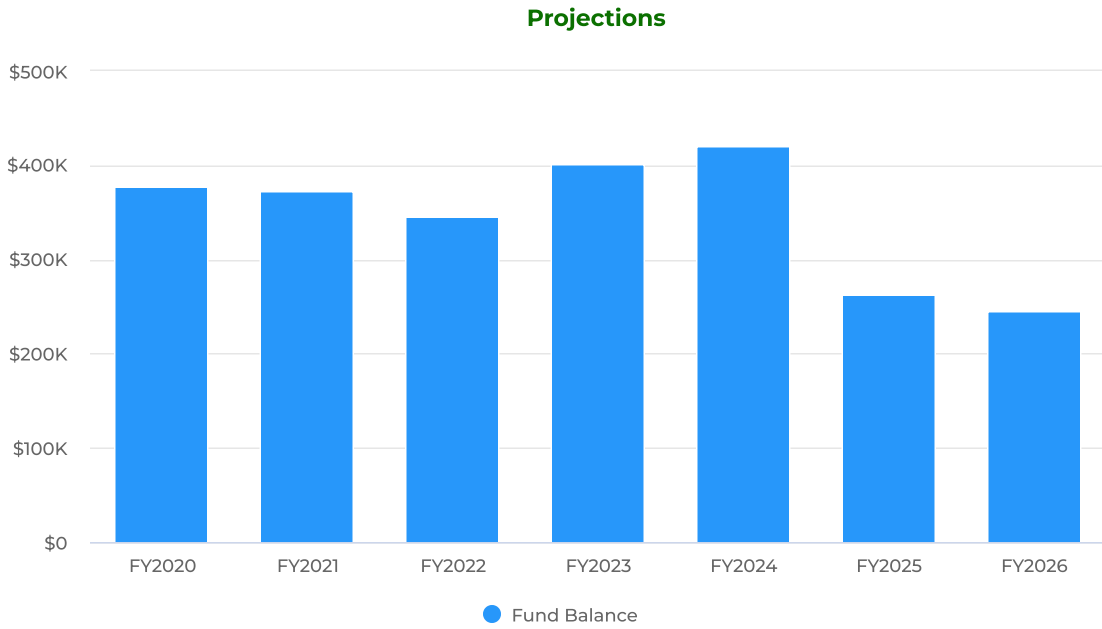


Budgeted and Historical Expenditures by Function



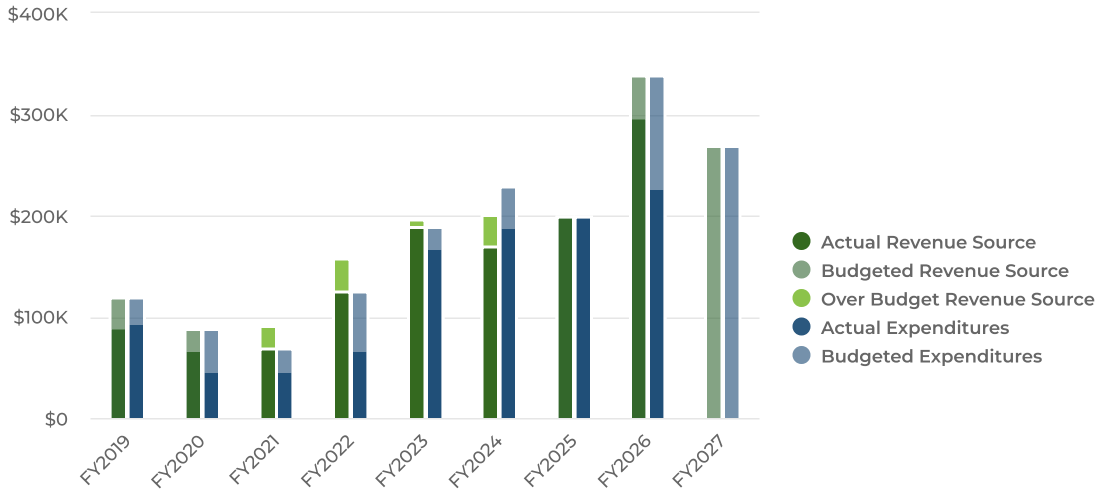
Name	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expenditures				
911 - Wireless & Wireline	\$83,840.00	\$173,113.90	\$110,673.00	\$211,830.00
Total Expenditures:	\$83,840.00	\$173,113.90	\$110,673.00	\$211,830.00

Fund Balance



Summary

The City of Mount Holly is projecting \$228,000 in revenues for FY27, representing a 14% increase over the prior year. Budgeted expenditures are projected at \$270,000, resulting in a required fund balance appropriation of \$42,000. The increase in expenditures is driven by the implementation of the City's strategic plan.

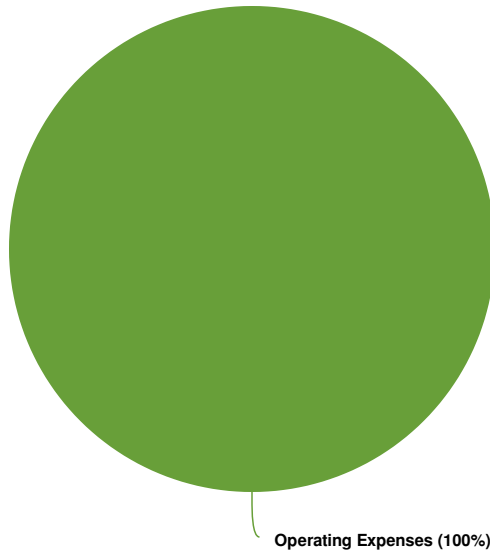


Tourism Development Authority Comprehensive Summary

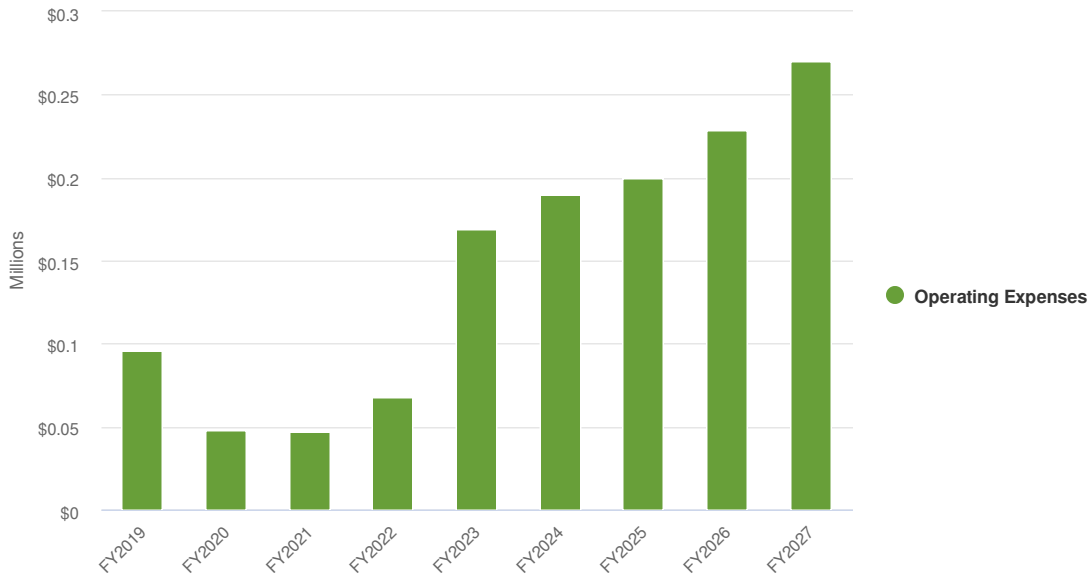
Name	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Beginning Fund Balance:	\$397,120.83	\$397,120.83	\$343,000.00	\$301,803.97
Revenues				
Fund Balance Appropriation	\$0.00	\$0.00	\$139,200.00	\$42,000.00
Occupancy Tax & Contributions	\$200,000.00	\$200,000.00	\$200,000.00	\$228,000.00
Total Revenues:	\$200,000.00	\$200,000.00	\$339,200.00	\$270,000.00
Expenditures				
Operating Expenses	\$200,000.00	\$200,000.00	\$339,200.00	\$270,000.00
Total Expenditures:	\$200,000.00	\$200,000.00	\$339,200.00	\$270,000.00
Ending Fund Balance:	\$397,120.83	\$397,120.83	\$343,000.00	\$301,803.97

Expenditures by Expense Type

Budgeted Expenditures by Expense Type

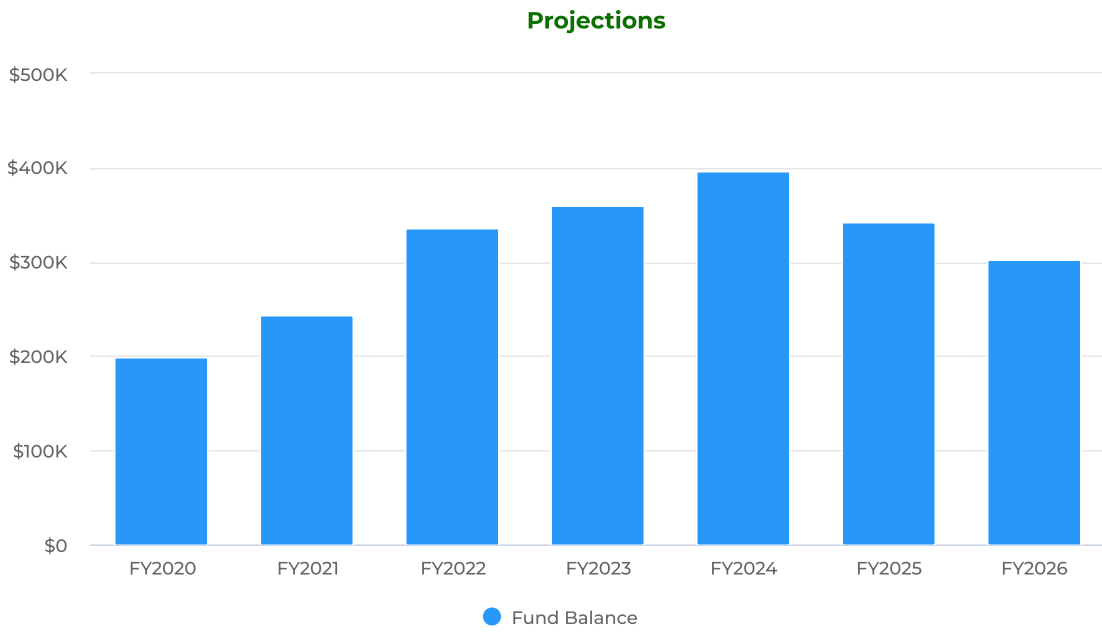


Budgeted and Historical Expenditures by Expense Type



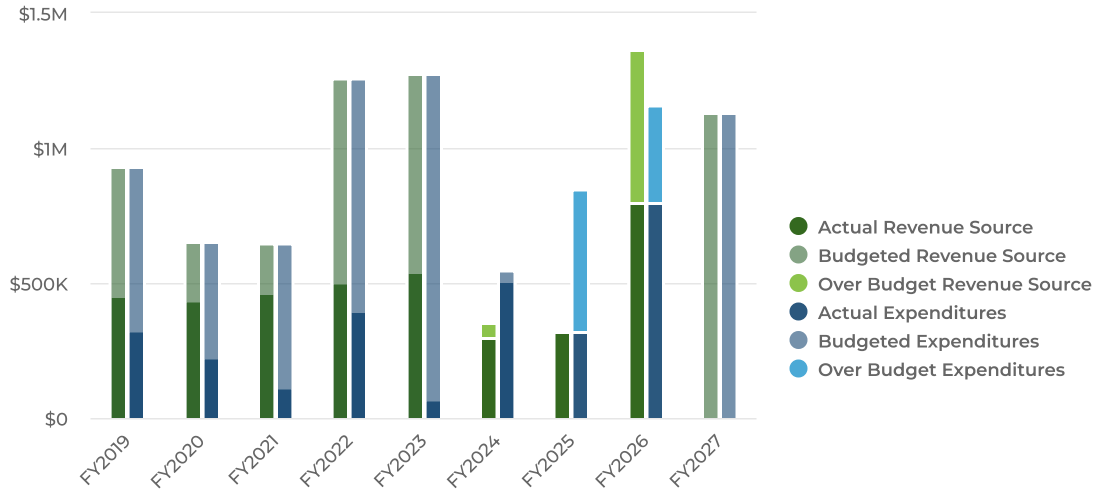
Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Operating Expenses		\$200,000.00	\$200,000.00	\$339,200.00	\$270,000.00
Total Expense Objects:		\$200,000.00	\$200,000.00	\$339,200.00	\$270,000.00

Fund Balance



Summary

For FY27, the City of Mount Holly is projecting revenues of \$665,640 and a fund balance appropriation of \$466,360 to support total expenditures of \$1,132,000, which include both operating costs and capital outlay. This budget reflects a 41% increase over the prior year.

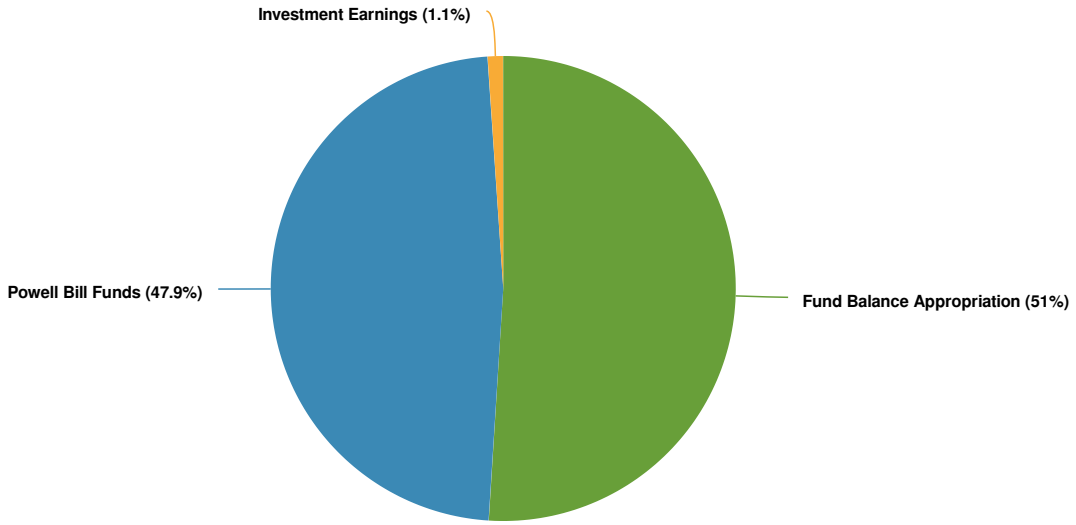


Powell Bill Fund Comprehensive Summary

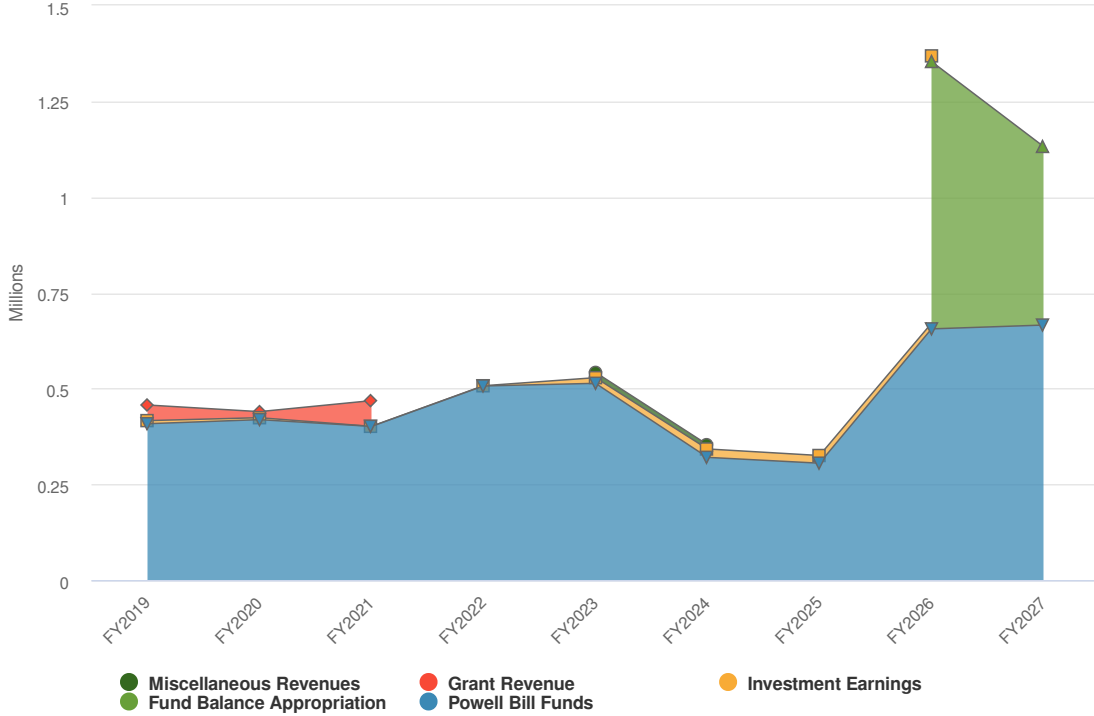
Name	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Beginning Fund Balance:	\$2,357,749.60	\$2,357,749.60	\$2,166,699.00	\$2,492,863.14
Revenues				
Investment Earnings	\$15,000.00	\$20,078.00	\$0.00	\$0.00
Fund Balance Appropriation	\$0.00	\$0.00	\$0.00	\$466,360.00
Powell Bill Funds	\$305,000.00	\$305,000.00	\$800,000.00	\$665,640.00
Total Revenues:	\$320,000.00	\$325,078.00	\$800,000.00	\$1,132,000.00
Expenditures				
Operating Expenses	\$320,000.00	\$97,422.00	\$0.00	\$0.00
Capital	\$0.00	\$755,195.00	\$800,000.00	\$1,132,000.00
Total Expenditures:	\$320,000.00	\$852,617.00	\$800,000.00	\$1,132,000.00
Total Revenues Less Expenditures:	\$0.00	-\$527,539.00	\$0.00	\$0.00
Ending Fund Balance:	\$2,357,749.60	\$1,830,210.60	\$2,166,699.00	\$2,492,863.14

Revenues by Source

Projected 2026 Revenues by Source



Budgeted and Historical 2026 Revenues by Source

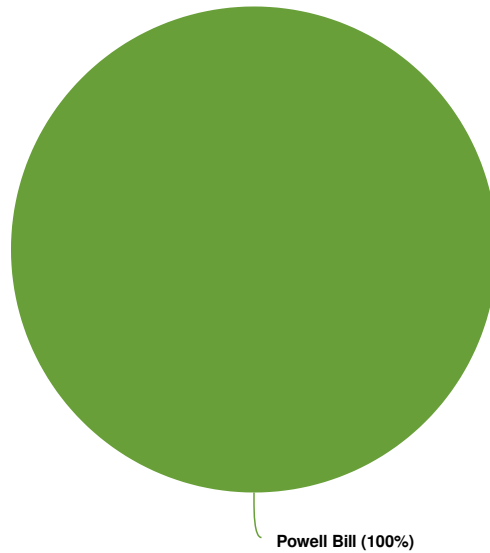


Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Adopted	FY2027 Proposed
Revenue Source					
Investment Earnings		\$15,000.00	\$20,078.00	\$0.00	\$0.00

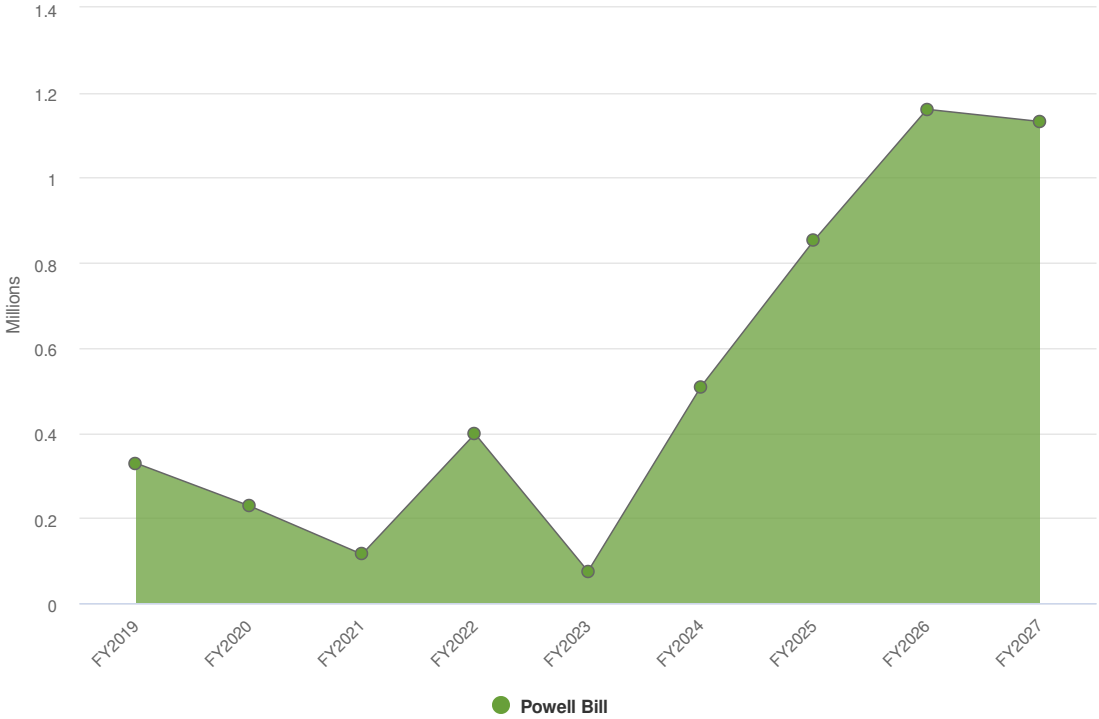
Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Adopted	FY2027 Proposed
Fund Balance Appropriation		\$0.00	\$0.00	\$698,093.00	\$466,360.00
Powell Bill Funds		\$305,000.00	\$305,000.00	\$800,000.00	\$665,640.00
Total Revenue Source:		\$320,000.00	\$325,078.00	\$1,498,093.00	\$1,132,000.00

Expenditures by Function

Budgeted Expenditures by Function



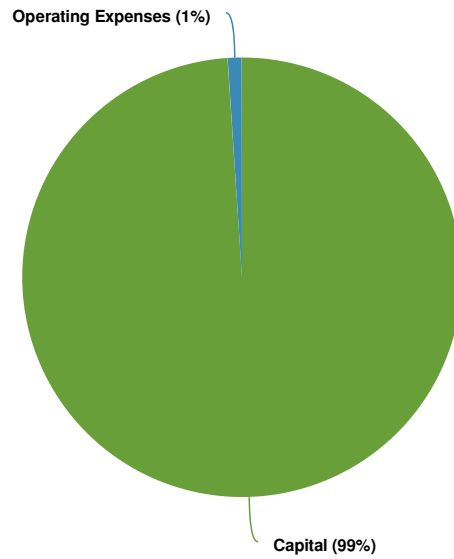
Budgeted and Historical Expenditures by Function



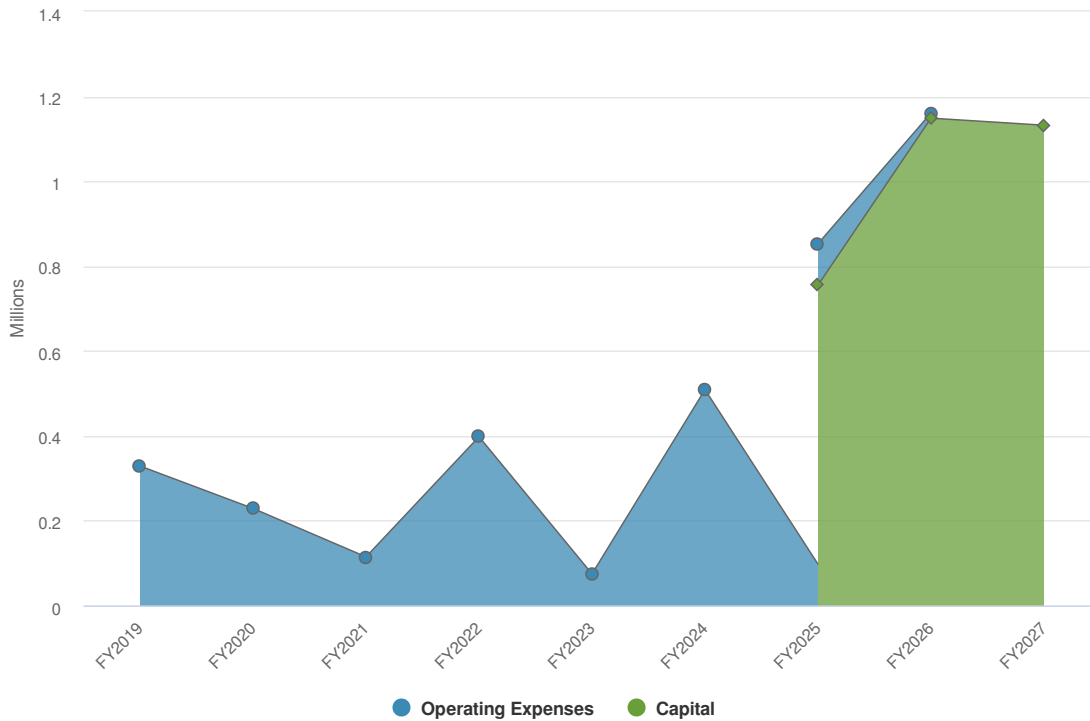
Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expenditures					
Powell Bill		\$320,000.00	\$852,617.00	\$800,000.00	\$1,132,000.00
Total Expenditures:		\$320,000.00	\$852,617.00	\$800,000.00	\$1,132,000.00

Expenditures by Expense Type

Budgeted Expenditures by Expense Type

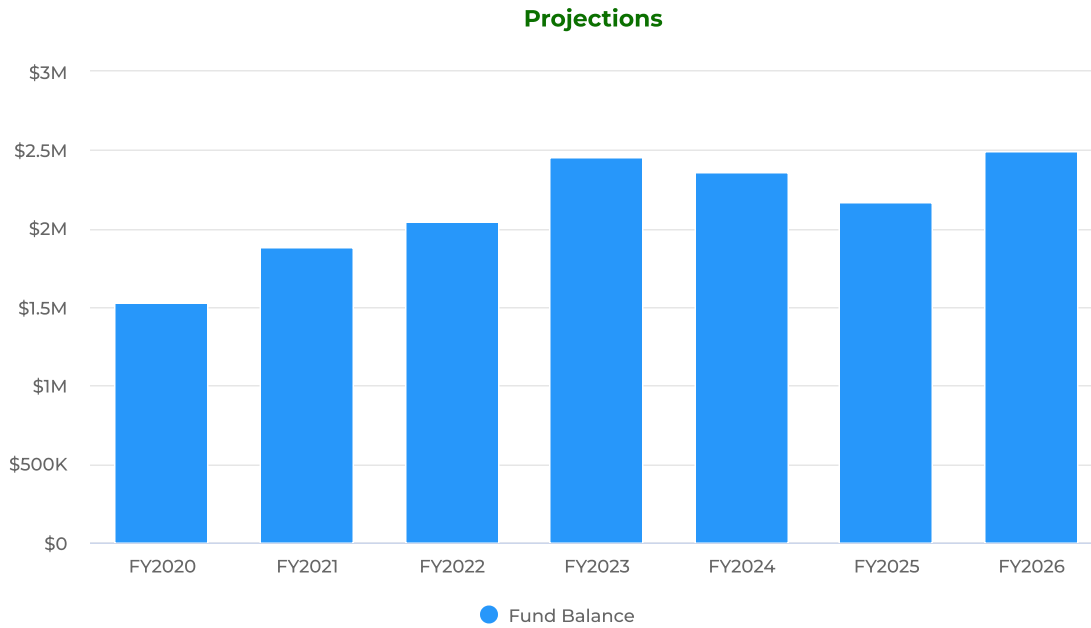


Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Adopted	FY2027 Proposed
Expense Objects					
Operating Expenses		\$320,000.00	\$97,422.00	\$0.00	\$0.00
Capital		\$0.00	\$755,195.00	\$800,000.00	\$1,132,000.00
Total Expense Objects:		\$320,000.00	\$852,617.00	\$800,000.00	\$1,132,000.00

Fund Balance



DEPARTMENTS

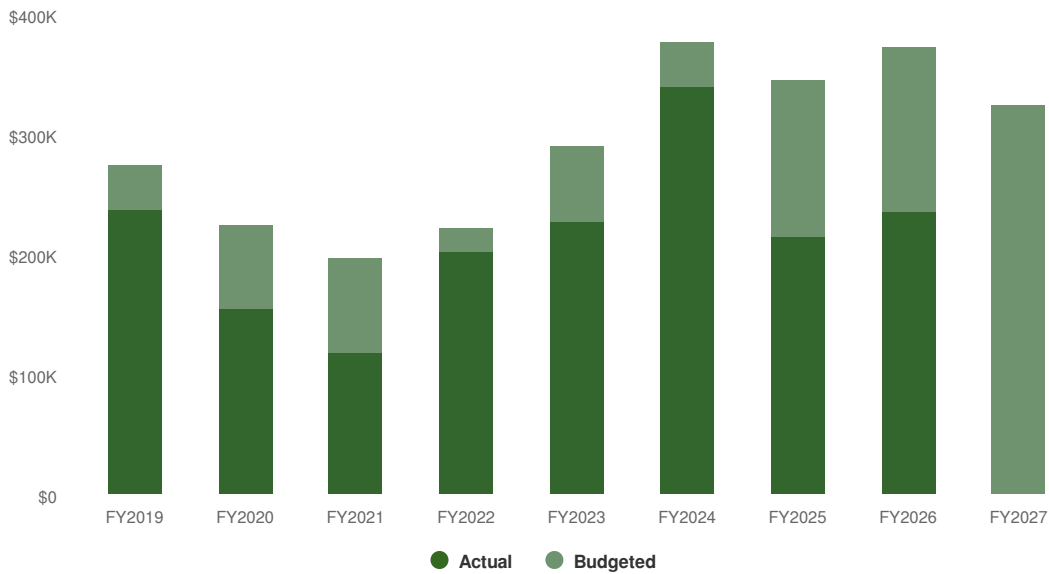
Council

Budgetary Increases and Decreases

The FY27 proposed budget for the Governing Body reflects a stable and disciplined approach to maintaining core operations while making targeted adjustments where needed. Total expenditures are forecasted at \$325,553 compared to FY26 actual expenditures of \$373,309, representing a 12% decrease while maintaining service levels.

