

STATE OF NORTH CAROLINA
North Carolina Department of Environmental Quality
Financial Assistance Agreement

GRANTEE'S FEDERAL IDENTIFICATION NUMBER: **-*7576**

This financial assistance agreement is hereby made and entered into, by and between the **NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY** (the "Department") and the **TOWN OF SUNSET BEACH** (the "Grantee"¹).

1.0 Audit and Other Reporting Requirements of the Local Government Commission: If subject to the audit and other reporting requirements of the Local Government Commission pursuant to Article 3 of Chapter 159 of the North Carolina General Statutes (Local Government Budget and Fiscal Control Act), the Grantee understands and agrees that the terms, conditions, restrictions and requirements hereinafter set forth shall only apply to the extent not inconsistent with, or superseded by, the audit and other reporting requirements of the Local Government Commission.

2.0 Contract Documents: The agreement between the parties consists of this document (the "Contract Cover") and its attachments, which are identified by name as follows:

- 2.1 State's General Terms and Conditions (Attachment A).
- 2.2 Notice of Certain Reporting and Audit Requirements (Attachment B).
- 2.3 Grantee's Conflict of Interest Policy (Attachment C).
- 2.4 Grantee's Certification of No Overdue Tax Debts (Attachment D).
- 2.5 Department's Request for Proposal ("RFP") (Attachment E).
- 2.6 Grantee's Response to RFP, including scope of work, line item budget, budget narrative and, *if applicable*, indirect cost documentation (hereinafter referred to generally as the "Award Proposal") (Attachment F).

Together, these documents (the "Contract Documents") constitute the entire agreement between the parties (the "Agreement"), superseding all prior oral or written statements or agreements. Modifications to this Contract Cover or to any other Contract Document may only be made through written amendments processed by the Department's Financial Services Division. Any such written amendment must be duly executed by an authorized representative of each party prior to the contract expiration date.

3.0 Precedence Among Contract Documents: In the event of a conflict or inconsistency between or among the Contract Documents, the document with the highest relative precedence shall prevail. This Contract Cover shall have the highest precedence. The order of precedence thereafter shall be determined by the order of documents listed in Section 2.0 above, with the first-listed document having the second-highest precedence and the last-listed document having the lowest precedence. If there are multiple contract amendments, the most recent amendment has the highest precedence and the oldest amendment has the lowest precedence.

4.0 Contract Period: This Agreement shall be effective from the date upon which all parties have signed to March 30, 2027, inclusive of those dates.

5.0 Grantee's Duties: As a condition of the grant award, the Grantee agrees to:

¹ The contract documents attached hereto may at times use alternative terms to describe the Grantee. Such terms might include, but are not necessarily limited to, the following (in common or proper form): "recipient," "applicant," or "participant."

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- 5.1 Undertake and deliver the grant award project, plan or services as described in the Award Proposal (Attachment F), adhering to all budgetary provisions set out therein throughout the course of performance.
- 5.2 Ensure that all award funds are expended in a manner consistent with the purposes for which they were awarded, as described more fully in the attached Contract Documents.
- 5.3 Comply with the requirements of 09 NCAC 03M.0101, *et seq.* (Uniform Administration of State Awards of Financial Assistance), including, but not limited to, those provisions relating to audit oversight, access to records, and availability of audit work papers in the possession of any auditor of any recipient of State funding.
- 5.4 Comply with the applicable provisions of Attachment B, Notice of Certain Reporting and Audit Requirements.
- 5.5 Maintain all records related to this Agreement (i) for a period of six (6) years following the date on which this Agreement expires or terminates, or (ii) until all audit exceptions have been resolved, whichever is longer.
- 5.6 Comply with all laws, ordinances, codes, rules, regulations, and licensing requirements applicable to its performance hereunder and/or the conduct of its business generally, including those of Federal, State, and local agencies having jurisdiction and/or authority.
- 5.7 Obtain written approval from the Department's Contract Administrator (see § 14 below) prior to making any subaward or subgrant not already described in the Award Proposal.
- 5.8 Ensure that the terms, conditions, restrictions and requirements of this Contract Cover, including those incorporated by reference to other Contract Documents and/or applicable law, are made applicable to, and binding upon, any subgrantee who receives as a subaward or subgrant any portion of the award funds made available to the Grantee hereunder.
- 5.9 Take reasonable measures to ensure that any subgrantee (i) complies with the terms, conditions, restrictions and requirements set forth in this Contract Cover, including those incorporated by reference to other Contract Documents and/or applicable law, and (ii) provides such information in its possession as may be necessary for the Grantee to comply with such terms, conditions, restrictions and requirements.

