



Agenda

Council Regular Meeting

Thursday, June 18, 2026

6:00 p.m.

Town Hall

Page

1. 6:00 P.M. - CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. APPROVAL OF THE AGENDA

4. ANNOUNCEMENTS

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| 4.1 | Certificate of Achievement Presentations | 5 |
| | MEMO-26-0142 - Pdf | |
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5. SPECIAL PUBLIC COMMENT PERIOD ON THE IDEA OF POTENTIAL VOTING DISTRICTS

- 5.1 Special Public Comment Period
- 5.2 Council Discussion

6. PUBLIC COMMENT

- 6.1 Please note that these proceedings, including the Public Comment portion, are being live streamed and videotaped. The public and media also may videotape these proceedings at any time.

7. APPROVAL OF CONSENT AGENDA

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

- 7.1 Potential Conflict of Interest/Association Disclosure
- 7.2 Consent Agenda

POTENTIAL ACTION: Motion to approve the Consent Agenda as presented.

7.1. Minutes

- 7.1.1 Approving Council Meeting Minutes: 11 - 55
March 19, 2026 - Regular Council Meeting
April 13, 2026 - Agenda Council Meeting
April 16, 2026 - Regular Council Meeting
April 23, 2026 - Special Council Meeting
May 18, 2026 - Closed Session Meeting
June 1, 2026 - Special Council Meeting
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7.2. Engineering

- 7.2.1 Resolution R-26-042 Authorizing the Town Manager to Execute a Design-Build Agreement with Intercoastal Marine, LLC for the Sturgeon Creek Boardwalk and Dock Project 57 - 149
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7.3. Information Systems

- 7.3.1 Resolution R-26-045 Authorizing the Town Manager to Execute a Contract with VC3, Inc. for Managed IT Equipment and Services 151 - 160
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7.4. Planning & Building Inspections

- 7.4.1 Resolution R-26-040 to Release a Performance Guarantee Agreement and Surety Bond for the Completion of Required Improvements within the Brunswick Forest Phase 3 Section 4 Subdivision 161 - 170
[MEMO-26-0118 - Pdf](#)
- 7.4.2 Resolution R-26-039 Approving a New Performance Guarantee Agreement for the Guarantee of Installation of Required Improvements within Brunswick Forest Phase 8 Section 2B Site Specific Plan 171 - 177
[MEMO-26-0115 - Pdf](#)
- 7.4.3 Resolution R-26-043 Approving a New Performance Guarantee Agreement for the Guarantee of Installation of Required Improvements within Brunswick Forest Phase 9 Section 6 Subphase 1 Site Specific Plan 179 - 186
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- 7.4.4 Resolution R-26-046 Updating the Planning and Zoning Fee Schedule for the Planning and Inspections Department 187 - 190
[MEMO-26-0131 - Pdf](#)

7.5. Finance

- 7.5.1 Budget Amendment BA26-007 Reduce the General Fund Operating Budget by \$900,000 for GASB Reporting 191 - 192
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7.5.2	Resolution R26-044 Adopting Financial Policies for the Town MEMO-26-0130 - Pdf	193 - 211
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8. BOARD AND COMMITTEE APPOINTMENTS

9. DISCUSSION TOPIC

9.1	Exchange of Property MEMO-26-0135 - Pdf	213 - 214
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10. OLD/NEW BUSINESS

10.1	Staff Reports June 2026 Staff Reports	215 - 270
10.2	Council Reports	

11. ADJOURNMENT

12. NEXT MEETING DATE

Next Regular Council Meeting Date is July 16, 2026 at Town Hall



MEMO

MEMO-26-0142

Meeting Date: June 18, 2026

Prepared By: Sabrena Reinhardt

MEETING TYPE: Council Agenda Meeting

TITLE: Certificate of Achievement Presentations

PURPOSE: To recognize community members for their recent achievements.

BACKGROUND: At each monthly Regular Council Meeting, the Town Council takes the opportunity to recognize community members for their notable accomplishments and contributions.

SUMMARY: The following individuals will be presented with Certificates of Achievement:

- **David Dick**, Outstanding Accomplishment in Achieving the 2026 Governor's Volunteer Service Award
- Brandi Maxim, Outstanding Accomplishment in Achieving Teach of the Year at Lincoln Elementary School

SUPPORTING PLANS: N/A

REQUEST FOR ACTION: The Mayor and Town Council will present the Certificates of Achievement.



PROCLAMATION

PROCLAIMING THE COMMEMORATION OF THE UNITED STATES SEMIQUINCENTENNIAL

WHEREAS, the year 2026 marks the 250th anniversary of the signing of the Declaration of Independence and the founding of the United States of America, a milestone known as the Semiquincentennial; and

WHEREAS, the Declaration of Independence established the enduring principles of liberty, equality, self-government, and individual rights that continue to guide our nation today; and

WHEREAS, the Semiquincentennial provides an opportunity to reflect on our nation's history, honor the sacrifices and achievements of those who came before us, and celebrate the diverse people and communities that have shaped our country; and

WHEREAS, the Town of Leland is proud to join communities throughout North Carolina and the nation in commemorating this historic anniversary and encouraging civic engagement, patriotism, and community pride.

NOW, THEREFORE, BE IT PROCLAIMED, that the Mayor and Town Council of the Town of Leland, North Carolina, do hereby recognize and celebrate the 250th Anniversary of the United States of America and proclaim 2026 as the Year of the United States Semiquincentennial in the Town of Leland.

BE IT FURTHER PROCLAIMED, that all residents are encouraged to participate in commemorative activities, reflect upon our nation's history and heritage, honor those who have served and sacrificed for our freedoms, and recommit themselves to the principles of liberty, equality, and civic responsibility.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the Town of Leland, North Carolina, to be affixed this 18th day of June, 2026.

Brenda Bozeman, Mayor



MEMO

MEMO-26-0120

Meeting Date: June 18, 2026

Prepared By: Tim McNeilly

MEETING TYPE: Council Regular Meeting

TITLE: Upcoming Events - June 2026

PURPOSE: To highlight and promote upcoming programs and events.

BACKGROUND: The Parks, Recreation and Cultural Resources Department hosts numerous ongoing programs and special events throughout the year. These items are promoted by the Town through our Cultural Arts, Parks and Events (CAPE) guide, on our website, and through our social media channels among other efforts throughout the year. Each month a list is announced at the Town Council Regular Meeting to further promote these items to the public.

SUMMARY: The following programs and events have been scheduled.

June 20, 10 a.m. – 3 p.m. – Dry point Printmaking Workshop, LCAC
 June 22, 6-8 p.m. – Paint Pouring, LCAC
 June 23, 6-8 p.m. – Seasonal Ceramics Workshop, Windchimes, LCAC
 June 25, 6-8 p.m. – Bracelets on the Block, LCAC
 June 25, 6-8:30 p.m. – Pressed Plant Greeting Cards, LCAC
 June 25, 6-7:30 p.m. – Candy Bar Bingo, LCAC
 June 27, 7-10 p.m. – Contra Dance, LCAC
 July 7-30, Appleby & Jirlds Gallery, LCAC
 July 18, 10 a.m. – 12 p.m. – Seasonal Ceramics Workshop – Fairy Houses, LCAC
 July 20, 6-7:30 p.m. – Sourdough for beginners, LCAC

SUPPORTING PLANS: Town Council Service Area Vision Statement FY 2025-2026:
 Be a governing body that proactively educates and communicates with the public, municipal, county, and state officials.

REQUEST FOR ACTION: No action is requested at this time.



MEMO

MEMO-26-0137

Meeting Date: June 18, 2026

Prepared By: Sabrena Reinhardt

MEETING TYPE: Council Regular Meeting

TITLE: Approve Council Meeting Minutes

PURPOSE: Approving the following meeting minutes:
March 19, 2026 - Regular Council Meeting
April 13, 2026 - Agenda Council Meeting
April 16, 2026 - Regular Council Meeting
April 23, 2026 - Special Council Meeting
May 18, 2026 - Closed Session Meeting
June 1, 2026 - Special Council Meeting

BACKGROUND: Council held a series of meetings. The Town Clerk provides a record of the meeting minutes as per N.C. G.S. 143.318.10 (e).

SUMMARY: The Town Clerk is requesting that the Town Council review the minutes for the Town's records.

SUPPORTING PLANS: N/A

REQUEST FOR ACTION: The Town Clerk is requesting that Council approve the set of meeting minutes to be placed in the Town's historical archive.



TOWN OF LELAND
Council Regular Meeting Minutes
Thursday, March 19, 2026 at 6:00 p.m.

ASSEMBLY

The Town of Leland Council Regular Meeting was held on Thursday, March 19, 2026 at 6:00 p.m. at the Town Hall.

PRESENT: Brenda Bozeman, Bob Campbell, Veronica Carter, Leland Hyer, and Frank Pendleton

ABSENT:

ALSO PRESENT: David Hollis, Town Manager; Ben Andrea, Planning and Inspections Director; Joshua Hall, Staff Attorney; Shelton James, Fire Chief; Kelli Newton, Budget and Strategy Manager; Sabrena Reinhardt, Town Clerk; Missy Rhodes, Deputy Town Manager; Barnes Sutton, Economic and Community Development Director; Ben Watts, Planning Supervisor; and Stephen Coggins, Town Attorney.

1. 6:04 p.m. - Call to Order

1.1

Mayor Bozeman called the meeting to order at 6:04 p.m.

2. Pledge of Allegiance

2.1

The Pledge of Allegiance was recited.

There were 56 people from the public in the audience.

3. Approval of the Agenda

3.1

Ms. Reinhardt stated that staff would like to add Agenda Item 16. Closed Session to the agenda.

Councilmember Pendleton stated that he received information from Town Attorney Steve Coggins and is requesting that Agenda Item 13.1 Closed Session Process be removed from the agenda and place Committee Requirements in its place.

Councilmember Hyer requested Agenda Item 13.2 United States Postal Service be added to the agenda.

ACTION: Motion to approve the agenda as amended.

Motion: Bob Campbell

Second: Veronica Carter
Vote: UNANIMOUS

4. Announcements

4.1 Batish Family Medicine Leland Retirement Proclamation

Mayor Bozeman presented Dr. Batish with a proclamation for his service and medical practice in Leland.

Dr. Batish thanked the community for allowing him to provide medical care to the residents.

4.2 Irish Heritage Month Proclamation

Mr. Hyer and **Mayor Pro Tem Campbell** presented the Hibernians with the Irish Heritage Month Proclamation.

4.3 Knights of Columbus Proclamation

Mr. Hyer and **Mayor Pro Tem Campbell** presented the Knights of Columbus with the Knights of Columbus Proclamation.

4.4 North Carolina Rice Festival Proclamation

Councilmember Carter presented the North Carolina Rice Festival Board of Directors with the North Carolina Rice Festival Proclamation.

4.5 Upcoming Events - March 2026

Mr. Sutton highlighted the upcoming Town events.

5. Presentations

5.1 Cape Fear Memorial Bridge Update presented by Trevor Carroll, Division Engineer, NCDOT Division 3

Mr. Carroll presented an update on the Cape Fear Memorial Bridge project.

Councilmember Campbell asked Mr. Carroll to explain what a STIP is. **Mr. Carroll** responded that the State Transportation Improvement Program (STIP) is NCDOT's 10-year plan that identifies and schedules transportation projects eligible for state and federal funding. The program prioritizes and funds improvements to roads, bridges, transit, bicycle and pedestrian facilities, and other transportation infrastructure across North Carolina.

Mayor Bozeman asked about the survey taking place along Highway 421 right now. **Mr. Carroll** responded that two activities are currently underway: surveying and geotechnical exploration.

Councilmember Carter asked whether a public hearing would be held on the Brunswick County side of the river. **Mr. Carroll** responded that he believes it is included in the project plan.

Councilmember Pendleton asked whether a parallel bridge could be constructed alongside the current bridge, allow the current bridge to remain open, then as the new bridge is built you could

refurbish the existing bridge and have a one-way bridge in each direction to help alleviate traffic disruptions. **Mr. Carroll** responded that no, that path has not been explored. The current plan is to construct a new six-lane bridge parallel to the existing bridge, and once it is operational, remove the existing bridge.

Councilmember Hyer asked about implementing a Wildflower Program within the Town limits and requested additional information regarding the proposed toll bridge. **Mr. Carroll** responded that NCDOT would be interested in partnering with the Town on a Wildflower Program. Regarding the bridge project, he stated that two construction alternatives are currently being considered and that it is too early to determine a potential toll rate. He noted that bridge maintenance costs would also need to be factored into any toll calculation. As additional information becomes available, it will be shared with the community.

Councilmember Hyer asked whether toll revenues would be dedicated solely to the bridge project rather than other NCDOT projects. **Mr. Carroll** responded that NCDOT's goal is for toll revenues to be used for the bridge project and its ongoing maintenance.

Councilmember Campbell asked, "What is the projected completion timeline?" **Mr. Carroll** responded that current projections are based on an aggressive five-year construction schedule, with multiple crews working throughout the duration of the project.

Councilmember Pendleton inquired about the proposed height of the bridge and the extent of its footprint. **Mr. Carroll** responded that, if NCDOT selects the 135-foot bridge alternative, the bridge would terminate near 5th Street rather than 3rd Street. On the Brunswick County side, it would connect near Highway 421. If a movable-span bridge is selected, it would generally follow the existing bridge footprint.

Councilmember Carter asked the Council whether it would be beneficial for Mr. Carroll to return at a later date to provide a presentation on the State Transportation Improvement Program. **Mr. Carroll** responded that he would be happy to do so and would be glad to bring additional members of his team to participate in the presentation.

6. Public Comment

6.1

The Town had members of the public speak about the following:

- The United States Constitution.
- The lack of service provided by the Leland Post Office.
- Observed pointless division amongst Town leaders and the need for effective leadership and collaboration.
- Safety concerns regarding future development on Highway 74/76 with the annexation item on tonight's agenda.
- Supporting the proposed FY26/27 budget.
- Thanked the Town's staff for their hard work.
- Hopes that the Town Attorney's report puts recent matters to rest; thanked Mr. Hollis for ensuring that laws are being followed; and noted it is important that the Council work together.
- Had no issue with what Councilmember Pendleton did to find out about his laptop purchase. She wants to see the Council work together.
- Concerns about voting districts.

7. Approval of Consent Agenda

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

ACTION: Motion to amend the Consent Agenda to make Agenda Item 7.2.1. to become Agenda Item 13.3 and Agenda Item 7.2.2. to become Agenda Item 13.4.

Motion: Frank Pendleton
 Second: Veronica Carter
 Vote: UNANIMOUS

7.1 Minutes

7.1.1 Approving Council Meeting Minutes:
 January 29, 2026 - Special Council Meeting
 February 9, 2026 - Special Council Meeting
 February 16, 2026 - Closed Session Meeting
 February 19, 2026 - Regular Council Meeting
 February 19, 2026 - Closed Session Meeting
 March 9, 2026 - Special Council Meeting

7.2 Planning & Building Inspections

7.2.1 Resolution R-26-015 Approving the Release of a Performance Guarantee Agreement and Cash Bond for the Completion of Required Improvements within Seabrooke Phase 4 Residential Subdivision

7.3 Finance

7.3.1 Resolution R-26-017 Acceptance of Grant Award Funds

8. PUBLIC HEARING - FY26/27 BUDGET HEARING

8.1

Mayor Bozeman opened the Budget Hearing.

Ms. Newton presented the proposed FY26/27 Budget.

Public Comment that was received indicated the need to keep expenses low.

Mayor Bozeman closed the Budget Hearing

9. Action Item - Certificate of Sufficiency for the Petition of Annexation

9.1 Certificate of Sufficiency for the Petition of Annexation of Brunswick County Tax Parcel IDs 0280000101 and 02200024 from WGTRACT6 LLC and WGTRACT10B LLC

Mr. Andrea presented the Certificate of Sufficiency for the Petition of Annexation. The proposed annexation area consists of approximately 150.26 acres and is located along U.S. Highway 74/76, east and west of Compass Pointe East Wynd NE, and south of the Compass Pointe community.

On June 17, 2022, the applicants submitted a petition requesting voluntary annexation of the property into the Town. On January 15, 2026, the Council directed the Town Clerk to investigate the petition for voluntary annexation of the area.

Staff recommended that the Council accept the Certificate of Sufficiency and schedule a public hearing for April 16, 2026, at 6:00 p.m., or shortly thereafter, at Town Hall.

ACTION: Motion to accept the Certificate of Sufficiency and set a public hearing on April 16, 2026 at 6:00 p.m. or shortly thereafter at the Leland Town Hall.

Motion: Bob Campbell
Second: Veronica Carter
Vote: UNANIMOUS

10. Action Item - Certificate of Sufficiency for the Petition of Annexation

- 10.1 Certificate of Sufficiency for the Petition of Annexation of Brunswick County Tax Parcel IDs 0280000112 and 0280000113 from Malmo Loop Farm, LLC

Mr. Andrea presented the Certificate of Sufficiency for the Petition of Annexation. The proposed annexation area consists of approximately 103.94 acres and is located along Colon Mintz Road, near the intersection of Colon Mintz Road and Malmo Loop Road, immediately west of the East Lake subdivision.

The applicant submitted a petition for voluntary annexation of the property on February 15, 2023. On February 19, 2026, the Council directed the Town Clerk to investigate the petition for voluntary annexation of the annexation area.

Staff recommended that the Council accept the Certificate of Sufficiency and schedule a public hearing for April 16, 2026, at 6:00 p.m., or shortly thereafter, at Town Hall.

ACTION: Motion to accept the Certificate of Sufficiency and set a public hearing on April 16, 2026 at 6:00 P.M. or shortly thereafter at the Leland Town Hall.

Motion: Veronica Carter
Second: Leland Hyer
Vote: UNANIMOUS

11. Public Hearing - Data Center Permitting

- 11.1 Conflict of Interest/Disclosure Statement

Mayor Bozeman asked the Council if they had any conflicts of interest or disclosures to make. **The Council** had no conflicts of interest or disclosures.

- 11.2 Ordinance ORD-26-002 to Modify Chapter 66-4 - Definitions and Chapter 66-162 - Permitted Uses of the Town of Leland's Code of Ordinances

Mayor Bozeman opened the public hearing.

Mr. Watts presented the text amendment for Chapter 66-4 and Chapter 66-162 to address the installation of data centers in the Town's limits.

Public Comment was as follows:

- The size of a lot to build a data center is very large.
- Complimented the Planning department and Planning Board on the work to create this ordinance.
- There is a 500' setback for the data center, but none for the rail line.
- Utility concerns for data centers.

Councilmember Pendleton asked if we have a contract or have a target data center in mind. **Mr. Watts** responded no, there has been none. **Councilmember Pendleton** asked if the Town has had any inquiries for data centers. **Mr. Watts** responded not to his knowledge.

Mr. Watts provided clarity on the amount of land available for data center siting within the current Innovation District. When accounting for the proposed setback requirements, approximately 115 acres of land would be available for data center development.

Mayor Bozeman closed the public hearing.

11.3

Motion to adopt Ordinance ORD-26-002, affirming the Planning Board's statements that the amendment is consistent with the Town's adopted plans and is reasonable and in the public interest.

Moved by Veronica Carter, Seconded by Councilmember Hyer.

Discussion:

Councilmember Pendleton does not believe that this is in the best interest of the public at this time.

ACTION: Motion to adopt Ordinance ORD-26-002, affirming the Planning Board's statements that the amendment is consistent with the Town's adopted plans and is reasonable and in the public interest.

Brenda Bozeman	For
Bob Campbell	For
Veronica Carter (Moved By)	For
Leland Hyer (Seconded By)	For
Frank Pendleton	Against
Vote: CARRIED.	

11.4

Mayor Bozeman called a recess at 8:00 p.m.

Mayor Bozeman called the meeting back in session at 8:06 p.m.

12. Public Hearing - Civil Penalties and Enforcement

12.1 Conflict of Interest/Disclosure Statement

Mayor Bozeman asked the Council if they had any conflicts of interest or disclosures to make. **The Council** had no conflicts of interest or disclosures.

12.2 Ordinance ORD-26-003 Amending Chapter 1 and Chapter 66 - Civil Penalties in the Code of Ordinances

Mayor Bozeman opened the public hearing.

Mr. Andrea presented the text amendment for the Council's consideration.

No one from the public spoke in support or opposition during the public comment period.

Councilmember Pendleton inquired if the ordinance could allow the Town to recover the attorney fees. **Mr. Coggins** responded, no, there is not because the legislature does not authorize the recovery of attorney fees for civil actions.

Councilmember Pendleton asked if the 50-dollar fee is the maximum amount that can be charged. **Mr. Coggins** responded, yes, the maximum amount is set by state statute.

Mayor Bozeman closed the public hearing.

ACTION: Motion to adopt Ordinance ORD-26-003, affirming the Planning Board's statements that the amendment is consistent with the Town's adopted plans and reasonable and in the public interest.

Motion: Bob Campbell

Second: Veronica Carter

Vote: UNANIMOUS

13. Discussion Topics

13.1 Committee Requirements

Councilmember Pendleton stated that currently there are Board and Committee members that serve that are not Town residents.

Therefore, I move that the Town of Leland's Board and Committee Handbook, the bylaws of the Leland Economic Development Committee, and the bylaws of the Leland Tourism Development Authority, and all other relevant manuals, handbooks, bylaws, or charters be amended to require residents in Leland or ownership or operation of a business in Leland for any candidate seeking appointment to any and all Boards. Committees are Subcommittees serving the Town of Leland. Furthermore, be it resolved that all non-resident members of the Boards, Committees, and Subcommittees appointed before March 21st, 2026, at their discretion, serve out the remainder of their present term and not be eligible for reappointment unless they are residents or own a business that qualifies them for consideration. Finally, under this motion, the Town Manager and staff would be directed to bring amended documents implementing the changes to the next Regular Council Meeting for consideration and approval.

Moved by Councilmember Pendleton. MOTION DIES AS THERE WAS NO SECOND.

Mr. Sutton said there are a couple of things to consider, such as, the Economic Development Committee does mention a residency requirement or business dealing within the Cape Fear Region. Our current Economic Development Committee Chair Michael Braddock used to live in Leland, but he no longer does, but his business is cold storage pharmaceuticals. He specializes in foreign trade

zones. Should we have a requirement for residency we would not have those types of experiences to bring to the Town. He speaks at conferences regarding bringing businesses to Leland.

Mr. Hollis said appointments to the Boards and Committees are at the discretion of the Council.

13.2 Leland Post Office

Councilmember Hyer asked about the Council's next steps regarding advocating for a new postal facility in the Town of Leland. He noted that he has heard concerns and personally experienced mail delivery issues. While recognizing that the Town does not govern or oversee postal services, he asked what methods could be used to address the issue.

Councilmember Carter recommended hosting a legislative dinner with area elected officials to discuss the matter. **Mr. Hollis** responded that two Councilmembers could speak with others regarding the issue without forming a subcommittee.

Councilmember Carter stated that all regional municipalities affected by the service issues, along with the Brunswick County Commissioners, should engage with federal representatives to address the problem.

Mayor Bozeman stated that she would contact Chance Lambeth, District Director for Congressman Rouzer, regarding an opportunity to speak with the Town Council.

Councilmember Hyer said that while such a discussion would provide an opportunity to raise concerns, the Town should not rely solely on a member of Congress to resolve the issue.

Council discussed the possibility of individual Councilmembers meeting with municipal officials from other jurisdictions. **Councilmember Hyer** suggested that a member of staff also be involved in those discussions.

Councilmember Campbell stated that he agreed with Councilmember Hyer and believed the Town had exhausted its available options at the local level. He suggested elevating the matter to the Postmaster General. **Mr. Hollis** noted that staff had previously forwarded the resolution adopted by Council in December to the Congressman, state representatives, and the Postmaster General.

Councilmember Carter suggested that the Town also reach out to Senator Budd regarding the issue.

Councilmember Hyer stated that a grassroots effort may be necessary to bring additional attention to the matter.

By **consensus**, the **Council** agreed that two Councilmembers would work with other Mayors in the region to address the issue. **Mayor Bozeman** stated that she would raise the matter at the upcoming District 5 Mayors Meeting and would follow up with the Town Clerk to keep Council informed.

13.3 Ordinance ORD-26-001 Amending Chapter 10 - Animals in the Code of Ordinances

Councilmember Pendleton said he wants to make sure that the language is specific and protects the residents. This ordinance does not address the number of dogs or cats a resident can have. **Mr. Andrea** replied that this text amendment does not address the number of dogs and cats. That was not in the scope when considering addressing this ordinance.

Councilmember Pendleton said it would be prudent to look at domestic animals as well. **Councilmember Hyer** asked if the Town has a code that addresses the number of domestic animals. **Mr. Andrea** responded no, not at this time. **Mr. Andrea** then asked if that is the consensus of the Council for staff to look at limiting the number of dogs and cats.

Councilmember Pendleton also noticed in the red line version of the proposed ordinance that we address animal waste on public property not on personal property. He does not see where that is specially addressed. **Mr. Andrea** responded that there is a provision in the nuisance code under Section 35 that says specifically, any accumulation of waste, animal included, would be considered a nuisance. And so, through that language, we could pursue the appropriate enforcement remedies for a nuisance violation.

Councilmember Pendleton said this calls for the creation of a committee, but then in Section F it says if there's a violation, they have a right to appeal the decision to the Town Manager or their designee. Is it going to be referred back to a committee of the Mayor and a designee or the Town manager and a designee? **Mr. Andrea** asked Councilmember Pendleton if he is referring to Section 10.9 in the agenda packet at the bottom of page four of ten. That is the current language in the code of ordinances. **Councilmember Pendleton** replied perhaps but reiterated the concern on the number of domestic dogs and cats on a property.

Mr. Andrea said that we can adopt the ordinance and then staff can come back with another text amendment to address the matter Councilmember Pendleton has concerns with. **Mayor Bozeman** responded that staff can bring the additional text amendment back up at an upcoming Agenda Council Meeting. **Councilmember Campbell** stated that the Town should move forward with the ordinance as written this evening and staff can work on amending it in the near future.

Mr. Andrea said that the proposed ordinance is written with an effective date of July 1, 2026 to provide time for residents to come into compliance. Also, staff is still seeking Council's direction on the number of domestic cats and dogs. **Councilmember Carter** said that she needs more information because some people may sell dogs. She believes the Council should pass the ordinance tonight providing a 60-day notice of June 1, 2026 to come into compliance.

Mr. Andrea then asked, "When does the Council want to discuss domestic dogs and cats?"

Mayor Bozeman asked if staff could present information on what other Towns do.

Councilmember Campbell also recommended that staff reach out to Brunswick County Animal Services to get some idea where they stand on the matter.

Councilmember Pendleton mentioned that the Town's code already addresses kennels and how dogs or other animals are kept, but I don't believe it addresses the specific number.

Councilmember Hyer asked if Council could make the motion with an amendment with an effective date of June 1, 2026.

Councilmember Pendleton asked Mr. Coggins if there was anything that prohibits the Council from changing the implementation date from 90 days to 60 days? Mr. Coggins responded no.

ACTION: Motion to adopt Ordinance ORD-26-001 with the effective date being June 1, 2026

Motion: Leland Hyer

Second: Veronica Carter

Vote: UNANIMOUS

13.4 Resolution R26-016 Adopting the Southeastern North Carolina Regional Hazard Mitigation Plan

Councilmember Pendleton asked if there was any language included regarding the railroad track in the Hazard Mitigation Plan. **Mr. Andrea** responded that he understands that Mr. Pendleton has some concerns about the track and what's transported on it, but he is having a hard time envisioning his end goal. He asked Councilmember Pendleton to help him have a better understanding of what we could do to help.

Councilmember Pendleton believes there should be a plan for derailment or an explosion. **Mr. Andrea** replied that the Town and other responding agencies do have action plans specifically for all sorts of disaster events, including a potential train derailment. That's not necessarily something that would be included in this Hazard Mitigation Plan, but more on a local level for the local jurisdiction and agency to have a mutual aid plan in place on how to respond to that potential disaster along with any other type of disaster.

Councilmember Pendleton said the Fire and Police departments have two portable inflatable boats in the event of floods. We should first look internally before we look outside the Town for help with disasters. **Mr. Andrea** responded that Fire Chief James could help explain the preparedness that the Town has to respond to a potential incident like that.

Fire Chief James said that the Town performs exercises with Sunny Point. We solely rely on them at the site. The Town will set up vacuum areas. We are going to rely on the Wilmington Hazmat Team to handle everything inside the Town's limits, not at the site, unless they need our help. We have mutual aid agreements with the regional agencies. The Fire and Police department would set up a command post to handle evacuations and evacuation routes.

Councilmember Carter said the Sunny Point Site Commander handles train derailments. The Town has an agreement with the Sunny Point Fire Department, correct? **Fire Chief James** responded, yes that is correct.

Councilmember Carter said we as members are voting on the Southeastern North Carolina Regional Hazard Mitigation Plan, not the Town of Leland Hazard Mitigation Plan, of which we are members, just as Sunny Point is also a member.

Councilmember Pendleton said his concern is inside the blast radius. If we have an explosion or terrorist act. **Fire Chief James** said that the Town would work with regional agencies to handle such matters.

ACTION: Motion to adopt Resolution R26-016 Adopting the Southeastern North Carolina Regional Hazard Mitigation Plan.

Motion: Veronica Carter

Second: Leland Hyer

Vote: UNANIMOUS

14. Old/New Business

14.1 Staff Reports

Mayor Bozeman stated that the staff reports were in the Council's agenda packets.

Ms. Reinhardt collected the Council's Board and Committee voting ballots to be tallied.

14.2 Voting Districts

Mr. Hollis asked Council for direction on the voting districts. Discussion was had about holding a workshop to have Mr. Serkin come back to discuss the matter.

Motion to direct staff to set up a workshop for the purpose of voting Districts.

Moved by Veronica Carter, Seconded By Bob Campbell

Mayor Bozeman asked if there was further discussion.

Councilmember Pendleton said he believes that in the best interest of the Town we should invite someone who was against district voting. Mr. Serkin is a vendor; he makes his money by convincing towns and cities to go to a district voting plan. **Councilmember Carter** said that the Cape Fear Council of Governments (COG) is a non-profit organization that supports regional government agencies.

Councilmember Pendleton asked that the motion be amended to include having someone who is against district voting.

Mayor Bozeman stated that Mr. Serkin is a neutral party who would work on this matter only if that is something that the Town Council directs him to do.

ACTION: Motion to direct staff to set up a workshop for the purpose of voting districts.

Brenda Bozeman	For
Bob Campbell (Seconded By)	For
Veronica Carter (Moved By)	For
Leland Hyer	For
Frank Pendleton	Against
Vote:	CARRIED.

14.3 Council Reports

The Town Council had no reports.

14.4 Board and Committee Appointments

Ms. Reinhardt announced the results of the ballot vote, which selected Tinisha Green for appointment to the Leland Tourism Development Authority, Catherina Michalik for appointment to the Economic Development Committee, and Michael Vahue for appointment to the Planning Board.

ACTION: Moved to appoint Tinisha Green to the Leland Tourism Development Authority, Catherina Michalik to the Economic Development Committee, and Michael Vahue to the Planning Board to fill the vacant seats, in accordance with the ballot results presented by staff.

Motion: Leland Hyer
Second: Veronica Carter
Vote: UNANIMOUS

14.5 Upcoming Ceremonial Recognitions

Councilmember Hyer has requested consideration of ceremonial recognitions at the April 16 Regular Council Meeting for the North Brunswick High School Band in recognition of its recent rating achievement, a student accepted into the North Carolina Governor's School, North Brunswick High School Athletic Director Morgan King, and a student who earned a National Marksmanship Award.

15. Closed Session

15.1

Mr. Hall requested that the Council go into closed session pursuant to North Carolina General Statutes §143-318.11, specifically:

- (a)(1) and (a)(3) to discuss attorney-client privileged information with respect to a case filed on March 12, 2026, in Brunswick County Superior Court titled, Great Southern Recreation, LLC v. Group III Mgt., Inc., United Fire & Casualty Company, and the Town of Leland in file number 26CV001047-090; and
- (a)(5) potential real estate acquisition.

ACTION: Motion to go into closed session.

Motion: Veronica Carter

Second: Bob Campbell

Vote: UNANIMOUS

ACTION: Motion to come out of closed session.

Motion: Bob Campbell

Second: Veronica Carter

Vote: UNANIMOUS

15.2

Mayor Bozeman stated that the Town Council took no action.

16. Adjournment

16.1

ACTION: Motion to adjourn the meeting 9:31 p.m.

Motion: Veronica Carter

Second: Leland Hyer

Vote: UNANIMOUS

17. Next Meeting Date

Next Regular Council Meeting Date is April 16, 2026 at Town Hall

Adopted at a regular meeting on June 18, 2026.

Attest:

Sabrena A. Reinhardt, Town Clerk

Brenda Bozeman, Mayor



TOWN OF LELAND
Council Agenda Meeting Minutes
Monday, April 13, 2026 at 1:00 p.m.

ASSEMBLY

The Town of Leland Council Agenda Meeting was held on Monday, April 13, 2026 at 1:00 p.m. at the Town Hall.

PRESENT: Brenda Bozeman, Bob Campbell, Veronica Carter, and Leland Hyer

ABSENT: Frank Pendleton

ALSO PRESENT: David Hollis, Town Manager; Ben Andrea, Planning and Inspections Director; Adam Golonka, Deputy Town Clerk; Carly Hagg, Finance Director; Joshua Hall, Staff Attorney; Jeremy Humphries, Police Chief; Jessica Jewell, Communications Manager; Will Lear, Project Manager; Andrew Neylon, Planning Manager; Kelli Newton, Budget and Strategy Manager; Sabrena Reinhardt, Town Clerk; Missy Rhodes, Deputy Town Manager; Barnes Sutton, Economic and Community Development Director; Anthony Thomas, IT Director; Lynn Vetter, Public Works Director; and Stephen Coggins, Town Attorney.

1. 1:00 p.m. - Call to Order

2. Pledge of Allegiance

ACTION: Motion to excuse Councilmember Pendleton from the meeting.

Motion: Veronica Carter
Second: Bob Campbell
Vote: UNANIMOUS

3. Approval of the Agenda

ACTION: Motion to approve the agenda as presented.

Motion: Veronica Carter
Second: Bob Campbell
Vote: UNANIMOUS

4. New Staff Introductions

4.1

Mr. Neylon introduced Drew DiMella, Planner I.

Mr. Vetter introduced Adalis Chavez, Custodian II and Dylan Patterson, Maintenance Tech I.

Mr. Sutton introduced Troy Bolyard, Business and Tourism Development Coordinator.

5. Presentations

5.1 Effective Community Engagement presented by Communications Manager Jessica Jewell

Ms. Jewell provided a presentation regarding effective community engagement.

Councilmember Carter thanked Ms. Jewell for her presentation. She stated that the Council needs to do better at communicating and controlling the narrative. She also stated the need for Councilmembers to make a clear statement when they are talking to members of the public individually, that they are speaking only for themselves and not for the Council as a whole. However, all decisions are group decisions and are made by the entire Council. In regard to specific questions from the public, it is most accurate to provide links to particular parts of the Town's website or refer them to the Town Manager so he can direct them to the appropriate staff member. Also, when the Town is having an event, she recommends that Councilmembers attend, walk the event, and engage with the participants or public. She also stated that the Lend a Hand in Leland events are also a very good way to get one on one time with the citizens of Leland.

Councilmember Carter stated that she likes the 2045 Plan quarterly update videos and proposed the possibility of doing more of them. She recommended maybe having videos about the upcoming Town meetings.

Ms. Jewell stated that the Communications Department was currently restructuring their individual roles so that they can produce more videos and content.

Councilmember Campbell stated that in the ten years he has been on the Town Council, communication has been a focal point, and it has gotten much better. He also stated that the budget videos that the Council recorded were great and seemed to be very effective.

Councilmember Carter stated that she would be happy to record more videos if staff would like her to.

Councilmember Hyer stated that he thought the drone video that staff created was great.

6. Closed Session

6.1

Mr. Hall requested the Town Council go into closed session pursuant to NCGS 143-318.11(a) for:

- Under subsection (5), to discuss the material terms for the potential acquisition of real property;
- Under subsection (4), to discuss a potential development agreement;
- Under subsection (3) to discuss the litigation in Great Southern Recreation, LLC v. Group III, United Fire & Casualty Company, and the Town in Case Number 26CV001047-090;
- And lastly under subsection (3), attorney client privilege in relation to the Town's Environmental Management Commission (EMC) application.

ACTION: Motion to go into closed session.

Motion: Veronica Carter
 Second: Bob Campbell
 Vote: UNANIMOUS

ACTION: Motion to come out of closed session.

Motion: Bob Campbell
 Second: Veronica Carter
 Vote: UNANIMOUS

6.2

Mayor Bozeman said Council took no action.

The Town's AV equipment was not live when the Council took the motion to come out of the closed session. **Mayor Bozeman** stated for the record that the Council came out of closed session, Councilmember Campbell made the motion to come out of the closed session, Councilmember Carter seconded it, and the vote was unanimous.

7. Agenda Review for Regular Council Meeting

7.1

The Council and staff discussion of the Regular Council Meeting agenda was as follows:

Item. 6.3.4. Proclamation Observing April 2026 as National Fair Housing Month and the 58th Anniversary of the Passage of the Fair Housing Act:

Mayor Bozeman asked if there will be any update on the Community Development Block Grant soon. **Mr. Lear** replied that staff was working through some of the steps in the process for planning out the preconstruction activities. They are trying to get to the point in the project where they take the next step and make some progress.

Item. 6.4.1. Resolution R-26-024 Approving a New Performance Guarantee Agreement with Branch Columbia Leland Associates, L.P. for the Guarantee of Installation of Required Improvements within Savannah Branch Town Center:

Councilmember Hyer asked about the amount of the surety bond. **Mr. Andrea** stated that the amount was \$854,407.50 and explained the calculation. He also stated that performance guarantees are valid for one year.

Item. 6.5.1. Budget Amendment BA26-002 Appropriating \$400,000 in Grant Proceeds to the Low County Boulevard Culvert Replacement Project:

Councilmember Campbell asked if staff knew when the project would start. **Ms. Newton** replied that the project had already started and that it was currently in the pre-construction phase.

Action Item. 10.2. Request to Postpone the Annexation Hearing in Relation to the Voluntary Annexation Petition of Brunswick County Tax Parcel IDs 0280000112 and 0280000113:

Town Council asked how long to postpone. **Mr. Andrea** responded indefinitely for right now.

8. Discussion Topics

8.1 Founders Park Usage (Mayor Bozeman Introduction)

Mayor Bozeman stated that she wanted to let everyone know about the kind of calls she was

getting about the park. She stated that a girl's softball league reached out to her and stated how they were hoping to have their opening ceremonies at Founders Park with food trucks. However, the park will not be ready in time for them. She stated that she wants to encourage everyone to find events like that to come to the park in the future. **Councilmember Campbell** stated that the new park will bring a lot of future revenue for the Town due to all of the participants coming to the events. **Ms. Hagg** stated that staff are working on policies that are related to bringing events to Founders Park. They are working on a sponsorship policy that will help outside organizations get grant funds to assist with Town events like Leland in Lights or the Spring Fling. Staff are also working with the Parks and Recreation department on creating a Special Events Policy where the Town can sponsor outside organization events as well, such as giving public spaces for the events to be hosted. She stated that in the coming months, Council will hear more about those two policies including more about partnering with outside organizations.

Councilmember Campbell stated that the City of Wilmington brought in approximately fifty million dollars from the Azalea Festival and stated that maybe these policies could be the beginning of a big yearly event in Leland in the future.

Councilmember Carter stated that the upkeep expenses of the park need to be kept in mind as well.

8.2 Ordinance Amendment (Councilmember Carter Introduction)

Councilmember Carter stated that her and Councilmember Hyer had both been notified multiple times by residents of Waterford about loud noises in the middle of the night. She stated that the Town had been trying to figure out what the noise was and asked the residents to call 911 when they heard it. Someone did make that call to the Police Department who responded and were able to figure out the root cause of the noise. The noise was the result of dumpsters being emptied in the early morning hours. She stated that at that current time, there was not anything in the noise ordinance regarding that. She stated that Councilmembers and staff contacted GFL regarding the issue and that they were coming up with solutions. She asked if the Town needed to add something specific regarding noise from trash pickup into the ordinance. She provided the Council and staff with resources about other cities addressing the same issue. She stated that she had been looking into how to resolve the issue and believes that restricting trash pickup within certain time periods may work and thinks it is something to look at. The City of Charlotte specifically says that during a specific time you cannot pick up trash and is enforced by a phone line and fines. She asked staff to look into the options and see if there was something the Town needed to add to the ordinance to give it teeth.

Mayor Bozeman stated that the County has rules in place already to restrict trash pickup in residential areas to a window from 6:00 a.m. to 6:00 p.m.

Councilmember Carter stated that is residential pickup and that the Town's problem is commercial pickup. She stated that it was the slamming of the dumpsters when they are emptied that is making the noise and that it would not hurt to have something in place.

Councilmember Campbell asked if the Town would be handcuffing themselves by stating only trash pickup or should they be more general to include any kind of commercial noise.

Councilmember Carter stated that she would like staff to look into it and come back with a recommendation for Council to consider.

Councilmember Hyer stated that he initially thought it was a heavy equipment facility making the

noise, but that was ruled out.

Councilmember Carter stated that she originally thought it was just an early riser going to work, but it has turned out otherwise.

It was the **consensus** of the **Council** requesting staff to come up with a recommendation for amending the noise ordinance.

8.3 Resolution of Support (Councilmember Carter Introduction)

Councilmember Carter stated that she attended the most recent WMPO meeting with Mayor Bozeman and the Cape Fear Memorial Bridge (CFMB) was brought up. They stated at the meeting that the rebuilding of the bridge would only be possible if there was a toll in place. She stated that in February, the Raleigh News and Observer reported that the Capital Boulevard Project for the State Transportation Improvement Program, same program the CFMB is included, would still be funded by the state and that they were no longer required to have a toll. She stated that the Capital Boulevard Project was originally required to have a toll due to the cost of the project, which is the exact same thing being required for the CFMB.

Councilmember Carter stated that she wanted to provide the Council with a draft resolution supporting equitable cost participation by the North Carolina State Ports Authority in the Replacement of the Cape Fear Memorial Bridge. The Council can have further discussion about this proposed resolution at an upcoming meeting. The Leland Town Council needs to be the leaders on this side of the bridge.

Councilmember Hyer stated that the rebuilding of the Cape Fear Memorial Bridge is needed a lot more than Raleigh needs a new traffic lane.

Mayor Bozeman asked why the port does not have to pay any of the cost of rebuilding the bridge.

Councilmember Carter stated that she agrees, and that her draft resolution also states that the ports need to contribute to the replacement of the bridge as well. She asked Council if they would like to consider the resolution.

Councilmember Hyer recommended that the Council, staff, and the public listen to both the State Auditor's and the Secretary of State's comments on Rocky Mount as it relates to this topic.

It was the **consensus** of the **Council** to consider the draft resolution.

8.4 FY26/27 Budget (Staff Update)

Ms. Hagg presented the FY26/27 Budget Update.

Councilmember Carter stated that the staff did a great job.

8.5 Unified Development Ordinance (UDO) Article 1 Draft - General Provisions (Staff Receiving Council Feedback)

Mr. Andrea asked the Council if they had any input on the Unified Development Ordinance (UDO) Article 1 Draft - General Provisions.

Councilmember Hyer referenced advisory board member term limits of two consecutive terms with a required one-year break before they can serve on that same Board again. He asked if Board members can serve on a different Board during that one-year break. **Mr. Andrea** replied that they

can.

Councilmember Hyer asked staff if it would be possible to amend the article to state that information. **Mr. Andrea** replied that he sees no harm in adding that into the UDO for Planning Board and Board of Adjustment and that the Board and Committee Rules of Procedure may be the best place to address that as well. He also stated that in regard to the UDO, he believes that the location of that information would best fit in the next article for Council review, Article 2: Administration.

8.6 PROS Plan (Staff Update)

Ms. Hagg presented the PROS Plan update and informed the Council that staff are looking for a consensus from the Council to move forward with the execution of the contract. This is being brought forward as the cost came in much higher than was originally budgeted as it is a redo of the existing plan, rather than just an update.

Councilmember Carter asked when the contract would start. **Ms. Hagg** replied that the contract is ready to be signed and executed, and that staff wanted a consensus from the Council before they moved forward.

Councilmember Carter stated that the PROS Plan is used as support for a lot of grant applications and that she had concerns about the age of the plan. **Ms. Hagg** replied that the timing of the plan is perfectly aligned so that the Town is able to apply for a PARTF Grant next year for Loblolly Park.

It was the consensus of the Council to move forward with the PROS Plan contract.

8.7 Unified Development Ordinance (UDO) Article 2 Draft - Administration (For Discussion Next Month)

Mr. Andrea informed the Council that the article for discussion next month will be Article 2: Administration.

8.8 Ordinance Research (Staff Update)

Police Chief Humphries presented the staff's ordinance research on domesticated animals in the municipality as they pertain to dogs and cats, as requested by Council.

Councilmember Carter asked if the research they completed stated anything regarding breeders. **Chief Humphries** replied yes and stated that one jurisdiction's ordinance spoke about restrictions regarding five or more dogs, over four months in age, that are kept and maintained by the owner or occupant of the property, whether or not for compensation or for operating a kennel. There are some exclusions such as, animal shelters, kennels, pet shops, or any business that has a license issued by the Department of Agriculture.

Councilmember Carter asked if that is something the Town wants to stipulate themselves.

Councilmember Campbell stated that it falls back on whether the animals are being abused. It sounds like it is being covered by the State.

Councilmember Carter stated that based on the information, she believes that it is covered by the State as well.

Chief Humphries stated that it is covered by the State in regard to animal neglect or abuse.

Councilmember Hyer asked if there was a state law regarding tethering animals to a stake. **Chief**

Humphries replied that the Town has addressed that issue before and that it is not illegal to tether an animal, however, it is illegal to neglect the animal which was the case that the Town addressed previously.

Councilmember Carter stated that it sounds like the State neglect law covers their concerns.

8.9 March 19 Ballot Tally (Staff Update)

Mr. Hollis informed the Board that the Clerk's Office reviewed the ballots from the previous Council meeting on March 19. It was discovered that, due to the meeting proceeding without a break, the voting results presented by the Clerk at the meeting were inaccurate in stating that LTDA Applicant Tanesha Greene was appointed to the LTDA and that the ballots actually reflected LTDA Applicant Jennifer Bias as the highest vote receiver. Staff requests that the Town Council make a motion to appoint Jennifer Bias to the Leland Tourism Development Authority to correct that error.

Mayor Bozeman asked if Ms. Greene had been notified. **Mr. Hollis** replied that she had.

ACTION: Motion to appoint Jennifer Bias to the Leland Tourism Development Authority.

Motion: Veronica Carter

Second: Leland Hyer

Vote: UNANIMOUS

8.10 Public Comment versus Public Hearing (Staff Update)

Mr. Golonka informed the Council of the differences between standard public comment and public comment within a public hearing.

8.11 Potential Ceremonial Recognitions and Presentations (Staff Update)

Councilmember Hyer requested that the Council provide some recognitions at the Regular Council Meeting.

It was a **consensus of the Council** to provide the following recognitions: National Bike Safety Month Proclamation, ALS Awareness Month Proclamation, National Safe Boating Week Proclamation, and Certificate of Achievements for Eleanor Evans, Jennifer Coursey, Patrick Barrett, and Morgan King.

It was the **consensus of the Council** to allow Cape Fear Sail to provide a brief boat safety presentation at the April 16 Regular Council Meeting.

8.12 Next Month's Discussion Topics Due to the Town Clerk on May 6, 2026

Mr. Golonka reminded the Council that the May agenda topics are due to the Town Clerk on May 6, 2026.

9. Old/New Business

9.1

Mayor Bozeman stated that she had received an email from Jennifer McMillan in regard to an update on the property donation from Mr. Baldwin. She stated that she informed Ms. McMillan that those types of projects take time and that she would check on it. She stated that she would like a way to be able to see up to date information on properties, land donations, and projects.

Councilmember Hyer stated that he agrees and would recommend that the Council look at the way they do business. He recommends the creation of a Council to Staff directives spreadsheet that Council members can access to see up to date item updates on things that the Council has directed staff to look into or work on. That way, Council members can answer questions quickly.

Councilmember Carter recommended signs at the properties with updates.

9.2 Land Clearing

Mr. Hall provided an update regarding the Town's application for approval as a Local Air Pollution Control Program related to open burning and land-clearing operations. He reported that, after consultation with the Special Deputy Attorney General assigned to the Environmental Management Commission, it was determined that the Town's current open burning ordinance is enforceable without the Town becoming a Local Air Pollution Control Program.

Mr. Hall explained that while becoming a Local Air Pollution Control Program could allow for increased penalties, including fines of up to \$25,000, it would also require the Town to establish a dedicated program and evaluate additional staffing and budgetary needs. He noted that existing Local Air Pollution Control Programs in North Carolina are operated by larger jurisdictions with significantly larger budgets.

Mr. Hall advised that the Town's current ordinance, which allows for a \$500 fine and potential misdemeanor charges, remains an effective enforcement tool. He stated that the decision to pursue designation as a Local Air Pollution Control Program would be a policy decision for Council consideration.

Councilmember Hyer confirmed that the Town's authority has been verified by the Special Deputy Attorney General's Office on behalf of the EMC to enforce the burn ban ordinance set in place by the Leland Town Council and that if we would like to have an Air Quality Program it would come at great expense to the Town but will allow the Town to fine offenders of the ordinance. **Mr. Hall** replied that is correct, however there is a downside to that. He stated that if the Town were to peruse the air quality program, it may effect the enforceability of the misdemeanor provision of the ordinance. Essentially, the Town would potentially lose the ability to enforce on the misdemeanor level.

Councilmember Carter thanked Mr. Hall for his report. She stated for clarification for everyone listening at home: the Town can go ahead and get the larger air quality program mentioned in the workshop, but the Town will need to be able to monitor the air quality with both equipment and trained monitors, 365 days a year. Establishing, running, and maintaining the program would cost a minimum of one million dollars. That would translate in tax dollars to an increase of at least one penny to a penny and a half in property tax revenue needed. The other option would be for the Town to continue the current route, which she recommends. She stated that the Town needs to get the County and other Brunswick municipalities on board with the same burn ban ordinance as Leland and Belville.

Councilmember Hyer stated that he agrees with Councilmember Carter, especially since Leland Town limits are sporadic and County burning can hurt Leland residents.

9.3 Special Council Meeting - Voting Districts Workshop

Ms. Rhodes informed the Council that the Town Clerk's Office had polled the Board regarding a date for the Special Council Meeting for a voting district workshop. Based on the results of the poll, staff would like to set the Special Council Meeting for Thursday April 23, 2026 at 6:00 p.m. at Leland Town Hall.

ACTION: Motion to set a Special Council Meeting on April 23, 2026 at 6 p.m., or shortly thereafter, at the Town Hall for the purpose of District Voting.

Motion: Veronica Carter

Second: Bob Campbell

Vote: UNANIMOUS

9.4

Councilmember Hyer stated that he would like to request approval for recognizing Teacher of the Year at all four schools in the Leland area and one Student of the Month from Town Creek Elementary at the May 21, 2026 Regular Council Meeting.

9.5 Town Hall Style Event

Ms. Jewell informed the Council about how the Town Hall meetings are intended to be formatted.

Councilmember Hyer asked how the forum would proceed after the first thirty minutes of networking.

Ms. Jewell replied that there would be a staff member to facilitate the meeting and to direct questions to the Councilmembers present for the remainder of the forum time. She informed the Council that the first Town Hall Style Forum was proposed to take place on April 29 from 6:00 p.m. to 8:00 p.m. at the Leland Cultural Arts Center. She stated that staff would like to ask the Council for a consensus to proceed with setting the Forum and begin sending out press releases to notify the public.

Councilmember Carter informed staff that the April WMPO meeting will be taking place on the same day and that the Mayor may have attendance issues due to that. She also asked staff if there was a way for people to provide their comments or questions anonymously. **Ms. Jewell** replied yes.

Councilmember Hyer asked if staff can live stream the forum. **Ms. Jewell** replied that staff will need to speak to the IT Department about that.

10. Adjournment

ACTION: Motion to adjourn the meeting at 4:07 p.m.

Motion: Veronica Carter

Second: Bob Campbell

Vote: UNANIMOUS

11. Next Meeting Date

Next Agenda Council Meeting Date is May 18, 2026 at Town Hall

Adopted at a regular meeting on June 18, 2026.

Attest:

Sabrena A. Reinhardt, Town Clerk

Brenda Bozeman, Mayor



TOWN OF LELAND
Council Regular Meeting Minutes
Thursday, April 16, 2026 at 6:00 p.m.

ASSEMBLY

The Town of Leland Council Regular Meeting was held on Thursday, April 16, 2026 at 6:00 p.m. at the Town Hall.

PRESENT: Brenda Bozeman, Bob Campbell, Veronica Carter, Leland Hyer, and Frank Pendleton

ABSENT:

ALSO PRESENT: David Hollis, Town Manager; Ben Andrea, Planning and Inspections Director; Carly Hagg, Finance Director; Joshua Hall, Staff Attorney; Andrew Neylon, Planning Manager; Sabrena Reinhardt, Town Clerk; Barnes Sutton, Economic and Community Development Director; and Stephen Coggins, Town Attorney.

1. 6:04 p.m. - Call to Order

1.1

Mayor Bozeman called the meeting to order at 6:04 p.m.

2. Pledge of Allegiance

2.1

The Pledge of Allegiance was recited.

There were 115 people in the audience.

3. Approval of the Agenda

3.1

ACTION: Motion to approve the agenda as presented.

Motion: Veronica Carter

Second: Bob Campbell

Vote: UNANIMOUS

4. Announcements

4.1 Certificates of Achievement for Patrick Barrett, Jennifer Coursey, Eleanor Evans, and Morgan King

Councilmember Hyer and the Town Council presented Certificates of Achievement to the following recipients:

- Patrick Barrett, North Brunswick High School Concert and Symphonic Band received Superior and Excellent ratings at Musica Performance Adjudication.

- Eleanor Evans, Acceptance into the Governor's Honors Program.
- Jennifer Coursey, Coordination of the Literacy Event at Belville Elementary School.
- Morgan King, Athletic Director at North Brunswick High School, was unable to attend the meeting. Councilmember Hyer stated that he would present the Certificate of Achievement to Mr. King at a later date to acknowledge him receiving the North Carolina Athletic Directors Association Athletic Director of Excellence Award at the 53rd NCADA State Conference.

4.2 Proclamation National Safe Boating Week

The Mayor and the Town Council presented the Proclamation National Safe Boating Week to District Commander Otis White of the Cape Fear Sail & Power Squadron. District Commander White then provided brief boat safety training for the public.

4.3 Upcoming Events - April 2026

Mr. Sutton provided the highlights of the upcoming Town events.

5. Public Comment

5.1

The public comment highlights are as follows:

- WECT Summer Concert Series event will be held on July 31 at Founders Park.
- Concerned about Leland citizens' quality of life issues.
- Engaged in the Town due to the meetings being lived streamed and videotaped.
- FY26/27 Budget noted need for justification for the public's understanding.
- Safety concerns for the proposed annexation outside of Compass Pointe. A roundabout is going to be built at the east gate entrance. We can't close that gate for emergency situations.
- Concerns about lack of discussion on the proposed budget.
- A Compass Pointe resident stated that they consider Leland their town even though they are not a resident.

6. Approval of Consent Agenda

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

ACTION: Motion to approve the Consent Agenda as amended.

Motion: Veronica Carter
Second: Leland Hyer
Vote: UNANIMOUS

6.1 Minutes

- 6.1.1 Approving Council Meeting Minutes:
February 16, 2026 - Agenda Council Meeting
March 16, 2026 - Closed Session Meeting

March 18, 2026 - Special Council Meeting
 March 19, 2026 - Closed Session Meeting

6.2 Engineering

- 6.2.1 Resolution R-26-020 Approving a New Stormwater Performance Security Agreement with Lennar Carolinas, LLC for Willowbrook
- 6.2.2 Resolution R-26-019 Approving a New Stormwater Performance Security Agreement with Terrapin Phase 4 NC, LLC for Terrapin Phase 4
- 6.2.3 Resolution R-26-07 Approving the Transfer and Revised Stormwater Performance Agreement with Lennar Carolinas, LLC for the Guarantee of Installation of Required Improvements within Kyndall Cove
- 6.2.4 Proclamation Observing April 2026 as National Fair Housing Month and the 58th Anniversary of the Passage of the Fair Housing Act

6.3 Planning & Building Inspections

- 6.3.1 Resolution R-26-024 Approving a New Performance Guarantee Agreement with Branch Columbia Leland Associates, L.P. for the Guarantee of Installation of Required Improvements within Savannah Branch Town Center

6.4 Finance

- 6.4.1 Budget Amendment BA26-002 Appropriating \$400,000 in Grant Proceeds to the Low County Boulevard Culvert Replacement Project

7. Action Items

- 7.1 Resolution R-26-028 Authorizing the Town Manager to execute the Leland Tourism Development Authority Agreement for Services

Councilmember Pendleton questioned Mr. Hollis' authority to execute the agreement in the absence of a Tourism Development Authority (TDA) Executive Director.

Mr. Hollis explained that the Town collectively provides administrative services to the TDA. As part of those services, the Town Manager executes the agreement on behalf of the Town. He further stated that the Town Council grants the Town Manager the authority to execute the agreement between the Town and the TDA.

Councilmember Carter stated that the Leland Tourism Development Authority is an entity created pursuant to State law and must operate in accordance with applicable legal requirements.

Councilmember Hyer asked whether the Town will receive \$70,000 for providing services to the TDA. **Mr. Hollis** confirmed this agreement specifies the Town will receive \$70,000 annually for those services.

Councilmember Pendleton inquired about the terms of the agreement. **Mr. Hollis** responded that the agreement has a two-year term.

ACTION: Motion to adopt Resolution R-26-028 Authorizing the Town Manager to execute the Leland Tourism Development Authority Agreement for Services.

Motion: Veronica Carter

Second: Bob Campbell

Vote: UNANIMOUS

7.2 Resolution R-26-025 Acceptance of Grant Award Funds

Councilmember Pendleton asked whether the award received for Loblolly Park was contingent upon the installation of a disc golf course.

Ms. Hagg replied that the current park plan and grant funding include the construction of a disc golf course at Loblolly Park. She explained that the existing disc golf course is intended to be temporary and will be removed once the new 18-hole disc golf course at Loblolly Park is completed.

Councilmember Pendleton asked whether a barrier would be installed between the disc golf course and the rail line. **Ms. Hagg** responded that such considerations would be addressed as part of the park's master plan.

ACTION: Motion to adopt Resolution R-26-025 Acceptance of Grant Award Funds.

Motion: Bob Campbell

Second: Veronica Carter

Vote: UNANIMOUS

8. Public Hearing - Ordinance ORD-26-004 Extending the Corporate Limits

8.1 Conflict of Interest/Disclosure Statement

Mayor Bozeman asked the Council if they had any conflicts of interest or disclosures to make. **The Council** had no conflicts of interest or disclosures.

8.2 Ordinance ORD-26-004 Extending the Corporate Limits Through a Voluntary Annexation Petition

Mayor Bozeman opened the public hearing.

Mr. Neylon presented the annexation ordinance for the Town Council's consideration.

Mr. Franck, legal counsel for the applicant, provided a presentation regarding the proposed annexation.

There was no public comment in support of the annexation.

Comments made in opposition to the annexation included the following:

- A speaker expressed concern that the Town would become a neighboring jurisdiction while residents in their community, outside the Town limits, would be affected by decisions of the Town Council despite not having the ability to vote in Town elections. The speaker requested that the Council consider the concerns expressed by residents of Compass Pointe.
- A resident living approximately 500 feet from the proposed annexation area stated that she had received notice of the public hearing and asked Councilmembers to consider whether they would want a similar development constructed adjacent to their own properties.
- A Compass Pointe resident stated that she was concerned that residents would lose their

voice as a result of the proposed development.

- Collin Tarrant, attorney for the Compass Pointe Master Association, spoke on behalf of the association and recommended that the Council consider a conditional rezoning process.

Mr. Franck stated that development of the property was not the issue before the Council. He noted that the applicant had been working with Town staff for an extended period and had also worked with the Planning Board. **Mr. Franck** further stated that the Town's development regulations are robust and well-designed to address future development considerations.

Councilmember Pendleton asked whether the Town would be responsible for constructing or maintaining roads, lighting, and drainage improvements, or whether those improvements would be provided by the developer. **Mr. Franck** responded that there may be small sections of public roadway within the development; however, those details are beyond the scope of the annexation request and initial zoning considerations.

Councilmember Pendleton asked whether any incentive funds were being provided to the developer as part of the annexation. **Mr. Franck** responded that no incentive funds were being provided.

Councilmember Pendleton inquired about the provision of water and sewer services to the property. **Mr. Franck** responded that the details regarding utility service would be addressed during subsequent phases of the development process.

Councilmember Pendleton asked at what point the annexation would become revenue-positive for the Town and when the Town would begin receiving revenue from the property. **Mr. Hollis** responded that upon annexation, the property would become subject to Town property taxes, resulting in tax revenue for the Town.

Councilmember Pendleton then asked how much funding the Town would contribute toward the development before it became revenue-neutral. **Mr. Hollis** responded that the Town would not be contributing any funds toward the development agreement.

Councilmember Pendleton expressed concern that expanding the Town's jurisdictional boundaries along the U.S. Highway 74/76 corridor could place additional demands on police and fire services.

Mr. Hollis responded that the Town already provides fire services within the area and currently receives fire fees associated with the property. He stated that annexation would generate additional tax revenue to support fire protection services and noted that the Town already subsidizes certain fire services within the district. **Mr. Hollis** further stated that the property is located within the Town's one-mile jurisdictional service area and that Town personnel may already respond to or assist with police calls in the vicinity.

Mayor Bozeman closed the public hearing.

Motion: Adopt Ordinance ORD-26-004, Extending the Corporate Limits Through a Voluntary Annexation Petition.

Moved by: Councilmember Campbell

Seconded by: Councilmember Carter

Following the motion, Councilmember Pendleton stated that he would like to table the item.

ACTION: Motion to adopt Ordinance ORD-26-004.

Brenda Bozeman

For

Bob Campbell (Moved By)

For

Veronica Carter (Seconded By)

For

Leland Hyer

For

Frank Pendleton

Against

Vote: CARRIED.

9. Public Hearing - Ordinance ORD-26-005 Amending the Official Zoning Map

9.1 Conflict of Interest/Disclosure Statement

Mayor Bozeman asked the Council if they had any conflicts of interest or disclosures to make. **The Council** had no conflicts of interest or disclosures.

9.2 Ordinance ORD-26-005 Amending the Official Zoning Map for the Purpose to Initially Zone Brunswick County Tax Parcel IDs 0280000101 and 02200024

Mayor Bozeman opened the public hearing.

Mr. Neylon presented the zoning ordinance for Council's consideration.

Mr. Franck, General Counsel for the applicant, provided a presentation regarding the proposed zoning ordinance.

Public comments in support of the zoning ordinance included the following:

- A speaker informed Council that a second easement exists on the property that comes off Malmo Loop and has been annexed into the Town.

Public comments in opposition to the zoning ordinance included the following:

- The roadway subject to an easement.
- The need for separate ingress and egress access to the property.
- An invitation for Council to visit Compass Pointe.
- Conservation of the property and protection of wildlife habitats.
- Potential public safety concerns, including human trafficking.
- Traffic impacts.
- Submission of a formal letter of opposition from the General Counsel for the Compass Pointe Master Homeowners Association.
- A request that Council carefully consider the zoning proposal and act responsibly.
- The potential impact of multifamily development on public infrastructure.