\$373,309 **\$27,409**
(7.92% vs. prior year)

Council Proposed and Historical Budget vs. Actual



Summary of FY27 Expenditures

The FY27 proposed budget for the Governing Body reflects a balanced and disciplined approach, maintaining operational stability with minimal targeted adjustments.

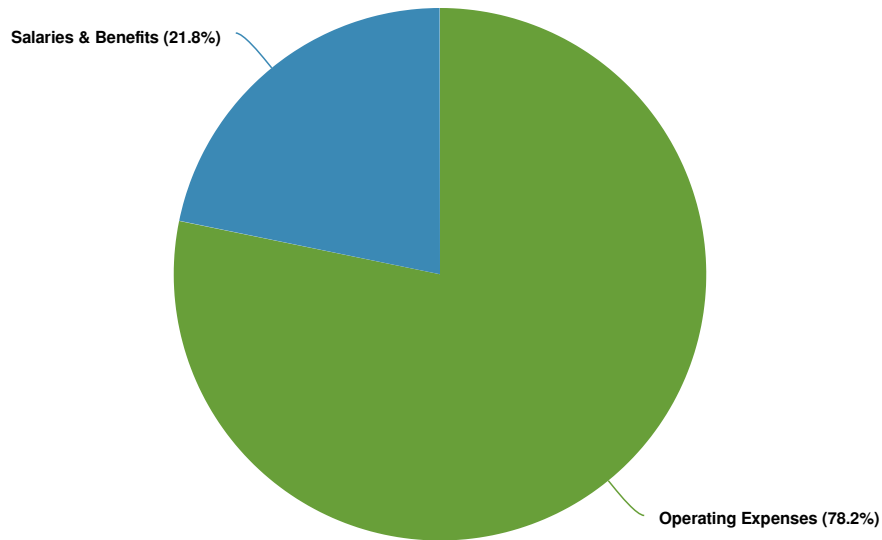
Professional and contracted services remain level with the prior year, supporting essential legal, consulting, and strategic services, including Hager Strategic Solutions. While actual expenditures have varied, maintaining current funding preserves flexibility for emerging needs.

The uniforms and apparel line reflects typical usage patterns and includes provisions for Governing Body members and a nominal allocation for the City Clerk.

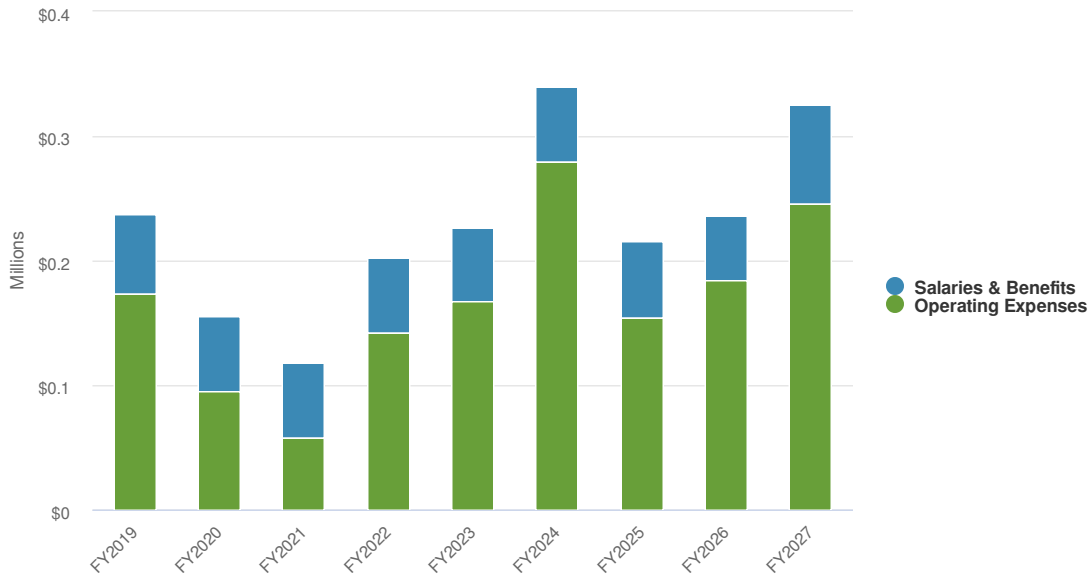
Overall, the budget remains stable, with most line items flat year-over-year and changes primarily limited to personnel-related costs, ensuring continuity while maintaining flexibility.

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Salaries & Benefits					
Council					
GOVERNING BODY COMPENSATION	10-00-4110-171	\$55,800.00	\$57,582.00	\$55,800.00	\$74,545.00
FICA	10-00-4110-180	\$4,300.00	\$4,214.00	\$4,300.00	\$5,703.00
Total Council:		\$60,100.00	\$61,796.00	\$60,100.00	\$80,248.00
Total Salaries & Benefits:		\$60,100.00	\$61,796.00	\$60,100.00	\$80,248.00
Operating Expenses					
Council					
PROFESSIONAL SERVICES	10-00-4110-194	\$70,000.00	\$21,737.00	\$70,000.00	\$70,000.00
CONTRACT SERVICES	10-00-4110-199	\$72,800.00	\$52,983.00	\$72,800.00	\$38,800.00
UNIFORMS	10-00-4110-212	\$4,000.00	\$396.00	\$6,100.00	\$1,500.00
FOOD AND PROVISION	10-00-4110-220	\$20,000.00	\$8,094.00	\$20,000.00	\$18,000.00
DEPT SUPPLIES	10-00-4110-299	\$9,000.00	\$2,405.00	\$9,000.00	\$9,300.00
TREE CITY - MAINTENANCE	10-00-4110-360	\$7,500.00	\$7,500.00	\$7,500.00	\$2,000.00
ADVERTISING	10-00-4110-370	\$4,000.00	\$4,524.00	\$4,000.00	\$4,000.00
TRAVEL & TRAINING	10-00-4110-395	\$36,500.00	\$20,972.00	\$36,500.00	\$37,400.00
DUES & SUBSCRIPTIONS	10-00-4110-491	\$27,000.00	\$6,567.00	\$27,000.00	\$29,305.00
MISCELLANEOUS EXPENSE	10-00-4110-499	\$500.00	\$0.00	\$500.00	\$500.00

Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
COMMUNITY REL-BEAUTIFICATION	10-00-4110-610	\$12,500.00	\$10,480.00	\$12,500.00	\$12,500.00
COMMUNITY REL-ARCHIVES	10-00-4110-614	\$2,000.00	\$0.00	\$2,000.00	\$2,000.00
COMMUNITY REL-PAGEANT	10-00-4110-618	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
COMMUNITY REL-NON PROFIT CONTRIB	10-00-4110-621	\$18,500.00	\$16,599.00	\$18,500.00	\$18,500.00
ELECTION EXPENSE	10-00-4110- 622	\$0.00	\$0.00	\$25,309.00	\$0.00
Total Council:		\$285,800.00	\$153,757.00	\$313,209.00	\$245,305.00
Total Operating Expenses:		\$285,800.00	\$153,757.00	\$313,209.00	\$245,305.00
Total Expense Objects:		\$345,900.00	\$215,553.00	\$373,309.00	\$325,553.00

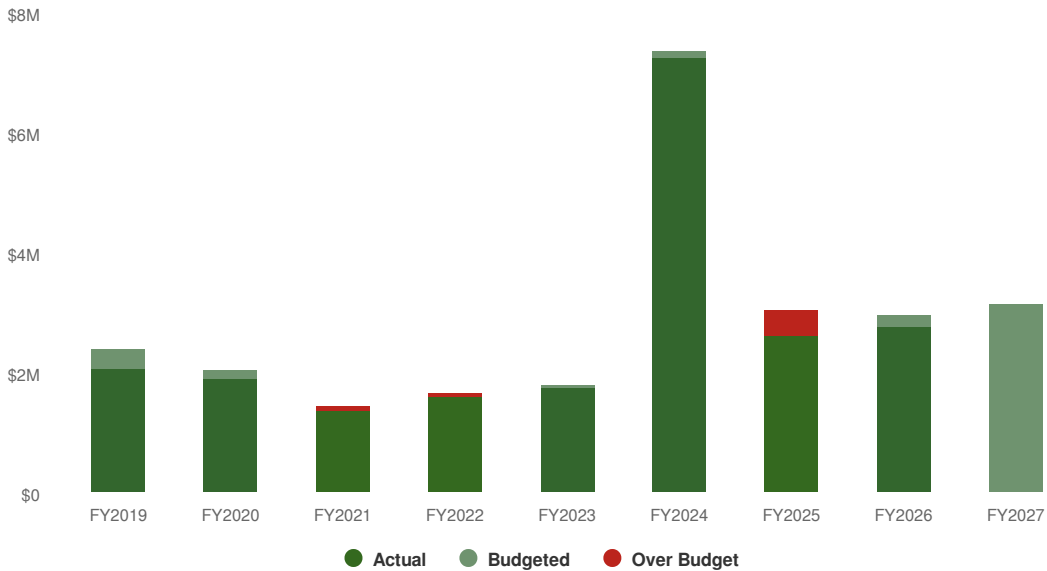
Administration

Budgetary Increases and Decreases

The General Administration FY27 budget is projected at \$3,153,751 compared to FY26 expenditures of \$2,982,999, representing a 5.7% increase year-over-year. This increase reflects adjustments to support ongoing operational needs and service delivery enhancements within General Administration, while maintaining overall fiscal stability and alignment with the City's strategic priorities.

\$2,982,999 **\$362,217**
 (13.82% vs. prior year)

Administration-General Fund Proposed and Historical Budget vs. Actual



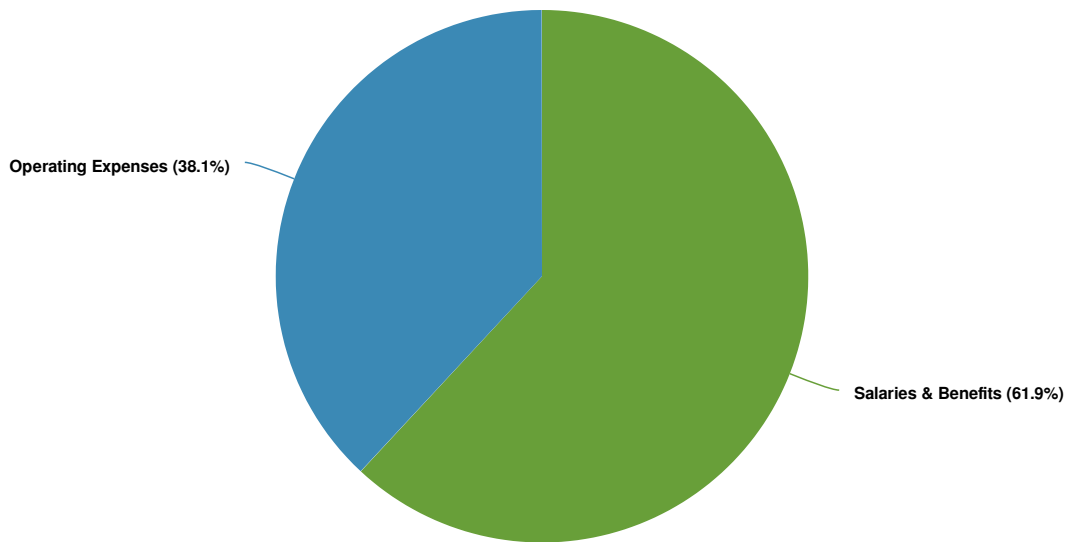
Expenditures by Expense Type

Operational expenditures across General Administration remain largely flat, with only minor increases as departments continue efforts to control costs and limit expansion requests. Where increases occur, they are primarily tied to contractual obligations, inflation, and prior-year actuals. Administration has no capital outlay items in the FY27 budget.

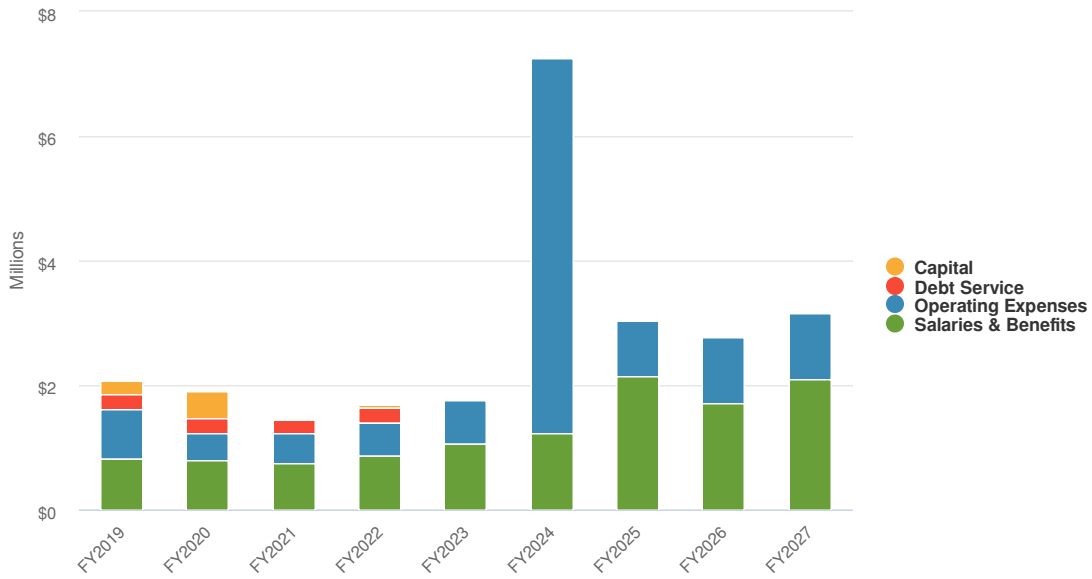
In FY27, certain expenditures were reclassified from contracted services and communications to dues and subscriptions to improve general ledger accuracy and ensure software and subscription-based services are properly recorded. This resulted in a 27% decrease in contracted services and a 161% increase in dues and subscriptions, driven by reclassification rather than new spending.

Overall, the FY27 General Administration budget reflects a stable and disciplined financial plan, with increases largely driven by personnel costs and operational spending carefully managed.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects				
Salaries & Benefits				
General Administration				
SALARIES & WAGES-REGULAR	10-00-4120-121	\$1,286,186.00	\$1,365,892.00	\$1,466,097.00
SALARIES & WAGES-OVERTIME	10-00-4120-122	\$6,821.00	\$2,500.00	\$3,500.00
401K-GENERAL	10-00-4120-134	\$59,384.00	\$66,558.00	\$71,144.00
FICA	10-00-4120-180	\$91,274.00	\$104,491.00	\$110,871.00
RETIREMENT-GENERAL	10-00-4120-182	\$163,641.00	\$191,553.00	\$214,854.00
GROUP INSURANCE	10-00-4120-183	\$520,810.00	\$188,885.00	\$222,870.00
UNEMPLOYMENT INSURANCE	10-00-4120-185	\$21,780.00	\$12,000.00	\$12,000.00
Total General Administration:		\$2,149,896.00	\$1,931,879.00	\$2,101,336.00
Total Salaries & Benefits:		\$2,149,896.00	\$1,931,879.00	\$2,101,336.00
Operating Expenses				
General Administration				
PROFESSIONAL SERVICES	10-00-4120-194	\$80,406.00	\$60,015.00	\$89,053.00
CONTRACT SERVICES	10-00-4120-199	\$142,987.00	\$182,035.00	\$131,460.00
UNIFORMS	10-00-4120-212	\$774.00	\$2,900.00	\$500.00
FOOD AND PROVISION	10-00-4120-220	\$9,898.00	\$8,700.00	\$6,500.00
FUEL	10-00-4120-251	\$196.00	\$250.00	\$350.00
FURNITURE, FIXTURES & EQUIPMENT	10-00-4120-298	\$2,705.00	\$650.00	\$0.00
DEPT SUPPLIES	10-00-4120-299	\$8,867.00	\$12,950.00	\$9,000.00
POSTAGE	10-00-4120-325	\$7,071.00	\$4,400.00	\$6,000.00
M/R EQUIPMENT	10-00-4120-352	\$849.00	\$0.00	\$0.00
M/R VEHICLES	10-00-4120-353	\$1,306.00	\$2,000.00	\$2,000.00

Name	Account ID	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
ADVERTISING	10-00-4120-370	\$1,372.00	\$1,200.00	\$1,100.00
TRAVEL & TRAINING	10-00-4120-395	\$13,354.00	\$24,200.00	\$16,000.00
TRAVEL & TRAINING - CITY	10-00-4120-396	\$10,796.00	\$17,300.00	\$10,900.00
GENERAL INSURANCE	10-00-4120-451	\$287,269.00	\$290,000.00	\$330,000.00
MUNICIPAL RENTAL REFUNDS	10-00-4120-487	\$12,700.00	\$8,000.00	\$11,000.00
TOURISM DEVELOPMENT AUTHORITY	10-00-4120-489	\$211,232.00	\$339,200.00	\$270,000.00
DUES & SUBSCRIPTIONS	10-00-4120-491	\$22,614.00	\$23,670.00	\$70,102.00
MARKETING	10-00-4120-492	\$0.00	\$25,000.00	\$25,000.00
COMMUNICATIONS/RELATIONS	10-00-4120-497	\$71,889.00	\$47,650.00	\$72,450.00
MISC EXPENSE	10-00-4120-499	\$2,346.00	\$1,000.00	\$1,000.00
Total General Administration:		\$888,631.00	\$1,051,120.00	\$1,052,415.00
Total Operating Expenses:		\$888,631.00	\$1,051,120.00	\$1,052,415.00
Total Expense Objects:		\$3,038,527.00	\$2,982,999.00	\$3,153,751.00

Administration-IT

Budgetary Increases and Decreases

The General Administration IT FY27 budget is projected at \$553,544 compared to FY26 expenditures of \$450,421, representing a 22% increase year-over-year. This increase is primarily due to capital outlay being moved to individual departments.

\$450,421 **\$41,464**
(10.14% vs. prior year)

Administration- IT Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

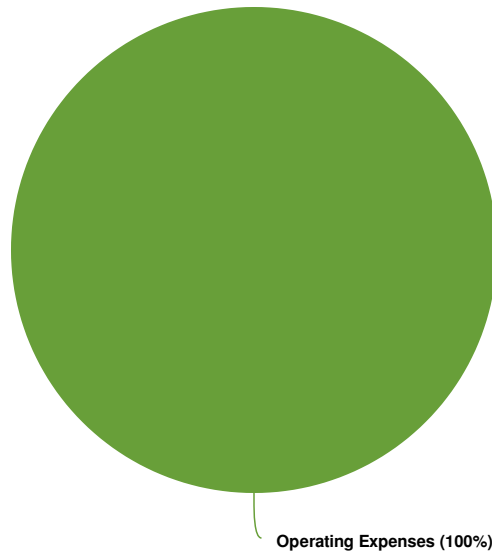
The General Administration IT budget includes contractual services, equipment replacement, and infrastructure improvements to support system performance, cybersecurity, and operational needs across departments.

In FY27, certain expenditures were reclassified from contracted services to dues and subscriptions to improve general ledger accuracy and properly reflect software and subscription-based costs. This resulted in a 66% decrease in contracted services and a 108% increase in dues and subscriptions, driven by reclassification rather than new spending.

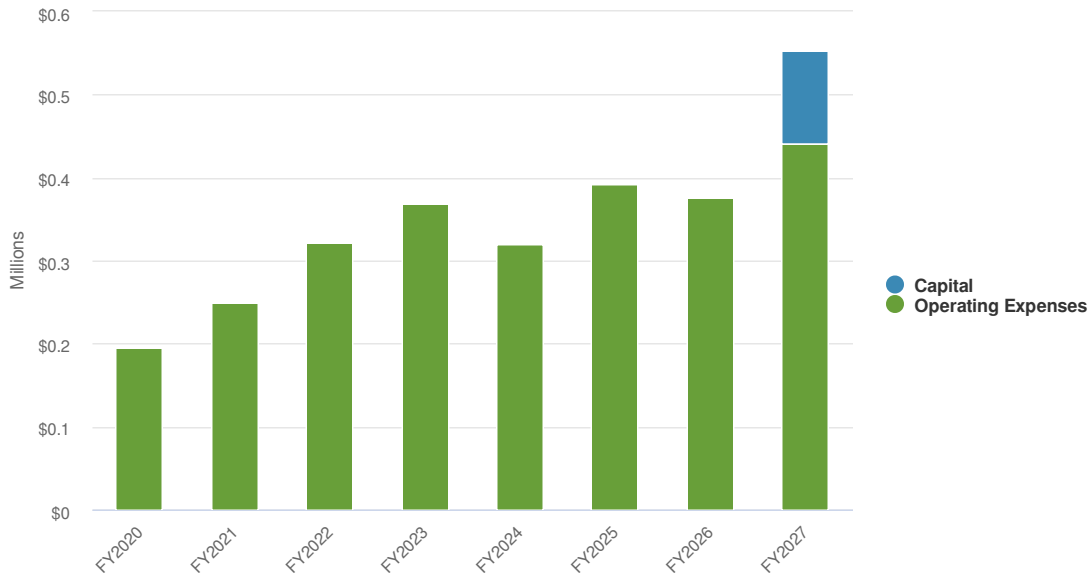
Contract services continue to reflect reliance on specialized IT support, while FF&E includes planned replacements such as computers, storage, and other infrastructure previously deferred or now required.

Overall, the FY27 Administration – IT budget represents a strategic investment in technology infrastructure to enhance efficiency, security, and service delivery across the City.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Operating Expenses					
Administration-IT					
CONTRACT SERVICES	10-00-4210-199	\$96,062.00	\$107,282.00	\$118,528.00	\$40,174.00
FF & E	10-00-4210-298	\$51,050.00	\$49,844.00	\$39,850.00	\$35,628.00
DEPT SUPPLIES	10-00-4210-299	\$5,500.00	\$6,818.00	\$5,500.00	\$6,800.00
TELEPHONE	10-00-4210-321	\$181,006.00	\$166,958.00	\$189,503.00	\$182,836.00
TRAVEL & TRAINING	10-00-4210-395	\$1,100.00	\$1,232.00	\$1,100.00	\$3,600.00
EQUIPMENT RENTAL/LEASE	10-00-4210-439	\$24,400.00	\$15,330.00	\$25,200.00	\$25,431.00
DUES & SUBSCRIPTIONS	10-00-4210-491	\$49,839.00	\$44,581.00	\$70,740.00	\$147,296.00
Total Administration-IT:		\$408,957.00	\$392,045.00	\$450,421.00	\$441,765.00
Total Operating Expenses:		\$408,957.00	\$392,045.00	\$450,421.00	\$441,765.00
Capital					
Administration-IT					
CAPITAL OUTLAY	10-00-4210-550		\$0.00	\$0.00	\$111,779.00
Total Administration-IT:			\$0.00	\$0.00	\$111,779.00
Total Capital:			\$0.00	\$0.00	\$111,779.00
Total Expense Objects:		\$408,957.00	\$392,045.00	\$450,421.00	\$553,544.00

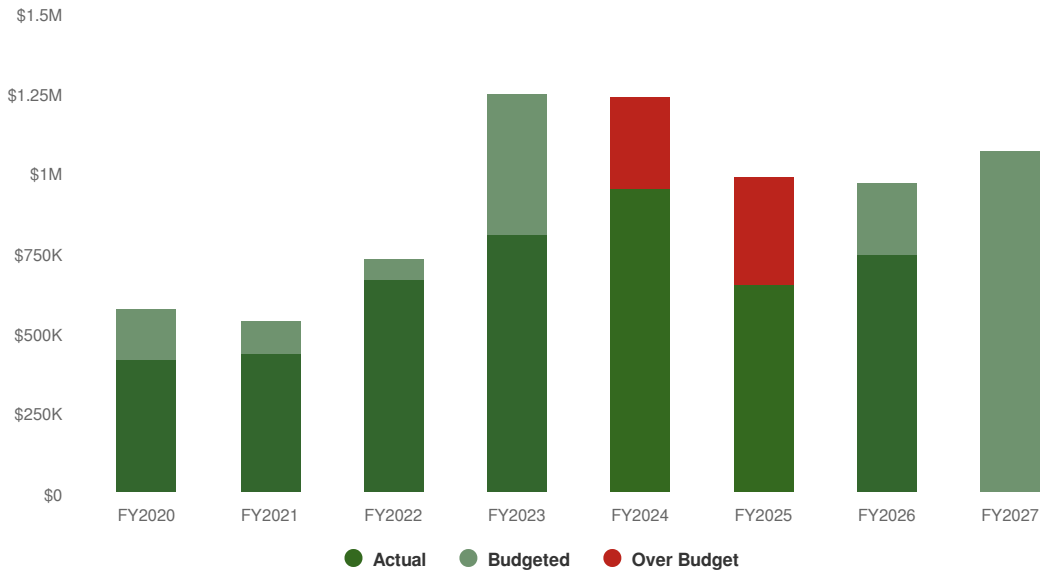
Administration-Maintenance

Budgetary Increases and Decreases

The General Administration Maintenance FY27 budget is projected at \$1,068,700 compared to FY26 expenditures of \$972,117, representing a 9.9% increase year-over-year. This increase reflects adjustments to support ongoing operational needs, technology enhancements, and service delivery within General Administration Maintenance, while maintaining overall fiscal stability and alignment with the City's strategic priorities.

\$972,117 **\$318,617**
(48.76% vs. prior year)

Administration-Maintenance Proposed and Historical Budget vs. Actual



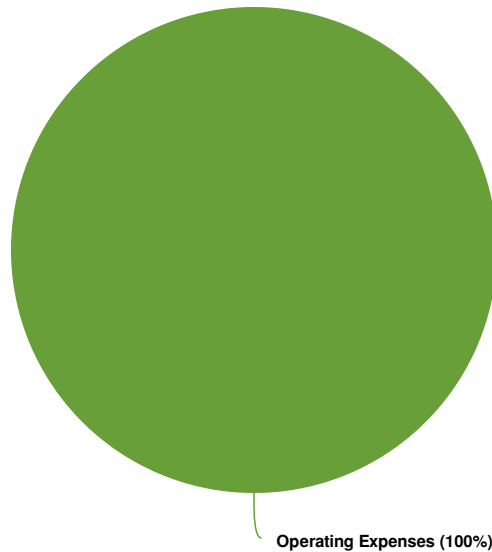
Expenditures by Expense Type

FY27 Maintenance expenditures are primarily driven by personnel costs, including cost-of-living adjustments and rising benefit expenses. Outside of personnel, operating costs remain largely stable, with targeted increases for equipment, repairs, and maintenance to address aging infrastructure and ongoing service demands. Capital outlay has been moved back into individual departments and has slightly elevated the maintenance budget.

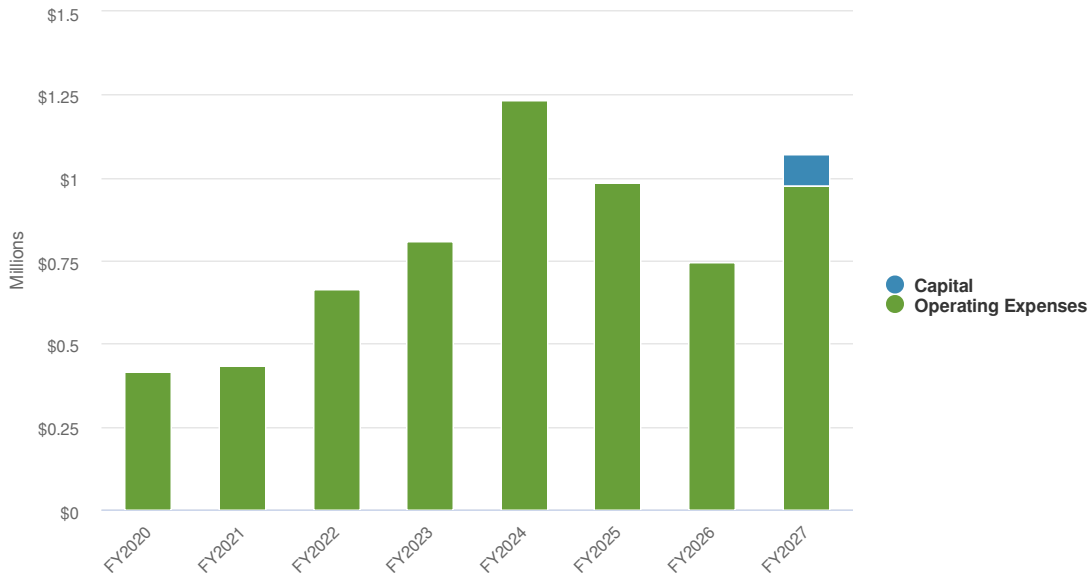
Offsetting measures have been identified through reductions and flat funding in other areas, demonstrating continued fiscal discipline.