6.0 Historically Underutilized Businesses: Historically Underutilized Businesses (HUBs) consist of minority, women and disabled business firms that are at least fifty-one percent owned and operated by an individual(s) of the categories. Also included in this category are disabled business enterprises and non-profit work centers for the blind and severely disabled.

Pursuant to G.S. 143B-1361(a), 143-48 and 143-128.4, the Department invites and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled. This includes utilizing subcontractors to perform the required functions in this contract. Any questions concerning NC HUB certification, contact the [North Carolina Office of Historically Underutilized Businesses](#) at (984) 236-0130.

7.0 Department's Duties: The Department shall pay the Grantee in the manner and amounts specified below and in accordance with the approved budget set forth in the Award Proposal.

8.0 Total Award Amount: The amount of awarded funds paid by the Department to the Grantee under this Agreement shall not exceed **\$2,982,375.00** (the "Amount of Award"). This amount consists of:

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Funding:

Type of Funds	Funding Source	CFDA No.
Receipts	North Carolina Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund	N/A

Accounting Code Information:

Dollars	Company
\$2,982,375.00	1600

Budget Fund (6 Digits)	Natural Account (8 Digits)	Agency Management Unit (AMU) (7 Digits)
205121	56900014	0000000

Grantee Matching Information:

- 8.1 There are no matching requirements from the Grantee.
- 8.2. There are no matching requirements from the Grantee; however, the Grantee has committed the following match to this project:

<input type="checkbox"/>	In-Kind	\$
<input type="checkbox"/>	Cash	\$
<input type="checkbox"/>	Cash and In-Kind	\$
<input type="checkbox"/>	Other / Specify:	\$

- 8.3 The Grantee's matching requirement is **\$994,125.00**, which shall consist of:

<input type="checkbox"/>	In-Kind	\$
<input checked="" type="checkbox"/>	Cash	\$994,125.00
<input type="checkbox"/>	Cash and In-Kind	\$
<input type="checkbox"/>	Other / Specify:	\$

- 8.4 The Grantee is committing to an additional **\$0.00** to complete the project or services described in the Award Proposal.

Based on the figures above, the **Total Contract Amount** is **\$3,976,500.00**.

9.0 Invoice and Payment: The award funds shall be disbursed to the Grantee in accordance with the following provisions:

9.1 The Grantee shall submit invoices to the Department's Contract Administrator at least quarterly. The final invoice must be received by the Department within forty-five (45) days following the date on which termination or expiration of this Agreement becomes effective. Amended or corrected invoices must be received by the Department's Financial Services Division within six (6) months of such date. Any invoice received thereafter shall be returned without action.

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Payments for administration, design, permitting, and survey shall not be paid until the Department is in receipt of a copy of the Grantee's required permits for the project and if there have been no timely third-party appeals filed regarding the permit decisions. If the permit becomes void, the project cannot be reimbursed or if the invoices have been reimbursed, funds shall be returned.

- 9.2 The Department shall reimburse the Grantee for actual allowable expenditures. As used herein, "allowable expenditures" are expenditures associated with work conducted to meet performance obligations under this Agreement, provided such work is carried out in a manner consistent with the Award Proposal. The Department may withhold payment on invoices when performance goals and expectations have not been met or when the manner of performance is inconsistent with Attachment E.
- Reimburse for allowable expenditures according to the amount specified in SOW/a minimum percentage of contract totals withheld until DEQ accepts final work.
 - Reimburse actual invoices submitted up to ninety percent (90%) of the DEQ contract amount, with ten percent (10%) of the contract amount withheld until DEQ accepts final work.
 - Lump sum payment when DEQ accepts contract fulfillment.
 - Reimburse after all local cash match has been expended and documentation has been approved by the Contract Administrator.
 - Reimburse actual invoices submitted with a minimum of ten percent (10%) of the invoice amount withheld until DEQ accepts the final work with the Department retaining a minimum of ten percent (10%) of the Total Award Amount until all grant-related activities are completed and all reports/deliverables are received and accepted by the Department.

10.0 Grantee's Fiscal Year: The Grantee represents that its fiscal year is from July 1st to June 30th.

11.0 Availability of Funds: The Grantee understands and agrees that payment of the sums specified herein shall be subject to, and contingent upon, the allocation and appropriation of funds to the Department for the purposes described in this Agreement.

12.0 Reversion of Unexpended Funds: The Grantee understands and agrees that any unexpended grant funds shall revert to the Department upon termination of this Agreement.

13.0 Supplantation of Expenditure of Public Funds: The Grantee understands and agrees that funds received pursuant to this Agreement shall be used only to supplement, not to supplant, the total amount of Federal, State and local public funding that the Grantee would otherwise expend to carry out the project or services described in the Award Proposal.