Mr. Franck stated that the request before Council was for the initial zoning designation of recently annexed property. He noted that the matter had been discussed with Town staff and considered during several public meetings. **Mr. Franck** stated that none of the speakers opposing the request had suggested an alternative zoning classification. He further stated that the proposed zoning district was more restrictive than the property's current zoning designation and was appropriate for the site. **Mr. Franck** added that future traffic impact analysis, infrastructure improvements, and other development requirements would be thoroughly reviewed through subsequent development processes and were separate from the zoning decision before Council.

Councilmember Pendleton asked Mr. Tarrant whether Compass Pointe residents were opposed to the development itself or the proposed zoning. **Councilmember Pendleton** noted that Leland

continues to experience significant growth and that the property owners have the right to develop their land. **Mr. Tarrant** responded that the Compass Pointe Homeowners Association is not opposed to the annexation or rezoning request. Rather, residents are concerned that they have not had an opportunity to provide input regarding the future development of the property. He stated that homeowners are not opposed to the project but would like additional information regarding how the property will ultimately be developed.

Councilmember Pendleton remarked that Compass Pointe has not yet experienced the same level of growth occurring in other parts of the Town and asked what residents would like to see developed on the property. **Mr. Tarrant** responded that his clients would like to see measures taken to address and mitigate their concerns. He stated that the Town has the authority to require additional measures and that Compass Pointe residents would like greater involvement in understanding how the proposed development may affect their community.

Councilmember Pendleton asked how the acreage designated for conservation had been determined. **Mr. Franck** responded that the conservation area was established based on the location and natural alignment of the creek on the property.

Councilmember Pendleton asked how the allocation of multifamily and commercial acreage had been determined. **Mr. Franck** responded that the intent was to create a mixed-use development that would provide walkability and allow residents access to commercial services within the community.

Councilmember Pendleton asked whether any studies had been conducted regarding the potential impact of adjacent multi-family development on nearby single-family home values within Compass Pointe. **Mr. Franck** responded that no such study had been conducted. While noting that he is not a real estate appraiser, he expressed his belief that communities benefit from a diversity of housing options rather than a single housing type.

Councilmember Pendleton asked Mr. Franck whether he would have concerns about living adjacent to a multi-family development. **Mr. Franck** responded that he currently resides approximately 280 feet from a multi-family development and has not experienced any dissatisfaction as a result. **Councilmember Carter** added that a multifamily development had been constructed near her residence and that it had not negatively affected her home's value.

Mr. Andrea explained that North Carolina General Statutes permit only the property owner to petition for a conditional zoning district. He further stated that, even if a conditional zoning request were submitted, any proposed conditions would ultimately require the consent of the property owner before they could be incorporated into the zoning approval.

Mayor Bozeman closed the public hearing.

ACTION: Motion to postpone this public hearing.

Motion: Frank Pendleton

Vote: Motion failed due to lack of a second vote.

ACTION: Motion to adopt Ordinance ORD-26-005, citing the Planning Board's statements that the initial zoning is consistent with the Town's adopted plans and reasonable and in the public interest even with some areas being updated from C-3 zoning to C-1 zoning.

Brenda Bozeman

For

Bob Campbell (Moved By)

For

Veronica Carter (Seconded By)

Leland Hyer

Frank Pendleton

Vote: CARRIED.

For

For

Against

10. Public Hearing - Requesting Postponement

10.1 Conflict of Interest/Disclosure Statement

Mayor Bozeman called for a recess at 8:40 p.m.

Mayor Bozeman called the meeting back in order at 8:46 p.m.

Mayor Bozeman asked the Council if they had any conflicts of interest or disclosures to make. **The Council** had no conflicts of interest or disclosures.

10.2 Request to Postpone the Public Hearing in Relation to the Development Agreement between the Town of Leland and Seaward Development Company, LLC

Mr. Sutton requested that this public hearing be opened and continue until next month.

Mayor Bozeman opened public hearing.

Mayor Bozeman stated that no one signed up to speak for the public hearing.

Mayor Bozeman asked if anyone from the public would like to speak on the matter. The public did not want to speak on the matter.

ACTION: Motion to postpone the development agreement public hearing to the May 21 Regular Council Meeting at 6:00 p.m. or shortly thereafter to be held at the Town Hall.

Motion: Leland Hyer

Second: Veronica Carter

Vote: UNANIMOUS

11. Public Hearing - Requesting Postponement

11.1 Conflict of Interest/Disclosure Statement

Mayor Bozeman asked the Council if they had any conflicts of interest or disclosures to make. **The Council** had no conflicts of interest or disclosures.

11.2 Request to Postpone the Annexation Hearing in Relation to the Voluntary Annexation Petition of Brunswick County Tax Parcel IDs 0280000112 and 0280000113

Mr. Andrea stated that the applicant had requested that consideration of the annexation be postponed to a future Regular Council Meeting. He explained that Council had scheduled the public hearing at a previous Council meeting; however, the hearing was not advertised after staff learned that the property owner intended to request a postponement. Because the public hearing was not properly noticed, Mr. Andrea advised that it would not be appropriate to open the public hearing at this meeting. He noted that Council could allow members of the public to speak on the matter if

anyone wished to do so.

Mayor Bozeman asked whether anyone in attendance wished to speak regarding the matter. No one came forward to provide comments.

ACTION: Motion to postpone the annexation public hearing, at the applicant's request, to a future Regular Town Council meeting to be determined.

Motion: Veronica Carter
Second: Bob Campbell
Vote: UNANIMOUS

12. Action Item - FY26/27 General Fund Budget Ordinance

- 12.1 Budget Ordinance BO26-001 Making Appropriations to the General Fund for the Fiscal Year Beginning July 1, 2026

Ms. Hagg presented Budget Ordinance BO26-001 for the Council's consideration.

Councilmember Pendelton thanked the finance team and staff, they did an excellent job putting this together, but the amount of money was never justified.

ACTION: Motion to adopt Budget Ordinance BO26-001 Making Appropriations to the General Fund for the Fiscal Year Beginning July 1, 2026.

Brenda Bozeman	For
Bob Campbell (Moved By)	For
Veronica Carter (Seconded By)	For
Leland Hyer	For
Frank Pendleton	Against
Vote:	CARRIED.

13. Action Item - FY26/27 Powell Bill Budget Ordinance

- 13.1 Budget Ordinance BO26-002 Making Appropriations to the Powell Bill for the Fiscal Year Beginning July 1, 2026

Ms. Hagg presented Budget Ordinance BO26-002 for the Council's consideration.

The Council had no questions for staff.

ACTION: Motion to adopt Budget Ordinance BO26-002 Making Appropriations to the Powell Bill for the Fiscal Year Beginning July 1, 2026.

Motion: Leland Hyer
Second: Veronica Carter
Vote: UNANIMOUS

14. Action Item - FY26/27 Five-Year Capital Improvement Plan Resolution

- 14.1 Resolution R-26-023 Approving the Five-Year Governmental Fund Capital Improvement Plan for the Fiscal Year Beginning July 1, 2026

Ms. Hagg presented Resolution R-26-023 for the Council's consideration.

Motion to adopt Resolution R-26-023 Approving the Five-Year Governmental Fund Capital Improvement Plan for the Fiscal Year Beginning July 1, 2026.

Moved By Leland Hyer, **Seconded by** Veronica Carter.

Councilmember Pendleton stated that any areas in Leland that have been annexed with unpaved roads should be paved before repaving other Town streets. He thanked the staff for providing a fleet maintenance analysis outsource versus in-house service, but this feels like the analysis is more of policy change than an administrative change.

ACTION: Motion to adopt Resolution R-26-023 Approving the Five-Year Governmental Fund Capital Improvement Plan for the Fiscal Year Beginning July 1, 2026.

Brenda Bozeman	For
Bob Campbell	For
Veronica Carter (Seconded By)	For
Leland Hyer (Moved By)	For
Frank Pendleton	Against
Vote:	CARRIED.

15. Action Item - Appointment of the Tax Collector and Deputy Tax Collector Resolution

- 15.1 Resolution R-26-021 Appointing the Tax Collector, Deputy Tax Collector, and Order of Collection for the Fiscal Year Beginning July 1, 2026

Ms. Hagg presented Resolution R-26-021 for the Council's consideration.

Motion to adopt Resolution R-26-021 Appointing the Tax Collector, Deputy Tax Collector, and Order of Collection for the Fiscal Year Beginning July 1, 2026.

Moved By Veronica Carter, **Seconded by** Bob Campbell.

Councilmember Pendleton asked, "Who is the current tax collector?" **Mr. Hagg** replied that since she has been here the Town has appointed the Town Manager as the Deputy Tax Collector and the Town Manager delegates those authorities to Brunswick County. She also noted that the Brunswick County Tax Collector is bonded appropriately to cover our taxes as well.

ACTION: Motion to adopt Resolution R-26-021 Appointing the Tax Collector, Deputy Tax Collector, and Order of Collection for the Fiscal Year Beginning July 1, 2026.

Motion: Veronica Carter
Second: Bob Campbell
Vote: UNANIMOUS

16. Action Item - Budget Officer Authority Resolution

- 16.1 Resolution R-26-022 Authorizing the Budget Officer for the Fiscal Year Beginning July 1, 2026

Ms. Hagg presented Resolution R-26-022 for Council's consideration.

Motion to adopt Resolution R-26-022, Authorizing the Budget Officer for the Fiscal Year Beginning July 1, 2026.

Moved By Councilmember Carter, **Seconded By** Councilmember Campbell

Councilmember Pendleton stated that he was not in favor of granting this authority, expressing his belief that any budget adjustments should be brought before Council for consideration.

Ms. Hagg explained that the Town Council adopts the budget ordinance at the departmental level and that staff have the authority to transfer funds between general ledger accounts within those approved departmental budgets.

Councilmember Pendleton acknowledged the explanation but stated that, while such transfers may be permitted, he did not believe they should occur without Council involvement and reiterated his opposition to the resolution.

ACTION: Motion to adopt Resolution R-26-022 Authorizing the Budget Officer for the Fiscal Year Beginning July 1, 2026.

Brenda Bozeman	For
Bob Campbell (Seconded By)	For
Veronica Carter (Moved By)	For
Leland Hyer	For
Frank Pendleton	Against
Vote:	CARRIED.

17. Action Item - Amendments to the Town of Leland Personnel Salary Grade and Classification Plan Resolution

17.1 Resolution R-26-026 Approving Amendments to the Town of Leland Personnel Salary Grade and Classification Plans

Mr. Gilsenan presented Resolution R-26-026 for the Council's consideration.

Motion to adopt Resolution R-26-026 Approving Amendments to the Town of Leland Personnel Salary Grade and Classification Plans.

Moved By Councilmember Carter, **Seconded By** Councilmember Campbell

Councilmember Pendleton stated that he is not in favor of making merit increases in pay without them being justified through actions.

ACTION: Motion to adopt Resolution R-26-026 Approving Amendments to the Town of Leland Personnel Salary Grade and Classification Plans.

Brenda Bozeman	For
Bob Campbell (Seconded By)	For
Veronica Carter (Moved By)	For
Leland Hyer	For
Frank Pendleton	Against
Vote:	CARRIED.

18. Old/New Business

18.1 Staff Reports

Mayor Bozeman stated that the staff reports are in the online agenda.

18.2 Council Reports

Women's Healthcare Panel Discussion

Councilmember Hyer informed the Council that Mayor Bozeman and he would like to facilitate a Women's Healthcare Panel at the Leland Cultural Arts Center. The event will include health screenings and panel discussions. **Councilmember Hyer** clarified that the Town is not responsible for providing healthcare services, endorsing healthcare providers, or endorsing any information that may be shared by practitioners participating on the panels.

Motion to hold a Women's Healthcare Summit with a broad, diverse group of practitioners within the next six months, with the date and details to be determined based on availability.

Moved By: Leland Hyer

Councilmember Carter requested that Councilmember Hyer withdraw the motion to allow Council additional time for discussion and the Council may only need to have a consensus on the matter. **Councilmember Hyer** withdrew his motion.

Councilmember Campbell asked which healthcare providers Councilmember Hyer had been working with. **Councilmember Hyer** responded that he had only been working with the Chief Nursing Officer at Novant Health but intended to expand participation to include a broader group of healthcare professionals in the Leland area. He stated that the discussion topics would focus on areas of women's health.

Councilmember Campbell recommended that the Brunswick County Health Department also be contacted to participate in the event.

Councilmember Carter noted that the Town has previously hosted events such as the Hurricane Expo and Life Science Summit and suggested that a health expo format with various panel discussions could be considered.

Mr. Hollis stated that the Town had previously hosted a Life Science Summit at the Leland Cultural Arts Center that included panel discussions. He explained that if Council wished to move forward with a healthcare summit, there were several formats that could be considered, including an expo-style event or a summit with panel discussions. **Mr. Hollis** emphasized that the Town is not in the healthcare business and that healthcare services are provided by the County and private practitioners. He recommended that the Town clearly communicates its role in facilitating the event.

Councilmember Campbell stated that the Town should provide an opportunity for healthcare professionals to share information with the community.

Councilmember Carter stated that she would prefer the event include practitioners located within the Town of Leland and cover healthcare topics identified by the Council. **Mr. Hollis** recommended expanding participation to include regional healthcare providers throughout Northern Brunswick County.

Councilmember Hyer stated that the Leland Cultural Arts Center is available on June 3 and

suggested holding a two-hour Women's Healthcare Summit at that location. Potential discussion topics included maternity health, menopause, bone health, cardiac health, and stroke prevention. **Councilmember Hyer** stated that he would continue working with Town staff and provide updates to the Council regarding event planning.

Councilmember Carter recommended holding the event within the next six months to allow adequate time for planning.

It was the **consensus of the Council** to move forward with planning a Women's Healthcare event within the next six months.

FY 2026/2027 Budget Video Discussion

Ms. Hagg asked the Council if they were interested in developing a budget video similar to the video created the previous fiscal year. **Ms. Hagg** presented last year's budget video for Council's review.

It was the **consensus of the Council** to move forward with developing an FY 2026/2027 budget video.

Cape Fear Memorial Bridge Resolution Discussion

Councilmember Carter brought forward a resolution regarding the tolling of the Cape Fear Memorial Bridge for Council's consideration. She requested Council's approval for Mayor Bozeman to sign the resolution and present it to the Wilmington Urban Area Metropolitan Planning Organization (WMPO) Board at its upcoming meeting.

Councilmember Carter explained that she was requesting support for the resolution due to the importance of the bridge replacement project and noted that funding mechanisms for transportation projects continue to be discussed at the State level.

Council discussed various potential funding sources for the Cape Fear Memorial Bridge replacement project.

Mr. Hollis stated that the State Legislature had previously discussed a potential one-cent tax involving New Hanover, Brunswick, and Pender Counties to assist with bridge funding; however, he did not believe the proposal had gained significant traction.

Mr. Hollis also stated that if Council wished to move forward with the resolution presented by Councilmember Carter, staff would place the resolution into the Town's standard format for distribution to the WMPO.

ACTION: Motion to adopt a Resolution Supporting Equitable Cost Participation by the North Carolina State Ports Authority in the Replacement of the Cape Fear Memorial Bridge and distribute it to the WMPO Board at their April meeting.

Motion: Veronica Carter
Second: Frank Pendleton
Vote: UNANIMOUS

18.3 Council Reports, Continued

Safe Streets for All Grant Discussion

Councilmember Campbell stated that he serves on the National League of Cities Finance Committee and was informed that \$1 billion dollars in Safe Streets for All grant funding is currently

available, with applications due May 26, 2026. He noted that staff were likely already aware of the opportunity but wanted to bring it forward just in case.

Mr. Hagg stated that the Town's Grant Manager had received information regarding the grant opportunity and had begun working on the application.

Councilmember Carter stated that the Town is ahead of schedule regarding Safe Streets for All efforts.

Councilmember Hyer Recognition

Councilmember Hyer informed the Council that he was married on April 4 to Eliza and introduced her to those in attendance. **Mayor Bozeman** congratulated Councilmember Hyer and Eliza on behalf of the Town Council and staff.

19. Adjournment

19.1 **ACTION:** Motion to adjourn the meeting at 9:27 p.m.

Motion: Veronica Carter

Second: Bob Campbell

Vote: UNANIMOUS

20. Next Meeting Date

Next Regular Council Meeting Date is May 21, 2026 at Town Hall

Adopted at a regular meeting on June 18, 2026.

Attest:

Sabrena A. Reinhardt, Town Clerk

Brenda Bozeman, Mayor



TOWN OF LELAND
Council Special Meeting Minutes
Thursday, April 23, 2026 at 6:00 p.m.

ASSEMBLY

The Town of Leland Council Special Meeting was held on Thursday, April 23, 2026 at 6:00 p.m. at Town Hall for the purpose of hearing a presentation and having discussion about district voting.

PRESENT: Brenda Bozeman, Bob Campbell, Veronica Carter, Leland Hyer, and Frank Pendleton

ABSENT:

ALSO David Hollis, Town Manager; Joshua Hall, Staff Attorney; Sabrena Reinhardt, Town

PRESENT: Clerk; and Missy Rhodes, Deputy Town Manager

1. 6:00 P.M. - Call to Order

1.1

Mayor Bozeman called the meeting to order at 6:00 p.m.

2. Pledge of Allegiance

2.1

The Pledge of Allegiance was recited.

There were thirty-eight people from the public in the audience.

3. Approval of the Agenda

3.1

ACTION: Motion to approve the agenda as presented.

Motion: Veronica Carter

Second: Bob Campbell

Vote: UNANIMOUS

4. Voting District Workshop

4.1 Voting District Workshop Facilitated by Allen Serkin, Executive Director, Cape Fear Council of Governments

Mr. Serkin presented a voting district presentation that included information about the voting district process and parameters if the Council decided to move forward with directing the Cape Fear Council of Governments with development of voting district areas.

4.2 Council Discussion/Direction

Councilmember Hyer stated that he was concerned about the results and data of the 2020 Census due to the pandemic and that they would be using that flawed data until the next census in 2030. He is skeptical of anyone's ability to draw districts based on the flawed data of the 2020 Census especially since it will be used for the next three elections until the 2030 Census is completed.

Councilmember Pendleton stated that the four municipalities that Mr. Serkin had previously worked on all had much smaller populations than Leland. He stated that the 2020 Census data states that the Town of Leland has a population of twenty-two thousand people. It is projected that the Town's population now sits closer to forty thousand people, which is nearly double the 2020 Census number. Using that outdated data for the next three elections would create multiple challenges in drawing the districts. **Mr. Serkin** replied that those municipalities were smaller than Leland, however, he also drew the district for H2GO which is essentially the same size as Leland. He stated that the 2020 Census data is the only data that is at the scale necessary to do this work.

Councilmember Pendleton asked Mr. Serkin if there would ever be a case where he would recommend to a municipality whose population is rapidly increasing to hold off on creating voting districts until their population numbers stabilize. **Mr. Serkin** replied that it is the Council's role to make the decision to create districts. It is not his role to make recommendations on whether a municipality should or should not do district elections. He stated that creating these districts would be challenging and that they are essentially bound by using the 2020 Census data at this time.

Councilmember Pendleton asked if Leland's rapid population growth is unprecedented compared to other voting district projects he has worked on in the past. **Mr. Serkin** replied from a technical standpoint, he would be using the 2020 Census data which he is required to do, and it would not be a factor in how the work would be completed.

Councilmember Carter stated that Mr. Serkin mentioned creating H2GO's sanitary districts and asked if it would be the same or a different process for a municipality. She also asked if it legally could be a different process. **Mr. Serkin** replied it would essentially be an identical process with marginal differences.

Councilmember Carter asked if the process of determining the district boundaries would be the same as H2GO except for some exclusions of non-Leland properties such as Belville and Compass Pointe. **Mr. Serkin** replied yes and that the only other difference may be the need for a different number of districts.

Councilmember Carter asked if districts are redrawn at each election. **Mr. Serkin** replied that there is no requirement to redistrict until a new census has been completed and that a municipality could redistrict as frequently as they would like to. However, the data would be coming from the most recent census.

Councilmember Carter stated that other than changing the number of districts, the data and end result would remain the same until the next census. **Mr. Serkin** replied that there are many different ways that the districts could be drawn so you may not come up with the exact same districts every time, but they would be close since you would be using the exact same data to determine those districts each time.

Councilmember Pendleton asked if the Town uses the 2020 Census data and the population doubles between censuses, with people possibly moving into only one or two of the districts, how often does that data have to be reviewed. **Mr. Serkin** responded that it should be reviewed after

every census.

Councilmember Pendleton stated that if the districts were drawn now using the 2020 Census data, the districts would be very unbalanced due to all the growth and development Leland has had since that census was done. **Mr. Serkin** replied that it would depend on the geographic distribution of growth. However, there would be no way to know until the next census.

Councilmember Hyer referenced back to the DOJ approval and how the drawing of the congressional districts kept getting challenged in court and then the districts redrawn. So much so that citizens were confused about what district they were actually in. He asked if the Town of Leland could face a similar situation. **Mr. Serkin** replied that it is always possible but highly unlikely. The main reason is that Leland elections are non-partisan so there are no parties trying to win voters to accomplish party districts. Statewide and congressional districting are political party driven. The Council could decide to go through districting now, follow the guiding principles, and instruct him to not talk to individual Councilmembers during the process to reduce any possibility of gerrymandering. He stated that he is not influenced by any agendas and has no political ties.

Mr. Serkin stated that if the Council wanted to instruct him not to talk to Councilmembers during the process, he would be happy to comply.

Councilmember Carter stated that these are nonpartisan elections and that citizens have raised their concerns to her that Brunswick Forest, Magnolia Greens, and Waterford have all had members on Council and that others outside of those communities do not feel that they have representation.

Mr. Serkin stated that he is open to any and all direction from the Council on how they would like to proceed or not proceed with the districting process. He is happy to create draft district map alternatives for the Council if they would like to get an idea of what districting could look like.

Councilmember Campbell asked how many alternative districts or scenarios he uses on average in the process. **Mr. Serkin** replied that he typically creates three to four scenarios. In the past, the Boards he has done this for have not been as politically charged of an environment. Prior Boards have directed him to create multiple alternatives to present to them that he believed would best fit their needs. In this situation, he believes that it would be better to get clarity on the exact direction the Council would like to go and what the Council expects of him.

Councilmember Campbell asked how involved the Board of Elections would be in the process. **Mr. Serkin** replied that the Board of Elections is not involved until the end of the process. If the Council decided to move forward and go through the entire process, the Board of Elections would then need to be notified of the results.

Mayor Bozeman stated that this has been a learning process for her this evening and that voting districts have been brought up several times in the past.

Councilmember Pendleton asked Mr. Serkin how long he has been working on mode of election changes and how many presentations he has done for them. **Mr. Serkin** replied that he has done five districting projects since the 2020 Census and that he has not presented to a Board that has not moved forward with the districting.

Mayor Bozeman called a five-minute recess at 6:50 p.m.

Mayor Bozeman called the meeting back to order at 6:55 p.m.

Councilmember Pendleton asked in regard to Mr. Serkin's previous districting projects, what involvement did he have with the people of the communities and if those people had any input on

the process. He also asked if there were any charter amendments made due to the districting or if it was only voted on by the governing board. **Mr. Serkin** replied that he was not involved in every aspect of the process after he developed the districts. His understanding is that Northwest, H2GO, and Whiteville had all decided to do district elections prior to involving him. This is the first time he has been involved before the Council had already officially decided on going through with the creation of district voting. He does not believe any of them went to referendum vote. He stated that the public hearing to change the charter is the extent of the formal public outreach and community engagement that he is aware of.

Councilmember Carter stated that she had done some research on the Brunswick County Board of Elections website. She stated that at that current time, there were 27,085 registered voters in the Town of Leland. She then provided the number of voters per each of the seven voting precincts within the Town of Leland. She stated that she has been told by residents that they feel that they are not being represented or heard. The numbers will never be perfect. This is local politics. We are neighbors and ask that we treat each other with respect.

Councilmember Carter stated she would like to see the Town have six districts with six Councilmembers and stated that she would like Mr. Serkin to come up with three or four different scenarios based on numbers and geographics. She also stated that she is willing to make a motion stating that no Councilmember should be in contact with Mr. Serkin during the process.

Councilmember Hyer stated that he has been involved in this process as a bystander and it is a bloody process. He understands that many of his friends and neighbors feel that voting districts would make Leland more whole. He does not agree, this process will tear them apart as a Council and as a Town. He is asking the Council to think about this. Leland Town limits are sporadic and will not be easy to divide into districts. There were many people in the last election that thought that they lived in the Town limits when they did not. District voting will be even more difficult for people to understand. He stated that he does not think that district voting is a road that they want to go down.

Councilmember Pendleton stated that the Council brought this up and that the people of the community are the ones who have been left out.

Councilmember Pendleton stated the following: *Whereas the charter of the Town of Leland is the foundation of government for Leland and defines its governing structures, and Whereas the people of Leland are experienced, educated, and informed and know full well that the implications of a charter amending ordinance can be far reaching with known and unknown intended and unintended consequences, and Whereas the freely cast votes of the people are the best expression available of the people's approval or disapproval of the actions and decisions of their government and their elected officials. Therefore, be it resolved, I move that the Town Council of Leland should henceforth adopt a charter amending ordinance for the purpose of addressing district voting that will require the Town Council will require itself to include an automatic referendum on the matter at the next regularly scheduled municipal or general election to approve this charter amending ordinance, provided it's passed by this Council.* MOTION DIES AS THERE WAS NO SECOND.

Councilmember Carter stated that getting three to four different scenarios done on maps would not mean that the Council is moving forward with anything yet. Those maps would simply be a reference for the public, staff, and the Council, of what the districts could look like.

MOTION to ask Mr. Serkin to develop three to four district scenario maps consisting of six districts based on the criteria he has presented to the Council and state law. Moved By Carter, Seconded By Campbell.

Councilmember Pendleton stated that it is presumptuous to ask Mr. Serkin to go ahead and create district maps for six districts and additional Councilmembers, without input from the community or a consensus of the Council. The people of the community have been left out of the process even though they will be the ones affected the most.

Councilmember Carter stated that she refers to the Town and the people, as the people in the room and whom they represent. Not everyone in the room or Town agrees with Mr. Pendleton. There is a reason why they are here. The Council is simply gathering choices and information based on what some of the voters and Leland citizens have wanted to bring forth.

ACTION: Motion to ask Mr. Serkin to develop three to four district scenario maps consisting of six districts based on the criteria he has presented to the Council and state law.

Brenda Bozeman Against

Bob Campbell (Seconded By) For

Veronica Carter (Moved By) For

Leland Hyer Against

Frank Pendleton Against

Vote: DEFEATED.

4.3 Council Discussion/Direction, Continued

Councilmember Carter thanked Mr. Serkin for taking the time to present to the Council and answer questions.

5. Adjournment

5.1 **ACTION:** Motion to adjourn the meeting 7:11 p.m.

Motion: Veronica Carter

Second: Leland Hyer

Vote: UNANIMOUS

Adopted at a regular meeting on June 18, 2026.

Attest:

Sabrena A. Reinhardt, Town Clerk

Brenda Bozeman, Mayor

**TOWN OF LELAND
CLOSED SESSION - COUNCIL MEETING
MAY 18, 2026**

ASSEMBLY

The Leland Town Council went into two closed session meetings at their Regular Council Meeting on Monday, May 18, 2026, pursuant to North Carolina General Statutes §143-318.11, specifically:

- (a)(5) to discuss price and other material terms for the acquisition of real property for two separate transactions; and
- (a)(3) to discuss matters under the attorney client privilege; and
- (a)(4) to discuss matters as it relates to the development agreement of Seaward Pointe.

The Town Clerk has provided the Town Council with the closed session minutes for review. The minutes function as the official record documenting Board actions. The Council approves the minutes.

Sabrena Reinhardt



**TOWN OF LELAND
Council Special Meeting Minutes
Monday, June 1, 2026 at 6:00 p.m.**

ASSEMBLY

The Town of Leland Council Special Meeting was held on Monday, June 1, 2026 at 6:00 p.m. at Town Hall for the purpose of holding Board and Committee applicant interviews.

PRESENT: Brenda Bozeman, Bob Campbell, Veronica Carter, Leland Hyer, and Frank Pendleton

ABSENT:

ALSO David Hollis, Town Manager; Sabrena Reinhardt, Town Clerk; and Missy Rhodes,

PRESENT: Deputy Town Manager

1. 6:00 p.m. - Call to Order

1.1

Mayor Bozeman called the meeting to order at 6:02 p.m.

2. Pledge of Allegiance

2.1

The Pledge of Allegiance was recited.

No one from the public was in the audience besides Board and Committee applicants.

3. Approval of the Agenda

3.1

ACTION: Motion to approve the agenda as presented.

Motion: Veronica Carter

Second: Leland Hyer

Vote: UNANIMOUS

4. Board and Committee Applicant Interviews

4.1

The Council interviewed the following Board and Committee applicants:

Board of Adjustment: John Boyer; and Jennifer Breitenbach.

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Economic Development Committee: Karen Barefoot; Deborah Ford; Bob Lazaro, Jr.; Joseph Newman; Marilyn Obrien; Myrtle Phillips; Debra Pickett; and John Streatfield.

Mayor Bozeman called a recess at 7:40 p.m.

Mayor Bozeman called the meeting back in order at 7:46 p.m.

Parks and Recreation Board:

Cassandra Crumdy; Sarah Kemp; Edgar Robbins; and Arriane Sitter.

5. Adjournment

5.1 **ACTION:** Motion to adjourn the meeting at 8:29 p.m.

Motion: Veronica Carter

Second: Bob Campbell

Vote: UNANIMOUS

Adopted at a regular meeting on June 18, 2026.

Attest:

Sabrena A. Reinhardt, Town Clerk

Brenda Bozeman, Mayor

**MEMO****MEMO-26-0125**

Meeting Date: June 18, 2026

Prepared By: Will Lear

MEETING TYPE: Council Agenda Meeting

TITLE: Resolution R-26-042 Authorizing the Town Manager to Execute a Design-Build Agreement with Intercoastal Marine, LLC for the Sturgeon Creek Boardwalk and Dock Project

PURPOSE: To authorize the Town Manager to execute a design-build agreement ("Agreement") with Intercoastal Marine, LLC, to provide turnkey design and construction services, for the Sturgeon Creek Boardwalk and Dock Project, located in the Town of Leland, North Carolina

BACKGROUND: In 2013, The North Carolina General Assembly enacted legislation authorizing the design-build delivery method for public construction projects as an alternative construction method. The design-build delivery method is an integrated approach to a construction project that delivers design, architectural and engineering, and construction services under one contract with a single point of responsibility. Under this project delivery method, the public owner, in this case the Town, is provided the benefit of the design team and contractor working together to achieve the design and construction objectives under a single contract. The engineer and architect, if needed, work in a contractual arrangement with the design-build contractor instead of the Town managing and coordinating the work of the engineer, architect and contractor separately.

The Town desires to use the design-build construction delivery method to design and construct the Sturgeon Creek Boardwalk and Dock Project. On March 17, 2022, Council adopted Resolution 22-045, which established criteria for using the design-build delivery method for construction contracts pursuant to N.C. General Statute § 143-128.1A.

Those criteria are as follows:

Criteria 1: The extent to which the Town can adequately and thoroughly define the project requirements prior to the issuance of the request for qualifications (RFQ) for a design-builder. The design-build construction delivery method may be used if it is determined that, for the specific project, the Town has professional personnel that are both qualified and experienced to thoroughly define project requirements prior to the issuance of a RFQ for a design-builder. Consideration will be given to the qualifications and experience of existing personnel in Town departments most familiar with the project to assist in the development of a RFQ.

Criteria 2: The time constraints for the delivery of the project. The design-build construction delivery method may be used if a project has a firm date by which a facility must be operational and the normal delivery method (typically involving RFQ, study, design, bid, and construct) is likely not to be timely. The design-build construction delivery method may also be used if a shortened timeframe for a project brings value to the Town's citizens and the normal delivery method (typically involving RFQ, study, design, bid, and construct) is likely not to be timely. The size and cost of a project will dictate complexity and schedule.

Criteria 3: The ability to ensure that a quality project can be delivered. The design-build construction delivery method may be used if it is determined that, for the specific project, the Town has professional and experienced personnel to ensure that the design-build firm will provide a quality project within the budget constraints established by Council. Consideration will be given to the qualifications and experience of personnel most familiar with the project.

Criteria 4: The capability of the Town to manage and oversee the project, including the availability of experienced staff or outside consultants who are experienced with the design-build method of project delivery. The design-build construction delivery method may be used if it is determined that, for the specific project, the Town has professional and experienced personnel that are knowledgeable of design-build projects, or, in the alternative, experienced consultants are available to be retained to perform the construction management of a design-build contract.

Criteria 5: A good-faith effort to comply with historically underutilized business participation requirements per G.S. 143-128.2 and G.S. 143-128.4, and to recruit and select small business entities. The design-build construction delivery method may be used if it is determined that, for the project, requirements will be imposed which ensure that contractors will comply with the M/WBE goals set forth in the RFQ.

Criteria 6: The criteria used by the Town, including a comparison of costs and benefits of using the design-build construction delivery method for a given project in lieu of the traditional construction bidding methods. The criteria utilized by the Town when considering a design-build delivery method for a project will be as follows:

- *Is the project well defined and does it include qualitative and quantitative characteristics that make a design-build contract more appropriate than other methods of delivery?*
- *Is the project timeline overly constrained and will it be necessary to have the project complete and operational within a fixed time frame?*
- *Will it be necessary to have beneficial use of a portion of the project while it is under construction?*
- *Given the scope of the project, is there a maximum budget that must be adhered to in order to allow negotiations and flexibility to make appropriate decisions on scope as the project progresses?*
- *Does the design-build delivery construction method meet the ultimate operational goals established for a given project and the quality of*

product achieved as a result of a more fluid and flexible delivery method
Based on the above, established criteria, Staff has determined that the Sturgeon Creek Boardwalk and Dock Project meets the requirements needed for using the Design-Build construction delivery method.

SUMMARY:

Staff advertised a Request for Qualifications ("RFQ") soliciting proposals from qualified firms interested in providing professional design-build services for the Sturgeon Creek Boardwalk and Dock Project pursuant to N.C. General Statute § 143-128.1A. On May 13, 2026, the Town received RFQ proposals from eight (8) firms. After evaluating and ranking the eight (8) proposals, Staff selected Intercoastal Marine, LLC ("Intercoastal Marine") to enter into negotiations with as the most qualified design-build firm. Staff has begun negotiations with Intercoastal Marine and recommends Intercoastal Marine be selected as the design-build firm for the Project.

SUPPORTING PLANS:

N/A

REQUEST FOR ACTION:

Staff recommends that Council adopt Resolution 026-042.



Resolution R-26-042

Introduced By: Will Lear

Date: June 18, 2026

Resolution Authorizing the Town Manager to Execute a Design-Build Agreement with Intercoastal Marine, LLC for the Sturgeon Creek Boardwalk and Dock Project in the Town of Leland, North Carolina.

WHEREAS, it is the desire of the Town of Leland to construct an elevated wooden boardwalk and floating dock at future Sturgeon Creek Park, located adjacent to Sturgeon Creek, at 158 South Navassa Road, in the Town of Leland, NC ("Project"); and

WHEREAS, on March 17, 2022, the Leland Town Council, pursuant to N.C. General Statute § 143-128.1A, adopted Resolution 22-045, approving the standard criteria for use of the design-build construction delivery method; and

WHEREAS, Staff desires to move forward with the use of the design-build construction delivery method to design and construct this Project, as it aligns with those standard criteria; and

WHEREAS, the design-build method was selected due to the timeliness needed for the design and construction of this project in order to improve quality of life, recreation opportunities, and overall health of Town residents; and

WHEREAS, the Town has professional and experienced personnel, who are proficient in the design-build construction delivery method, to manage and oversee the Project and ensure that the design-build firm provides a quality project within the budget constraints; and

WHEREAS, Staff issued and advertised a Request for Qualifications ("RFQ") soliciting proposals from qualified firms interested in providing professional design-build services for the Project pursuant to N.C. General Statute § 143-128.1A; and

WHEREAS, on May 13, 2026, the Town received responses to the RFQ from eight (8) design-build firms; and

WHEREAS, after evaluating and ranking the eight (8) proposals, Staff selected Intercoastal Marine, LLC ("Intercoastal Marine") to enter into negotiations with as the most qualified design-build firm; and

WHEREAS, Staff recommends Intercoastal Marine be selected as the design-build firm for the Project.

Therefore, Be It Resolved:

That the Leland Town Council authorizes the use of the design-build construction delivery method for design and construction of the Sturgeon Creek Boardwalk and Dock Project ("Project"); and

That the Leland Town Council authorizes the Town Manager to execute the Design-Build Agreement with Intercoastal Marine for the design and construction of the Project, a draft copy of which is attached hereto as Exhibit "A" and incorporated herein by reference, subject to final review, negotiation, revision, and approval by the Staff Attorney and Town Manager; and

That the Town Manager has the authority to administer all necessary contracts for the project, including any potential change orders for unanticipated work or services, up to the amount in the project budget.

Adopted by Town Council on this 18th day of June, 2026.

Brenda Bozeman, Mayor

Sabrena A. Reinhardt, Town Clerk

EXHIBIT A

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DRAFT AIA® Document A141® – 2014***Standard Form of Agreement Between Owner and Design-Builder***

AGREEMENT made as of the «» day of «July » in the year «2026 »
(In words, indicate day, month and year.)

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

«Town of Leland »«a North Carolina Municipal Corporation »
 «102 Town Hall Drive »
 «Leland, NC 28451 »
 « »

and the Design-Builder:
(Name, legal status, address and other information)

«Intercoastal Marine, LLC »« a North Carolina Limited Liability Corporation »
 «6101 Diamond Shamrock Road »
 «Castle Hayne, NC 28429 »
 « »

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

« Design Build of Sturgeon Creek Boardwalk and Dock, located at 158 South Navassa Road,
 Leland, NC 28451 as described in the Town of Leland's Request for Qualifications dated April
 14, 2026, a copy of which is attached hereto as Exhibit C and incorporated herein by reference. »
 « »
 « »

The Owner and Design-Builder 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.

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

Consultation with an attorney is also encouraged with respect to professional licensing requirements in the jurisdiction where the Project is located.

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B	INSURANCE AND BONDS
C	TOWN OF LELAND'S REQUEST FOR QUALIFICATIONS (RFQ)
D	INTERCOASTAL MARINE, LLC'S STATEMENT OF QUALIFICATIONS
E	INTERCOASTAL MARINE, LLC'S COMPENSATION FOR WORK PERFORMED PRIOR TO THE EXECUTION OF DESIGN-BUILD AMENDMENT DATED XXXX, XX, XXXX

ARTICLE 1 GENERAL PROVISIONS**§ 1.1 Owner's Criteria**

This Agreement is based on the Owner's Criteria set forth in this Section 1.1.

(Note the disposition for the following items by inserting the requested information or a statement such as "not applicable" or "unknown at time of execution." If the Owner intends to provide a set of design documents, and the requested information is contained in the design documents, identify the design documents and insert "see Owner's design documents" where appropriate.)

§ 1.1.1 The Owner's program for the Project:

(Set forth the program, identify documentation in which the program is set forth, or state the manner in which the program will be developed.)

«The Owner's Criteria is as is described in the Town of Leland's Request for Qualifications ("RFQ") for the Design-Build of Sturgeon Creek Boardwalk and Dock, located at 158 South Navassa Road, Leland, NC 28451, dated April 14, 2026. A copy of the RFQ is attached as Exhibit C and is incorporated herein by reference. »

§ 1.1.2 The Owner's design requirements for the Project and related documentation:

(Identify below, or in an attached exhibit, the documentation that contains the Owner's design requirements, including any performance specifications for the Project.)

« See Exhibit C »

§ 1.1.3 The Project's physical characteristics:

(Identify or describe, if appropriate, size, location, dimensions, or other pertinent information, such as geotechnical reports; site, boundary and topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site; etc.)

« See Exhibit C »

§ 1.1.4 The Owner's anticipated Sustainable Objective for the Project, if any:

(Identify the Owner's Sustainable Objective for the Project such as Sustainability Certification, benefit to the environment, enhancement to the health and well-being of building occupants, or improvement of energy efficiency. If the Owner identifies a Sustainable Objective, incorporate AIA Document A141™-2014, Exhibit C, Sustainable Projects, into this Agreement to define the terms, conditions and Work related to the Owner's Sustainable Objective.)

« Not Applicable »

§ 1.1.5 Incentive programs the Owner intends to pursue for the Project, including those related to the Sustainable Objective, and any deadlines for receiving the incentives that are dependent on, or related to, the Design-Builder's services, are as follows:

(Identify incentive programs the Owner intends to pursue for the Project and deadlines for submitting or applying for the incentive programs.)

«Not Applicable »

§ 1.1.6 The Owner's budget for the Work to be provided by the Design-Builder is set forth below:

(Provide total for Owner's budget, and if known, a line item breakdown of costs.)

«Not to exceed One Million Five Hundred Thousand Dollars (\$1,500,000.00) »

§ 1.1.7 The Owner's design and construction milestone dates:

- .1 Design phase milestone dates:

« To be Determined »

- .2 Submission of Design-Builder Proposal:

«To Be Determined »

- .3 Phased completion dates:

«To Be Determined »

- .4 Substantial Completion date:

«To Be Determined »

.5 Other milestone dates:

«To Be Determined »

§ 1.1.8 The Owner requires the Design-Builder to retain the following Architect, Consultants and Contractors at the Design-Builder's cost:

(List name, legal status, address and other information.)

.1 Architect

«Not Applicable »

.2 Consultants

«As described in Intercoastal Marine, LLC's Statement of Qualifications dated May 13, 2026, a copy of which is attached hereto as Exhibit D and incorporated herein by reference. »

.3 Contractors

« See Exhibit D »

§ 1.1.9 Additional Owner's Criteria upon which the Agreement is based:

(Identify special characteristics or needs of the Project not identified elsewhere, such as historic preservation requirements.)

« See Exhibit C »

§ 1.1.10 The Design-Builder shall confirm that the information included in the Owner's Criteria complies with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities.

§ 1.1.10.1 If the Owner's Criteria conflicts with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, the Design-Builder shall notify the Owner of the conflict.

§ 1.1.11 If there is a change in the Owner's Criteria, the Owner and the Design-Builder shall execute a Modification in accordance with Article 6.

§ 1.1.12 If the Design-Builder and Contractor intend to transmit Instruments of Service or any other information or documentation in digital form, or utilize building information modeling, they shall endeavor to establish written protocols governing the development, use, transmission, reliance, and exchange of digital data, including building information modeling.

§ 1.2 Project Team

§ 1.2.1 The Owner identifies the following representative in accordance with Section 7.1.1:

(List name, address and other information.)

«David Hollis, Town Manager »
 «102 Town Hall Drive »
 «Leland, NC 28451 »
 «Direct: (910) 371-1249 »
 «Email: dhollis@townofleland.com »
 « »

§ 1.2.2 The persons or entities, in addition to the Owner's representative, who are required to review the Design-Builder's Submittals are as follows:

(List name, address and other information.)

«None »

§ 1.2.3 The Owner will retain the following consultants and separate contractors:
(List discipline, scope of work, and, if known, identify by name and address.)

«None »

§ 1.2.4 The Design-Builder identifies the following representative in accordance with Section 3.1.2:
(List name, address and other information.)

«Bill Howell »
«6101 Diamond Shamrock Road »
«Castle Hayne, NC 28429 »
«(910)675-9791 »
« »
« »

§ 1.2.5 Neither the Owner's nor the Design-Builder's representative shall be changed without ten days' written notice to the other party.

§ 1.3 Binding Dispute Resolution

For any Claim subject to, but not resolved by, mediation pursuant to Section 14.3, the method of binding dispute resolution shall be the following:

(Check the appropriate box. If the Owner and Design-Builder do not select a method of binding dispute resolution below, or do not subsequently agree in writing to a binding dispute resolution other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.)

☐ Arbitration pursuant to Section 14.4

☒ Litigation in a court of competent jurisdiction

☐ Other: (Specify)

« »

§ 1.4 Definitions

§ 1.4.1 Design-Build Documents. The Design-Build Documents consist of this Agreement between Owner and Design-Builder and its attached Exhibits (hereinafter, the "Agreement"); other documents listed in this Agreement; and Modifications issued after execution of this Agreement. A Modification is (1) a written amendment to the Contract signed by both parties, including the Design-Build Amendment, (2) a Change Order, or (3) a Change Directive.

§ 1.4.2 The Contract. The Design-Build Documents form the Contract. The Contract represents the entire and integrated agreement between the parties and supersedes prior negotiations, representations or agreements, either written or oral. The Contract may be amended or modified only by a Modification. The Design-Build Documents shall not be construed to create a contractual relationship of any kind between any persons or entities other than the Owner and the Design-Builder.

§ 1.4.3 The Work. The term "Work" means the design, construction and related services required to fulfill the Design-Builder's obligations under the Design-Build Documents, whether completed or partially completed, and includes all labor, materials, equipment and services provided or to be provided by the Design-Builder. The Work may constitute the whole or a part of the Project.

§ 1.4.4 The Project. The Project is the total design and construction of which the Work performed under the Design-Build Documents may be the whole or a part, and may include design and construction by the Owner and by separate contractors.

§ 1.4.5 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 Design-Builder, Contractor(s), Architect, and Consultant(s) under their respective agreements. Instruments of Service may include, without limitation, studies, surveys, models, sketches, drawings, specifications, digital models and other similar materials.

§ 1.4.6 Submittal. A Submittal is any submission to the Owner for review and approval demonstrating how the Design-Builder proposes to conform to the Design-Build Documents for those portions of the Work for which the Design-Build Documents require Submittals. Submittals include, but are not limited to, shop drawings, product data, and samples. Submittals are not Design-Build Documents unless incorporated into a Modification.

§ 1.4.7 Owner. The Owner is the person or entity identified as such in the Agreement and is referred to throughout the Design-Build Documents as if singular in number. The term "Owner" means the Owner or the Owner's authorized representative.

§ 1.4.8 Design-Builder. The Design-Builder is the person or entity identified as such in the Agreement and is referred to throughout the Design-Build Documents as if singular in number. The term "Design-Builder" means the Design-Builder or the Design-Builder's authorized representative.

§ 1.4.9 Consultant. A Consultant is a person or entity providing professional services for the Design-Builder for all or a portion of the Work, and is referred to throughout the Design-Build Documents as if singular in number. To the extent required by the relevant jurisdiction, the Consultant shall be lawfully licensed to provide the required professional services.

§ 1.4.10 Architect. The Architect is a person or entity providing design services for the Design-Builder for all or a portion of the Work, and is lawfully licensed to practice architecture in the applicable jurisdiction. The Architect is referred to throughout the Design-Build Documents as if singular in number.

§ 1.4.11 Contractor. A Contractor is a person or entity performing all or a portion of the construction, required in connection with the Work, for the Design-Builder. The Contractor shall be lawfully licensed, if required in the jurisdiction where the Project is located. The Contractor is referred to throughout the Design-Build Documents as if singular in number and means a Contractor or an authorized representative of the Contractor.

§ 1.4.12 Confidential Information. Confidential Information is information containing confidential or business proprietary information that is clearly marked as "confidential."

§ 1.4.13 Contract Time. Unless otherwise provided, Contract Time is the period of time, including authorized adjustments, as set forth in the Design-Build Amendment for Substantial Completion of the Work.

§ 1.4.14 Day. The term "day" as used in the Design-Build Documents shall mean calendar day unless otherwise specifically defined.

§ 1.4.15 Contract Sum. The Contract Sum is the amount to be paid to the Design-Builder for performance of the Work after execution of the Design-Build Amendment, as identified in Article A.1 of the Design-Build Amendment.

ARTICLE 2 COMPENSATION AND PROGRESS PAYMENTS

§ 2.1 Compensation for Work Performed Prior To Execution of Design-Build Amendment

§ 2.1.1 Unless otherwise agreed, payments for Work performed prior to Execution of the Design-Build Amendment shall be made monthly. For the Design-Builder's performance of Work prior to the execution of the Design-Build Amendment, the Owner shall compensate the Design-Builder as follows:

(Insert amount of, or basis for, compensation, including compensation for any Sustainability Services, or indicate the exhibit in which the information is provided. If there will be a limit on the total amount of compensation for Work performed prior to the execution of the Design-Build Amendment, state the amount of the limit.)

«To Be Determined »

§ 2.1.2 The hourly billing rates for services of the Design-Builder and the Design-Builder's Architect, Consultants and Contractors, if any, are set forth below.

(If applicable, attach an exhibit of hourly billing rates or insert them below.)

«Not Applicable »

Individual or Position

Rate

§ 2.1.3 Compensation for Reimbursable Expenses Prior To Execution of Design-Build Amendment

§ 2.1.3.1 Reimbursable Expenses are in addition to compensation set forth in Section 2.1.1 and 2.1.2 and include expenses, directly related to the Project, incurred by the Design-Builder and the Design-Builder's Architect, Consultants, and Contractors, as follows:

- .1 Transportation and authorized out-of-town travel and subsistence;
- .2 Dedicated data and communication services, teleconferences, Project web sites, and extranets;
- .3 Fees paid for securing approval of authorities having jurisdiction over the Project;
- .4 Printing, reproductions, plots, 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;
- .8 All taxes levied on professional services and on reimbursable expenses; and
- .9 Other Project-related expenditures, if authorized in advance by the Owner.

§ 2.1.3.2 For Reimbursable Expenses, the compensation shall be the expenses the Design-Builder and the Design-Builder's Architect, Consultants and Contractors incurred, plus an administrative fee of «ten » percent («10 » %) of the expenses incurred.

§ 2.1.4 Payments to the Design-Builder Prior To Execution of Design-Build Amendment

§ 2.1.4.1 Payments are due and payable upon presentation of the Design-Builder'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 Design-Builder.

(Insert rate of monthly or annual interest agreed upon.)

«8 » % «per annum »

§ 2.1.4.2 Records of Reimbursable Expenses and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times for a period of two years following execution of the Design-Build Amendment or termination of this Agreement, whichever occurs first.

§ 2.2 Contract Sum and Payment for Work Performed After Execution of Design-Build Amendment

For the Design-Builder's performance of the Work after execution of the Design-Build Amendment, the Owner shall pay to the Design-Builder the Contract Sum in current funds as agreed in the Design-Build Amendment.

ARTICLE 3 GENERAL REQUIREMENTS OF THE WORK OF THE DESIGN-BUILD CONTRACT

§ 3.1 General

§ 3.1.1 The Design-Builder shall comply with any applicable licensing requirements in the jurisdiction where the Project is located.

§ 3.1.2 The Design-Builder shall designate in writing a representative who is authorized to act on the Design-Builder's behalf with respect to the Project.

§ 3.1.3 The Design-Builder shall perform the Work in accordance with the Design-Build Documents. The Design-Builder shall not be relieved of the obligation to perform the Work in accordance with the Design-Build Documents by the activities, tests, inspections or approvals of the Owner.

§ 3.1.3.1 The Design-Builder shall perform the Work in compliance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities. If the Design-Builder performs Work contrary to applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities, the Design-Builder shall assume responsibility for such Work and shall bear the costs attributable to correction.

§ 3.1.3.2 Neither the Design-Builder nor any Contractor, Consultant, or Architect shall be obligated to perform any act which they believe will violate any applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities. If the Design-Builder determines that implementation of any instruction received from the Owner, including those in the Owner's Criteria, would cause a violation of any applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, the Design-Builder shall notify the Owner in writing. Upon verification by the Owner that a change to the Owner's Criteria is required to remedy the violation, the Owner and the Design-Builder shall execute a Modification in accordance with Article 6.

§ 3.1.4 The Design-Builder shall be responsible to the Owner for acts and omissions of the Design-Builder's employees, Architect, Consultants, Contractors, and their agents and employees, and other persons or entities performing portions of the Work.

§ 3.1.5 General Consultation. The Design-Builder shall schedule and conduct periodic meetings with the Owner to review matters such as procedures, progress, coordination, and scheduling of the Work.

§ 3.1.6 When applicable law requires that services be performed by licensed professionals, the Design-Builder shall provide those services through qualified, licensed professionals. The Owner understands and agrees that the services of the Design-Builder's Architect and the Design-Builder's other Consultants are performed in the sole interest of, and for the exclusive benefit of, the Design-Builder.

§ 3.1.7 The Design-Builder, with the assistance of the Owner, shall prepare and file documents required to obtain necessary approvals of governmental authorities having jurisdiction over the Project.

§ 3.1.8 Progress Reports

§ 3.1.8.1 The Design-Builder shall keep the Owner informed of the progress and quality of the Work. On a monthly basis, or otherwise as agreed to by the Owner and Design-Builder, the Design-Builder shall submit written progress reports to the Owner, showing estimated percentages of completion and other information identified below:

- .1 Work completed for the period;
- .2 Project schedule status;
- .3 Submittal schedule and status report, including a summary of outstanding Submittals;
- .4 Responses to requests for information to be provided by the Owner;
- .5 Approved Change Orders and Change Directives;
- .6 Pending Change Order and Change Directive status reports;
- .7 Tests and inspection reports;
- .8 Status report of Work rejected by the Owner;
- .9 Status of Claims previously submitted in accordance with Article 14;
- .10 Cumulative total of the Cost of the Work to date including the Design-Builder's compensation and Reimbursable Expenses, if any;
- .11 Current Project cash-flow and forecast reports; and
- .12 Additional information as agreed to by the Owner and Design-Builder.

§ 3.1.8.2 In addition, where the Contract Sum is the Cost of the Work with or without a Guaranteed Maximum Price, the Design-Builder shall include the following additional information in its progress reports:

- .1 Design-Builder's work force report;
- .2 Equipment utilization report; and
- .3 Cost summary, comparing actual costs to updated cost estimates.

§ 3.1.9 Design-Builder's Schedules

§ 3.1.9.1 The Design-Builder, promptly after execution of this Agreement, shall prepare and submit for the Owner's information a schedule for the Work. The schedule, including the time required for design and construction, shall not exceed time limits current under the Design-Build Documents, shall be revised at appropriate intervals as required by the conditions of the Work and Project, shall be related to the entire Project to the extent required by the Design-Build Documents, shall provide for expeditious and practicable execution of the Work, and shall include allowances for periods of time required for the Owner's review and for approval of submissions by authorities having jurisdiction over the Project.

§ 3.1.9.2 The Design-Builder shall perform the Work in general accordance with the most recent schedules submitted to the Owner.

§ 3.1.10 Certifications. Upon the Owner's written request, the Design-Builder shall obtain from the Architect, Consultants, and Contractors, and furnish to the Owner, certifications with respect to the documents and services provided by the Architect, Consultants, and Contractors (a) that, to the best of their knowledge, information and belief, the documents or services to which the certifications relate (i) are consistent with the Design-Build Documents, except to the extent specifically identified in the certificate, and (ii) comply with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities governing the design of the Project; and (b) that the Owner and its consultants shall be entitled to rely upon the accuracy of the representations and statements contained in the certifications. The Design-Builder's Architect, Consultants, and Contractors shall not be required to execute certificates or consents that would require knowledge, services or responsibilities beyond the scope of their services.

§ 3.1.11 Design-Builder's Submittals

§ 3.1.11.1 Prior to submission of any Submittals, the Design-Builder shall prepare a Submittal schedule, and shall submit the schedule for the Owner's approval. The Owner's approval shall not unreasonably be delayed or withheld. The Submittal schedule shall (1) be coordinated with the Design-Builder's schedule provided in Section 3.1.9.1, (2) allow the Owner reasonable time to review Submittals, and (3) be periodically updated to reflect the progress of the Work. If the Design-Builder fails to submit a Submittal schedule, the Design-Builder shall not be entitled to any increase in Contract Sum or extension of Contract Time based on the time required for review of Submittals.

§ 3.1.11.2 By providing Submittals the Design-Builder represents to the Owner that it 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 Design-Build Documents.

§ 3.1.11.3 The Design-Builder shall perform no portion of the Work for which the Design-Build Documents require Submittals until the Owner has approved the respective Submittal.

§ 3.1.11.4 The Work shall be in accordance with approved Submittals except that the Design-Builder shall not be relieved of its responsibility to perform the Work consistent with the requirements of the Design-Build Documents. The Work may deviate from the Design-Build Documents only if the Design-Builder has notified the Owner in writing of a deviation from the Design-Build Documents at the time of the Submittal and a Modification is executed authorizing the identified deviation. The Design-Builder shall not be relieved of responsibility for errors or omissions in Submittals by the Owner's approval of the Submittals.

§ 3.1.11.5 All professional design services or certifications to be provided by the Design-Builder, including all drawings, calculations, specifications, certifications, shop drawings and other Submittals, shall contain the signature and seal of the licensed design professional preparing them. Submittals related to the Work designed or certified by the licensed design professionals, if prepared by others, shall bear the licensed design professional's written approval. The Owner and its consultants shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such design professionals.

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

§ 3.1.13 Royalties, Patents and Copyrights

§ 3.1.13.1 The Design-Builder shall pay all royalties and license fees.

§ 3.1.13.2 The Design-Builder shall defend suits or claims for infringement of copyrights and patent rights and shall hold the Owner and its separate contractors and consultants harmless from loss on account thereof, but shall not be responsible for such defense or loss when a particular design, process or product of a particular manufacturer or manufacturers is required by the Owner, or where the copyright violations are required in the Owner's Criteria. However, if the Design-Builder has reason to believe that the design, process or product required in the Owner's Criteria is an infringement of a copyright or a patent, the Design-Builder shall be responsible for such loss unless such information is promptly furnished to the Owner. If the Owner receives notice from a patent or copyright owner of an alleged violation of a patent or copyright, attributable to the Design-Builder, the Owner shall give prompt written notice to the Design-Builder.

§ 3.1.14 Indemnification

§ 3.1.14.1 To the fullest extent permitted by law, the Design-Builder shall indemnify and hold harmless the Owner, including the Owner's agents and employees, 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, but only to the extent caused by the negligent acts or omissions of the Design-Builder, Architect, a Consultant, a Contractor, or anyone directly or indirectly employed by them or anyone for whose acts they may be liable. 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 3.1.14.

§ 3.1.14.2 The indemnification obligation under this Section 3.1.14 shall not be limited by a limitation on amount or type of damages, compensation, or benefits payable by or for Design-Builder, Architect, a Consultant, a Contractor, or anyone directly or indirectly employed by them, under workers' compensation acts, disability benefit acts or other employee benefit acts.

§ 3.1.15 Contingent Assignment of Agreements

§ 3.1.15.1 Each agreement for a portion of the Work is assigned by the Design-Builder to the Owner, provided that

- .1 assignment is effective only after termination of the Contract by the Owner for cause, pursuant to Sections 13.1.4 or 13.2.2, and only for those agreements that the Owner accepts by written notification to the Design-Builder and the Architect, Consultants, and Contractors whose agreements are accepted for assignment; and
- .2 assignment is subject to the prior rights of the surety, if any, obligated under bond relating to the Contract.

When the Owner accepts the assignment of an agreement, the Owner assumes the Design-Builder's rights and obligations under the agreement.

§ 3.1.15.2 Upon such assignment, if the Work has been suspended for more than 30 days, the compensation under the assigned agreement shall be equitably adjusted for increases in cost resulting from the suspension.

§ 3.1.15.3 Upon such assignment to the Owner under this Section 3.1.15, the Owner may further assign the agreement to a successor design-builder or other entity. If the Owner assigns the agreement to a successor design-builder or other entity, the Owner shall nevertheless remain legally responsible for all of the successor design-builder's or other entity's obligations under the agreement.

§ 3.1.16 Design-Builder's Insurance and Bonds. The Design-Builder shall purchase and maintain insurance and provide bonds as set forth in Exhibit B.

ARTICLE 4 WORK PRIOR TO EXECUTION OF THE DESIGN-BUILD AMENDMENT

§ 4.1 General

§ 4.1.1 Any information submitted by the Design-Builder, and any interim decisions made by the Owner, shall be for the purpose of facilitating the design process and shall not modify the Owner's Criteria unless the Owner and Design-Builder execute a Modification.

§ 4.1.2 The Design-Builder shall advise the Owner on proposed site use and improvements, selection of materials, and building systems and equipment. The Design-Builder shall also provide the Owner with recommendations, consistent with the Owner's Criteria, on constructability; availability of materials and labor; time requirements for procurement, installation and construction; 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.

§ 4.2 Evaluation of the Owner's Criteria

§ 4.2.1 The Design-Builder shall schedule and conduct meetings with the Owner and any other necessary individuals or entities to discuss and review the Owner's Criteria as set forth in Section 1.1. The Design-Builder shall thereafter again meet with the Owner to discuss a preliminary evaluation of the Owner's Criteria. The preliminary evaluation shall address possible alternative approaches to design and construction of the Project and include the Design-Builder's recommendations, if any, with regard to accelerated or fast-track scheduling, procurement, or phased construction. The preliminary evaluation shall consider cost information, constructability, and procurement and construction scheduling issues.

§ 4.2.2 After the Design-Builder meets with the Owner and presents the preliminary evaluation, the Design-Builder shall provide a written report to the Owner, summarizing the Design-Builder's evaluation of the Owner's Criteria. The report shall also include

- .1 allocations of program functions, detailing each function and their square foot areas;
- .2 a preliminary estimate of the Cost of the Work, and, if necessary, recommendations to adjust the Owner's Criteria to conform to the Owner's budget;
- .3 a preliminary schedule, which shall include proposed design milestones; dates for receiving additional information from, or for work to be completed by, the Owner; anticipated date for the Design-Builder's Proposal; and dates of periodic design review sessions with the Owner; and
- .4 the following:

(List additional information, if any, to be included in the Design-Builder's written report.)

« Any additional information reasonably requested by Owner regarding Design-Builder's evaluation of the Owners Criteria. »

§ 4.2.3 The Owner shall review the Design-Builder's written report and, if acceptable, provide the Design-Builder with written consent to proceed to the development of the Preliminary Design as described in Section 4.3. The consent to proceed shall not be understood to modify the Owner's Criteria unless the Owner and Design-Builder execute a Modification.

§ 4.3 Preliminary Design

§ 4.3.1 Upon the Owner's issuance of a written consent to proceed under Section 4.2.3, the Design-Builder shall prepare and submit a Preliminary Design to the Owner. The Preliminary Design shall include a report identifying any deviations from the Owner's Criteria, and shall include the following:

- .1 Confirmation of the allocations of program functions;
- .2 Site plan;
- .3 Building plans, sections and elevations;
- .4 Structural system;
- .5 Selections of major building systems, including but not limited to mechanical, electrical and plumbing systems; and
- .6 Outline specifications or sufficient drawing notes describing construction materials.

The Preliminary Design may include some combination of physical study models, perspective sketches, or digital modeling.

§ 4.3.2 The Owner shall review the Preliminary Design and, if acceptable, provide the Design-Builder with written consent to proceed to development of the Design-Builder's Proposal. The Preliminary Design shall not modify the Owner's Criteria unless the Owner and Design-Builder execute a Modification.

§ 4.4 Design-Builder's Proposal

§ 4.4.1 Upon the Owner's issuance of a written consent to proceed under Section 4.3.2, the Design-Builder shall prepare and submit the Design-Builder's Proposal to the Owner. The Design-Builder's Proposal shall include the following:

- .1 A list of the Preliminary Design documents and other information, including the Design-Builder's clarifications, assumptions and deviations from the Owner's Criteria, upon which the Design-Builder's Proposal is based;
- .2 The proposed Contract Sum, including the compensation method and, if based upon the Cost of the Work plus a fee, a written statement of estimated cost organized by trade categories, allowances, contingencies, Design-Builder's Fee, and other items that comprise the Contract Sum;
- .3 The proposed date the Design-Builder shall achieve Substantial Completion;
- .4 An enumeration of any qualifications and exclusions, if applicable;
- .5 A list of the Design-Builder's key personnel, Contractors and suppliers; and
- .6 The date on which the Design-Builder's Proposal expires.