Overall, the budget supports the workforce, maintains current operations, and ensures the continued delivery of reliable services without significant expansion.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Operating Expenses					
Administration-Maint					
CONTRACTED SERVICES	10-00-4260-199	\$165,000.00	\$282,682.00	\$223,817.00	\$165,000.00
UNIFORMS	10-00-4260-212	\$7,000.00	\$4,858.00	\$7,400.00	\$7,650.00
FUEL	10-00-4260-251	\$7,000.00	\$8,182.00	\$9,500.00	\$11,500.00
FURNITURE FIXTURES & EQUIPMENT	10-00-4260-298	\$44,500.00	\$37,238.00	\$10,000.00	\$10,300.00
DEPT SUPPLIES	10-00-4260-299	\$19,100.00	\$16,515.00	\$20,000.00	\$18,000.00
UTILITIES	10-00-4260-331	\$210,000.00	\$541,090.00	\$500,500.00	\$547,000.00
M/R BUILDINGS & GROUNDS	10-00-4260-351	\$167,900.00	\$80,676.00	\$165,000.00	\$183,500.00
M/R EQUIPMENT	10-00-4260-352	\$9,000.00	\$2,404.00	\$11,000.00	\$8,500.00
M/R VEHICLE	10-00-4260-353	\$4,000.00	\$1,776.00	\$4,000.00	\$2,000.00
TREE MAINTENANCE	10-00-4260-360	\$11,700.00	\$7,800.00	\$9,500.00	\$9,000.00
TRAVEL & TRAINING	10-00-4260-395	\$3,900.00	\$394.00	\$7,000.00	\$7,000.00
EQUIPMENT RENTAL /LEASE	10-00-4260-439	\$4,400.00	\$3,472.00	\$4,400.00	\$4,750.00
Total Administration-Maint:		\$653,500.00	\$987,087.00	\$972,117.00	\$974,200.00
Total Operating Expenses:		\$653,500.00	\$987,087.00	\$972,117.00	\$974,200.00
Capital					
Administration-Maint					
CAPITAL OUTLAY	10-00-4260-550		\$0.00	\$0.00	\$94,500.00
Total Administration-Maint:			\$0.00	\$0.00	\$94,500.00
Total Capital:			\$0.00	\$0.00	\$94,500.00
Total Expense Objects:		\$653,500.00	\$987,087.00	\$972,117.00	\$1,068,700.00

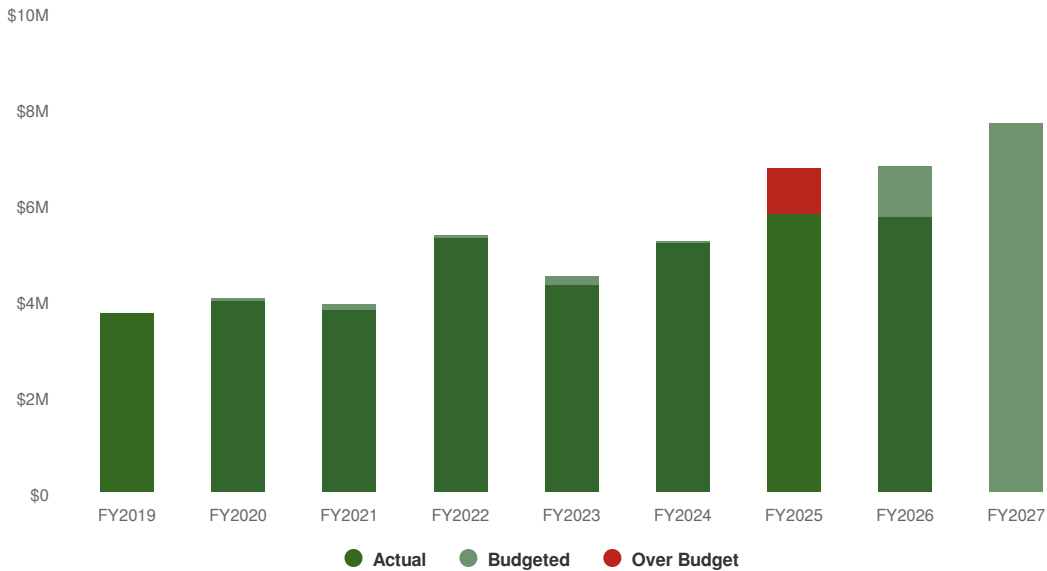
Police

Budgetary Increases and Decreases

The Police Department FY27 budget is projected at \$7,729,002 compared to FY26 expenditures of \$6,812,306, representing a 13.5% increase year-over-year. This increase reflects adjustments related to capital outlay being moved into individual departments, along with continued support for operational needs and service delivery within the Police Department.

\$6,812,306 **\$1,001,307**
(17.23% vs. prior year)

Police Proposed and Historical Budget vs. Actual



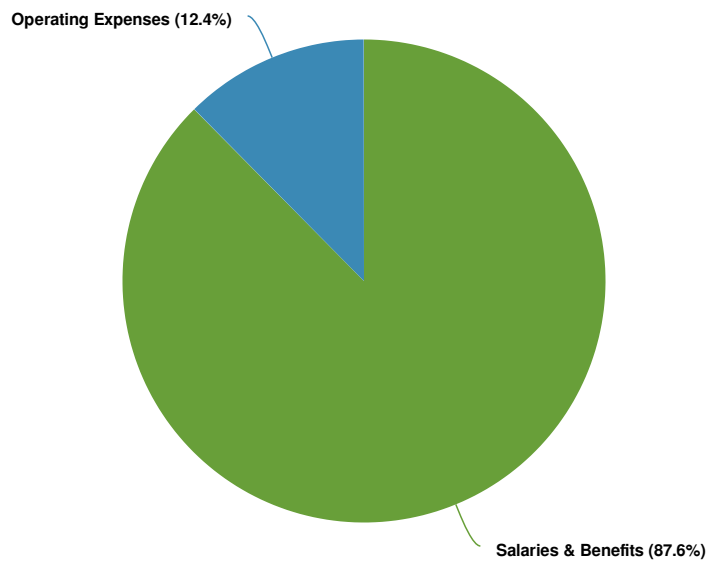
Expenditures by Expense Type

The Police Department operating expenditures remain largely stable, with only targeted increases in critical areas such as equipment, repairs, and maintenance. These adjustments are intended to address aging infrastructure, ensure operational readiness, and support continued service reliability. Within the Police Department, contracted services decreased while dues and subscriptions increased due to the realignment of software and subscription-based services to the correct general ledger line items.

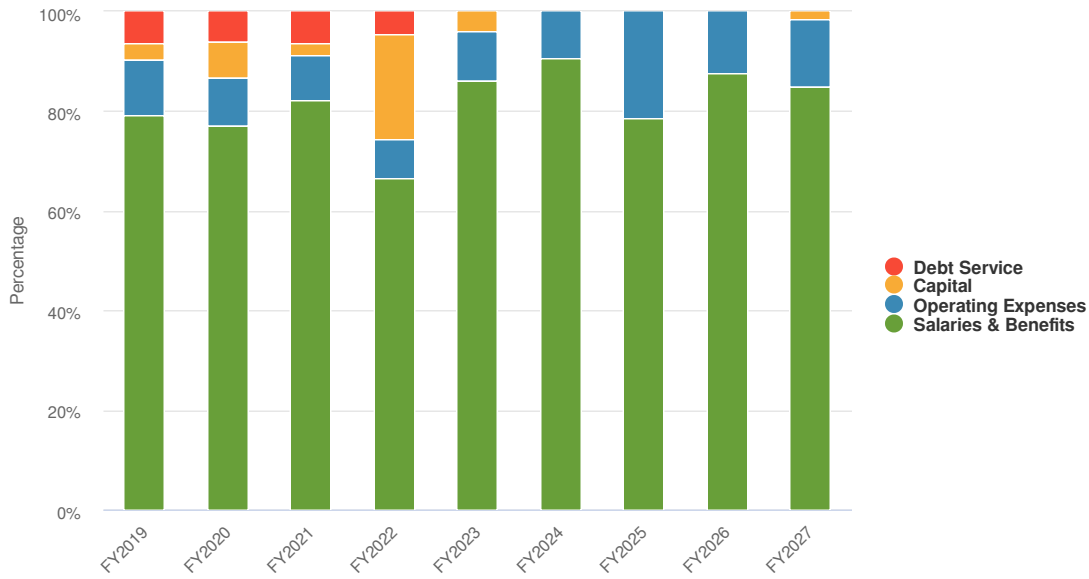
Additionally, capital costs have been realigned and distributed directly to individual departments as part of a more accurate cost allocation structure. This change results in an additional \$90,000 increase within the Police Department budget and reflects a shift in how capital expenses are tracked rather than a net expansion of capital investment.

Importantly, the department has identified and held flat or reduced expenditures in select non-essential areas, helping to partially offset overall increases and demonstrating continued fiscal discipline and responsible budgeting practices.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Salaries & Benefits					
Police					
SALARIES & WAGES-REGULAR	10-10-4310-121	\$3,509,600.00	\$3,690,837.00	\$3,940,937.00	\$4,337,269.00
SALARIES & WAGES-OVERTIME	10-10-4310-122	\$55,000.00	\$66,919.00	\$55,000.00	\$62,000.00
SALARIES-CROSSING GUARDS	10-10-4310-123	\$42,250.00	\$0.00	\$59,572.00	\$60,000.00
SPECIAL COMPENSATION	10-10-4310-125	\$64,247.00	\$49,899.00	\$46,482.00	\$73,000.00
401K-GENERAL	10-10-4310-134	\$27,191.00	\$28,120.00	\$22,339.00	\$27,749.00
401K-LEO	10-10-4310-135	\$148,288.00	\$150,762.00	\$174,707.00	\$178,812.00
FICA	10-10-4310-180	\$279,360.00	\$279,765.00	\$309,595.00	\$347,569.00
RETIREMENT-GENERAL	10-10-4310-182	\$74,179.00	\$79,194.00	\$65,517.00	\$83,798.00
GROUP INSURANCE	10-10-4310-183	\$480,664.00	\$525,391.86	\$594,916.00	\$772,024.00
RETIREMENT-LEO	10-10-4310-184	\$446,051.00	\$459,366.00	\$560,287.00	\$611,532.00
Total Police:		\$5,126,830.00	\$5,330,253.86	\$5,829,352.00	\$6,553,753.00
Total Salaries & Benefits:		\$5,126,830.00	\$5,330,253.86	\$5,829,352.00	\$6,553,753.00
Operating Expenses					
Police					
PROFESSIONAL SERVICES	10-10-4310-194	\$104,850.00	\$19,465.00	\$104,850.00	\$19,950.00
CONTRACT SERVICES	10-10-4310-199	\$171,969.00	\$137,261.00	\$264,294.00	\$179,023.00
UNIFORMS	10-10-4310-212	\$53,750.00	\$47,882.00	\$75,350.00	\$76,350.00
FUEL	10-10-4310-251	\$85,000.00	\$90,422.00	\$95,000.00	\$95,000.00
K-9 EXPENSE	10-10-4310-292	\$26,510.00	\$13,461.00	\$25,310.00	\$20,310.00
FURNITURE, FIXTURES & EQUIPMENT	10-10-4310-298	\$82,350.00	\$72,770.00	\$115,480.00	\$80,400.00
DEPT SUPPLIES	10-10-4310-299	\$36,500.00	\$34,669.00	\$41,500.00	\$41,500.00

Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
POSTAGE	10-10-4310-325	\$600.00	\$54.00	\$600.00	\$600.00
M/R EQUIPMENT	10-10-4310-352	\$2,000.00	\$1,800.00	\$2,000.00	\$2,000.00
M/R VEHICLES	10-10-4310-353	\$46,000.00	\$60,199.00	\$46,000.00	\$93,000.00
ADVERTISING	10-10-4310-370	\$500.00	\$113.10	\$500.00	\$500.00
TRAVEL & TRAINING	10-10-4310-395	\$31,000.00	\$29,072.21	\$41,000.00	\$32,000.00
EQUIPMENT RENTAL/LEASE	10-10-4310-439	\$8,400.00	\$847,514.90	\$135,325.00	\$230,000.00
DUES & SUBSCRIPTIONS	10-10-4310-491	\$6,320.00	\$29,771.00	\$6,520.00	\$162,391.00
PURCHASES-FORFEITURE FUNDS	10-10-4310-497	\$0.00	\$887.00	\$0.00	\$0.00
MISC. EXPENSE - BUY MONEY	10-10-4310-498	\$10,000.00	\$3,000.00	\$10,000.00	\$10,000.00
MISC EXPENSE	10-10-4310-499	\$100.00	\$100.00	\$100.00	\$100.00
COMMUNITY SERVICE	10-10-4310-620	\$19,125.00	\$15,406.80	\$19,125.00	\$19,125.00
FEDERAL FORFEITURE EXPENSE	10-10-4310-624	\$0.00	\$21,800.00	\$0.00	\$0.00
STATE FORFEITURE EXPENSE	10-10-4310-625	\$0.00	\$15,913.53	\$0.00	\$0.00
Total Police:		\$684,974.00	\$1,441,561.54	\$982,954.00	\$1,062,249.00
Total Operating Expenses:		\$684,974.00	\$1,441,561.54	\$982,954.00	\$1,062,249.00
Capital					
Police					
CAPITAL OUTLAY	10-10-4310-550	\$0.00	\$0.00	\$0.00	\$90,000.00
NON-CAPITALIZED CAPITAL OUTLAY	10-10-4310-552	\$0.00	\$0.00	\$0.00	\$23,000.00
Total Police:		\$0.00	\$0.00	\$0.00	\$113,000.00
Total Capital:		\$0.00	\$0.00	\$0.00	\$113,000.00
Total Expense Objects:		\$5,811,804.00	\$6,771,815.40	\$6,812,306.00	\$7,729,002.00

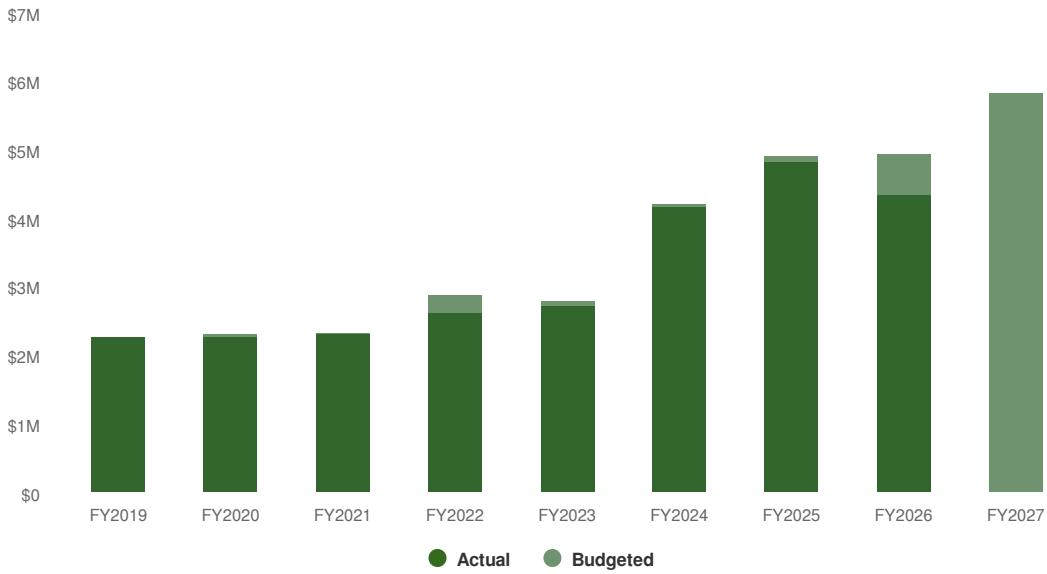
Fire

Budgetary Increases and Decreases

The Fire Department FY27 projected expenditures are \$5,845,115, representing an 18.2% increase over the FY26 budget of \$4,943,560. This increase is largely related to capital outlay being moved into individual departments, along with continued support for operational needs and service delivery within the Fire Department.

\$4,943,560 **\$26,796**
(0.54% vs. prior year)

Fire Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

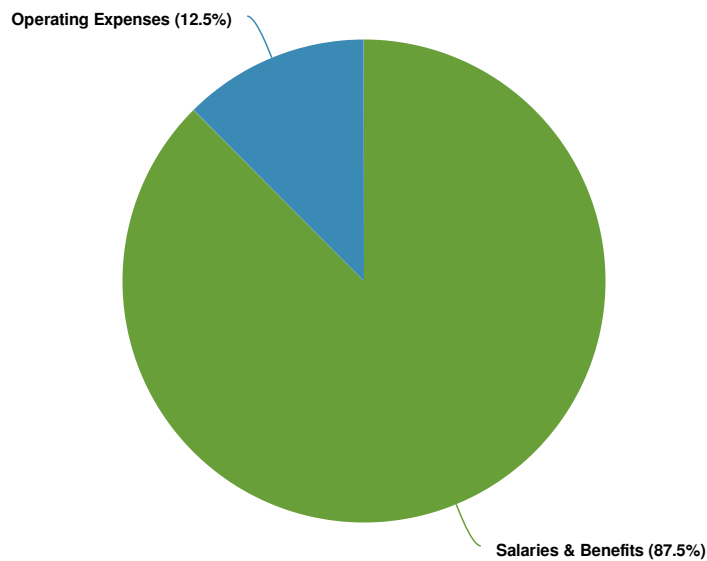
The Fire Department FY27 budget reflects a targeted adjustment to maintain current service levels and support critical operational needs. The increase is primarily driven by capital investment for the replacement of air packs and radios, as well as the City's shift of capital expenditures back into individual departments for more accurate cost allocation.

Additional increases are also reflected in vehicle maintenance due to an aging fleet, along with a higher lease line to support two new vehicles needed to maintain operational readiness and response capabilities.

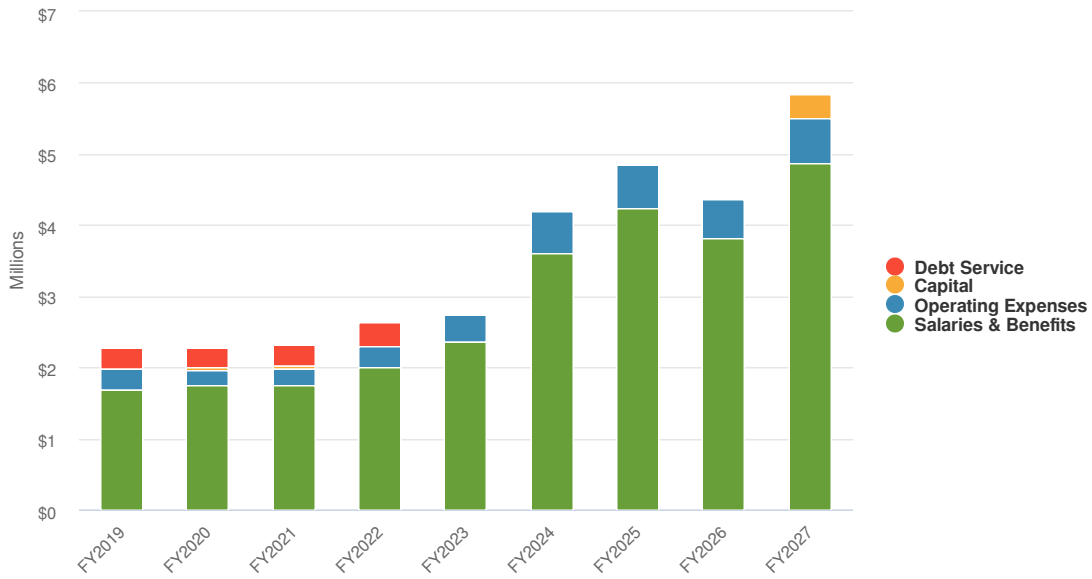
Outside of these areas, operating expenditures remain largely stable, with continued efforts to control costs and identify efficiencies. The department has also held or reduced select non-essential expenditures to help offset increases.

Overall, the FY27 Fire Department budget prioritizes essential equipment, fleet needs, and reliable service delivery without significant expansion.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Salaries & Benefits					
Fire					
SALARIES & WAGES-REGULAR	10-10-4340-121	\$2,892,926.00	\$2,536,172.95	\$2,685,331.00	\$3,010,523.00
SALARIES & WAGES-OVERTIME	10-10-4340-122	\$160,000.00	\$440,782.62	\$400,000.00	\$300,000.00
401K-GENERAL	10-10-4340-134	\$154,684.00	\$146,351.00	\$131,267.00	\$163,659.00
FICA	10-10-4340-180	\$241,600.00	\$215,910.00	\$205,428.00	\$253,944.00
RETIREMENT-GENERAL	10-10-4340-182	\$422,012.00	\$403,381.00	\$377,785.00	\$494,249.00
GROUP INSURANCE	10-10-4340-183	\$463,442.00	\$498,625.00	\$562,749.00	\$640,440.00
Total Fire:		\$4,334,664.00	\$4,241,222.57	\$4,362,560.00	\$4,862,815.00
Total Salaries & Benefits:		\$4,334,664.00	\$4,241,222.57	\$4,362,560.00	\$4,862,815.00
Operating Expenses					
Fire					
PROFESSIONAL SERVICES	10-10-4340-194	\$0.00	\$1,900.00	\$0.00	\$0.00
CONTRACT SERVICES	10-10-4340-199	\$39,000.00	\$30,194.00	\$28,500.00	\$33,500.00
UNIFORMS	10-10-4340-212	\$144,400.00	\$110,653.00	\$151,400.00	\$152,300.00
FUEL	10-10-4340-251	\$50,000.00	\$40,108.00	\$50,000.00	\$60,000.00
FURNITURE, FIXTURES & EQUIPMENT	10-10-4340-298	\$75,000.00	\$74,681.00	\$66,800.00	\$72,300.00
DEPT SUPPLIES	10-10-4340-299	\$30,700.00	\$27,814.00	\$39,500.00	\$46,500.00
TELEPHONE	10-10-4340-321	\$0.00	\$18,688.00	\$0.00	\$0.00
M/R EQUIPMENT	10-10-4340-352	\$31,800.00	\$18,688.00	\$31,600.00	\$47,500.00
M/R VEHICLES	10-10-4340-353	\$120,000.00	\$202,599.00	\$104,000.00	\$104,000.00
ADVERTISING	10-10-4340-370	\$0.00	\$122.00	\$0.00	\$0.00
TRAVEL & TRAINING	10-10-4340-395	\$63,000.00	\$46,597.00	\$77,000.00	\$66,500.00

Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
EQUIPMENT RENTAL/LEASE	10-10-4340-439	\$0.00	\$0.00	\$0.00	\$34,000.00
DUES & SUBSCRIPTIONS	10-10-4340-491	\$23,200.00	\$24,261.00	\$29,200.00	\$29,200.00
MISC EXPENSE	10-10-4340-499	\$2,000.00	\$151.00	\$0.00	\$0.00
COMMUNITY SERVICE	10-10-4340-620	\$3,000.00	\$3,598.00	\$3,000.00	\$3,000.00
Total Fire:		\$582,100.00	\$600,054.00	\$581,000.00	\$648,800.00
Total Operating Expenses:		\$582,100.00	\$600,054.00	\$581,000.00	\$648,800.00
Capital					
Fire					
CAPITAL OUTLAY	10-10-4340-550	\$0.00	\$0.00	\$0.00	\$333,500.00
Total Fire:		\$0.00	\$0.00	\$0.00	\$333,500.00
Total Capital:		\$0.00	\$0.00	\$0.00	\$333,500.00
Total Expense Objects:		\$4,916,764.00	\$4,841,276.57	\$4,943,560.00	\$5,845,115.00

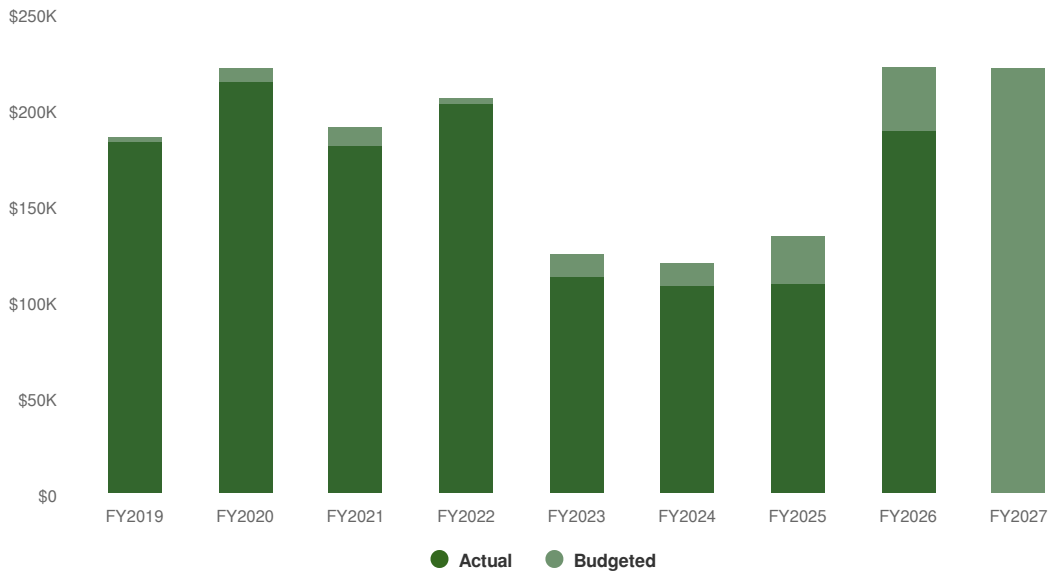
Garage

Budgetary Increases and Decreases

The Garage FY27 budget is projected at \$221,715, representing a 0.6% decrease from the FY26 budget of \$222,955. This slight reduction reflects a continued focus on cost control and operational efficiency.

\$222,955 **\$88,646**
(66.00% vs. prior year)

Garage Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

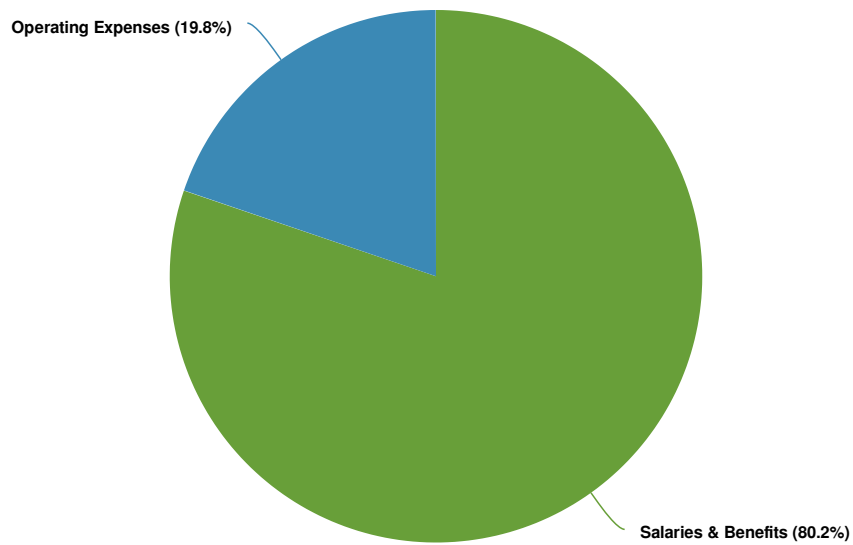
The FY27 Garage budgetary decrease reflects a modest reduction while continuing to support current service levels. The primary driver of this decrease is lower personnel-related costs, including reductions in salaries and associated benefit expenses.

There are no capital expenditures included in the Garage Department budget for FY27, as capital has been evaluated and allocated based on priority needs across departments.

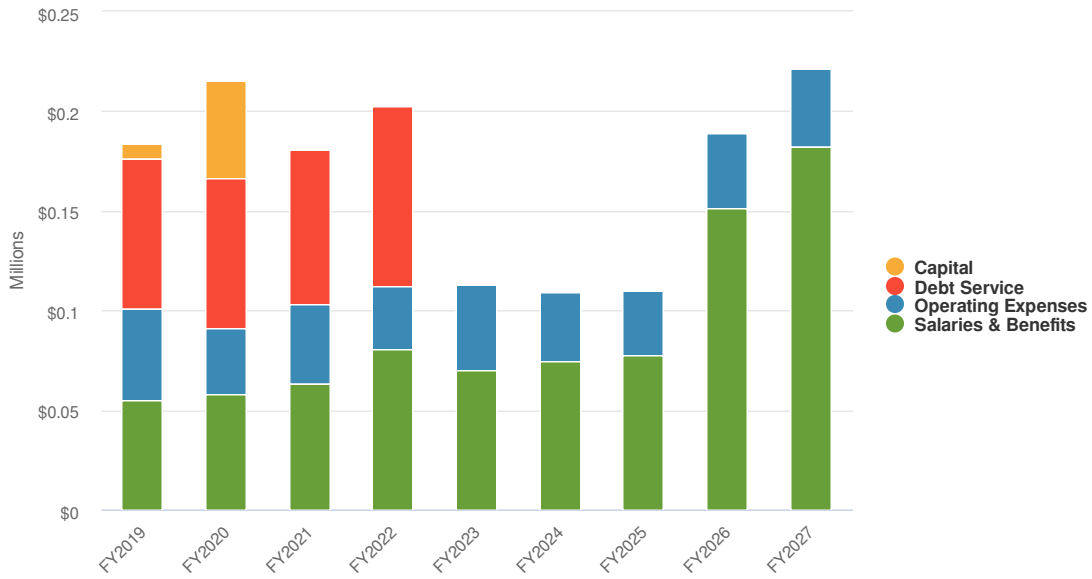
Outside of these areas, operating expenditures have remained largely stable, with continued efforts to manage costs and maintain efficiency.

Overall, this budget supports ongoing operations, reflects responsible cost management, and maintains service levels without the need for additional investment.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Salaries & Benefits					
Garage					
SALARIES & WAGES-REGULAR	10-20-4550-121	\$49,465.00	\$50,416.00	\$108,474.00	\$114,523.00
SALARIES & WAGES-OVERTIME	10-20-4550-122	\$5,000.00	\$1,391.00	\$5,000.00	\$5,000.00
401K-GENERAL	10-20-4550-134	\$2,737.00	\$2,540.00	\$5,424.00	\$5,726.00
FICA	10-20-4550-180	\$4,188.00	\$3,633.00	\$8,298.00	\$5,761.00
RETIREMENT-GENERAL	10-20-4550-182	\$7,467.00	\$7,026.00	\$15,566.00	\$17,293.00
GROUP INSURANCE	10-20-4550-183	\$23,952.00	\$12,796.00	\$38,443.00	\$33,662.00
Total Garage:		\$92,809.00	\$77,802.00	\$181,205.00	\$181,965.00
Total Salaries & Benefits:		\$92,809.00	\$77,802.00	\$181,205.00	\$181,965.00
Operating Expenses					
Garage					
CONTRACT SERVICES	10-20-4550-199	\$10,000.00	\$5,499.00	\$10,000.00	\$5,000.00
UNIFORMS	10-20-4550-212	\$2,500.00	\$4,025.00	\$2,500.00	\$4,250.00
FUEL	10-20-4550-251	\$1,000.00	\$709.00	\$1,000.00	\$1,250.00
DEPT SUPPLIES	10-20-4550-299	\$25,000.00	\$20,108.00	\$25,000.00	\$25,000.00
TELEPHONE	10-20-4550-321	\$0.00	\$0.00	\$250.00	\$250.00
M/R EQUIPMENT	10-20-4550-352	\$1,000.00	\$1,000.00	\$1,000.00	\$1,500.00
M/R VEHICLES	10-20-4550-353	\$2,000.00	\$463.00	\$2,000.00	\$2,500.00
Total Garage:		\$41,500.00	\$31,804.00	\$41,750.00	\$39,750.00
Total Operating Expenses:		\$41,500.00	\$31,804.00	\$41,750.00	\$39,750.00
Total Expense Objects:		\$134,309.00	\$109,606.00	\$222,955.00	\$221,715.00

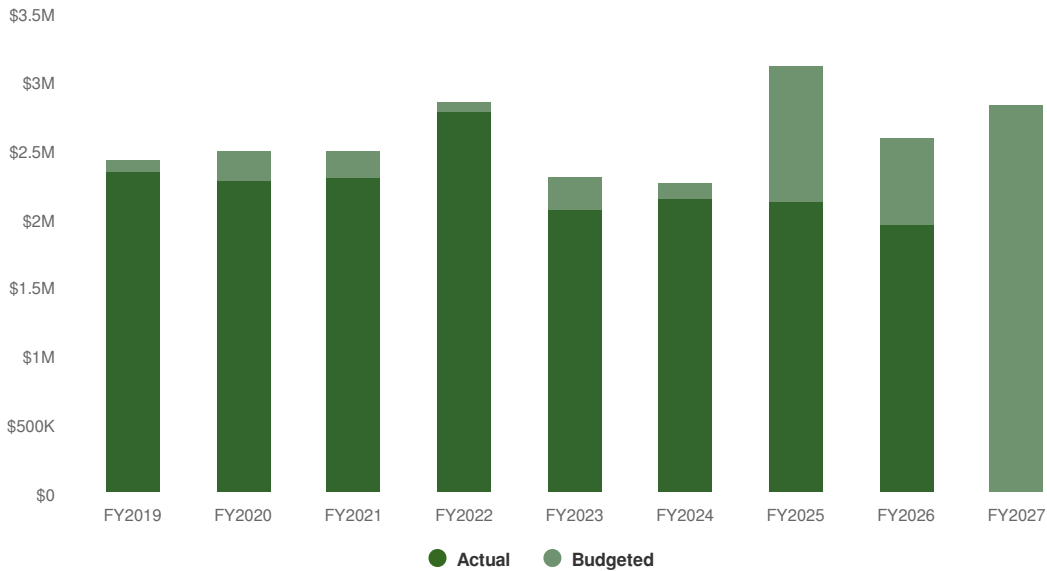
Streets and Solid Waste

Budgetary Increases and Decreases

Streets and Solid Waste FY27 forecasted expenditures are \$2,836,002, representing a 9.6% increase over the FY26 budget of \$2,587,550. There are no capital outlay items budgeted for this year. The primary drivers of the increase are higher fuel costs and the addition of two new leased trucks to support ongoing operations and service delivery.