14.0 Contract Administrators: Each party shall submit notices, questions and correspondence related to this Agreement to the other party's Contract Administrator. The contact information for each party's Contract Administrator is set out below. Either party may change its Contract Administrator and/or the associated contact information by giving timely written notice to the other party.

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Grantee Contract Administrator	Department's Contract Administrator
Lisa Anglin Town of Sunset Beach 700 Sunset Boulevard N Sunset Beach NC 28468 Telephone: (910) 579-6297 x 1003 Email: langlin@sunsetbeachnc.gov	Kevin Hart North Carolina Department of Environmental Quality, Division of Water Resources 1617 Mail Service Center Raleigh NC 27699-1617 Telephone: (919) 707-3607 Email: kevin.hart@deq.nc.gov

15.0 Assignment: The Grantee may not assign its obligations or its rights to receive payment hereunder.

16.0 Procurement: The Grantee understands and agrees that all procurement activities undertaken in connection with this Agreement shall be subject to the following provisions:

- 16.1 None of the work or services to be performed under this Agreement involving the specialized skill or expertise of the Grantee shall be contracted without prior written approval from the Department.
- 16.2 In the event the Grantee or any subrecipient of the Grantee contracts for any of the work to be performed hereunder, the Grantee shall not be relieved of any duties or responsibilities herein set forth.
- 16.3 The Grantee shall not contract with any vendor who is restricted from contracting with the State of North Carolina pursuant to N.C.G.S. §§ 143-133.3, 143-59.1, 143-59.2 or 147.86.60.

17.0 Subawards: The Grantee understands and agrees that any subaward or subgrant of any portion of the financial assistance provided hereunder shall not relieve the Grantee of any duties or responsibilities herein set forth.

18.0 Title VI and Other Nondiscrimination Requirements: Throughout the course of its performance hereunder, the Grantee shall comply with all applicable State and Federal laws, regulations, executive orders and policies relating to nondiscrimination, including, but not limited to:

- 18.1 Title VI of the Civil Rights Act of 1964, as amended;
- 18.2 Civil Rights Restoration Act of 1987, as amended;
- 18.3 Section 504 of the Rehabilitation Act of 1973, as amended;
- 18.4 Age Discrimination Act of 1975, as amended;
- 18.5 Titles II and III of the Americans with Disabilities Act of 1990, as amended;
- 18.6 Title IX of the Education Amendments of 1972, as amended;
- 18.7 Part III of Executive Order No. 11246 (September 24, 1965), as amended; and
- 18.8 Section 13 of the Federal Water Pollution Control Act Amendments of 1972.

In accordance with the above laws and their implementing regulations, the Grantee agrees to ensure that no person in the United States is, on the basis of race, color, national origin, sex, age or disability, excluded from participation in, denied the benefits of, or subjected to discrimination under any program or activity for which the Grantee receives Federal assistance. For purposes of this provision, "program or activity" shall have the meaning ascribed to that term under Federal law (see 42 U.S.C.S. § 2000d-4a).

The Grantee understands and acknowledges that, in addition to itself, any lower-tier recipient of the financial assistance provided hereunder must also comply with the requirements of this section. Accordingly, the Grantee agrees to include a similar provision in any financial assistance agreement made with any lower-tier recipient of such assistance.

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- 19.0 E-Verify:** To the extent applicable, the Grantee represents that it and each of its subgrantees, contractors and/or subcontractors performing work pursuant to, or in association with, this Agreement are in compliance with Article 2 of Chapter 64 of the North Carolina General Statutes, including, in particular, the requirement that certain employers verify the work authorization of newly hired employees using the Federal E-Verify system.
- 20.0 Termination by Mutual Consent:** This Agreement may be terminated by mutual consent of the parties, provided the consent is documented in writing and duly executed by an authorized representative of each party.
- 21.0 Survival:** Any provision contained in this or any other Contract Document that contemplates performance or observance subsequent to the termination or expiration of this Agreement shall survive the termination or expiration hereof and continue in full force and effect.
- 22.0 Signature Warranty:** The undersigned represent and warrant that they are authorized to bind their principals to the terms and conditions of this Contract Cover and the Agreement generally, including those incorporated by reference to applicable law.

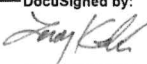
IN WITNESS WHEREOF, the Grantee and the Department execute this Agreement by their duly authorized representatives on the day and year below.

TOWN OF SUNSET BEACH

NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY

DocuSigned by:


 Grantee's Signature

DocuSigned by:


 Department Signature or Authorized Assignee

Lisa Anglin Town Administrator/Town Clerk

Teroy kodak Procurement Director

Printed Name and Title

Printed Name and Title

Town of Sunset Beach

DEQ Procurement

Organization

Department

1/24/2025

1/27/2025

Date

Date