§ 4.4.2 Submission of the Design-Builder's Proposal shall constitute a representation by the Design-Builder that it has visited the site and become familiar with local conditions under which the Work is to be completed.

§ 4.4.3 If the Owner and Design-Builder agree on a proposal, the Owner and Design-Builder shall execute the Design-Build Amendment setting forth the terms of their agreement.

ARTICLE 5 WORK FOLLOWING EXECUTION OF THE DESIGN-BUILD AMENDMENT

§ 5.1 Construction Documents

§ 5.1.1 Upon the execution of the Design-Build Amendment, the Design-Builder shall prepare Construction Documents. The Construction Documents shall establish the quality levels of materials and systems required. The Construction Documents shall be consistent with the Design-Build Documents.

§ 5.1.2 The Design-Builder shall provide the Construction Documents to the Owner for the Owner's information. If the Owner discovers any deviations between the Construction Documents and the Design-Build Documents, the Owner shall promptly notify the Design-Builder of such deviations in writing. The Construction Documents shall not modify the Design-Build Documents unless the Owner and Design-Builder execute a Modification. The failure of the Owner to discover any such deviations shall not relieve the Design-Builder of the obligation to perform the Work in accordance with the Design-Build Documents.

§ 5.2 Construction

§ 5.2.1 Commencement. Except as permitted in Section 5.2.2, construction shall not commence prior to execution of the Design-Build Amendment.

§ 5.2.2 If the Owner and Design-Builder agree in writing, construction may proceed prior to the execution of the Design-Build Amendment. However, such authorization shall not waive the Owner's right to reject the Design-Builder's Proposal.

§ 5.2.3 The Design-Builder shall supervise and direct the Work, using the Design-Builder's best skill and attention. The Design-Builder 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, unless the Design-Build Documents give other specific instructions concerning these matters.

§ 5.2.4 The Design-Builder shall be responsible for inspection of portions of Work already performed to determine that such portions are in proper condition to receive subsequent Work.

§ 5.3 Labor and Materials

§ 5.3.1 Unless otherwise provided in the Design-Build Documents, the Design-Builder 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.

§ 5.3.2 When a material or system is specified in the Design-Build Documents, the Design-Builder may make substitutions only in accordance with Article 6.

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

§ 5.4 Taxes

The Design-Builder shall pay sales, consumer, use and similar taxes, for the Work provided by the Design-Builder, that are legally enacted when the Design-Build Amendment is executed, whether or not yet effective or merely scheduled to go into effect.

§ 5.5 Permits, Fees, Notices and Compliance with Laws

§ 5.5.1 Unless otherwise provided in the Design-Build Documents, the Design-Builder shall secure and pay for the building permit as well as any other permits, fees, licenses, and inspections by government agencies, necessary for proper execution of the Work and Substantial Completion of the Project.

§ 5.5.2 The Design-Builder 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.

§ 5.5.3 Concealed or Unknown Conditions. If the Design-Builder encounters conditions at the site that are (1) subsurface or otherwise concealed physical conditions that differ materially from those indicated in the Design-Build 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 Design-Build Documents, the Design-Builder shall promptly provide notice to the Owner before conditions are disturbed and in no event later than 21 days after first observance of the conditions. The Owner shall promptly investigate such conditions and, if the Owner determines that they differ materially and cause an increase or decrease in the Design-Builder's cost of, or time required for, performance of any part of the Work, shall recommend an equitable adjustment in the Contract Sum or Contract Time, or both. If the Owner determines that the conditions at the site are not materially different from those indicated in the Design-Build Documents and that no change in the terms of the Contract is justified, the Owner shall promptly notify the Design-Builder in writing, stating the reasons. If the Design-Builder disputes the Owner's determination or recommendation, the Design-Builder may proceed as provided in Article 14.

§ 5.5.4 If, in the course of the Work, the Design-Builder encounters human remains, or recognizes the existence of burial markers, archaeological sites, or wetlands, not indicated in the Design-Build Documents, the Design-Builder shall immediately suspend any operations that would affect them and shall notify the Owner. Upon receipt of such notice, the Owner shall promptly take any action necessary to obtain governmental authorization required to resume the operations. The Design-Builder 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 14.

§ 5.6 Allowances

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

§ 5.6.2 Unless otherwise provided in the Design-Build Documents,

- .1 allowances shall cover the cost to the Design-Builder of materials and equipment delivered at the site and all required taxes, less applicable trade discounts;
- .2 the Design-Builder'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 5.6.2.1 and (2) changes in Design-Builder's costs under Section 5.6.2.2.

§ 5.6.3 The Owner shall make selections of materials and equipment with reasonable promptness for allowances requiring Owner selection.

§ 5.7 Key Personnel, Contractors and Suppliers

§ 5.7.1 The Design-Builder shall not employ personnel, or contract with Contractors or suppliers to whom the Owner has made reasonable and timely objection. The Design-Builder shall not be required to contract with anyone to whom the Design-Builder has made reasonable and timely objection.

§ 5.7.2 If the Design-Builder changes any of the personnel, Contractors or suppliers identified in the Design-Build Amendment, the Design-Builder shall notify the Owner and provide the name and qualifications of the new personnel, Contractor or supplier. The Owner may reply within 14 days to the Design-Builder in writing, stating (1) whether the Owner has reasonable objection to the proposed personnel, Contractor or supplier or (2) that the Owner requires additional time to review. Failure of the Owner to reply within the 14-day period shall constitute notice of no reasonable objection.

§ 5.7.3 Except for those persons or entities already identified or required in the Design-Build Amendment, the Design-Builder, as soon as practicable after execution of the Design-Build Amendment, shall furnish in writing to the Owner the names of persons or entities (including those who are to furnish materials or equipment fabricated to a special design) proposed for each principal portion of the Work. The Owner may reply within 14 days to the Design-Builder in writing stating (1) whether the Owner has reasonable objection to any such proposed person or entity or (2) that the Owner requires additional time for review. Failure of the Owner to reply within the 14-day period shall constitute notice of no reasonable objection.

§ 5.7.3.1 If the Owner has reasonable objection to a person or entity proposed by the Design-Builder, the Design-Builder shall propose another to whom the Owner has no reasonable objection. If the rejected person or entity 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 person or entity's Work. However, no increase in the Contract Sum or Contract Time shall be allowed for such change unless the Design-Builder has acted promptly and responsively in submitting names as required.

§ 5.8 Documents and Submittals at the Site

The Design-Builder shall maintain at the site for the Owner one copy of the Design-Build Documents and a current set of the Construction Documents, in good order and marked currently to indicate field changes and selections made during construction, and one copy of approved Submittals. The Design-Builder shall deliver these items to the Owner in accordance with Section 9.10.2 as a record of the Work as constructed.

§ 5.9 Use of Site

The Design-Builder 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 Design-Build Documents, and shall not unreasonably encumber the site with materials or equipment.

§ 5.10 Cutting and Patching

The Design-Builder shall not cut, patch or otherwise alter fully or partially completed construction by the Owner or a separate contractor except with written consent of the Owner and of such separate contractor; such consent shall not be unreasonably withheld.

The Design-Builder shall not unreasonably withhold from the Owner or a separate contractor the Design-Builder's consent to cutting or otherwise altering the Work.

§ 5.11 Cleaning Up

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

§ 5.11.2 If the Design-Builder fails to clean up as provided in the Design-Build Documents, the Owner may do so and Owner shall be entitled to reimbursement from the Design-Builder.

§ 5.12 Access to Work

The Design-Builder shall provide the Owner and its separate contractors and consultants access to the Work in preparation and progress wherever located. The Design-Builder shall notify the Owner regarding Project safety criteria and programs, which the Owner, and its contractors and consultants, shall comply with while at the site.

§ 5.13 Construction by Owner or by Separate Contractors

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

§ 5.13.1.1 The Owner reserves the right to perform construction or operations related to the Project with the Owner's own forces; and to award separate contracts in connection with other portions of the Project, or other construction or operations on the site, under terms and conditions identical or substantially similar to this Contract, including those terms and conditions related to insurance and waiver of subrogation. The Owner shall notify the Design-Builder promptly after execution of any separate contract. If the Design-Builder claims that delay or additional cost is involved because of such action by the Owner, the Design-Builder shall make a Claim as provided in Article 14.

§ 5.13.1.2 When separate contracts are awarded for different portions of the Project or other construction or operations on the site, the term "Design-Builder" in the Design-Build Documents in each case shall mean the individual or entity that executes each separate agreement with the Owner.

§ 5.13.1.3 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 Design-Builder, who shall cooperate with them. The Design-Builder shall participate with other separate contractors and the Owner in reviewing their construction schedules. The Design-Builder shall make any revisions to the construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by the Design-Builder, separate contractors and the Owner until subsequently revised.

§ 5.13.1.4 Unless otherwise provided in the Design-Build Documents, when the Owner performs construction or operations related to the Project with the Owner's own forces or separate contractors, the Owner shall be deemed to be subject to the same obligations, and to have the same rights, that apply to the Design-Builder under the Contract.

§ 5.14 Mutual Responsibility

§ 5.14.1 The Design-Builder 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 Design-Builder's construction and operations with theirs as required by the Design-Build Documents.

§ 5.14.2 If part of the Design-Builder's Work depends upon construction or operations by the Owner or a separate contractor, the Design-Builder shall, prior to proceeding with that portion of the Work, prepare a written report to the Owner, identifying 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 Design-Builder's Work. Failure of the Design-Builder to report shall constitute an acknowledgment that the Owner's or separate contractor's completed or partially completed construction is fit and proper to receive the Design-Builder's Work, except as to defects not then reasonably discoverable.

§ 5.14.3 The Design-Builder shall reimburse the Owner for costs the Owner incurs that are payable to a separate contractor because of the Design-Builder's delays, improperly timed activities or defective construction. The Owner shall be responsible to the Design-Builder for costs the Design-Builder incurs because of a separate contractor's delays, improperly timed activities, damage to the Work or defective construction.

§ 5.14.4 The Design-Builder shall promptly remedy damage the Design-Builder wrongfully causes to completed or partially completed construction or to property of the Owner or separate contractors as provided in Section 10.2.5.

§ 5.14.5 The Owner and each separate contractor shall have the same responsibilities for cutting and patching the Work as the Design-Builder has with respect to the construction of the Owner or separate contractors in Section 5.10.

§ 5.15 Owner's Right to Clean Up

If a dispute arises among the Design-Builder, 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 will allocate the cost among those responsible.

ARTICLE 6 CHANGES IN THE WORK

§ 6.1 General

§ 6.1.1 Changes in the Work may be accomplished after execution of the Contract, and without invalidating the Contract, by Change Order or Change Directive, subject to the limitations stated in this Article 6 and elsewhere in the Design-Build Documents.

§ 6.1.2 A Change Order shall be based upon agreement between the Owner and Design-Builder. The Owner may issue a Change Directive without agreement by the Design-Builder.

§ 6.1.3 Changes in the Work shall be performed under applicable provisions of the Design-Build Documents, and the Design-Builder shall proceed promptly, unless otherwise provided in the Change Order or Change Directive.

§ 6.2 Change Orders

A Change Order is a written instrument signed by the Owner and Design-Builder 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 or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation; and
- .3 The extent of the adjustment, if any, in the Contract Time.

§ 6.3 Change Directives

§ 6.3.1 A Change Directive is a written order signed by the Owner directing a change in the Work prior to agreement on adjustment, if any, in the Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation, or Contract Time. The Owner may by 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 or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation, and Contract Time being adjusted accordingly.

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

§ 6.3.3 If the Change Directive provides for an adjustment to the Contract Sum or, if prior to execution of the Design-Build Amendment, an adjustment in the Design-Builder's compensation, 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 Design-Build 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 6.3.7.

§ 6.3.4 If unit prices are stated in the Design-Build Documents or subsequently agreed upon, and if quantities originally contemplated are materially changed in a proposed Change Order or Change Directive so that application of such unit prices to quantities of Work proposed will cause substantial inequity to the Owner or Design-Builder, the applicable unit prices shall be equitably adjusted.

§ 6.3.5 Upon receipt of a Change Directive, the Design-Builder shall promptly proceed with the change in the Work involved and advise the Owner of the Design-Builder's agreement or disagreement with the method, if any, provided in the Change Directive for determining the proposed adjustment in the Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation, or Contract Time.

§ 6.3.6 A Change Directive signed by the Design-Builder indicates the Design-Builder's agreement therewith, including adjustment in Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation, and Contract Time or the method for determining them. Such agreement shall be effective immediately and shall be recorded as a Change Order.

§ 6.3.7 If the Design-Builder does not respond promptly or disagrees with the method for adjustment in the Contract Sum or, if prior to execution of the Design-Build Amendment, the method for adjustment in the Design-Builder's compensation, the Owner shall determine the method and 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, an amount for overhead and 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 6.3.3.3, the Design-Builder shall keep and present, in such form as the Owner may prescribe, an itemized accounting together with appropriate supporting data. Unless otherwise provided in the Design-Build Documents, costs for the purposes of this Section 6.3.7 shall be limited to the following:

- .1 Additional costs of professional services;
- .2 Costs of labor, including social security, unemployment insurance, fringe benefits required by agreement or custom, and workers' compensation insurance;
- .3 Costs of materials, supplies and equipment, including cost of transportation, whether incorporated or consumed;
- .4 Rental costs of machinery and equipment, exclusive of hand tools, whether rented from the Design-Builder or others;
- .5 Costs of premiums for all bonds and insurance, permit fees, and sales, use or similar taxes related to the Work; and
- .6 Additional costs of supervision and field office personnel directly attributable to the change.

§ 6.3.8 The amount of credit to be allowed by the Design-Builder to the Owner for a deletion or change that results in a net decrease in the Contract Sum or, if prior to execution of the Design-Build Amendment, in the Design-Builder's compensation, shall be actual net cost. 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.

§ 6.3.9 Pending final determination of the total cost of a Change Directive to the Owner, the Design-Builder may request payment for Work completed under the Change Directive in Applications for Payment. The Owner will make an interim determination for purposes of certification for payment for those costs deemed to be reasonably justified. The Owner's interim determination of cost shall adjust the Contract Sum or, if prior to execution of the Design-Build Amendment, the Design-Builder's compensation, on the same basis as a Change Order, subject to the right of Design-Builder to disagree and assert a Claim in accordance with Article 14.

§ 6.3.10 When the Owner and Design-Builder agree with a determination concerning the adjustments in the Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation and Contract Time, or otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and the Owner and Design-Builder shall execute a Change Order. Change Orders may be issued for all or any part of a Change Directive.

ARTICLE 7 OWNER'S RESPONSIBILITIES

§ 7.1 General

§ 7.1.1 The Owner shall designate in writing a representative who shall have express authority to bind the Owner with respect to all Project matters requiring the Owner's approval or authorization.

§ 7.1.2 The Owner shall render decisions in a timely manner and in accordance with the Design-Builder's schedule agreed to by the Owner. The Owner shall furnish to the Design-Builder, within 15 days after receipt of a written request, information necessary and relevant for the Design-Builder 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.

§ 7.2 Information and Services Required of the Owner

§ 7.2.1 The Owner shall furnish information or services required of the Owner by the Design-Build Documents with reasonable promptness.

§ 7.2.2 The Owner shall provide, to the extent under the Owner's control and if not required by the Design-Build Documents to be provided by the Design-Builder, the results and reports of prior tests, inspections or investigations conducted for the Project involving structural or mechanical systems; chemical, air and water pollution; hazardous materials; or environmental and subsurface conditions and information regarding the presence of pollutants at the Project site. Upon receipt of a written request from the Design-Builder, the Owner shall also provide surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a legal description of the site under the Owner's control.

§ 7.2.3 The Owner shall promptly obtain easements, zoning variances, and legal authorizations or entitlements regarding site utilization where essential to the execution of the Project.

§ 7.2.4 The Owner shall cooperate with the Design-Builder in securing building and other permits, licenses and inspections.

§ 7.2.5 The services, information, surveys and reports required to be provided by the Owner under this Agreement, shall be furnished at the Owner's expense, and except as otherwise specifically provided in this Agreement or elsewhere in the Design-Build Documents or to the extent the Owner advises the Design-Builder to the contrary in writing, the Design-Builder shall be entitled to rely upon the accuracy and completeness thereof. In no event shall the Design-Builder be relieved of its responsibility to exercise proper precautions relating to the safe performance of the Work.

§ 7.2.6 If the Owner observes or otherwise becomes aware of a fault or defect in the Work or non-conformity with the Design-Build Documents, the Owner shall give prompt written notice thereof to the Design-Builder.

§ 7.2.7 Prior to the execution of the Design-Build Amendment, the Design-Builder 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 Design-Build Documents and the Design-Builder's Proposal. Thereafter, the Design-Builder may only request such evidence if (1) the Owner fails to make payments to the Design-Builder as the Design-Build Documents require; (2) a change in the Work materially changes the Contract Sum; or (3) the Design-Builder identifies in writing a reasonable concern regarding the Owner's ability to make payment when due. The Owner shall furnish such evidence as a condition precedent to commencement or continuation of the Work or the portion of the Work affected by a material change. After the Owner furnishes the evidence, the Owner shall not materially vary such financial arrangements without prior notice to the Design-Builder.

§ 7.2.8 Except as otherwise provided in the Design-Build Documents or when direct communications have been specially authorized, the Owner shall communicate through the Design-Builder with persons or entities employed or retained by the Design-Builder.

§ 7.2.9 Unless required by the Design-Build Documents to be provided by the Design-Builder, the Owner shall, upon request from the Design-Builder, furnish the services of geotechnical engineers or other consultants for investigation of subsurface, air and water conditions when such services are reasonably necessary to properly carry out the design services furnished by the Design-Builder. In such event, the Design-Builder shall specify the services required. Such services may include, but are not limited to, test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, ground corrosion and resistivity tests, and necessary operations for anticipating subsoil conditions. The services of geotechnical engineer(s) or other consultants shall include preparation and submission of all appropriate reports and professional recommendations.

§ 7.2.10 The Owner shall purchase and maintain insurance as set forth in Exhibit B.

§ 7.3 Submittals

§ 7.3.1 The Owner shall review and approve or take other appropriate action on Submittals. Review of 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; or for determining that the Submittals are in conformance with the Design-Build Documents, all of which remain the responsibility of the Design-Builder as required by the Design-Build Documents. The Owner's action will be taken in accordance with the submittal schedule approved by the Owner or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time in the Owner's judgment to permit adequate review. The Owner's review of Submittals shall not relieve the Design-Builder of the obligations under Sections 3.1.11, 3.1.12, and 5.2.3. The Owner's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Owner, of any construction means, methods, techniques, sequences or procedures. The Owner's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 7.3.2 Upon review of the Submittals required by the Design-Build Documents, the Owner shall notify the Design-Builder of any non-conformance with the Design-Build Documents the Owner discovers.

§ 7.4 Visits to the site by the Owner shall not be construed to create an obligation on the part of the Owner to make on-site inspections to check the quality or quantity of the Work. The Owner shall neither have control over or charge of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, or for the safety precautions and programs in connection with the Work, because these are solely the Design-Builder's rights and responsibilities under the Design-Build Documents.

§ 7.5 The Owner shall not be responsible for the Design-Builder's failure to perform the Work in accordance with the requirements of the Design-Build Documents. The Owner shall not have control over or charge of, and will not be responsible for acts or omissions of the Design-Builder, Architect, Consultants, Contractors, or their agents or employees, or any other persons or entities performing portions of the Work for the Design-Builder.

§ 7.6 The Owner has the authority to reject Work that does not conform to the Design-Build Documents. The Owner shall have authority to require inspection or testing of the Work in accordance with Section 15.5.2, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Owner 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 Owner to the Design-Builder, the Architect, Consultants, Contractors, material and equipment suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 7.7 The Owner shall determine the date or dates of Substantial Completion in accordance with Section 9.8 and the date of final completion in accordance with Section 9.10.

§ 7.8 Owner's Right to Stop Work

If the Design-Builder fails to correct Work which is not in accordance with the requirements of the Design-Build Documents as required by Section 11.2 or persistently fails to carry out Work in accordance with the Design-Build Documents, the Owner may issue a written order to the Design-Builder 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 Design-Builder or any other person or entity, except to the extent required by Section 5.13.1.3.

§ 7.9 Owner's Right to Carry Out the Work

If the Design-Builder defaults or neglects to carry out the Work in accordance with the Design-Build Documents and fails within a ten-day period after receipt of written 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 deficiencies. In such case, an appropriate Change Order shall be issued deducting from payments then or thereafter due the Design-Builder the reasonable cost of correcting such deficiencies. If payments then or thereafter due the Design-Builder are not sufficient to cover such amounts, the Design-Builder shall pay the difference to the Owner.

ARTICLE 8 TIME

§ 8.1 Progress and Completion

§ 8.1.1 Time limits stated in the Design-Build Documents are of the essence of the Contract. By executing the Design-Build Amendment the Design-Builder confirms that the Contract Time is a reasonable period for performing the Work.

§ 8.1.2 The Design-Builder shall not, except by agreement of the Owner in writing, commence the Work prior to the effective date of insurance, other than property insurance, required by this Contract. The Contract Time shall not be adjusted as a result of the Design-Builder's failure to obtain insurance required under this Contract.

§ 8.1.3 The Design-Builder shall proceed expeditiously with adequate forces and shall achieve Substantial Completion within the Contract Time.

§ 8.2 Delays and Extensions of Time

§ 8.2.1 If the Design-Builder is delayed at any time in the commencement or progress of the Work by an act or neglect of the Owner or of a consultant or separate contractor employed by the Owner; or by changes ordered in the Work by the Owner; or by labor disputes, fire, unusual delay in deliveries, unavoidable casualties or other causes beyond the Design-Builder's control; or by delay authorized by the Owner pending mediation and binding dispute resolution or by other causes that the Owner determines may justify delay, then the Contract Time shall be extended by Change Order for such reasonable time as the Owner may determine.

§ 8.2.2 Claims relating to time shall be made in accordance with applicable provisions of Article 14.

§ 8.2.3 This Section 8.2 does not preclude recovery of damages for delay by either party under other provisions of the Design-Build Documents.

ARTICLE 9 PAYMENT APPLICATIONS AND PROJECT COMPLETION

§ 9.1 Contract Sum

The Contract Sum is stated in the Design-Build Amendment.

§ 9.2 Schedule of Values

Where the Contract Sum is based on a stipulated sum or Guaranteed Maximum Price, the Design-Builder, prior to the first Application for Payment after execution of the Design-Build Amendment shall submit to the Owner a schedule of values allocating the entire Contract Sum to the various portions of the Work and prepared in such form and supported by such data to substantiate its accuracy as the Owner may require. This schedule, unless objected to by the Owner, shall be used as a basis for reviewing the Design-Builder's Applications for Payment.

§ 9.3 Applications for Payment

§ 9.3.1 At least ten days before the date established for each progress payment, the Design-Builder shall submit to the Owner an itemized Application for Payment for completed portions of the Work. The application shall be notarized, if required, and supported by data substantiating the Design-Builder's right to payment as the Owner may require, such as copies of requisitions from the Architect, Consultants, Contractors, and material suppliers, and shall reflect retainage if provided for in the Design-Build Documents.

§ 9.3.1.1 As provided in Section 6.3.9, Applications for Payment may include requests for payment on account of changes in the Work that have been properly authorized by Change Directives, or by interim determinations of the Owner, 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 Design-Builder does not intend to pay the Architect, Consultant, Contractor, material supplier, or other persons or entities providing services or work for the Design-Builder, unless such Work has been performed by others whom the Design-Builder intends to pay.

§ 9.3.2 Unless otherwise provided in the Design-Build Documents, payments shall be made for services provided as well as 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 Design-Builder 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 Design-Builder warrants that title to all Work, other than Instruments of Service, covered by an Application for Payment will pass to the Owner no later than the time of payment. The Design-Builder 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 Design-Builder's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances in favor of the Design-Builder, Architect, Consultants, Contractors, material suppliers, or other persons or entities entitled to make a claim by reason of having provided labor, materials and equipment relating to the Work.

§ 9.4 Certificates for Payment

The Owner shall, within seven days after receipt of the Design-Builder's Application for Payment, issue to the Design-Builder a Certificate for Payment indicating the amount the Owner determines is properly due, and notify the Design-Builder in writing of the Owner's reasons for withholding certification in whole or in part as provided in Section 9.5.1.

§ 9.5 Decisions to Withhold Certification

§ 9.5.1 The Owner may withhold a Certificate for Payment in whole or in part to the extent reasonably necessary to protect the Owner due to the Owner's determination that the Work has not progressed to the point indicated in the Design-Builder's Application for Payment, or the quality of the Work is not in accordance with the Design-Build Documents. If the Owner is unable to certify payment in the amount of the Application, the Owner will notify the Design-Builder as provided in Section 9.4. If the Design-Builder and Owner cannot agree on a revised amount, the Owner will promptly issue a Certificate for Payment for the amount that the Owner deems to be due and owing. The Owner 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 to protect the Owner from loss for which the Design-Builder is responsible because of

- .1 defective Work, including design and construction, 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 Design-Builder;
- .3 failure of the Design-Builder to make payments properly to the Architect, Consultants, Contractors or others, for services, 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 Design-Build Documents.

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

§ 9.5.3 If the Owner withholds certification for payment under Section 9.5.1.3, the Owner may, at its sole option, issue joint checks to the Design-Builder and to the Architect or any Consultants, Contractor, material or equipment suppliers, or other persons or entities providing services or work for the Design-Builder to whom the Design-Builder failed to make payment for Work properly performed or material or equipment suitably delivered.

§ 9.6 Progress Payments

§ 9.6.1 After the Owner has issued a Certificate for Payment, the Owner shall make payment in the manner and within the time provided in the Design-Build Documents.

§ 9.6.2 The Design-Builder shall pay each Architect, Consultant, Contractor, and other person or entity providing services or work for the Design-Builder no later than the time period required by applicable law, but in no event more than seven days after receipt of payment from the Owner the amount to which the Architect, Consultant, Contractor, and other person or entity providing services or work for the Design-Builder is entitled, reflecting percentages actually retained from payments to the Design-Builder on account of the portion of the Work performed by the Architect, Consultant, Contractor, or other person or entity. The Design-Builder shall, by appropriate agreement with each Architect, Consultant, Contractor, and other person or entity providing services or work for the Design-Builder, require each Architect, Consultant, Contractor, and other person or entity providing services or work for the Design-Builder to make payments to subconsultants and subcontractors in a similar manner.

§ 9.6.3 The Owner will, on request and if practicable, furnish to the Architect, a Consultant, Contractor, or other person or entity providing services or work for the Design-Builder, information regarding percentages of completion or amounts applied for by the Design-Builder and action taken thereon by the Owner on account of portions of the Work done by such Architect, Consultant, Contractor or other person or entity providing services or work for the Design-Builder.

§ 9.6.4 The Owner has the right to request written evidence from the Design-Builder that the Design-Builder has properly paid the Architect, Consultants, Contractors, or other person or entity providing services or work for the Design-Builder, amounts paid by the Owner to the Design-Builder for the Work. If the Design-Builder fails to furnish such evidence within seven days, the Owner shall have the right to contact the Architect, Consultants, and Contractors to ascertain whether they have been properly paid. The Owner shall have no obligation to pay or to see to the payment of money to a Consultant or Contractor, except as may otherwise be required by law.

§ 9.6.5 Design-Builder payments to material and equipment 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 Design-Build Documents.

§ 9.6.7 Unless the Design-Builder provides the Owner with a payment bond in the full penal sum of the Contract Sum, payments received by the Design-Builder for Work properly performed by the Architect, Consultants, Contractors and other person or entity providing services or work for the Design-Builder, shall be held by the Design-Builder for the Architect and those Consultants, Contractors, or other person or entity providing services or work for the Design-Builder, 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 Design-Builder, shall create any fiduciary liability or tort liability on the part of the Design-Builder for breach of trust or shall entitle any person or entity to an award of punitive damages against the Design-Builder for breach of the requirements of this provision.

§ 9.7 Failure of Payment

If the Owner does not issue a Certificate for Payment, through no fault of the Design-Builder, within the time required by the Design-Build Documents, then the Design-Builder may, upon seven additional days' written notice to the Owner, 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 Design-Builder's reasonable costs of shut-down, delay and start-up, plus interest as provided for in the Design-Build 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 Design-Build Documents so that the Owner can occupy or utilize the Work for its intended use. The date of Substantial Completion is the date certified by the Owner in accordance with this Section 9.8.

§ 9.8.2 When the Design-Builder considers that the Work, or a portion thereof which the Owner agrees to accept separately, is substantially complete, the Design-Builder shall prepare and submit to the Owner 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 Design-Builder to complete all Work in accordance with the Design-Build Documents.

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

§ 9.8.4 Prior to issuance of the Certificate of Substantial Completion under Section 9.8.5, the Owner and Design-Builder shall discuss and then determine the parties' obligations to obtain and maintain property insurance following issuance of the Certificate of Substantial Completion.

§ 9.8.5 When the Work or designated portion thereof is substantially complete, the Design-Builder will prepare for the Owner's signature a Certificate of Substantial Completion that shall, upon the Owner's signature, establish the date of Substantial Completion; establish responsibilities of the Owner and Design-Builder for security, maintenance, heat, utilities, damage to the Work and insurance; and fix the time within which the Design-Builder shall finish all items on the list accompanying the Certificate. Warranties required by the Design-Build 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.

§ 9.8.6 The Certificate of Substantial Completion shall be submitted by the Design-Builder to the Owner for written acceptance of responsibilities assigned to it in the Certificate. Upon the Owner's acceptance, and consent of surety, if any, the Owner shall make payment of retainage applying to the Work or designated portion thereof. Payment shall be adjusted for Work that is incomplete or not in accordance with the requirements of the Design-Build 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 Design-Builder, provided such occupancy or use is consented to, by endorsement or otherwise, by the insurer providing property insurance 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 Design-Builder 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 Design-Build Documents. When the Design-Builder considers a portion substantially complete, the Design-Builder shall prepare and submit a list to the Owner as provided under Section 9.8.2. Consent of the Design-Builder 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 Design-Builder.

§ 9.9.2 Immediately prior to such partial occupancy or use, the Owner and Design-Builder 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 Design-Build Documents.

§ 9.10 Final Completion and Final Payment

§ 9.10.1 Upon receipt of the Design-Builder's written notice that the Work is ready for final inspection and acceptance and upon receipt of a final Application for Payment, the Owner will promptly make such inspection. When the Owner finds the Work acceptable under the Design-Build Documents and the Contract fully performed, the Owner will, subject to Section 9.10.2, promptly issue a final Certificate for Payment.

§ 9.10.2 Neither final payment nor any remaining retained percentage shall become due until the Design-Builder submits to the Owner (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 Design-Build Documents to remain in force after final payment is currently in effect, (3) a written statement that the Design-Builder knows of no substantial reason that the insurance will not be renewable to cover the period required by the Design-Build Documents, (4) consent of surety, if any, to final payment, (5) as-constructed record copy of the Construction Documents marked to indicate field changes and selections made during construction, (6) manufacturer's warranties, product data, and maintenance and operations manuals, and (7) if required by the Owner, other data establishing payment or satisfaction of obligations, such as receipts, or 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 an Architect, a Consultant, or a Contractor, or other person or entity providing services or work for the Design-Builder, refuses to furnish a release or waiver required by the Owner, the Design-Builder may furnish a bond satisfactory to the Owner to indemnify the Owner against such liens, claims, security interests, or encumbrances. If such liens, claims, security interests, or encumbrances remains unsatisfied after payments are made, the Design-Builder shall refund to the Owner all money that the Owner may be compelled to pay in discharging such liens, claims, security interests, or encumbrances, 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 Design-Builder or by issuance of Change Orders affecting final completion, the Owner shall, upon application by the Design-Builder, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance for Work not fully completed or corrected is less than retainage stipulated in the Design-Build Documents, and if bonds have been furnished, the written consent of surety to payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by the Design-Builder to the Owner prior to issuance of 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 Design-Build Documents; or
- .3 terms of special warranties required by the Design-Build Documents.
- .4 facts of circumstances not known to Owner at the time final payment is made.

§ 9.10.5 Acceptance of final payment by the Design-Builder shall constitute a waiver of claims by the Design-Builder except those previously made in writing and identified by the Design-Builder as unsettled at the time of final Application for Payment.

ARTICLE 10 PROTECTION OF PERSONS AND PROPERTY

§ 10.1 Safety Precautions and Programs

The Design-Builder 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 Design-Builder shall be responsible for precautions for the safety of, and 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 Design-Builder or the Architect, Consultants, or Contractors, or other person or entity providing services or work for the Design-Builder; and
- .3 other property at the site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, or structures and utilities not designated for removal, relocation or replacement in the course of construction.

§ 10.2.2 The Design-Builder 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 Design-Builder 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 notify owners and users of adjacent sites and utilities of the safeguards and protections.

§ 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 Design-Builder shall exercise utmost care, and carry on such activities under supervision of properly qualified personnel.

§ 10.2.5 The Design-Builder shall promptly remedy damage and loss (other than damage or loss insured under property insurance required by the Design-Build Documents) to property referred to in Sections 10.2.1.2 and 10.2.1.3, caused in whole or in part by the Design-Builder, the Architect, a Consultant, a Contractor, or anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable and for which the Design-Builder is responsible under Sections 10.2.1.2 and 10.2.1.3; except damage or loss attributable to acts or omissions of the Owner, or anyone directly or indirectly employed by the Owner, or by anyone for whose acts the Owner may be liable, and not attributable to the fault or negligence of the Design-Builder. The foregoing obligations of the Design-Builder are in addition to the Design-Builder's obligations under Section 3.1.14.

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

§ 10.2.7 The Design-Builder 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 the Owner or Design-Builder suffers injury or damage to person or property because of an act or omission of the other, or of others for whose acts such party is legally responsible, written 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

§ 10.3.1 The Design-Builder is responsible for compliance with any requirements included in the Design-Build Documents regarding hazardous materials. If the Design-Builder encounters a hazardous material or substance not addressed in the Design-Build 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 polychlorinated biphenyl (PCB), encountered on the site by the Design-Builder, the Design-Builder shall, upon recognizing the condition, immediately stop Work in the affected area and report the condition to the Owner in writing.

§ 10.3.2 Upon receipt of the Design-Builder's written 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 Design-Builder 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 Design-Build Documents, the Owner shall furnish in writing to the Design-Builder the names and qualifications of persons or entities who are to perform tests verifying the presence or absence of such material or substance or who are to perform the task of removal or safe containment of such material or substance. The Design-Builder will promptly reply to the Owner in writing stating whether or not the Design-Builder has reasonable objection to the persons or entities proposed by the Owner. If the Design-Builder has an objection to a person or entity proposed by the Owner, the Owner shall propose another to whom the Design-Builder has 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 Design-Builder. By Change Order, the Contract Time shall be extended appropriately and the Contract Sum shall be increased in the amount of the Design-Builder's reasonable additional costs of shut-down, delay and start-up.

§ 10.3.3 To the fullest extent permitted by law, the Owner shall indemnify and hold harmless the Design-Builder, the Architect, Consultants, and Contractors, 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 materials or substances the Design-Builder brings to the site unless such materials or substances are required by the Owner's Criteria. The Owner shall be responsible for materials or substances required by the Owner's Criteria, except to the extent of the Design-Builder's fault or negligence in the use and handling of such materials or substances.

§ 10.3.5 The Design-Builder shall indemnify the Owner for the cost and expense the Owner incurs (1) for remediation of a material or substance the Design-Builder brings to the site and negligently handles, or (2) where the Design-Builder 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 Design-Builder, the Design-Builder 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 Design-Build Documents, the Owner shall indemnify the Design-Builder for all cost and expense thereby incurred.

§ 10.4 Emergencies

In an emergency affecting safety of persons or property, the Design-Builder shall act, at the Design-Builder's discretion, to prevent threatened damage, injury or loss.

ARTICLE 11 UNCOVERING AND CORRECTION OF WORK

§ 11.1 Uncovering of Work

The Owner may request to examine a portion of the Work that the Design-Builder has covered to determine if the Work has been performed in accordance with the Design-Build Documents. If such Work is in accordance with the Design-Build Documents, the Owner and Design-Builder shall execute a Change Order to adjust the Contract Time and Contract Sum, as appropriate. If such Work is not in accordance with the Design-Build Documents, the costs of uncovering and correcting the Work shall be at the Design-Builder's expense and the Design-Builder shall not be entitled to a change in the Contract Time unless the condition was caused by the Owner or a separate contractor in which event the Owner shall be responsible for payment of such costs and the Contract Time will be adjusted as appropriate.

§ 11.2 Correction of Work

§ 11.2.1 Before or After Substantial Completion. The Design-Builder shall promptly correct Work rejected by the Owner or failing to conform to the requirements of the Design-Build Documents, whether discovered before or after 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 any design consultant employed by the Owner whose expenses and compensation were made necessary thereby, shall be at the Design-Builder's expense.

§ 11.2.2 After Substantial Completion

§ 11.2.2.1 In addition to the Design-Builder's obligations under Section 3.1.12, 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 under Section 9.9.1, or by terms of an applicable special warranty required by the Design-Build Documents, any of the Work is found not to be in accordance with the requirements of the Design-Build Documents, the Design-Builder shall correct it promptly after receipt of written notice from the Owner to do so unless the Owner has previously given the Design-Builder 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 the Work, if the Owner fails to notify the Design-Builder and give the Design-Builder an opportunity to make the correction, the Owner waives the rights to require correction by the Design-Builder and to make a claim for breach of warranty. If the Design-Builder fails to correct nonconforming Work within a reasonable time during that period after receipt of notice from the Owner, the Owner may correct it in accordance with Section 7.9.

§ 11.2.2.2 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.

§ 11.2.2.3 The one-year period for correction of Work shall not be extended by corrective Work performed by the Design-Builder pursuant to this Section 11.2.

§ 11.2.3 The Design-Builder shall remove from the site portions of the Work that are not in accordance with the requirements of the Design-Build Documents and are neither corrected by the Design-Builder nor accepted by the Owner.

§ 11.2.4 The Design-Builder shall bear the cost of correcting destroyed or damaged construction of the Owner or separate contractors, whether completed or partially completed, caused by the Design-Builder's correction or removal of Work that is not in accordance with the requirements of the Design-Build Documents.

§ 11.2.5 Nothing contained in this Section 11.2 shall be construed to establish a period of limitation with respect to other obligations the Design-Builder has under the Design-Build Documents. Establishment of the one-year period for correction of Work as described in Section 11.2.2 relates only to the specific obligation of the Design-Builder to correct the Work, and has no relationship to the time

within which the obligation to comply with the Design-Build Documents may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Design-Builder's liability with respect to the Design-Builder's obligations other than specifically to correct the Work.

§ 11.3 Acceptance of Nonconforming Work

If the Owner prefers to accept Work that is not in accordance with the requirements of the Design-Build 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 12 COPYRIGHTS AND LICENSES

§ 12.1 Drawings, specifications, and other documents furnished by the Design-Builder, including those in electronic form, are Instruments of Service. The Design-Builder, and the Architect, Consultants, Contractors, and any other person or entity providing services or work for any of them, 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 Design-Builder and the Architect, Consultants, and Contractors, and any other person or entity providing services or work for any of them.

§ 12.2 The Design-Builder 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.

§ 12.3 Upon execution of the Agreement, the Design-Builder grants to the Owner a limited, irrevocable and non-exclusive license to use the 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, including prompt payment of all sums when due, under the Design-Build Documents. The license granted under this section permits the Owner to authorize its consultants and separate contractors to reproduce applicable portions of the Instruments of Service solely and exclusively for use in performing services or construction for the Project. If the Design-Builder rightfully terminates this Agreement for cause as provided in Section 13.1.4 or 13.2.1 the license granted in this Section 12.3 shall terminate.

§ 12.3.1 The Design-Builder shall obtain non-exclusive licenses from the Architect, Consultants, and Contractors, that will allow the Design-Builder to satisfy its obligations to the Owner under this Article 12. The Design-Builder's licenses from the Architect and its Consultants and Contractors shall also allow the Owner, in the event this Agreement is terminated for any reason other than the default of the Owner or in the event the Design-Builder's Architect, Consultants, or Contractors terminate their agreements with the Design-Builder for cause, to obtain a limited, irrevocable and non-exclusive license solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner (1) agrees to pay to the Architect, Consultant or Contractor all amounts due, and (2) provide the Architect, Consultant or Contractor with the Owner's written agreement to indemnify and hold harmless the Architect, Consultant or Contractor 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 alteration or use of the Instruments of Service.

§ 12.3.2 In the event the Owner alters the Instruments of Service without the author's written authorization or uses the Instruments of Service without retaining the authors of the Instruments of Service, the Owner releases the Design-Builder, Architect, Consultants, Contractors and any other person or entity providing services or work for any of them, from all claims and causes of action arising from or related to such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless the Design-Builder, Architect, Consultants, Contractors and any other person or entity providing services or work for any of them, 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 alteration or use of the Instruments of Service under this Section 12.3.2. The terms of this Section 12.3.2 shall not apply if the Owner rightfully terminates this Agreement for cause under Sections 13.1.4 or 13.2.2.

ARTICLE 13 TERMINATION OR SUSPENSION

§ 13.1 Termination or Suspension Prior to Execution of the Design-Build Amendment

§ 13.1.1 If the Owner fails to make payments to the Design-Builder for Work prior to execution of the Design-Build Amendment in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Design-Builder's option, cause for suspension of performance of services under this Agreement. If the Design-Builder elects to suspend the Work, the Design-Builder shall give seven days' written notice to the Owner before suspending the Work. In the event of a suspension of the Work, the Design-Builder shall have no liability to the Owner for delay or damage caused by the suspension of the

Work. Before resuming the Work, the Design-Builder shall be paid all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Design-Builder's Work. The Design-Builder's compensation for, and time to complete, the remaining Work shall be equitably adjusted.

§ 13.1.2 If the Owner suspends the Project, the Design-Builder shall be compensated for the Work performed prior to notice of such suspension. When the Project is resumed, the Design-Builder shall be compensated for expenses incurred in the interruption and resumption of the Design-Builder's Work. The Design-Builder's compensation for, and time to complete, the remaining Work shall be equitably adjusted.

§ 13.1.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Design-Builder, the Design-Builder may terminate this Agreement by giving not less than seven days' written notice.

§ 13.1.4 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.

§ 13.1.5 The Owner may terminate this Agreement upon not less than seven days' written notice to the Design-Builder for the Owner's convenience and without cause.

§ 13.1.6 In the event of termination not the fault of the Design-Builder, the Design-Builder shall be compensated for Work performed prior to termination, together with Reimbursable Expenses then due and any other expenses directly attributable to termination for which the Design-Builder is not otherwise compensated. In no event shall the Design-Builder's compensation under this Section 13.1.6 be greater than the compensation set forth in Section 2.1.

§ 13.2 Termination or Suspension Following Execution of the Design-Build Amendment

§ 13.2.1 Termination by the Design-Builder

§ 13.2.1.1 The Design-Builder may terminate the Contract if the Work is stopped for a period of 30 consecutive days through no act or fault of the Design-Builder, the Architect, a Consultant, or a Contractor, or their agents or employees, or any other persons or entities performing portions of the Work under direct or indirect contract with the Design-Builder, 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 Owner has not issued a Certificate for Payment and has not notified the Design-Builder of the reason for withholding certification as provided in Section 9.5.1, or because the Owner has not made payment on a Certificate for Payment within the time stated in the Design-Build Documents; or
- .4 The Owner has failed to furnish to the Design-Builder promptly, upon the Design-Builder's request, reasonable evidence as required by Section 7.2.7.

§ 13.2.1.2 The Design-Builder may terminate the Contract if, through no act or fault of the Design-Builder, the Architect, a Consultant, a Contractor, or their agents or employees or any other persons or entities performing portions of the Work under direct or indirect contract with the Design-Builder, repeated suspensions, delays or interruptions of the entire Work by the Owner as described in Section 13.2.3 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.

§ 13.2.1.3 If one of the reasons described in Section 13.2.1.1 or 13.2.1.2 exists, the Design-Builder may, upon seven days' written notice to the Owner, terminate the Contract and recover from the Owner payment for Work executed, including reasonable overhead and profit, costs incurred by reason of such termination, and damages.

§ 13.2.1.4 If the Work is stopped for a period of 60 consecutive days through no act or fault of the Design-Builder or any other persons or entities performing portions of the Work under contract with the Design-Builder because the Owner has repeatedly failed to fulfill the Owner's obligations under the Design-Build Documents with respect to matters important to the progress of the Work, the Design-Builder may, upon seven additional days' written notice to the Owner, terminate the Contract and recover from the Owner as provided in Section 13.2.1.3.

§ 13.2.2 Termination by the Owner For Cause

§ 13.2.2.1 The Owner may terminate the Contract if the Design-Builder

- .1 fails to submit the Proposal by the date required by this Agreement, or if no date is indicated, within a reasonable time consistent with the date of Substantial Completion;

- .2 repeatedly refuses or fails to supply an Architect, or enough properly skilled Consultants, Contractors, or workers or proper materials;
- .3 fails to make payment to the Architect, Consultants, or Contractors for services, materials or labor in accordance with their respective agreements with the Design-Builder;
- .4 repeatedly disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority; or
- .5 is otherwise guilty of substantial breach of a provision of the Design-Build Documents.

§ 13.2.2.2 When any of the above reasons exist, the Owner may without prejudice to any other rights or remedies of the Owner and after giving the Design-Builder and the Design-Builder's surety, if any, seven days' written notice, terminate employment of the Design-Builder and may, subject to any prior rights of the surety:

- .1 Exclude the Design-Builder from the site and take possession of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Design-Builder;
- .2 Accept assignment of the Architect, Consultant and Contractor agreements pursuant to Section 3.1.15; and
- .3 Finish the Work by whatever reasonable method the Owner may deem expedient. Upon written request of the Design-Builder, the Owner shall furnish to the Design-Builder a detailed accounting of the costs incurred by the Owner in finishing the Work.

§ 13.2.2.3 When the Owner terminates the Contract for one of the reasons stated in Section 13.2.2.1, the Design-Builder shall not be entitled to receive further payment until the Work is finished.

§ 13.2.2.4 If the unpaid balance of the Contract Sum exceeds costs of finishing the Work and other damages incurred by the Owner and not expressly waived, such excess shall be paid to the Design-Builder. If such costs and damages exceed the unpaid balance, the Design-Builder shall pay the difference to the Owner. The obligation for such payments shall survive termination of the Contract.

§ 13.2.3 Suspension by the Owner for Convenience

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

§ 13.2.3.2 The Contract Sum and Contract Time shall be adjusted for increases in the cost and time caused by suspension, delay or interruption as described in Section 13.2.3.1. 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 Design-Builder is responsible; or
- .2 that an equitable adjustment is made or denied under another provision of the Contract.

§ 13.2.4 Termination by the Owner for Convenience

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

§ 13.2.4.2 Upon receipt of written notice from the Owner of such termination for the Owner's convenience, the Design-Builder 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 Project agreements, including agreements with the Architect, Consultants, Contractors, and purchase orders, and enter into no further Project agreements and purchase orders.

§ 13.2.4.3 In case of such termination for the Owner's convenience, the Design-Builder shall be entitled to receive payment for Work executed, and costs incurred by reason of such termination, along with reasonable overhead and profit on the Work not executed.

ARTICLE 14 CLAIMS AND DISPUTE RESOLUTION

§ 14.1 Claims

§ 14.1.1 Definition. A Claim is a demand or assertion by one of the parties seeking, as a matter of right, payment of money, 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 Design-Builder arising out of or relating to the Contract. The responsibility to substantiate Claims shall rest with the party making the Claim.

§ 14.1.2 Time Limits on Claims. The Owner and Design-Builder shall commence all claims and causes of action, whether in contract, tort, breach of warranty or otherwise, against the other, arising out of or related to the Contract in accordance with the requirements of the binding dispute resolution method selected in Section 1.3, within the time 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 Design-Builder waive all claims and causes of action not commenced in accordance with this Section 14.1.2.

§ 14.1.3 Notice of Claims

§ 14.1.3.1 Prior To Final Payment. Prior to Final Payment, Claims by either the Owner or Design-Builder must be initiated by written notice to the other party within 60 days after occurrence of the event giving rise to such Claim or within 60 days after the claimant first recognizes the condition giving rise to the Claim, whichever is later.

§ 14.1.3.2 Claims Arising After Final Payment. After Final Payment, Claims by either the Owner or Design-Builder that have not otherwise been waived pursuant to Sections 9.10.4 or 9.10.5, must be initiated by prompt written notice to the other party. The notice requirement in Section 14.1.3.1 and the Initial Decision requirement as a condition precedent to mediation in Section 14.2.1 shall not apply.

§ 14.1.4 Continuing Contract Performance. Pending final resolution of a Claim, except as otherwise agreed in writing or as provided in Section 9.7 and Article 13, the Design-Builder shall proceed diligently with performance of the Contract and the Owner shall continue to make payments in accordance with the Design-Build Documents.

§ 14.1.5 Claims for Additional Cost. If the Design-Builder intends to make a Claim for an increase in the Contract Sum, written notice as provided herein shall be given before proceeding to execute the portion of the Work that relates to the Claim. Prior notice is not required for Claims relating to an emergency endangering life or property arising under Section 10.4.

§ 14.1.6 Claims for Additional Time

§ 14.1.6.1 If the Design-Builder intends to make a Claim for an increase in the Contract Time, written notice as provided herein shall be given. The Design-Builder'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.

§ 14.1.6.2 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.

§ 14.1.7 Claims for Consequential Damages

The Design-Builder 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 Design-Builder 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 13. Nothing contained in this Section 14.1.7 shall be deemed to preclude an award of liquidated damages, when applicable, in accordance with the requirements of the Design-Build Documents.

§ 14.2 Initial Decision

§ 14.2.1 An initial decision shall be required as a condition precedent to mediation of all Claims between the Owner and Design-Builder initiated prior to the date final payment is due, excluding those arising under Sections 10.3 and 10.4 of the Agreement and Sections B.3.2.9 and B.3.2.10 of Exhibit B to this Agreement, unless 30 days have passed after the Claim has been initiated with no decision having been rendered. Unless otherwise mutually agreed in writing, the Owner shall render the initial decision on Claims.

§ 14.2.2 Procedure

§ 14.2.2.1 Claims Initiated by the Owner. If the Owner initiates a Claim, the Design-Builder shall provide a written response to Owner within ten days after receipt of the notice required under Section 14.1.3.1. Thereafter, the Owner shall render an initial decision within ten days of receiving the Design-Builder's response: (1) withdrawing the Claim in whole or in part, (2) approving the Claim in whole or in part, or (3) suggesting a compromise.

§ 14.2.2.2 Claims Initiated by the Design-Builder. If the Design-Builder initiates a Claim, the Owner will take one or more of the following actions within ten days after receipt of the notice required under Section 14.1.3.1: (1) request additional supporting data, (2) render an initial decision rejecting the Claim in whole or in part, (3) render an initial decision approving the Claim, (4) suggest a compromise or (5) indicate that it is unable to render an initial decision because the Owner lacks sufficient information to evaluate the merits of the Claim.

§ 14.2.3 In evaluating Claims, the Owner may, but shall not be obligated to, consult with or seek information from persons with special knowledge or expertise who may assist the Owner in rendering a decision. The retention of such persons shall be at the Owner's expense.

§ 14.2.4 If the Owner requests the Design-Builder to provide a response to a Claim or to furnish additional supporting data, the Design-Builder shall respond, within ten days after receipt of such request, and shall either (1) provide a response on the requested supporting data, (2) advise the Owner when the response or supporting data will be furnished or (3) advise the Owner that no supporting data will be furnished. Upon receipt of the response or supporting data, if any, the Owner will either reject or approve the Claim in whole or in part.

§ 14.2.5 The Owner's initial decision shall (1) be in writing; (2) state the reasons therefor; and (3) identify any change in the Contract Sum or Contract Time or both. The initial decision shall be final and binding on the parties but subject to mediation and, if the parties fail to resolve their dispute through mediation, to binding dispute resolution.

§ 14.2.6 Either party may file for mediation of an initial decision at any time, subject to the terms of Section 14.2.6.1.

§ 14.2.6.1 Either party may, within 30 days from the date of an initial decision, demand in writing that the other party file for mediation within 60 days of the initial decision.

§ 14.2.7 In the event of a Claim against the Design-Builder, 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 Design-Builder's default, the Owner may, but is not obligated to, notify the surety and request the surety's assistance in resolving the controversy.

§ 14.2.8 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.

§ 14.3 Mediation

§ 14.3.1 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 14.1.7, shall be subject to mediation as a condition precedent to binding dispute resolution.

§ 14.3.2 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 proceeding is stayed pursuant to this Section 14.3.2, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 14.3.3 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.

§ 14.4 Arbitration

§ 14.4.1 If the parties have selected arbitration as the method for binding dispute resolution in Section 1.3, 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. 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.

§ 14.4.1.1 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 or statute of repose. For statute of limitations or statute of repose 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.

§ 14.4.2 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.

§ 14.4.3 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.

§ 14.4.4 Consolidation or Joinder

§ 14.4.4.1 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).

§ 14.4.4.2 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.

§ 14.4.4.3 The Owner and Design-Builder grant to any person or entity made a party to an arbitration conducted under this Section 14.4, whether by joinder or consolidation, the same rights of joinder and consolidation as the Owner and Design-Builder under this Agreement.

ARTICLE 15 MISCELLANEOUS PROVISIONS

§ 15.1 Governing Law

The Contract shall be governed by the law of the place where the Project is located except that, if the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 14.4.

§ 15.2 Successors and Assigns

§ 15.2.1 The Owner and Design-Builder, respectively, bind themselves, their partners, successors, assigns and legal representatives to the covenants, agreements and obligations contained in the Design-Build Documents. Except as provided in Section 15.2.2, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make such an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 15.2.2 The Owner may, without consent of the Design-Builder, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner's rights and obligations under the Design-Build Documents. The Design-Builder shall execute all consents reasonably required to facilitate such assignment.

§ 15.2.3 If the Owner requests the Design-Builder, Architect, Consultants, or Contractors to execute certificates, other than those required by Section 3.1.10, the Owner shall submit the proposed language of such certificates for review at least 14 days prior to the requested dates of execution. If the Owner requests the Design-Builder, Architect, Consultants, or Contractors to execute consents reasonably required to facilitate assignment to a lender, the Design-Builder, Architect, Consultants, or Contractors shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to them for review at least 14 days prior to execution. The Design-Builder, Architect, Consultants, and Contractors shall not be required to execute certificates or consents that would require knowledge, services or responsibilities beyond the scope of their services.

§ 15.3 Written Notice

Written notice shall be deemed to have been duly served if delivered in person to the individual, to a member of the firm or entity, or to an officer of the corporation for which it was intended; or if delivered at, or sent by registered or certified mail or by courier service providing proof of delivery to, the last business address known to the party giving notice.

§ 15.4 Rights and Remedies

§ 15.4.1 Duties and obligations imposed by the Design-Build 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.

§ 15.4.2 No action or failure to act by the Owner or Design-Builder 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 in writing.

§ 15.5 Tests and Inspections

§ 15.5.1 Tests, inspections and approvals of portions of the Work shall be made as required by the Design-Build Documents and by applicable laws, statutes, ordinances, codes, rules and regulations or lawful orders of public authorities. Unless otherwise provided, the Design-Builder 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 Design-Builder shall give the Owner timely notice of when and where tests and inspections are to be made so that the Owner may be present for such procedures. The Owner shall bear costs of (1) tests, inspections or approvals that do not become requirements until after bids are received or negotiations concluded, and (2) tests, inspections or approvals where building codes or applicable laws or regulations prohibit the Owner from delegating their cost to the Design-Builder.

§ 15.5.2 If the Owner determines that portions of the Work require additional testing, inspection or approval not included under Section 15.5.1, the Owner will instruct the Design-Builder to make arrangements for such additional testing, inspection or approval by an entity acceptable to the Owner, and the Design-Builder shall give timely notice to the Owner of when and where tests and inspections are to be made so that the Owner may be present for such procedures. Such costs, except as provided in Section 15.5.3, shall be at the Owner's expense.

§ 15.5.3 If such procedures for testing, inspection or approval under Sections 15.5.1 and 15.5.2 reveal failure of the portions of the Work to comply with requirements established by the Design-Build Documents, all costs made necessary by such failure shall be at the Design-Builder's expense.

§ 15.5.4 Required certificates of testing, inspection or approval shall, unless otherwise required by the Design-Build Documents, be secured by the Design-Builder and promptly delivered to the Owner.

§ 15.5.5 If the Owner is to observe tests, inspections or approvals required by the Design-Build Documents, the Owner will do so promptly and, where practicable, at the normal place of testing.

§ 15.5.6 Tests or inspections conducted pursuant to the Design-Build Documents shall be made promptly to avoid unreasonable delay in the Work.

§ 15.6 Confidential Information

If the Owner or Design-Builder transmits Confidential Information, the transmission of such Confidential Information constitutes a warranty to the party receiving such Confidential Information that the transmitting party is authorized to transmit the Confidential Information. If a party receives Confidential Information, the receiving party shall keep the Confidential Information strictly confidential and shall not disclose it to any other person or entity except as set forth in Section 15.6.1.

§ 15.6.1 A party receiving Confidential Information may disclose the Confidential Information as required by law or court order, including a subpoena or other form of compulsory legal process issued by a court or governmental entity. A party receiving Confidential Information may also disclose the Confidential 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 Confidential Information as set forth in this Contract.

§ 15.7 Capitalization

Terms capitalized in the Contract 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.

§ 15.8 Interpretation

§ 15.8.1 In the interest of brevity the Design-Build 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.

§ 15.8.2 Unless otherwise stated in the Design-Build Documents, words which have well-known technical or construction industry meanings are used in the Design-Build Documents in accordance with such recognized meanings.

ARTICLE 16 SCOPE OF THE AGREEMENT

§ 16.1 This Agreement is comprised of the following documents listed below:

- .1 AIA Document A141™-2014, Standard Form of Agreement Between Owner and Design-Builder
- .2 AIA Document A141™-2014, Exhibit A, Design-Build Amendment, if executed
- .3 AIA Document A141™-2014, Exhibit B, Insurance and Bonds

.

- .4 Other:

« -Town of Leland's Request for Qualifications dated April 14, 2026, Exhibit C
 -Intercoastal Marine, LLC's Statement of Qualifications dated May 13, 2026, Exhibit D
 -Compensation for Work Performed Prior to the Execution of the Design-Build Amendment, Exhibit E
 »

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

OWNER (Signature)

« »« »

(Printed name and title)

DESIGN-BUILDER (Signature)

« »« »

(Printed name and title)

DRAFT AIA® Document A141® – 2014

Exhibit A

Design-Build Amendment

This Amendment is incorporated into the accompanying AIA Document A141™–2014, Standard Form of Agreement Between Owner and Design-Builder dated the « » day of « » in the year « » (the “Agreement”)
(In words, indicate day, month and year.)

for the following PROJECT:

(Name and location or address)

« »
« »

THE OWNER:

(Name, legal status and address)

« »« »
« »

THE DESIGN-BUILDER:

(Name, legal status and address)

« »« »
« »

The Owner and Design-Builder hereby amend the Agreement as follows.

TABLE OF ARTICLES

- A.1 CONTRACT SUM
- A.2 CONTRACT TIME
- A.3 INFORMATION UPON WHICH AMENDMENT IS BASED
- A.4 DESIGN-BUILDER'S PERSONNEL, CONTRACTORS AND SUPPLIERS
- A.5 COST OF THE WORK

ARTICLE A.1 CONTRACT SUM

§ A.1.1 The Owner shall pay the Design-Builder the Contract Sum in current funds for the Design-Builder's performance of the Contract after the execution of this Amendment. The Contract Sum shall be one of the following and shall not include compensation the Owner paid the Design-Builder for Work performed prior to execution of this Amendment:

(Check the appropriate box.)

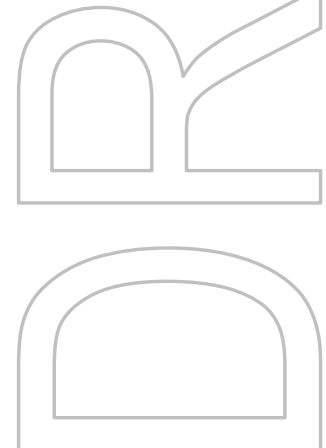
[« »] Stipulated Sum, in accordance with Section A.1.2 below

[« »] Cost of the Work plus the Design-Builder's Fee, in accordance with Section A.1.3 below

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.

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

Consultation with an attorney is also encouraged with respect to professional licensing requirements in the jurisdiction where the Project is located.



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[« »] Cost of the Work plus the Design-Builder's Fee with a Guaranteed Maximum Price, in accordance with Section A.1.4 below

(Based on the selection above, complete Section A.1.2, A.1.3 or A.1.4 below.)

§ A.1.2 Stipulated Sum

§ A.1.2.1 The Stipulated Sum shall be « » (\$ « »), subject to authorized adjustments as provided in the Design-Build Documents.

§ A.1.2.2 The Stipulated Sum is based upon the following alternates, if any, which are described in the Design-Build Documents and are hereby accepted by the Owner:

(State the numbers or other identification of accepted alternates. If the Owner is permitted to accept other alternates subsequent to the execution of this Amendment, attach a schedule of such other alternates showing the change in Stipulated Sum for each and the deadline by which the alternate must be accepted.)

« »

§ A.1.2.3 Unit prices, if any:

(Identify item, state the unit price, and state any applicable quantity limitations.)

Item	Units and Limitations	Price per Unit (\$0.00)

§ A.1.3 Cost of the Work Plus Design-Builder's Fee

§ A.1.3.1 The Cost of the Work is as defined in Article A.5, Cost of the Work.

§ A.1.3.2 The Design-Builder's Fee:

(State a lump sum, percentage of Cost of the Work or other provision for determining the Design-Builder's Fee, and the method for adjustment to the Fee for changes in the Work.)

« »

§ A.1.4 Cost of the Work Plus Design-Builder's Fee With a Guaranteed Maximum Price

§ A.1.4.1 The Cost of the Work is as defined in Article A.5, Cost of the Work.

§ A.1.4.2 The Design-Builder's Fee:

(State a lump sum, percentage of Cost of the Work or other provision for determining the Design-Builder's Fee and the method for adjustment to the Fee for changes in the Work.)

« »

§ A.1.4.3 Guaranteed Maximum Price

§ A.1.4.3.1 The sum of the Cost of the Work and the Design-Builder's Fee is guaranteed by the Design-Builder not to exceed « » (\$ « »), subject to additions and deductions for changes in the Work as provided in the Design-Build Documents. Costs that would cause the Guaranteed Maximum Price to be exceeded shall be paid by the Design-Builder without reimbursement by the Owner.

(Insert specific provisions if the Design-Builder is to participate in any savings.)

« »

§ A.1.4.3.2 Itemized Statement of the Guaranteed Maximum Price

Provided below is an itemized statement of the Guaranteed Maximum Price organized by trade categories, allowances, contingencies, alternates, the Design-Builder's Fee, and other items that comprise the Guaranteed Maximum Price.

(Provide information below or reference an attachment.)

« »

§ A.1.4.3.3 The Guaranteed Maximum Price is based on the following alternates, if any, which are described in the Design-Build Documents and are hereby accepted by the Owner:
(State the numbers or other identification of accepted alternates. If the Owner is permitted to accept other alternates subsequent to the execution of this Amendment, attach a schedule of such other alternates showing the change in the Cost of the Work and Guaranteed Maximum Price for each and the deadline by which the alternate must be accepted.)