\$2,587,550 **-\$534,561**
 (-17.12% vs. prior year)

Streets and Solid Waste Proposed and Historical Budget vs. Actual

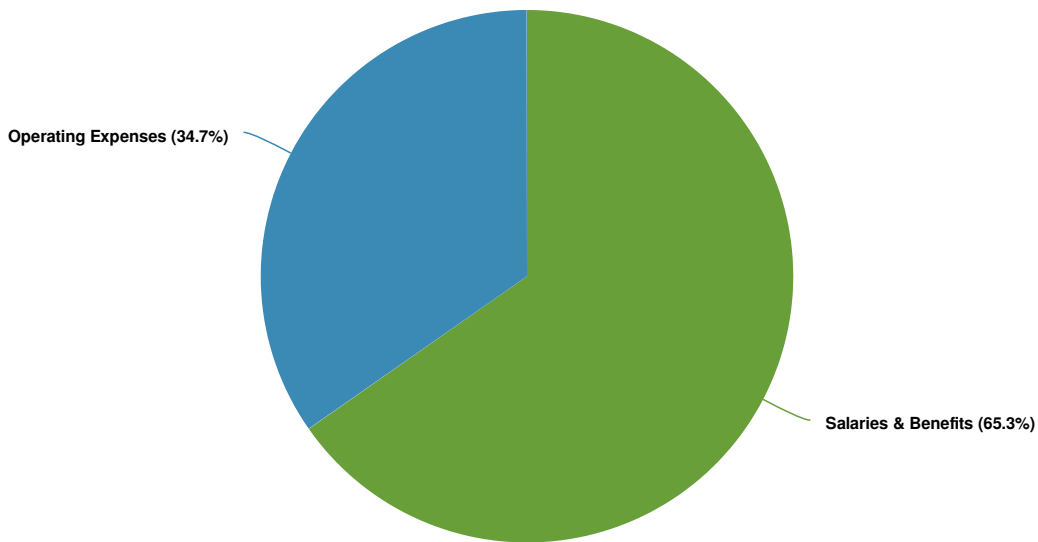


Expenditures by Expense Type

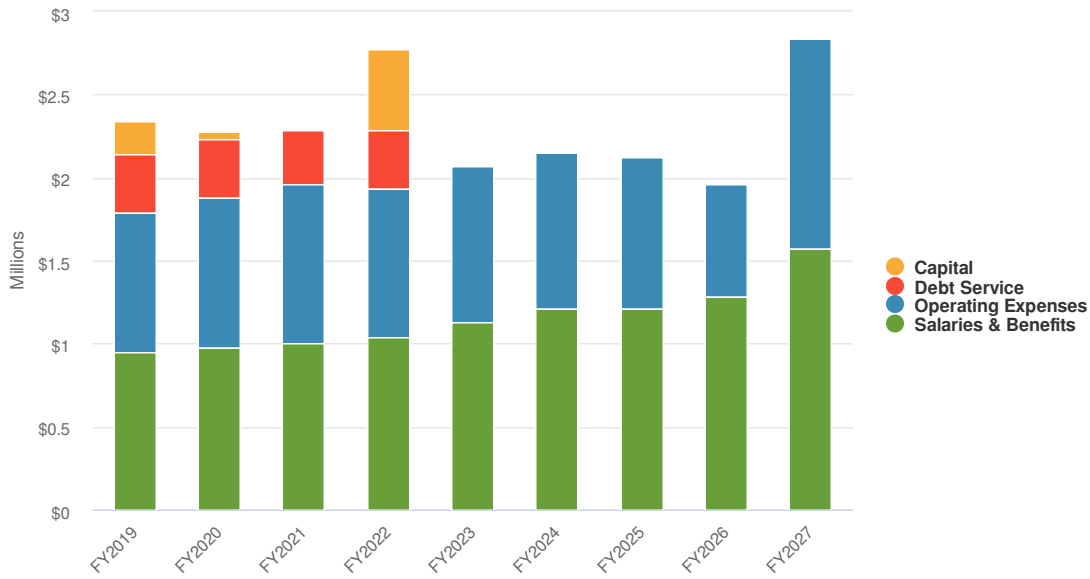
The Streets and Solid Waste FY27 budget reflects a measured increase to support current service levels and operational needs. Key drivers include higher lease costs associated with two new trucks, which are expected to improve reliability and reduce long-term maintenance expenses. Another driver is the increased need for training on new equipment, which has led to higher travel and training costs.

The department has no capital outlay items in FY27, as capital expenditures have been moved back into individual departments. Outside of these areas, operating costs remain largely stable, reflecting continued efforts to manage expenses and maintain efficiency.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Salaries & Benefits					
Streets & Solid Waste					
SALARIES & WAGES-REGULAR	10-30-4710-121	\$964,872.00	\$808,461.00	\$923,885.00	\$1,004,110.00
SALARIES & WAGES-OVERTIME	10-30-4710-122	\$28,000.00	\$19,739.00	\$28,000.00	\$28,000.00
401K-GENERAL	10-30-4710-134	\$49,036.00	\$39,273.00	\$46,194.00	\$50,206.00
FICA	10-30-4710-180	\$75,024.00	\$62,112.00	\$70,677.00	\$76,814.00
RETIREMENT-GENERAL	10-30-4710-182	\$133,769.00	\$111,932.00	\$132,947.00	\$147,204.00
GROUP INSURANCE	10-30-4710-183	\$171,930.00	\$172,190.00	\$220,097.00	\$267,418.00
Total Streets & Solid Waste:		\$1,422,631.00	\$1,213,707.00	\$1,421,800.00	\$1,573,752.00
Total Salaries & Benefits:		\$1,422,631.00	\$1,213,707.00	\$1,421,800.00	\$1,573,752.00
Operating Expenses					
Streets & Solid Waste					
PROFESSIONAL SERVICES	10-30-4710-194	\$40,000.00	\$0.00	\$40,000.00	\$20,000.00
CONTRACT SERVICES	10-30-4710-199	\$769,480.00	\$158,313.00	\$100,000.00	\$100,000.00
MAINTENANCE & REPAIRS/PAVING	10-30-4710-200		\$0.00	\$300,000.00	\$200,000.00
UNIFORMS	10-30-4710-212	\$26,000.00	\$22,559.00	\$28,000.00	\$32,500.00
FUEL	10-30-4710-251	\$130,000.00	\$91,502.00	\$130,000.00	\$150,000.00
FURNITURE, FIXTURES & EQUIPMENT	10-30-4710-298	\$65,000.00	\$42,856.00	\$65,000.00	\$65,000.00
DEPT SUPPLIES	10-30-4710-299	\$40,000.00	\$72,159.00	\$40,000.00	\$40,000.00
TIPPING FEES - LANDFILL	10-30-4710-306	\$240,000.00	\$255,557.00	\$240,000.00	\$240,000.00
POSTAGE	10-30-4710-325	\$0.00	\$0.00	\$250.00	\$250.00
UTILITIES	10-30-4710-331	\$250,000.00	\$0.00	\$0.00	\$0.00
M/R EQUIPMENT	10-30-4710-352	\$20,000.00	\$15,956.00	\$25,000.00	\$25,000.00

Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
M/R VEHICLES	10-30-4710-353	\$100,000.00	\$242,028.00	\$175,000.00	\$175,000.00
TREE CITY MAINTENANCE	10-30-4710-360	\$10,000.00	\$2,500.00	\$10,000.00	\$10,000.00
ADVERTISING	10-30-4710-370	\$1,000.00	\$902.00	\$4,500.00	\$4,500.00
TRAVEL & TRAINING	10-30-4710-395	\$3,000.00	\$95.00	\$3,000.00	\$15,000.00
EQUIPMENT RENTAL/LEASE	10-30-4710-439	\$5,000.00	\$2,638.00	\$5,000.00	\$185,000.00
MISC EXPENSE	10-30-4710-499	\$0.00	\$100.00	\$0.00	\$0.00
Total Streets & Solid Waste:		\$1,699,480.00	\$907,165.00	\$1,165,750.00	\$1,262,250.00
Total Operating Expenses:		\$1,699,480.00	\$907,165.00	\$1,165,750.00	\$1,262,250.00
Total Expense Objects:		\$3,122,111.00	\$2,120,872.00	\$2,587,550.00	\$2,836,002.00

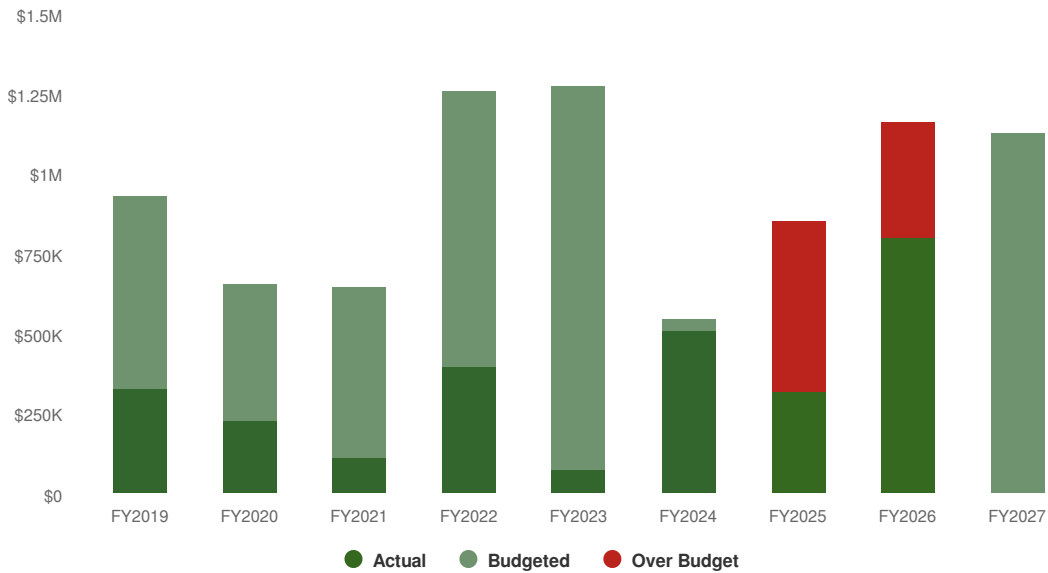
Powell Bill

Budgetary Increases and Decreases

Powell Bill FY27 projected expenditures are \$1,132,000, representing a 41.5% increase over the FY26 budget of \$800,000. This increase is due to a capital-related project.

\$800,000 **\$480,000**
(150.00% vs. prior year)

Powell Bill Proposed and Historical Budget vs. Actual

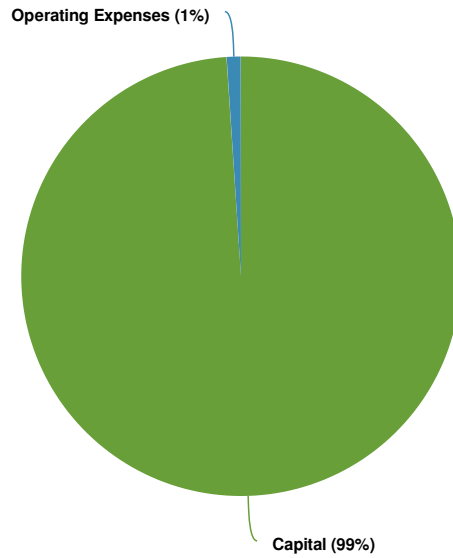


Expenditures by Expense Type

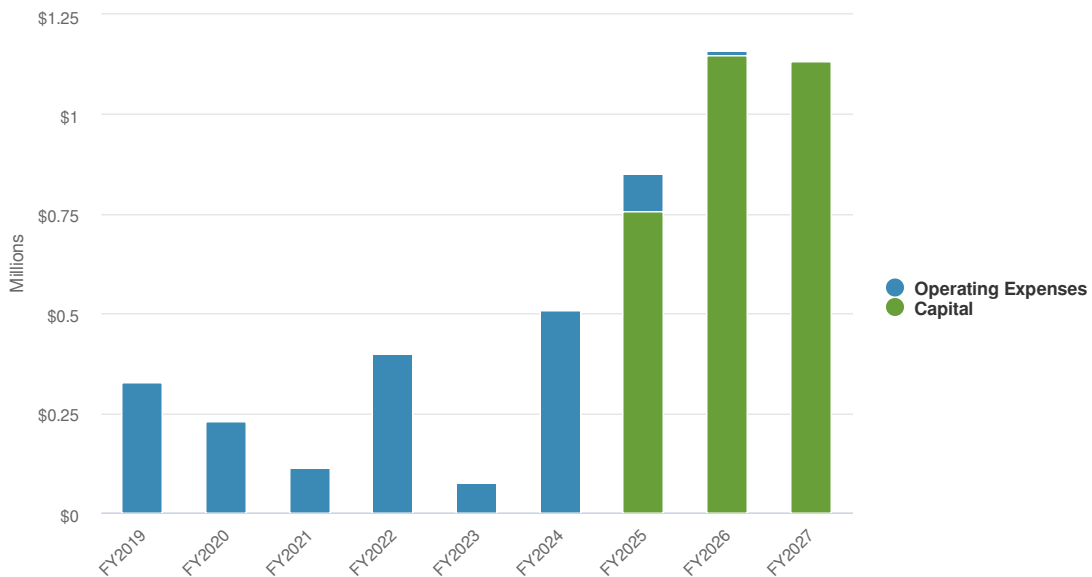
The primary driver of this increase is a capital purchase, specifically the acquisition of a street sweeper. While capital is being moved back into individual departments as part of a revised budgeting approach to provide a more accurate reflection of departmental costs, this department does include a major capital item in FY27.

Outside of these areas, operating expenditures have remained largely stable, with continued efforts to manage costs and maintain efficiency.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Operating Expenses					
Powell Bill					
M/R SIDEWALKS	27-20-4510-356	\$150,000.00	\$9,568.00	\$0.00	\$0.00
M/R STREETS	27-20-4510-357	\$150,000.00	\$87,854.00	\$0.00	\$0.00
PREV MAINTENANCE	27-20-4510-359	\$20,000.00	\$0.00	\$0.00	\$0.00
Total Powell Bill:		\$320,000.00	\$97,422.00	\$0.00	\$0.00
Total Operating Expenses:		\$320,000.00	\$97,422.00	\$0.00	\$0.00
Capital					
Powell Bill					
CAPITAL OUTLAY - EQUIPMENT	27-20-4510-550	\$0.00	\$24,726.00	\$0.00	\$332,000.00
CAPITAL-STREET CONSTRUCTION	27-20-4510-591	\$0.00	\$730,469.00	\$800,000.00	\$800,000.00
Total Powell Bill:		\$0.00	\$755,195.00	\$800,000.00	\$1,132,000.00
Total Capital:		\$0.00	\$755,195.00	\$800,000.00	\$1,132,000.00
Total Expense Objects:		\$320,000.00	\$852,617.00	\$800,000.00	\$1,132,000.00

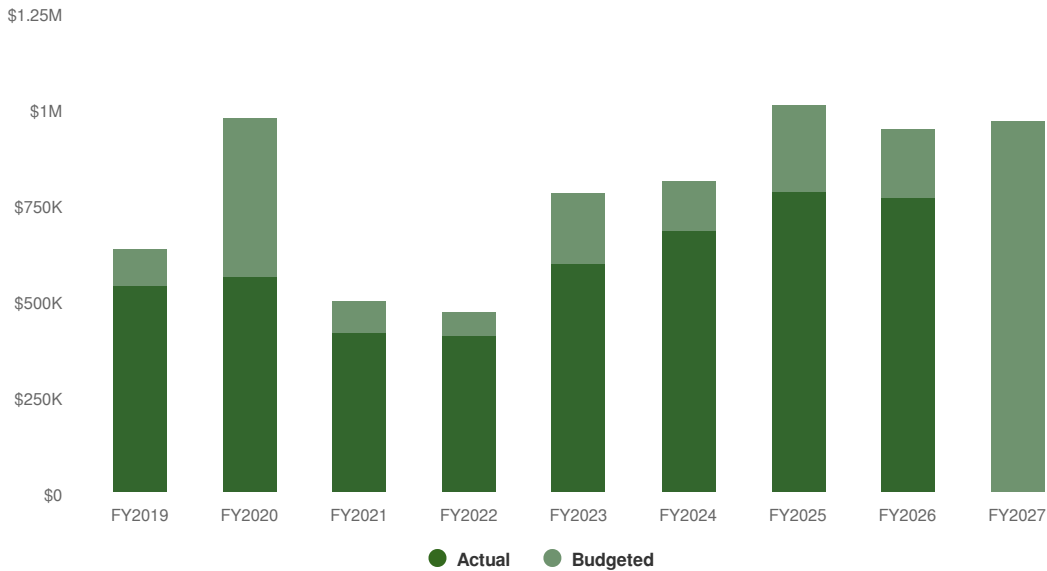
Planning and Zoning

Budgetary Increase and Decreases

The Planning Department FY27 projected budget is \$967,733, representing a 1.9% increase over the FY26 budget of \$950,078. Across the department, any increases have been offset by decreases in other line items, reflecting a balanced approach to managing costs while maintaining current service levels.

\$950,078 **-\$60,811**
(-6.02% vs. prior year)

Planning Proposed and Historical Budget vs. Actual



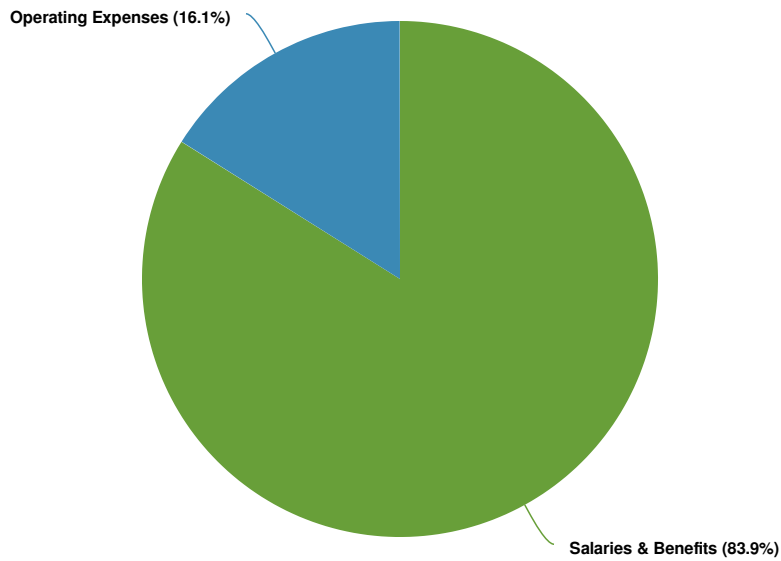
Expenditures by Expense Type

Planning department reflects a minimal increase while continuing to support current service levels and departmental operations.

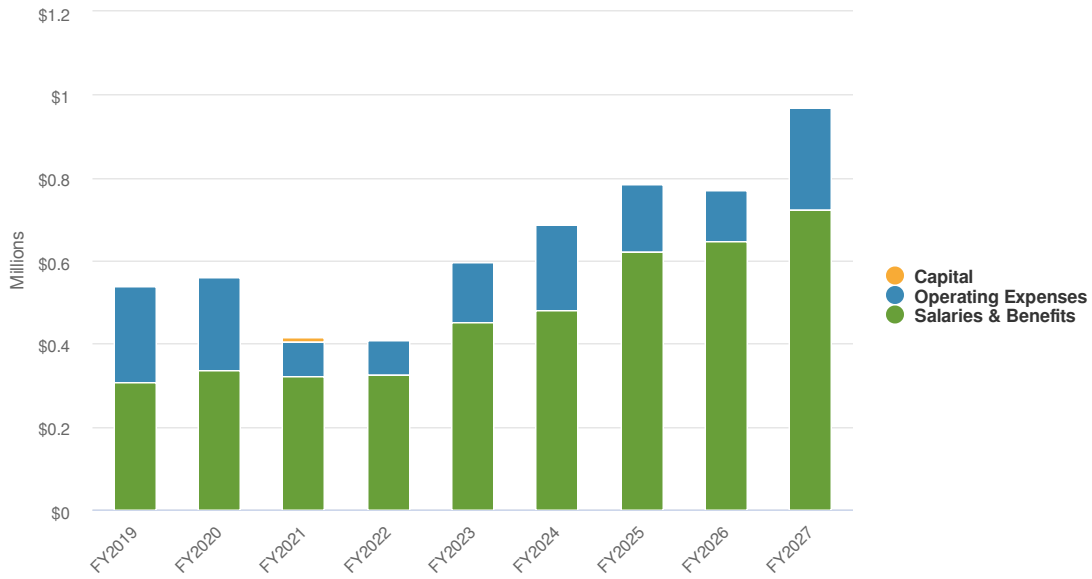
The Planning Department budget has remained largely level overall, as several decreases across line items have been implemented to offset targeted increases, demonstrating a continued focus on cost management and efficiency.

While capital expenditures are being moved back into individual departments as part of a revised budgeting approach, the Planning Department does not have any capital requests included in the FY27 budget.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Salaries & Benefits					
Planning & Zoning					
SALARIES & WAGES-REGULAR	10-40-4910-121	\$550,767.00	\$418,829.00	\$465,986.00	\$503,383.00
401K-GENERAL	10-40-4910-134	\$27,160.00	\$20,035.00	\$22,889.00	\$24,397.00
FICA	10-40-4910-180	\$42,134.00	\$29,986.00	\$35,648.00	\$38,509.00
RETIREMENT-GENERAL	10-40-4910-182	\$74,093.00	\$55,147.00	\$65,691.00	\$73,678.00
GROUP INSURANCE	10-40-4910-183	\$73,392.00	\$97,210.00	\$80,164.00	\$82,573.00
Total Planning & Zoning:		\$767,546.00	\$621,207.00	\$670,378.00	\$722,540.00
Total Salaries & Benefits:		\$767,546.00	\$621,207.00	\$670,378.00	\$722,540.00
Operating Expenses					
Planning & Zoning					
PROFESSIONAL SERVICES	10-40-4910-194	\$13,000.00	\$950.00	\$13,000.00	\$20,000.00
CONTRACT SERVICES	10-40-4910-199	\$103,900.00	\$61,625.00	\$100,000.00	\$66,000.00
UNIFORMS	10-40-4910-212	\$1,500.00	\$983.00	\$1,800.00	\$1,000.00
FUEL	10-40-4910-251	\$1,800.00	\$690.00	\$2,000.00	\$2,000.00
FURNITURE, FIXTURES & EQUIPMENT	10-40-4910-298	\$3,500.00	\$2,329.00	\$2,000.00	\$2,000.00
DEPT SUPPLIES	10-40-4910-299	\$2,000.00	\$1,934.00	\$2,000.00	\$1,800.00
M/R EQUIPMENT	10-40-4910-352	\$1,000.00	\$0.00	\$1,000.00	\$1,000.00
M/R VEHICLES	10-40-4910-353	\$1,000.00	\$680.00	\$1,000.00	\$1,000.00
ADVERTISING	10-40-4910-370	\$8,000.00	\$8,363.00	\$13,700.00	\$12,500.00
TRAVEL & TRAINING	10-40-4910-395	\$15,160.00	\$5,442.00	\$19,550.00	\$16,909.00
DUES & SUBSCRIPTIONS	10-40-4910-491	\$9,483.00	\$7,162.00	\$9,900.00	\$6,984.00
MISC EXPENSE	10-40-4910-499	\$3,000.00	\$649.00	\$3,750.00	\$4,000.00

Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
ARTS	10-40-4910-603	\$80,000.00	\$72,213.00	\$110,000.00	\$110,000.00
Total Planning & Zoning:		\$243,343.00	\$163,020.00	\$279,700.00	\$245,193.00
Total Operating Expenses:		\$243,343.00	\$163,020.00	\$279,700.00	\$245,193.00
Total Expense Objects:		\$1,010,889.00	\$784,227.00	\$950,078.00	\$967,733.00

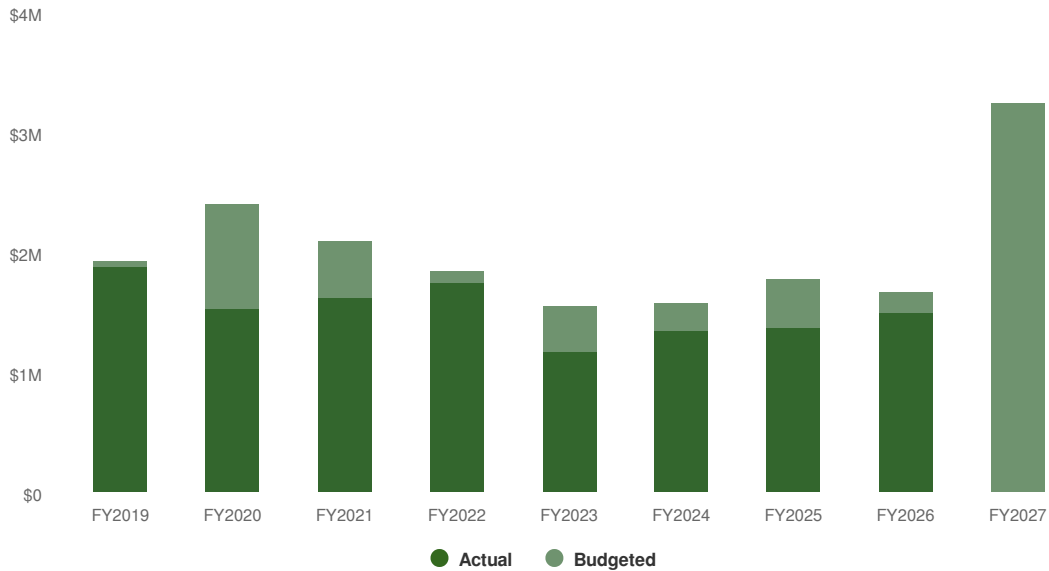
Parks and Recreation

Budgetary Increases and Decreases

Parks and Recreation has an FY27 projected budget of \$3,246,733, representing a 94% increase over the FY26 budget of \$1,673,601. This significant increase is driven by the addition of new departmental line items for ABC-allocated funds set aside by the Council as part of a five-year plan.

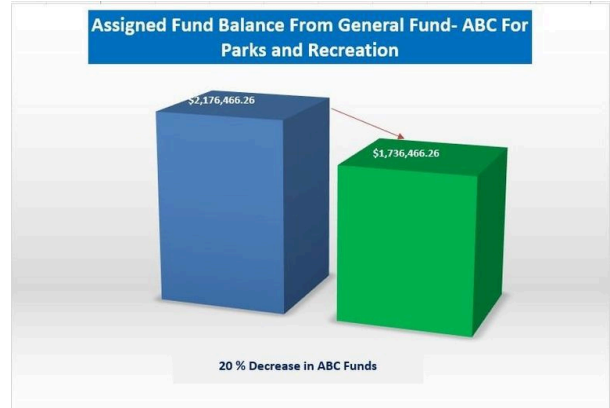
\$1,673,601 **-\$118,208**
(-6.60% vs. prior year)

Parks and Recreation Proposed and Historical Budget vs. Actual



ABC Funds Allocated for Capital Projects

ABC Board revenues have decreased in FY27 due to several factors, including a decline in sales. This reduction has necessitated the use of ABC assigned fund balance. In FY27, ABC fund balance will be utilized to support capital outlay in lines 6120-550 and 6120-194, totaling \$760,000. These costs will be covered by \$320,000 in forecasted revenue and \$440,000 from assigned fund balance. This is part of a five-year plan established by Council to utilize funds set aside specifically for Parks and Recreation purposes.



Expenditures by Expense Type

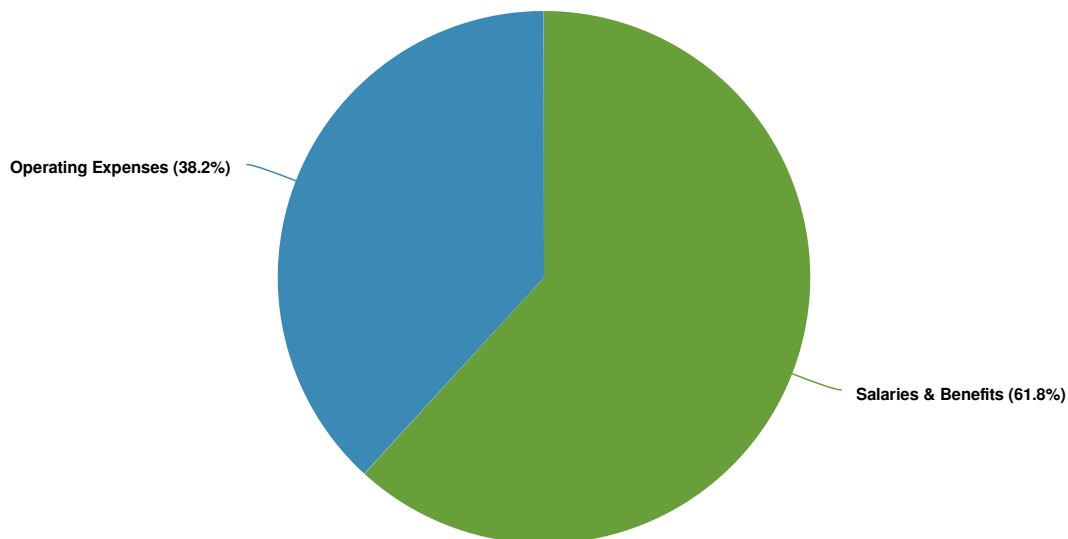
Parks and Recreation's budget has significantly increased in FY27. This is a result of several key indicators.

A major contributor is the addition of ABC funds under Department 6120, supporting both capital expenditures and professional services as part of a multi-year plan established by Council.

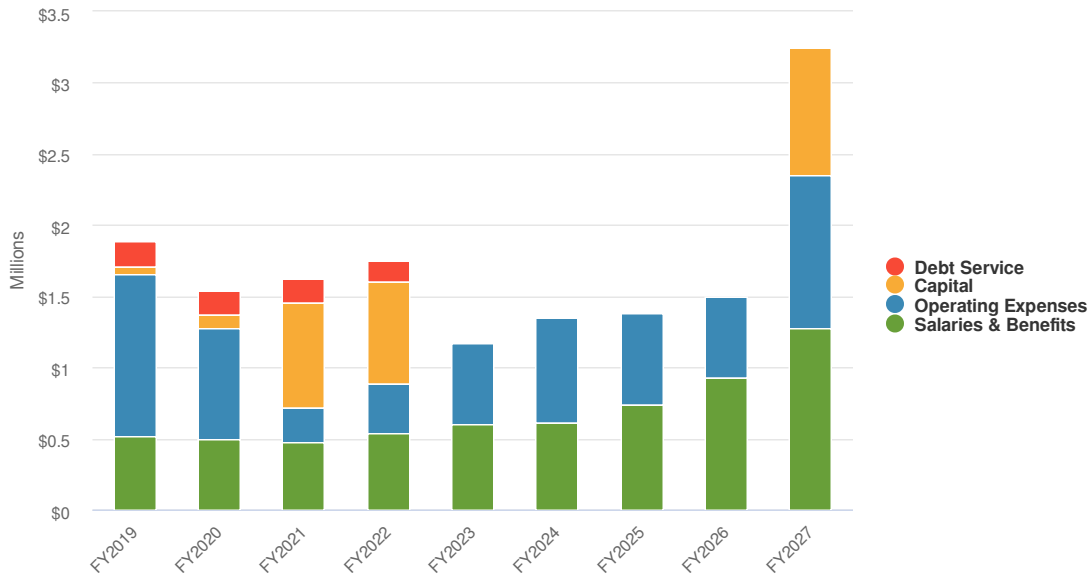
Additional capital requests under Department 6130 further contribute to the increase. Other impacts include higher costs related to advertising and Greenway initiatives, which are partially offset by reductions in parade-related expenditures.

Overall, the budget reflects an expanded investment in Parks and Recreation while maintaining a balanced approach to operational spending.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Salaries & Benefits					
Parks					
SALARIES & WAGES-REGULAR	10-81-6130-121	\$691,325.00	\$519,702.63	\$708,047.00	\$926,370.00
SALARIES & WAGES-OVERTIME	10-81-6130-122	\$5,000.00	\$8,844.14	\$5,000.00	\$5,000.00
401K-GENERAL	10-81-6130-134	\$27,371.00	\$22,141.77	\$28,353.00	\$34,991.00
FICA	10-81-6130-180	\$53,291.00	\$39,369.80	\$54,166.00	\$70,868.00
RETIREMENT-GENERAL	10-81-6130-182	\$74,666.00	\$60,731.83	\$81,371.00	\$105,671.00
GROUP INSURANCE	10-81-6130-183	\$79,056.00	\$90,339.85	\$84,614.00	\$131,743.00
Total Parks:		\$930,709.00	\$741,130.02	\$961,551.00	\$1,274,643.00
Total Salaries & Benefits:		\$930,709.00	\$741,130.02	\$961,551.00	\$1,274,643.00
Operating Expenses					
Parks					
PROFESSIONAL SERVICES	10-81-6120-194		\$0.00	\$0.00	\$60,000.00
PROFESSIONAL SERVICES	10-81-6130-194	\$273,000.00	\$94,910.02	\$35,000.00	\$27,900.00
CONTRACT SERVICES	10-81-6130-199	\$92,000.00	\$51,787.18	\$92,000.00	\$77,000.00
FUEL	10-81-6130-251	\$8,000.00	\$5,130.77	\$10,000.00	\$15,000.00
TROPHIES AND UNIFORMS	10-81-6130-297	\$66,000.00	\$54,472.04	\$82,750.00	\$95,400.00
FURNITURE, FIXTURES & EQUIPMENT	10-81-6130-298	\$19,000.00	\$26,266.41	\$22,500.00	\$33,000.00
DEPT SUPPLIES	10-81-6130-299	\$38,000.00	\$56,868.88	\$46,000.00	\$84,000.00
POSTAGE	10-81-6130-325	\$100.00	\$0.00	\$100.00	\$100.00

Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
M/R BUILDINGS & GROUNDS	10-81-6130-351	\$88,000.00	\$99,389.00	\$124,000.00	\$115,500.00
M/R EQUIPMENT	10-81-6130-352	\$8,000.00	\$10,384.00	\$8,000.00	\$8,000.00
M/R VEHICLES	10-81-6130-353	\$6,000.00	\$1,365.00	\$8,500.00	\$8,500.00
GREENWAY	10-81-6130-358	\$58,000.00	\$96,251.00	\$69,000.00	\$313,000.00
ADVERTISING	10-81-6130-370	\$9,000.00	\$236.00	\$4,700.00	\$8,000.00
PROCESSING FEE	10-81-6130-382	\$5,000.00	\$3,719.00	\$5,000.00	\$5,000.00
TRAVEL & TRAINING	10-81-6130-395	\$4,500.00	\$775.00	\$5,000.00	\$8,000.00
EQUIPMENT RENTAL/LEASE	10-81-6130-439	\$4,000.00	\$0.00	\$4,000.00	\$3,000.00
MUNICIPAL REFUNDS	10-81-6130-487	\$4,000.00	\$2,875.00	\$4,000.00	\$4,000.00
DUES & SUBSCRIPTIONS	10-81-6130-491	\$1,000.00	\$943.00	\$1,000.00	\$1,000.00
MISC EXPENSE	10-81-6130-499	\$3,000.00	\$644.00	\$3,000.00	\$3,000.00
PARADE	10-81-6130-616	\$24,500.00	\$22,717.00	\$27,000.00	\$12,940.00
COMMUNITY-SPECIAL EVENTS	10-81-6130-620	\$145,000.00	\$105,652.00	\$155,500.00	\$188,750.00
COMMUNITY-SPECIAL DONATIONS	10-81-6130-650	\$5,000.00	\$2,394.00	\$5,000.00	\$5,000.00
Total Parks:		\$861,100.00	\$636,779.30	\$712,050.00	\$1,076,090.00
Total Operating Expenses:		\$861,100.00	\$636,779.30	\$712,050.00	\$1,076,090.00
Capital					
Parks					
CAPITAL OUTLAY	10-81-6120-550		\$0.00	\$0.00	\$700,000.00
CAPITAL OUTLAY	10-81-6130-550	\$0.00	\$0.00	\$0.00	\$196,000.00
Total Parks:		\$0.00	\$0.00	\$0.00	\$896,000.00
Total Capital:		\$0.00	\$0.00	\$0.00	\$896,000.00
Total Expense Objects:		\$1,791,809.00	\$1,377,909.32	\$1,673,601.00	\$3,246,733.00

Capital - General Fund

Budgetary Increases and Decreases

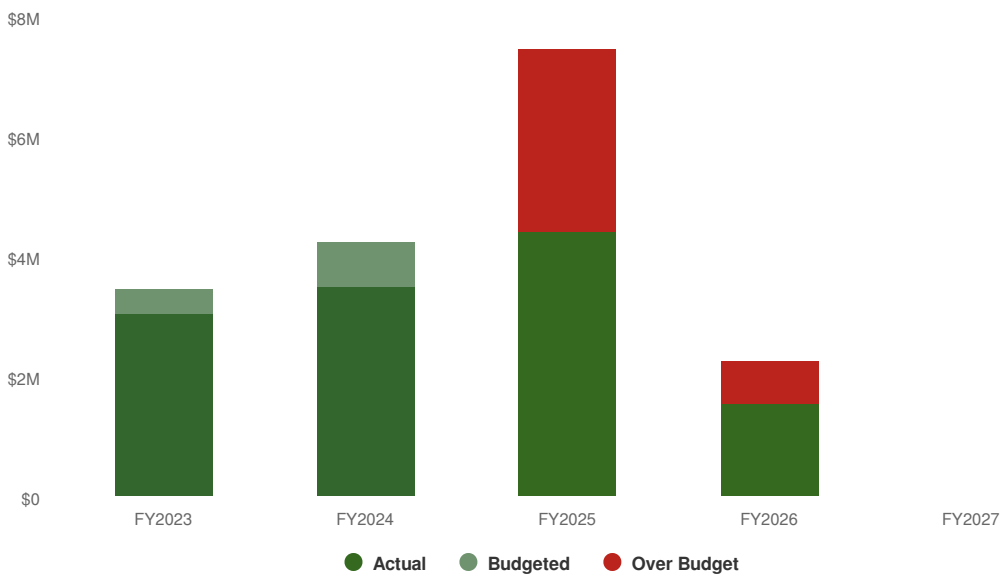
General Fund Capital for FY27 is projected at \$1,548,779, representing a decrease of less than 1% compared to the prior year. The total General Fund capital projects include allocated initiatives funded in part through assigned ABC funds, supporting planned capital investments across the City.

In the following two charts, capital is first shown consolidated into a single department, and then for FY27 it is broken out and allocated across individual departments for improved tracking, transparency, and cost allocation.

Items highlighted in red have been addressed through budget amendments and are not considered to be over budget.

\$1,551,264 **-\$2,874,186**
(-64.95% vs. prior year)

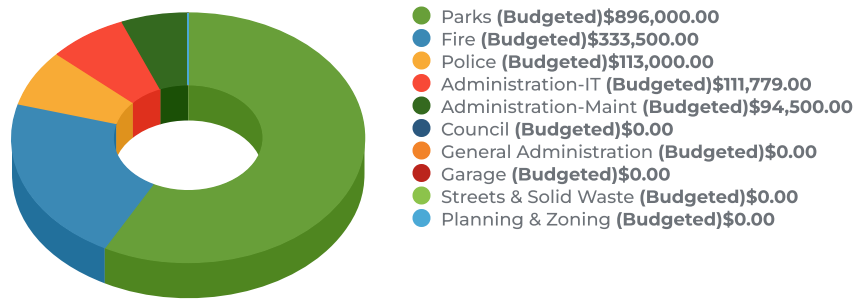
Capital - General Fund Proposed and Historical Budget vs. Actual



Capital By Department

Prior to FY27, capital was consolidated into a single department. For improved tracking and transparency, capital expenditures have been moved back into individual departments. In the bar graph above, capital is shown in its consolidated form, while the pie chart below illustrates the FY27 budget broken out and tracked by department.

Capital Expenditure For FY27



Capital Details

Department	Account Number	FY27 Proposed	Description
Police	10-10-4310-550	\$90,000	Handheld radios-90k
Police	10-10-4310-552	\$23,000	5 radios @4600
Fire	10-10-4340-550	\$333,500	Air pack replacement -300k(possible grant) 2 portable radios @8500 each (\$17k), 3 Mobile radios @5500 each (\$16.5k)
Parks -ABC	10-81-6120-550	\$700,000	Sandy Ford River access designa nd const-200000, MFL Professional Blt Trails-450000, mt island park disc golf course -50000
Parks	10-81-6130-550	\$196,000	Tuck park-\$50000, compliance @dog park \$11,000 resurface basketball court \$10,000 dug out at river street \$20000 Dutchman creek access improv- grade and seed \$25000 Install new access \$50000 Mower with attach \$30000
IT	10-00-4210-550	\$111,779	Firewall, Camera Upgrades, Add Cameras to Musuem, Traiing room TV and System upgrade, Starlink Cradlepoint, MHPD Disater Recovery
Maintenance	10-00-4260-550	\$94,500	Kitchen Remodel FD \$80,000

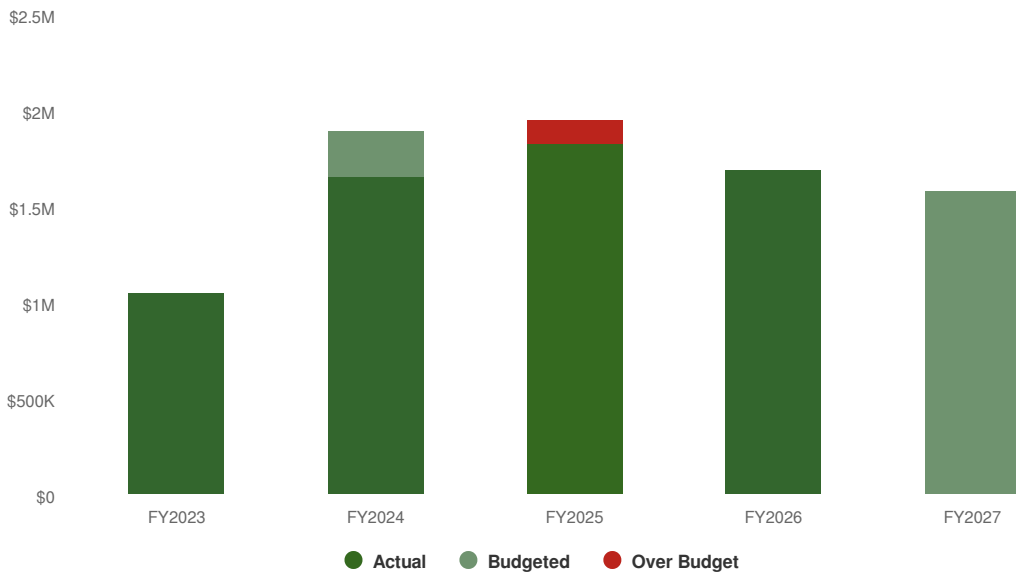
Debt - General Fund

Budgetary Increases and Decreases

General Fund debt service for FY27 totals \$1,583,378, consisting of \$1,342,375 in principal payments and \$241,003 in interest payments. This reflects a 6.7% decrease compared to the prior year, primarily resulting from the retirement of the 2017 General Obligation debt.

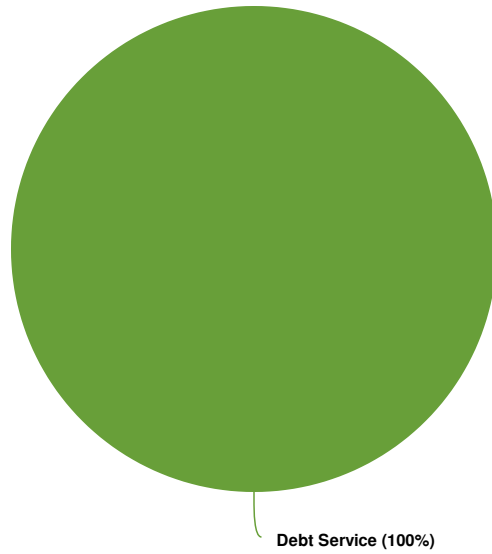
\$1,696,357 **-\$130,711**
(-7.15% vs. prior year)

Debt - General Fund Proposed and Historical Budget vs. Actual

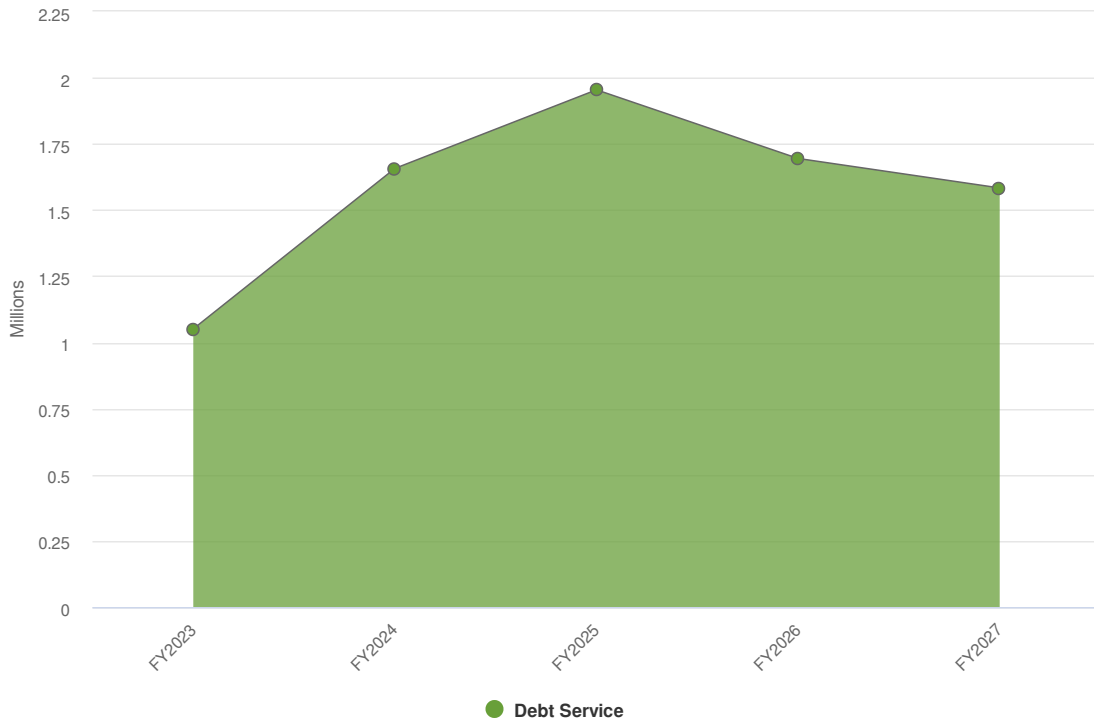


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



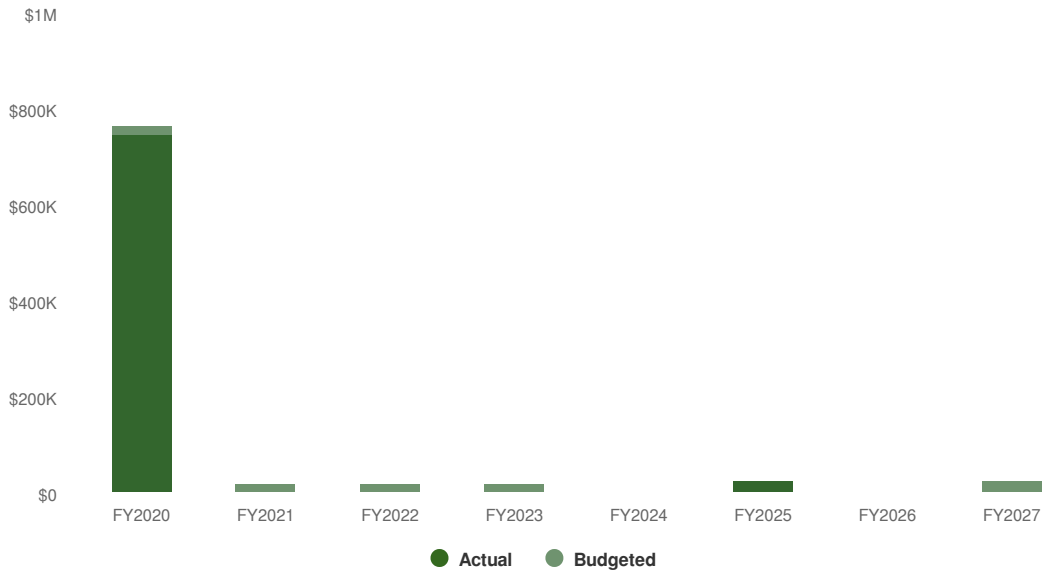
Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Debt Service					
Debt Service					
DEBT - PRINCIPAL	10-00-9100-750	\$1,440,051.00	\$1,665,185.00	\$1,411,194.00	\$1,342,375.00
DEBT - INTEREST	10-00-9100-751	\$387,017.00	\$288,959.00	\$285,163.00	\$241,003.00
Total Debt Service:		\$1,827,068.00	\$1,954,144.00	\$1,696,357.00	\$1,583,378.00
Total Debt Service:		\$1,827,068.00	\$1,954,144.00	\$1,696,357.00	\$1,583,378.00
Total Expense Objects:		\$1,827,068.00	\$1,954,144.00	\$1,696,357.00	\$1,583,378.00

Capital Reserve - General Fund

Expenditures Summary

\$0 **-\$25,000**
(-100.00% vs. prior year)

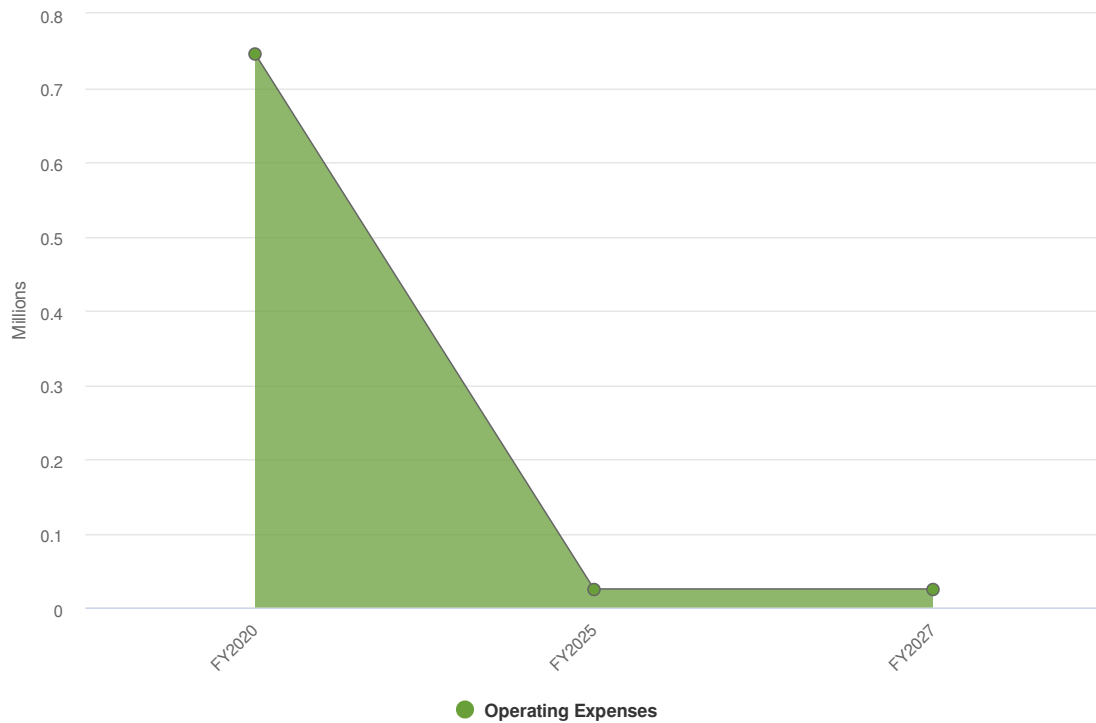
Capital Reserve - General Fund Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Operating Expenses					
Capital Reserve					
TRANSFER TO GENERAL FUND	22-00-9810-981	\$25,000.00	\$25,000.00	\$0.00	\$0.00
TRANSFER TO CAPITAL PROJECTS	22-00-9860-985	\$0.00	\$0.00	\$0.00	\$25,000.00
Total Capital Reserve:		\$25,000.00	\$25,000.00	\$0.00	\$25,000.00
Total Operating Expenses:		\$25,000.00	\$25,000.00	\$0.00	\$25,000.00
Total Expense Objects:		\$25,000.00	\$25,000.00	\$0.00	\$25,000.00

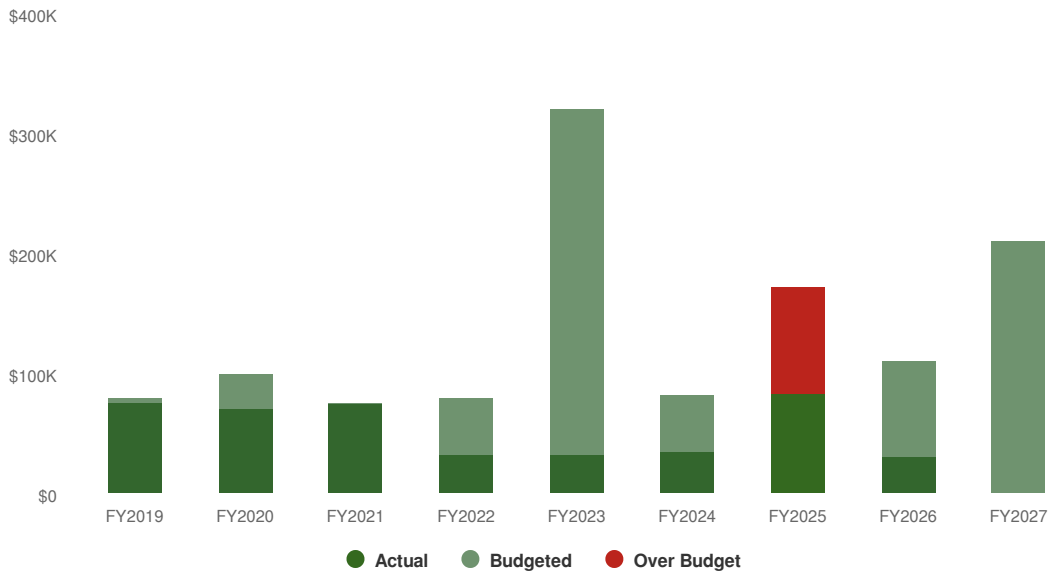
E-911

Budgetary Increases and Decreases

E-911 FY27 projected expenditures are \$211,830, representing a 91% increase over the FY26 budget of \$110,673. This increase is primarily driven by subscriptions and capital outlay costs.

\$110,673 **\$26,833**
(32.01% vs. prior year)

E-911 Proposed and Historical Budget vs. Actual



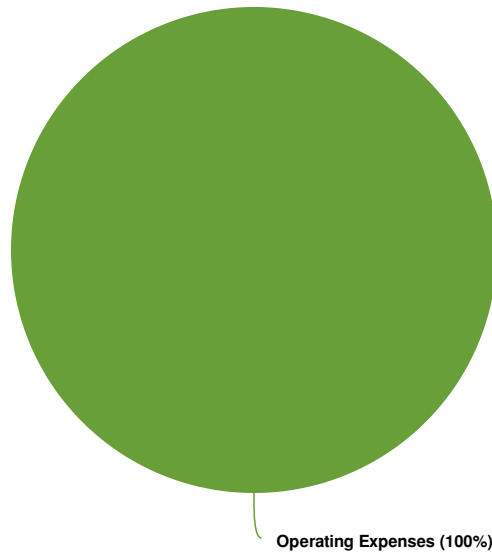
Expenditures by Expense Type

The FY27 E911 budget totals \$211,830, representing an increase of approximately 91.4% from the FY26 adopted budget. This reflects a significant increase while continuing to support critical emergency communication services.

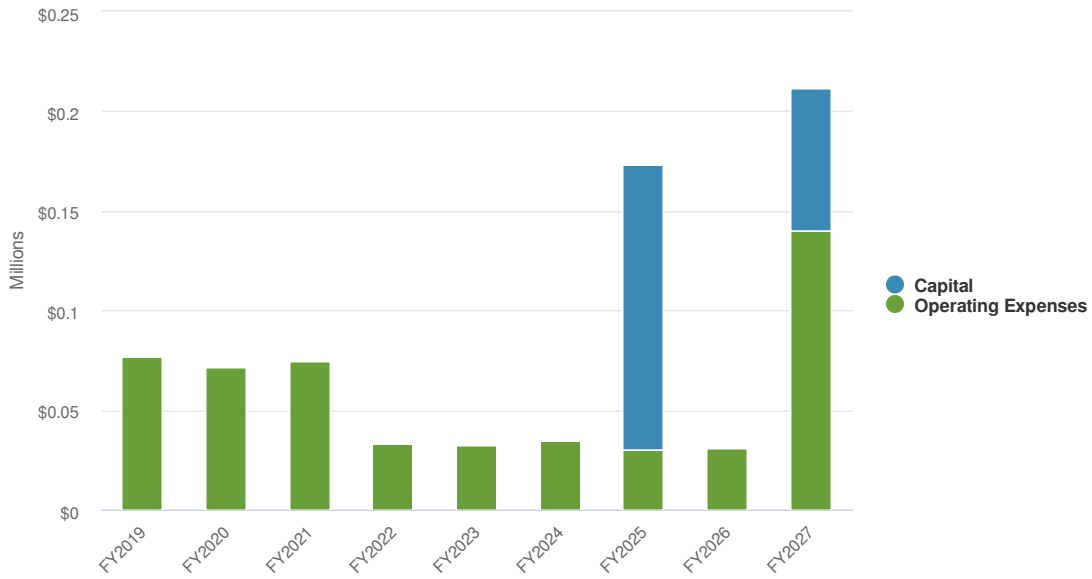
The primary driver of this increase is higher contracted services, along with the addition of two desk consoles that will be capitalized. While capital is being moved back into individual departments as part of a revised budgeting approach to provide a more accurate reflection of departmental costs, this department does include capital items in FY27.