« »

§ A.1.4.3.4 Unit Prices, if any:
(Identify item, state the unit price, and state any applicable quantity limitations.)

Item	Units and Limitations	Price per Unit (\$0.00)
------	-----------------------	-------------------------

§ A.1.4.3.5 Assumptions, if any, on which the Guaranteed Maximum Price is based:

« »

§ A.1.5 Payments

§ A.1.5.1 Progress Payments

§ A.1.5.1.1 Based upon Applications for Payment submitted to the Owner by the Design-Builder, the Owner shall make progress payments on account of the Contract Sum to the Design-Builder as provided below and elsewhere in the Design-Build Documents.

§ A.1.5.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

« »

§ A.1.5.1.3 Provided that an Application for Payment is received not later than the « » day of the month, the Owner shall make payment of the certified amount to the Design-Builder not later than the « » day of the « » month. If an Application for Payment is received by the Owner after the application date fixed above, payment shall be made by the Owner not later than « » (« ») days after the Owner receives the Application for Payment.
(Federal, state or local laws may require payment within a certain period of time.)

§ A.1.5.1.4 With each Application for Payment where the Contract Sum is based upon the Cost of the Work, or the Cost of the Work with a Guaranteed Maximum Price, the Design-Builder shall submit payrolls, petty cash accounts, receipted invoices or invoices with check vouchers attached, and any other evidence required by the Owner to demonstrate that cash disbursements already made by the Design-Builder on account of the Cost of the Work equal or exceed (1) progress payments already received by the Design-Builder, less (2) that portion of those payments attributable to the Design-Builder's Fee; plus (3) payrolls for the period covered by the present Application for Payment.

§ A.1.5.1.5 With each Application for Payment where the Contract Sum is based upon a Stipulated Sum or Cost of the Work with a Guaranteed Maximum Price, the Design-Builder shall submit the most recent schedule of values in accordance with the Design-Build Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. Compensation for design services, if any, shall be shown separately. Where the Contract Sum is based on the Cost of the Work with a Guaranteed Maximum Price, the Design-Builder's Fee shall be shown separately. The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Owner may require. This schedule of values, unless objected to by the Owner, shall be used as a basis for reviewing the Design-Builder's Applications for Payment.

§ A.1.5.1.6 In taking action on the Design-Builder's Applications for Payment, the Owner shall be entitled to rely on the accuracy and completeness of the information furnished by the Design-Builder and shall not be deemed to have made a detailed examination, audit or arithmetic verification of the documentation submitted in accordance with Sections A.1.5.1.4 or A.1.5.1.5, or other supporting data; to have made exhaustive or continuous on-site inspections; or to have made examinations to ascertain how or for what purposes the Design-Builder has used amounts previously paid.

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.

§ A.1.5.1.7 Except with the Owner's prior approval, the Design-Builder shall not make advance payments to suppliers for materials or equipment which have not been delivered and stored at the site.

§ A.1.5.2 Progress Payments—Stipulated Sum

§ A.1.5.2.1 Applications for Payment where the Contract Sum is based upon a Stipulated Sum shall indicate the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

§ A.1.5.2.2 Subject to other provisions of the Design-Build Documents, the amount of each progress payment shall be computed as follows:

- 1 Take that portion of the Contract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Work by the share of the Contract Sum allocated to that portion of the Work in the schedule of values, less retainage of « » percent (« » %) on the Work. Pending final determination of cost to the Owner of Changes in the Work, amounts not in dispute shall be included as provided in Section 6.3.9 of the Agreement;
- 2 Add that portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction (or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing), less retainage of « » percent (« » %);
- 3 Subtract the aggregate of previous payments made by the Owner; and
- 4 Subtract amounts, if any, the Owner has withheld or nullified, as provided in Section 9.5 of the Agreement.

§ A.1.5.2.3 The progress payment amount determined in accordance with Section A.1.5.2.2 shall be further modified under the following circumstances:

- 1 Add, upon Substantial Completion of the Work, a sum sufficient to increase the total payments to the full amount of the Contract Sum, less such amounts as the Owner shall determine for incomplete Work, retainage applicable to such work and unsettled claims; and
(Section 9.8.6 of the Agreement discusses release of applicable retainage upon Substantial Completion of Work.)
- 2 Add, if final completion of the Work is thereafter materially delayed through no fault of the Design-Builder, any additional amounts payable in accordance with Section 9.10.3 of the Agreement.

§ A.1.5.2.4 Reduction or limitation of retainage, if any, shall be as follows:

(If it is intended, prior to Substantial Completion of the entire Work, to reduce or limit the retainage resulting from the percentages inserted in Sections A.1.5.2.2.1 and A.1.5.2.2.2 above, and this is not explained elsewhere in the Design-Build Documents, insert provisions here for such reduction or limitation.)

« »

§ A.1.5.3 Progress Payments—Cost of the Work Plus a Fee

§ A.1.5.3.1 Where the Contract Sum is based upon the Cost of the Work plus a fee without a Guaranteed Maximum Price, Applications for Payment shall show the Cost of the Work actually incurred by the Design-Builder through the end of the period covered by the Application for Payment and for which Design-Builder has made or intends to make actual payment prior to the next Application for Payment.

§ A.1.5.3.2 Subject to other provisions of the Design-Build Documents, the amount of each progress payment shall be computed as follows:

- 1 Take the Cost of the Work as described in Article A.5 of this Amendment;
- 2 Add the Design-Builder's Fee, less retainage of « » percent (« » %). The Design-Builder's Fee shall be computed upon the Cost of the Work described in the preceding Section A.1.5.3.2.1 at the rate stated in Section A.1.3.2; or if the Design-Builder's Fee is stated as a fixed sum in that Section, an amount which bears the same ratio to that fixed-sum Fee as the Cost of the Work in that Section bears to a reasonable estimate of the probable Cost of the Work upon its completion;

- .3 Subtract retainage of « » percent (« » %) from that portion of the Work that the Design-Builder self-performs;
- .4 Subtract the aggregate of previous payments made by the Owner;
- .5 Subtract the shortfall, if any, indicated by the Design-Builder in the documentation required by Section A.1.5.1.4 or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and
- .6 Subtract amounts, if any, for which the Owner has withheld or withdrawn a Certificate of Payment as provided in the Section 9.5 of the Agreement.

§ A.1.5.3.3 The Owner and Design-Builder shall agree upon (1) a mutually acceptable procedure for review and approval of payments to the Architect, Consultants, and Contractors and (2) the percentage of retainage held on agreements with the Architect, Consultants, and Contractors, and the Design-Builder shall execute agreements in accordance with those terms.

§ A.1.5.4 Progress Payments—Cost of the Work Plus a Fee with a Guaranteed Maximum Price

§ A.1.5.4.1 Applications for Payment where the Contract Sum is based upon the Cost of the Work Plus a Fee with a Guaranteed Maximum Price 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 Design-Builder on account of that portion of the Work for which the Design-Builder has made or intends to make actual 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.

§ A.1.5.4.2 Subject to other provisions of the Design-Build Documents, the amount of each progress payment shall be computed as follows:

- .1 Take 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 schedule of values. Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute shall be included as provided in Section 6.3.9 of the Agreement.
- .2 Add 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 Work, or if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing;
- .3 Add the Design-Builder's Fee, less retainage of « » percent (« » %). The Design-Builder's Fee shall be computed upon the Cost of the Work at the rate stated in Section A.1.4.2 or, if the Design-Builder's Fee is stated as a fixed sum in that Section, shall be an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work bears to a reasonable estimate of the probable Cost of the Work upon its completion;
- .4 Subtract retainage of « » percent (« » %) from that portion of the Work that the Design-Builder self-performs;
- .5 Subtract the aggregate of previous payments made by the Owner;
- .6 Subtract the shortfall, if any, indicated by the Design-Builder in the documentation required by Section A.1.5.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and
- .7 Subtract amounts, if any, for which the Owner has withheld or nullified a payment as provided in Section 9.5 of the Agreement.

§ A.1.5.4.3 The Owner and Design-Builder shall agree upon (1) a mutually acceptable procedure for review and approval of payments to the Architect, Consultants, and Contractors and (2) the percentage of retainage held on agreements with the Architect, Consultants, and Contractors; and the Design-Builder shall execute agreements in accordance with those terms.

§ A.1.5.5 Final Payment

§ A.1.5.5.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Design-Builder not later than 30 days after the Design-Builder has fully performed the Contract and the requirements of Section 9.10 of the Agreement have been satisfied, except for the Design-Builder's responsibility to correct non-conforming Work discovered after final payment or to satisfy other requirements, if any, which extend beyond final payment.

§ A.1.5.5.2 If the Contract Sum is based on the Cost of the Work, the Owner's auditors will review and report in writing on the Design-Builder's final accounting within 30 days after the Design-Builder delivers the final accounting to the Owner. Based upon the Cost of the Work the Owner's auditors report to be substantiated by the Design-Builder's final accounting, and provided the other conditions of Section 9.10 of the Agreement have been met, the Owner will, within seven days after receipt of the written report of the Owner's auditors, either issue a final Certificate for Payment, or notify the Design-Builder in writing of the reasons for withholding a certificate as provided in Section 9.5.1 of the Agreement.

ARTICLE A.2 CONTRACT TIME

§ A.2.1 Contract Time, as defined in the Agreement at Section 1.4.13, is the period of time, including authorized adjustments, for Substantial Completion of the Work.

§ A.2.2 The Design-Builder shall achieve Substantial Completion of the Work not later than « » (« ») days from the date of this Amendment, or as follows:

(Insert number of calendar days. Alternatively, a calendar date may be used when coordinated with the date of commencement. If appropriate, insert requirements for earlier Substantial Completion of certain portions of the Work.)

« »

Portion of Work

Substantial Completion Date

, subject to adjustments of the Contract Time as provided in the Design-Build Documents.

(Insert provisions, if any, for liquidated damages relating to failure to achieve Substantial Completion on time or for bonus payments for early completion of the Work.)

« »

ARTICLE A.3 INFORMATION UPON WHICH AMENDMENT IS BASED

§ A.3.1 The Contract Sum and Contract Time set forth in this Amendment are based on the following:

§ A.3.1.1 The Supplementary and other Conditions of the Contract:

Document	Title	Date	Pages

§ A.3.1.2 The Specifications:

(Either list the specifications here or refer to an exhibit attached to this Amendment.)

« »

Section	Title	Date	Pages

§ A.3.1.3 The Drawings:

(Either list the drawings here or refer to an exhibit attached to this Amendment.)

« »

Number	Title	Date

§ A.3.1.4 The Sustainability Plan, if any:

(If the Owner identified a Sustainable Objective in the Owner's Criteria, identify the document or documents that comprise the Sustainability Plan by title, date and number of pages, and include other identifying information. The

Sustainability Plan identifies and describes the Sustainable Objective; the targeted Sustainable Measures; implementation strategies selected to achieve the Sustainable Measures; the Owner's and Design-Builder's roles and responsibilities associated with achieving the Sustainable Measures; the specific details about design reviews, testing or metrics to verify achievement of each Sustainable Measure; and the Sustainability Documentation required for the Project, as those terms are defined in Exhibit C to the Agreement.)

Title	Date	Pages

Other identifying information:

« »

§ A.3.1.5 Allowances and Contingencies:

(Identify any agreed upon allowances and contingencies, including a statement of their basis.)

.1 Allowances

« »

.2 Contingencies

« »

§ A.3.1.6 Design-Builder's assumptions and clarifications:

« »

§ A.3.1.7 Deviations from the Owner's Criteria as adjusted by a Modification:

« »

§ A.3.1.8 To the extent the Design-Builder shall be required to submit any additional Submittals to the Owner for review, indicate any such submissions below:

« »

ARTICLE A.4 DESIGN-BUILDER'S PERSONNEL, CONTRACTORS AND SUPPLIERS

§ A.4.1 The Design-Builder's key personnel are identified below:

(Identify name, title and contact information.)

.1 Superintendent

« »

.2 Project Manager

« »

.3 Others

« »

§ A.4.2 The Design-Builder shall retain the following Consultants, Contractors and suppliers, identified below:

(List name, discipline, address and other information.)

« »

ARTICLE A.5 COST OF THE WORK**§ A.5.1 Cost To Be Reimbursed as Part of the Contract****§ A.5.1.1 Labor Costs**

§ A.5.1.1.1 Wages of construction workers directly employed by the Design-Builder to perform the construction of the Work at the site or, with the Owner's prior approval, at off-site workshops.

§ A.5.1.1.2 With the Owner's prior approval, wages or salaries of the Design-Builder's supervisory and administrative personnel when stationed at the site.

(If it is intended that the wages or salaries of certain personnel stationed at the Design-Builder's principal or other offices shall be included in the Cost of the Work, identify below the personnel to be included, whether for all or only part of their time, and the rates at which their time will be charged to the Work.)

Person Included	Status (full-time/part-time)	Rate (\$0.00)	Rate (unit of time)
-----------------	------------------------------	---------------	---------------------

§ A.5.1.1.3 Wages and salaries of the Design-Builder's supervisory or administrative personnel engaged at factories, workshops or on the road, 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.

§ A.5.1.1.4 Costs paid or incurred by the Design-Builder for taxes, insurance, contributions, assessments and benefits required by law or collective bargaining agreements and, for personnel not covered by such 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 Section A.5.1.1.

§ A.5.1.1.5 Bonuses, profit sharing, incentive compensation and any other discretionary payments paid to anyone hired by the Design-Builder or paid to the Architect or any Consultant, Contractor or supplier, with the Owner's prior approval.

§ A.5.1.2 Contract Costs. Payments made by the Design-Builder to the Architect, Consultants, Contractors and suppliers in accordance with the requirements of their subcontracts.

§ A.5.1.3 Costs of Materials and Equipment Incorporated in the Completed Construction

§ A.5.1.3.1 Costs, including transportation and storage, of materials and equipment incorporated or to be incorporated in the completed construction.

§ A.5.1.3.2 Costs of materials described in the preceding Section A.5.1.3.1 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 Design-Builder. Any amounts realized from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

§ A.5.1.4 Costs of Other Materials and Equipment, Temporary Facilities and Related Items

§ A.5.1.4.1 Costs of transportation, storage, installation, maintenance, dismantling and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Design-Builder 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 Design-Builder shall mean fair market value.

§ A.5.1.4.2 Rental charges for temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Design-Builder at the site and costs of transportation, installation, minor repairs, dismantling and removal. The total rental cost of any Design-Builder-owned item may not exceed the purchase price of any comparable item. Rates of Design-Builder-owned equipment and quantities of equipment shall be subject to the Owner's prior approval.

§ A.5.1.4.3 Costs of removal of debris from the site of the Work and its proper and legal disposal.

§ A.5.1.4.4 Costs of document reproductions, electronic communications, postage and parcel delivery charges, dedicated data and communications services, teleconferences, Project websites, extranets and reasonable petty cash expenses of the site office.

§ A.5.1.4.5 Costs of materials and equipment suitably stored off the site at a mutually acceptable location, with the Owner's prior approval.

§ A.5.1.5 Miscellaneous Costs

§ A.5.1.5.1 Premiums for that portion of insurance and bonds required by the Design-Build Documents that can be directly attributed to the Contract. With the Owner's prior approval self-insurance for either full or partial amounts of the coverages required by the Design-Build Documents.

§ A.5.1.5.2 Sales, use or similar taxes imposed by a governmental authority that are related to the Work and for which the Design-Builder is liable.

§ A.5.1.5.3 Fees and assessments for the building permit and for other permits, licenses and inspections for which the Design-Builder is required by the Design-Build Documents to pay.

§ A.5.1.5.4 Fees of laboratories for tests required by the Design-Build Documents, except those related to defective or nonconforming Work for which reimbursement is excluded by Section 15.5.3 of the Agreement or by other provisions of the Design-Build Documents, and which do not fall within the scope of Section A.5.1.6.3.

§ A.5.1.5.5 Royalties and license fees paid for the use of a particular design, process or product required by the Design-Build Documents; the cost of defending suits or claims for infringement of patent rights arising from such requirement of the Design-Build Documents; and payments made in accordance with legal judgments against the Design-Builder resulting from such suits or claims and payments of settlements made with the Owner's consent. However, such costs of legal defenses, judgments and settlements shall not be included in the calculation of the Design-Builder's Fee or subject to the Guaranteed Maximum Price. If such royalties, fees and costs are excluded by the second to last sentence of Section 3.1.13.2 of the Agreement or other provisions of the Design-Build Documents, then they shall not be included in the Cost of the Work.

§ A.5.1.5.6 With the Owner's prior approval, costs for electronic equipment and software directly related to the Work.

§ A.5.1.5.7 Deposits lost for causes other than the Design-Builder's negligence or failure to fulfill a specific responsibility in the Design-Build Documents.

§ A.5.1.5.8 With the Owner's prior approval, which shall not be unreasonably withheld, legal, mediation and arbitration costs, including attorneys' fees, other than those arising from disputes between the Owner and Design-Builder, reasonably incurred by the Design-Builder after the execution of the Agreement and in the performance of the Work.

§ A.5.1.5.9 With the Owner's prior approval, expenses incurred in accordance with the Design-Builder's standard written personnel policy for relocation, and temporary living allowances of, the Design-Builder's personnel required for the Work.

§ A.5.1.5.10 That portion of the reasonable expenses of the Design-Builder's supervisory or administrative personnel incurred while traveling in discharge of duties connected with the Work.

§ A.5.1.6 Other Costs and Emergencies

§ A.5.1.6.1 Other costs incurred in the performance of the Work if, and to the extent, approved in advance in writing by the Owner.

§ A.5.1.6.2 Costs incurred in taking action to prevent threatened damage, injury or loss in case of an emergency affecting the safety of persons and property.

§ A.5.1.6.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Design-Builder, Contractors or suppliers, provided that such damaged or nonconforming Work was not caused by negligence or failure to fulfill a specific responsibility of the Design-Builder and only to the extent that the cost of repair or correction is not recovered by the Design-Builder from insurance, sureties, Contractors, suppliers, or others.

§ A.5.1.7 Related Party Transactions

§ A.5.1.7.1 For purposes of Section A.5.1.7, the term “related party” shall mean a parent, subsidiary, affiliate or other entity having common ownership or management with the Design-Builder; any entity in which any stockholder in, or management employee of, the Design-Builder owns any interest in excess of ten percent in the aggregate; or any person or entity which has the right to control the business or affairs of the Design-Builder. The term “related party” includes any member of the immediate family of any person identified above.

§ A.5.1.7.2 If any of the costs to be reimbursed arise from a transaction between the Design-Builder and a related party, the Design-Builder 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, then the cost incurred shall be included as a cost to be reimbursed, and the Design-Builder shall procure the Work, equipment, goods or service from the related party, as a Contractor, according to the terms of Section A.5.4. If the Owner fails to authorize the transaction, the Design-Builder shall procure the Work, equipment, goods or service from some person or entity other than a related party according to the terms of Section A.5.4.

§ A.5.2 Costs Not to Be Reimbursed as Part of this Contract

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

- .1 Salaries and other compensation of the Design-Builder's personnel stationed at the Design-Builder's principal office or offices other than the site office, except as specifically provided in Section A.5.1.1;
- .2 Expenses of the Design-Builder's principal office and offices other than the site office;
- .3 Overhead and general expenses, except as may be expressly included in Section A.5.1;
- .4 The Design-Builder's capital expenses, including interest on the Design-Builder's capital employed for the Work;
- .5 Except as provided in Section A.5.1.6.3 of this Agreement, costs due to the negligence or failure of the Design-Builder, Contractors and suppliers or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable to fulfill a specific responsibility of the Contract;
- .6 Any cost not specifically and expressly described in Section A.5.1; and
- .7 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded.

§ A.5.3 Discounts, Rebates, and Refunds

§ A.5.3.1 Cash discounts obtained on payments made by the Design-Builder shall accrue to the Owner if (1) before making the payment, the Design-Builder included them in an Application for Payment and received payment from the Owner, or (2) the Owner has deposited funds with the Design-Builder with which to make payments; otherwise, cash discounts shall accrue to the Design-Builder. Trade discounts, rebates, refunds and amounts received from sales of surplus materials and equipment shall accrue to the Owner, and the Design-Builder shall make provisions so that they can be obtained.

§ A.5.3.2 Amounts that accrue to the Owner in accordance with Section A.5.3.1 shall be credited to the Owner as a deduction from the Cost of the Work.

§ A.5.4 Other Agreements

§ A.5.4.1 When the Design-Builder has provided a Guaranteed Maximum Price, and a specific bidder (1) is recommended to the Owner by the Design-Builder; (2) is qualified to perform that portion of the Work; and (3) has submitted a bid that conforms to the requirements of the Design-Build Documents without reservations or exceptions, but the Owner requires that another bid be accepted, then the Design-Builder 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 Design-Builder and the amount of the subcontract or other agreement actually signed with the person or entity designated by the Owner.

§ A.5.4.2 Agreements between the Design-Builder and Contractors shall conform to the applicable payment provisions of the Design-Build Documents, and shall not be awarded on the basis of cost plus a fee without the prior consent of the Owner. If an agreement between the Design Builder and a Contractor is awarded on a cost plus a fee basis, the Design-Builder shall provide in the agreement for the Owner to receive the same audit rights with regard to the Cost of the Work performed by the Contractor as the Owner receives with regard to the Design-Builder in Section A.5.5, below.

§ A.5.4.3 The agreements between the Design-Builder and Architect and other Consultants identified in the Agreement shall be in writing. These agreements shall be promptly provided to the Owner upon the Owner's written request.

§ A.5.5 Accounting Records

The Design-Builder 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 the 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 Design-Builder's records and accounts, including complete documentation supporting accounting entries, books, correspondence, instructions, drawings, receipts, subcontracts, Contractor's proposals, purchase orders, vouchers, memoranda and other data relating to the Contract. The Design-Builder shall preserve these records for a period of three years after final payment, or for such longer period as may be required by law.

§ A.5.6 Relationship of the Parties

The Design-Builder accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to exercise the Design-Builder'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.

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

OWNER (Signature)

« »« »

(Printed name and title)

DESIGN-BUILDER (Signature)

« »« »

(Printed name and title)

DRAFT AIA® Document A141® – 2014

Exhibit B

Insurance and Bonds

for the following PROJECT:

(Name and location or address)

«Sturgeon Creek Boardwalk and Dock »
«158 South Navassa Road, Leland, NC 28451 »

THE OWNER:

(Name, legal status and address)

«Town of Leland »«a North Carolina Municipal Corporation »
«102 Town Hall Drive, Leland, NC 28451 »

THE DESIGN-BUILDER:

(Name, legal status and address)

«Intercoastal Marine, LLC »«a North Carolina Limited Liability Corporation »
«6101 Diamond Shamrock Road, Castle Hayne, NC 28429 »

THE AGREEMENT

This Insurance Exhibit is part of the accompanying agreement for the Project, between the Owner and the Design-Builder (hereinafter, the Agreement), dated the «XX » day of «July » in the year «2026 ».

(In words, indicate day, month and year.)

TABLE OF ARTICLES

- B.1 GENERAL
- B.2 DESIGN BUILDER'S INSURANCE AND BONDS
- B.3 OWNER'S INSURANCE
- B.4 SPECIAL TERMS AND CONDITIONS

ARTICLE B.1 GENERAL

The Owner and Design-Builder shall purchase and maintain insurance and provide bonds as set forth in this Exhibit B. Where a provision in this Exhibit conflicts with a provision in the Agreement into which this Exhibit is incorporated, the provision in this Exhibit will prevail.

ARTICLE B.2 DESIGN BUILDER'S INSURANCE AND BONDS

§ B.2.1 The Design-Builder shall purchase and maintain the following types and limits of insurance from a company or companies lawfully authorized to do business in the jurisdiction where the Project is located. The Design-Builder shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 11.2.2.1 of the Agreement, unless a different duration is stated below:

(If the Design-Builder is required to maintain insurance for a duration other than the expiration of the period for correction of Work, state the duration.)

«Not Applicable »

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.

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

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§ B.2.1.1 Commercial General Liability with policy limits of not less than «One Million Dollars » (\$ «1,000,000 ») for each occurrence and «Two Million Dollars » (\$ «2,000,000 ») in the aggregate 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;
- .3 damages because of injury to or destruction of tangible property;
- .4 bodily injury or property damage arising out of completed operations; and
- .5 contractual liability applicable to the Design-Builder's obligations under Section 3.1.14 of the Agreement.

§ B.2.1.2 Automobile Liability covering vehicles owned by the Design-Builder and non-owned vehicles used by the Design-Builder with policy limits of not less than «Five Hundred Thousand Dollars » (\$ «500,000 ») per claim and «One Million Dollars » (\$ «1,000,000 ») in the aggregate for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles specified in this Section B.2.1.2, along with any other statutorily required automobile coverage.

§ B.2.1.3 The Design-Builder may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess liability insurance, provided such primary and excess insurance policies result in the same or greater coverage as those required under Sections B.2.1.1 and B.2.1.2.

§ B.2.1.4 Workers' Compensation at statutory limits.

§ B.2.1.5 Employers' Liability with policy limits as provided below:

«One Million Dollars (\$1,000,000) Each Accident/Total Disease/Employee Disease »

§ B.2.1.6 Professional Liability covering negligent acts, errors and omissions in the performance of professional services, with policy limits of not less than «One Million Dollars » (\$ «1,000,000 ») per claim and «Two Million Dollars » (\$ «2,000,000 ») in the aggregate.

§ B.2.1.7 Pollution Liability covering performance of the Work, with policy limits of not less than «One Million Dollars » (\$ «1,000,000 ») per claim and «Two Million Dollars » (\$ «2,000,000 ») in the aggregate.

§ B.2.1.7.1 The Design-Builder may obtain a combined Professional Liability and Pollution Liability policy to satisfy the requirements set forth in Sections B.2.1.6 and B.2.1.7, with combined policy limits that are not less than «One Million Dollars » (\$ «1,000,000 ») per claim and «Two Million Dollars » (\$ «2,000,000 ») in the aggregate.

§ B.2.1.8 The Design-Builder shall provide written notification to the Owner of the cancellation or expiration of any insurance required by this Article B.2. The Design-Builder shall provide such written notice within five (5) business days of the date the Design-Builder is first aware of the cancellation or expiration, or is first aware that the cancellation or expiration is threatened or otherwise may occur, whichever comes first.

§ B.2.1.9 Additional Insured Obligations. The Owner and its consultants and contractors shall be additional insureds on the Design-Builder's primary and excess insurance policies for Commercial General Liability, Automobile Liability and Pollution Liability. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies. The additional insured coverage shall apply to both ongoing operations and completed operations. The policy limits applicable to the additional insureds shall be the same amount applicable to the named insured or, if the policy provides otherwise, policy limits not less than the amounts required under this Agreement.

§ B.2.1.10 Certificates of Insurance. The Design-Builder shall provide certificates of insurance acceptable to the Owner evidencing compliance with the requirements in this Article B.2: (1) prior to commencement of the Work; (2) upon renewal or replacement of each required policy of insurance; and (3) upon Owner's written request. An additional certificate evidencing continuation of liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment as required by Section 9.10.2 of the Agreement and thereafter upon renewal or replacement of such coverage until the expiration of the time required by Section B.2.1. The certificates

will show the Owner and its consultants and contractors as additional insureds on the Design-Builder's primary and excess insurance policies for Commercial General Liability, Automobile Liability, and Pollution Liability. Information concerning reduction of coverage on account of revised limits, claims paid under the General Aggregate or both, shall be furnished by the Design-Builder with reasonable promptness.

§ B.2.2 Performance Bond and Payment Bond

The Design-Builder shall provide surety bonds as follows:
(Specify type and penal sum of bonds.)

Type	Penal Sum (\$0.00)
Labor and Material Payment and Performance Bonds	Equal to Contract Sum in Design-Build Amendment (TBD)

§ B.2.2.1 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Agreement, the Design-Builder shall promptly furnish a copy of the bonds or shall permit a copy to be made.

ARTICLE B.3 OWNER'S INSURANCE

§ B.3.1 Owner's Liability Insurance

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

§ B.3.2 Property Insurance

§ B.3.2.1 Unless otherwise provided, at the time of execution of the Design-Build Amendment, the Owner shall purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction where the Project is located, property insurance written on a builder's risk "all-risk" or equivalent policy form in the amount of the initial Contract Sum, plus the value of subsequent Modifications and cost of materials supplied or installed by others, comprising the total value for the entire Project at the site on a replacement cost basis without optional deductibles. If any construction that is part of the Work shall commence prior to execution of the Design-Build Amendment, the Owner shall, prior to commencement of construction, purchase and maintain property insurance as described above in an amount sufficient to cover the total value of the Work at the site on a replacement cost basis without optional deductibles. The insurance required under this section shall include interests of the Owner, Design-Builder, Architect, Consultants, Contractors, and Subcontractors in the Project. The property insurance shall be maintained, unless otherwise provided in the Design-Build Documents or otherwise agreed in writing by all persons and entities who are beneficiaries of the insurance, until the Owner has issued a Certificate of Substantial Completion in accordance with Section 9.8 of the Agreement. Unless the parties agree otherwise, upon issuance of a Certificate of Substantial Completion, the Owner shall replace the insurance policy required under this Section B.3.2 with another property insurance policy 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 11.2.2 of the Agreement.

§ B.3.2.1.1 The insurance required under Section B.3.2.1 shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing and startup, temporary buildings and debris removal, including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for the Design-Builder's services and expenses required as a result of such insured loss.

§ B.3.2.1.2 If the insurance required under Section B.3.2.1 requires deductibles, the Owner shall pay costs not covered because of such deductibles.

§ B.3.2.1.3 The insurance required under Section B.3.2.1 shall cover portions of the Work stored off the site, and also portions of the Work in transit.

§ B.3.2.1.4 Partial occupancy or use in accordance with Section 9.9 of the Agreement shall not commence until the insurance company or companies providing the insurance required under Section B.3.2.1 have consented to such partial occupancy or use by endorsement or otherwise. The Owner and the Design-Builder shall take reasonable steps to obtain consent of the insurance company or companies and shall, without mutual written consent, take no action with respect to partial occupancy or use that would cause cancellation, lapse or reduction of insurance.

§ B.3.2.2 Boiler and Machinery Insurance. The Owner shall purchase and maintain boiler and machinery insurance, which shall specifically cover commissioning, testing, or breakdown of equipment required by the Work, if not covered by the insurance required in Section B.3.2.1. This insurance shall include the interests of the Owner, Design-Builder, Architect, Consultants, Contractor and Subcontractors in the Work, and the Owner and Design-Builder shall be named insureds.

§ B.3.2.3 If the Owner does not intend to purchase the insurance required under Sections B.3.2.1 and B.3.2.2 with all of the coverages in the amounts described above, the Owner shall inform the Design-Builder in writing prior to any construction that is part of the Work. The Design-Builder may then obtain insurance that will protect the interests of the Owner, Design-Builder, Architect, Consultants, Contractors, and Subcontractors in the Work. The cost of the insurance shall be charged to the Owner by an appropriate Change Order. If the Owner does not provide written notice, and the Design-Builder is damaged by the failure or neglect of the Owner to purchase or maintain insurance as described above, the Owner shall bear all reasonable costs and damages attributable thereto.

§ B.3.2.4 Loss of Use Insurance. At the Owner's option, the Owner may purchase and maintain insurance to insure the Owner against loss of use of the Owner's property due to fire or other hazards, however caused. The Owner waives all rights of action against the Design-Builder for loss of use of the Owner's property, including consequential losses due to fire or other hazards covered under the property insurance required under this Exhibit B to the Agreement.

§ B.3.2.5 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, the Owner shall waive all rights in accordance with the terms of Section B.3.2.7 for damages caused by fire or other causes of loss covered by this separate property insurance. All separate policies shall provide this waiver of subrogation by endorsement or otherwise.

§ B.3.2.6 Before an exposure to loss may occur, the Owner shall file with the Design-Builder a copy of each policy that includes insurance coverages required by this Section B.3.2. Each policy shall contain all generally applicable conditions, definitions, exclusions and endorsements related to this Project. The Owner shall provide written notification to the Design-Builder of the cancellation or expiration of any insurance required by this Article B.3. The Owner shall provide such written notice within five (5) business days of the date the Owner is first aware of the cancellation or expiration, or is first aware that the cancellation or expiration is threatened or otherwise may occur, whichever comes first.

§ B.3.2.7 Waivers of Subrogation. The Owner and Design-Builder waive all rights against (1) each other and any of their consultants, subconsultants, contractors and subcontractors, agents and employees, each of the other, and (2) any separate contractors described in Section 5.13 of the Agreement, 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 covered by property insurance obtained pursuant to Section B.3.2 or other property insurance applicable to the Work and completed construction, except such rights as they have to proceeds of such insurance held by the Owner as fiduciary. The Owner or Design-Builder, as appropriate, shall require of the separate contractors described in Section 5.13 of the Agreement, if any, and the subcontractors, sub-subcontractors, agents and employees of any of them, by appropriate agreements, written where legally required for validity, similar waivers each in favor of the other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

§ B.3.2.8 A loss insured under the Owner's property insurance 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 B.3.2.10. The Design-Builder shall pay the Architect, Consultants and Contractors their just shares of insurance proceeds received by the Design-Builder, and by appropriate agreements, written where legally required for validity, the Design-Builder shall require the Architect, Consultants and Contractors to make payments to their consultants and subcontractors in similar manner.

§ B.3.2.9 If required in writing by a party in interest, the Owner as fiduciary shall, upon occurrence of an insured loss, give bond for proper performance of the Owner's duties. The cost of required bonds shall be charged against proceeds received as fiduciary. The Owner shall deposit in a separate account proceeds so received, which the Owner shall distribute in accordance with such agreement as the parties in interest may reach, or as determined in accordance with the method of binding dispute resolution selected in the Agreement between the Owner and Design-Builder. If after such loss no other special agreement is made and unless the Owner terminates the Contract for convenience, replacement of damaged property shall be performed by the Design-Builder after notification of a Change in the Work in accordance with Article 6 of the Agreement.

§ B.3.2.10 The Owner as fiduciary shall have power to adjust and settle a loss with insurers unless one of the parties in interest shall object in writing within five days after occurrence of a loss to the Owner's exercise of this power. If an objection is made, the dispute shall be resolved in the manner selected by the Owner and Design-Builder as the method of binding dispute resolution in the Agreement. If the Owner and Design-Builder have selected arbitration as the method of binding dispute resolution, the Owner as fiduciary shall make settlement with insurers or, in the case of a dispute over distribution of insurance proceeds, in accordance with the directions of the arbitrators.

ARTICLE B.4 SPECIAL TERMS AND CONDITIONS

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

- «1. Design-Builder shall cause Owner and the other additional insureds identified in § B.2.1.9 to be properly named and endorsed as additional insureds on Design-Builder's policies.
2. Design-Builder shall obtain a builder's "all-risk" or equivalent policy form in the amount of the initial Contract Sum, plus the value of subsequent modifications and cost of materials supplied or installed by others, comprising the total value for the entire Project at the site on a replacement cost basis without optional deductibles.
3. Article B.3 OWNER'S INSURANCE is deleted in its entirety. »



Request for Qualifications

Design-Build for Sturgeon Creek Park Boardwalk and Dock

April 14, 2026

RFQ: Design-Build of Sturgeon Creek Park Boardwalk and Dock

Project Information

Pursuant to N.C. Statute § 143-128.1A, the Town of Leland is soliciting proposals from qualified design-build firms interested in providing professional design and construction services for the Sturgeon Creek Park Boardwalk and Dock ("Project"). The design-build method is a qualifications-based selection process. As such, the ability of the Design-Builder to deliver the project on-time, on-budget, within the criteria and constraints identified by this document, and pursuant to the requirements of the design-build statute N.C.G.S. § 143-128.1A.(c), are the primary factors for selection. This Request for Qualifications ("RFQ") provides complete information on the services being sought, the submittal requirements, and timeline.

All proposals must be received by 1:00 PM on May 13, 2026. Inquiries, amendments, or submissions received after the time and date listed above shall not be considered for evaluation. All questions must be received by 1:00PM on May 6, 2026.

Questions, requests for information, and responses to this RFQ shall be addressed and delivered to:

Will Lear, Project Manager
102 Town Hall Drive
Leland, NC 28451
wlear@townofleland.com
(910) 408-9425

The Town of Leland reserves the right to reject any and all submissions for any reason or for no reason. This RFQ does not obligate the Town to pay any costs incurred by respondents in the preparation and submission of a response nor does it obligate the Town to accept or contract for any expressed or implied services.

Section I: Project Background, Goals, and Objectives

In early 2020, the Town completed development of the Sturgeon Creek Park Master Plan. The overall consensus is that the Plan meets the current needs and long-term goals of the community. The Final Master Plan provides both active and passive recreation opportunities that promote healthy living, as well as spaces for community events where residents can gather and build connections that strengthen the Town of Leland.

Phase One (1) of the Master Plan identified several priority improvements, including installation of a public boat ramp in partnership with the North Carolina Wildlife Resources Commission (WRC). Since adoption of the Plan, the Town has worked closely with WRC in an effort to finalize the design and secure necessary approvals for construction of the boat ramp. The project also includes an accessible parking lot with a sidewalk connection to the ramp. The ramp itself will feature a temporary tie-up area for boaters to use while loading and unloading. Phase Two (2) continued the improvements in Phase 1 by adding an elevated boardwalk that extended through the marshland adjacent to Sturgeon Creek.

Through internal discussions, Town staff identified the need for additional dock space to accommodate users while parking or retrieving vehicles, as well as to allow for temporary docking of vessels during park visits. In response, the Town developed a concept plan (Exhibit A) that integrates an expanded boat landing area with the elevated boardwalk section already included in Phase 2 of the original Master Plan.

RFQ: Design-Build of Sturgeon Creek Park Boardwalk and Dock

With the design and construction of the Project, the Town has the following goals:

1. Design and construct an ADA compliant elevated boardwalk that extends from the future Sturgeon Creek Boat Ramp parking lot, to an area along Sturgeon Creek in Leland, NC.
2. Design and construct an ADA compliant boat landing(dock) along Sturgeon Creek that is accessible from the elevated boardwalk.
3. Design and construct the boardwalk structure in a manner that will allow for future tie-in, consistent to Sturgeon Creek Park Master Plan.
4. Design and install all associated utilities, such as boardwalk lighting and electrical as necessary.
5. Coordinate approval of all applicable permits associated with the Project.

The Town of Leland intends to utilize best practices to accomplish the goals of this Project and expects the Design-Builder to proactively address risks and challenges in the process and provide value engineering options to achieve Project success. The Town also expects to work with the Design-Builder to devise and implement appropriate processes for this Project to maximize efficiency, overall quality, and cost savings.

Section II: Scope of Work

Purpose of the RFQ

The Town of Leland is soliciting qualifications for Design-Build Project delivery services for Sturgeon Creek Park Boardwalk and Dock Project. These improvements will provide a new, inclusive, outdoor recreational space for the residents of Leland and surrounding areas.

Construction of the project is expected to begin in 2027.

Preliminary needs include, but are not limited to, the following:

- Elevated, ADA compliant, wooden boardwalk connecting to future boat ramp parking lot.
- ADA compliant floating dock, accessible from elevated boardwalk.
- All applicable electric, such as boardwalk lighting, outlets, etc.
- Coordination of all applicable permits associated with Project

Lead Design-Builder Responsibilities

The lead Design-Builder will be expected to provide concurrent design and construction turnkey activities for this Project, resulting in a finished, fully usable facility that satisfies all Project requirements and contract terms. As the sole responsible source for this portion of the project, the Design Builder will hold all design professionals, testing services, trade contractors, and trade supplier contracts. They will be responsible for total Project compliance and construction-related performance, including all engineering, architectural, design, permitting, and construction services.

RFQ: Design-Build of Sturgeon Creek Park Boardwalk and Dock

Location of the Project

Future Sturgeon Creek Park is located at 158 S Navassa Rd, Leland, North Carolina.

Note: Throughout the duration of the Project, the Town will not provide workspace for the Firm/Team. The selected Design-Build Firm/Team is responsible for and must provide its own workspace.

Note: The construction of the adjacent boat ramp and parking lot may be in construction simultaneously with this project.

Scope of Work

The following is a preliminary scope of work that may be modified during contract negotiations with the selected Design-Builder.

Boardwalk

1. The contractor shall provide engineered design, materials, electrical, lighting, permit administration, and labor to construct a complete ADA compliant, elevated 10 FT wide wooden boardwalk, ready for use, turnkey. All materials shall be new and free from defects and meet or exceed all industry standards.
2. The overall boardwalk length shall be a minimum of 400 FT, however may extend to cover additional area based on design and overall project budget.
3. Boardwalk will tie into concrete sidewalk connection that is to be constructed as part of an adjacent project.

Floating Dock

1. The contractor shall provide design, materials, permit administration, and labor to furnish a complete, ADA compliant, floating dock, ready to use, turnkey. All materials shall be new, free of defects, and meet the specified needs.
2. The approximate size of the dock is expected to be 15 FT by 120 FT, however may be adjusted based on final design.
3. Dock should support temporary tie up of personal boats and watercraft as an ancillary amenity to the future Sturgeon Creek WRC Boat Dock, which is being constructed as a separate project.

Project Budget

The Town estimates an approximate total budget up to \$1,500,000 for completion of this Project, including all costs and fees. Total costs include design and engineering, building materials, construction related expenses, construction administration and construction related services, testing services, permits, and other building related professional service fees necessary to fully complete the Project.

RFQ: Design-Build of Sturgeon Creek Park Boardwalk and Dock

Anticipated Schedule [Note: The Town may, in its sole discretion, adjust this schedule to suit the Town's needs.].

Preliminary Project Schedule	Date	Time
Issue/Advertise RFQ in official advertising publications	April 14, 2026	
Deadline for written questions and clarifications on the RFQ	May 6, 2026	1:00 PM
Deadline for submission of Statement of Qualifications	May 13, 2026	1:00 PM
Town completes qualification evaluation to establish shortlist of Firms remaining. Town notifies Firms and schedules interviews, if necessary.	May 20, 2026	
Complete interviews, if required.	May 22, 2026	
Notify selected Design-Build Firm and begin contract negotiations.	May 25, 2026	
Contract negotiations with selected firm	June 12, 2026	
Town Council award of contract	June 18, 2026	
Execute Contract/Notice to Proceed	July 1, 2026	
Project Completion	December 2027	

Pre-Construction Project Planning

The Design-Builder, as part of its design and preconstruction services, will assist with developing a strategy for the best approach for the successful completion of the Project including guidance and assistance in the preparation of a schedule and a reliable, preliminary cost estimate along with evaluations of any value engineering measures. At an appropriate point during the Project, and prior to contracting, the Town will ask the Design-Builder to commit to a lump sum price for all its design and construction services.

Project Delivery and Objectives

At all times and Project stages, the Design-Builder shall act in the best interests of the Town and use their best efforts to deliver the Project in an expeditious and cost-effective manner consistent with the Town's Project requirements, time constraints, and budget. The Design-Builder shall develop a contractually-obligated overall Project schedule and will be responsible for methods of construction, safety, scheduling, and coordination of all construction work, in addition to miscellaneous contracts and permits required for completion of the Project within its predetermined budget limits and schedule.

The Town expects all parties to this Project to work closely together and deal appropriately with Project conditions to finish the job successfully. A spirit of cooperation, collaboration, and a commitment among professional design and construction service providers to work in the best interests of the Project is of utmost importance.

Section III: Design-Builder Evaluation and Selection Criteria

Design-Build Team Experience, Capabilities, and Requirements

In an effort to select the most qualified Firm/Firms, responders to the RFQ should submit qualifications based on completing the entire project.

RFQ: Design-Build of Sturgeon Creek Park Boardwalk and Boat Dock

Responders to the RFQ should identify their Team's experience with public or privately bid marine construction design-build projects, and specifically describe those projects that best characterize the proposers' capabilities, including work quality and cost control measures, specifically on projects of similar scope and size. These projects must have included the completion of construction drawings, technical specifications, and construction estimates that led to a completely constructed project currently in operation. Successfully completed public sector projects using the Design-Build construction delivery method is preferred.

At a minimum, successful submittals shall demonstrate experience and technical competence with the following capabilities:

1. Responsively and successfully designing coastal wetland boardwalks and boat dock facilities.
2. Demonstrated history of successful collaboration constructing complex facilities utilizing a Design-Build methodology.
3. Obtaining permits through applicable federal, state, county, or local permitting processes and/or Inspections/Building Permit Departments.
4. Incorporating environmentally responsible building practices.
5. Effectively providing contract and construction administration services utilizing effective Team communication and working methods.

In selecting the Design-Builder, the Town will take into consideration qualification information expressed by the Design-Builder in a submission that includes the following requirements:

1. Profile of each key firm on the Team (design-builder, contractor(s), designer(s), etc.). Include the firm history, ownership, description of services, location, staff size, and record of successfully completed projects without major legal or technical problems.
2. Resume of each key personnel represented on the Team (design-builder, contractor(s), designer(s), etc.). Identify licenses, with numbers, and qualifications.
3. Examples of experience in each of these areas:
 - a. Projects with scope similar to the proposed project, successfully completed by Team members (firms and/or personnel).
 - b. Design-Build projects successfully completed by Team members (firms and/or personnel), collectively and individually.
 - c. Collaboration between Team members (firms and/or personnel).
4. Examples of recent experiences with estimating project cost. Include examples of design-build projects with comparisons between the initial design-build estimate and the final cost.
5. Examples of recent experiences with adhering to project schedules. Include examples of design-build projects with comparisons between the initial schedule and the final delivery date.
6. Understanding of the Project location as exhibited by past experience in the geographic area and/or with the client. Indicate the Team's proximity to the project area.
7. Quantifiable description of current workload and available resources to successfully complete this Project.
8. Description, with examples if applicable, of the process for successfully delivering this proposed Project. Address each phase of the Project, including design, pre-construction, construction, and post-construction. Include the strategy for pre-qualifying construction subcontractors and

RFQ: Design-Build of Sturgeon Creek Park Boardwalk and Dock

obtaining competitive bidding, practices and procedures to ensure quality, and other factors that may be applicable.

9. Scope of work to be completed by the Team, specifically if submitting on both components of the project or one specific component of the project.
10. Certifications:
 - a. A letter, dated within the last 30 days, from your surety company, signed by their Attorney in Fact, verifying their willingness to issue sufficient payment and performance bonds for this Project, on behalf of your Firm or its agent licensed to do business in North Carolina, and verifying your company's capability and capacity, based on your current value of work. Surety company bond rating shall be rated "A" or better under the A.M. Best Rating System or The Federal Treasury List.
 - b. HUB Participation: Describe the program (plan) your company has developed to encourage participation by HUB firms to meet or exceed the goals set by North Carolina General Statute 143-128.2. Please explain how the Firm will address minority participation in the management levels of the Company. Include a HUB plan in the proposal. If available, provide documentation of HUB participation that the Firm achieved over the past three (3) years on both public and private construction projects.
 - c. Written certification by the Design-Builder that each licensed design professional included as part of the Team was selected based solely on qualifications, without regard to fee. Include evidence that a qualifications-based selection (QBS) process was utilized.

Additional information as requested by the Town or as deemed appropriate by the Design-Builder.

Design-Build Team Minimum Qualifications

Firms must meet the criteria stated below, otherwise they will be automatically disqualified.

1. Firm's "Builder" MUST have all applicable licenses required to complete construction of project. A copy of all applicable licenses is to be included with the submission.
2. The Lead Design-Build firm MUST have bonding capacity to provide Labor and Material Payment and Performance bonds with coverage each equal to the total cost of the Project.
3. The Lead Design-Build firm MUST be able to get a Builder's Risk Insurance Policy for this project with coverage equal to the total cost of the Project.
4. The Lead Design-Build firm MUST agree to keep and maintain insurance for the duration of this Agreement including, but not limited to, commercial general liability, automobile liability, workers' compensation, employer's liability, professional liability, and umbrella coverage with at least the minimum limits shown below. The Contractor shall furnish the Town with certificates of insurance for each type of insurance described herein. The Town reserves the right to negotiate different limits and coverage in the final contract.

Commercial General Liability: \$2,000,000 per Occurrence

Commercial Auto Liability: \$1,000,000 Combined Single Limit

Excess (Umbrella) Liability: \$1,000,000

RFQ: Design-Build of Sturgeon Creek Park Boardwalk and Dock

Workers' Compensation:	Statutory
Employer's Liability:	\$1,000,000 Each accident/Total disease/Employee disease
Professional Liability:	\$1,000,000 per Occurrence

Professional Liability (Errors & Omissions) coverage for Architect of Record and Engineer(s) of Record shall provide coverage not less than \$1 million per claim. The Town reserves the right to negotiate different limits and coverage in the final contract.

All insurance companies must be authorized to do business in North Carolina with a Best rating A-VIII or higher. The Town shall be named and endorsed as an additional insured on Lead Design-Build firm's commercial general liability and excess liability insurance policies.

NOTE: In order to be deemed eligible for evaluation, the submitting Lead Design-Build Firm must include the signed Declaration Statement, included in this RFQ, attesting to the above requirements and coverages in its submittal.

Statement of Qualifications (SOQ) Evaluation Criteria and Scoring (100 Total Points)

Submitting Design-Build Teams' responses to this RFQ will be evaluated and ranked by an RFQ Evaluation Team comprised of Town of Leland employees appointed to assess submitted qualifications. Each submitter will be evaluated based on their SOQ score (100 points maximum) as determined through the qualification review process and criteria noted in this section.

Design-Build Team Experience and Qualifications - 30 Points

Points for this criterion will be awarded based on an evaluation of the qualifications and experience of the proposed lead Design-Builder and Design-Builder's General Contractor/Builder, if a different entity. Evaluation criteria will focus on the submittals' clear identification of each proposed Firm/Company, the expertise each will bring to the Design-Build process, their track record with 'on-time and on budget' projects, and achieving acceptable levels of quality, any current, pending, or past project legal matters or litigation, and submitting Firm/Company safety records and professional reputation credentials.

Proposed Design & Engineering Professionals' Experience and Qualifications - 25 Points

Evaluation points for this criterion will be awarded based on the qualifications, experience, and demonstrated availability of the proposed Project personnel. Responses should have identified each key individual, their experience with the overall Design-Build process, including specific experience with the Team's lead General Contractor, as well as experience with similar projects. Also, of importance are individuals' litigation and/or arbitration records and the design/engineering Professionals'/Firms' reputation, references, and referrals. Submittals should also include a listing of the Firms other proposed personnel that have worked along with the specific project phases, tasks, and activities they are expected to contribute to this project.

Project Understanding and Approach - 20 Points

This criterion will award points for the Firm's/Team's understanding of the goals and objectives for the Project and their proposed methodology for meeting those goals and objectives.

RFQ: Design-Build of Sturgeon Creek Park Boardwalk and Dock Page 118 of 100

Firms/Teams must have provided a comprehensive narrative statement illustrating their clear and concise understanding of the requirements of the Project, potential issues (and proposed solutions), and a preliminary overall Project schedule.

The Team should also have clearly addressed their approach to dealing with key tasks, activities, and issues, including the permitting process, required to complete each project phase, including deliverables, proposed construction schedule, and Project coordination issues. The Town welcomes any innovative design and construction ideas that the Team may provide.

Statement of WHY the Design-Build Team Should Be Selected- 10 points

Points for this criterion will be awarded based on an evaluation of the Design-Builder's statement indicating why they should be selected, which should illustrate specific professional capacities or unique qualifications relating to this Project that differentiates the Design-Builder from other qualified submitters.

Deliverable Quality, Project Schedule, and Safety Controls - 10 Points

Points for this criterion will be awarded based on the Firm's/Team's proposed approach to the Project controls, including milestone scheduling, quality control and management for deliverables and the design and construction processes, and submitted cost budgets and safety plans.

SOQ Quality and Responsiveness – 5 Points

Points for this criterion will be awarded based on the extent to which the RFQ instructions were followed and qualities including accuracy, responsiveness, organization, clarity, and completeness of the submitted Statement of Qualifications. Respondents are encouraged to prepare high quality documents that make it clear to the Evaluation Team what value their Firm/Team/Products have to offer the Town.

Clarifying Qualifications During Evaluation

During the evaluation process, the Town has the right to require any clarification it needs in order to understand the Firm/Team's view and approach to the Project and scope of work. Any clarifications to the Qualification made before executing the contract will become part of the final Firm/Team contract.

Short List Ranking

After evaluating the responses to this RFQ, the Town will rank the respondents based on the above criteria, and Short-Listed Teams may be asked to interview to help determine final ranking. If the Town determines that fewer than three Firms are qualified, it will re-advertise the RFQ pursuant to Section 143-128.1A(d) of the North Carolina General Statutes.

Interviews of Short-Listed Firms/Teams

Prior to ranking Firms/Teams for final selection, the Town may elect to interview one or more teams. The purpose of this interview will be to meet the proposed Project Team, if applicable, become familiar with key personnel and/or with the selection strategy proposed by the submitter and to understand the Firm/Team's project approach and ability to meet the stated objectives for the Project. Short-listed Firms/Teams should be prepared to discuss, with specificity, their capacity to conduct this work in

RFQ: Design-Build of Sturgeon Creek Park Boardwalk and Dock

compliance with the Project timeframe, budget, and good-faith obligations. If interviews are conducted, the Town will notify each short-listed Firm to schedule individual times for the interviews.

Design-Build Firm/Team Final Selection

After making a final Design-Build Firm/Team selection and taking into consideration quality, performance, and the time specified in the Qualifications for Performance of the contract [G.S. 143-129(b)], the Town will begin contract negotiations with the selected responsible, responsive Firm/Team. If successful, the Firm/Team and Town will enter into a professional services contract for the work. The Town's selection of a Design-Build Firm/Team does not guarantee a contract will be consummated. Any contract for this project is expressly conditioned on the Town's ability to successfully negotiate the contract's terms as determined by the Town in the Town's sole discretion.

All respondents are considered fully informed as to the intentions of the Town regarding the timeframe to prepare and complete contract negotiations. Respondents should be prepared to provide a detailed, written Proposal to include the scope of work, staffing plans, action plan, CPM schedule, and fee proposal during negotiations.

The Town may withdraw this RFQ, reject qualifications, or any portion thereof, at any time prior to an award, and is not required to furnish a statement of reason why a particular qualification was not deemed to be the most advantageous to the Town.

E-Verify Compliance

The Design-Build contract will require that the Design-Build Team and its subcontractors comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes consistent with state law requirements for municipal contracts.

Section IV: Qualifications Submittal Requirements and Format

Physical Submittal: Department Contact, Deadline for Receipt, Format

Respondents must submit one (1) copy of their written Qualification in a sealed package, including one PDF digital format, to Will Lear, Project Manager, by the submission deadline noted in this RFQ. The name and address of the respondent should appear on the outside of the submittal and the package should include the RFQ title and reference the project ("RFQ for Sturgeon Creek Boardwalk and Dock"). Each submittal will remain sealed and not for public disclosure until after the submittal deadline. PDF copy should be emailed to wlear@townofleland.com.

1. Each submittal copy shall be identical in content. Responses should be concise, clear, and relevant. Submitter's cost incurred in responding to this RFQ is the submitter's alone and the Town does not accept liability for any such costs. The Town will not and shall not be required to return any item submitted.

RFQ: Design-Build of Sturgeon Creek Park Boardwalk and Dock

Statement of Qualifications Provisions

Pursuant to N. C. Gen. Stat. § 143-128.1A.(c)(8)(a), each design-builder shall submit in its response to the request for qualifications an explanation of its project team selection, which shall consist of either of the following:

- a. A list of the licensed contractors, licensed subcontractors, and licensed design professionals whom the design-builder proposes to use for the project's design and construction.
- b. An outline of the strategy the design-builder plans to use for open contractor and subcontractor selection based upon the provisions of Article 8 of Chapter 143 of the General Statutes.

The Town intends to limit the cost that submitters incur to respond to this solicitation, therefore, submitters are encouraged to be brief and succinct. Submission should be held to a maximum of twenty-five (25) pages in length, including cover. Thick volumes of background and general marketing material are not desired. Instead, submitters should highlight their responsiveness to the evaluation criteria. If multiple Firms are proposed as one Team, each component Firm should describe its own relevant qualifications within the same submittal.

Qualifications must confirm the Firm/Team will comply with all the provisions of this RFQ. RFQs must be signed by a Company Officer empowered to bind the Company. A Firm/Teams failure to include the requested items in their RFQ may cause their RFQ to be determined to be non-responsive and the RFQ may be rejected.

Minimum Number of Responses

In order to consider submittals, the Town must receive at least three (3) responses to the RFQ. If the Town receives fewer than three (3) responses, it will re-advertise the RFQ in accordance with General Statute requirements. After the second solicitation, the Town may consider submittals even if three (3) are not received and will follow the same procedures used for the initial solicitation.

It is the sincere intention of the Town to make every effort to be fair and equitable in its dealings with all candidates for selection. If, however, the Town should determine that none of the Design-Build Teams submitting are advantageous to the Town of Leland, the Town reserves the right to accept or reject any or all Statement(s) of Qualifications with or without cause. Issuance of this RFQ does not commit the Town of Leland to award a contract, to pay any costs incurred in preparation of a proposal, or to procure or contract for related services or supplies.

RFQ: Design-Build of Sturgeon Creek Park Boardwalk and Deck

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DESIGN-BUILD TEAM DECLARATION STATEMENT

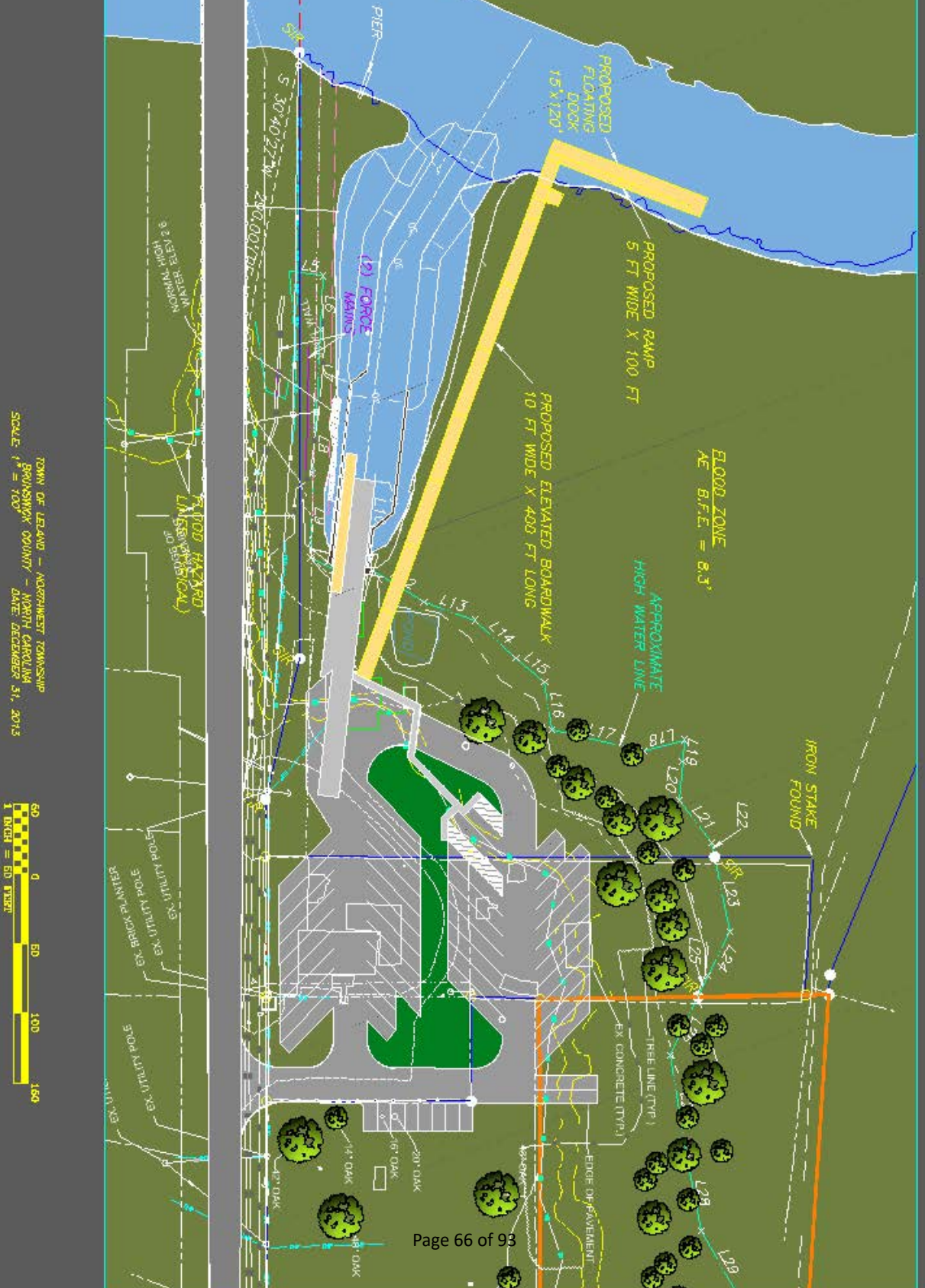
(Include a signed copy of this form in the submitted Statement of Qualifications)

1. We (the submitting Design-Build entity) certify that each licensed Design-Build Team member, including design professionals and sub-consultants included in this submittal, was selected based upon demonstrated competence and qualifications in the manner provided in the State of North Carolina's General Statute on procurement of construction services (G.S. 143-64.31).
2. We certify that our Design-Build entity's "Designer(s) of Record" have current North Carolina license(s) as appropriate for their portion of the designwork.
3. We certify that our Firm/Company will have and maintain liability insurance coverage for a total of \$2 million/occurrence and \$1 million/general aggregate for commercial general liability, not less than \$1 million per claim for commercial business automobile liability, and any other insurance requirements as specified in RFQ.
4. We certify that we will have coverage for professional liability and errors and omissions by all Designer(s) of Record/Design Professionals of not less than \$1 million per claim.
5. We certify that our Firm has sufficient bonding capacity to provide Labor and Material Payment and Performance bonds with coverage of each equal to the total cost of the Project.
6. We certify that our Firm can and will obtain a Builder's Risk Insurance Policy for this Project with coverage equal to the total cost of the Project.
7. We certify that our Firm/Company/Personnel have/has no potential or actual conflict of interest to report and that no relationships, transactions, circumstances, or positions held are believed to contribute to any such conflict of interest.
8. I hereby certify the information set forth in this declaration is true and complete to the best of my knowledge.

(Authorized Signature, Title, Design-Build Entity Name, and Date)

By signature on this Declaration, responders certify they comply with:

- a) The laws of the State of North Carolina, the applicable portion of the Federal Civil Rights Act of 1964, the Equal Employment Opportunity Act, the Americans with Disabilities Act of 1990, and the regulations issued thereunder by the federal government.
- b) All terms and conditions set forth in this RFQ.
- c) A condition that the Qualification submitted was independently arrived at, without collusion, under penalty of perjury.
- d) That their bids, if applicable, will remain open and valid for at least **90 days**.



Town of Leland
Sturgeon Creek Boardwalk and Dock Design Build RFQ
Addendum 1- Questions and Answers
05/06/2026

Is the use of 11" x 17" paper permitted for select pages, such as the project schedule or project exhibit pages? **Everything should be submitted on 8.5x11 paper**

Do tabbed dividers and/or a table of contents count toward the 25-page maximum? **Front/Back Covers, Table of Contents, and declaration statement do not count, all other pages including dividers will count.**

Will the signed Declaration Statement and any other required forms or certifications be excluded from or included in the 25-page count? **see answers above**

Can full resumes be included in an appendix and excluded from the 25-page limit? **see answer above**

Notifying Selected Design-Build Firm and contract negotiations state that they will start on May 25th, which happens to be Memorial Day, will this date be pushed? **That's just the start of the date range for those tasks, more than likely notifications will be sent out mid-week.**

Do we send the electronic pdf version of the SOQ with the hard copy that is to be delivered, send it via email, or both? **Email response will be fine for the electronic version. Hard copy should be delivered to Town Hall at address show in advertisement. If you wish to provide the electronic copy via thumb drive in same packet as the hard copy, then that will be fine too.**

Has any preliminary permitting been started? **No permitting has started**

Do you require a bonding capacity letter dated within the last 30 days to be submitted or is that requirement covered by signing the Declaration Statement? **Bonding capacity letter is not required with the response.**

Regarding the adjacent NCWRC Boat Ramp Project:

1. Is there a tentative construction schedule for that scope of work? If so, can it be shared to see what effect it may have on the boardwalk/floating dock construction? **At this time, we do not have a construction schedule as it is dependent on when NC Wildlife is able to begin. Best case is that it would sync up with the boardwalk project, however there is a change that the boat ramp would come after.**
2. Will the design of the boat ramp be provided prior to contract negotiations? **We have a set of prelim design plans that can be shared before contract negotiations, however they are not finalized and could be subject to change based on NC Wildlife's needs/wants.**

3. Will the survey data for the public boat ramp area be provided prior to contract negotiations? I can request survey data from NC Wildlife, but I can't guarantee that it will be provided prior to contract negotiations. I would plan on having to complete a survey independent of the boat ramp project, just in case there is a delay with that project or if the survey doesn't cover the area where the boardwalk will be located.

Does the D-B Entity have to be formed or can be separate companies that enter into contract together (2 companies - designer + contractor) with the Town. Just trying to understand the statute. This would be a first for us. We would have the contract with the prime "Design Builder" and then they would subcontract all other items such as architectural, civil, GC, PME, or any other necessary parties.

When or What is the status of Phase 1 - NC WRC Ramp? The other dock extension is hard to understand along the ramp in yellow in the Exhibit. WRC is still in the design phase of the ramp/parking lot project which is immediately adjacent to the boardwalk and dock. I don't have a timeframe on that yet, but our hope is that the two projects could run simultaneously with each other. There is a strong likelihood however that the ramp would be constructed after the boardwalk and dock. It all depends on WRC's schedule.

The insurance documents are provided after SOQ correct? Hence, the reason for the Declaration Statement, which is signed with this SOQ, correct? Insurance docs would need to be provided prior to going to contract, but are not required to be submitted with the RFQ response.

The RFQ references an adjacent project that includes a boat ramp, parking lot, and concrete sidewalk connection, and notes that this work may be under construction simultaneously with the boardwalk and dock. Can the Town provide the anticipated schedule for the adjacent project, and specifically when the concrete sidewalk connection is expected to be in place? Understanding the relationship between the two projects will be important in developing a realistic construction schedule and site coordination plan. We do not currently have a timeline on the construction of the adjacent project as we are awaiting feedback from NC WRC. Ideally, the two projects could be running simultaneously, however there is a possibility that the boat ramp project would come after the boardwalk/dock project is completed. More conversations/clarifications should be expected as we go to contract and progress through design.

Has the Town or WRC obtained any permits for the boat ramp and parking lot project, including but not limited to a CAMA Major Permit, USACE Section 404/10 Permit, Stormwater Permit, or Erosion Control Permit? If so, did any of those permit applications include the boardwalk and floating dock that are the subject of this RFQ? No permits have been obtained at this point for either project.

Are any design drawings or construction plans for the adjacent boat ramp and parking lot project available for the Design-Build Teams to review? Access to those plans would help respondents better understand the site conditions and interface points between the two projects. We have prelim plans for the boatramp/parking lot project, however we are awaiting further guidance

from NCWRC. A copy of the prelim plans will be provided after the RFQ selection in order to better work through the design build contract processes.

The RFQ states that submissions should be held to a maximum of 25 pages in length, including cover. Does this page limit apply to required attachments such as the surety letter, license copies, HUB participation plan, and the Declaration Statement, or are those considered separate from the 25-page narrative submission? **Front/Back Cover, Declaration Statement, and Table of contents do not count towards 25 pg limit, however all other pages will count.**

Intercoastal Marine, LLC
6101 Diamond Shamrock Road
Castle Hayne, NC 28429
NC License #74488

Town of Leland
Will Lear, Project Manager
102 Town Hall Drive
Leland, NC 28451

“RFQ for Sturgeon Creek Boardwalk and Dock”
BOD: May 13, 2026 1:00 pm



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TELEPHONE: (910)675-9791
FAX: (910)675-9796

Intercoastal Marine, LLC

NC GC License #74488
SC GC License #G118963

6101 Diamond Shamrock Road
Castle Hayne, NC 28429
An Equal Opportunity Employer

May 13, 2026

Will Lear, Project Manager
102 Town Hall Drive
Leland, NC 28451
Via email: wlear@townofleland.com

Re: Design-Build for Sturgeon Creek Park Boardwalk and Dock – Letter of Interest

Dear Will,

Good day. I am Bill Howell with Intercoastal Marine, LLC. We are located at 6101 Diamond Shamrock Rd, Castle Hayne, NC. I will be the contact for this proposal/project as needed. I can be reached by email at bill@imofnc.com or by phone at 910-619-8063.

Intercoastal Marine, LLC is a subsidiary of Smith-Rowe, LLC and have been in business for 13 years under this name, but close to 30 years as a business under other names prior to our acquisition by Smith-Rowe, LLC in 2013. We feel that, after reviewing the project documents, our team would be a great, well-versed fit for this project. The tasks would be performed by our own crews, always keeping safety and the environment in mind.

Sincerely,

A handwritten signature in dark ink that reads "Charles W. Howell". The signature is written in a cursive, slightly stylized font.

Charles William Howell
Intercoastal Marine, LLC

BH/dkc



TELEPHONE: (910)675-9791
FAX: (910)675-9796

Intercoastal Marine, LLC

NC GC License #74488
SC GC License #G118963

6101 Diamond Shamrock Road
Castle Hayne, NC 28429
An Equal Opportunity Employer

Design-Build for Sturgeon Creek Park Boardwalk and Dock – Statement of Qualifications

Here at Intercoastal Marine, LLC, we believe we have become the “go to” marine contractor by taking pride in our projects from start to finish. We feel that our attention to detail, work ethic and accountability speaks for itself to our customers and clients. With that said, thank you for the opportunity to submit on your project. Please review the following Statement of Qualifications for the Design-Build for Sturgeon Creek Park Boardwalk and Dock project.

We understand that this project will consist of the design, permitting, materials and construction of an ADA compliant 10 foot wide timber boardwalk a minimum of 400 linear feet to tie into a concrete sidewalk. Also included will be the design, permitting, materials and construction of an ADA compliant floating dock 15feet wide by 120 feet long which will support the mooring of personal boats and watercraft as an ancillary amenity to the future Sturgeon Creek WRC Boat Dock. With this project being located at 158 S. Navassa Rd., Leland, NC, it is in our backyard, being only about a 20-minute drive from our office. This would allow for close supervision and a quick response to any field situations that may arise.

Previous projects completed similar to this one are listed below with details:

- New Hanover Co. River Road Park Pier Replacement – Reconstruction of an existing pedestrian pier, approximately 350’ which was damaged during hurricane Isaias in 2020.
Demolition, install timber pile, framing, decking, handrails.
Owner: New Hanover County Park and Recreation.
Contact: Andy Johnson 910-798-7565
Engineer: Andrew Consulting Engineers - Neal Andrew 910-202-5555
Completed: Aug. 2022
Contract Amount: \$749,121.77
- Carolina Beach State Park – Construction of an Elevated Timber Observation Platform. Installation of timber pile, framing, concrete stoops, handrails, and decking.
Owner: NC Dept. of Natural & Cultural Resources Parks and Recreation.
Local Contact: Crystal Lloyd 910-619-7358
Engineer: Andrew Consulting Engineers – Kevin Taylor 910-336-9226
Completed: January 2025
Contract Amount: \$119,998.43

- Surfside Beach Fishing Pier Reconstruction VE Design/Build – Partial demolition of existing pier, concrete pile driving for new podium. Installation of temporary crane work trestle to construct new 750' ocean fishing pier. Steel pipe pile, concrete corded slabs, concrete handrail post with composite decking.
 Owner: Town of Surfside Beach, SC Subcontract 20-C-832 for Consensus Construction
 Engineer: Collin Engineers Inc. – Zan Peterson, Project Engineer 980-241-5683
 VE Design/Build Engineer: ICE of Carolinas, PLLC – Peter Graf, Design Engineer 984-255-0410
 Completed: 2024
 Contract Amount: \$7,698,810.96
- North Waterfront Park, Wilmington NC – Installation of timber boardwalk and wooden bulkhead. Driving pile, stringers, headers, caps, curbing, handrails, and decking.
 Owner: City of Wilmington, NC
 Prime Contractor: Clancey & Theys Construction Co.
 Local Contact: David Gadalla 910-392-5220
 Engineer: Andrew Consulting Engineers – Neal Andrew 910-202-5555
 Completed: Feb. 2020
 Contact Amount: \$413,633.00



TELEPHONE: (910)675-9791
FAX: (910)675-9796

Intercoastal Marine, LLC

NC GC License #74488
SC GC License #G118963

6101 Diamond Shamrock Road
Castle Hayne, NC 28429
An Equal Opportunity Employer

May 13, 2026

Will Lear, Project Manager
102 Town Hall Drive
Leland, NC 28451
Via email: wlear@townofleland.com

Re: Design-Build for Sturgeon Creek Park Boardwalk and Dock – Description of Experience and Approach

Dear Will,

Intercoastal Marine, LLC has included (attached) an organizational chart for employees out of the Castle Hayne office. This chart includes employees that could be involved with this project. If awarded this project we have the work forces readily available to complete the task as outlined in the bid documents. Our North Carolina General Contractor License has been included in this package as well as a sample COI, Mod rating, and bonding capacity.

We feel that our team is a great fit for this project, based on the past experience of our crews and working relationship with the designer. We understand the aspects of this project. For the boardwalk portion of this project, we would take the top down and/or matting equipment along the footprint approach. For the floating dock portion, we would utilize one of our crane barges in Sturgeon Creek for the pile, dock, and ramp installation.

The design team, Stature Engineering, in addition to providing the structural and utility design, will also be coordinating and obtaining permitting for this project. They have extensive experience obtaining permitting for many projects and a good working relationship with the governing bodies.

Sincerely,

Charles William Howell
Intercoastal Marine, LLC

BH/dkc

INTERCOASTAL MARINE, LLC

ORGANIZATIONAL CHART

Locke Rowe – 21 yrs. Owner

Bill Howell - 20 yrs. Division Manager

Alan Ray - 35 yrs. Foreman
Jeff Cooper – 29 yrs.
Bobby Kuuse – 34 yrs. Foreman

Eli Melton – 17 yrs. Foreman
Douglas Rodriguez – 8 yrs.
Pedro Rodriguez – 12 yrs.

Vincent Takacs – 2 yr.
Anthony Martinez – 7 yrs.
Christian Cano – 4 yrs.

Mark Kessler – 32 yrs. Foreman
Isreal Hunt – 15 yrs.
Chris Graham – 13 yrs.
Hunter Ingram – 2 yr.

Cray Hutton – 13 yrs. Foreman
Rodney Cobia – 12 yrs.
Nate Green – 28 yrs. Foreman
Jose Felix – 3 yrs.

James Pennel – 23 yrs. Dive Foreman
Harley Callahan – 4 yrs.
Dawton Callahan – 5 yrs.

Kay Creasey - 18 yrs. Office

Scott Winter – 6 yrs. Mechanic
Robert Duncan – 2 yr. Trucking
Larry Rivenbark – 2 yr. Trucking

Ben Chontos – 6 yrs. Estimator

Certifications include: CCO Crane Certification, CDL License, First Aid & CPR, Erosion Control, Flagging, TWIC,
NCDOT Welding, Rigging, Confined Space, Fall Protection, Aerial Lift, Forklift & Manlift
USACE Construction Quality Management for Contractors, OSHA 30-hr. Construction Safety & Health

Expiration Date

2026

Licenses No.

74488

North Carolina

Licensing Board for General Contractors

This is to Certify That:

Intercoastal Marine, LLC

Mount Airy, NC

is duly registered and entitled to practice

General Contracting

Limitation: Unlimited

Classification: Unclassified

until

December 31, 2026

when this Certificate expires.

Witness our hands and seal of the Board.

Raleigh, N.C.

01/01/2026

This certificate may not be altered.



Chairman

Secretary-Treasurer



TELEPHONE: (910)675-9791
FAX: (910)675-9796

Intercoastal Marine, LLC

NC GC License #74488
SC GC License #G118963

6101 Diamond Shamrock Road
Castle Hayne, NC 28429
An Equal Opportunity Employer

November 1, 2019

At a meeting held on October 31, 2019, at the home office of Intercoastal Marine, the Board of Directors conferred on Charles William Howell the office and title of Division Manager and as such he is authorized to sign construction proposals and contracts for the company.

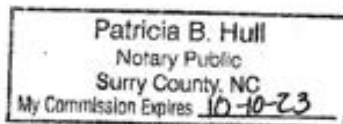
David L. Rowe
Director

D. Locke Rowe
Director

Subscribed and sworn to before me this 1 day of November 2019.

Notary Public

My commission expires: 10-10-23



Construction Services Group



May 12, 2026

Town of Leland, NC
Leland, NC

RE: Intercoastal Marine, LLC
Project: Sturgeon Cree Park Boardwalk and Dock

Dear Sir or Madam:

It is our pleasure to inform you that Intercoastal Marine, LLC, is a highly regarded and valued client of ours. Furthermore, we are currently prepared to make any necessary surety bonding arrangements in connection with this project.

We have issued bonds on their behalf since 1985, in excess of \$100,000,000 and have an aggregate program of \$300,000,000 with sufficient capacity still in place for this project.

Please be advised that all requests for Bid, Performance and Payment Bonds are subject to the mutual review and acceptance of the terms and conditions of the construction contract agreement and satisfactory confirmation of the financing for any project along with a customary underwriting review at the time of the request of any Bonds. We assume no liability to you or to any third parties if for any reason we do not issue any specific Bond on any present or future project.

Travelers Casualty and Surety Company of America currently has an AM Best rating of A++, Superior and a Financial Size Category of XV, \$2 Billion or greater.

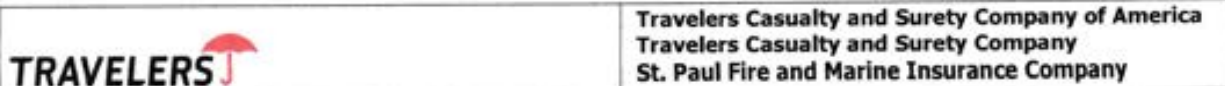
In summary, we believe that Intercoastal Marine, LLC is a most capable and well experienced firm and strongly recommend that you consider their services. Please feel free to contact me or our office for any additional assurances or information that we may be able to provide to you in regard to our fine relationship with them.

Sincerely,

A handwritten signature in black ink that reads "Donna K. Ashley".

Donna K. Ashley
Attorney-In-Fact





POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint **DONNA K ASHLEY** of **CHARLOTTE, North Carolina**, their true and lawful Attorney(s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this **21st** day of **April**, 2021.



State of Connecticut

City of Hartford ss.

By: 
Robert L. Raney, Senior Vice President

On this the **21st** day of **April**, 2021, before me personally appeared **Robert L. Raney**, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the **30th** day of **June**, 2026




Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, **Kevin E. Hughes**, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this **12** day of **May**, 2026




Kevin E. Hughes, Assistant Secretary

To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.
Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/12/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER MP Specialty Insurance 1179 Sunset Blvd West Columbia SC 29169		CONTACT NAME: Kathryn Thompson PHONE (A/C, No, Ext): 803-936-1601 FAX (A/C, No): 803-936-1366 E-MAIL: kthompson@mpspecialty.com ADDRESS:	
INSURED Intercoastal Marine, LLC 6101 Diamond Shamrock Road Castle Hayne NC 28429		INSURER(S) AFFORDING COVERAGE	
INSURER A: Travelers Property and Casualty Co. of America		NAIC # 25674	
INSURER B: Hartford Fire Insurance Company		NAIC # 19882	
INSURER C: ENDURANCE AMER SPECIALTY INS CO		NAIC # 41718	
INSURER D: NAVIGATORS SPECIALTY INS CO		NAIC # 36056	
INSURER E: Amerisafe (Included American Interstate)		NAIC # 31895	
INSURER F: WQIS-XL SPECIALTY INS CO		NAIC # 37885	

COVERAGES **CERTIFICATE NUMBER:** 1653833059 **REVISION NUMBER:** V1

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADOL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR ☒ PISC GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC ☒ OTHER: EBL Ded 2,500	Y	ZOL-51N50540-26-ND	1/1/2026	1/1/2027	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Per occurrence) \$100,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 Deductible-BOPD \$5,000
B	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY ☒ HS NO INS	Y	83UENOD1127	1/1/2026	1/1/2027	COMBINED SINGLE LIMIT (Per occurrence) \$5,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Deductible \$0
C	☒ UMBRELLA LIAB ☒ OCCUR ☒ EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☒ RETENTION \$ 25,000	Y	OMX10009055411 NY26LIA15682201	1/1/2026 1/1/2026	1/1/2027 1/1/2027	EACH OCCURRENCE \$2,500,000 AGGREGATE \$2,500,000 EA Total Aggregate \$5,000,000
E	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y	AVWCNC3435832026	1/1/2026	1/1/2027	PER STATUTE ☐ OTH-ER ☐ Maritime/USL&H E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
F	Vessel Pollution Liability CERCLA/OPA Cov C&H Per ops-SIR \$25K		59-81096	1/1/2026	1/1/2027	Per Vessel Defense 5,000,000 Fines/Permits/Penalty 1,000,000 -C U.S. Criminal Defense 100,000 H

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 RE: Sturgeon Creek Boardwalk and Dock

Blanket Additional Insureds Required By Contract - Additional Insureds, if required by contract: Marine Commercial Liability Blanket Additional Insured Endorsement CGD246; MGL Primary and Non-Contributory CGT1000 Pg 17 of 23; MGL Waiver of Subrogation CG24; Deductible Liability Insurance CGD305; 30 Day Designated Person or Organizations-Notice of Cancellation, Nonrenewal or Material Limitation of Coverage Provided By Us; ILT3540519; Protection & Indemnity Hull Collision and for Hull Collision & Towers Combined Single Limit Coverage Endorsement OM Commercial Auto Broad Form Endorsement HA9916 (03/12); Auto Blanket Additional Insured if Required by Contract HA99160312 pg 1 of 5; Blanket Auto Waiver of Subrogation HA99160312 pg 4-5 of 5; Workers Compensation Blanket Waiver of Our Right to Recover From Others C99013A; Bumbershoot Additional Assured/Waiver of See Attached...

CERTIFICATE HOLDER Town of Leland, NC 102 Town Hall Drive Leland NC 28451	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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ACORD 25 (2016/03)

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THIS CERTIFICATE SUPERSEDES PREVIOUSLY ISSUED CERTIFICATE

AGENCY CUSTOMER ID: INTEMAR-01

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LOC #: _____

**ADDITIONAL REMARKS SCHEDULE**Page 1 of 1

AGENCY MP Specialty Insurance		NAMED INSURED Intercoastal Marine, LLC 6101 Diamond Shamrock Road Castle Hayne NC 28429	
POLICY NUMBER			
CARRIER	NAIC CODE	EFFECTIVE DATE:	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM.

FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Subrogation/30 Day Notice of Cancellation, Contractor's Environmental Liability ICM Additional Named Insured-PIC-EVCN-500 (02/21); Additional Insured Schedule of Vessels-Protection and Indemnity-OM PI0114 (10/13); Additional Assureds/Waiver of Subrogation-OMOH05 (07/05); Protection and Indemnity(SP-23) OMP10001 (01/56)

05/12/2026



Mod Information

INTERCOASTAL MARINE LLC				Risk ID: 917367434	
Mod Factor: 0.53	Rating Effective Date: 01/01/2026			Production Date: 08/13/2025	
Status: Final	ARAP: 1.00	FLARAP: N/A	MAARAP: N/A	SARAP: N/A	

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January 30, 2026

Intercoastal Marine, LLC
639 Old US 52 South
Mt. Airy, NC 27030

RE: Experience Modification Rate (EMR) History

To Whom It May Concern,

Please accept this correspondence as confirmation of the NCCI/NCRB EMR history for Intercoastal Marine, LLC for the current and preceding five (5) years:

<u>Rating Effective Period</u>	<u>EMR</u>
1/1/2026 – 2027	.53
1/1/2025 – 2026	.70
1/1/2024 – 2025	.79
1/1/2023 – 2024	.78
1/1/2022 – 2023	.69
1/1/2021 – 2022	.67

Please feel free to contact me directly with any questions or if additional information is required.

Kindest Regards,

A handwritten signature in blue ink, appearing to read 'Matthew Posey', is written over a light blue horizontal line.

Matthew Posey



TELEPHONE: (910)675-9791
FAX: (910)675-9796

Intercoastal Marine, LLC

NC GC License #74488
SC GC License #G118963

6101 Diamond Shamrock Road
Castle Hayne, NC 28429
An Equal Opportunity Employer

Design-Build for Sturgeon Creek Park Boardwalk and Dock – Project Timeline

Intercoastal Marine, LLC will be acting as the GC for this project and Stature Engineering would be the lead engineering firm. Our team believes this combination will give us a strong advantage, as we have worked together on multiple similar projects in the past. Please see the attached project breakdown from Stature Engineering.

If selected for this project, our team feels that the following would be an approximate layout of the project schedule:

- | | |
|------------------------------|---------------------|
| • Notice To Proceed | July 1, 2026 |
| • Design, Permits, Approvals | February 2027 |
| • Material Procurement | May 2027 |
| • Construction Period | May – December 2027 |



Practical Engineering Solutions Through Technical Expertise

Page 82 of 90

Stature Engineering specializes in historic restoration, marine and structural engineering, and general construction management in both the private and public sectors.

MARINE PROJECT EXPERIENCE



OCEAN PIER PROJECTS

Crystal Pier, Wrightsville Beach*

Yaupon Pier* & Pier House, Oak Island (left)

Ocean Crest Pier, Oak Island

Carolina Beach Pier, Carolina Beach

Bogue Banks Pier, Emerald Island

Cherry Grove Pier Consult, North Myrtle Beach, SC

PIER PROJECTS

Fishing Pier, Caswell Beach*

Eagles Island Rowing Club Pier, Leland

Fire Pier, Wrightsville Beach*

Conlan Pier, Wilmington*

Southeast Harbor HOA

Pier Replacement, Wilmington

100 Ton Travel Lift Pier, Morehead City

620 Ton Travel Lift Pier, Morehead City

Johns Creek Pier Eval, Wilmington, NC (right)



MARINE PROJECTS

Carolina Beach State Park Marina and

Fuel Pier Replacement, Carolina Beach*

Convention Center Bulkhead, Wilmington*

Governor's Landing Bulkhead, Wilmington*

Muter's Alley Bulkhead, Wilmington*

Carolina Beach Boat

Basin Bulkhead, Carolina Beach*

Duke Power, Brunswick Nuclear Plant,

Canal Projects, Southport*

Riverfront Assessment from Memorial

Bridge to Isabell A. Holmes Bridge, Wilmington*

SeaScape Marina Repairs, Holden Beach

Indigo Plantations Marina Repair, Southport

Deep Point Marina Repairs, Southport

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* Structural Engineer of Record at Previous Engineering Firm



MARINE PROJECT EXPERIENCE Page 83 of 90 (continued)



MARINE PROJECTS *(continued)*

Tangle Oaks Marina Repairs, Wilmington
 Helms Port Marina, Wilmington
 Town Creek Marina Bulkhead Repair, Beaufort
 Wrightsville Marina, Wrightsville Beach
 South Harbor Village Marina, Oak Island
Southport Marina Repairs, Southport
 Baldhead Island Marina Repairs, Bald Head Island
 Riverwalk Repairs, Wilmington
 9th Ave and 20th Ave Canal Walkover, Oak Island
 Coast Guard Bulkhead Evaluation, Wilmington
 Trestle Ramp, Surfside Beach, SC
 Residential Bulkhead Replacement, Figure Eight Island
 Oyster Bay HOA Bulkhead Repairs, Wilmington
 Little Creek Marina Bulkhead Eval, Little Creek, VA
 Residential Bulkhead Eval, Washington, NC
 Residential Bulkhead Repair, Wilmington, NC
 Tangle Oaks Bulkhead Replacement, Wilmington, NC
 Ocean Marina Bulkhead Eval, Carolina Beach, NC
**South Harbour Village No Wake Zone,
 Southport, NC (upper left)**
 Shoals Club Shoreline Stabilization Eval,
 Bald Head Island, NC
**Safe Harbor Marinas Bulkhead and Marina Eval,
 Wanchese, NC (Marina for the show Wicked Tuna)
 (lower left)**
 Coquina Harbor Bulkhead Consult,
 North Myrtle Beach, SC

FLOATING DOCK MARINAS

Floating Dock Marina, Catagena, Columbia*
 Harbor Oaks Marina, Carolina Beach
 City Marina Modifications, Wilmington
 Sunset Reach HOA Marina, Castle Hayne
 Seven Oaks Marina, Lake Wylie, SC
 Living Classroom Kayak Launch, Baltimore, MD

Tampa Manor, Tampa, FL
 Clines Landing, Port of Corpus Christi, TX
 Lowry Park Dock, Tampa, FL
 Harbor Point Marina, Stamford, CT
 The Bluffs Marina, Castle Hayne
 Little Creek Marina, Norfolk, VA



MARINE PROJECT EXPERIENCE Page 84 of 90 (continued)

FLOATING DOCK MARINAS (continued)

Floating Dock Marina, New River Marine Corps

Air Station, Camp Lejeune

Pier 266 North, Philadelphia, PA

Sportsmans Marina, Orange Beach, AL

Champlins Marina, Block Island, RI

Birch Bay Marina, Blaine, WA (right)

Westshore Marina, Tampa, FL

Riverlights Marina, Wilmington

Deweese Marina, Isle of Palms, SC

Seabreeze Marina, Charleston, SC

Anson Marina, Hilton Head, SC

Boat Basin Marina, Carolina Beach

Freedom Boat Club Marina, St Augustine, FL

Anchorage Marina, Baltimore, MD

Hampton Air Power Park, Hampton, VA

Hampton's Landing, Hampton VA



East Beach Marina, Norfolk, VA

The Yards, Annapolis, MD

Waterfront Villas Yacht Club, Carolina Beach, NC

Florida Yacht Club, Jacksonville, FL

Turkey Creek Marina, Palm Bay, FL

Ripley Light Marina, Charleston, SC

Brandon Marina, Brandon, OR

Clements Creek Marina, Annapolis, MD

STATURE ENGINEERING STAFF

Stature Engineering is a fully staffed, professional design engineering and construction management firm maintaining close working relationships with a wide range of architects and construction and restoration industry professionals.



**E.B. Pannkuk,
PE, SECB, LEED AP**

Principal Engineer
Licensed in NC, SC, VA,
and MD
FEMA Emergency
Response Engineer



EDUCATION

United States
Military Academy
BS in Civil Engineering, 1997

Missouri University of
Science and Technology
MS in Engineering
Management, 2002

STATURE ENGINEERING STAFF *(continued)*

Page 85 of 90

E.B. Pannkuk (continued)

PROFESSIONAL AFFILIATIONS

- Committee Member of the North Carolina Building Code Structural Ad Hoc Committee
- Past President of the North Carolina Structural Engineers Association

MILITARY ENGINEERING EXPERIENCE

E.B. graduated from the West Point Military Academy at the top of his class in steel design and served in the U.S. Army Corps of Engineers for eight years.

- Owner's Representative and Supervisor for the Corp's building design and construction for the 82nd Airborne Division.
- Managed a 200-building repair and remodeling program for the 82nd Airborne Division.



Sarah Walters

Sr CAD/BIM Designer
20 years of experience in CAD/Drafting

Florida State University - BA in English, 1997

PRIVATE ENGINEERING EXPERIENCE

- W.G. Yates Construction Project Manager on the Beach Club, a 20-story condominium building in Pensacola Beach, FL.
- Experienced in educational, residential, commercial, municipal, industrial, marine, historic restoration, building addition, concrete repair, building envelope repair, and pedestrian bridges.
- Produced building maintenance programs for industrial, municipal, and Home Owner's Associations.



Carolyn Ingersoll

Office Manager/Executive Assistant

CONTACT INFORMATION

Stature Engineering, P.C.
P.O. Box 100
Wallace, NC 28466

(615) 424-2300

www.StatureEngineering.com



Stature Engineering, P.C.

Structural, Marine, Historic Engineering and Construction Management

Everett B. (E.B.) Pannkuk, PE, SECB

Contact Information:

E.B. Pannkuk, PE
910-622-5261
EB@StatureEngineering.com

Qualifications:

Structural Engineering Certification Board (SECB)
Professional Engineer – MD, NC, SC, VA, FL, GA, NY
LEED Accredited Professional
FEMA Emergency Response Engineer
Certified Fire Investigator
HUB Certified

Education:

United States Military Academy – BS in Civil Engineering, 1997
University of Missouri at Rolla – MS in Engineering Management, 2002

Organizations:

Past President of the Structural Engineers Association of North Carolina
Past President of the Structural Engineers Association of North Carolina – Wilmington Chapter

Experience:

Current NC Structural Ad Hoc Committee Member – tasked to update the NC Building Code
- Primarily responsibility was to update Chapter 36 – Docks, Piers, Bulkheads, and Waterway Structures
Member of NC Emergency Operations Team that assisted with Puerto Rico earthquake building damage assessments.

Work History:

United States Army Corps of Engineers 1997-2005

Responsibilities include:

- Design-Build troop construction.
- Building maintenance, repair, and remodeling for the 82D Airborne Division.
- New construction design and project management for the 82D Airborne Division.
- Building maintenance, repair, and remodeling for the Taszar Airfield, Hungary.
- New construction design and project management for Taszar Airfield, Hungary.
- Contracting Officer Representative for Brown & Root's Balkan Support Contract.

Project Manager for W.G. Yates & Sons Construction 2005-2007

Responsibilities include:

- Assistant Project Manager for Portofino Towers 1, 2, 3, 4, and 5, Pensacola Beach, FL.
 - o Hurricane Ivan repairs,
 - o Construction management,
 - o Estimate Tower 6 costs.
- Project Manager for Beach Club, Pensacola Beach, FL – a 20 story, \$50M project.
 - o Perform all coordination and project management with ownership team,
 - o Managed job costs,
 - o Supervised self-performance of concrete structure,
 - o Coordinate with design team and owner to finalize construction documents during construction,
 - o Review waterproofing consultant recommendations and incorporate into construction,
 - o Recover six months on construction schedule,

- Repair hurricane damage from numerous storms including Hurricane Katrina.

Professional Engineer – Wilmington, NC 2007-Present

- Structural Engineer of Record for numerous industrial, educational, retail, office, residential, marine, historic restoration, bridge, building maintenance, envelop repair, structural demolitions, hurricane repair, structural failure repair, and concrete repair projects.
- Special Inspector of Record for marine, bridge, and concrete repair projects.
- Subject matter expert for legal disputes requiring forensic engineering.

Stature Engineering P.C. Marine Project – Past Experience

Lighthouse Projects

Oak Island Lighthouse, Oak Island, NC*
Price's Creek Lighthouse, Southport, NC *

Ocean Pier Projects:

Crystal Pier, Wrightsville Beach, NC *
Yaupon Pier* & Pier House, Oak Island, NC
Ocean Crest Pier, Oak Island, NC
Carolina Beach Pier, Carolina Beach, NC
Bogue Banks Pier, Emerald Island, NC
Cherry Grove Pier Consult, North Myrtle Beach, SC

Pier Projects:

Fishing Pier, Caswell Beach, NC *
Eagles Island Rowing Club Pier, Leland, NC
Fire Pier, Wrightsville Beach, NC *
Conlan Pier, Wilmington, NC *
Southeast Harbor HOA Pier Replacement, Wilmington, NC
100 Ton Travel Lift Pier, Morehead City, NC
620 Ton Travel Lift Pier and Marina Expansion, Morehead City, NC
Johns Creek Pier Eval, Wilmington, NC

Marine Projects:

Carolina Beach State Park Marina and Fuel Pier Replacement, Carolina Beach, NC *
Convention Center Bulkhead, Wilmington, NC *
Governor's Landing Bulkhead, Wilmington, NC *
Muter's Alley Bulkhead, Wilmington, NC *
Carolina Beach Boat Basin Bulkhead, Carolina Beach, NC *
Duke Power, Brunswick Nuclear Plant, Canal Projects, Southport, NC*
Riverfront Assessment from Memorial Bridge to Isabell A. Holmes Bridge, Wilmington*
SeaScape Marina Repairs, Holden Beach, NC
Indigo Plantations Marina Repair, Southport, NC
Deep Point Marina Repairs, Southport, NC
Tangle Oaks Marina Repairs, Wilmington, NC
Helms Port Marina, Wilmington, NC
Town Creek Marina Bulkhead Repair, Beaufort, NC
Wrightsville Marina, Wrightsville Beach, NC
South Harbor Village Marina, Oak Island, NC
Southport Marina Repairs, Southport, NC
Baldhead Island Marina Repairs, Bald Head Island, NC
Riverwalk & Waterfront Stability Repairs, Multiple Projects, Wilmington, NC

Stature Engineering P.C. Marine Project – Past Experience

9th Ave and 20th Ave Canal Walkover, Oak Island, NC
 Coast Guard Bulkhead Evaluation and Repair Design, Wilmington, NC
 Trestle Ramp, Surfside Beach, SC
 Residential Bulkhead Replacement, Figure Eight Island, NC
 Oyster Bay HOA Bulkhead Repairs, Wilmington, NC
 Little Creek Marina Bulkhead Eval, Little Creek, VA
 Residential Bulkhead Eval, Washington, NC
 Residential Bulkhead Repair, Wilmington, NC
 Tangle Oaks Bulkhead Replacement, Wilmington, NC
 Ocean Marina Bulkhead Eval, Carolina Beach, NC
 South Harbour Village No Wake Zone, Southport, NC
 Shoals Club Shoreline Stabilization Eval, Bald Head Island, NC
 Safe Harbor Marinas Bulkhead and Marina Eval, Wanchese, NC (Marina for the show Wicked Tuna)
 Coquina Harbor Bulkhead Consult, North Myrtle Beach, SC
 Intake and Discharge Canal Infrastructure and Slope Stability, Duke Power, Brunswick Nuclear Plant, Southport, NC
 Marina Dredge, SeaScape at Holden Beach, NC
 Spoil Island Outlet Support, USACE – Wilmington District
 Bridge Abutment Fender Pile Analysis, NAVFAC, Onslow County, NC
 Residential Bulkhead Evaluation and Replacement, Hyde County, NC
 Elijah's Restaurant Shoreline Stabilization, Wilmington, NC
 Construction Cofferdam for NCDOT Bridge, Duplin County, NC
 Deep Point Marina Localized Bulkhead Failure Evaluation, Southport, NC
 Pump Station Cofferdam, US 421, Wilmington, NC

Floating Dock Marinas:

Floating Dock Marina, Catagena, Columbia*
 Harbor Oaks Marina, Carolina Beach, NC
 City Marina Modifications, Wilmington, NC
 Sunset Reach HOA Marina, Castle Hayne, NC
 Seven Oaks Marina, Lake Wylie, SC
 Living Classroom Kayak Launch, Baltimore, MD
 Tampa Manor, Tampa, FL
 Clines Landing, Port of Corpus Christi, TX
 Lowry Park Dock, Tampa, FL
 Harbor Point Marina, Stamford, CT
 The Bluffs Marina, Castle Hayne, NC
 Floating Dock Marina, New River Marine Corps Air Station, Camp Lejeune, NC
 Little Creek Marina, Norfolk, VA
 Pier 266 North, Philadelphia, PA

Stature Engineering P.C. Marine Project – Past Experience

Sportsmans Marina, Orange Beach, AL
Champlins Marina, Block Island, RI
Birch Bay Marina, Blaine, WA
Westshore Marina, Tampa, FL
Riverlights Marina, Wilmington, NC
Deweese Marina, Isle of Palms, SC
Seabreeze Marina, Charleston, SC
Anson Marina, Hilton Head, SC
Boat Basin Marina, Carolina Beach, NC
Freedom Boat Club Marina, St Augustine, FL
Anchorage Marina, Baltimore, MD
Hampton Air Power Park, Hampton, VA
Hampton's Landing, Hampton VA
East Beach Marina, Norfolk, VA
The Yards, Annapolis, MD
Waterfront Villas Yacht Club, Carolina Beach, NC
Florida Yacht Club, Jacksonville, FL
Turkey Creek Marina, Palm Bay, FL
Ripley Light Marina, Charleston, SC
Brandon Marina, Brandon, OR
Clements Creek Marina, Annapolis, MD
Lake Piru Marina, Lake Piru, CA
Bluewater Point Marina, Oak Island, NC
Waterfront Villas Yacht Club, Carolina Beach, NC
Navy Pier Consult, Chicago, IL
Fisherman's Wharf, Virginia Beach, VA
SOF Boat Dock, Camp Lejeune, NC
Menchville Marina, Newport News, VA
House Boat Design for Manufacturer, Based in Key West, FL

* Structural Engineer of Record at Previous Engineering Firm



MEMO

MEMO-26-0133

Meeting Date: June 18, 2026

Prepared By: Anthony Thomas

MEETING TYPE: Council Regular Meeting

TITLE: Resolution R-26-045 Authorizing the Town Manager to Execute a Contract with VC3, Inc. for Managed IT Equipment and Services

PURPOSE: To authorize the Town Manager to execute a renewal agreement with VC3, Inc. for managed IT equipment and services.

BACKGROUND: VC3, Inc. currently provides managed IT equipment and services, including servers, phones, licensing, and technical support for the Town of Leland. The contract establishing these services provided by VC3, Inc. will expire at the end of the current fiscal year. The Town is seeking to enter a new agreement for managed services provided by VC3, Inc. for the 2026-2027 fiscal year.

SUMMARY: Staff is requesting that Town Council authorize the Town Manager to execute a contract with VC3, Inc. for managed IT equipment and services, including servers, phones, licenses, and technical support. The total cost for the contract is not to exceed \$373,360 annually and is subject to final review and approval by the Town's Staff Attorney.

SUPPORTING PLANS: N/A

REQUEST FOR ACTION: Staff recommends Council adopt Resolution R-26-045.



Resolution R-26-045

Introduced By: Anthony Thomas

Date: June 18, 2026

Resolution Authorizing the Town Manager to Execute a Contract with VC3, Inc. for Managed IT Equipment and Services

WHEREAS, VC3, Inc. currently provides the Town of Leland with managed IT services in the form of servers, phones, software, and technical support; and

WHEREAS, the contract under which VC3, Inc. provides these services to the Town of Leland will expire at the end of the current fiscal year; and

WHEREAS, the Town wishes to enter into a new agreement with VC3, Inc. for managed IT services.

Therefore, Be It Resolved:

That the Leland Town Council authorizes the Town Manager to execute an agreement with VC3, Inc. for managed IT equipment and services, not to exceed \$373,360 annually, subject to final review and approval by the Town's Staff Attorney; and

That the Town Manager has the authority to administer all necessary change orders for unanticipated equipment, work, or services, up to the amount budgeted for this agreement; and

That the Town Manager has the authority to administer the contract and all provisions of the contract, including, but not limited to, amendments to the contract terms and/or extensions of the contract.

Adopted by Town Council on this 18 day of June, 2026.

Brenda Bozeman, Mayor

Sabrena A. Reinhardt, Town Clerk



Town of Leland, NC - 2026 Agreement Renewal Order

Town of Leland, NC

102 Town Hall Dr
Leland, North Carolina 28451
United States

Anthony Thomas

athomas@townofleland.com
9106174490

Quote expires: September 8, 2026

VC3

1301 Gervais St.
Suite 1800
Columbia, SC 29201
United States

Prepared by: Mike Taylor

mike.taylor@vc3.com
+18039782693

Products & Services

PRODUCTS & SERVICES	QUANTITY	UNIT PRICE	PRICE
Cloud Protect M365 Monitoring & Protection	234	\$2.50 / month	\$585.00 / month for 1 year
Cloud Data Recovery - Infinite Retention M365 Backups Infinite Cloud Retention Backups of SharePoint, Teams, OneDrive & Exchange Online	257	\$2.99 / month	\$768.43 / month for 1 year
VC3 Hosted Virtual Machine VM Hosted in VC3 Datacenter 2 Cores 6GB RAM 100GB Storage	6	\$182.51 / month	\$1,095.06 / month for 1 year
Additional Data Protection (per GB)	50	\$0.52 / month	\$26.00 / month for 1 year

PRODUCTS & SERVICES	QUANTITY	UNIT PRICE	PRICE
Additional Virtual Server Memory (per GB)	85	\$9.00 / month	\$765.00 / month for 1 year
SQL Standard 2 Core License Pack (Min 4 cores/server)	2	\$181.27 / month	\$362.54 / month for 1 year
Cyber Aware Complete Employee Cyber Security Awareness Training - Advanced Training Catalog Simulated Phishing Tests - Increased Variation of Tests	240	\$2.50 / month	\$600.00 / month for 1 year
Microsoft 365 E5 - Annual Commitment, Billed Monthly (Updated Pricing)	155	\$63.00 / month	\$9,765.00 / month for 1 year
Exchange Online (Plan 1) NCE Annual Commitment, Paid Monthly Messaging, calendaring, and email archiving plan accessible from Outlook on PCs, the Web and mobile devices.	11	\$4.20 / month	\$46.20 / month for 1 year
Visio Plan 2 NCE Annual Commitment, Paid Monthly Makes it easier than ever for individuals and teams to create data-linked diagrams that simplify complex information. It includes support for BPMN 2.0, AutoCAD file import, and UML 2.4. Each user can install Visio on up to five PCs running Windows 10/11, Windows 8.1, Windows 8, or Windows 7.	5	\$15.75 / month	\$78.75 / month for 1 year
Power Automate Premium - Annual Commitment, Billed Monthly	1	\$15.75 / month	\$15.75 / month for 1 year
E-Mail Archiving Sonian	260	\$4.81 / month	\$1,250.60 / month for 1 year
Microsoft 365 Copilot - Annual Commitment, Billed Monthly NCE Annual Commitment, Billed Monthly	9	\$31.50 / month	\$283.50 / month for 1 year
Voice User	12	\$20.09 / month	\$241.08 / month for 1 year

PRODUCTS & SERVICES	QUANTITY	UNIT PRICE	PRICE
Voice Voice Mail Only / Forwarding User	4	\$5.15 / month	\$20.60 / month for 1 year
Voice User w/Phone	104	\$25.03 / month	\$2,603.12 / month for 1 year
Voice User w/ Conf Phone	1	\$39.93 / month	\$39.93 / month for 1 year
Yealink Expansion Module	2	\$8.24 / month	\$16.48 / month for 1 year
Virtual Fax 500 Pages Included	2	\$20.60 / month	\$41.20 / month for 1 year
Toll-Free DID	1	\$3.09 / month	\$3.09 / month for 1 year
Toll Free Minutes	10	\$0.04 / month	\$0.40 / month for 1 year
Microsoft 365 F3 - Annual Commitment, Billed Monthly (Updated Pricing) Best-in-class productivity apps and services within Microsoft 365 for Firstline Workers	68	\$10.50 / month	\$714.00 / month for 1 year
Office 365 Extra File Storage NCE Annual Commitment, Paid Monthly Priced per gigabyte, Office 365 offers additional file storage options to support an organization's file growth.	1,000	\$0.21 / month	\$210.00 / month for 1 year
Power Apps Premium - Annual Commitment, Billed Monthly	50	\$21.00 / month	\$1,050.00 / month for 1 year
Power BI Premium Per User - Annual Commitment, Billed Monthly Per user add-on license for Power BI Pro that unlocks advanced Premium capabilities	4	\$25.20 / month	\$100.80 / month for 1 year

PRODUCTS & SERVICES	QUANTITY	UNIT PRICE	PRICE
Dataverse Database Capacity add-on - Annual Commitment, Billed Monthly Annual Commitment, Billed Monthly	11	\$42.00 / month	\$462.00 / month for 1 year
Dataverse File Capacity add-on - Annual Commitment, Billed Monthly Annual Commitment, Billed Monthly	22	\$2.10 / month	\$46.20 / month for 1 year
Dataverse Log Capacity add-on - Annual Commitment, Billed Monthly Annual Commitment, Billed Monthly	33	\$10.50 / month	\$346.50 / month for 1 year
SUMMARY			
Monthly subtotal			\$21,537.23

Comments

Microsoft pricing is based on their current public pricing for July 1st, 2026.

This Order is entered into as of June 10, 2026 between VC3 Inc., a Delaware corporation ("Company") and Town of Leland, NC ("Client")

Order Governed by the Master Agreement

This Order is subject to and governed by Company's Master Agreement in effect on the date this Order is entered into between Company and Client. The Master Agreement is available [here](#) and is incorporated in full into and made a part of this Order by this reference. The Client may also request a copy of the Master Agreement by submitting an email request to betterit@vc3.com identifying the Client and the applicable Orders. Company's entering into this Order is conditioned on Client's agreement to the Master Agreement, and by entering into this Order with Company, Client accepts and agrees to the Master Agreement.

Deliverables & Services

Co-Managed Core Services – Company Remote Management and Monitoring (RMM) Provided

1. Provision Client within Company ticketing system.
2. Track all incidents through an ITIL (Information Technology Infrastructure Library) based Service Desk system. All requests will be prioritized and processed per the 'Priority' guidelines listed in Addendum A.
3. Provision Company Remote Management and Monitoring (RMM) within Client environment to assist with deployment and support of Services.
4. Provision Client within Company Digital Portal.
5. Provision Client within Company IT Documentation platform.
6. Provide the client with a named Strategic resource to assist Client with the following:
 1. Budgeting: Work with the client to develop an annual technology budget for recurring expense items and new capital requirements in alignment with organizational goals and services provided.
 2. Strategic Planning: Recommend technology solutions as well as provide roadmaps that support key business processes in order to help the client leverage technology appropriately. The Company will work with the client as part of the annual planning process to understand the current business drivers and goals and make recommendations targeted toward maximizing the effectiveness of the client's technology investment with regards to services currently provided, alongside additional services that can be provided by Company to Client.
 3. Service Reporting: Provide reporting to Client which provides an overview of the activities that have taken place in relation to the services provided as part of this order.

Exclusions

Items other than those included above are expressly excluded from the Services provided within this Order. The following exclusions and clarifications are intended to clarify the scope of services for this order:

1. Net new workstation deployments are excluded from this Order. Workstation deployments will be scoped and priced on a separate Order as and when the Client requests for a new workstation to be deployed.
2. When client requests services by Company not explicitly included in this agreement, they are agreeing to invoicing of said services per the terms outlined in the Master Agreement and rates displayed within Addendum C. For all services which incur additional hourly fees, Company will notify the client that these services are outside the scope of this work order and will receive approval from client prior to rendering these additional services.
3. Software and licensing purchased by the client directly from a third-party vendor are not included as a part of services to be supported.
4. Cybersecurity event or incident response activities or remediation efforts exceeding eight (8) hours of technician, engineer or project management time.
5. Should deficiencies, malware infections, or critical vulnerabilities be discovered during the deployment of services, Company will bring to Client attention and discuss the impact of the deficiencies on Company's ability to provision the Services and provide client with options to correct the deficiencies. Initial remediation hours will be billed outside of this Order unless otherwise explicitly stated in this Order.

Assumptions

1. Company reserves the right, at its discretion, to pass onto the client any changes to obligations, such as terms or pricing imposed on Company by a given vendor, for an offering that is currently resold to the client at any time during the current agreement term.

2. The items defined in this Order are designed to enhance the security of the customer environment. There is no guarantee that any security measure will prevent a data breach, infection, or other cyber security incident.

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Client Responsibilities

1. Client will provide a primary point of contact for Company to work with on all services provided in this Order.
2. Client will be responsible for ensuring applicable agents and software are deployed to Client devices.
3. Client will maintain both hardware and software maintenance agreements with the source Vendor whenever possible to allow for ongoing access to security updates and to provide quick replacement of non-functioning components.
4. Third party tool licensing may be required for additional cost.

Invoicing

1. Recurring services, if included, shall be provided for term indicated in Products & Services, starting from the date of the first recurring invoice (Effective Services Start Date), unless terminated in accordance with the terms of this Order or the Master Agreement.
2. Upon execution of an Order, Company shall invoice Client for all non-recurring charges due for Company to commence Services, including any onboarding fees. Upon activation of the Services, billing shall commence, and Company shall invoice Client for monthly recurring charges in advance of providing managed services. If the Order start date does not fall on the first calendar day of a month, Company shall calculate the first month's Services on a prorated basis.
3. Any taxes related to services purchased or licensed pursuant to this Order shall be paid by Client or Client shall present an exemption certificate acceptable to the taxing authorities. Applicable taxes and freight charges shall be billed as a separate item on the invoice.
4. Unit rates will automatically increase annually on the anniversary of the Effective Services Start Date equivalent to the CPI change for All Urban Consumers or by 4.00%, whichever is higher.
5. The terms of this Order will automatically renew for an additional term of equivalent length to the current active term unless notice of termination is provided by either party no fewer than 90 calendar days prior to expiration of the current active term.
6. Company will audit the Client's usage of the quantity of Services on a monthly basis; for each quantity of Services found in excess of the amount stated in this Order above, Company will increase the monthly service fee amount by the corresponding unit price stated above.
7. At no time during the term of this Order will the fees payable under this Order (i.e. the monthly subtotal amount) drop below seventy-five percent (75%) of the initially agreed upon monthly subtotal stated above.
8. In the event of the early termination of the Agreement in accordance with Section 3.3 of the Master Agreement, Client agrees that the initially agreed upon monthly subtotal stated above shall be used for calculating fees due for the remaining term of the Agreement.
9. Additional services may be added at any time during the life of this Order at the unit price listed above.

Addendum A – Service Desk Priorities

Incidents and Service Requests are triaged and prioritized to effectively resolve the most important issues in a timely manner. Company utilizes the following priorities, criteria and response metrics:

- **Priority 1:**
 - System/device/application down causing work to cease and critical impact to the entire organization, a whole department, or a C-level executive or VIP user; no interim solution available; Client is in danger of or is experiencing a financial loss or the ability to make strategic business decisions is impaired.
 - **24x7 Support:** Priority 1 incidents will be addressed on a 24 hours a day, 7 days a week basis including holidays.
- **Priority 2:**
 - System/device/application down causing work to cease and potential business impact for up to 5 users, a C-level executive, or a VIP user; no interim solution available.
 - **24x7 Support:** Priority 2 incidents will be addressed on a 24 hours a day, 7 days a week basis including holidays.
- **Priority 3:**
 - Level of service degraded causing impact to an individual user; no interim solution available. Operational impact to the organization or a whole department though work continues as a result of implementing an interim solution or use of other system/device/service.
 - **Business Hours Support:** Priority 3 incidents will be addressed during normal business hours Monday-Friday, 8:00am to 5:00pm excluding holidays.
- **Priority 4:**
 - Minor inconvenience to a department or user exists though work continues as a result of implementing an interim solution or use of another system/device/service.
 - **Business Hours Support:** Priority 4 incidents will be addressed during normal business hours Monday-Friday, 8:00am to 5:00pm excluding holidays.
- **Priority 5:**
 - Maintenance tasks, audits, or alignment work that is not requested by the client.

- o **Business Hours Support:** Priority 5 incidents will be addressed during normal business hours Monday-Friday, 8:00am to 5:00pm excluding holidays.

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Call Priority	Initial Client Contact Guidelines	Initial Client Contact Percentages
1	1 Hour	90%
2	2 Hours	90%
3	4 Business Hours	90%
4	8 Business Hours	90%
5	N/A	N/A

Addendum B - Maintenance Windows

All work performed within Company's Hosting or Client Infrastructure is a form of maintenance. Such work may or may not result in a disruption of service depending on the scope of the activity.

1. **Scheduled Maintenance:** All planned work performed on Company's Hosting or Client Infrastructure by Company engineers, or staff is defined as "Scheduled Maintenance". During Scheduled Maintenance, some or all of Company's Hosting or Client Infrastructure may be out of service and therefore may not be accessible to users. Regularly Scheduled Maintenance will occur between 2 AM and 6 AM in the local time zone for which the Client Infrastructure being maintained resides. Downtime to perform changes is expected during this window. If Client has a business need to avoid said downtime, they must provide their request via the Company Service Desk ten business days in advance.

1. **Notification:** Client will be notified via email should Scheduled Maintenance be required to take place outside of the windows specified above.

2. **Emergency Maintenance:** All work performed in response to a disruption or a threat to the availability of a component of Company's Hosting or Client Infrastructure within the control of Company is defined as "Emergency Maintenance". Emergency Maintenance will be conducted based upon the timeframe that the emergency exists. Normal business hours will see an immediate response. For issues that occur during non-business hours, the impact of the event will be evaluated as soon as possible, and appropriate measures taken to return the system to normal availability.

1. **Notification:** Client will be notified via email should Emergency Maintenance be necessary. Commercially reasonable efforts will be made to notify Client prior to emergency maintenance. Company reserves the right to complete Emergency Maintenance without prior notification to Client if necessary to mitigate risks posed by the need for Emergency Maintenance in a timely manner.

Addendum C - Hourly Rates

Service Area	2026 Rate	Description of Service Area
Consulting & Project Management	\$ 245.00	Consulting (Design, Architecture, Planning); Technology Assessments; Project Management. CIO Consulting Services including without limitation product evaluations and application/infrastructure planning services.
Security Consulting & Management	\$ 359.00	vCISO Services, Security Assessments and Audits. Security team response to incidents outside of terms within applicable Orders.
Application Development	\$ 245.00	Application Software development, design, testing, and code revisions. Systems Programming (System Level Scripting/Automation). All SharePoint services.
Web Design Services	\$ 213.00	Web site design and implementation services which are NOT built on a Microsoft SharePoint platform.
Infrastructure Deployment Services	\$ 218.00	Installation and Setup of the following: Networks, Electronic Messaging Systems, Servers, SANs, VMWare, Citrix, Network Domains, and Desktop Deployments.

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Infrastructure Maintenance Services	\$ 207.00	Maintenance Services for the following: Networks, Electronic Messaging Systems, Servers, SANs, VMWare, Domains, Microsoft Server, and Desktop support.
Travel Time	\$ 131.00	Travel time to and from the Client. This rate includes the mileage expense at the current IRS approved mileage rate.
After Hours Support Services	\$ 271.00	All reactive support services provided to Client outside of the hours of 8am to 5pm Monday through Friday and all services provided on National Holidays

Note: Rates will automatically increase on an annual basis equivalent to the CPI change for All Urban Consumers or by a rate of 4%, whichever is higher. Annual rate increases will become effective on the first of the month following the release of data for the prior calendar year.

Signature

Before you sign this quote, an email must be sent to you to verify your identity. Find your profile below to request a verification email.

Anthony Thomas

athomas@townofleland.com

[sig|req|signor1]

Corey Kaufman

corey.kaufman@vc3.com

[sig|req|signor2]

**MEMO****MEMO-26-0118**

Meeting Date: June 18, 2026

Prepared By: Ben Watts

MEETING TYPE: Council Regular Meeting

TITLE: Resolution R-26-040 to Release a Performance Guarantee Agreement and Surety Bond for the Completion of Required Improvements within the Brunswick Forest Phase 3 Section 4 Subdivision

PURPOSE: To approve a request from Funston Land & Timber, LLC ("Subdivider") to release a performance guarantee agreement and associated surety bond for the completion of required improvements within the Brunswick Forest Phase 3 Section 4 residential subdivision.

BACKGROUND: Brunswick Forest Phase 3 Section 4 is an approved residential subdivision located off of Cape Fear National Drive within the Brunswick Forest Planned Unit Development. The Subdivider is responsible for installing required improvements in accordance with Town standards.

Pursuant to Section 50-10 of the Town Code of Ordinances, in lieu of requiring the completion, installation, and dedication of all improvements prior to final plat approval, Council entered into an agreement with the Subdivider on March 16, 2023, attached hereto, whereby the Subdivider agreed to install and complete the following site work improvements:

- Shoulder, street, and common area grading and/or seeding
- Erosion control
- Storm drainage piping and rip rap inlet protection
- Curbing
- Sidewalks
- ABC Stone and asphalt
- Signage
- Pavement markings
- ADA curb ramps

To secure the performance guarantee agreement, the Subdivider provided a surety bond in an amount not exceeding 1.25 times the entire estimated cost of the uninstalled improvements.

SUMMARY: The Subdivider has completed the improvements associated with the performance guarantee agreement and is requesting the agreement and the associated surety bond be released. A field inspection report is attached which verifies the completion of the improvements covered by the agreement and the associated surety bond.

SUPPORTING PLANS: N/A

REQUEST FOR ACTION: Staff recommends Council adopt Resolution R-26-040.



Resolution R-26-040

Introduced By: Ben Watts

Date: June 18, 2026

Resolution R-26-040 to Release a Performance Guarantee Agreement and Surety Bond for the Completion of Required Improvements within the Brunswick Forest Phase 3 Section 4 Subdivision

WHEREAS, Funston Land & Timber, LLC ("Subdivider") has requested the release of the performance guarantee and associated surety bond for the Brunswick Forest Phase 3 Section 4 Subdivision; and

WHEREAS, pursuant to Section 50-10 in the Town Code of Ordinances, in lieu of requiring the completion, installation, and dedication of all improvements, and prior to final plat approval, the Town Council may enter into an agreement with the subdivider whereby the Subdivider shall agree to complete all required improvements; and

WHEREAS, to secure this agreement, the Subdivider shall provide, subject to the approval of the Town Council, either one, or a combination of the following guarantees not exceeding 1.25 times the entire cost as provided in Section 50-10:

- Surety performance bond
- Cash bond
- Irrevocable letter of credit

WHEREAS, pursuant to Section 50-10 in the Town Code of Ordinances, the Subdivider originally executed a performance guarantee agreement with the Town Council dated March 16th, 2023, attached as Exhibit A, and provided a surety bond of \$653,639.13 to guarantee the installation and completion of the following improvements within Brunswick Forest Phase 3 Section 4:

- Shoulder, street, and common area grading and/or seeding
- Erosion control
- Storm drainage piping and rip rap inlet protection
- Curbing
- Sidewalks
- ABC Stone and asphalt
- Signage
- Pavement markings
- ADA curb ramps

WHEREAS, the Town of Leland has inspected the installation of the required improvements at Brunswick Forest Phase 3 Section 4 and confirms the proper installation of improvements, attached hereto as Exhibit B.

Therefore, Be It Resolved:

That the Leland Town Council approves the release of the performance guarantee agreement and the associated surety bond of \$653,639.13 between Funston Land & Timber, LLC and the Town for Brunswick Forest Phase 3 Section 4.

Adopted by Town Council on this 18th day of June, 2026.

Brenda Bozeman, Mayor

Sabrena A. Reinhardt, Town Clerk

Exhibit A

SUBDIVISION/LAND DEVELOPMENT**Performance Guarantee Agreement**

Town of Leland, North Carolina



Page 3 of 8

102 Town Hall Dr., Leland, NC 28451
www.townofleland.com

Planning and Building Inspections
Phone 910-371-3390 Fax 910-371-1158

This Agreement made this **16th** day of **March 2023**, by and between **Funston Land & Timber, LLC** ("**Subdivider**") and the TOWN OF LELAND, NORTH CAROLINA, a municipal corporation located in Brunswick County, North Carolina ("**Town**").

WITNESSETH:

WHEREAS, the Subdivider wishes to record a final plat (the "Final Plat") of a proposed subdivision located in the Town known as **Phase 3 Section 4** (the "Subdivision"); and

WHEREAS, under the provisions of the Code of Ordinances of Town, the Subdivider is required to complete installation of certain infrastructure and other required improvements prior to recording of the Final Plat; and

WHEREAS, the ordinances of the Town of Leland provided in Section 50-10 states that a developer may post a surety bond, letter of credit or another form of guarantee that provides equivalent security to a surety bond or letter of credit (the "Security") for the developer's requirement to install the obligatory improvements and upon receipt of the Security, the Final Plat of the affected subdivision may be recorded; and

WHEREAS, the Town desires to approve the Final Plat for the Subdivision described herein and in lieu of requiring the completion of all obligatory improvements prior to said approval, will accept from the Developer a **Surety Bond** from **The Gray Insurance Company / The Gray Casualty & Surety Company** to guarantee completion of the improvements described hereinafter.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. The recitals set forth hereinabove are incorporated herein and made part of this Agreement.
2. The Developer is desirous of installing
 - (i) the improvements as shown on the Final Plat,
 - (ii) the improvements as shown on any other plans and specifications submitted to the Town by Developer in connection with the work to be carried out as reflected on the Final Plat,
 - (iii) the improvements as required by the Town's Subdivision Ordinance and other applicable ordinances, and

(iv) the improvements as set forth in the engineer's report prepared by **Adam Grady, PE**,
 attached hereto labeled Exhibit "A" (said improvements described herein referred to collectively as the
 "Improvements").

3. The engineer's report attached as Attachment "A" contains an estimate prepared by such engineer showing a cost of **\$522,911.30** to complete the Improvements. The cost as reflected in Attachment "A" includes the reasonable estimated cost of administration, inspection, and all required engineering costs for the Town to complete the installation of work.

4. The Developer will provide The Town a **Surety Bond** in the amount of **\$653,639.13** which amount is 1.25 times the estimated cost of installation of the Improvements.

5. The Security given by the Developer shall comply with all applicable Town ordinances and shall remain in place for a minimum of one year from the date of this agreement.

6. The Developer shall demonstrate reasonable, good faith progress toward completion of the required improvements that are the subject of the Agreement.

7. The Developer may request partial release of the Security upon presentation to the Town of an engineer's report reflecting work actually performed and uninstalled work. The decision to release any part of the Security prior to completion of all Improvements shall be made exclusively by the Town and in its sole discretion. Final release of the Security shall be made in accordance with Paragraph 5 above.

8. Any cash funds deposited as Security with the Town by the Developer may be placed in an interest-bearing account and all interest earned on such account shall be and remain the property of Town.

9. If all Improvements are not completed within one year from the date of this Agreement, the Developer may request an extension of the time within which to complete such Improvements. An extension may be granted by the Town in its sole discretion. If an extension is granted, then the Security given by the Developer for completion of the Improvements shall remain in full force and effect during the extension.

10. In the event Developer fails to complete installation of the Improvements, the Town shall have the option (but not the obligation), in its sole discretion, of utilizing the Security for completion of the Improvements.

11. In the event the Developer fails to complete installation of the Improvements, the Town shall be authorized to (a) withhold any permits for further construction of any improvements of any kind within the Subdivision, and (b) withhold the issuance of any zoning permits for any existing or new construction within the Subdivision.

IN WITNESS WHEREOF, the parties have executed this document the day and year first above written.