Outside of these areas, operating expenditures have remained largely stable, with continued efforts to manage costs and maintain efficiency.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Operating Expenses					
911 - Wireless & Wireline					
CONTRACT SERVICES	23-10-4325-199	\$42,780.00	\$16,888.00	\$42,543.00	\$130,904.00
FURNITURE, FIXTURES & EQUIPMENT	23-10-4325-298	\$25,000.00	\$3,218.00	\$58,070.00	\$0.00
TELEPHONE	23-10-4325-321	\$4,060.00	\$4,060.00	\$4,060.00	\$4,060.00
TRAVEL & TRAINING	23-10-4325-395	\$12,000.00	\$5,833.00	\$6,000.00	\$5,000.00
Total 911 - Wireless & Wireline:		\$83,840.00	\$29,999.00	\$110,673.00	\$139,964.00
Total Operating Expenses:		\$83,840.00	\$29,999.00	\$110,673.00	\$139,964.00
Capital					
911 - Wireless & Wireline					
CAPITAL OUTLAY	23-10-4325-550	\$0.00	\$143,114.90	\$0.00	\$71,866.00
Total 911 - Wireless & Wireline:		\$0.00	\$143,114.90	\$0.00	\$71,866.00
Total Capital:		\$0.00	\$143,114.90	\$0.00	\$71,866.00
Total Expense Objects:		\$83,840.00	\$173,113.90	\$110,673.00	\$211,830.00

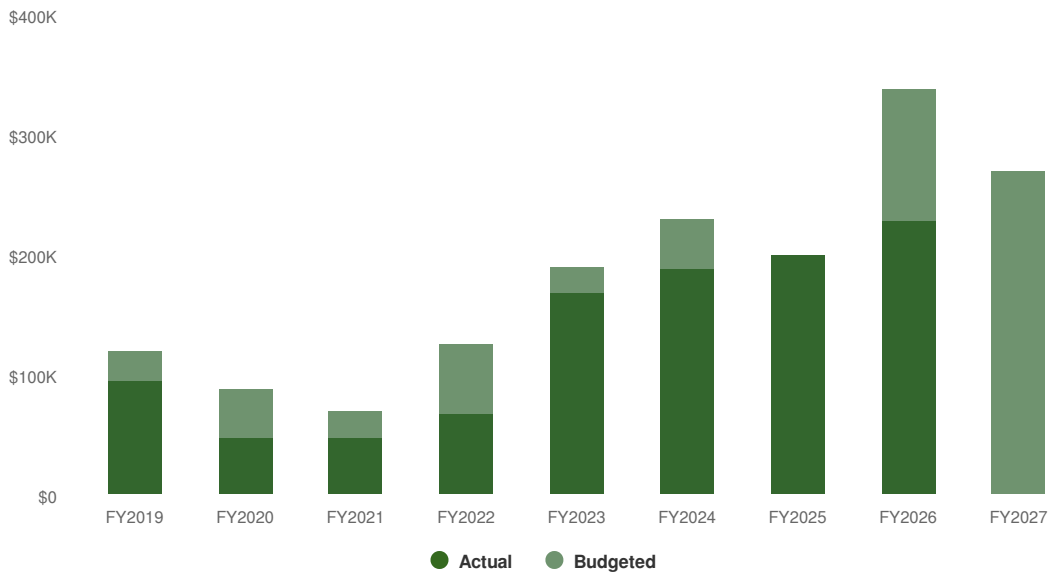
Tourism

Budgetary Increase and Decreases

Tourism expenditures are projected at \$270,000 for FY27, representing a 20% decrease from the FY26 budget of \$339,200. Budgeted expenditures projected to result in a required fund balance appropriation of \$42,000. The increase in expenditures is driven by the implementation of the City's strategic plan.

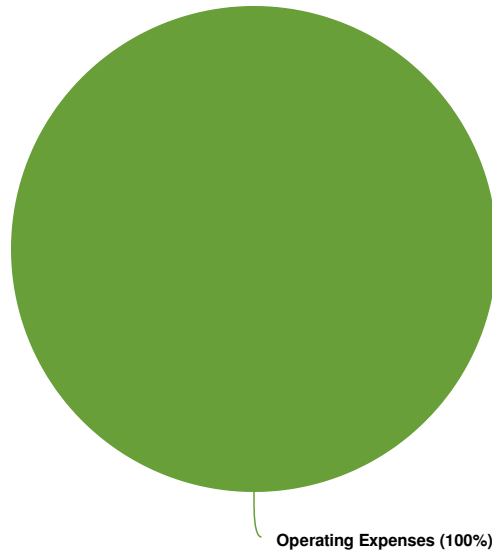
\$339,200 **\$139,200**
(69.60% vs. prior year)

Tourism Proposed and Historical Budget vs. Actual

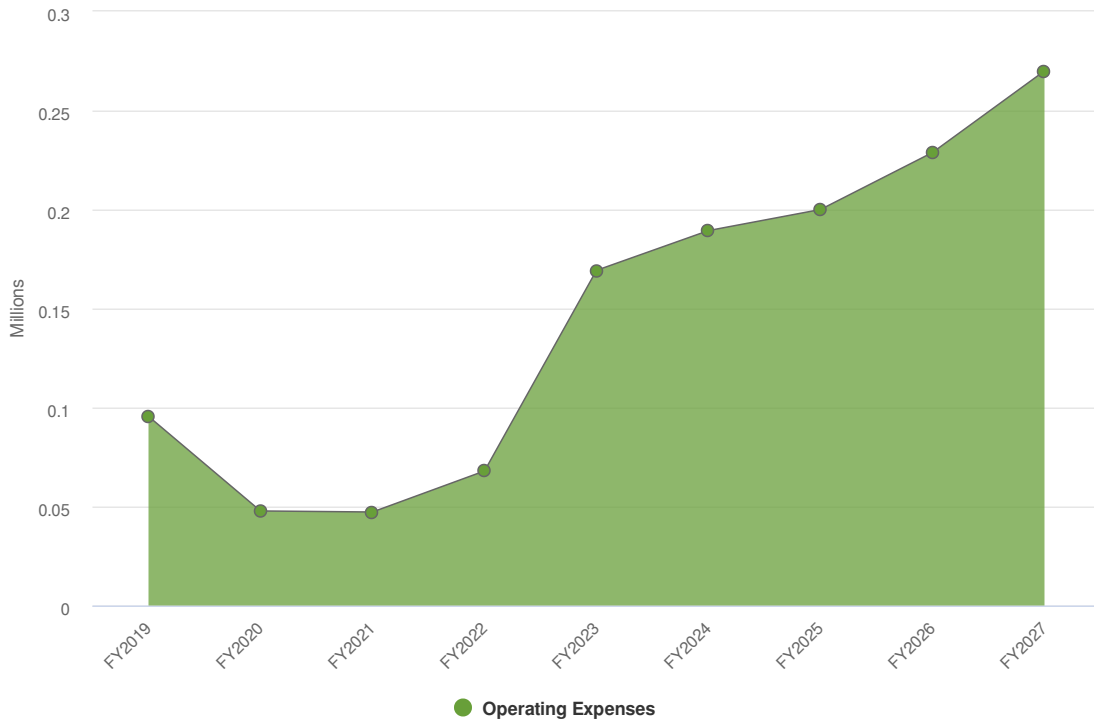


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Operating Expenses					
Tourism Development Authority					
PROFESSIONAL SVCS	24-00-4920-194	\$6,000.00	\$6,000.00	\$6,000.00	\$97,500.00
CONTRACTED SERVICE	24-00-4920-199	\$0.00	\$0.00	\$0.00	\$500.00
DEPT SUPPLIES	24-00-4920-299	\$0.00	\$0.00	\$0.00	\$200.00
ADVERTISING/MARKETING	24-00-4920-370	\$80,000.00	\$80,000.00	\$125,000.00	\$62,100.00
TRAVEL/TRAINING	24-00-4920-395	\$0.00	\$0.00	\$2,000.00	\$2,000.00
DUES & SUBSCRIPTIONS	24-00-4920-491	\$200.00	\$200.00	\$10,500.00	\$18,500.00
LICENSES	24-00-4920-492	\$0.00	\$0.00	\$0.00	\$200.00
TDA STIPENDS	24-00-4920-498	\$3,600.00	\$3,600.00	\$6,000.00	\$6,000.00
MISCELLANEOUS EXPENSE	24-00-4920-499	\$200.00	\$200.00	\$200.00	\$200.00
INCENTIVE GRANTS	24-00-4920-601	\$30,000.00	\$30,000.00	\$30,000.00	\$15,000.00
SUSTAINABLE PROJECTS	24-00-4920-603	\$30,000.00	\$30,000.00	\$55,000.00	\$36,800.00
ART PROJECTS	24-00-4920-604	\$0.00	\$0.00	\$15,000.00	\$8,000.00
SPEC EVENTS-COMMUNITY	24-00-4920-620	\$50,000.00	\$50,000.00	\$50,000.00	\$23,000.00
SPEC EVENTS-YULE LOVE	24-00-4920-621	\$0.00	\$0.00	\$35,000.00	\$0.00
SPEC EVENTS-SPRINGFEST	24-00-4920-622	\$0.00	\$0.00	\$4,500.00	\$0.00
Total Tourism Development Authority:		\$200,000.00	\$200,000.00	\$339,200.00	\$270,000.00
Total Operating Expenses:		\$200,000.00	\$200,000.00	\$339,200.00	\$270,000.00
Total Expense Objects:		\$200,000.00	\$200,000.00	\$339,200.00	\$270,000.00

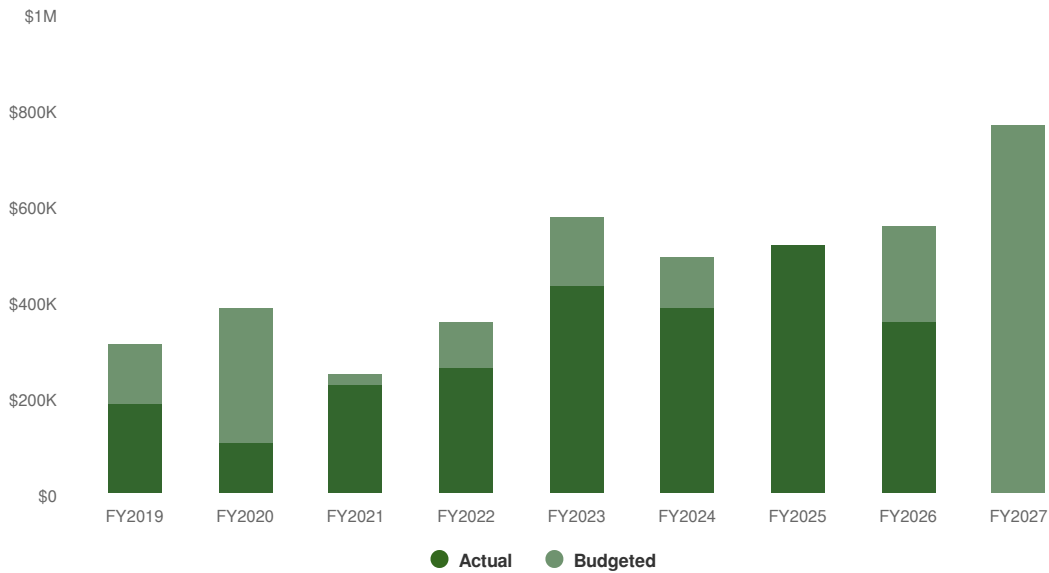
Stormwater

Budgetary Increases and Decreases

Stormwater FY27 projected budget is \$768,318, representing a 37% increase over the FY26 budget of \$560,302. This increase is primarily driven by capital outlay expenditures.

\$560,302 **\$40,362**
(7.76% vs. prior year)

Stormwater Proposed and Historical Budget vs. Actual

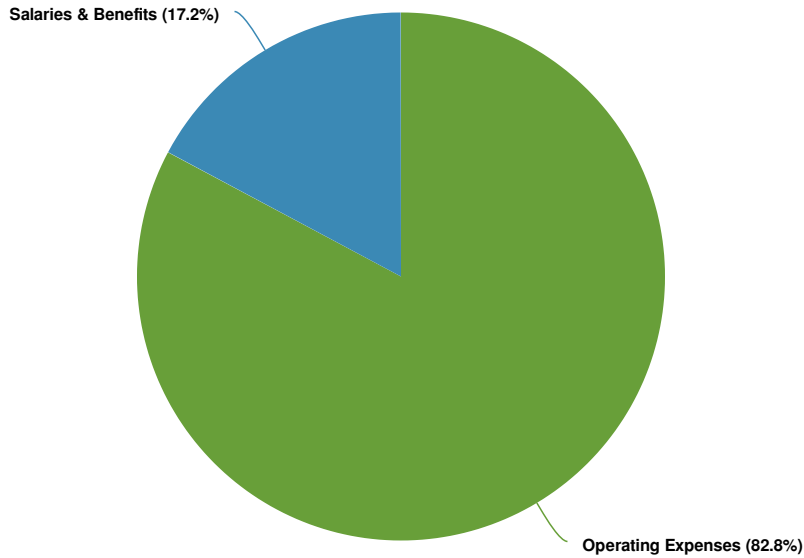


Expenditures by Expense Type

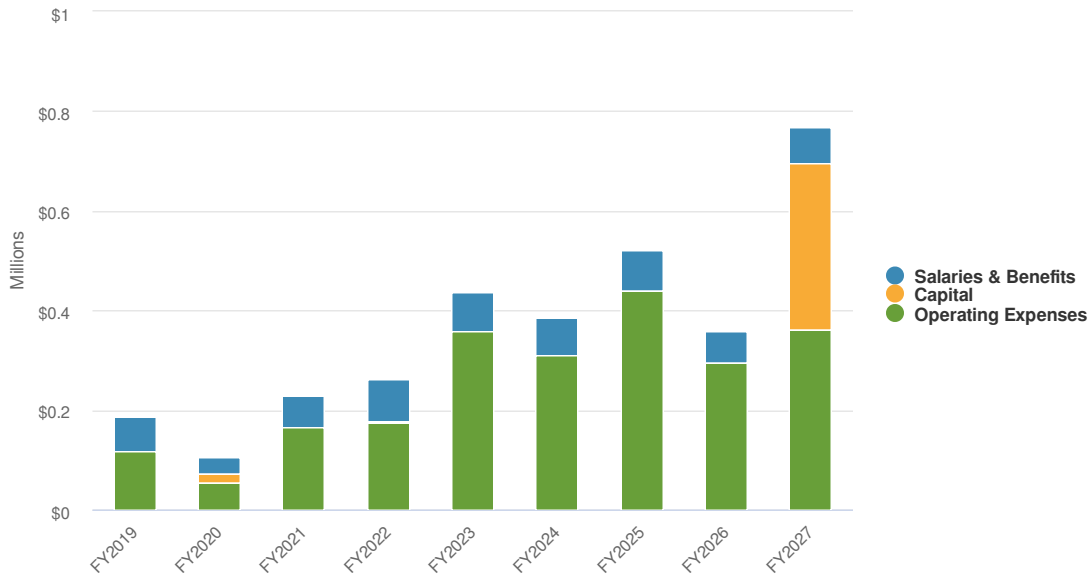
The FY27 Utilities – Stormwater budget reflects an increase primarily driven by capital funding totaling \$334,425, which accounts for the majority of the change from FY26 to FY27. Additionally, the City has moved all capital expenditures into individual departments as part of a revised budgeting approach, providing a more accurate reflection of departmental costs and contributing to the overall increase.

Outside of capital, operating expenditures remain relatively stable, with continued efforts to manage costs and maintain effective service delivery.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Salaries & Benefits					
Stormwater					
SALARIES & WAGES - REGULAR	62-91-4730-121	\$56,304.00	\$56,304.00	\$58,770.00	\$48,047.00
SALARIES & WAGES - OVERTIME	62-91-4730-122	\$0.00	\$0.00	\$0.00	\$1,000.00
401K - GENERAL	62-91-4730-134	\$2,815.00	\$2,815.00	\$2,398.00	\$2,402.00
SOCIAL SECURITY (FICA)	62-91-4730-180	\$4,307.00	\$4,307.00	\$4,496.00	\$3,676.00
RETIREMENT - GENERAL	62-91-4730-182	\$7,680.00	\$7,680.00	\$8,433.00	\$7,255.00
GROUP INSURANCE	62-91-4730-183	\$8,784.00	\$8,784.00	\$11,005.00	\$11,208.00
Total Stormwater:		\$79,890.00	\$79,890.00	\$85,102.00	\$73,588.00
Total Salaries & Benefits:		\$79,890.00	\$79,890.00	\$85,102.00	\$73,588.00
Operating Expenses					
Stormwater					
PROFESSIONAL SERVICES	62-91-4730-194	\$135,000.00	\$135,000.00	\$145,000.00	\$10,000.00
CONTRACT SERVICES	62-91-4730-199	\$0.00	\$0.00	\$25,000.00	\$45,000.00
UNIFORMS	62-91-4730-212	\$650.00	\$650.00	\$650.00	\$650.00
FUEL	62-91-4730-251	\$300.00	\$300.00	\$300.00	\$250.00
DEPARTMENT SUPPLIES	62-91-4730-299	\$1,550.00	\$1,550.00	\$1,050.00	\$1,100.00
M&R VEHICLES	62-91-4730-353	\$500.00	\$500.00	\$300.00	\$300.00
M&R DRAINAGE DITCHES	62-91-4730-354	\$297,000.00	\$297,000.00	\$297,000.00	\$297,000.00
ADVERTISING	62-91-4730-370	\$450.00	\$450.00	\$950.00	\$1,000.00
TRAVEL & TRAINING	62-91-4730-395	\$500.00	\$500.00	\$1,000.00	\$1,000.00
DUES & SUBSCRIPTIONS	62-91-4730-491	\$4,000.00	\$4,000.00	\$3,750.00	\$3,806.00
MISCELLANEOUS EXPENSE	62-91-4730-499	\$100.00	\$100.00	\$200.00	\$200.00

Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Total Stormwater:		\$440,050.00	\$440,050.00	\$475,200.00	\$360,306.00
Total Operating Expenses:		\$440,050.00	\$440,050.00	\$475,200.00	\$360,306.00
Capital					
Stormwater					
CAPITAL	62-91-4730-550	\$0.00	\$0.00	\$0.00	\$334,425.00
Total Stormwater:		\$0.00	\$0.00	\$0.00	\$334,425.00
Total Capital:		\$0.00	\$0.00	\$0.00	\$334,425.00
Total Expense Objects:		\$519,940.00	\$519,940.00	\$560,302.00	\$768,319.00

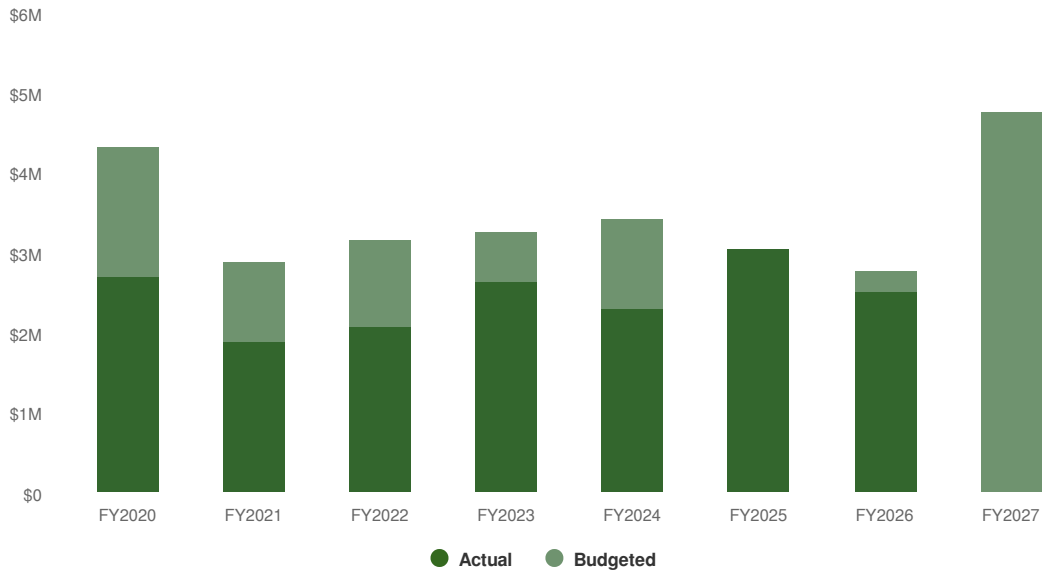
Utilities Administration

Budgetary Increases and Decreases

The FY27 Utilities Administration budget totals \$4,765,924, representing an increase of approximately 76.3% over the FY26 adopted budget \$2,773,479. This reflects a substantial increase primarily driven by capital investment within the department.

\$2,773,479 **-\$287,174**
(-9.38% vs. prior year)

Utilities Administration Proposed and Historical Budget vs. Actual



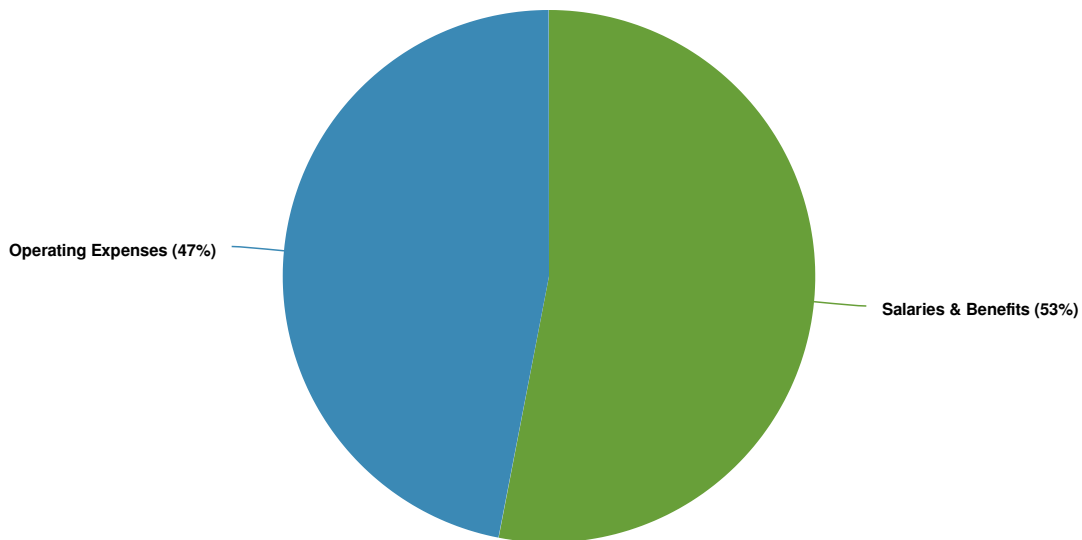
Expenditures by Expense Type

Utilities Administration – The FY27 budget reflects a 71.9% increase, primarily driven by capital funding totaling \$1,750,000 and equipment-related needs. This capital investment is the key factor contributing to the overall increase and supports significant maintenance-related infrastructure and equipment needs. Additionally, capital is being moved back into individual departments as part of a revised budgeting approach, which also contributes to the overall increase and improves transparency in departmental cost allocation.

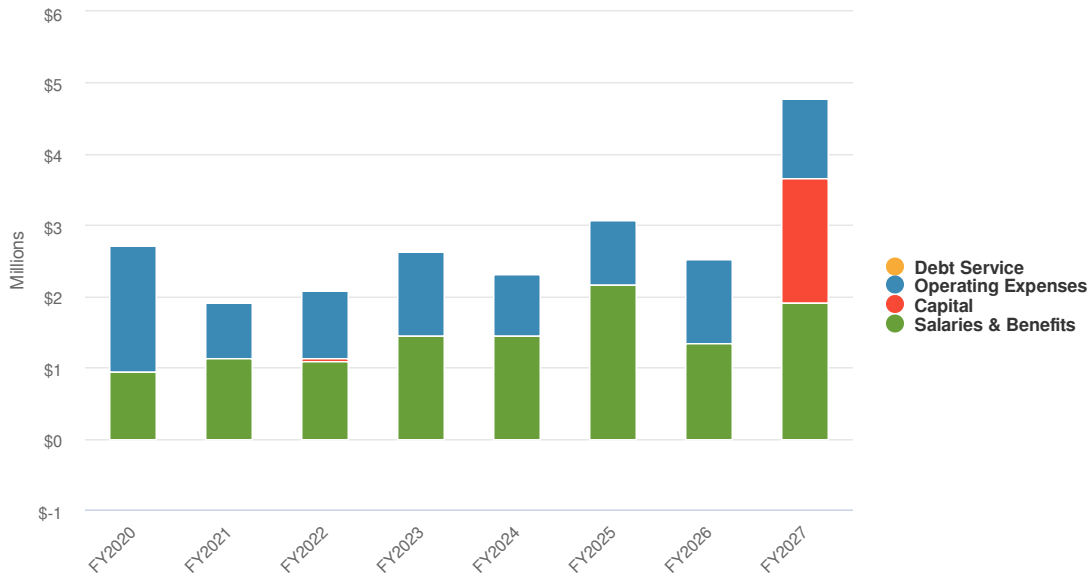
Outside of capital, operating expenditures remain relatively stable, with continued efforts to manage costs and maintain efficient service delivery.

Special note: There is also a decrease in communications and an increase in subscriptions due to the reclassification of expenditures to more accurately reflect costs and ensure proper alignment of line items.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2026 Budgeted	FY2027 Proposed
Expense Objects				
Salaries & Benefits				
Utility Administration				
SALARIES & WAGES-REGULAR	62-91-7110-121	\$1,570,456.00	\$1,263,150.00	\$1,373,854.00
SALARIES & WAGES-OVERTIME	62-91-7110-122	\$5,000.00	\$5,000.00	\$5,000.00
401K - GENERAL	62-91-7110-134	\$77,000.00	\$61,404.00	\$66,085.00
FICA	62-91-7110-180	\$120,544.00	\$96,631.00	\$105,108.00
RETIREMENT	62-91-7110-182	\$210,053.00	\$176,722.00	\$193,765.00
GROUP INSURANCE	62-91-7110-183	\$177,000.00	\$204,622.00	\$164,717.00
Total Utility Administration:		\$2,160,053.00	\$1,807,529.00	\$1,908,529.00
Total Salaries & Benefits:		\$2,160,053.00	\$1,807,529.00	\$1,908,529.00
Operating Expenses				
Utility Administration				
PROFESSIONAL FEE	62-91-7110-194	\$427,450.00	\$430,000.00	\$419,286.00
CONTRACT SERVICES	62-91-7110-199	\$142,500.00	\$146,000.00	\$211,100.00
UNIFORMS	62-91-7110-212	\$4,500.00	\$6,000.00	\$6,500.00
FUEL	62-91-7110-251	\$3,000.00	\$4,000.00	\$5,000.00
FURNITURE, FIXTURES &	62-91-7110-298	\$2,500.00	\$5,000.00	\$6,000.00
DEPT SUPPLIES	62-91-7110-299	\$2,000.00	\$2,500.00	\$2,700.00
POSTAGE	62-91-7110-325	\$500.00	\$0.00	\$0.00
M/R VEHICLES	62-91-7110-353	\$2,500.00	\$3,500.00	\$4,500.00
ADVERTISING	62-91-7110-370	\$1,000.00	\$1,000.00	\$1,000.00
TRAVEL & TRAINING	62-91-7110-395	\$12,000.00	\$12,000.00	\$7,200.00
TRAVEL & TRAINING CITY	62-91-7110-396	\$6,000.00	\$8,500.00	\$8,500.00

Name	Account ID	FY2025 Adopted	FY2026 Budgeted	FY2027 Proposed
GENERAL INSURANCE	62-91-7110-451	\$240,000.00	\$290,000.00	\$330,000.00
DUES & SUBSCRIPTIONS	62-91-7110-491	\$8,500.00	\$8,500.00	\$16,775.00
COMMUNICATIONS/RELATIONS	62-91-7110-497	\$47,650.00	\$47,950.00	\$90,100.00
MISCELLANEOUS	62-91-7110-499	\$500.00	\$1,000.00	\$1,000.00
Total Utility Administration:		\$900,600.00	\$965,950.00	\$1,109,661.00
Total Operating Expenses:		\$900,600.00	\$965,950.00	\$1,109,661.00
Capital				
Utility Administration				
CAPITAL OUTLAY	62-91-7110-550	\$0.00	\$0.00	\$1,750,000.00
Total Utility Administration:		\$0.00	\$0.00	\$1,750,000.00
Total Capital:		\$0.00	\$0.00	\$1,750,000.00
Total Expense Objects:		\$3,060,653.00	\$2,773,479.00	\$4,768,190.00

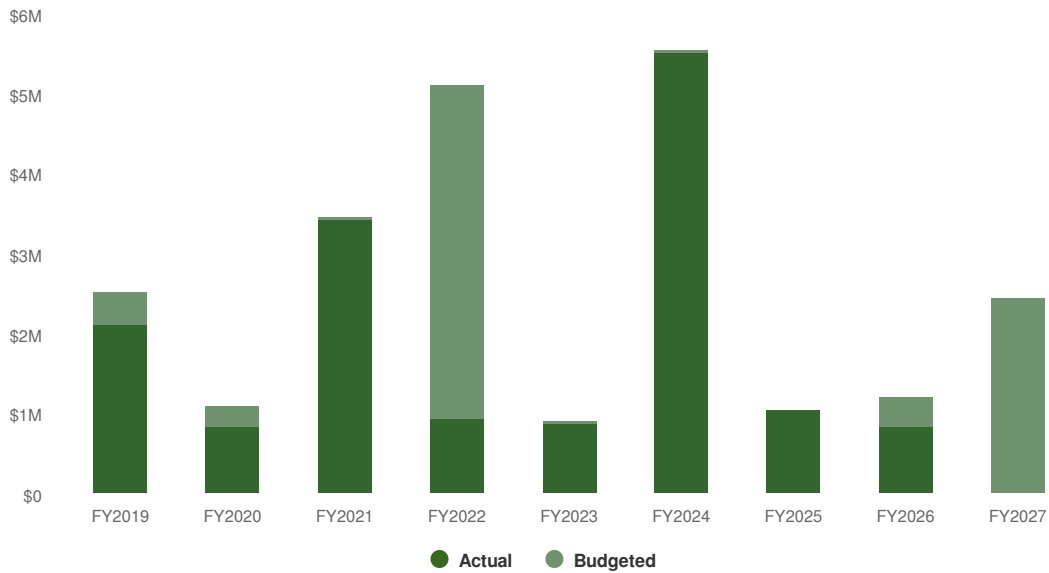
Water

Budgetary Increases and Decreases

The Water Department FY27 forecasted budget is \$2,452,668, representing a 100% increase over the FY26 budget of \$1,218,419. This increase is primarily driven by capital outlay expenditures.

\$1,218,419 **\$159,163**
(15.03% vs. prior year)

Water Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

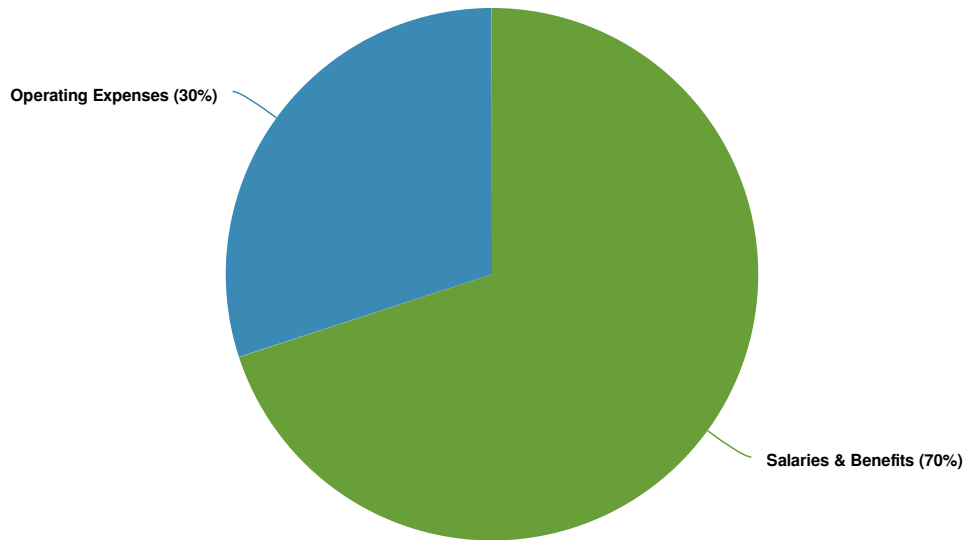
The Water Department FY27 budget reflects a significant increase primarily driven by capital investment within the department.