DEVELOPER:

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Signature: _____

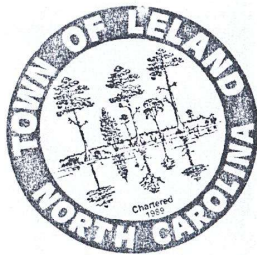
Allen Jefferson Earp, Manager
Funston Land & Timber, LLC

TOWN OF LELAND

Signature: _____

Brenda Bozeman, Mayor
Town of Leland

(SEAL)



ATTEST:

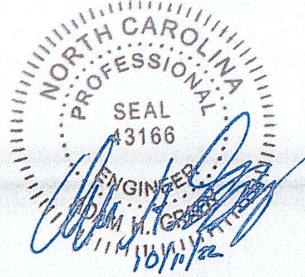
Signature: _____

Sabrina Reinhardt

Sabrina Reinhardt, Town Clerk
Town of Leland

Exhibit A

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PHASE 3 SECTION 4 PROJECT COST ESTIMATE				
DESCRIPTION	QUANTITY	UNITS	UNIT COST	TOTAL
Earthwork				
Cut to Fill (Complete)	-	CY	\$ 6.50	\$ -
Cut to Export (Complete)	-	CY	\$ 8.00	\$ -
Grade Shoulders	8,150	SY	\$ 2.55	\$ 20,782.50
Grade Lots and Common Areas 75%	8,239	SY	\$ 2.55	\$ 21,009.45
Street Fine Grading	1,612	SY	\$ 2.00	\$ 3,224.00
Erosion Control				
Temporary Construction Entrance/Maintenance	-	EA	\$ 3,000.00	\$ -
Seed Shoulders	8,150	SY	\$ 0.55	\$ 4,482.50
Seed Lots & Common Areas	16,478	SY	\$ 0.55	\$ 9,062.90
Seeding and Matting Swale Slopes	3,067	SY	\$ 2.15	\$ 6,594.05
Inlet Protection	-	EA	\$ 200.00	\$ -
Storm Drainage				
CATCH BASIN SMALL	0	EA	\$ 2,650.00	\$ -
CATCH BASIN LARGE	0	EA	\$ 3,750.00	\$ -
DROP INLET	0	EA	\$ 2,550.00	\$ -
SDMH SMALL	0	EA	\$ 2,550.00	\$ -
SDMH LARGE	0	EA	\$ 3,750.00	\$ -
18 INCH RCP T & G PIPE	0	LF	\$ 46.00	\$ -
24 INCH RCP T & G PIPE	0	LF	\$ 62.00	\$ -
30 INCH RCP T & G PIPE	0	LF	\$ 90.00	\$ -
36 INCH RCP T & G PIPE	0	LF	\$ 125.00	\$ -
36 INCH FES	1	EA	\$ 2,850.00	\$ 2,850.00
42 INCH FES	0	EA	\$ 3,100.00	\$ -
RIP RAP OUTLET PROTECTION	31	TONS	\$ 66.00	\$ 2,046.00
Concrete and Paving				
Fine Grade Curb	6,382	LF	\$ 2.55	\$ 16,274.10
Mod Valley 24 in. Curb	4,367	LF	\$ 12.50	\$ 54,587.50
2' Ribbon Curb	2,015	LF	\$ 12.50	\$ 25,187.50
Grade, Form, & Pour Sidewalk 4"	2,801	SY	\$ 44.00	\$ 123,244.00
ABC Stone	3,173	TN	\$ 39.00	\$ 123,747.00
Asphalt 1.5" SF 9.5B	7,102	SY	\$ 13.25	\$ 94,101.50
Fine Grade for Asphalt	7,102	SY	\$ 1.65	\$ 11,718.30
Miscellaneous				
Signs	5	EA	\$ 210.00	\$ 1,050.00
PM 8" 120 Mil Thermo (Crosswalks)	285	LF	\$ 1.20	\$ 342.00
PM 24" 120 Mil Thermo (Stop Bars)	54	LF	\$ 2.00	\$ 108.00
ADA Compliant Curb Ramps	10	EA	\$ 250.00	\$ 2,500.00
			TOTAL COST:	\$ 522,911.30
			TOWN OF LELAND ADJUSTMENT	125%
			ESTIMATED TOTAL WITH ADJUSTMENTS:	\$ 653,639.13
Note: This estimate does not reflect any item not specifically identified and reflects an opinion of probable cost only.				

Exhibit B

Page 7 of 8

PERFORMANCE GUARANTEE INSPECTION REPORT

102 Town Hall Drive, Leland, NC 28451
www.townofleland.com



Planning and Inspections Department
Phone 910-371-3390 Fax 910-371-1158

Inspection Date: 05/11/2026

Time: 1:30 PM

Subdivision/Development: Brunswick Forest

Phase/Section: Phase 3 Section 4

Recorded Plat Page/Number: 141/41, 148/38

Bonded Item(s)	Quantity/Amount Bonded	Installed to Town standards?
Grade Shoulders	8,150 SY/\$20,782.50	Yes
Grade Lots/Common Areas	8,239 SY/\$21,009.45	Yes
Street Fine Grading	1,612 SY/\$3,224.00	Yes
Seed Shoulders	8,150 SY/\$4,482.50	Yes
Seed Lots/Common Areas	16,478 SY/\$9,062.90	Yes
Seeding and Matting Swale Slopes	3,067 SY/\$6,594.05	Yes
36 Inch FES	1/\$2,850.00	Yes
Rip Rap Outlet Protection	31 Tons/2,046.00	Yes
Fine Grade Curb	6,382 LF/\$16,274.10	Yes
Mod Valley 24in Curb	4,367 LF/\$54,587.50	Yes

PERFORMANCE GUARANTEE INSPECTION REPORT

102 Town Hall Drive, Leland, NC 28451
www.townofleland.com



Planning and Inspections Department
Phone 910-371-3390 Fax 910-371-1158

2' Ribbon Curb	2,015 LF/\$25,187.50	Yes
Grade, Form, Pour Sidewalk 4"	2,801 SY/\$123,244.00	Yes
ABC Stone	3,173 TN/\$123,747.00	Yes
Asphalt 1.5" SF 9.5B	7,102 SY/\$94,101.50	Yes
Fine Grade for Asphalt	7,102 SY/\$11,718.30	Yes
Signs	5/\$1,050.00	Yes
Crosswalk Markings	285 LF/\$342.00	Yes
Stop Bar Markings	54 LF/\$108.00	Yes
ADA Curb Ramps	10/\$2,500.00	Yes

I, the undersign, have conducted an on-site inspection and confirm that the bonded improvements for the above-referenced subdivision or development site have been installed in accordance with Town standards and with the approved construction and site plans.

Planning

Ben Watts

Name

Signature

Engineering

Abby Clayboss

Name

Signature

**MEMO****MEMO-26-0115**

Meeting Date: June 18, 2026

Prepared By: Ben Watts

MEETING TYPE: Council Regular Meeting

TITLE: Resolution R-26-039 Approving a New Performance Guarantee Agreement for the Guarantee of Installation of Required Improvements within Brunswick Forest Phase 8 Section 2B Site Specific Plan

PURPOSE: To approve a request by Forestar (USA) Real Estate Group, Inc. ("Subdivider") to enter into a new performance guarantee agreement for the guarantee of installation of required improvements within the Brunswick Forest Phase 8 Section 2B subdivision.

BACKGROUND: Brunswick Forest Phase 8 Section 2 Site Specific Plan is an approved residential subdivision located within Brunswick Forest Planned Unit Development and located along Long Pine Drive.

The Subdivider is responsible for installing certain required improvements in accordance with Town standards. Pursuant to Section 50-10 of the Town Code of Ordinances, in lieu of requiring the completion, installation, and dedication of all improvements prior to final plat approval, Council may enter into an agreement with the subdivider whereby the Subdivider shall agree to complete all required improvements.

SUMMARY: The Subdivider is requesting a new performance guarantee agreement with the Town. To secure the new performance guarantee, Forestar (USA) Real Estate Group Inc., shall provide, either one or a combination of a surety performance bond, a cash bond, or an irrevocable letter of credit in an amount not exceeding 1.25 times the entire estimated cost of the improvements. Performance guarantee agreements totaling \$500,000 or more and are subject to Council's approval.

Town Staff has reviewed the estimated quantities and estimated cost of the required improvements included in the performance guarantee agreement and found them to be reasonable and sufficient. The performance guarantee agreement includes the following:

- Curb and gutter
- 5' concrete sidewalks
- 8' multiuse paths
- Asphalt (roadway surface layer)
- ADA curb ramps
- MUTCD signage and striping

SUPPORTING PLANS: N/A

REQUEST FOR ACTION: Staff recommends Council adopt Resolution R-26-039.



Resolution R-26-039

Introduced By: Ben Watts

Date: June 18, 2026

Resolution R-26-039 Approving a New Performance Guarantee Agreement for the Guarantee of Installation of Required Improvements within Brunswick Forest Phase 8 Section 2B Site Specific Plan

WHEREAS, pursuant to Section 50-10 in the Town Code of Ordinances, in lieu of requiring the completion, installation, and dedication of all required improvements, and prior to final plat approval, the Town Council may enter into an agreement with the subdivider whereby the subdivider shall agree to complete all required improvements; and

WHEREAS, to secure this agreement, the subdivider shall provide either one, or a combination of the following guarantees not exceeding 1.25 times the entire cost as provided in Section 50-10:

- Surety performance bond,
- Cash bond,
- Irrevocable letter of credit; and

WHEREAS, Forestar (USA) Real Estate Group, Inc. will execute one new performance guarantee agreement, attached and incorporated herein by reference as Exhibit A, to guarantee the completion of required improvements for Brunswick Forest Phase 8 Section 2B Site Specific Plan; and

WHEREAS, the Town of Leland has reviewed the estimated quantities and estimated costs for the stated uninstalled improvements for Brunswick Forest Phase 8 Section 2B Site Specific Plan, and found the estimates to be reasonable and sufficient to complete the construction of required improvements; and

WHEREAS, the Town of Leland Town Council shall review performance guarantee agreements totaling \$500,000 or more; and

WHEREAS, to guarantee completion of the improvements, Forestar (USA) Real Estate Group, Inc. will provide a surety bond issued by Euler Hermes North American Insurance Company to the Town in the amount of \$1,179,850.96 which is 1.25 times the estimated cost of the improvements.

Therefore, Be It Resolved:

That the Leland Town Council approves the new performance guarantee agreement and accepts the associated surety bond between Forestar (USA) Real Estate Group, Inc. and The Town for Brunswick Forest Phase 8 Section 2B Site Specific Plan.

Adopted by Town Council on this 18th day of June, 2026.

Brenda Bozeman, Mayor

Sabrena A. Reinhardt, Town Clerk

Exhibit A

Page 3 of 6

SUBDIVISION/LAND DEVELOPMENT**Performance Guarantee Agreement**

Town of Leland, North Carolina



102 Town Hall Dr., Leland, NC 28451
www.townofleland.com

Planning and Building Inspections
Phone 910-371-3390 Fax 910-371-1158

This Agreement made this **18th** day of **June 2026**, by and between **Forestar (USA) Real Estate Group, Inc.** ("Subdivider") and the TOWN OF LELAND, NORTH CAROLINA, a municipal corporation located in Brunswick County, North Carolina ("Town").

WITNESSETH:

WHEREAS, the Subdivider wishes to record a final plat (the "Final Plat") of a proposed subdivision located in the Town known as **Indigo Preserve, Brunswick Forest Phase 8 Section 2B Site Specific Plan** (the "Subdivision"); and

WHEREAS, under the provisions of the Code of Ordinances of Town, the Subdivider is required to complete installation of certain infrastructure and other required improvements prior to recording of the Final Plat; and

WHEREAS, the ordinances of the Town of Leland provided in Section 50-10 states that a Subdivider may post a surety bond, letter of credit or another form of guarantee that provides equivalent security to a surety bond or letter of credit (the "Security") for the Subdivider's requirement to install the obligatory improvements and upon receipt of the Security, the Final Plat of the affected subdivision may be recorded; and

WHEREAS, the Town desires to approve the Final Plat for the Subdivision described herein and in lieu of requiring the completion of all obligatory improvements prior to said approval, will accept from the Subdivider a **surety performance bond from Euler Hermes North American Insurance Company** to guarantee completion of the improvements described hereinafter.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. The recitals set forth hereinabove are incorporated herein and made part of this Agreement.
2. The Subdivider is desirous of installing
 - (i) the improvements as shown on the Final Plat,
 - (ii) the improvements as shown on any other plans and specifications submitted to the Town

by Subdivider in connection with the work to be carried out as reflected on the Final Plat,

(iii) the improvements as required by the Town's Subdivision Ordinance and other applicable ordinances, and

(iv) the improvements as set forth in the engineer's report prepared by **Michael D. Hatcher PE**, attached hereto labeled Exhibit "A" (said improvements described herein referred to collectively as the "Improvements").

3. The engineer's report attached as Attachment "A" contains an estimate prepared by such engineer showing a cost of **\$943,880.77** to complete the Improvements. The cost as reflected in Exhibit "A" includes the reasonable estimated cost of administration, inspection, and all required engineering costs for the Town to complete the installation of work.

4. The Subdivider will provide The Town a **surety performance bond with Euler Hermes North American Insurance Company** in the amount of **\$1,179,850.96** which amount is 1.25 times the estimated cost of installation of the Improvements.

5. The Security given by the Subdivider shall comply with all applicable Town ordinances and shall remain in place for a minimum of **two years** from the date of this agreement.

6. The Subdivider shall demonstrate reasonable, good faith progress toward completion of the required improvements that are the subject of the Agreement. .

7. The Subdivider may request partial release of the Security upon presentation to the Town of an engineer's report reflecting work actually performed and uninstalled work . The decision to release any part of the Security prior to completion of all Improvements shall be made exclusively by the Town and in its sole discretion. Final release of the Security shall be made in accordance with Paragraph 5 above.

8. Any cash funds deposited as Security with the Town by the Subdivider may be placed in an interest-bearing account and all interest earned on such account shall be and remain the property of the Town.

9. If all Improvements are not completed within **two years** from the date of this Agreement, the Subdivider may request an extension of the time within which to complete such Improvements. An extension may be granted by the Town in its sole discretion. If an extension is granted, then the Security given by the Subdivider for completion of the Improvements shall remain in full force and effect during the extension.

10. In the event Subdivider fails to complete installation of the Improvements, the Town shall have the option (but not the obligation), in its sole discretion, of utilizing the Security for completion of the Improvements.

11. In the event the Subdivider fails to complete installation of the Improvements, the Town shall be authorized to (a) withhold any permits for further construction of any improvements of any kind within the Subdivision, and (b) withhold the issuance of any zoning permits for any existing or new construction within the Subdivision.

IN WITNESS WHEREOF, the parties have executed this document the day and year first above written.

SUBDIVIDER:

Signature: _____

Kurt Sandness, Division President
Forestar (USA) Real Estate Group, Inc.

TOWN OF LELAND

Signature: _____

Brenda Bozeman, Mayor
Town of Leland

(SEAL)

ATTEST:

Signature: _____

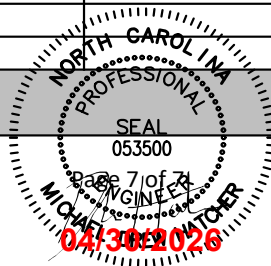
Sabrena Reinhardt, Town Clerk
Town of Leland

Exhibit A

Page 6 of 6

The purpose of this estimate is to clearly encompass ALL construction costs within the right-of-way. Each total adjacent to an item shall be appropriately inclusive. It is the responsibility of the applicant to include any project specific items not listed below.

Item	Quantity	Unit	Price (\$)	Total Price (\$)
Site Work				
Clearing & Grubbing		AC		
rosion Control		LF		
xcavation		Y		
Roadways				
24" Vertical Curb and Gutter		LF		
30" Vertical Curb and Gutter		LF		
24" Modified Valley Curb		LF		
30" Modified Valley Curb		LF		
5' Concrete Sidewalk		LF		
8' Concrete Sidewalk		LF		
8' Multi-Use Path		LF		
10' Multi-Use Path		LF		
sphalt (Surface Layer)		SY-IN		
sphalt (Binder Layer)		SY-IN		
sphalt (Base Layer)		SY-IN		
Stone		SY-IN		
ADA Curb Ramps		EA		
Striping		LF		
Signs		EA		
Street Tree		EA		
Stormwater				
Curb Inlet		EA		
Drop Inlet		EA		
Junction Box		EA		
Stormdrain (12")		LF		
Stormdrain (18")		LF		
Stormdrain (24")		LF		
Stormdrain (30")		LF		
Stormdrain (36")		LF		
Stormdrain (42")		LF		
Stormdrain (48")		LF		
FES (30")		EA		
FES (36")		EA		
FES (42")		EA		
FES (48")		EA		
Active Open Space				
Item:				
Item:				
Item:				
Item:				
Item:				
Engineer Seal			Construction Cost	
			Total (cost * 1.25)	



**MEMO****MEMO-26-0127**

Meeting Date: June 18, 2026

Prepared By: Ben Watts

MEETING TYPE: Council Regular Meeting

TITLE: Resolution R-26-043 Approving a New Performance Guarantee Agreement for the Guarantee of Installation of Required Improvements within Brunswick Forest Phase 9 Section 6 Subphase 1 Site Specific Plan

PURPOSE: To approve a request by Funston Land & Timber, LLC. ("Subdivider") to enter into a new performance guarantee agreement for the guarantee of installation of required improvements within the Brunswick Forest Phase 9 Section 6 Subphase 1 site specific plan.

BACKGROUND: Brunswick Forest Phase 9 Section 6 Subphase 1 Site Specific Plan is an approved residential subdivision located within Brunswick Forest Planned Unit Development and located along Green Spring Boulevard.

The Subdivider is responsible for installing certain required improvements in accordance with Town standards. Pursuant to Section 50-10 of the Town Code of Ordinances, in lieu of requiring the completion, installation, and dedication of all improvements prior to final plat approval, Council may enter into an agreement with the subdivider whereby the Subdivider shall agree to complete all required improvements.

SUMMARY: The Subdivider is requesting a new performance guarantee agreement with the Town. To secure the new performance guarantee, Funston Land & Timber, LLC., shall provide, either one or a combination of a surety performance bond, a cash bond, or an irrevocable letter of credit in an amount not exceeding 1.25 times the entire estimated cost of the improvements. Performance guarantee agreements totaling \$500,000 or more and are subject to Council's approval.

Town Staff has reviewed the estimated quantities and estimated cost of the required improvements included in the performance guarantee agreement and found them to be reasonable and sufficient. The performance guarantee agreement includes the following:

- Curb and gutter
- 5' concrete sidewalks
- Asphalt (roadway surface layer)
- ABC Stone
- ADA curb ramps
- MUTCD signage and striping
- Street Lights

SUPPORTING PLANS: N/A

REQUEST FOR ACTION: Staff recommends Council adopt Resolution R-26-043.



Resolution R-26-043

Introduced By: Ben Watts

Date: June 18, 2026

Resolution R-26-043 Approving a New Performance Guarantee Agreement for the Guarantee of Installation of Required Improvements within Brunswick Forest Phase 9 Section 6 Subphase 1 Site Specific Plan

WHEREAS, pursuant to Section 50-10 in the Town Code of Ordinances, in lieu of requiring the completion, installation, and dedication of all required improvements, and prior to final plat approval, the Town Council may enter into an agreement with the subdivider whereby the subdivider shall agree to complete all required improvements; and

WHEREAS, to secure this agreement, the subdivider shall provide either one, or a combination of the following guarantees not exceeding 1.25 times the entire cost as provided in Section 50-10:

- Surety performance bond,
- Cash bond,
- Irrevocable letter of credit; and

WHEREAS, Funston Land & Timber, LLC. will execute one new performance guarantee agreement, attached and incorporated herein by reference as Exhibit A, to guarantee the completion of required improvements for Brunswick Forest Phase 9 Section 6 Subphase 1 Site Specific Plan; and

WHEREAS, the Town of Leland has reviewed the estimated quantities and estimated costs for the stated uninstalled improvements for Brunswick Forest Phase 9 Section 6 Subphase 1 Site Specific Plan, and found the estimates to be reasonable and sufficient to complete the construction of required improvements; and

WHEREAS, the Town of Leland Town Council shall review performance guarantee agreements totaling \$500,000 or more; and

WHEREAS, to guarantee completion of the improvements, Funston Land & Timber, LLC. will provide a surety bond issued by Palomar Casualty and Surety Company to the Town in the amount of \$1,837,811.48 which is 1.25 times the estimated cost of the improvements.

Therefore, Be It Resolved:

That the Leland Town Council approves the new performance guarantee agreement and accepts the associated surety bond between Funston Land & Timber, LLC. and The Town for Brunswick Forest Phase 9 Section 6 Subphase 1 Site Specific Plan.

Adopted by Town Council on this 18th day of June, 2026.

Brenda Bozeman, Mayor

Sabrena A. Reinhardt, Town Clerk

Exhibit A

Page 3 of 6

SUBDIVISION/LAND DEVELOPMENT**Performance Guarantee Agreement**

Town of Leland, North Carolina



102 Town Hall Dr., Leland, NC 28451
www.townofleland.com

Planning and Building Inspections
Phone 910-371-3390 Fax 910-371-1158

This Agreement made this **18th** day of **June 2026**, by and between **Funston Land & Timber, LLC**. ("Subdivider") and the TOWN OF LELAND, NORTH CAROLINA, a municipal corporation located in Brunswick County, North Carolina ("Town").

WITNESSETH:

WHEREAS, the Subdivider wishes to record a final plat (the "Final Plat") of a proposed subdivision located in the Town known as **Brunswick Forest Phase 9 Section 6 Subphase 1 Site Specific Plan** (the "Subdivision"); and

WHEREAS, under the provisions of the Code of Ordinances of Town, the Subdivider is required to complete installation of certain infrastructure and other required improvements prior to recording of the Final Plat; and

WHEREAS, the ordinances of the Town of Leland provided in Section 50-10 states that a Subdivider may post a surety bond, letter of credit or another form of guarantee that provides equivalent security to a surety bond or letter of credit (the "Security") for the Subdivider's requirement to install the obligatory improvements and upon receipt of the Security, the Final Plat of the affected subdivision may be recorded; and

WHEREAS, the Town desires to approve the Final Plat for the Subdivision described herein and in lieu of requiring the completion of all obligatory improvements prior to said approval, will accept from the Subdivider a **surety performance bond from Palomar Casualty and Surety Company** to guarantee completion of the improvements described hereinafter.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. The recitals set forth hereinabove are incorporated herein and made part of this Agreement.
2. The Subdivider is desirous of installing
 - (i) the improvements as shown on the Final Plat,
 - (ii) the improvements as shown on any other plans and specifications submitted to the Town

by Subdivider in connection with the work to be carried out as reflected on the Final Plat,

(iii) the improvements as required by the Town's Subdivision Ordinance and other applicable ordinances, and

(iv) the improvements as set forth in the engineer's report prepared by **Adam H. Grady PE**, attached hereto labeled Exhibit "A" (said improvements described herein referred to collectively as the "Improvements").

3. The engineer's report attached as Attachment "A" contains an estimate prepared by such engineer showing a cost of **\$1,470,249.18** to complete the Improvements. The cost as reflected in Exhibit "A" includes the reasonable estimated cost of administration, inspection, and all required engineering costs for the Town to complete the installation of work.

4. The Subdivider will provide The Town a **surety performance bond with Palomar Casualty and Surety Company** in the amount of **\$1,837,811.48** which amount is 1.25 times the estimated cost of installation of the Improvements.

5. The Security given by the Subdivider shall comply with all applicable Town ordinances and shall remain in place for a minimum of **one year** from the date of this agreement.

6. The Subdivider shall demonstrate reasonable, good faith progress toward completion of the required improvements that are the subject of the Agreement.

7. The Subdivider may request partial release of the Security upon presentation to the Town of an engineer's report reflecting work actually performed and uninstalled work. The decision to release any part of the Security prior to completion of all Improvements shall be made exclusively by the Town and in its sole discretion. Final release of the Security shall be made in accordance with Paragraph 5 above.

8. Any cash funds deposited as Security with the Town by the Subdivider may be placed in an interest-bearing account and all interest earned on such account shall be and remain the property of the Town.

9. If all Improvements are not completed within **one year** from the date of this Agreement, the Subdivider may request an extension of the time within which to complete such Improvements. An extension may be granted by the Town in its sole discretion. If an extension is granted, then the Security given by the Subdivider for completion of the Improvements shall remain in full force and effect during the extension.

10. In the event Subdivider fails to complete installation of the Improvements, the Town shall have the option (but not the obligation), in its sole discretion, of utilizing the Security for completion of the Improvements.

11. In the event the Subdivider fails to complete installation of the Improvements, the Town shall be authorized to (a) withhold any permits for further construction of any improvements of any kind within the Subdivision, and (b) withhold the issuance of any zoning permits for any existing or new construction within the Subdivision.

IN WITNESS WHEREOF, the parties have executed this document the day and year first above written.

SUBDIVIDER:

Signature: _____

Allen Jefferson Earp, Manager
Funston Land & Timber, LLC.

TOWN OF LELAND

Signature: _____

Brenda Bozeman, Mayor
Town of Leland

(SEAL)

ATTEST:

Signature: _____

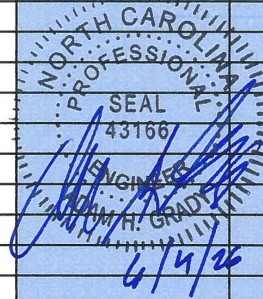
Sabrena Reinhardt, Town Clerk
Town of Leland

Exhibit A

Page 6 of 6

Brunswick Forest Phase 9-Section 6-1

The purpose of this estimate is to clearly encompass ALL construction cost within the right-of-way. Each total adjacent to an item shall be appropriately inclusive. It is the responsibility of the applicant to include any project specific items not listed below.				
Item	Quantity	Unit	Price (\$)	Total Price (\$)
Site Work				
Clearing and Grubbing		AC		\$0.00
Erosion Control		LF		\$0.00
Excavation		CY		\$0.00
Roadways				
24" Vertical Curb and Gutter		LF		\$0.00
30" Vertical Curb and Gutter		LF		\$0.00
24" Modified Valley Curb	12835	LF	\$23.00	\$295,205.00
30" Modified Valley Curb		LF		\$0.00
5' Concrete Sidewalk	12536	LF	\$32.00	\$401,152.00
8' Concrete Sidewalk		LF		\$0.00
8' Multi Use Path		LF		\$0.00
10' Multi Use Path		LF		\$0.00
Asphalt (Surface Layer)	29836	SY-IN	\$9.80	\$292,392.80
Asphalt (Binder Layer)		SY-IN		\$0.00
Asphalt (Base Layer)		SY-IN		\$0.00
ABC Stone	140641	SY-IN	\$3.18	\$447,238.38
ADA Curb Ramps	17	EA	\$635.00	\$10,795.00
Striping	708	LF	\$2.00	\$1,416.00
Signs	9	EA	\$1,150.00	\$10,350.00
Street Trees		EA		\$0.00
Stormwater				
Curb Inlet		EA		\$0.00
Drop Inlet		EA		\$0.00
Junction Box		EA		\$0.00
Stormdrain (12")		LF		\$0.00
Stormdrain (18")		LF		\$0.00
Stormdrain (24")		LF		\$0.00
Stormdrain (30")		LF		\$0.00
Stormdrain (36")		LF		\$0.00
Stormdrain (42")		LF		\$0.00
Stormdrain (48")		LF		\$0.00
FES (30")		EA		\$0.00
FES (36")		EA		\$0.00
FES (42")		EA		\$0.00
FES (48")		EA		\$0.00
Miscellaneous				
Item: PM 8" (Crosswalks)		LF		\$0.00
Item: PM 24" (Stop Bars)		LF		\$0.00
Item: STREET LIGHTS	26	EA	\$450.00	\$11,700.00
Item:				\$0.00
Item:				\$0.00
Engineer Seal			Construction Cost	\$1,470,249.18
			Total (Cost *1.25)	\$1,837,811.48



**MEMO****MEMO-26-0131**

Meeting Date: June 18, 2026

Prepared By: Ben Andrea

MEETING TYPE:	Council Regular Meeting
TITLE:	Resolution R-26-046 Updating the Planning and Zoning Fee Schedule for the Planning and Inspections Department
PURPOSE:	To adopt a resolution approving revised fee schedule for planning and zoning services for the Planning and Inspections Department.
BACKGROUND:	The Town's Code of Ordinances states that the Town Council shall adopt a schedule of fees to be paid by applicants for permits and applications required under the provisions of the zoning and subdivision ordinances. The Town's Code of Ordinances also states that Town Council shall adopt a schedule of fees to be paid by applicants for permits, plan review, and applications required under the Building Code. The current Planning and Zoning Fee Schedule was adopted by Council on August 21, 2025 and became effective on September 1, 2025. Fee schedules are reviewed at least annually for necessary changes, typically with an effective date coinciding with the beginning of a new fiscal year.
SUMMARY:	The current fee schedules and application and review processes were analyzed to account for staff's time in processing and reviewing applications. If adopted, the proposed updated fee schedule will be effective on July 1, 2026. The following points summarize the significant changes made to the fee schedule: • Added fee for establishing a FlexCode Special District, which is akin to a rezoning • Increased fee for an ordinance text amendment to better reflect amount of staff time involved in processing such a request • Added fees for reviews of FlexCode community plans
SUPPORTING PLANS:	N/A
REQUEST FOR ACTION:	Staff recommends Council adopt Resolution R-26-046.



Resolution R-26-046

Introduced By: Ben Andrea

Date: June 18, 2026

Resolution R-26-046 Approving Revisions to the Planning and Zoning fee schedule for the Planning and Inspections Department.

WHEREAS, Planning has a Fee Schedule for planning and zoning applications and reviews; and

WHEREAS, staff has evaluated the current Fee Schedule and the planning and zoning review processes; and

WHEREAS, staff recommends modifying and adding fees to appropriately account for services performed by Town's Planning staff as shown in Exhibit A, attached hereto.

Therefore, Be It Resolved:

That the Leland Town Council hereby approves the revised Planning and Zoning Fee Schedule for the Town of Leland's Planning and Inspections Department, effective July 1, 2026.

Adopted by Town Council on this 18th day of June, 2026.

Brenda Bozeman, Mayor

Sabrena A. Reinhardt, Town Clerk

PLANNING AND ZONING

FEE SCHEDULE



102 Town Hall Dr., Leland, NC 28451
www.townofleland.com

Planning & Inspections Department
Phone 910-371-3390 Fax 910-371-1073

Zoning Fees	
Residential Structures (New Home Construction)	\$50.00
Development Site Plan - (Includes up to 3 TRC Reviews)	
Open Space Development Site Plan	\$1,500.00
Development Site Plan Review	\$1,500.00
Development Site Plan Minor Modification	\$800.00
Extension Request	\$100.00
Rezoning	
General Rezoning	\$1,100.00
Planned Unit Development (PUD) Rezoning	\$1,200.00
Conditional Rezoning	\$1,300.00
<u>FlexCode Special District (Transect or Classification)</u>	<u>\$1,100.00</u>
Sign Permits	
On-Premise Sign	\$100.00
Temporary Signs (Banners)	\$50.00
Temporary Off-Premise Directional Real Estate Sign	\$50.00
Small Cell Wireless Facilities	
New Facilities, Collocations, Substantial Modifications	\$100.00 per facility for the first 5 facilities on an application; \$50 per facility for each additional facility on an application (25 total facilities max per application)
All Other Telecommunications Facilities	
New Facility or Substantial Modification Collocations	\$750.00
Collocations	\$100.00 per facility
Other Zoning Applications	
Ordinance Text Amendment	~~\$1,000.00~~ \$550.00
Accessory Structure	\$50.00
Commercial Alterations, Change of Occupancy, Upfit Reviews	\$80.00
Home Occupation	\$50.00
Family Care and Group Home	\$50.00
Residential Additions and Residential Alterations	\$20.00
Temporary Use	\$50.00
Subdivision Reviews	
Preliminary Plats: (Includes up to 3 TRC Reviews)	
Major Subdivision	\$1,500.00
Site Specific Plan in a PUD (includes Master Plan Update)	\$1,550.00
Preliminary Plat Minor Modification	\$800.00
Site Specific Plan in a PUD Modification (includes Master Plan Update)	\$850.00
Planned Unit Development Master Plan	
Planned Unit Development Master Plan (New)	\$1,800.00
Master Land Use Plan Amendment (Board Approval)	\$1,000.00
Master Land Use Plan Amendment (Staff Approval)	\$400.00

<u>FlexCode Community Plans</u>	
<u>New Community Plan (New)</u>	~~\$1,800.00~~
<u>Infill Community Plan (New)</u>	~~\$1,800.00~~
<u>Community Plan Modification</u>	<u>\$900.00</u>

Final Plats:	
Exempt	\$100.00
Minor	\$100.00
Major or PUD	\$250.00

Performance Guarantees:	
New	\$450.00
Extension Request	\$50.00
Reduction	\$450.00
Release	\$450.00

Floodplain Development	
Flood Zone Determination Letter	\$50.00
Floodplain Development Permit - Pre-Development	\$50.00
Floodplain Development Permit - Structural	\$150.00
Map Amendment or Revision Review	\$100.00

Board of Adjustment	
Variance	\$750.00
Appeal	\$750.00

Documents, Maps, Etc.	
Renotification after Applicant-Initiated Continuance	\$200.00
Copies (B & W)	\$5.00/page
Copies (color)	\$5.00/page
Full Scale Prints (24 x 36)	\$5.00 per sheet
Zoning Letter (per Address or Parcel)	\$50.00
Re-Inspections (Zoning, Flood and Subdivision)	\$100.00

ABC Licenses (N.C.G.S § 105-113.77 and § 105-113.79)	
On-Premises Malt Beverage	\$15.00
Off-Premises Malt Beverage	\$5.00
On-Premises Unfortified Wine, On-Premises Fortified Wine, or Both	\$15.00
Off-Premises Unfortified Wine, Off-Premises Fortified Wine, or Both	\$10.00
Malt Beverage Wholesaler License	\$37.50
(Include breweries that sell to other businesses and distributors)	
Wine Wholesaler License	\$37.50
(Include wineries that sell to other businesses and distributors)	

General Notes	
Community Development Block Grant Neighborhood Revitalization (CDBG-NR) projects are exempt from all fees on this Fee Schedule.	
A written request for a refund of fees prior to the start of planning & zoning services may be submitted by the applicant. 25% of the original amount paid is retained for processing.	
This fee schedule applies to planning and zoning applications and reviews only. Fees for building permitting and inspections are outlined on a separate schedule.	
There is a \$25.00 fee for returned checks.	



Budget Amendment BA26-007

Introduced By: Carly Hagg

Date: June 18, 2026

Budget Amendment BA26-007 Reduce the General Fund Operating Budget by \$900,000 for GASB Reporting

INTENT/PURPOSE:

The requested budget amendment removes the revenue and expenditure related to GASB 96 and GASB 87 reporting.

GASB 87 and GASB 96 are accounting standards issued by the Governmental Accounting Standards Board that require governments to report long-term obligations more clearly on their financial statements. GASB 87 applies to leases of physical assets, such as buildings, vehicles, or equipment, and requires governments to record both a lease liability and a right-to-use asset. GASB 96 applies similar accounting rules to subscription-based information technology arrangements, such as cloud software or SaaS agreements, by requiring governments to recognize a subscription liability and a related right-to-use subscription asset. In simple terms, GASB 87 covers leased physical items, while GASB 96 covers software subscriptions, and both standards are intended to make financial obligations more transparent.

The new requirements state that GASB recording is only required for proprietary funds and is not recorded in governmental fund financial statements or budgets. As a result, these funds should be removed from the budget for the current year on both the revenue and expenditure side. There is no effect to the financial standing of the Town.

BE IT ORDAINED by the Town Council of the Town of Leland, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2026:

SECTION I:

To appropriate funds to the Department budget line items as detailed below. The appropriations are to be changed as follows:

<u>GENERAL FUND</u>	<u>Increase</u>	<u>Decrease</u>
10-355-4475 GASB 87 / GASB 96		900,000
10-120-4470 IT LEASES		900,000

SECTION II:

Copies of this budget amendment shall be furnished to the Clerk, to the Town Council and to the Budget Officer for their direction.

Adopted by Town Council on this 18th day of June, 2026.

Brenda Bozeman, Mayor

Sabrena A. Reinhardt, Town Clerk

Budget Amendment

**MEMO****MEMO-26-0130**

Meeting Date: June 18, 2026

Prepared By: Carly Hagg

MEETING TYPE:

Council Regular Meeting

TITLE:

Resolution R26-044 Adopting Financial Policies for the Town

PURPOSE:

The purpose of these policies is to create a stable framework for financial decisions of the Town. In North Carolina specifically, local governments operate under a relatively structured fiscal oversight system, so clear policies help municipalities stay compliant and financially resilient.

BACKGROUND:

As the Town continues to grow, it has become apparent that the time has arrived to update our outdated policies and to create some new policies for the Town's financial operations. The benefits of these policies include:

1. **Maintaining Fiscal Stability:** Financial policies help municipalities control spending, manage debt, maintain reserves, and respond to emergencies such as hurricanes, infrastructure failures, or economic downturns. Consistent policies reduce the risk of budget shortfalls and service disruptions.
2. **Supporting Long-Term Planning:** Municipalities must fund roads, public safety, parks, and other infrastructure over decades. Policies on capital planning, fund balance levels, and debt management help leaders make sustainable decisions instead of reacting year to year.
3. **Optimizing Credit Ratings and Borrowing Costs:** Bond rating agencies heavily weigh the presence of formal financial policies when assessing fiscal health. Adopting strong, transparent guidelines enhances municipal credit ratings, directly lowering interest costs when issuing bonds for essential local infrastructure, such as park developments or facility construction.
4. **Ensuring Legal and Regulatory Compliance:** Local governments in North Carolina are governed by the North Carolina Local Government Commission (LGC), which oversees borrowing and monitors fiscal health. Sound financial policies help municipalities comply with state budgeting, auditing, and debt requirements.
5. **Increasing Transparency and Public Trust:** Residents are more likely to trust local government when financial decision follow established rules instead of ad hoc decisions. Policies clarify how revenues are used, when reserves can be spent, and how priorities are determined.
6. **Providing Consistency Through Leadership Changes:** Elected officials and managers change over time. Written financial policies preserve institutional discipline and continuity so financial management does not shift dramatically with turnover.
7. **Preparing for Economic and Environmental Risks:** Many North Carolina communities face risks from storms, flooding, or changing development patterns. Reserve policies, revenue diversification policies, and disaster recovery planning help municipalities absorb shocks without severe

service cuts.

SUMMARY: Following a review of comparable financial policies and procedures from municipalities across the region, staff has developed the attached policies to provide a clear framework for the Town's financial operations.

SUPPORTING PLANS: N/A

REQUEST FOR ACTION: For Town Council to adopt the Financial Policies for the Town as proposed.



Resolution R-26-044

Introduced By: Carly Hagg

Date: June 18, 2026

Resolution R26-044 Adopting Financial Policies for the Town

WHEREAS, the Council recognizes the importance of sound financial management practices to ensure the continued fiscal stability, operational effectiveness, and long-term sustainability of municipal services and infrastructure; and

WHEREAS, the Council finds that the adoption of comprehensive financial policies promotes transparency, accountability, consistency in financial decision-making, and compliance with applicable federal and North Carolina laws and regulations; and

WHEREAS, the Council further recognizes that formal financial policies support long-range capital planning, preserve the Town's creditworthiness, strengthen internal controls, and provide guidance for current and future elected officials and staff; and

WHEREAS, the Council desires to adopt these financial policies to replace all previously adopted financial policies addressing the same subject matter; and

Therefore, Be It Resolved:

The Council hereby adopts the following financial policies attached to this Resolution and incorporated herein by reference:

1. Capital Asset Threshold Policy
2. Debt Management Policy
3. Fund Balance Policy
4. Independent Audit Contract Policy
5. Investment Policy
6. Sponsorship Policy
7. Write-Off of Uncollectible Accounts Policy

Adopted by Town Council on this 18th day of June, 2026.

Brenda Bozeman, Mayor

Sabrena Reinhardt, Town Clerk



Policy Name	Financial Policies	Policy No.	FIN002
Effective Date	7/01/2026	Version No.	V1

Purpose

The purpose of these policies is to create a stable framework for financial decisions of the Town. In North Carolina specifically, local governments operate under a relatively structured fiscal oversight system, so clear policies help municipalities stay compliant and financially resilient. The benefits of these policies include:

Maintaining Fiscal Stability: Financial policies help municipalities control spending, manage debt, maintain reserves, and respond to emergencies such as hurricanes, infrastructure failures, or economic downturns. Consistent policies reduce the risk of budget shortfalls and service disruptions.

Supporting Long-Term Planning: Municipalities typically fund roads, water systems, public safety, parks, and other infrastructure with debt, sometimes extending over several years or decades. Policies on capital planning, fund balance levels, and debt management help leaders make sustainable decisions instead of reacting year to year.

Optimizing Credit Ratings and Borrowing Costs: Bond rating agencies heavily weigh the presence of formal financial policies when assessing fiscal health. Adopting strong, transparent guidelines enhances municipal credit ratings, directly lowering interest costs when issuing bonds for essential local infrastructure, such as park developments or facility construction.

Ensuring Legal and Regulatory Compliance: Local governments in North Carolina are **regulated** through the North Carolina Local Government Commission (LGC), which oversees borrowing and monitors fiscal health. Sound financial policies help municipalities comply with state budgeting, auditing, and debt requirements.

Increasing Transparency and Public Trust: Residents are more likely to trust local government when financial decisions follow established rules instead of ad hoc decisions. Policies clarify how revenues are used, when reserves can be spent, and how priorities are determined.

Providing Consistency Through Leadership Changes: Elected officials and managers change over time. Written financial policies preserve institutional discipline and continuity, so financial management does not shift dramatically with turnover.

Preparing for Economic and Environmental Risks: Many North Carolina communities face risks from storms, flooding, tourism fluctuations, or changing development patterns. Reserve policies, revenue diversification policies, and disaster recovery planning help municipalities absorb shocks without severe service cuts.

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Capital Asset Threshold Policy

1 Purpose and Definitions

The purpose of the Capital Asset Threshold Policy ("Policy") is to establish uniform rules for capitalization and reporting of capital assets and to promote compliance with applicable accounting standards, while safeguarding Town-owned assets by providing reasonable internal controls.

Definitions

An item shall be classified, capitalized, and depreciated as a capital asset if it meets all the following criteria:

- a) It is tangible property owned or controlled by the Town.
- b) It has an estimated useful life of greater than one (1) year.
- c) It meets or exceeds the following monetary thresholds established by the Town Council.

2 Capitalization Threshold

The Town's standard capitalization threshold is \$10,000 per individual asset. Assets with a cost below \$10,000 do not qualify as capital assets for financial reporting purposes and will generally be considered an operational expense.

3 Roles and Responsibilities

The Town Council retains ultimate authority over this Policy and must approve any structural updates, adjustments to threshold limits, or changes to capitalization methods.

The Town Manager, or their designee, is authorized to establish administrative procedures to enforce this Policy, assign custody of assets to specific departments, and ensure routine operational controls are maintained.

The Finance Director is responsible for recording fixed assets in the accounting ledger, assigning useful lives, calculating annual depreciation, and coordinating a comprehensive physical inventory count across all departments prior to June 30 each fiscal year.

Debt Management Policy

4 Purpose

The purpose of the Debt Management Policy ("Policy") is to establish guidelines for the prudent issuance and management of debt to support the Town's capital improvement needs while maintaining long-term financial stability. The Policy promotes responsible long-term financial planning, establishes parameters for issuing and managing debt, protects the Town's credit quality, and ensures compliance with applicable state laws and regulatory requirements.

The Town recognizes that a formally adopted local debt management policy is an essential financial management tool and is fundamental to:

- Ensure fiscal prudence and promote financial sustainability;
- Document the decision-making process and enhance the quality of decisions;
- Identify objectives for staff to implement; and
- Demonstrate to investors and rating agencies that the Town is dedicated to sound financial management.

It is the objective of the Policy that:

- The Town obtain financing only when necessary;
- The process for identifying the timing and amount of debt or other financing be as efficient as possible;
- The most favorable interest rate and other related costs be obtained; and
- The credit rating of the Town is protected.

5 Conditions for the Issuance of Debt

Financial Analysis

When evaluating capital project funding options, the Town will conduct financial analyses to assess each fund's financial ability to support additional debt under its existing revenue or rate structure. If the existing fund structure cannot accommodate new debt, the analysis will identify when and to what extent adjustments to revenue or rate structures may be necessary. Additionally, this analysis will explore external funding opportunities such as grants, intergovernmental aid, and public-private partnerships, prior to committing local funds or issuing debt for capital projects.

All debt issuances will be evaluated in accordance with this Policy to ensure fiscal responsibility. The criteria for the issuance of debt includes but is not limited to:

- **Favorable Market Conditions:** The Town will strongly consider issuing debt rather than using cash when interest rates are low, or when construction costs are currently low but are anticipated to rise. The Town will also look to issue debt for projects over \$2,000,000.
- **Appropriate Distribution of Costs and Benefits:** Debt will be used to finance capital assets with the repayment period structure to align with the expected useful life of the asset. The Town will select the type and structure of debt to ensure that both public and private beneficiaries pay an equitable share of the costs relative to the benefits they receive.
- **Investment Grade Bond Ratings:** The Town shall only fund projects that support the maintenance of a strong credit rating.

- **Project Characteristics Supporting the Use of Debt:** The Town may issue debt to finance the acquisition or construction of capital assets, including land and buildings. It is the goal of the Town to avoid using debt for the acquisition of equipment, but exceptions may be made if deemed beneficial for the Town.

6 Debt Policy Considerations

Debt Compliance

The Town will only issue debt in compliance with current state law and as authorized by the Local Government Commission (LGC). Debt will be structured to minimize total interest costs and tailored to best fit each project's financing needs (NCGS 159-49, 159-153). While aggregate debt is statutorily capped at the LGC guidance level of 8% of the total assessed value of all taxable property, the Town prefers to operate under stricter self-imposed fiscal limits. Accordingly, the Town's aggregate debt shall be further restricted to no more than 3% of the total assessed value of all real and personal property within Town limits, and annual debt service shall not exceed 20% of the Town's General Fund budget.

Level Principal Payments

The Town will generally structure debt services with level payments to reduce total interest costs. Alternative amortization methods will be evaluated on a case-by-case basis and will be based on various factors, including the project, overall debt structure, key ratios, increased savings, and market conditions.

Competitive Sale

The Town will seek to issue its debt obligations using a competitive process, unless otherwise determined by the Finance Director, or their designee.

Length of Debt

When borrowing, the Town will keep loan terms as short as reasonably possible and generally align repayment with the asset's useful life, if appropriate. The Town will repay debt in the shortest period that fairly distributes costs between current and future users, without exceeding the useful life of the asset or the project being financed.

Debt Pooling

When appropriate, the Town will pool multiple projects into a single debt issuance to reduce issuance expenses.

Costs and Fees

The Town may use loan proceeds to pay interest during the construction of an asset, with capitalization limited to the construction period only. The Town considers fully funding all outstanding debt services a top priority in the annual budget process.

Reimbursement Resolution

If the cash requirements for capital projects are minimal in any given year, the Town may choose not to issue debt. Instead, the Town may adopt a reimbursement resolution, then fund up-front project costs and reimburse these costs when financing is later arranged.

7 Restrictions on Debt Issuance

Long-Term Debt

Long-term debt shall not be used to finance ongoing operational expenses, and it must be repaid throughout the useful life of the asset.

Before issuing debt, the Town must review all available options to ensure the most cost-effective issuance and management approach. Additionally, The Town will comply with all legal limits, tax and spending restrictions, and any additional requirements set by bond agreements.

Pay-as-you-go (PAYGO) Financing

The Town shall consider PAYGO financing which uses current revenues, accumulated reserves, or grants, for projects suitable for this approach.

8 Use of Debt Financing

The Town will use bond financing for major capital projects, including the acquisition or construction of facilities. Bonds may also be used for other capital needs when determined to be in the Town's best interest.

9 Credit Ratings and Redemption Features

The purpose of the Town's credit ratings and redemption features is to maintain strong creditworthiness, ensure access to favorable borrowing terms, and provide flexibility in managing debt obligations over time.

Credit Rating Goals

The Town will manage financing with the goal of maintaining or achieving the highest credit ratings possible, supporting low borrowing costs, and strong financial reputation. Consequently, the Finance Director, or their designee, is responsible for maintaining strong relationships with credit rating agencies. This effort includes providing periodic updates on the Town's general financial condition along with coordinating meetings and presentations in conjunction with new debt issuance.

Credit Enhancement and Rating Agencies

The Finance Director is responsible for deciding whether a credit rating should be requested for specific financing, and for selecting which major rating agency or agencies will be asked to provide that rating. When proven cost-effective, the Town shall seek to use credit enhancement. Credit enhancement may be used to improve or establish a credit rating on a Town debt obligation, even if it is not cost-effective, if the Finance Director determines the use aligns with the Town's debt financing goals and objectives. Selection of credit enhancement providers should be conducted using a competitive process when practical.

Minimum Long-Term Rating Requirements

The Town requires a minimum credit rating of "A" or higher for its direct, long-term debt. If this cannot be met based on credit strength, the Town will seek credit enhancement to achieve the minimum rating. If credit enhancement is unavailable or declared uneconomic by the Finance Director, then obligations may be used without a rating.

Redemption Features

The Town may include options like call provisions or optional redemptions that allow early debt repayment to save interest costs. These features require ongoing monitoring and cost-benefit

analysis, considering factors such as call premiums, current interest rates versus historical levels of time until call eligibility, and interest rate volatility. Early redemption will be pursued only when it offers clear financial benefits or is deemed otherwise beneficial by the Finance Director.

10 Investment of Debt Proceeds

Debt proceeds can be invested before they are spent on acquiring or constructing the assets they were issued to finance. Typically, proceeds can be invested into instruments allowed for general government investments under NCGS 159-30(13). However, the one major difference specific to tax-exempt bond proceeds is that of arbitrage limits. Limits apply to interest earnings on funds received from the issuance of tax-exempt bonds. The Finance Director, or their designee, manages the investment of debt proceeds to minimize arbitrage liability, avoid penalties, and protect the tax-exempt status. Debt proceeds are to be invested in accounts separate from general idle cash.

Fund Balance Policy

11 Purpose and Definitions

The purpose of the Fund Balance Policy ("Policy") is to define the Town's target fund balance percentage and establish guidelines for preserving an adequate fund balance. Maintaining these financial reserves is essential to mitigate financial risks associated with unforeseen revenue fluctuations, sustain long-term financial stability, support credit worthiness for bond ratings, and ensure prudent management of the Town's cash flow liquidity.

The primary reasons for establishing this Policy are to:

- Plan for contingencies
- Maintain good standing with rating agencies
- Avoid interest expenses
- Generate investment income
- Serve as a cash flow management tool

Definitions

- a. Fund Balance: The difference between assets and liabilities reported in a governmental fund.
- b. Types of Fund Balance: Governmental Accounting Standards Board (GASB) Statement 54 classifies fund balance based on relative strength of the constraints that control the purposes for which designated amounts may be spent.
 - Non-spendable: Amounts not in a spendable form or are required to be maintained intact (i.e., inventory, pre-paid accounts).
 - Restricted: Amounts that can only be used for a specific purpose that is stipulated by the external resource provider through either constitutional or enabling legislation (i.e., grants).
 - Assigned: Amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.
 - Committed: Funds that can only be used for specific purposes determined by formal action of the Town's highest level of decision-making authority.
 - Unassigned: The residual amounts of the General Fund which include all amounts not contained in other classifications. Available fund balance is the amount that is available for appropriation for public purposes.
- c. Expenditures: For the purposes of the calculations included in this Policy, expenditures shall include operating expenses plus debt service. It shall not include other financing uses.

12 Fund Balance Management

Required Reserve Levels

Council's goal is to maintain reserves as required by law, ordinance, and bond covenants, in addition to retaining an undesignated fund balance of at least 35% in the General Fund. The Council may, from time to time, authorize the use of fund balance that reduces the available balance below this 35% goal in response to a declared fiscal emergency or other critical circumstance necessary to protect the Town's long-term financial security or to fund emergency expenditures during disasters.

Should the fund balance fall below the established goal, the Town Manager shall develop and implement a plan to restore the fund balance to required levels within 36 months, which will be included in the annual budget. All expenditures from fund balance must be approved by the Town Council unless previously authorized as part of the Town's adopted annual budget. The minimum fund balance requirements will be reviewed regularly by the Finance Director in response to changes in economic conditions, legislation, or revenue sources.

Independent Audit Contract Policy

13 Purpose

The purpose of the Independent Audit Contract Policy ("Policy") is to preserve the independence, objectivity, and effectiveness of the Town's required external audit by establishing limits on the number of consecutive years an independent audit firm may provide auditing services. This Policy:

- Promotes public confidence in the integrity of the Town's financial reporting;
- Encourages periodic competition for audit services;
- Reduces the risk of overfamiliarity between the Town and the audit firm; and
- Ensures compliance with applicable governmental auditing standards and procurement requirements.

Policy Statements

- a) Effective for FYE2027, the Town shall require periodic rotation of its independent external audit firm.
- b) No audit firm shall serve as the Town's independent auditor for more than five (5) consecutive fiscal years.
- c) Upon completion of the maximum consecutive service period, the audit firm shall not be eligible to provide independent external audit services to the Town for a minimum period of one (1) fiscal year before being considered again.

Investment Policy

14 Purpose

The purpose of the Investment Policy ("Policy") is to provide guidance for the investment of all Town funds in conformance with federal, state, and other legal requirements, including North Carolina General Statute ("NCGS") 159-30. This Policy applies to the investment of all funds in the Town's consolidated investment portfolio. Funds managed by external investment advisors shall be governed by the terms of their respective agreements and applicable by law.

15 Policy Objectives

The primary objectives, in order of priority, for investment activities shall be safety, liquidity, and yield:

Safety: The foremost objective of the investment portfolio is the preservation of capital. Investments shall be managed to minimize credit and market risk through diversification, prudent investment selection, and maturity aligned with cash flow needs.

Liquidity: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. While all investments are purchased with the intent of holding them to maturity, the portfolio should maintain a minimum level of cash-equivalent investments to accommodate unforeseen cash flow needs. The portfolio should also be structured to ensure liquidity by investing primarily in securities with active secondary or resale markets (dynamic liquidity) and by aligning maturities with anticipated cash flow needs (static liquidity).

Yield: The investment portfolio will be designed with the objective of attaining a market rate of return throughout economic and budgetary cycles, considering investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives detailed above. Investments should be held until maturity with the following exceptions:

- An investment with declining credit quality may be sold or redeemed early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the investment be sold or redeemed.

Local Considerations: Consistent with NCGS 159-30 and the objectives of safety and liquidity, the Town may consider opportunities to invest with local or in-state financial institutions when such investments are prudent and in the public interest.

16 Procedures: Standards of Care and Ethical Conduct

Prudence and Due Diligence

Investments shall be made in accordance with the "Prudent Person" standard, which requires exercising judgment and care, under prevailing circumstances, that prudent persons would use in managing their own affairs, with primary consideration given to preservation of capital and secondary consideration to income generation.

Authorized Town staff acting in accordance with this Policy and exercising reasonable due diligence shall not be held personally responsible for changes in market value or credit conditions, provided deviations and concerns are promptly reported and addressed.

Delegation of Authority

NCGS 159-30(a) authorizes the Finance Director to manage investments subject to this Policy. The Finance Director shall have the power to purchase, sell, and exchange securities on behalf of the Town Council. NCGS 159-25(a)(6) also requires the Finance Director to supervise the investment of idle funds for the Town. The Finance Director, or their designee, will be responsible for managing the investment portfolio in accordance with this Policy which has been approved by Council. No other individual may engage in any investment transactions on behalf of the Town.

Internal Controls

No sole individual shall have the authority to purchase, sell, or exchange investments on behalf of the Town without the approval of another authorized individual. An individual shall have another authorized member of the Town sign off on the purchase, sale, and exchange of an investment before any final decision is made.

Ethics and Conflict of Interest

Authorized Town staff involved in investment activities shall avoid personal investment transactions that could create the appearance of a conflict of interest or impair independent judgment.

17 Suitable and Authorized Investments

NCGS 159-30(c) provides a comprehensive listing of legally authorized investments and permitted portfolio value ranges. The Town's investment portfolio may only include the classes of securities specifically authorized by NCGS and purchased through qualified brokers and dealers.

18 Investment Restrictions

The purchase of securities is restricted to the highest possible ratings whenever particular types of securities are rated. The Town will not directly invest in securities with maturities exceeding five (5) years from the date of purchase. Any intent to invest in longer-term maturities must be approved by the Town Council unless the funds are tied to a Council-approved agreement.

19 Risk Management and Controls

Internal Controls

The Finance Director, or their designee, is responsible for establishing and maintaining a system of internal controls that ensure the assets of the Town are protected from loss, theft, or misuse. These controls will be designed to prevent the loss of public funds arising from fraud, employee error, misinterpretation by third parties, or imprudent actions by employees of the Town.

The Finance Director, or their designee, will supervise investment officers who conduct transactions directly with financial institutions, brokers, and dealers to build and manage the Town's investment portfolio. To ensure proper oversight, the Finance Director, or their designee, will review and sign all documentation related to investment purchases, and will maintain adequate records of all investment activity, including purchases, sales, income, and maturities.

Sponsorship Policy

20 Purpose and Definitions

The purpose of this Sponsorship Policy ("Policy") is to establish standards and procedures for the solicitation, evaluation, and acceptance of sponsorships related to Town of Leland facilities, events, programs, and services. The Policy provides guidance for developing and managing sponsorship relationships and identifies the criteria under which sponsorship opportunities may be considered, including recognition or branding benefits provided to the sponsors.

The intent of sponsorship is to enhance the Town's ability to deliver services to the community and to provide service levels beyond those funded through standard Town resources.

Definitions

- a) **Sponsor:** An individual, business, nonprofit organization, or other entity that provides financial contributions, tangible goods, professional services, or in-kind support to the Town of Leland. Such support is provided in exchange for agreed-upon recognition, promotional consideration, or other benefits associated with a Town program, event, facility, or initiative.
- b) **Sponsorship:** A mutually beneficial relationship in which a Sponsor provides financial or in-kind support to assist with a Town program, event, park, facility, or initiative, and where the Town provides recognition or promotional benefits in return. Sponsorships do not imply, and shall not be construed as, an endorsement by the Town of any sponsor's products, services, viewpoints, or positions.

21 Sponsorship Guidelines

The Town shall offer sponsorship opportunities in a fair, transparent, and equitable manner. All sponsorship activities shall be conducted in compliance with applicable local, state, and federal laws and regulations. The Town retains full discretion over the solicitation, evaluation, acceptance, and administration of sponsorships.

The Town of Leland will enter into sponsorship opportunities that are compatible with its purpose and mission and reserves the right to refuse sponsorship for any reason deemed necessary. The Town of Leland's acceptance of or entering into a sponsorship agreement is not an endorsement of the sponsor's organization, products, or services.

This Policy is intended to ensure a transparent and consistent process, maintain the Town's full decision-making authority regarding sponsorships, and protect the mission, reputation, and public trust associated with Town programs, facilities, and communications.

22 Project Eligibility

Eligible sponsorship partners may include:

- Local businesses
- Community organizations
- Nonprofit organizations
- Regional partners
- Corporate and national businesses

All sponsors must operate in a manner consistent with the Town's mission, values, and commitment to serving the public's interests.

At its discretion, the Town may not accept sponsorships from organizations or entities whose mission, products, services, or activities conflict with the Town's values, mission, policies, or acts of serving the public interest. Examples of prohibited sponsorships may include, but are not limited to:

- Organizations engaged in illegal activities
- Political candidates, political committees, or advocacy groups seeking to influence elections
- Organizations that promote discrimination, hate speech, divisiveness, or activities inconsistent with Town policies or applicable laws
- Businesses whose products or messaging are deemed inappropriate for public events or facilities

Sponsorships shall not:

- Imply endorsement of a business or product by the Town
- Influence Town policies or decisions
- Promote political parties, candidates, agendas, or campaigns
- Promote illegal or inappropriate products or services

23 Sponsorship Categories

Events: Financial or in-kind support for an event organized by the Town of Leland. Examples include concerts, festivals, and holiday events.

Program Delivery: Financial or in-kind support that facilitates the delivery of a particular Town-wide or site-specific program. Examples include fitness programs, environmental education workshops, or art exhibits.

Facility/Public Space Upgrade: Financial or in-kind contributions supporting improvements to Town-owned facilities, parks, or public spaces, including equipment, amenities, beautification projects, or capital enhancements.

Service Delivery: Sponsorship support that enhances or expands municipal services provided to residents, including public education initiatives, community outreach programs, or special service enhancements.

24 Sponsorship Recognition

The type and extent of sponsor recognition may vary based on factors such as the sponsorship level, the nature of the event or program, logistical considerations, available promotional opportunities, and the value of the contribution. The Town reserves the right to determine the appropriate form, placement, duration, and scope of recognition for each sponsorship. The recognition associated with each opportunity shall be identified in the published Sponsorship Opportunities List.

Recognition provided to sponsors may include, but is not limited to, the following opportunities:

- Event signage
- Logo placement on printed or digital promotional materials
- Recognition on the Town's website and/or social media platforms
- Verbal or on-site recognition during Town-sponsored events
- Vendor or informational booth space at events, when applicable

Recognition opportunities shall be provided in a manner that preserves the design standards, aesthetics, and visual integrity of Town facilities, parks, and public spaces.

25 Sponsorship Process

Sponsorship Opportunities List: The Town may periodically identify and publish available sponsorship opportunities for Town events, programs, facilities, services, or initiatives. The published list may include opportunities anticipated for an upcoming period and shall specify the process, timeline, and any applicable requirements for interested sponsors to submit proposals or expressions of interest.

Proposal Evaluation: Once the submission period closes, the Town Manager, or his designee, shall review the applications and prepare a formal agreement.

Acceptance: A written Sponsorship Agreement will be executed between the Town and the sponsor outlining the terms and conditions of the sponsorship. Sponsorship benefits may not begin until the agreement has been fully executed.

Unsolicited Proposals: Throughout the year, the Town may receive unsolicited sponsorship proposals. When this occurs, these proposals shall be reviewed by the Town Manager, or their designee, who will be responsible for the evaluation of the proposal. The Town Manager, or their designee, shall have the authority to accept or reject the proposal.

26 Sponsorship Termination

The Town reserves the right to terminate any sponsorship relationship or agreement at any time and for any reason. This includes the removal of any material associated with the entity from the Town's facilities, events, platforms, website, etc.

Write-Off of Uncollectible Accounts Policy

27 Purpose

The purpose of the Write-Off of Uncollectible Accounts Policy ("Policy") is to establish consistent and effective procedures for the collection, evaluation, and write-off of delinquent receivable accounts owed to the Town. While the Town is committed to pursuing all lawful and reasonable collection efforts, certain accounts may ultimately be determined to be uncollectible or not financially advantageous to pursue collections. This Policy provides uniform guidelines for identifying and managing such accounts, including the authorization and documentation required for the removal of uncollectible receivables from the Town's financial records.

28 Property Tax Write-Off

Currently, municipal tax collection for the Town, including the enforcement and settlement of delinquent accounts, is managed by Brunswick County in accordance with the effective Interlocal Agreement (ILA). Pursuant to this agreement, the County is authorized to administer and collect Town taxes utilizing the same methods, authority, and administrative discretion applied to County taxes. This includes, but is not limited to, the resolution and disposition of minor past-due balances in accordance with established County collection practices.

29 Criteria and Procedure

The Finance Department, in cooperation with other Town departments, will utilize all practical and lawful remedies to collect outstanding balances. Bad debt will only be deemed uncollectible and considered for write-off after all prerequisite collection procedures required by the State of North Carolina and Town policy have been exhausted. Where applicable and available by law, collection methods include:

- NC Debt Setoff Program
- Third-Party Collection Agency
- Attachment/Garnishment
- Small Claims Court/Judgments
- Liens/Foreclosure

The Finance Director, or their designee, will review delinquent accounts annually to identify balances that are recommended to be written off. Staff will present a Resolution to the Town Council for consideration. The report must include the name and account number, original invoice date, and delinquent amount due. If approved, Staff will move forward with writing off the bad debt.

Version History

Version	Revision Date	Description of Change	Author
V1	06/18/2026	Formal Adoption	Finance Department

**MEMO****MEMO-26-0135**

Meeting Date: June 18, 2026

Prepared By: Joshua Hall

MEETING TYPE: Council Regular Meeting

TITLE: Exchange of Property

PURPOSE: To provide Council with the statutory authorization of the Town's authority to exchange real property belonging to the Town with real property privately owned.

BACKGROUND: In June 2004, the Town became the landowner of Parcel ID 030PA00803 located off Village Road as the result of condemnation proceedings filed in Brunswick County Superior Court, in case number 04CVS1065. Although this property has no direct access to Village Road, the Town did receive easement rights to access the property in the Consent Judgement listed in the above-mentioned case number.

Directly to the west of the Town's property is Parcel ID 030PA008, owned by GR 508 Enterprise, LLC. A proposal has been made to the Town to exchange the Town's property mentioned above, with property owned by GR 508 Enterprise, LLC. This proposed exchange would give the Town a parcel of land with direct road front access. A North Carolina State Certified General Real Estate Appraiser, Samuel Pate #A-7281, has provided reports with a determination that the proposed exchange of land would be of equal value.

N. C. Gen. Stat. § 160A-271 is the controlling authority as it relates to any proposed exchange of real property owned by the Town. This statute requires a full and fair consideration in exchange of any Town property. Furthermore, the Town shall only be authorized to exchange this property upon resolution adopted at a regular meeting of the Council upon 10 days' public notice.

SUMMARY: Staff will present to Council at the July 16, 2026, regular Council meeting, a resolution authorizing the exchange of these two previously mentioned real properties. Staff will provide notice as required by statute.

SUPPORTING PLANS: See attachment Exhibit A.

REQUEST FOR ACTION: Staff requests that Council be prepared to vote on this resolution scheduled for July 16, 2026.

Exhibit A

SURVEY REFERENCE:

DEED BOOK 1966, PAGE 375
PARCEL:030PA00803
DEED BOOK 3372, PAGE 657
PARCEL:030PA008

NOTES:

- FEMA FLOOD MAP INFORMATION:
MAP PANEL No.: 3720219800K
EFFECTIVE DATE: AUG. 28, 2018
FLOOD ZONE: "X" BASE ELEV.: NONE
- CORNERS ARE MARKED AS NOTED ON MAP.
- ALL DISTANCES ARE HORIZONTAL FIELD MEASUREMENTS.
- AREA COMPUTED BY THE COORDINATE METHOD.
- THE PURPOSE OF THIS MAP IS TO CREATE A DOCUMENT WHICH WILL ALLOW THE TOWN OF LELAND AND GR-508 ENTERPRISE, LLC TO EXCHANGE EQUAL AMOUNTS OF PROPERTY TO THE BENEFIT OF EACH PARTY. THE TOWN OF LELAND OWNS A PARCEL CONTAINING 1.0 ACRE (DEED BOOK 1966, PAGE 375) AND GR-508 ENTERPRISE, LLC OWNS A PARCEL CONTAINING 7.45 ACRES (DEED BOOK 3372, PAGE 657). THIS MAP SHOWS A TRACT "B" WHICH IS EQUAL IN SIZE TO THE TRACT OF LAND THE TOWN OF LELAND SHOWS. THIS MAP WILL ALLOW THE TRANSFER OF THESE PROPERTIES TO THE TOWN OF LELAND AND GR-508 ENTERPRISE, LLC.

LEGEND:

- EIP EXISTING IRON PIPE
●EIR EXISTING IRON ROD
●SIR SET IRON ROD
●RRR EXISTING RAILROAD SPIKE
□ECM EXISTING CONCRETE MONUMENT
▲ EX. "MAG" OR "P-K" NAIL
- PROPERTY LINE
--- TIE LINE
--- RIGHT OF WAY LINE
x FENCE LINE
--- ADJACENT LINE
--- EASEMENT LINE

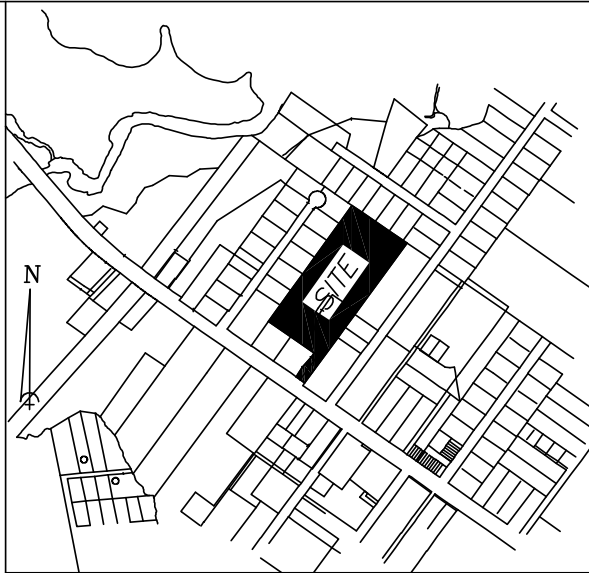
STATE OF NORTH CAROLINA
I, Bob M. Jones, Jr., certify that this plat was drawn under my supervision from an actual survey made under my supervision found in the Brunswick County Registry in Deed Book 939, Page 341 and Deed Book 4474, Page 653, that the ration of precision as calculated is 1:10000+, that the boundaries not surveyed are clearly indicated and that this map was prepared in accordance with G.S. 47-30 as amended.
Witness my hand and seal this ____ day of _____, 2024.

Bob M. Jones, Jr.
Professional Land Surveyor
N.C. License No. L-2977

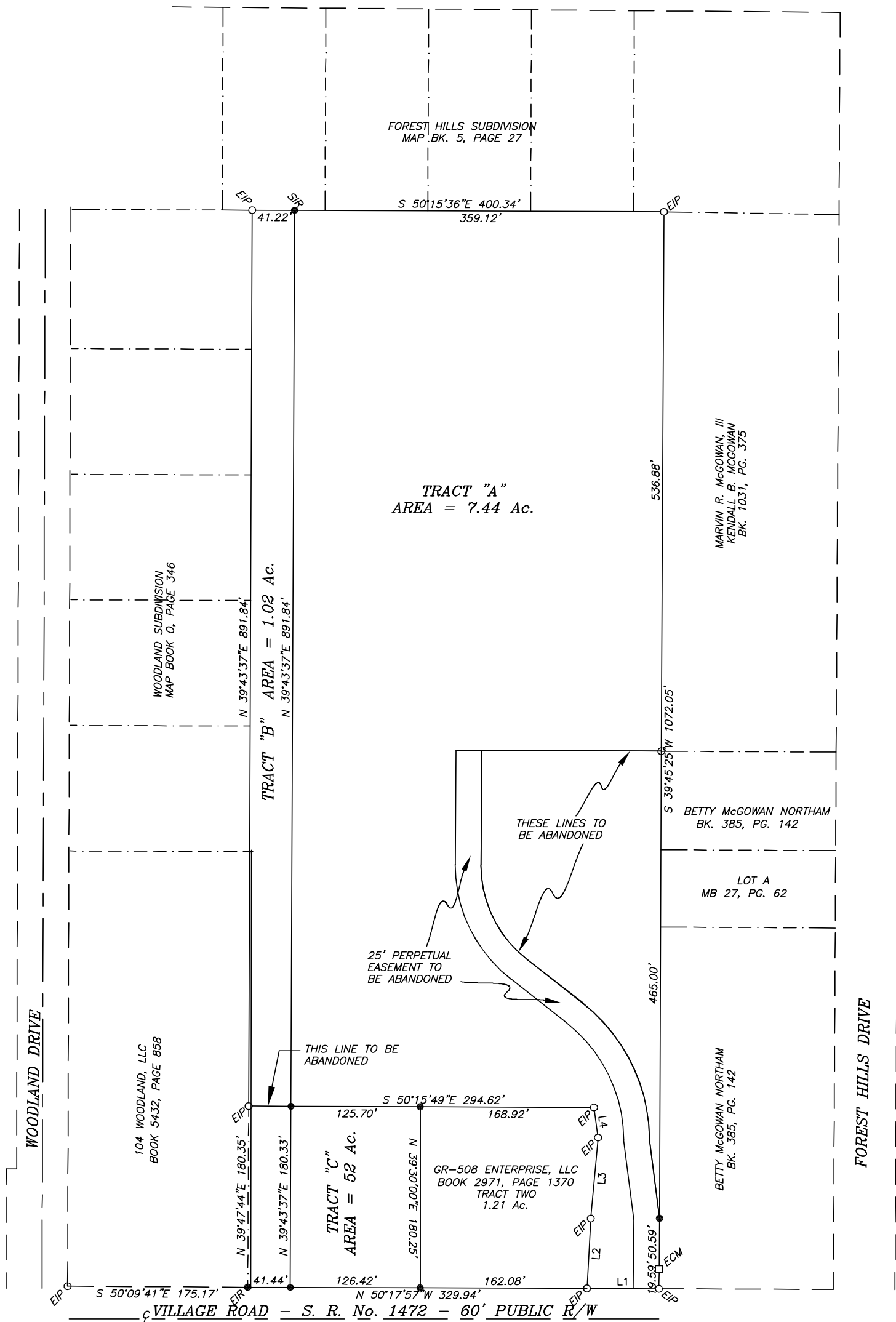
I, Bob M. Jones, Jr., Professional Land Surveyor No. L-2977, certify that this plat is of a survey of another category, such as the recombination of existing parcels, a court-ordered survey or other exception to the definition of subdivision.

Bob M. Jones, Jr.
Professional Land Surveyor
N.C. License No. L-2977

Date



VICINITY MAP (N.T.S)



CERTIFICATE OF OWNERSHIP, DEDICATION AND JURISDICTION
I (we) hereby certify that I am (we are) the owner of the property shown and described hereon and that I (we) hereby adopt this plan of subdivision with my (our) own free consent, establish minimum setback lines, and dedicate all streets, alleys, walks, parks and other sites to public or private use as noted. Further, I (we) certify the land as shown hereon is within the platting jurisdiction of the Town of Leland, North Carolina.

Signature of Owner

Date

Signature of Owner

Date

CERTIFICATE OF APPROVAL FOR RECORDING - EXEMPT
I hereby certify that this plat has been reviewed and approved for recording in the Office of the Register of Deeds of Brunswick County and found to meet one of the criteria of exemptions as listed in Section 50-09, of the Subdivision Regulations of the Town of Leland, North Carolina or is otherwise not subject to such Subdivision Regulations.
All other requirements of the Town of Leland's ordinances still apply.

Subdivision Administrator
Leland, North Carolina

Date

STATE OF NORTH CAROLINA
BRUNSWICK COUNTY

I, _____, Review Officer of _____ County, certify that the map or plat to which this certification is affixed meets all statutory requirements for recording.

Review Officer

Date

STATE OF NORTH CAROLINA
Filed for registration on the _____ day of _____, 20____, at _____ (A.M./P.M.) and duly recorded in Map Book _____, Page _____.

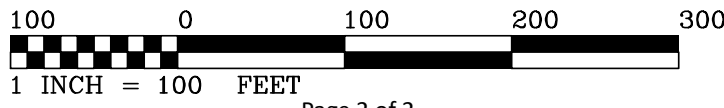
Register of Deeds

BY

Course	Bearing	Distance
L1	N 50°11'44" W	70.06'
L2	N 42°35'11" E	69.64'
L3	N 44°30'35" E	80.96'
L4	N 31°55'12" E	30.20'

PRELIMINARY
NOT FOR SALES,
CONVEYANCE OR
RECORDING

MAP OF RECOMBINATION
FOR
GR-508 ENTERPRISE, LLC and
THE TOWN OF LELAND
OF BRUNSWICK COUNTY PARCELS 0030PA08 AND 0030PA0803
TOWN OF LELAND - NORTHWEST TOWNSHIP - BRUNSWICK COUNTY - NORTH CAROLINA
SCALE: 1" = 100'
DATE: DECEMBER 19, 2025



ROBERT H. GOSLEE & ASSOCIATES, PA
LAND SURVEYORS - LAND PLANNERS
FIRM LICENSE NO. C-1167
PO BOX 133 - 317 E. MURRAY ST.
WALLACE, NORTH CAROLINA 28466
910-285-4210 OR 910-763-1941
bjones2977@bellsouth.net
FILE No.: B0986



STAFF REPORTS

June 2026 Regular Meeting

Public Safety (Police/Fire)	2
Public Works.....	14
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Communications.....	32
Planning and Inspections	38
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Information Technology.....	53
Administration.....	55



Police Department News

Officer Jason Clemente attended Basic Narcotics training May 12-14 at Cape Fear Community College. This training is intended for newly assigned narcotics investigators, patrol officers who wish to become narcotics investigators, and narcotics investigators who have not received training in some time.

Detective Robert Britton and Master Officer Justin Brown attended UAV Remote Pilot Ground School May 19-21 at Cape Fear Community College. This course certifies personnel in operating drones.

Detective Benjamin Majors attended Social Media and Open-Source Intelligence for Law Enforcement May 20 at Cape Fear Community College. This training teaches different databases law enforcement personnel can use to access information and assist with investigations.

Officer Nathan Rogers attended Radar recertification training May 20 at Cape Fear Community College. This course ensures officers can continue to operate their Radar instruments.

Detective Joseph Robeson attended Fundamentals of Fire Investigations Training May 28-29 at Brunswick Community College. This course is intended for new investigators to learn the fundamentals of fire investigations.

Detective James Munger and Lieutenant Bryan Reid attended Supervisor Responsibilities for Death/Homicide Cases training May 28 at Guilford Technical Community College. This class discusses the responsibilities of a supervisor responding to death and homicide scenes and follow-up investigative requirements.

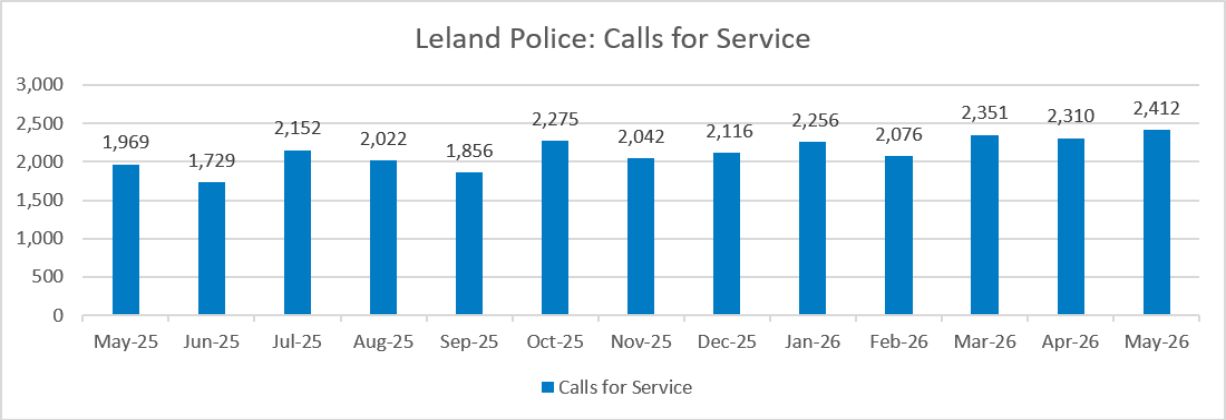
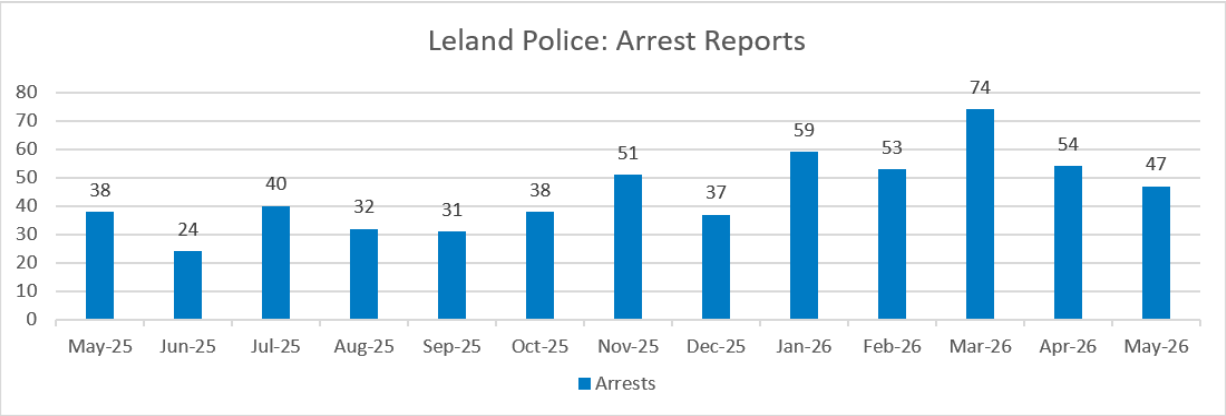
Lieutenant Jonathan Hall, Lieutenant Reid, and Administrative Supervisor Makenzie Crumbaker completed a virtual three-session training hosted by the Government Finance Officers Association on Developing a Long-Term Police Staffing Plan on May 29. This training discussed different aspects of future planning for police and methods for maintaining and acquiring accurate staffing.



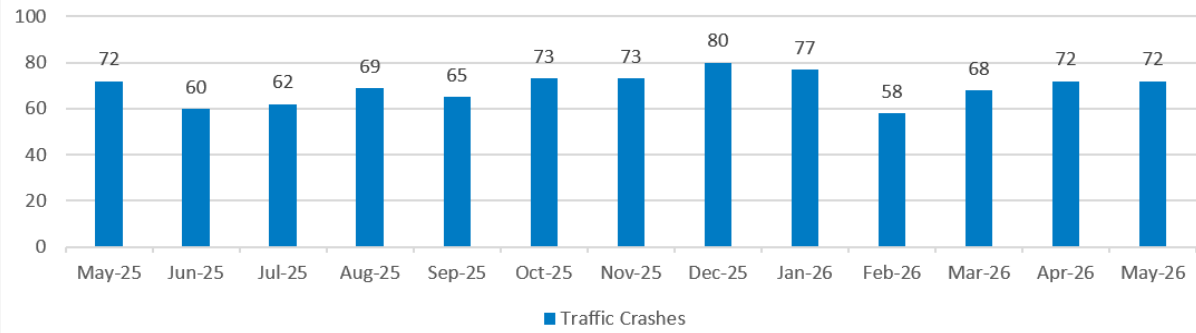
Active Mutual Aid Agreements

- Bald Head Island
- Boiling Spring Lakes
- Brunswick Community College
- Brunswick County
- Carolina Beach
- Caswell Beach
- DCI
- Duke Energy
- Holden Beach
- Jacksonville
- Navassa
- NCDOT
- NCDMV
- New Hanover County
- Northwest
- Oak Island
- Ocean Isle Beach
- SABLE
- Shallotte
- Southport
- Sunny Point
- Sunset Beach
- Wilmington

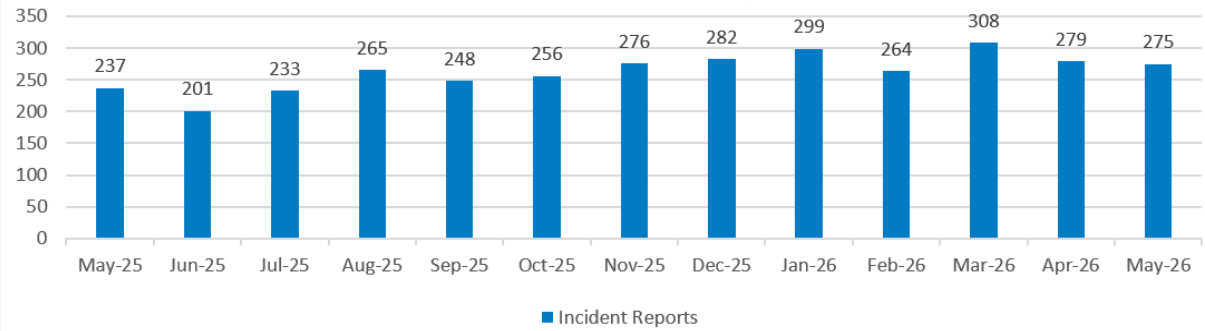
Dashboard

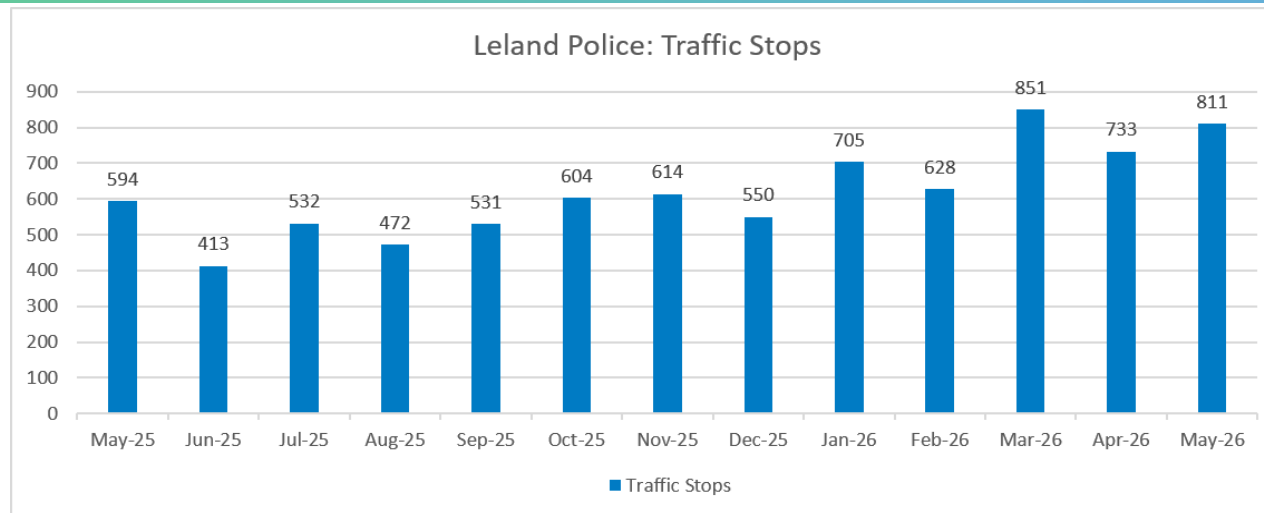


Leland Police: Traffic Crashes

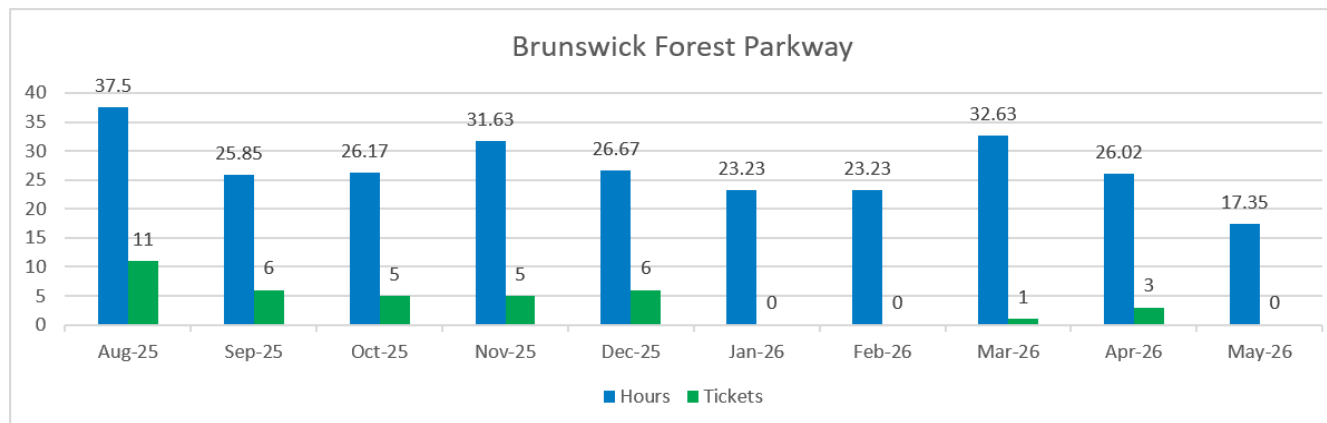


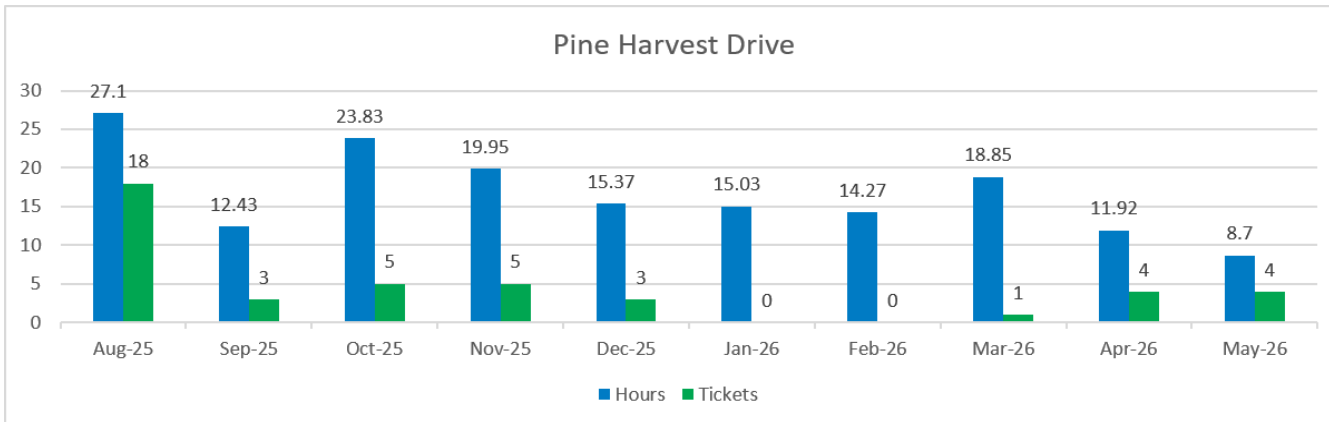
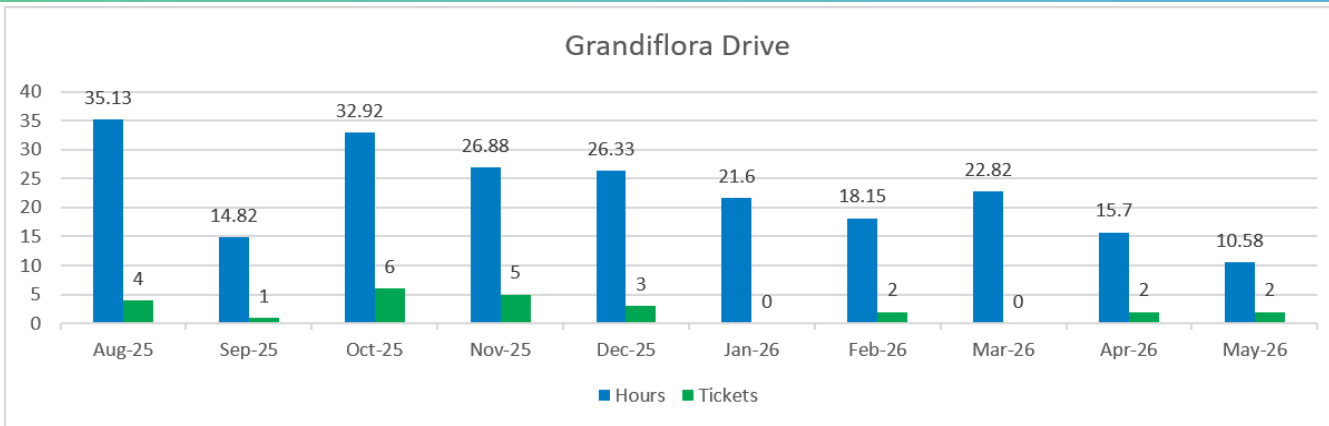
Leland Police: Incident Reports

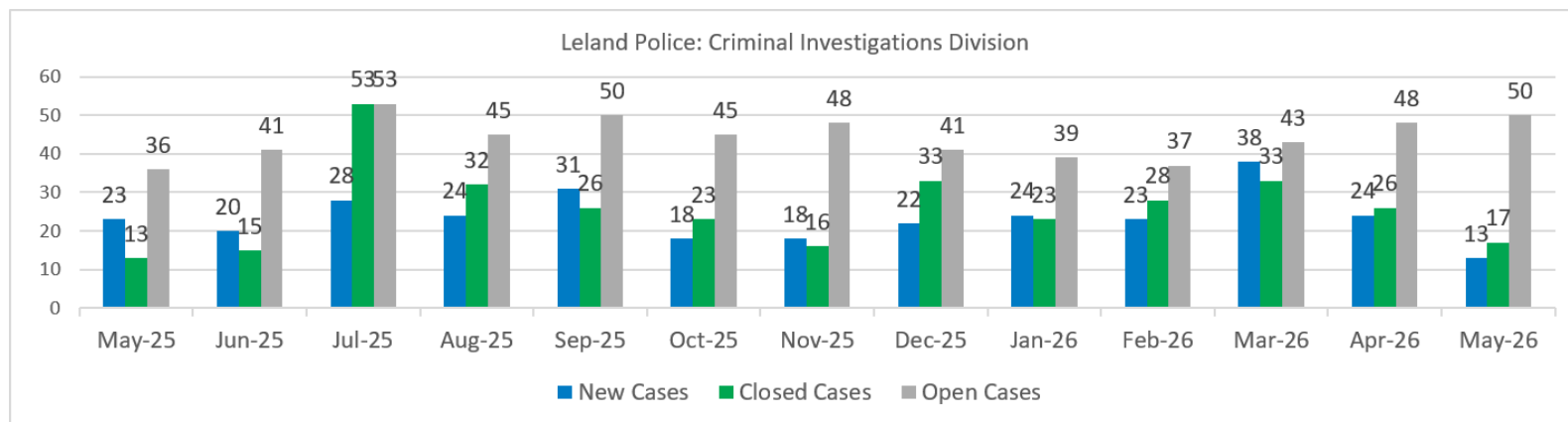
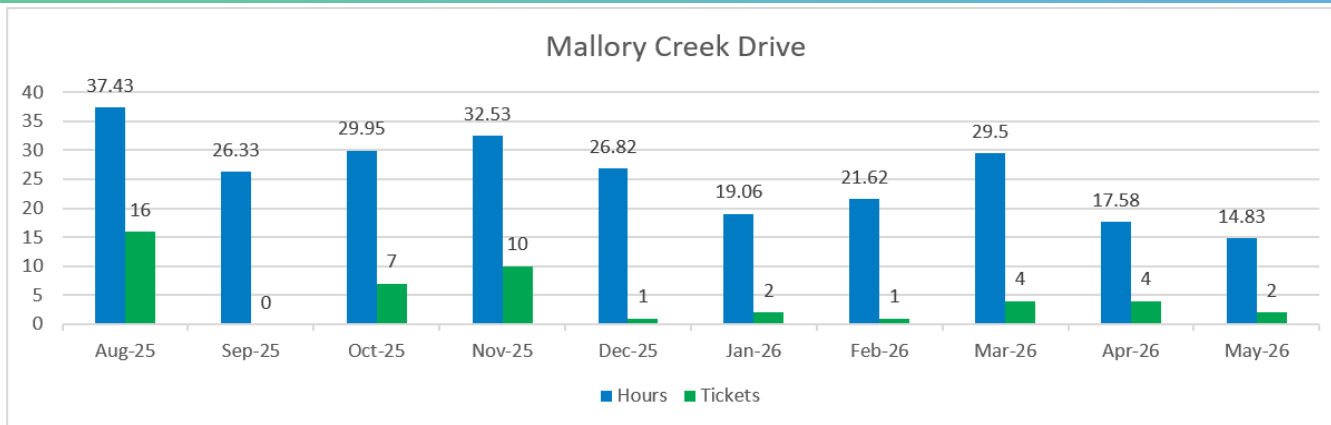




Traffic Focal Areas







Animal Services Report							
	CFS	Cats Picked Up	Dogs Picked Up	Transported	Traps	Citations	Bites
May-25	67	3	1	4	5	0	5
Jun-25	47	0	3	3	0	0	3
Jul-25	42	0	4	4	0	0	1
Aug-25	38	1	4	2	0	0	4
Sep-25	43	0	12	12	0	0	4
Oct-25	42	0	6	5	0	1	6
Nov-25	43	0	4	4	0	1	6
Dec-25	34	0	4	2	0	2	2
Jan-26	34	0	3	3	0	1	5
Feb-26	54	0	7	5	0	4	1
Mar-26	53	15	5	7	3	1	3
Apr-26	79	0	3	3	1	2	8
May-26	85	1	11	12	0	1	5
Totals	627	20	67	66	9	13	53

Fire Department News

In addition to answering calls, staff accomplished numerous tasks in May:

- Assisted 15 homeowners with smoke alarm installations or battery replacements
- Assisted three citizens with car seat checks/installations
- Conducted one station/engine tour
- Conducted hands-only CPR training for Compass Pointe residents
- Conducted safety training for Thomas Construction Group, LLC
- Presented fire safety education to children at Wild Forest Academy

Chief Shelton James, Deputy Chief Brian Kelly, and Battalion Chiefs Trey Shipp and Joe Stavish attended North Carolina Fire Service Legislative Day in Raleigh. More than 200 fire service leaders from across the state gathered with their local legislators to discuss legislation affecting fire services at the state and local levels.

Deputy Chief Brian Kelly and Battalion Chief Shipp attended the North Carolina Association of Fire Chiefs Mid-Winter Conference in Concord. This training covered a wide range of topics impacting today's fire service leaders, including leadership development, emergency response coordination, firefighter safety, recruitment and retention, legislative updates, and emerging industry trends.

C Shift completed the first part of Thermal Imaging Camera (TIC) school. The training focused on classroom instruction and basic TIC operations. It is designed to teach firefighters how to effectively use, interpret, and rely on thermal imaging technology for search and rescue, fire attack, and overhaul.

A and B Shifts completed the second part of TIC school. This training included the use of Cape Fear Community College's flash can, a live-fire training prop used to demonstrate fire behavior, flashover indicators, smoke conditions, and proper extinguishment techniques in a safe environment. Combined flash can and TIC training gives firefighters practical experience interpreting thermal signatures while observing real fire behavior, helping crews make safer and faster tactical decisions on the fireground.

Firefighter Victor Chielel attended the Engine Track training at the 1st Due Operations Conference in Carolina Beach. This training is designed to provide firefighters with a wide array of different engine company operations, including multiple hose loads and stretch configurations, flowing and moving techniques, and pin-and-hit operations within the hose maze. This training helps to sharpen fundamentals, reinforce best practices, and improve operational efficiency for firefighters of all experience levels.

Battalion Chief Shipp and Fire Apparatus Engineer Bryan Williams attended the Technical Rescuer Confined Space class aboard the Battleship North Carolina hosted by Cape Fear Community College. This certification-related block course trains emergency responders, firefighters, and rescue



personnel to safely enter and extract victims from hazardous, enclosed environments. These environments include tanks, silos, utility vaults, tunnels, and piping systems.

Training and Safety Captain Roger Rozell, Senior Captain Jeremy Shaw, Fire Apparatus Engineers Nick Albosta, Kyle Kling, Kyle Phillips, and Williams, Senior Firefighter Brad Orahood, Firefighters Chiel and Zachary Robbins, and Fire Inspector Josh Babson attended the Cape Fear Community College Public Safety Weekend College. Training courses attended include NFA Incident Safety Officer, Fire Officer II, Fire Service Instructor I, Fire Life Safety Educator I, Operations of the Engine Company, Trusting the Gas Monitor, Flashover 2.0, and Explosives, Bombings, and Terrorism.

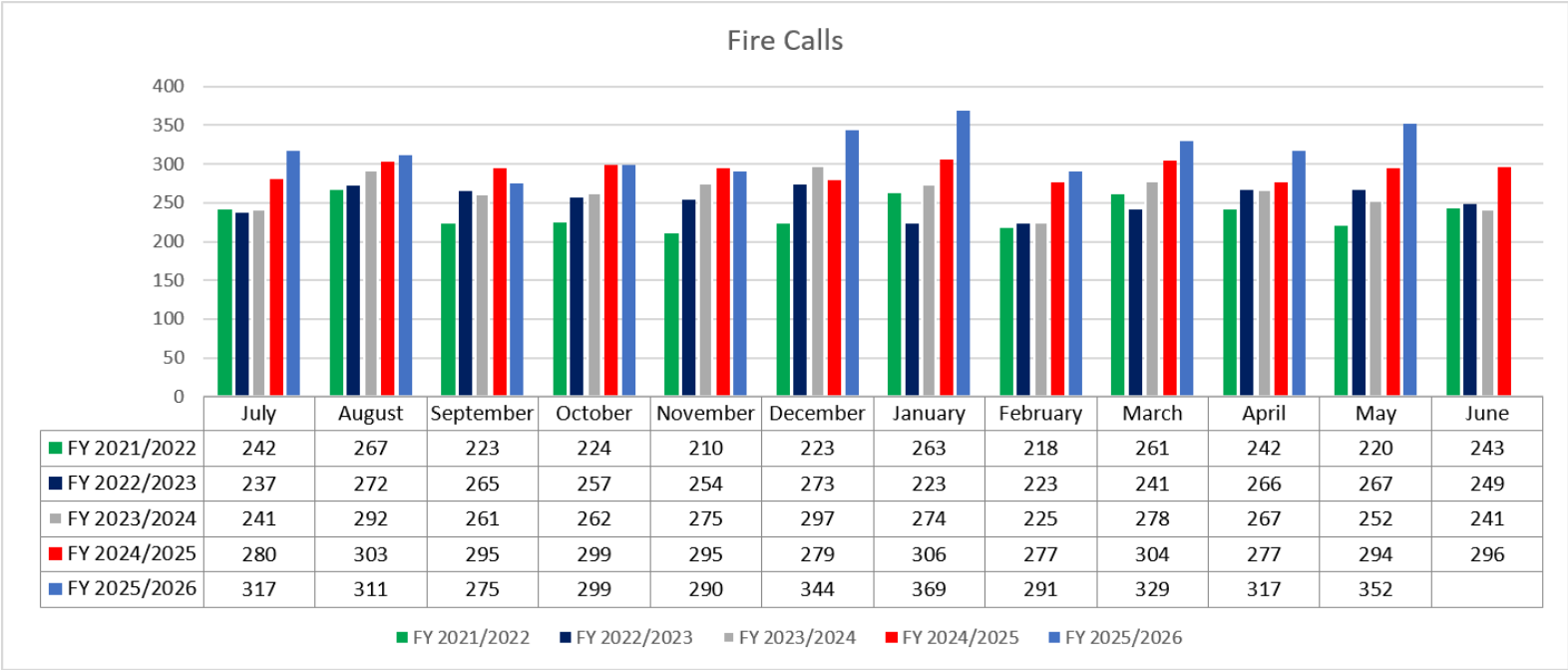
In May, the department continued its transition to a new method of documenting responses, which has caused a delay in this month's data. Future reports will include this information.



Active Mutual Aid Agreements

- Bald Head Island Department of Public Safety
- Boiling Spring Lakes Fire Rescue
- Bolivia Volunteer Fire Department
- Calabash Volunteer Fire Department
- Civietown Volunteer Fire Rescue
- Grissettown Longwood Volunteer Fire & Rescue Department
- Navassa Volunteer Fire Department
- North Carolina Incident Mutual Aid System
- New Hanover County Fire Rescue
- Northwest Volunteer Fire Department
- Oak Island Fire Department
- Ocean Isle Beach Fire Department
- Shallotte Fire & Rescue Department
- Shallotte Point Volunteer Fire Department
- Southport Fire Department
- St. James Volunteer Fire Department
- Sunny Point Military Ocean Terminal
- Sunset Beach Fire Department
- Sunset Harbor & Zion Hill Volunteer Fire Department
- Supply Volunteer Fire Department
- Tri-Beach Volunteer Fire Department
- Waccamaw Volunteer Fire & Rescue Department
- Wilmington Fire Department
- Winnabow Volunteer Fire Department
- Yaupon Beach Volunteer Fire Department

Dashboard



Public Works Department News

Staff generated 254 work orders in May and completed 216 (85%).

Project Manager Christie Schreckengost was nominated as a 2026 WILMA Women to Watch Award Finalist for the Public Sector.

Jesse McKinney joined the department as Streets Maintenance Technician II.

Streets Updates

Work Priorities and Initiatives

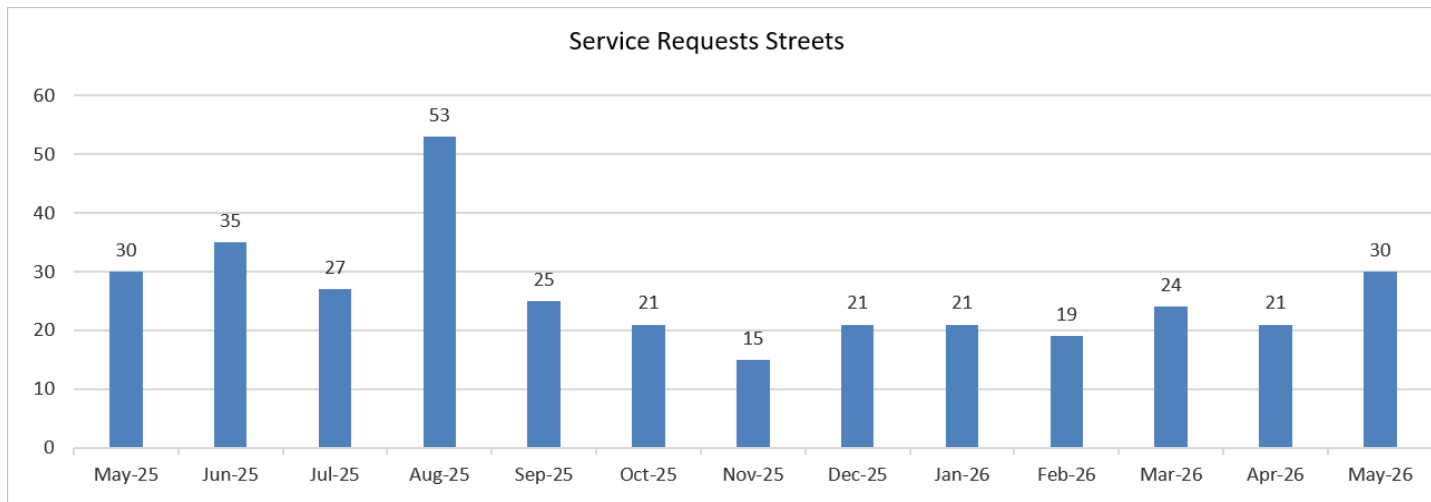
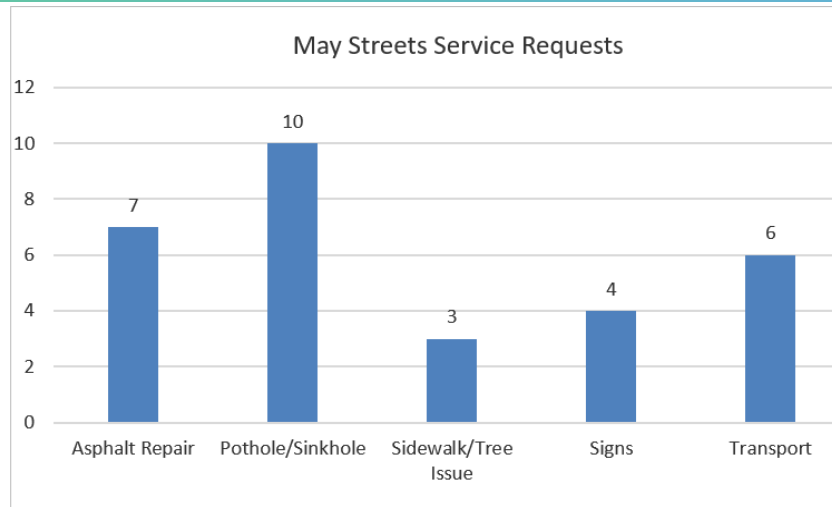
- Staff will focus on repairing deteriorating asphalt at various locations throughout Town.
- Staff will continue to make repairs and prepare Founders Park for the July 31 Grand Opening.

Projects Completed

- Staff removed and replaced 545 square yards of deteriorated asphalt at various locations including: The Arbors, Westgate, Belvedere Heights, Brunswick Forest, and Snee Farms.
- Staff repaired potholes at several locations throughout Town.
- Staff repaired a sinkhole in Brunswick Forest.
- Staff removed and replaced damaged sidewalk in Adair Park.
- Staff graded and installed a drainage system at Founders Park in preparation for sod installation.
- Staff repaired and replaced missing or damaged signs throughout Town.

Work Order Summary

- Streets generated 30 work orders in May, with the majority being pothole/sinkhole (10), asphalt repair (7), transport (6), and sign related (4).
- Streets completed 17 work orders in May, with an approximate expense of \$60,800 in labor, equipment, and materials to complete these work orders. The bulk of this expense was in employee costs (\$26,000) and equipment costs (\$31,200).





Grounds Updates

Work Priorities and Initiatives

- Staff will be installing the remainder of the annuals and continuing to install mulch in the ornamental beds throughout Town-maintained properties.
- Staff will install new trees, shrubs, and mulch in Founders Park.
- Staff will continue to perform lawn maintenance at Town-owned properties and parks.
- Staff will continue to clear underbrush/vegetation on Town-owned properties to enhance their appearance.
- Staff will continue working on Northgate retention pond area washouts.
- Staff will begin to repair irrigation heads at Town Hall.
- Staff will install new Wi-Fi-controlled irrigation timers for Town Hall and Fire Station 51.

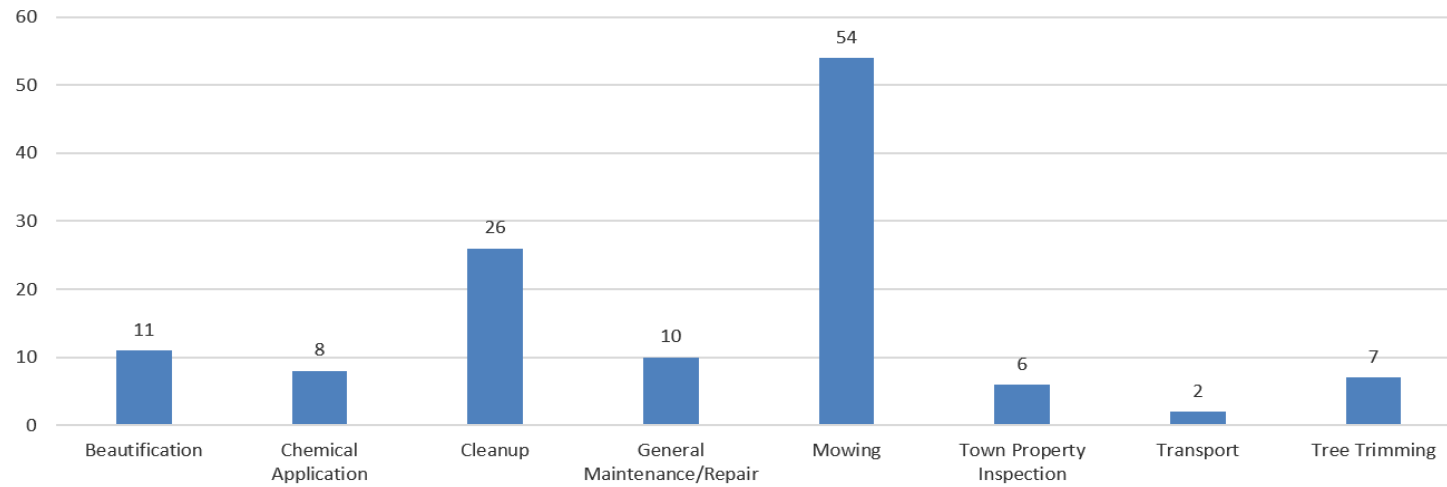
Projects Completed

- Staff installed half of the annuals in the ornamental beds at Town Hall and the Village Road islands.
- Staff installed ten Yoshino Cherry Trees on the traffic island at Ocean Gate Plaza's new teardrop roundabout.
- Staff assisted in the repositioning of the kayak launch and transition plate on the floating dock at Cypress Cove.
- Staff replaced several broken boards leading to the classroom at Westgate Nature Park.

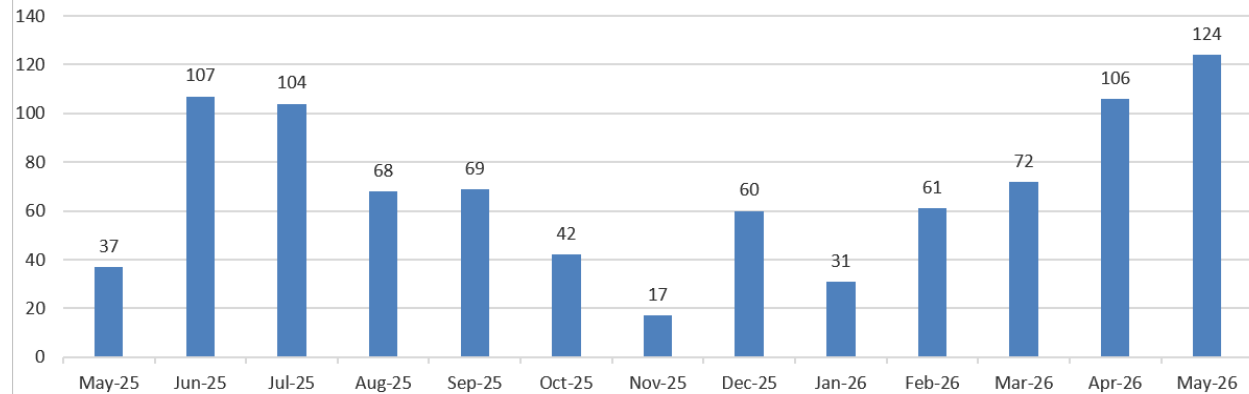
Work Order Summary

- Grounds generated 124 work orders in May, with most of them being mowing (54), cleanup (26), beautification (11), and general maintenance/repair (10).
- Grounds completed 121 work orders in May, with an approximate expense of \$33,000 in labor and equipment to complete these work orders.

May Grounds Service Requests



Service Requests Grounds





Operations Updates

Work Priorities and Initiatives

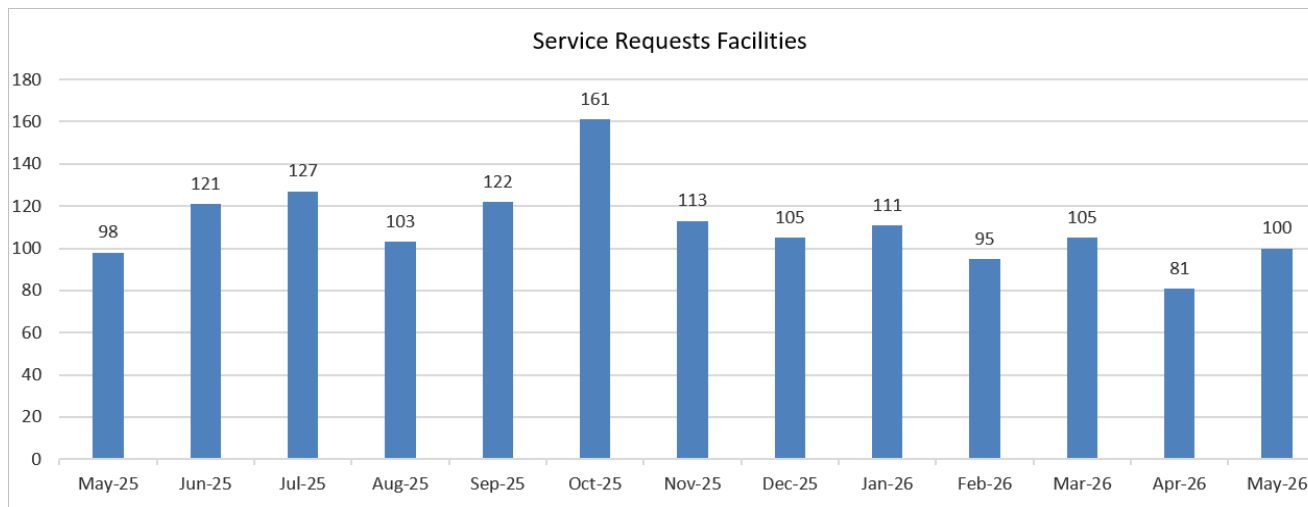
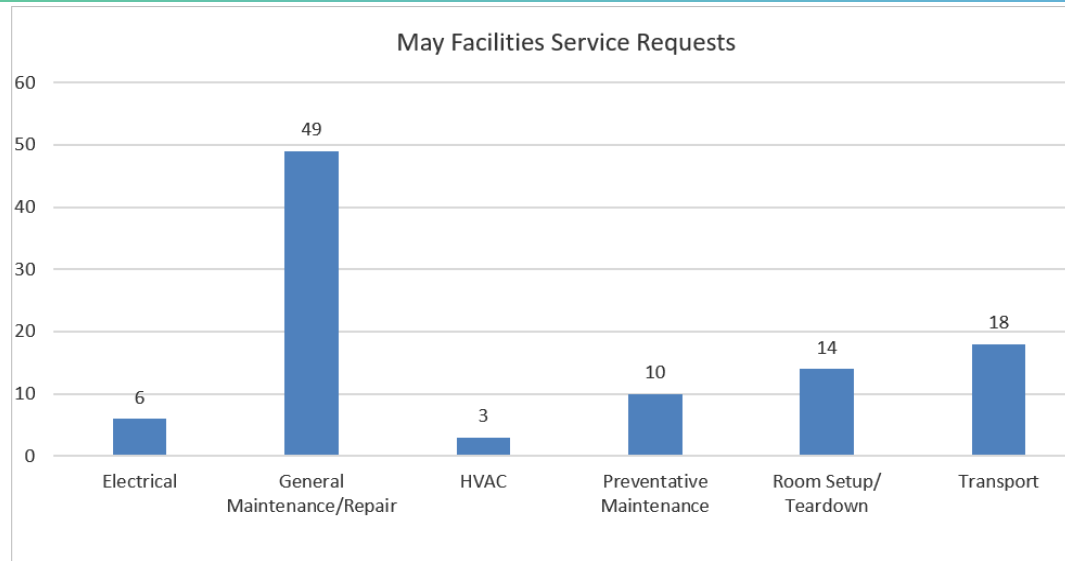
- Staff will be assisting with new exterior renovations at the MOC office.
- Staff are working on generator maintenance training.
- Staff are inspecting electrical and HVAC systems at Town Hall.
- Staff are participating in training through the ISSA Cleaning Management Institute.
- Staff will perform preventative maintenance on the garage doors at all facilities.
- Staff will continue to install new LED lights at Fire Station 52 and the MOC office and warehouse.
- Staff are working on new training programs for safety, HVAC, electrical, and custodial needs for 2026.
- Staff will continue performing annual maintenance on all Town-owned generators in June.
- Staff will continue to work on a final detailed preventative maintenance plan for each Town facility.
- Staff are working on cleaning all facility closets.

Projects Completed

- Staff completed training on the lighting panel at the new pavilion in Founders Park.
- Staff completed training with Tidewater Aquatics for splash pad operations.
- Staff performed preventative maintenance on Town-wide ice machines.
- Staff performed preventative maintenance on Town-wide tankless water heaters.

Work Order Summary

- Operations generated 100 work orders in May, with most of them being general maintenance/repair (49), transport (18), room setup/teardown (14), and preventative maintenance related (10).
- Operations completed 78 work orders in May, with an approximate expense of \$6,300 in labor and materials.





Town Project Updates

Projects In Design

- Baldwin Drive Improvements
- Brunswick Village Boulevard Northeast Extensions
- Gateway District Utility Resiliency
- Leland Unpaved Road Improvements
- Loblolly Park
- Low Country Boulevard Culvert Improvements
- FY2025-2026 Roadway Resurfacing
- Sturgeon Creek Park
- U.S. Highway 17 Pedestrian Crossing

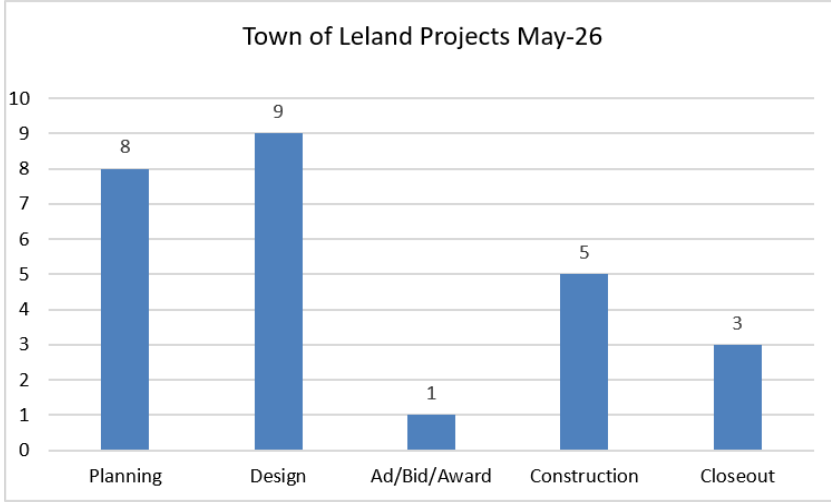
Projects In Ad/Bid/Award

- West Gate Drive Pedestrian Improvements

Projects In Construction

- 860 Appleton Way Demo – 99% complete
- Founders Park Amphitheater Rebuild – 99% complete
- Ocean Gate Plaza Roundabout – 98% complete
- Settler's Village Connector Road – 85% complete
- Town Hall Expansion and Renovation – 99% complete

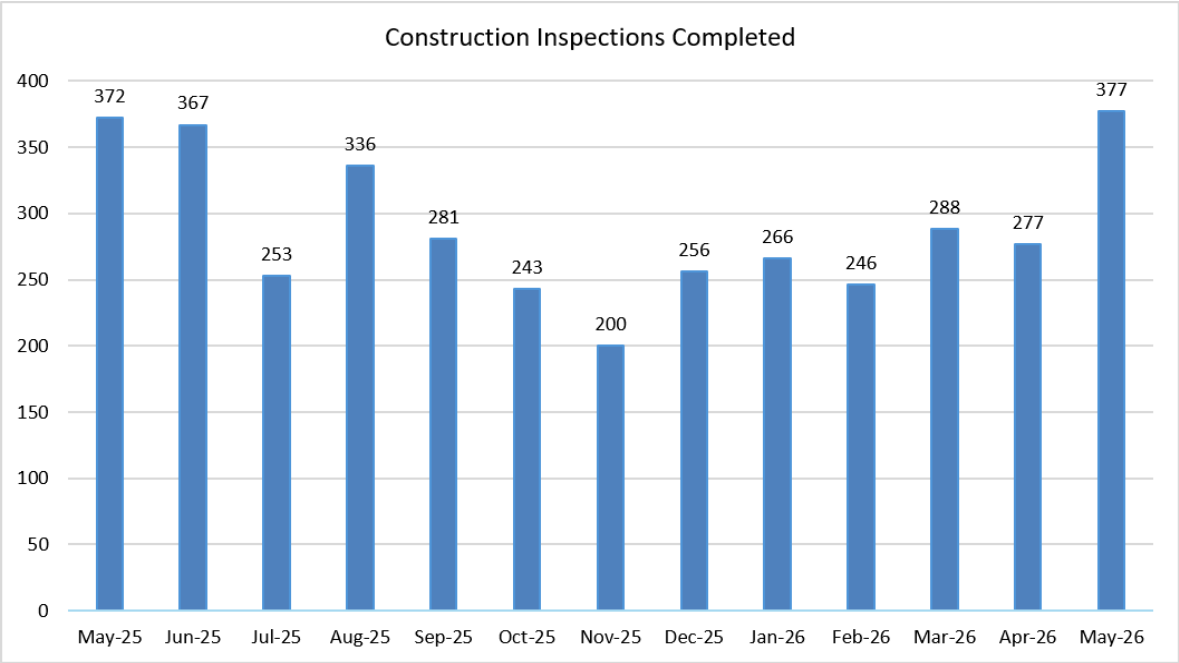
Full project details can be found [on the Town website](#).



Construction Inspections Update

Inspections

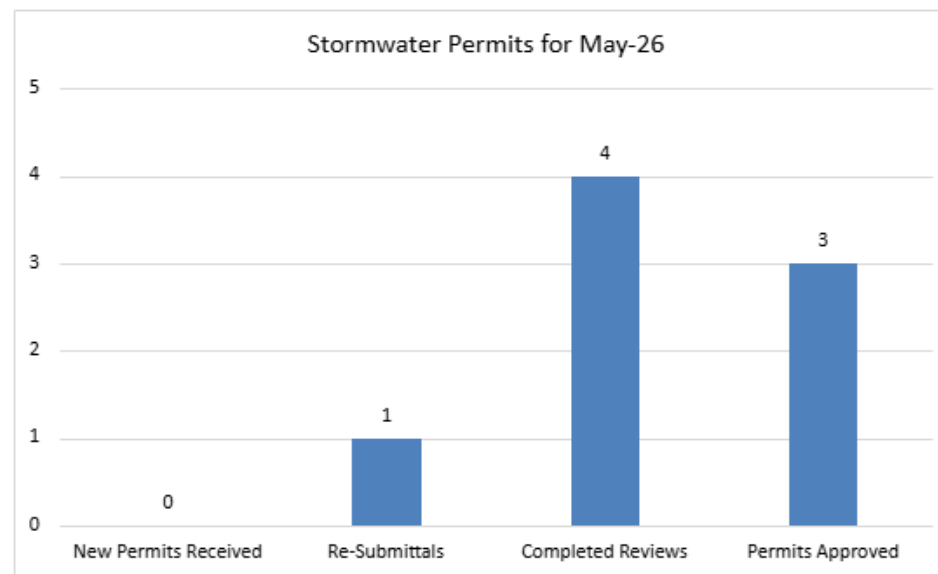
- Staff completed 377 construction inspections in May.
 - Construction inspections include developer and Town projects.



Stormwater Permits Update

Stormwater Permit Review

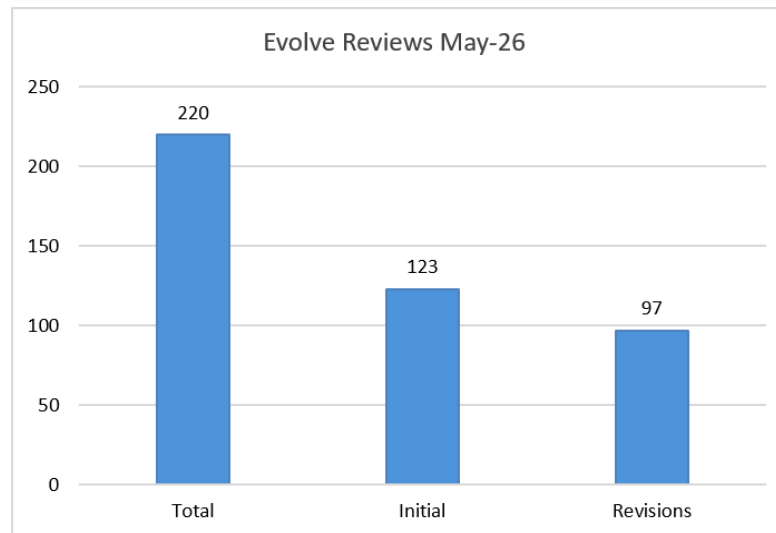
- 100% of stormwater permits submitted within the last 45 business days have either been approved or sent back for comments. Three permits were approved in May.