The primary driver of this increase is capital funding totaling \$1,230,000. This investment supports critical water system infrastructure and improvement needs. Additionally, capital is being moved back into individual departments as part of a revised budgeting approach, which contributes to the overall increase and provides a more accurate reflection of departmental costs.

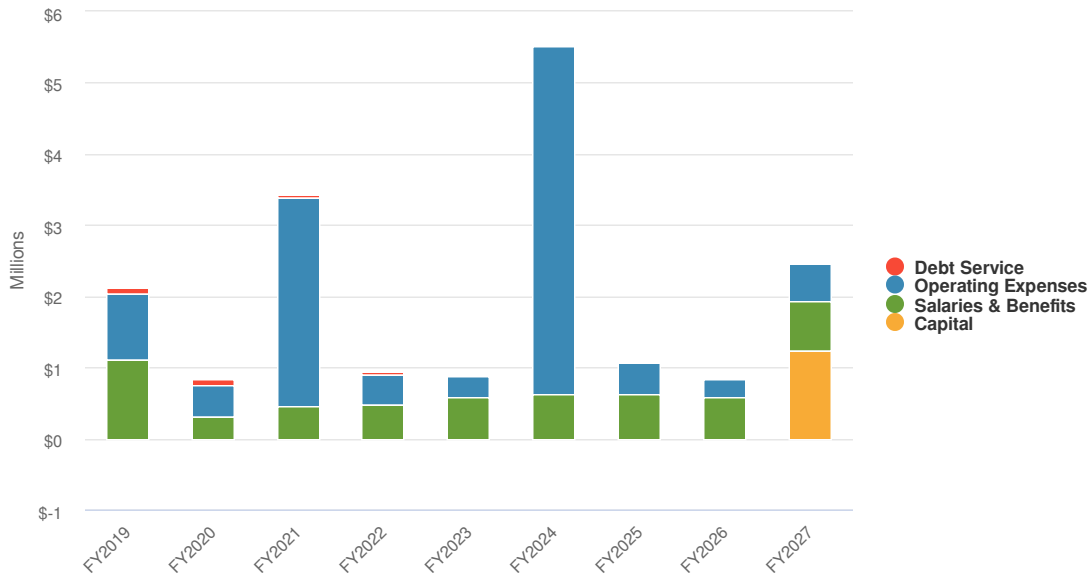
Outside of capital, operating expenditures remain relatively stable, with continued efforts to manage costs and maintain efficient service delivery.

A special note: contracted services decreased while subscriptions increased due to the reclassification of expenditures to more accurately reflect costs and ensure proper alignment of line items.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Salaries & Benefits					
Water					
SALARIES & WAGES-REGULAR	62-91-7130-121	\$386,494.00	\$386,494.00	\$410,431.00	\$425,127.00
SALARIES & WAGES-OVERTIME	62-91-7130-122	\$35,000.00	\$35,000.00	\$35,000.00	\$35,000.00
401K-GENERAL	62-91-7130-134	\$21,173.00	\$21,173.00	\$20,522.00	\$21,256.00
FICA	62-91-7130-180	\$32,394.00	\$32,394.00	\$31,398.00	\$32,522.00
RETIREMENT-GENERAL	62-91-7130-182	\$57,760.00	\$57,760.00	\$58,897.00	\$64,194.00
GROUP INSURANCE	62-91-7130-183	\$88,875.00	\$88,875.00	\$109,553.00	\$121,760.00
Total Water:		\$621,696.00	\$621,696.00	\$665,801.00	\$699,859.00
Total Salaries & Benefits:		\$621,696.00	\$621,696.00	\$665,801.00	\$699,859.00
Operating Expenses					
Water					
PROFESSIONAL SERVICES	62-91-7130-194	\$1,000.00	\$1,000.00	\$0.00	\$0.00
CONTRACT SERVICES	62-91-7130-199	\$45,000.00	\$45,000.00	\$111,600.00	\$64,000.00
UNIFORMS	62-91-7130-212	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
FUEL	62-91-7130-251	\$1,500.00	\$1,500.00	\$1,500.00	\$1,000.00
FURNITURE, FIXTURES & EQUIPMENT	62-91-7130-298	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
DEPT SUPPLIES	62-91-7130-299	\$245,600.00	\$245,600.00	\$265,248.00	\$281,799.00
POSTAGE	62-91-7130-325	\$200.00	\$200.00	\$500.00	\$500.00
M/R EQUIPMENT	62-91-7130-352	\$120,000.00	\$120,000.00	\$120,500.00	\$120,500.00
M/R VEHICLES	62-91-7130-353	\$1,000.00	\$1,000.00	\$1,000.00	\$2,000.00
ADVERTISING	62-91-7130-370	\$500.00	\$500.00	\$500.00	\$500.00
TRAVEL & TRAINING	62-91-7130-395	\$4,500.00	\$4,500.00	\$18,100.00	\$18,100.00

Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
EQUIPMENT RENTAL/LEASE	62-91-7130-439	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
DUES & SUBSCRIPTIONS	62-91-7130-491	\$13,260.00	\$13,260.00	\$15,260.00	\$16,000.00
MISC EXPENSE	62-91-7130-499	\$1,000.00	\$1,000.00	\$14,410.00	\$14,410.00
Total Water:		\$437,560.00	\$437,560.00	\$552,618.00	\$522,809.00
Total Operating Expenses:		\$437,560.00	\$437,560.00	\$552,618.00	\$522,809.00
Capital					
Water					
CAPITAL OUTLAY	62-91-7130-550	\$0.00	\$0.00	\$0.00	\$1,230,000.00
Total Water:		\$0.00	\$0.00	\$0.00	\$1,230,000.00
Total Capital:		\$0.00	\$0.00	\$0.00	\$1,230,000.00
Total Expense Objects:		\$1,059,256.00	\$1,059,256.00	\$1,218,419.00	\$2,452,668.00

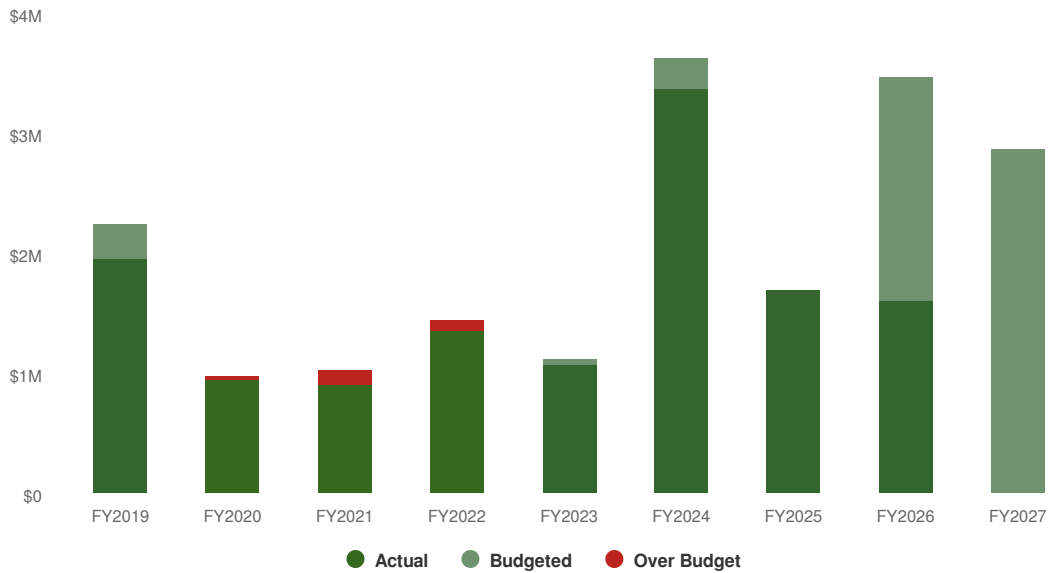
Sewer

Budgetary Increase and Decreases

The Sewer Department FY27 forecasted budget is \$2,877,366, representing a 17% decrease from the FY26 budget of \$3,480,562.

\$3,480,562 **\$1,780,204**
(104.70% vs. prior year)

Sewer Proposed and Historical Budget vs. Actual

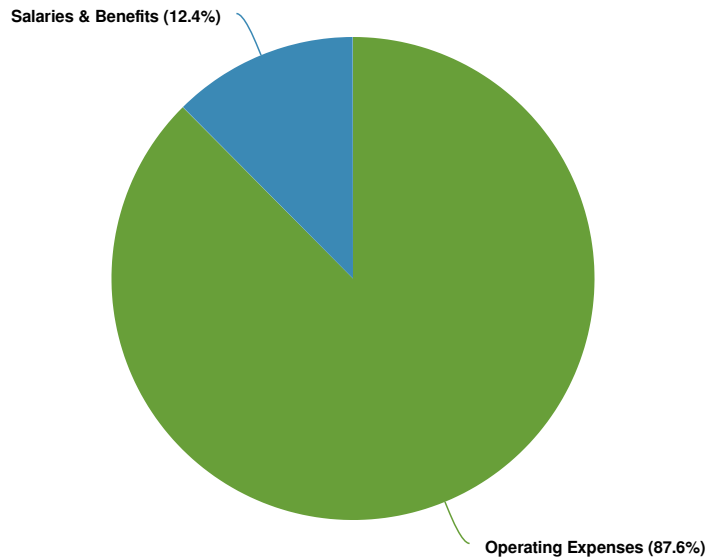


Expenditures by Expense Type

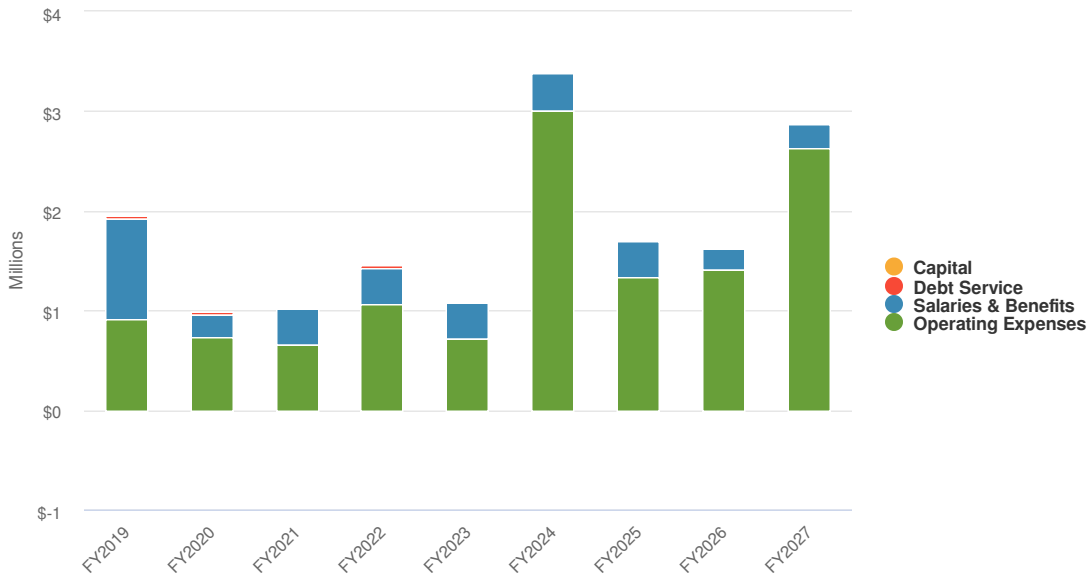
The FY27 Sewer budget decrease of approximately 17.4% from the FY26 adopted budget is a reflection a reduction in overall expenditures while continuing to support existing service levels.

While capital is being moved back into individual departments as part of a revised budgeting approach to provide a more accurate reflection of departmental costs, the Sewer Department did not request any capital funding in FY27.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Salaries & Benefits					
Sewer					
SALARIES & WAGES-REGULAR	62-91-7140-121	\$230,470.00	\$230,470.00	\$199,887.00	\$150,488.00
SALARIES & WAGES-OVERTIME	62-91-7140-122	\$20,000.00	\$20,000.00	\$20,000.00	\$5,000.00
401K-GENERAL	62-91-7140-134	\$11,876.00	\$11,876.00	\$9,994.00	\$7,525.00
FICA	62-91-7140-180	\$19,247.00	\$19,247.00	\$15,291.00	\$11,513.00
RETIREMENT-GENERAL	62-91-7140-182	\$32,400.00	\$32,400.00	\$28,684.00	\$22,724.00
GROUP INSURANCE	62-91-7140-183	\$44,900.00	\$44,900.00	\$44,609.00	\$46,716.00
Total Sewer:		\$358,893.00	\$358,893.00	\$318,465.00	\$243,966.00
Total Salaries & Benefits:		\$358,893.00	\$358,893.00	\$318,465.00	\$243,966.00
Operating Expenses					
Sewer					
PROFESSIONAL SERVICES	62-91-7140-194	\$1,000.00	\$1,000.00	\$8,100.00	\$6,000.00
CONTRACT SERVICES	62-91-7140-199	\$1,163,000.00	\$1,163,000.00	\$567,500.00	\$300,000.00
UNIFORMS	62-91-7140-212	\$3,000.00	\$3,000.00	\$2,000.00	\$1,450.00
FUEL	62-91-7140-251	\$3,000.00	\$3,000.00	\$2,000.00	\$2,000.00
FURNITURE, FIXTURES & EQUIPMENT	62-91-7140-298	\$3,000.00	\$3,000.00	\$1,500.00	\$1,500.00
DEPT SUPPLIES	62-91-7140-299	\$111,265.00	\$111,265.00	\$91,747.00	\$9,500.00
POSTAGE	62-91-7140-325	\$300.00	\$300.00	\$150.00	\$150.00
UTILITIES	62-91-7140-331	\$0.00	\$0.00	\$2,400,000.00	\$2,200,000.00
M/R BUILDINGS & GROUNDS	62-91-7140-351	\$3,500.00	\$3,500.00	\$3,500.00	\$3,500.00
M/R EQUIPMENT	62-91-7140-352	\$30,000.00	\$30,000.00	\$20,000.00	\$0.00
M/R VEHICLES	62-91-7140-353	\$2,500.00	\$2,500.00	\$750.00	\$1,000.00
M/R SEWER LINES	62-91-7140-354	\$0.00	\$0.00	\$0.00	\$100,000.00
TRAVEL & TRAINING	62-91-7140-395	\$4,000.00	\$4,000.00	\$3,500.00	\$2,000.00
EQUIPMENT RENTAL/LEASE	62-91-7140-439	\$5,000.00	\$5,000.00	\$49,800.00	\$0.00
DUES & SUBSCRIPTIONS	62-91-7140-491	\$11,800.00	\$11,800.00	\$11,550.00	\$6,300.00
MISC EXPENSE	62-91-7140-499	\$100.00	\$100.00	\$0.00	\$0.00
Total Sewer:		\$1,341,465.00	\$1,341,465.00	\$3,162,097.00	\$2,633,400.00
Total Operating Expenses:		\$1,341,465.00	\$1,341,465.00	\$3,162,097.00	\$2,633,400.00
Total Expense Objects:		\$1,700,358.00	\$1,700,358.00	\$3,480,562.00	\$2,877,366.00

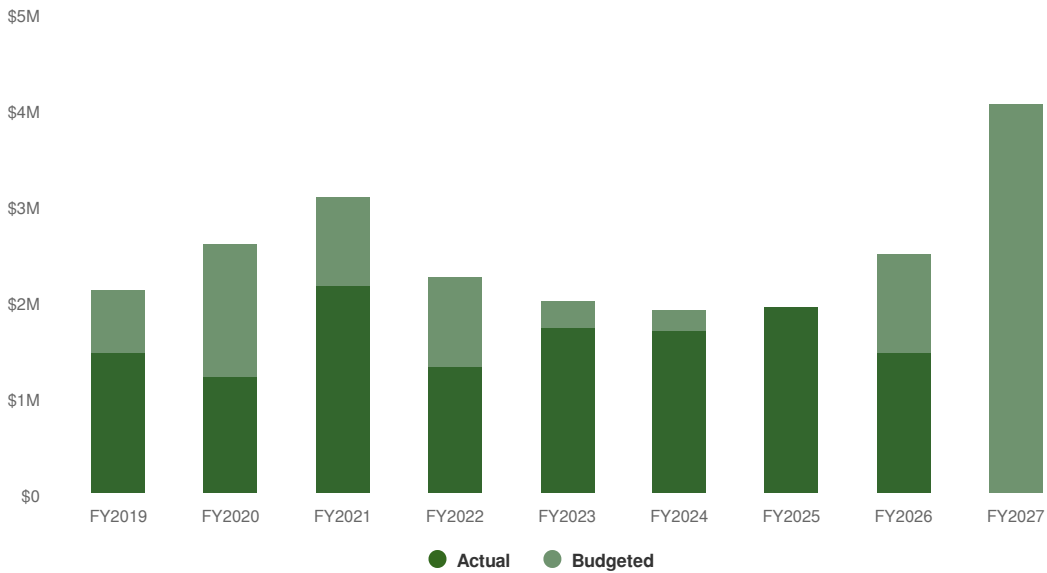
Field Services

Budgetary Increases and Decreases

Field Services FY27 projected budget is \$4,057,260, representing a 62% increase over the FY26 budget of \$2,504,790. This increase is primarily driven by capital outlay expenditures.

\$2,504,790 **\$558,576**
(28.70% vs. prior year)

Field Services Proposed and Historical Budget vs. Actual



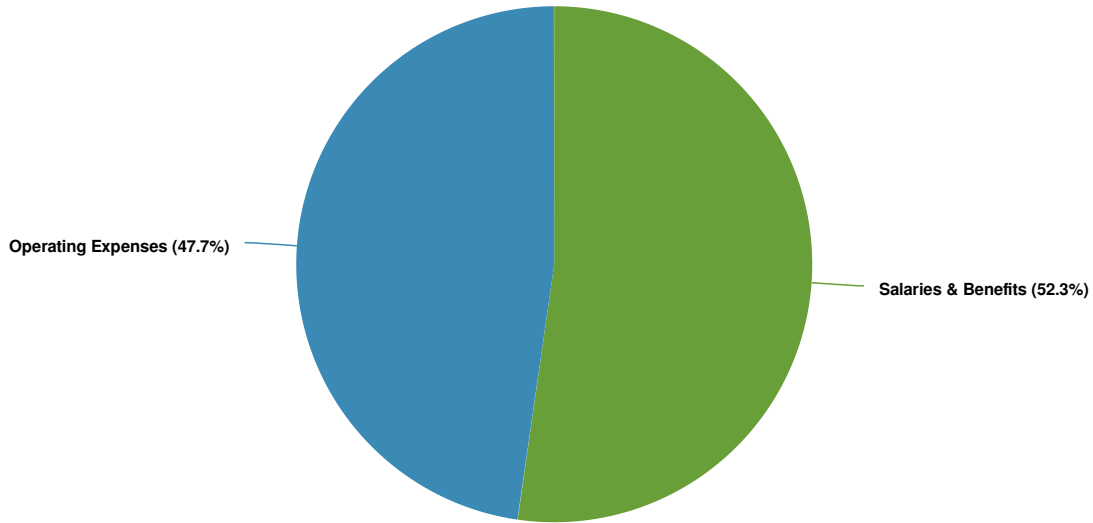
Expenditures by Expense Type

The FY27 Field Services budget reflects a significant increase in overall expenditures while continuing to support existing service levels.

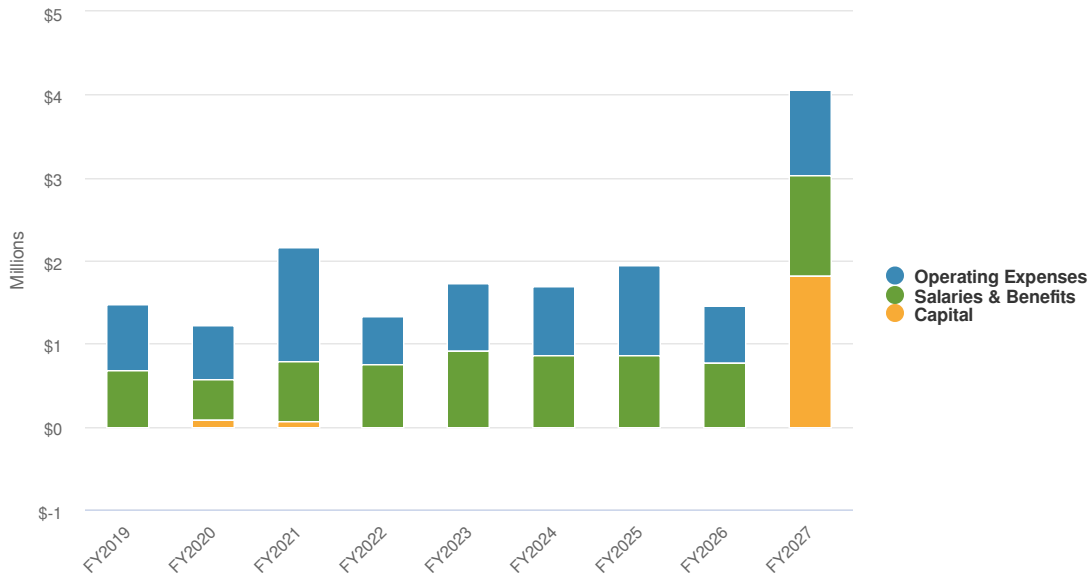
The primary driver of this increase is capital outlay totaling \$1,815,000. This investment supports critical field services equipment and infrastructure needs. Capital is being moved back into individual departments as part of a revised budgeting approach to provide a more accurate reflection of departmental costs.

Outside of capital, operating expenditures remain relatively stable, with continued efforts to manage costs and maintain efficient service delivery.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Salaries & Benefits					
Field Services					
SALARIES & WAGES-REGULAR	62-91-7900-121	\$553,074.00	\$553,074.00	\$698,330.00	\$771,162.00
SALARIES & WAGES-OVERTIME	62-91-7900-122	\$28,000.00	\$28,000.00	\$28,000.00	\$28,000.00
401K-GENERAL	62-91-7900-134	\$29,132.00	\$29,132.00	\$34,917.00	\$38,559.00
FICA	62-91-7900-180	\$44,572.00	\$44,572.00	\$53,422.00	\$58,994.00
RETIREMENT-GENERAL	62-91-7900-182	\$79,472.00	\$79,472.00	\$100,210.00	\$116,446.00
GROUP INSURANCE	62-91-7900-183	\$125,884.00	\$125,884.00	\$170,275.00	\$193,070.00
Total Field Services:		\$860,134.00	\$860,134.00	\$1,085,154.00	\$1,206,231.00
Total Salaries & Benefits:		\$860,134.00	\$860,134.00	\$1,085,154.00	\$1,206,231.00
Operating Expenses					
Field Services					
PROFESSIONAL SERVICES	62-91-7900-194	\$60,000.00	\$60,000.00	\$350,000.00	\$100,000.00
CONTRACT SERVICES	62-91-7900-199	\$475,500.00	\$475,500.00	\$481,236.00	\$347,929.00
UNIFORMS	62-91-7900-212	\$14,000.00	\$14,000.00	\$19,500.00	\$30,000.00
FUEL	62-91-7900-251	\$38,500.00	\$38,500.00	\$38,500.00	\$40,500.00
DEPT SUPPLIES	62-91-7900-299	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
M/R EQUIPMENT	62-91-7900-352	\$25,000.00	\$25,000.00	\$20,000.00	\$15,000.00
M/R VEHICLES	62-91-7900-353	\$20,000.00	\$20,000.00	\$20,000.00	\$15,000.00
M/R WATER/SEWER LINES	62-91-7900-354	\$425,000.00	\$425,000.00	\$461,500.00	\$465,000.00
ADVERTISING	62-91-7900-370	\$200.00	\$200.00	\$700.00	\$200.00
TRAVEL & TRAINING	62-91-7900-395	\$12,300.00	\$12,300.00	\$12,300.00	\$8,500.00
EQUIPMENT RENTAL/LEASE	62-91-7900-439	\$10,000.00	\$10,000.00	\$10,000.00	\$8,000.00

Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
DUES & SUBSCRIPTIONS	62-91-7900-491	\$2,880.00	\$2,880.00	\$3,200.00	\$3,200.00
MISC EXPENSE	62-91-7900-499	\$200.00	\$200.00	\$200.00	\$200.00
Total Field Services:		\$1,086,080.00	\$1,086,080.00	\$1,419,636.00	\$1,036,029.00
Total Operating Expenses:		\$1,086,080.00	\$1,086,080.00	\$1,419,636.00	\$1,036,029.00
Capital					
Field Services					
CAPITAL OUTLAY	62-91-7900-550	\$0.00	\$0.00	\$0.00	\$1,235,000.00
NON-CAPITALIZED CAPITAL OUTLAY	62-91-7900-552	\$0.00	\$0.00	\$0.00	\$580,000.00
Total Field Services:		\$0.00	\$0.00	\$0.00	\$1,815,000.00
Total Capital:		\$0.00	\$0.00	\$0.00	\$1,815,000.00
Total Expense Objects:		\$1,946,214.00	\$1,946,214.00	\$2,504,790.00	\$4,057,260.00

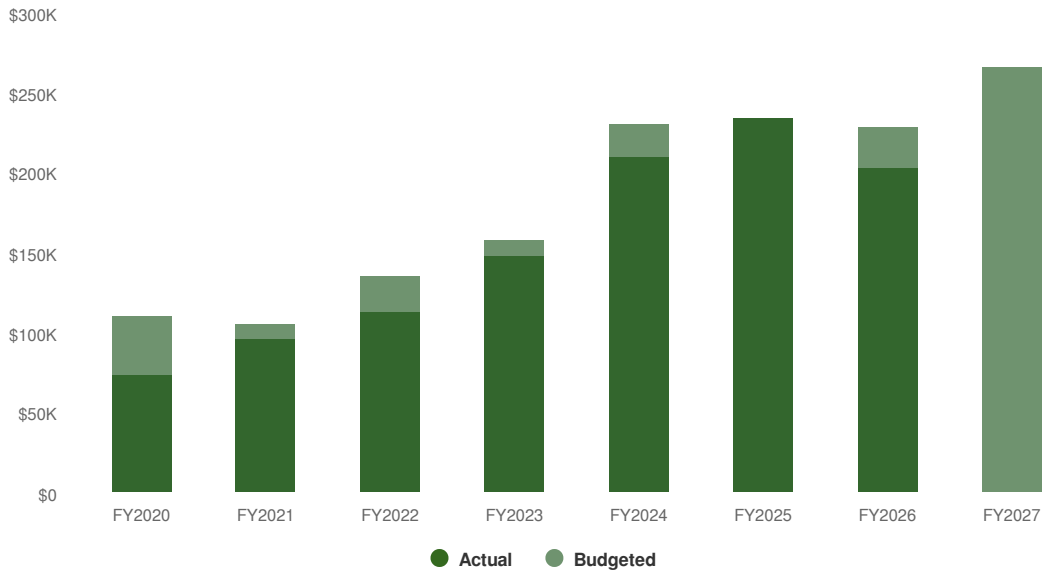
Utilities Administration - IT

Budgetary Increases and Decreases

Utilities Administration – IT FY27 projected budget is \$266,521, representing a 16% increase over the FY26 budget of \$228,688. This increase is primarily due to higher operating expenditures related to ongoing technology and system support needs.

\$228,688 **-\$6,147**
(-2.62% vs. prior year)

Utilities Administration - IT Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

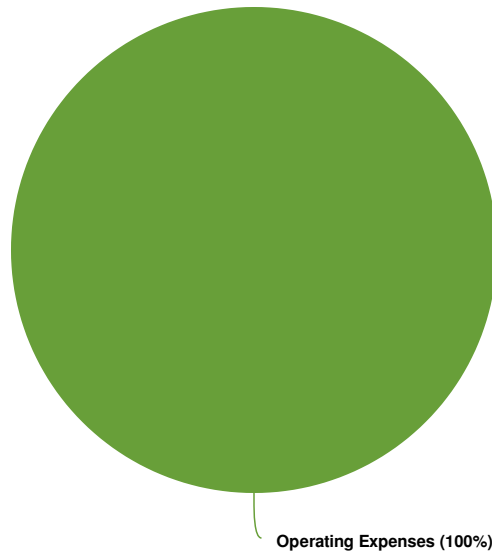
The FY27 Utilities Administration – IT budget reflects an approximate 16.5% increase while continuing to support core administrative functions and existing service levels.

There are no capital requests included in the FY27 budget. Although capital is being moved back into individual departments as part of a revised budgeting approach to improve departmental cost allocation, Utilities Administration – IT does not include capital funding in FY27.

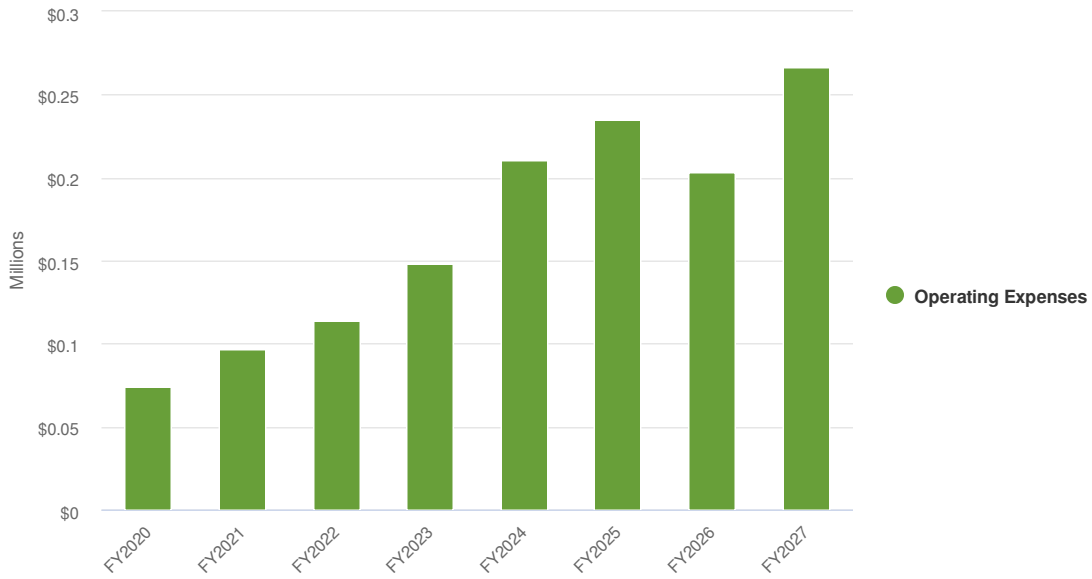
The increase is primarily driven by higher operating expenditures, including slight increases in contracted services, department supplies, and telephone expenses related to ongoing operational needs and inflationary pressures. Contracted services decreased while subscriptions increased due to the realignment of line items to more accurately reflect true subscription-based expenditures.