Evolve Reviews

Evolve Reviews

- Evolve reviews confirm that plats align with stormwater plans, performance guarantees cover required infrastructure and costs and built-upon areas remain within impervious surface limits.





Finance Department News

In May, staff focused on finalizing the Budget Book and the Transparency Portal. Both items are currently under review and are anticipated to be published later this month. These efforts support the Town's commitment to transparency and provide Town Council and the public with clear, accessible information on the Town's financial priorities and performance.

Purchasing Agent Taraus Deas attended the UNC School of Government's online course, Performance Management in Purchasing and Contracting. The course focused on how to effectively analyze performance data and connect it to broader organizational strategies. The course also highlighted ways to apply best practices in designing and implementing performance management systems and utilizing that data to foster continuous learning and operational improvement.

Accounting Supervisor Shane Nadeau attended an online course with NCLM, Municipal Finance: Audit Planning and Year End Closing. The course gave insight into best practices to prepare for an audit, working with the auditor to prepare all necessary items for audit, and year end closing strategies.

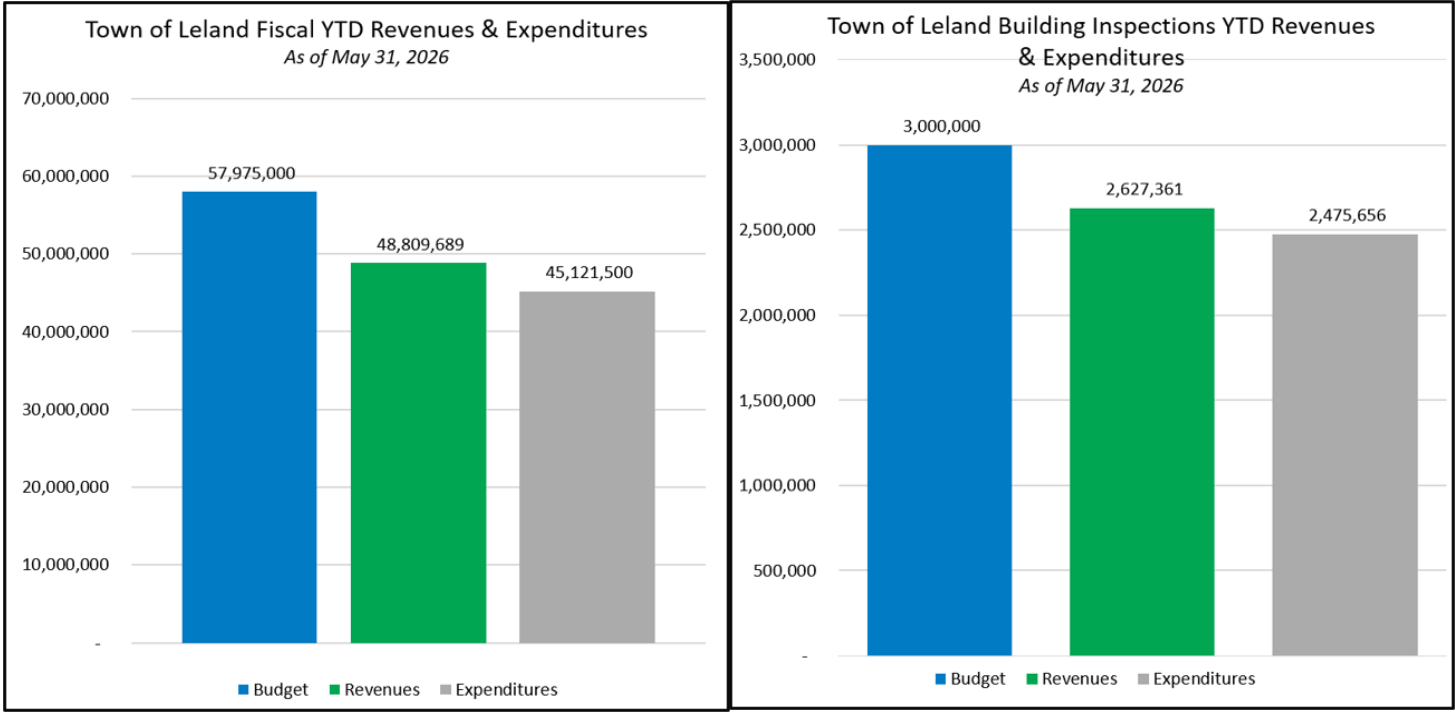
Grant Manager Samantha Cook attended the webinar Pathways to Safer Crossings: Navigating the Railroad Crossing Elimination Program for grant application research. Ms. Cook also attended a webinar hosted by the Land and Water Conservation Fund for grant application information.

Budget and Strategy Manager Kelli Newton attended Data-Driven Decision-Making: Developing a Long-Term Police Staffing Plan through the Government Finance Officers Association. The three-part training focused on aligning police staffing with workload demands, developing a multi-year staffing plan, and implementing and monitoring staffing strategies over time. Ms. Newton also attended the UNC School of Government's course, Performance Management in Fire Service. The course focused on using performance information to support decision-making, strengthen organizational outcomes, connect operational measures to strategic goals, and apply best practices for continuous improvement in service delivery.

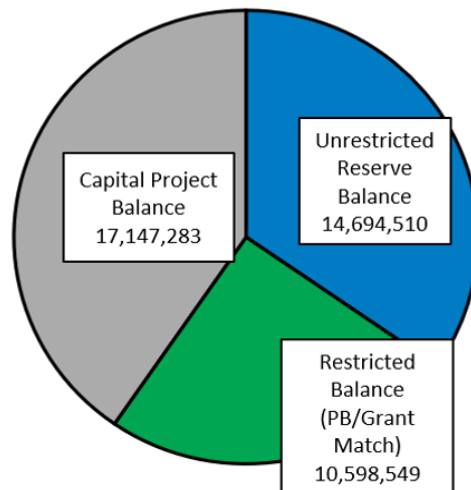
Financial Budget to Actual Report – May 31, 2026

REVENUES							
	Original Budget	Current Budget	Period Activity	Fiscal Activity	Encumbrances	Variance	Percent Remaining
Property Tax	19,280,000	20,180,000	160,379	20,068,715	-	111,285	0.55%
Sales Tax	14,200,000	14,200,000	995,468	12,433,395	-	1,766,605	12.44%
Fire Fees	6,680,000	6,680,000	1,431	6,505,941	-	174,059	2.61%
Municipal Vehicle Tax	950,000	950,000	72,790	900,498	-	49,502	5.21%
Loan Proceeds	2,600,000	2,400,000	-	2,300,000	-	100,000	4.17%
Non-Primary General Fund	4,290,000	13,565,000	399,151	6,601,140	-	6,963,860	51.34%
Building Inspections	3,000,000	3,000,000	295,589	2,627,361	-	372,639	12.42%
REVENUES	51,000,000	60,975,000	1,924,809	51,437,051	-	9,537,949	15.64%
EXPENSES							
	Original Budget	Current Budget	Period Activity	Fiscal Activity	Encumbrances	Variance	Percent Remaining
Governing Body	350,000	350,000	19,217	295,172	25,773	29,055	8.30%
Administration	3,100,000	2,300,000	230,199	1,929,673	32,402	337,925	14.69%
Information Technology	4,160,000	4,160,000	215,281	2,313,068	218,621	1,628,310	39.14%
Human Resources	610,000	610,000	78,208	443,803	28,483	137,714	22.58%
Finance	1,270,000	1,270,000	152,048	1,158,295	4,651	107,054	8.43%
Planning	1,200,000	1,200,000	107,564	777,649	24,143	398,208	33.18%
P&R & Cultural Arts	1,350,000	1,350,000	123,851	999,014	236,123	114,863	8.51%
Operations	1,970,000	1,970,000	198,377	1,797,902	98,287	73,811	3.75%
Streets & Grounds	3,670,000	3,670,000	344,064	2,474,349	167,722	1,027,929	28.01%
Engineering	1,350,000	1,350,000	129,595	960,993	106,306	282,701	20.94%
Police	8,250,000	8,150,000	773,554	6,551,630	167,870	1,430,499	17.55%
Emergency Management	240,000	240,000	-	119,641	2,569	117,789	49.08%
Fire	10,630,000	11,530,000	835,937	8,982,148	1,371,988	1,175,864	10.20%
Debt Services	6,900,000	6,900,000	-	6,816,274	-	83,726	1.21%
Transfers	2,950,000	12,925,000	-	9,501,889	-	3,423,111	26.48%
Building Inspections	3,000,000	3,000,000	298,196	2,475,656	19,490	504,854	16.83%
EXPENSES	51,000,000	60,975,000	3,506,091	47,597,156	2,504,430	10,873,414	17.83%

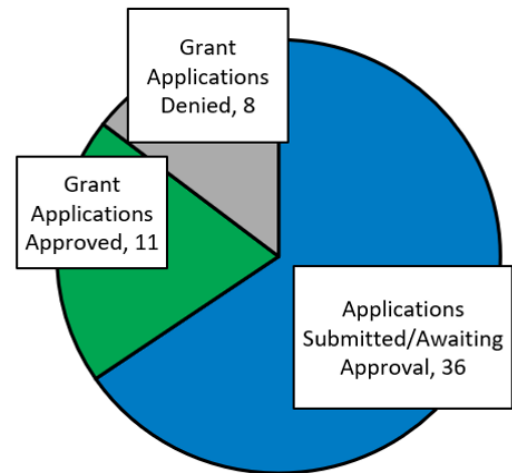
Dashboard



General Fund Cash Balances
As of May 31, 2026



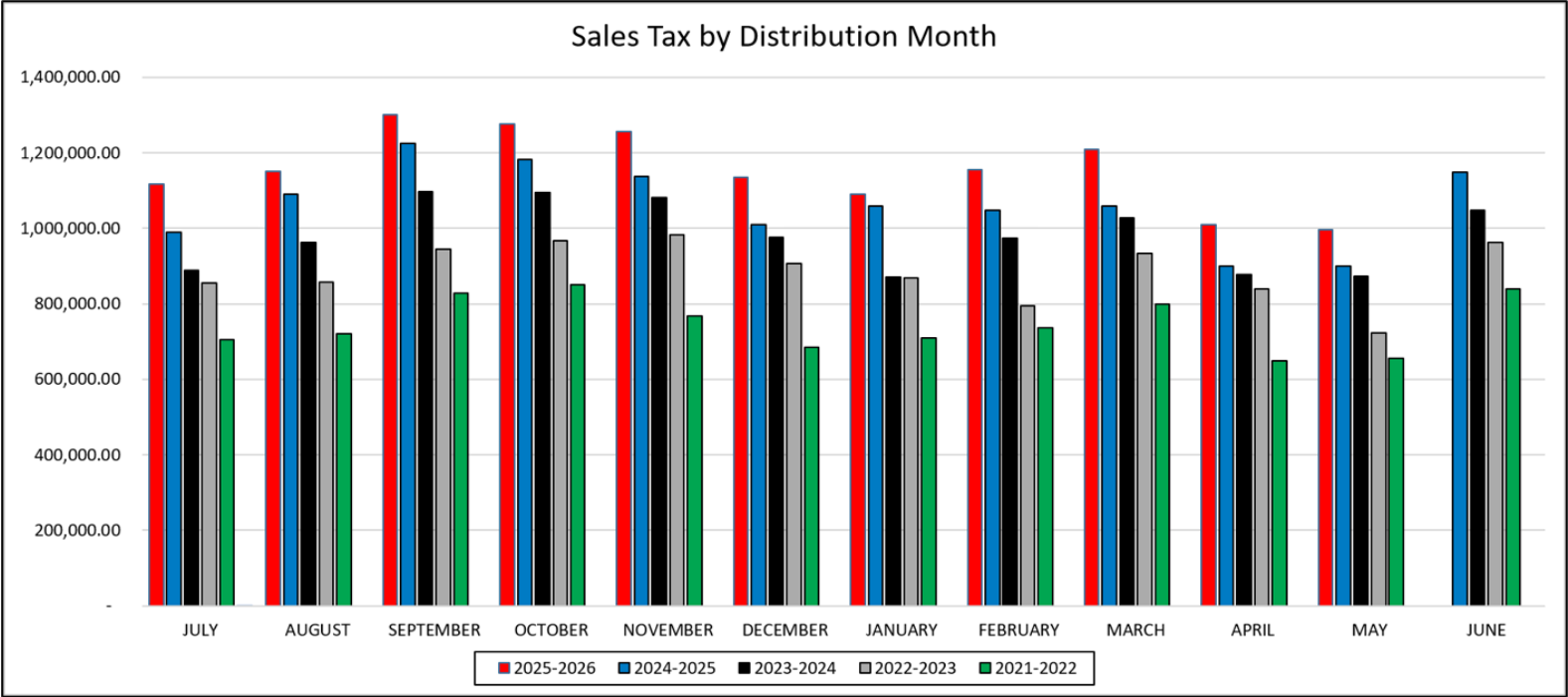
Fiscal YTD Grant Summary*
As of May 31, 2026



*The Fiscal YTD Grant Summary chart reflects grant application data exclusively from the current fiscal year.

FY Sales Tax Distribution

These amounts represent the month/year the Town received the funds from NCDOR.





Grant News

For detailed grant/project information, please visit the [Grants webpage](#).

Donations

There were no donations in May.

Purchase Orders Issued at the Direction of the Town Manager in Excess of \$50,000

Description: Comprehensive Plan Update – PROS Plan; Vendor: WithersRavenel Inc; Amount: \$92,000.00

Description: Police Vehicles (2); Vendor: Parks Ford HV LLC; Amount: \$94,257.68

Description: Property Acquisition; Vendor: The Humphries Law Firm; Amount: \$875,000.00

Description: Property Acquisition; Vendor: The Humphries Law Firm; Amount: \$600,000.00

Intradepartmental and Interdepartmental Budget Transfers

There were no budget transfers in May.

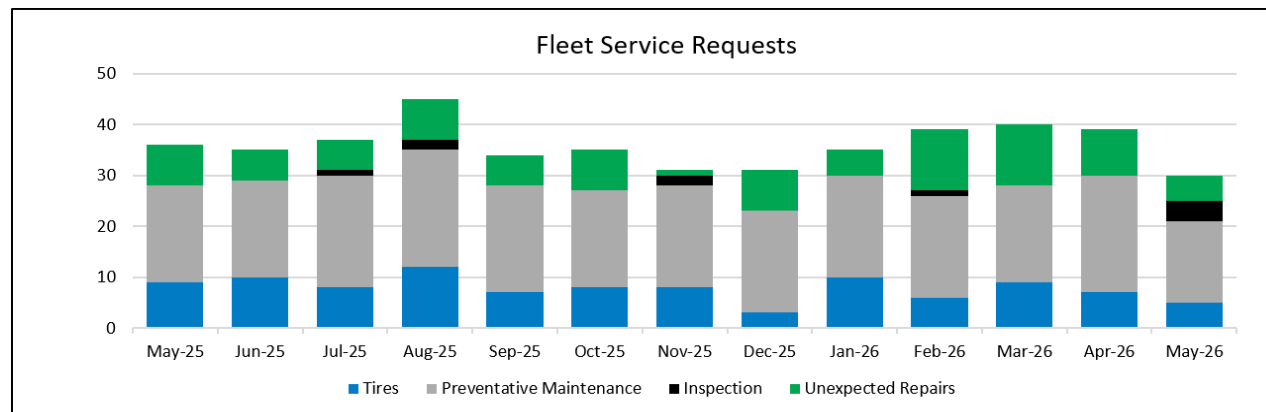
Investment Portfolio

The Town has a diversified investment portfolio across four wealth management banking institutions. The May overview is below:

	Average Monthly Yield	Dividend Reinvestment / Interest Earned	Fiscal YTD Dividend Reinvestment / Interest Earned	Month End Statement Balance or Market Value
First Citizens Bank	0.040	7,384.74	91,927.58	6,186,996.61
NC Capital Management Trust	0.035	55,214.53	655,373.66	17,713,390.90
NC Class	0.037	13,621.30	168,685.14	4,351,834.40
Atlantic Union Bank 36m CD	0.037	25,076.66	242,651.48	8,242,651.48
Total		101,297.23	1,158,637.86	36,494,873.39

Fleet Updates

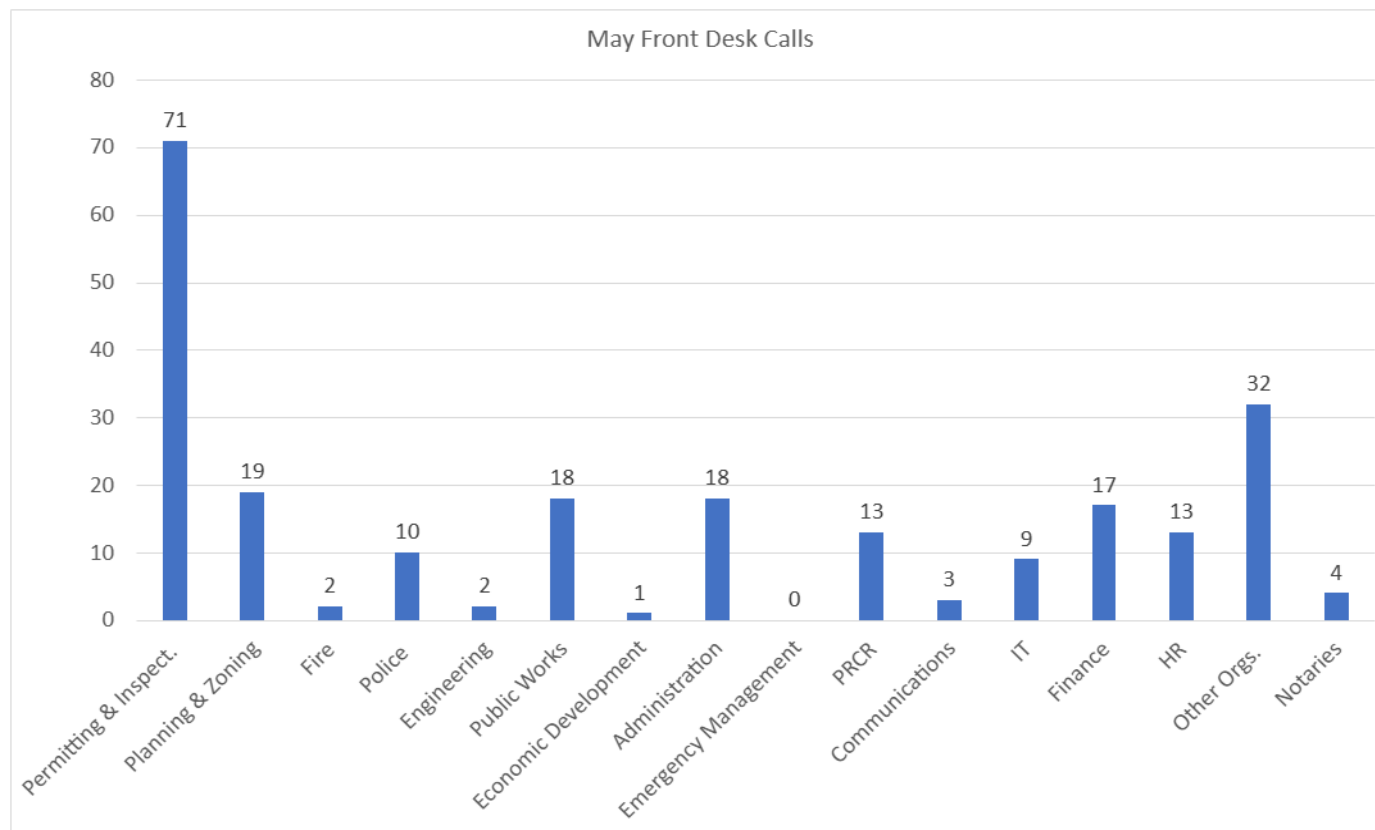
Fleet generated 30 work orders in May with an expense of \$6,156.27.

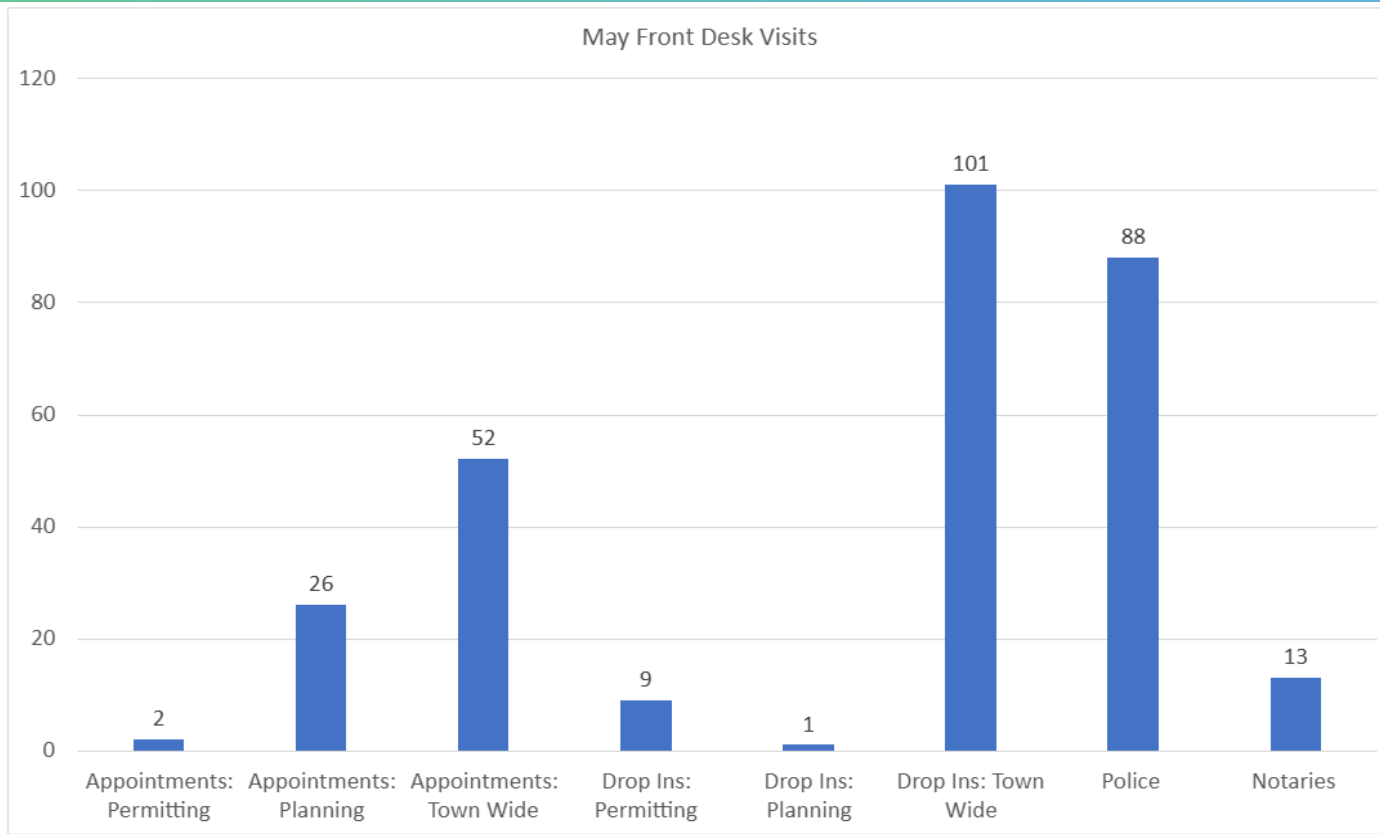


Communications Department News

In May, the department facilitated responses to 33 contact forms submitted through the website, received 232 calls, and assisted 292 visitors to Town Hall. Clint Bullock joined the department as Communications Specialist II – Digital Communications.

Communications Manager Jessica Jewell participated in a 3CMA webinar titled Reinventing the Mundane into Social Media Magic. Communications Specialist II Alison Fore and Ms. Jewell participated in a Town Clerk training on iCompass.





Social Media Update

- Facebook Highlights (May 1 – 31, 2026)
 - Added 180 new page followers
 - Post impressions – 116,746
 - Top post (Largest reach): “The Leland Fire Department recently helped facilitate a live burn training with fire departments from across the region. Trainings like these strengthen partnerships, build experience, and help prepare crews to respond when seconds matter.”
- Twitter/X Highlights (May 1 – 31, 2026)
 - Post Impressions – 1,128
 - Top tweet (Largest reach): “🔥 Burn Ban Update: The Town of Leland burn ban will be lifted at noon today, Monday, May 4. Burn bans issued by Brunswick County and the N.C. Forest Service were lifted earlier this morning. Learn more about the lifted burn ban 👉 <https://ow.ly/1eS050YUyoS> #LelandNC <https://twitter.com/Townofleland/status/2051312209930731809/photo/1>”
- Nextdoor Highlights (May 1 – 31, 2026)
 - Post Impressions – 14,096
 - Likes/Comments – 46
 - Top post (Largest reach): “🚧 Streets in Leland can be maintained by the Town, NCDOT, HOAs, or private owners. Check out our interactive street maintenance map to find out who you should contact for which roads 👉 <https://ow.ly/hi7250SqqG3>”
- Instagram Highlights (May 1 – 31, 2026)
 - Added 57 new page followers
 - Post Impressions – 4,758
 - Top post (Largest reach): “Our new In Bloom Festival is tomorrow from 10 a.m. to 2 p.m.! 🌸 Enjoy free activities like tie-dye, shop handmade goods from a variety of vendors, and connect with community groups. Don’t miss performances and activities, including Latin dance lessons and Dear MariBella, plus all your favorite food trucks! 🌿🍷🍴 Parking is available at Founders Park and Town Hall. Don’t worry if those lots fill up, overflow parking will be available at First Baptist Church. Check out the full schedule of performances, vendors, community booths, and food trucks at the link in our bio. #TownofLelandNC #LelandNC”

- LinkedIn Highlights (May 1 – 31, 2026)
 - Added 25 new followers
 - Page views – 129
 - Page impressions – 7,139
 - Reactions/Comments/Shares – 160
 - Top post (Largest reach): “The Leland Fire Department recently helped facilitate a live burn training with fire departments from across the region. Trainings like these strengthen partnerships, build experience, and help prepare crews to respond when seconds matter.”

Project Updates

- Created posts that resulted in 143,867 impressions across social media platforms.
- Staff continued working with CivicPlus on the migration and rebuilding of the Town’s website. Staff are working with the vendor to finalize the design of the new site.
- A mobile app vendor has been selected. Staff will continue working with IT on project kickoff and timeline development.
- Staff completed working with a local graphic designer to create a logo and brand guide for Leland in Lights.
- Staff continued to work on the Leland in Lights 2026 marketing plan.
- Staff continued working with IT to create an employee intranet site.
- Continued working towards ADA compliance by conducting research, contacting vendors, and collaborating with IT to develop an organization-wide strategy for implementation. The Department of Justice has delayed the compliance deadline to April 2028, but staff continue strategic development.
- Staff completed a four-part video series for Building Safety Month.
- Staff are working with Police to create a series of public service announcements that will be shared through the Town’s online platforms as a tool to educate the public about various public safety topics. The first of these is expected to be published this summer.

Website Articles/Media Coverage

- Town of Leland Website
 - [Town Advisory Boards Seeking New Members](#)
 - [Leland Fire Department to Conduct Live Fire Training](#)
 - [Women’s Health Forum Brings Screenings and Healthcare Experts to Leland](#)
 - [Updated Livestock Ordinance Takes Effect June 1 in Leland](#)

- WECT
 - [TRAFFIC ALERT: Law Enforcement Memorial Bike Ride to cause road delays in Leland](#)
 - [Man arrested and charged after chase leads to crash in Brunswick County](#)
 - [Leland flood WECT INVESTIGATES: Leland neighborhood still rebuilding one year after costly explosion project complete, but residents remain skeptical](#)
 - [WECT INVESTIGATES: What experts say about Leland explosion investigation](#)
 - [WECT INVESTIGATES: As neighbors push for answers, Leland addresses explosion investigation concerns](#)
 - [Expect smoke and delays near Blackwell Road as Leland firefighters train Saturday](#)
 - [WECT INVESTIGATES: Everything we've learned about the Leland explosion, one year later](#)
 - [WECT INVESTIGATES: What comes next on Suncrest Way](#)
 - [Town of Leland announces women's health forum next month](#)
- WWAY
 - [Leland opens splash pad at Founders Park](#)
 - [A new hope for Leland residents, as a new post office could be established](#)
 - [Town of Leland to host 6th annual Hurricane Expo](#)
 - [Ocean Gate Plaza roadway reopens in Leland after months-long construction project](#)
 - [Leland Fire Department to conduct live fire training Saturday](#)
 - [One year later, Magnolia Greens home explosion still impacts Leland neighborhood](#)
 - [Leland to host women's health forum with screenings and expert panels](#)
 - [Leland animal ordinance changes take effect June 1](#)
- StarNews
 - [New shopping center proposed for busy highway and community in Leland](#)
 - [High-end gym in Leland remains unopened a year after construction](#)
 - [Opening timeline remains unclear for high-end gym in Leland](#)
 - [Leland's new development agreement 'jeopardizes' safety, residents say](#)
 - [A rebrand gives Leland another 24-hour convenience store](#)
- Port City Daily
 - [Leland Fire Department to conduct live training on Blackwell Road](#)
 - [The Agenda: Government meetings this week](#)

- [The Agenda: Government meetings this week](#)
- North Brunswick News
 - [Bear struck, killed on U.S. 17 highlights seasonal uptick in activity](#)
 - [In Bloom festival to debut Saturday in Leland](#)
 - [Meeting set for proposed 12,500-home development near Leland](#)
 - [Live burn exercise planned Saturday on Blackwell Road](#)
 - [District voting returns to Leland council agenda Monday](#)
 - [Leland council sets June hearing on district voting](#)
 - [Firefighters train in live burn exercise at future Belville municipal campus](#)
 - [Leland OKs Seaward Pointe agreement despite Compass Pointe opposition](#)
 - [Leland to host women's health forum June 3](#)

TDA Marketing

- Continued working with Springer Studios on brand development, which includes logo design and brand voice.

Leland TDA Meeting Summary

The Leland Tourism Development Authority met on May 4, 2026 and heard the following:

- New Board member introductions
- WECT/Town of Leland Sounds of Summer Concert at Founders Park presentation
- Brunswick Beer and Cider Applearchy Cider Festival Grant Project Closeout presentation
- Brunswick Beer and Cider Ciderfest Post Event Report presentation
- Adopted the Leland Tourism Development Authority Grant Policy
- Adopted a Resolution authorizing the Tourism Development Authority Chair to execute the service agreement with the Town of Leland
- Adopted a Resolution authorizing staff to purchase promotional items
- Discussed LTDA branding

A LTDA Special meeting is scheduled for June 1, 2026. The next regularly scheduled LTDA meeting is scheduled for July 6, 2026.

Planning and Inspections Department News

Planner II Kate Fersinger joined the department in May. Ms. Fersinger previously worked for the Town as the Community Development Planner (now called Long Range Planner) in 2025. Code Enforcement Officer Brian Renner also joined the department. Mr. Renner most recently worked for the City of Wilmington as the Code Enforcement Supervisor for seven years.

Planner I Justice Herman and Drew Dimella, and Planner II Brooke Maynard attended North Carolina Emergency Management's National Flood Insurance Program Virtual Summer Workshop, which provided training and information on community resilience and high standards communities can take in the flood damage prevention ordinance.

Planning Supervisor Ben Watts presented the Town's recently adopted data center text amendment to the Cape Fear Council of Governments and surrounding communities, during which he discussed the analysis and takeaways of the Planning Department's research.

Mr. Watts attended the Maryland Department of Planning's webinar entitled Heritage Areas: A Tool for Local and Regional Planning, which discussed how applying heritage areas aids in placemaking and supports local planning goal implementation.

Planning Manager Andrew Neylon attended the American Planning Association's webinar entitled Navigating the Transition from Doer to Manager, which provided a Q&A forum for planning managers and directors to discuss challenges and lessons learned transitioning from individual contributor to a leadership position.

Planning Board Meeting Summary

The Planning Board met on May 26, 2026 and discussed the following items:

- Quarterly update for the Leland 2045 Comprehensive Plan
- Unified Development Ordinance (UDO) Article 9 Draft - Nonconformities

The Planning Board's next meeting is scheduled for June 23, 2026, at 6 p.m.

Board of Adjustment Meeting Summary

The Board of Adjustment did not meet in May due to lack of agenda items. The June meeting has been canceled. The next meeting is scheduled for July 7, 2026, at 6 p.m.

Current Planning Update

Technical Review Committee (TRC) Report

In addition to project reviews, the Technical Review Committee (TRC) reviewed the following new items:

- Master Land Use Plan for East Lake – Proposal to create and rezone East Lake to become a Planned Unit Development.
- Development Site Plan for Active Open Space for Lake House Residential Development – Proposal for active recreation with natural pathways and bench sitting to serve the immediate residents of the subdivision community.
- Development Site Plan for Early Riser Coffee Shop – Proposal for a 4,235-square-foot two-tenant building to include a coffee shop located at 488 Village Road.
- Development Site Plan for Wild Forest Academy – Proposal to include a parking facility and bus parking for a proposed educational facility.
- Site-Specific Plan for Tyler's Cove at Mallory Creek, Phase 4 – Proposal for a 72 residential lot subdivision 23.09-acre located off Tyler's Cove Way within the Mallory Creek Plantation PUD.
- Development Site Plan for Active Open Space for Kyndall Cove Residential Development – Proposal for active recreation multi-use paths, open ball fields, playgrounds, a dog park, and other amenities to serve the immediate residents of the subdivision community.
- Development Site Plan for Beckington Townhomes, Minor Modification – Proposal to include additional off-street parking for the residential community.

Number of Reviews by Stage – Permitting Applications

<u>Stage/Plan Type</u>	<u>Initial</u>		<u>Revisions</u>		<u>Total</u>	
	No.	Avg. Days	No.	Avg. Days	No.	Avg. Days
Building/ Flood (3 Day Review)	7	1.7	4	1.3	11	1.5
Commercial Building / Flood	4	8.8	0		4	8.8
Commercial Building / Flood / Zoning	6	7.2	14	3.7	20	4.8
Commercial Building / Flood / Zoning / Pub Serv	3	7.3	1	1.0	4	5.8
Commercial Building / Zoning	4	8.5	8	2.3	12	4.3
Commercial Building Fire	5	7.0	6	3.3	11	5.0
Commercial Building/Zoning/Electrical	0		1	3.0	1	3.0
Electrical	0		1	2.0	1	2.0
Electrical (5-Day Review)	3	3.0	1	1.0	4	2.5
Fire/Electrical/Zoning/Pub Serv	0		1	3.0	1	3.0
Permit Building/Zoning	6	9.2	4	3.3	10	6.8
Permit Zoning Only	1	1.0	0		1	1.0
Residential Building / Flood	6	5.7	7	2.3	13	3.8
Residential Building / Zoning / Flood	51	8.0	5	2.2	56	7.4
Residential Flood	2	2.0	3	1.0	5	1.4
Residential Review	44	8.0	76	2.1	120	4.3
Total Initial: 142			Total Revisions: 132		Total Plans: 274	

Number of Reviews by Stage – Planning Applications

<u>Stage/Plan Type</u>	<u>Initial</u>	<u>Revisions</u>	<u>Total</u>
Address Request	12	3	15
Development Site Plan	4	10	14
Development Site Plan Minor Modification	5	1	6
Exempt Plat	0	4	4
Final Plat with New Performance Guarantee	3	7	10
Final Plat without a Performance Guarantee	0	1	1
Home Occupation	1	0	1
Performance Guarantee Release	1	1	2
Preliminary Plat Minor Modifications	1	0	1
Preliminary Plat-Major Subdivision	1	1	2
PUD Master Land Use Plan (New)	1	0	1
PUD Rezoning	1	0	1
Sketch Plan	2	0	2
Zoning Letter	4	1	5
Total Initial: 36		Total Revisions: 29	Total Plans: 65

Floodplain Development Update

Floodplain Development Permits	Floodplain Development Inspections
0	3

Other Information

Performance Guarantees

Subdivision	Number of Agreements	Total per Agreement Type	Change from Previous Month
Beckington Townhomes			
Surety Bonds	1	\$119,148.25	-\$20,816.13
Bellamy Place			
Cash Bond	1	\$1,037,615.00	\$0.00
Bishops Ridge			
Cash Bond	1	\$14,875.84	\$0.00
Brunswick Forest			
Surety Bonds	17	\$5,008,455.42	\$152,620.00
Charleston Commons			
Cash Bond	2	\$171,490.62	\$0.00
East Lake			
Surety Bond	6	\$1,398,205.08	\$0.00
Grand Park			
Surety Bond	2	\$895,602.23	\$0.00
Grayson Park			
Cash Bonds	3	\$50,860.15	\$0.00
Surety Bonds	8	\$1,225,669.38	\$0.00
Highland Hills Village			
Letters of Credit	1	\$56,250.00	\$0.00
Leland Corners			
Surety Bond	1	\$181,343.75	\$0.00
Mallory Creek			
Letters of Credit	1	\$92,285.00	\$0.00
Cash Bonds	5	\$329,716.44	\$0.00
Surety Bonds	10	\$2,960,668.01	\$0.00
Night Harbor Dr			
Cash Bond	1	\$7,650.00	\$0.00
Pinewood			
Surety Bond	5	\$2,009,989.31	-\$272,356.20
Riverwalk Point			
Surety Bond	2	\$481,560.00	\$0.00
Savannah Branch			
Surety Bond	1	\$854,407.50	\$0.00
Settler's Village			
Surety Bond	1	\$373,940.46	\$373,940.46
Terrapin			
Surety Bond	5	\$540,850.00	\$0.00
Townes at Seabrooke			
Surety Bond	2	\$683,850.25	\$0.00
Westgate Townes			
Surety Bond	5	\$1,901,216.80	\$0.00
Total Cash Bonds	13	\$1,612,208.05	\$0.00
Total Surety Bonds	66	\$18,634,906.44	\$233,388.13
Total Letters of Credit	2	\$148,535.00	\$0.00
Total Performance Guarantee Sureties	81	\$20,395,649.49	\$233,388.13

Long Range Planning and Community Development Update

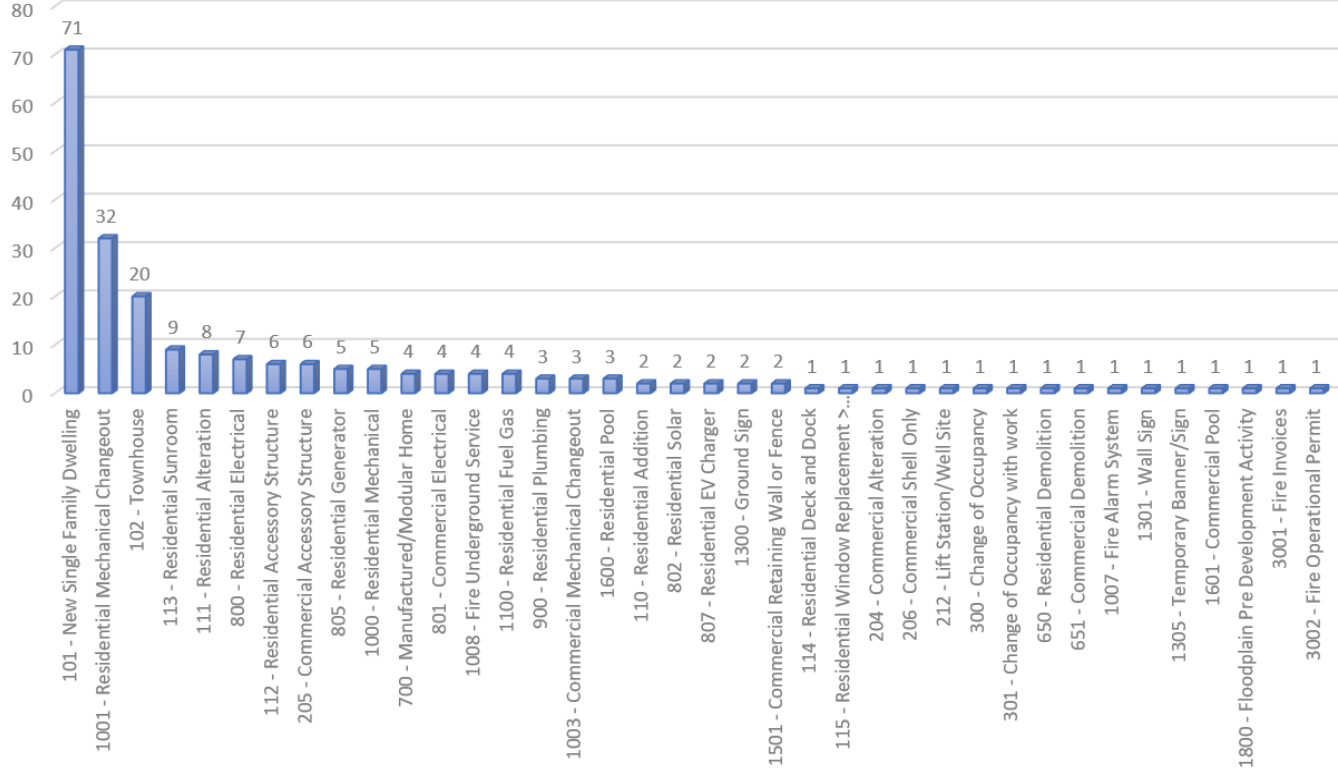
Staff continued to work on the corridor plans for S. Navassa Road and Village Road and began reviewing proposals from graphic designers for potential contracted assistance for the plan.

Staff attended the Cape Fear Housing Coalition Housing Affordability Breakfast, which discussed how property tax rates affect aging in place and gentrification and the need to bring regional partners together to better use resources and reduce duplicated efforts.

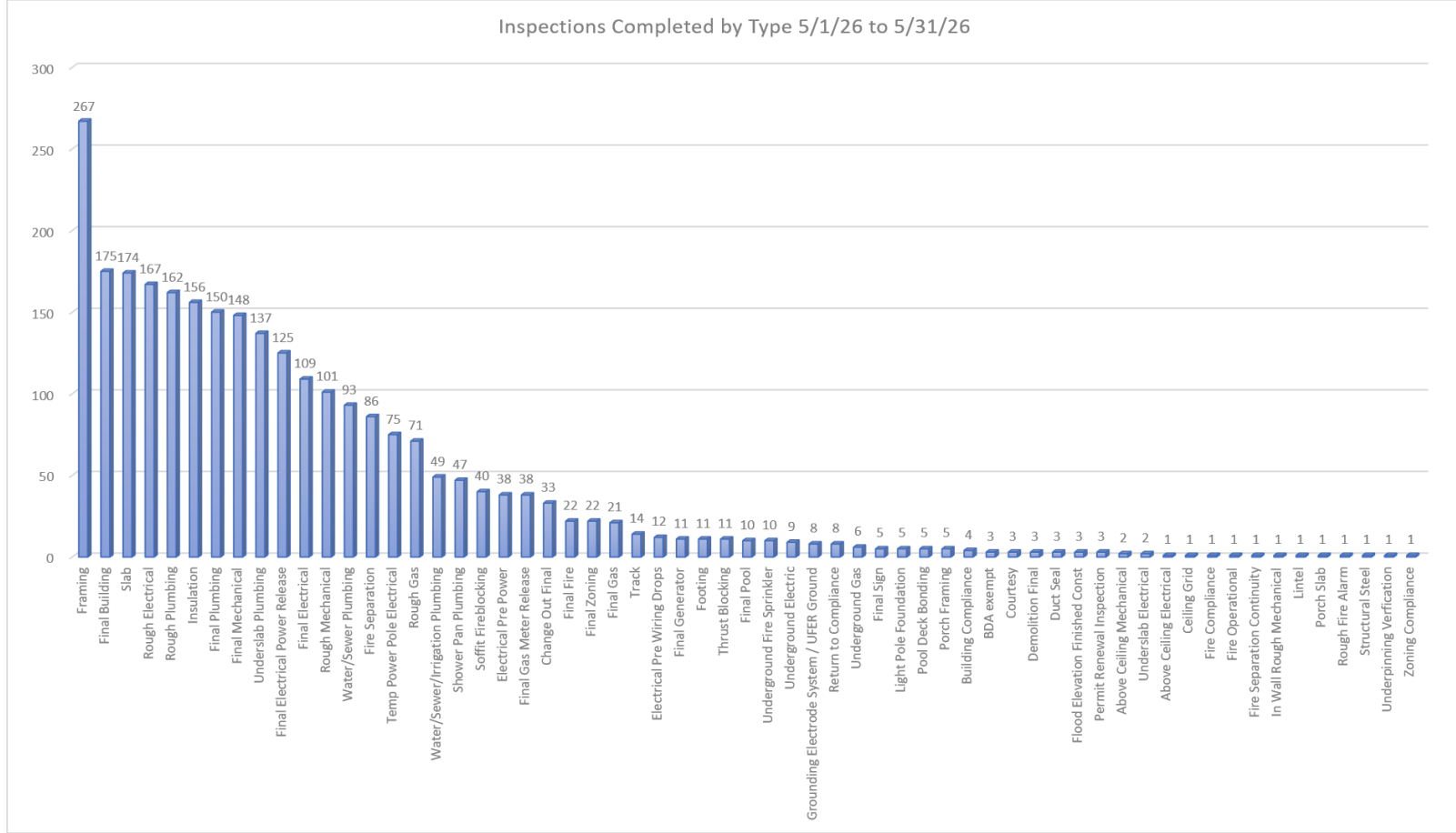
Building Permitting and Inspections Update

Total Permits Issued	Total Inspections	Total Value of Construction
220	2,674	\$35,720,293

Permits Issued by Type 5/1/26 to 5/31/26



Inspections Completed by Type 5/1/26 to 5/31/26



Code Enforcement Update

Case Summary

5/1 Through 5/30	Minimum Housing	Nuisance	Zoning	Vehicle	Total
Cases Carried Over	1	17	32	3	53
Cases Opened May 2026	4	6	14	1	25
Cases Closed May 2026	0	2	0	3	5
Active Cases (Evolve) 2026	5	21	46	1	73

Economic and Community Development Department News

Staff toured the Wilmington Port and the UNCW Center for Marine Science. The port visit provided valuable insight into port operations, planned facility expansion, and ongoing efforts to increase import and export activity to support regional economic growth. The visit to the Center for Marine Science highlighted its research and educational initiatives, as well as opportunities for commercialization and entrepreneurship arising from innovative research discoveries.

Staff met with representatives from the Economic Development Partnership of North Carolina to discuss business attraction opportunities, economic development strategies, and available incentive programs that may support future projects within the Town. The meeting also served to strengthen partnerships, identify potential collaboration opportunities, and enhance the Town's ability to attract and support new investment and business growth.

Staff attended the annual meeting of Brunswick Business & Industry, joining local and regional business leaders and economic development partners. The meeting included a review of the organization's accomplishments over the past year and provided an opportunity to connect with the newly appointed Business Development Manager John Shoffner.

Staff also attended Power Solutions, hosted by the North Brunswick Chamber of Commerce, and participated in the 1 Million Cups program at the UNCW Center for Innovation and Entrepreneurship. These events provided opportunities to engage with local business owners, entrepreneurs, founders, and investors, fostering connections that may lead to future business development prospects and investment opportunities within the Town.

New Businesses

- **Fred Astaire Dance Studio** opened at **1217 Magnolia Village Way** on May 19.

Business Ribbon Cuttings

- **Priority Pet Urgent Care** held a ribbon cutting on May 29.
- **North Brunswick Chiropractic** held a ribbon cutting on May 29.

New Construction/Development

- **Early Rider Coffee Shop** has proposed approximately 4235 square-foot coffee shop at 488 Village Road.



Economic Development Committee Meeting Summary

The Economic Development Committee met on May 14 and received a presentation from Dave Nelson and Trey Echols, owners of Canvasback Capital LLC, regarding a new development project currently underway within the Leland Innovation Park. The project consists of a 142,000 square-foot, multi-building small bay industrial facility that is being marketed to a variety of industry sectors and business types. Construction is progressing with a targeted completion date of September 2027. The next meeting is scheduled for June 11, 2026.

Parks, Recreation, & Cultural Resources Department News

The department is busy working on plans for concerts and other events once all final details are complete in Founders Park. The In Bloom festival took place in Founders Park on May 16, featuring live music, dance lessons, food trucks, and art vendors which lined the park for an exciting day of activities. Approximately 3,000 people were in attendance.

Parks and Recreation Board Summary

The Parks and Recreation Board met on May 27, 2026. Recreation Manager Tim McNeilly presented an update on Founders Park and the PROS Plan; Senior Recreation Specialist Brenna Keegan presented on the success of Spring Fling; and Senior Recreation Specialist Molly Prosser presented an update on In Bloom. Deputy Town Clerk Adam Golonka discussed upcoming Board vacancies and encouraged them to recommend people to apply. Mr. McNeilly engaged the Board in some dialogue from the recent presentation by Visit NC and Outdoor NC. The next meeting is scheduled for July 22, 2026.

Upcoming Events

June 20, 10 a.m.-3 p.m. – Dry Point Printmaking Workshop, LCAC

June 22, 6-8 p.m. – Paint Pouring, LCAC

June 23, 6-8 p.m. – Seasonal Ceramics Workshop, Windchimes, LCAC

June 25, 6-8 p.m. – Bracelets on the Block, LCAC

June 25, 6-8:30 p.m. – Pressed Plant Greeting Cards, LCAC

June 25, 6-7:30 p.m. – Candy Bar Bingo, LCAC

June 27, 7-10 p.m. – Contra Dance, LCAC

July 7-30 – Appleby & Jirlds Gallery, LCAC

July 18, 10 a.m.-12 p.m. – Seasonal Ceramics Workshop - Fairy Houses, LCAC

July 20, 6-7:30 p.m. – Sourdough for Beginners, LCAC

Social Media Update

- PRCR Facebook Highlights (May 1 – 31, 2026)
 - Followers/Likes – 6,9996

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- Page reach – 41,205
 - Top post (Largest reach): “Join us on Saturday, May 16, from 10 a.m.–2 p.m. at Founders Park (113 Town Hall Drive) for a day celebrating nature, creativity, and community at Leland’s newest festival, In Bloom! Enjoy: Environmental educators and local nonprofits, Eco-friendly, handcrafted goods from local artists, Hands-on activities like sun printing, tie-dyeing, and reuse art, Native plants from local farms to take home, Delicious food from Mimi and Papa’s Popcorn and Sweet Shop, Island Squeeze Lemonade, Seaview Crab Company, Glizzies on the Go, and Gustu Peruano ...and so much more.”
 - LCAC Facebook Highlights (May 1 – 31, 2026)
 - Followers/Likes – 5,579
 - Page reach – 1,803
 - Top post (Largest reach): “Join us on Saturday, May 16, from 10 a.m.–2 p.m. at Founders Park (113 Town Hall Drive) for a day celebrating nature, creativity, and community at Leland’s newest festival, In Bloom! Enjoy: Environmental educators and local nonprofits, Eco-friendly, handcrafted goods from local artists, Hands-on activities like sun printing, tie-dyeing, and reuse art, Native plants from local farms to take home, Delicious food from Mimi and Papa’s Popcorn and Sweet Shop, Island Squeeze Lemonade, Seaview Crab Company, Glizzies on the Go, and Gustu Peruano ...and so much more.”
 - PRCR Instagram (May 1 – 31, 2026)
 - Followers/Likes – 2,254
 - Post reach – 10,274
 - Top post (Largest reach): “Join us on Saturday, May 16, from 10 a.m.–2 p.m. at Founders Park (113 Town Hall Drive) for a day celebrating nature, creativity, and community at Leland’s newest festival, In Bloom! Enjoy: Environmental educators and local nonprofits, Eco-friendly, handcrafted goods from local artists, Hands-on activities like sun printing, tie-dyeing, and reuse art, Native plants from local farms to take home, Delicious food from Mimi and Papa’s Popcorn and Sweet Shop, Island Squeeze Lemonade, Seaview Crab Company, Glizzies on the Go, and Gustu Peruano ...and so much more.”
 - LCAC Instagram (May 1 – 31, 2026)
 - Followers/Likes – 2,213
 - Post reach – 1,166
 - Top post (Largest reach): “Join us on Saturday, May 16, from 10 a.m.–2 p.m. at Founders Park (113 Town Hall Drive) for a day celebrating nature, creativity, and community at Leland’s newest festival, In Bloom! Enjoy: Environmental educators and local nonprofits, Eco-friendly, handcrafted goods from local artists, Hands-on activities like sun printing, tie-dyeing, and reuse art, Native plants from local farms to take home, Delicious food from Mimi and Papa’s Popcorn and Sweet Shop, Island Squeeze Lemonade, Seaview Crab Company, Glizzies on the Go, and Gustu Peruano ...and so much more.”

Human Resources Department News

In May, the Town welcomed four new employees: one to the Communications team, one to the Public Works Department, and two to the Planning and Inspections Department. During the same period, three staff members were promoted. The department also hosted a Lunch and Learn attended by 30 employees, focused on enhancing public speaking skills. Recruitment efforts are currently underway for newly approved FY26-27 positions, with the expectation that most roles will be filled by the end of July.

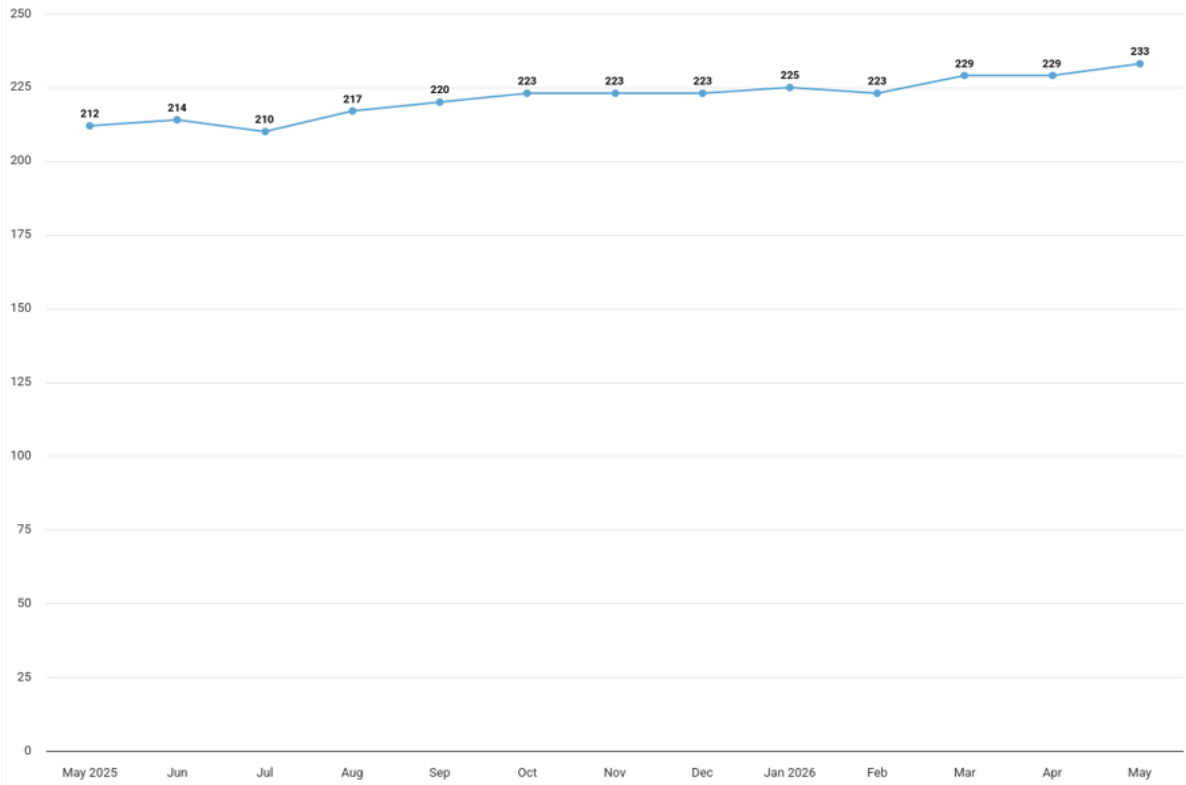
Personnel Updates

Name of Employee	Department	Type of Change	Date of Change	Position Title	From Position	To Position
Pat Lewis	Public Works	Promotion	5/9/2026		Custodian I	Custodian II
Joe Cappuccilli III	Police	Promotion	5/9/2026		Police Officer	Master Police Officer
Joe Benson	Police	Promotion	5/9/2026		Police Officer	Master Police Officer
Josh Van Pelt	Planning and Inspections	Termed	5/19/2026	Building Inspections Supervisor		
Clint Bullock	Communications	New Hire	5/26/2026	Communications Specialist II - Digital		
Kate Fersinger	Planning and Inspections	New Hire	5/26/2026	Planner II		
Jesse McKinney	Public Works	New Hire	5/26/2026	Streets Maintenance Technician II		
Brian Renner	Planning and Inspections	New Hire	5/26/2026	Code Enforcement Officer		

Workers Comp Data May 2026

Number of Incidents	Loss Time (Y or N)	Brief Description of Incident and Injury/Illness
1	N	Respiratory issues
1	N	Leg injury

Headcount (FT and PT Employees) May 2025 – May 2026



Headcount ⓘ 233 As of May 2026	Hired ⓘ 50	Termed ⓘ 27	Growth Rate ⓘ 11.0%	Turnover Rate ⓘ 12.2%	Average Tenure ⓘ 4.4 (Years)
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Terminations include voluntary and involuntary separations of employment.



Information Technology Department News

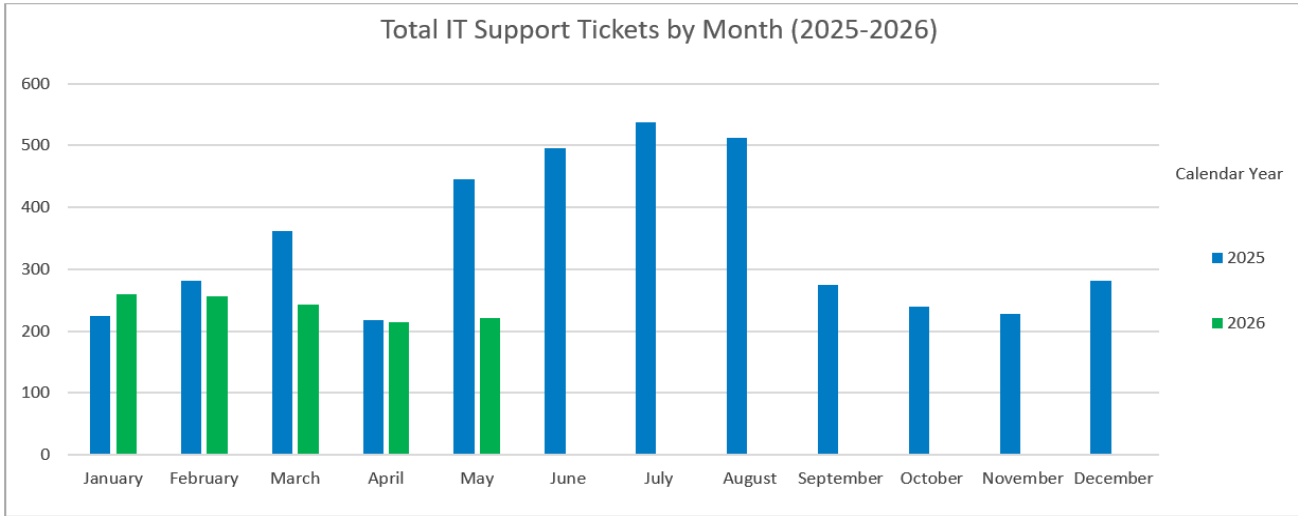
Associate IT Systems Administrator Josh Rieg, IT Manager Bruce Sandy, and IT Systems Administrator Greg Vandergriff attended the North Carolina Local Government Information Systems Association's Spring Symposium in Wilmington. This event, intended specifically for local government IT professionals, offered learning opportunities for attendees to interact with their peers throughout North Carolina regarding IT best practices, trends, and emerging technologies.

Major Work Priorities

- Founders Park Infrastructure: Installation of network and security camera equipment is underway in facilities at Founders Park.
- Town of Leland Mobile Application: Staff are working with the Communications Department to plan the implementation of a smartphone application designed to enhance communication of Town news and information.
- Website Migration: Staff continue to work with the Communications Department in the design phase of the website platform migration.

Projects Completed

- Founders Park Infrastructure: Equipment necessary for providing internet connectivity in Founders Park has been installed.
- GIS Requests: GIS staff have produced numerous maps and datasets supporting grant applications, the Transparency Portal, reports, and calculations throughout the month.
- Endpoint Device Improvements: Security changes, print setting modifications, and computer policy standards have been implemented to improve system performance and stability across computers and print devices.



Administration Department News

Mayor Brenda Bozeman signed letters of support for several grant applications submitted by Town staff, including a request to the North Carolina Recreation and Park Association for the Family Entertainment Series at Founders Park, an application to the U.S. Department of Transportation's Safe Streets and Roads for All (SS4A) Program for the Old Fayetteville Road Pedestrian Bridge Project, and a request to the North Carolina Urban Forest Council Legacy Tree Fund Grant Committee for the Leland Town Center Tree Planting Project.

Mayor Bozeman, Mayor Pro Tem Bob Campbell, Councilmembers Veronica Carter and Leland Hyer, Town Manager David Hollis, and Deputy Town Manager Missy Rhodes attended the 2026 CityVision Conference hosted by the North Carolina League of Municipalities in Raleigh. The conference focused on key issues facing North Carolina municipalities, including disaster preparedness, leadership development, regional collaboration, municipal ethics, and strategies for strengthening local communities. Attendees also participated in educational sessions, networking opportunities, and discussions with municipal leaders from across the state regarding emerging trends, legislative priorities, and best practices in local government.

Town Clerk's Office

On May 19, Town Clerk Sabrena Reinhardt and Deputy Town Clerk Adam Golonka attended the North Carolina Association of Municipal Clerks Regional Continuing Education virtual training. Topics covered during the session included public comment periods, updates from the Office of the State Auditor, phishing awareness and cybersecurity best practices, and public records request management.

Work Priorities

- The Town Clerk published meeting agendas and prepared minutes for the following meetings:
 - May 4 Leland Tourism Development Authority
 - May 5 Board of Adjustment – Canceled
 - May 14 Economic Development Committee
 - May 18 Agenda Council Meeting
 - May 18 Closed Session Meeting
 - May 21 Regular Council Meeting
 - May 26 Planning Board Meeting
 - May 27 Parks and Recreation Board Meeting
- Action Items:
 - Agendas – 6
 - Budget Amendments – 1
 - Budget Ordinances – 2

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- Certificate of Achievement – 4
 - Minutes – 4
 - Ordinances – 2
 - Presentations – 1 (Effective Community Engagement)
 - Proclamations – 1
 - Public Hearing Notices for the Council Meetings – 3
 - Resolutions – 10
 - Current Board/Committee Vacancies: Parks & Recreation Board Student Representative (2). As of June 30, the following additional vacancies will occur: three (3) on the Economic Development Committee, two (2) on the Board of Adjustment, and three (3) on the Parks & Recreation Board.

Government Portal (iCompass) Transparency Update

- Portal Visits – 21,185
- Portal Unique Visits – 5,311
- Leland Tourism Development Authority May 4 Agenda Views – 397
- Economic Development Committee Meeting May 14 Agenda Views – 384
- Agenda Council Meeting May 18 Agenda Views – 756
- Regular Council Meeting May 21 Agenda Views – 766
- Planning Board Meeting May 26 Agenda Views – 237
- Parks and Recreation Board May 27 Agenda Views – 140