Outside of these areas, operating expenditures remain largely stable, with continued efforts to manage costs and maintain efficiency.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Operating Expenses					
Utility Administration-IT					
CONTRACT SERVICES	62-91-7910-199	\$143,430.00	\$143,430.00	\$136,263.00	\$91,953.00
FURNITURE, FIXTURES & EQUIPMENT	62-91-7910-298	\$14,500.00	\$14,500.00	\$14,200.00	\$13,400.00
DEPT SUPPLIES	62-91-7910-299	\$5,500.00	\$5,500.00	\$5,500.00	\$6,800.00
TELEPHONE	62-91-7910-321	\$34,253.00	\$34,253.00	\$33,173.00	\$38,380.00
EQUIPMENT RENTAL/LEASE	62-91-7910-439	\$3,804.00	\$3,804.00	\$4,448.00	\$4,489.00
DUES & SUBSCRIPTIONS	62-91-7910-491	\$33,348.00	\$33,348.00	\$35,104.00	\$111,499.00
Total Utility Administration-IT:		\$234,835.00	\$234,835.00	\$228,688.00	\$266,521.00
Total Operating Expenses:		\$234,835.00	\$234,835.00	\$228,688.00	\$266,521.00
Total Expense Objects:		\$234,835.00	\$234,835.00	\$228,688.00	\$266,521.00

Utilities Administration - Maintenance

Budgetary Increases and Decreases

Utilities Administration – Maintenance FY27 projected budget is \$862,895, representing a 27.8% increase over the FY26 budget of \$674,930. This increase is primarily driven by capital outlay expenditures and the continued investment in maintenance-related infrastructure and equipment needs.

\$674,930 **\$48,617**
(7.76% vs. prior year)

Utilities Administration - Maintenance Proposed and Historical Budget vs. Actual



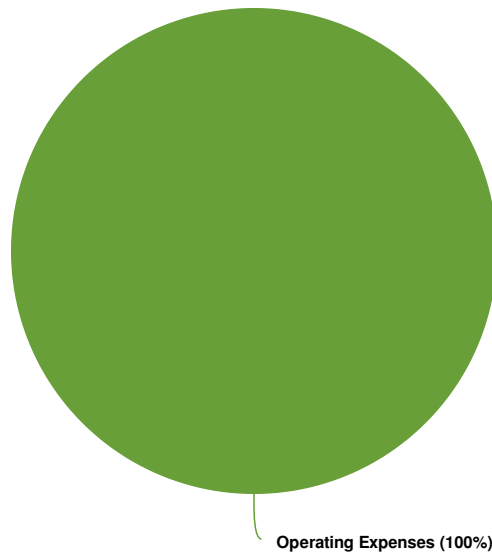
Expenditures by Expense Type

The FY27 Utilities Administration – Maintenance budget reflects an increase of approximately 27.8% over the FY26 adopted budget while continuing to support core maintenance and administrative functions and existing service levels.

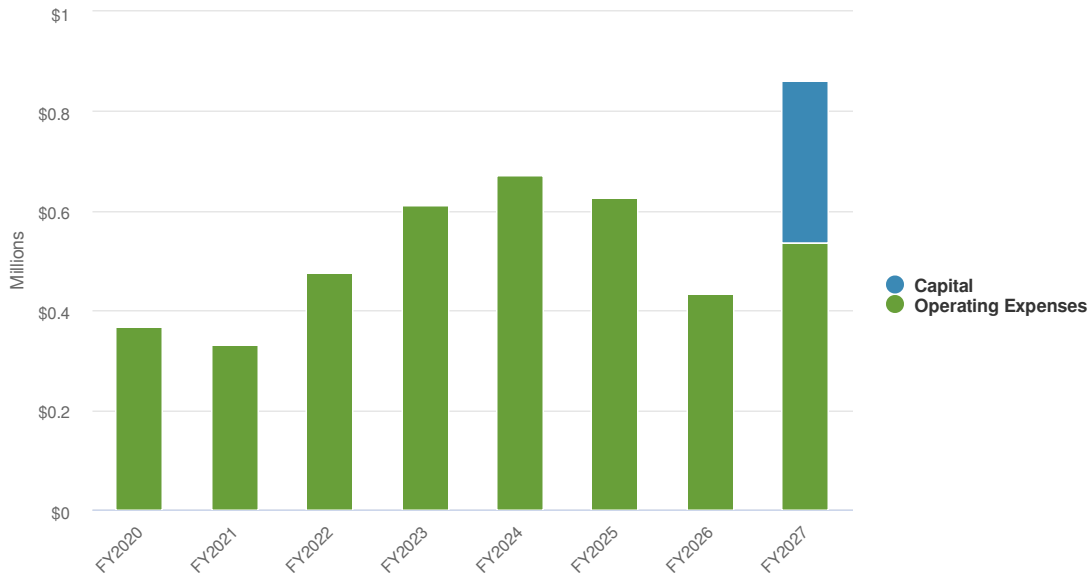
The primary driver of this increase is a capital request totaling \$326,595 to support necessary equipment and infrastructure needs within the department. This increase is largely the result of capital being moved back into individual departments as part of a revised budgeting approach designed to provide a more accurate reflection of departmental costs.

Outside of capital, operating expenditures remain largely stable, with continued efforts to manage costs and maintain efficiency.

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Operating Expenses					
Utility Administration-Maint					
CONTRACT SERVICES	62-91-7960-199	\$73,838.00	\$73,838.00	\$95,330.00	\$73,000.00
FUEL	62-91-7960-251	\$375.00	\$375.00	\$500.00	\$700.00
DEPT SUPPLIES	62-91-7960-299	\$6,000.00	\$6,000.00	\$6,100.00	\$6,100.00
UTILITIES	62-91-7960-331	\$508,500.00	\$508,500.00	\$535,000.00	\$409,000.00
M&R - BLDGS & GROUND	62-91-7960-351	\$37,600.00	\$37,600.00	\$38,000.00	\$47,500.00
Total Utility Administration-Maint:		\$626,313.00	\$626,313.00	\$674,930.00	\$536,300.00
Total Operating Expenses:		\$626,313.00	\$626,313.00	\$674,930.00	\$536,300.00
Capital					
Utility Administration-Maint					
CAPITAL OUTLAY	62-91-7960-550		\$0.00	\$0.00	\$326,595.00
Total Utility Administration-Maint:			\$0.00	\$0.00	\$326,595.00
Total Capital:			\$0.00	\$0.00	\$326,595.00
Total Expense Objects:		\$626,313.00	\$626,313.00	\$674,930.00	\$862,895.00

Capital - Enterprise Fund

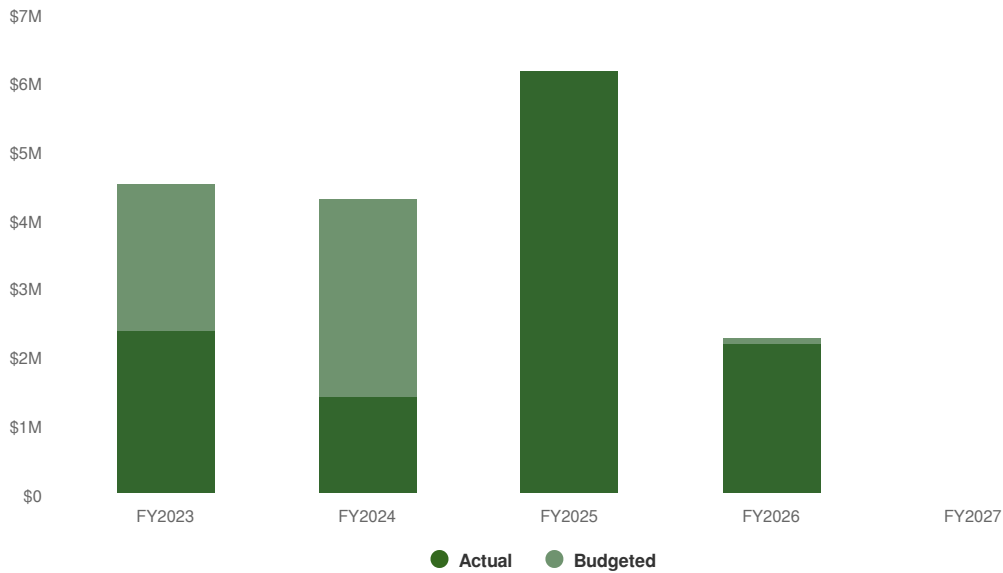
Expenditures Summary

Enterprise Fund Capital for FY27 is projected at \$5,956,020, representing an increase of 161% compared to the prior year budget of \$2,280,263.

In the following two charts, capital is first shown consolidated into a single department, and then for FY27 it is broken out and allocated across individual departments for improved tracking, transparency, and cost allocation.

\$2,280,263 **-\$3,882,225**
(-63.00% vs. prior year)

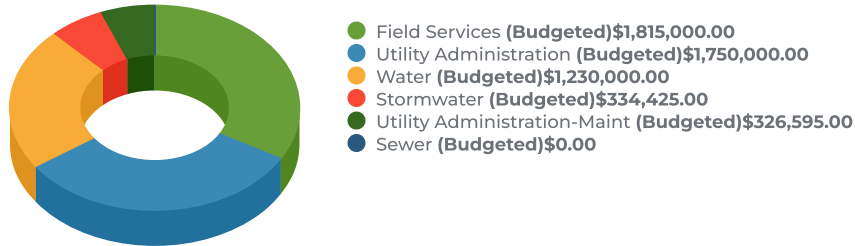
Capital - Enterprise Fund Proposed and Historical Budget vs. Actual



Capital By Department

Prior to FY27, capital was consolidated into a single department. For improved tracking and transparency, capital expenditures have been moved back into individual departments. In the bar graph above, capital is shown in its consolidated form, while the pie chart below illustrates the FY27 budget broken out and tracked by department.

Capital Expenditure For FY27



Capital Details

Department	Account ID	FY27 Proposed	Description
Stormwater	62-91-4730-550	\$334,425.00	Rankin Ave Drainage improvement phase one
Utility Administration	62-91-7110-550	\$1,750,000.00	Broome St waterline replc \$750,000 Building @ Legion Rd \$1,000,000 (this cost includes design,permitting, constructor)
Water	62-91-7130-550	\$1,080,000.00	North Tank Pump \$1,000,000 (this is rolling back from FY26 budget) Filter Media \$80,000 Phosphate
Water	62-91-7130-552	\$150,000.00	Phosphate Tank Repair \$75,000 Floccuators Rebuild \$75,000
Field Services	62-91-7900-550	\$1,235,000.00	Sewer lining \$200,000 Removal Pinewood L/S \$500,000 Replc Pump Panels @ L/S \$80,000 Dutch Ave Sewer Siphon \$1,035,000
Field Services	62-91-7900-552	\$580,000.00	Removal Pinewood L/S \$500,000 Replc Pump Panels @ L/S \$80,000
Uiltiy Administration Maintenance	62-91-7960-550	\$326,595.00	Repave Parking Lot

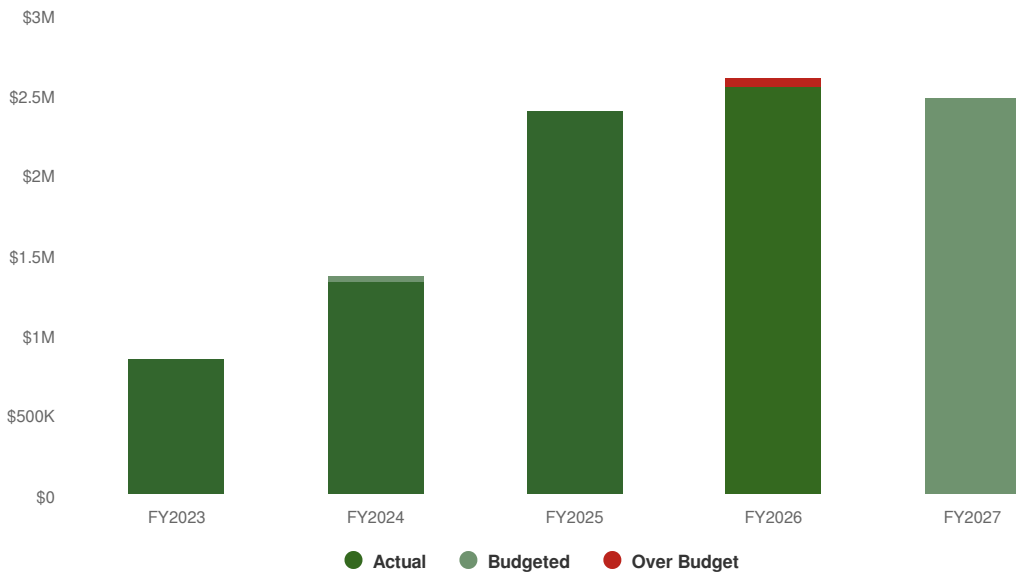
Debt - Enterprise Fund

Budgetary Increases and Decreases

Enterprise Fund debt service for FY27 totals \$2,480,742, consisting of \$2,049,915 in principal payments and \$430,827 in interest payments. This reflects a 2.7% decrease compared to the prior year. The decrease is a reflection of a reduction in interest as the loans reach maturity.

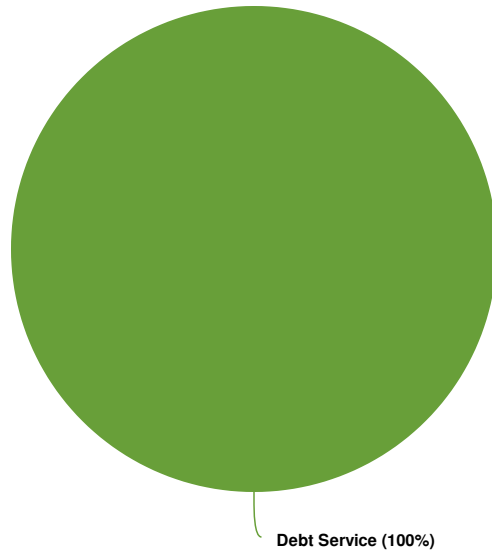
\$2,550,868 **\$151,646**
(6.32% vs. prior year)

Debt - Enterprise Fund Proposed and Historical Budget vs. Actual

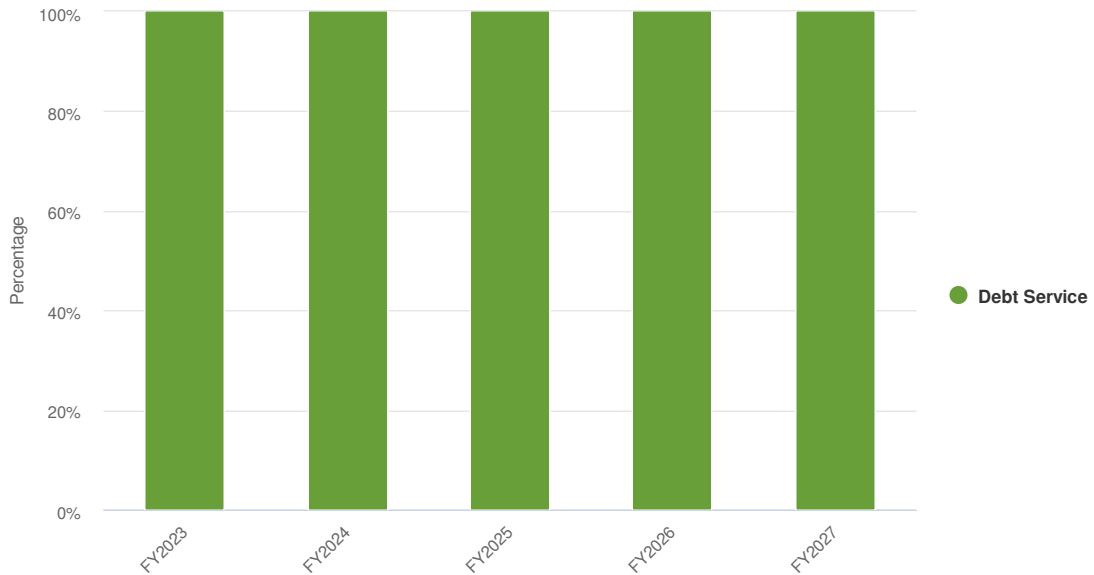


Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
Expense Objects					
Debt Service					
Debt Service					
DEBT - PRINCIPAL	62-91-9100-750	\$1,894,097.00	\$1,894,097.00	\$2,021,678.00	\$2,049,915.00

Name	Account ID	FY2025 Adopted	FY2025 Actual	FY2026 Budgeted	FY2027 Proposed
DEBT - INTEREST	62-91-9100-751	\$505,125.00	\$505,125.00	\$529,190.00	\$430,827.00
Total Debt Service:		\$2,399,222.00	\$2,399,222.00	\$2,550,868.00	\$2,480,742.00
Total Debt Service:		\$2,399,222.00	\$2,399,222.00	\$2,550,868.00	\$2,480,742.00
Total Expense Objects:		\$2,399,222.00	\$2,399,222.00	\$2,550,868.00	\$2,480,742.00

APPENDIX



Glossary

Abatement: A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

Accounting System: The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

Amortization: The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

Appropriation: A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

Assessed Valuation: A value assigned to real estate or other property by a government as the basis for levying taxes.

Audit: An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audit Report: Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

Bond and Interest Record: (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bonds Authorized and Unissued: Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.

Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Budget: A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Management: The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short-term borrowing and investment of idle cash.

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

Collective Bargaining: The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union. regarding wages, hours and working conditions.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery--direct, indirect, and capital costs—are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

Exemptions: A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private- purpose trust funds, and agency funds.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Float: The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Governing Body: A board, committee, commission, or other executive or policymaking body of a municipality or school district.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

Sale of Real Estate Fund: A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

Stabilization Fund: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

Tax Title Foreclosure: The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unreserved Fund Balance (Surplus Revenue Account): The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

Valuation (100 Percent): The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.



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City Of Mount Holly
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Mt Holly NC 28120-0406

STATE OF NORTH CAROLINA, COUNTY OF GASTON

The Gaston Gazette, a newspaper printed and published in the city of Gastonia, and of general circulation in the County of Gaston, State of North Carolina, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issue dated:

05/20/2026

and that the fees charged are legal.
Sworn to and subscribed before on 05/20/2026

Legal Clerk

Notary, State of WI, County of Brown

9-29

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Notice of Public Hearing

Please take notice that the Mount Holly City Council will hold a public hearing on Monday, June 8, 2026 at 7 p.m. (or as soon thereafter as the matter may be heard.) The purpose of the hearing will be to take public comment concerning the proposed Fiscal Year 2026-2027 budget and fee schedule.

A copy of the proposed budget has been submitted to the City Council and a copy is available for public inspection in the office of the City Clerk, City of Mount Holly Municipal Complex, 400 E. Central Avenue, Mount Holly, North Carolina 28120.

The public hearing will be held in the Council Chambers on the first floor of the Mount Holly Municipal Complex, 400 East Central Avenue, Mount Holly, North Carolina 28120.

All interested parties will be given the opportunity to speak at the public hearing. The City's budget is subject to change based on comments received at the public hearing and the Council's subsequent discussion and consideration.

Anyone who would like to make written comments in advance of the hearing or would like more information concerning the subject of the hearing may contact Tara Douglas, City Clerk, 400 East Central Avenue, Post Office Box 406, Mount Holly, NC 28120, telephone (704) 822-2938.

Tara Douglas, CMC/NCCMC
City Clerk

May 20 2026
LWLM0520504



Regular Meeting Agenda Action Form

Meeting Date	From
June 8, 2026	Brandon Livingston, Planner II Planning

PUBLIC HEARING Item # 2

Public hearing to consider a rezoning of Tax Parcel #184436 from R-12 (Single Family) to B-3 (General Business), Case R-26-2.

Will this require a public hearing?

Yes

Background/Purpose of Request

A rezoning application was submitted to staff by Cynthia Woolbright and Michael Hehir requesting to rezone Tax Parcel #184436 from R-12 (Single Family) to B-3 (General Business South Gateway Overlay District), which is approximately 2.0045 acres. The address is 303 Ferstl Avenue.

Currently, the property is being used as a daycare, and if this request is approved, would operate as a medical office (or related use), which is a permitted use in the B-3 South Gateway Overlay District. While it is the applicant's intent to operate as a medical office. This is a straight rezoning case so, if approved, the petitioner could operate any business that is allowed/permitted in the B-3 South Gateway Overlay District. The daycare has been in operation as a business since around 1985, and has not caused any issues/impacts to the neighboring residential areas.

To further emphasize, this property would be located in the South Gateway Overlay District, which has a list of permitted and prohibited uses, along with architectural standards. The applicant noted that they agree with being placed in the overlay to avoid incompatibility with adjacent commercial uses.

This property is adjacent to other B-3 General Business South Gateway Overlay District-zoned properties, so this would not be considered a spot zoning.

The Planning Commission gave a favorable, unanimous recommendation (6-0) to City Council regarding this rezoning during their June 1st meeting.

Fiscal Impact

- Will Item affect current budget? No.
- Reviewed by Finance Director? No.
- Preaudit Certification Required? No.
- Capital Project Ordinance Required? No.

Budget Transfer Required?	No.
Total City Dollars:	N/A.
Budget Code:	N/A.
Reviewed by City Attorney?	No.

Manager/Staff Recommendation

Staff seeks approval of this rezoning as presented.

Attachments

1. 303 Ferstl Avenue Rezoning Application
2. Rezoning Map of Subject Property
3. Statement of Consistency_303 Ferstl Avenue Rezoning_Signed



**MOUNT HOLLY
PLANNING AND DEVELOPMENT**

**Planning Commission
Rezoning Application**

Date Submitted: 3/25/2026 Fee: 2-Acres or less \$300.00 _____ Case Number R-26-2
 2-10 Acres \$400.00 X _____
 10 +Acres \$600.00 _____

Provide the required information as indicated below. Pursuant to the Zoning Ordinance, this application will not be processed until application fees are paid; the form below is completed & signed; & all required maps, plans & documents have been submitted to the satisfaction of the Administrator. A pre application meeting with Planning staff is required. Scheduling for the Planning Commission agenda will be based on the determination of a complete application submittal.

Pursuant to Section 14.2 B-2 of the Zoning Ordinance, the undersigned hereby requests Mount Holly to rezone the property described below from the R-12 zoning district to the B-3 (South Gateway overlay district) zoning district.
 Said property is located 303 FERSTI AVE
 in South Point Township; Being a total of: 2.0045 acres.

Further referenced by the Gaston County Tax Department as:

Tax Parcel # <u>184436</u>	Tax Parcel # _____
Tax Parcel # _____	Tax Parcel # _____
Tax Parcel # _____	Tax Parcel # _____

Check One:

- The property requested for rezoning is an entire parcel or parcels as shown on the Gaston County Tax Map.
- The property requested for rezoning is a portion of a parcel or parcels as shown on the Gaston County Tax Map; a written legal description of the property and/or a map are attached.

Check One:

- The applicant is the property owner(s)
- The applicant is an agent representing the property owner(s); the letter of property owner permission is attached.
- The applicant has an option to purchase or lease the property; a copy of the offer to purchase or lease to be submitted if the owner's signature is not provided (financial figures may be deleted).
- The applicant has no connection to the property owner and is requesting a third-party rezoning.

I hereby agree to conform to all applicable laws of the City of Mount Holly and the State of North Carolina and certify that the information provided is complete and accurate to the best of my knowledge. I acknowledge that by filing this application, representatives from Mount Holly Planning and Development may enter the subject property for the purpose of investigation and analysis of this request.

YOU OR SOMEONE REPRESENTING YOU MUST BE PRESENT AT THE PUBLIC HEARING

Submitted by

Cynthia W. Woolbright
 Property Owner Signature

Cynthia W. Woolbright
 Name

127 Circle Dr.
 Mailing Address

Mt. Holly NC 28120
 City, State and Zip Code

704-678-5927 woolbright16
 Phone Number Email Address

@aol.com

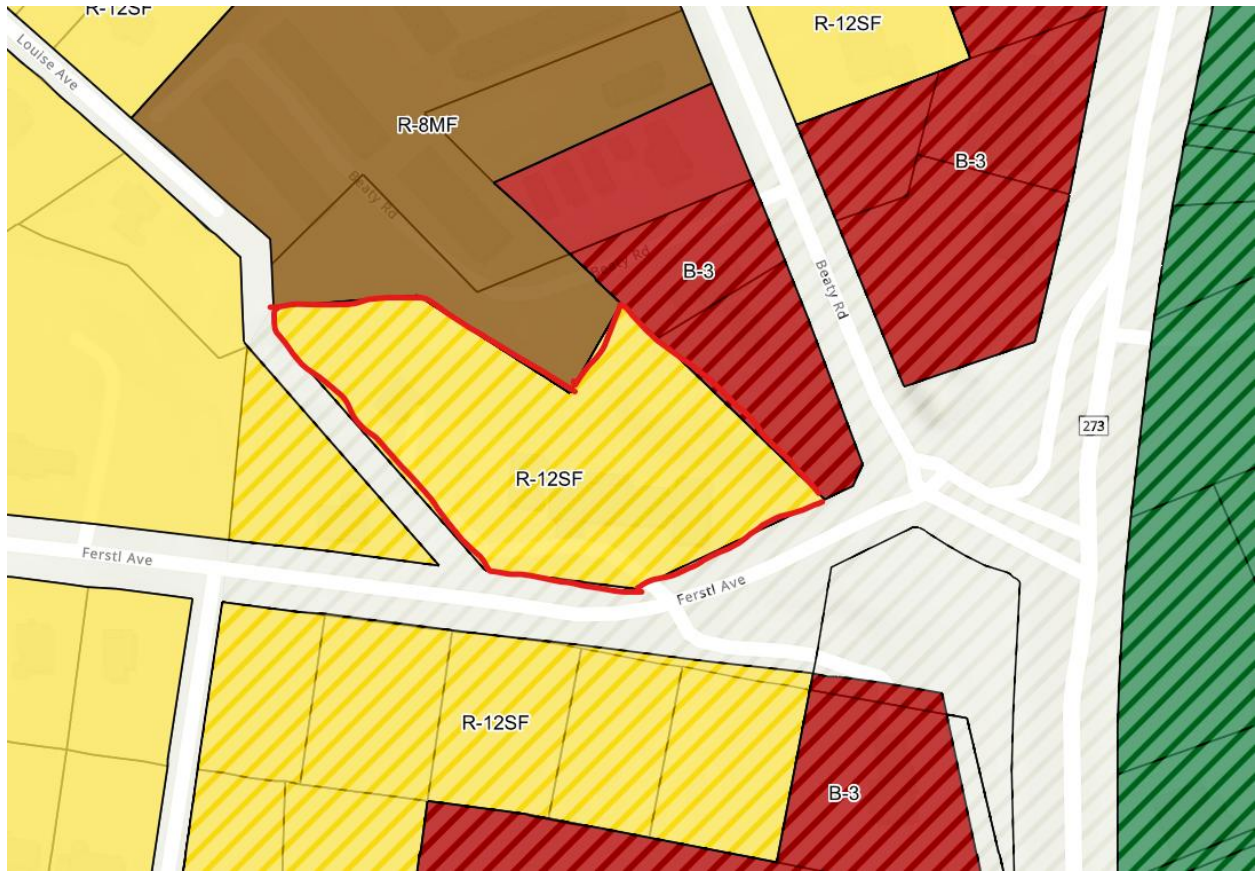
[Signature]
 Representative/Applicant Signature (if applicable)

Michael Hehir
 Name

815 Scotty Ct
 Mailing Address

Cramerton, NC 28032
 City, State and Zip Code

704-999-4265 Mike@basecamppland.co.com
 Phone Number Email Address



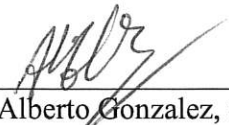


Statement of Consistency

In considering the request associated with application R-26-2, to rezone a 2.0045-acre tract of land, located at 303 Ferstl Avenue, at Parcel ID #184436, from R-12, Single Family to B-3 General Business, the Mount Holly Planning Commission finds the petition to be a reasonable request and in the public interest. It further finds it to be consistent with the Land Use Plan because:

- This rezoning is consistent with Land Use Policy Goal #1 to identify changes to the zoning ordinance that encourage development matching the goals of the preferred growth strategy and future land use map.
- The rezoning is consistent with Economic Development Policy Goal #2 to update zoning ordinance to support economic development goals.
- The rezoning is consistent with Community Services Goal #1 to provide community services in support of the Future Land Use Map and increase access to community services, facilities, and resources.

This finding(s) is supported by a 6-0 vote by the Mount Holly Planning Commission during its June 1, 2026 meeting.



Alberto Gonzalez, Chair

June 1, 2026

Date



Regular Meeting Agenda Action Form

Meeting Date

June 8, 2026

From

Brian DuPont, Assistant City Manager
City Management

NEW BUSINESS Item # 1

Discussion on Public Input Process for Downtown Redevelopment

Will this require a public hearing?

No

Background/Purpose of Request

Staff was requested to provide information on a possible public input process for the downtown redevelopment project. The goal of this presentation is to gain feedback and direction from the City Council on next steps.

Fiscal Impact

Will Item affect current budget?
Reviewed by Finance Director?
Preaudit Certification Required?
Capital Project Ordinance
Required?
Budget Transfer Required?
Total City Dollars:
Budget Code:
Reviewed by City Attorney?

Manager/Staff Recommendation

Attachments

1. Veterans Park Public Input(6-8-2026)

Public Input Process for Downtown Redevelopment

City Council
June 8, 2026



1

How can the City get input?

- Online Survey
- Charette Style Meeting
 - Park Amenities
 - Redevelopment Land Uses
 - Parking



2

How will input be evaluated?

- Environmental Assessment
 - Stream
- Existing Plan Review
 - Downtown Park Feasibility Study
 - Parks & Recreation Master Plan
 - Strategic Vision Plan
- Cost Evaluations & Funding Options



3

Public Input Next Steps

- June 8, 2026 – Feedback from City Council with direction to move forward
- August/September 2026 – Schedule & Hold Public Input Meetings
- August/September 2026 – Develop and Promote Online Survey
- Fall 2026 – Evaluation of Public Input by City staff
- Winter 2026 – Present findings to the City Council



4