VILLAGE COUNCIL
AGENDA FOR REGULAR MEETING OF MAY 14, 2024
CANNON PARK COMMUNITY CENTER - MULTIPURPOSE ROOM

PINEHURST, NORTH CAROLINA
4:30 PM

1. Call to Order.
2. Invocation and Pledge of Allegiance
3. Reports:

   Manager

   Council

4. Motion to Approve Consent Agenda.

   All items listed below are considered routine or have been discussed at length in previous meetings and will be enacted by one motion. No separate discussion will be held unless requested by a member of the Village Council.

   A. Approval of Village Council Meeting Minutes
      - April 23, 2024, Regular Meeting Minutes
      - April 23, 2024, Work Session Minutes

   B. Resolution 24-21 Appointing Mr. Jack Farrell as the Village of Pinehurst Voting Representative to the Regional Land Use Advisory Commission (RLUAC)

   End of Consent Agenda.

5. Proclamation for National Police Week & Peace Officers' Memorial Day 2024

   Peace Officers' Memorial Day is held annually on May 15th. In 2024, National Police Week is May 12th - 18th.
6. Consider Resolution 24-17 Reappointing Ms. Sonja Rothstein to the Planning & Zoning Board and Board of Adjustment
7. Consider Resolution 24-18 Reappointing Mr. David Herring to the Historic Preservation Commission
8. Consider Resolution 24-19 Reappointing Ms. Cara Mathis to the Historic Preservation Commission
9. Consider Resolution 24-20 Appointing Mr. Joe Iverson to the Historic Preservation Commission
10. Approve Document Imaging Contract with MCCi
11. Discussion and Approval of Library Design Agreement Amendment with Oakley Collier Architects
12. Presentation of the GFOA Distinguished Budget Presentation Award
13. Presentation of the Fiscal Year 2025 Budget and Strategic Operating Plan

14. Other Business.
15. Comments from Attendees.
16. Motion to Adjourn.

Vision: The Village of Pinehurst is a charming, vibrant community which reflects our rich history and traditions.
Mission: Promote, enhance, and sustain the quality of life for residents, businesses, and visitors.
Values: Service, Initiative,Teamwork, and Improvement.

APPROVAL OF VILLAGE COUNCIL MEETING MINUTES

ADDITIONAL AGENDA DETAILS:

- April 23, 2024, Regular Meeting Minutes
- April 23, 2024, Work Session Minutes

ATTACHMENTS:

	Description
🗋	04.23.2024 Regular Meeting Minutes
🗋	04.23.2024 Work Session Minutes

Village Council
Minutes for the Regular Meeting of April 23, 2024
Assembly Hall
395 Magnolia Road
Pinehurst, North Carolina
4:30 p.m.

The Pinehurst Village Council held a Regular Meeting at 04:30 p.m., Tuesday, April 23, 2024, in the Assembly Hall of Village Hall, 395 Magnolia Road, Pinehurst, North Carolina.

The following were in attendance in Assembly Hall:
Mr. Patrick Pizzella, Mayor
Dr. Jeff Morgan, Councilmember
Ms. Barb Ficklin, Councilmember
Mr. John Taylor, Mayor Pro Tem
Mr. Jack Farrell, Councilmember
Mr. Jeff Sanborn, Village Manager
Ms. Shannon Konstantinou, Village Clerk
Ms. JoEllen Richter, IT Technician

And approximately 15 attendees, including 6 staff and 1 press.

1. **Call to Order.**
Mayor Pizzella called the Village Council meeting to order at 04:30 p.m.

2. **Invocation by Dr. Matthew Stillman and Pledge of Allegiance by Gemma Harris.**

3. **Reports:**

Village Manager

- Mr. Jeff Sanborn, Village Manager, reported that Staff is on track to provide FY2025 SOP documents to Council ahead of the formal presentation at the May 14, 2024, meeting; on the April 27, 2024, Celebration of the Military Child event; and on the May 01, 2024, Shop Small this Spring event.

Village Council

- Mayor Pizzella reported on the September – October 2024 Moore Ag + Art Tour; the April 22, 2024, Moore County Economic Development Partnership Manufacturers' Breakfast & Roundtable; the April 13, 2024, Sandhills Dog Fair; on the continuing 2024 US Open preparations; and the April 22, 2024, Pinehurst Country Club Ladies' Luncheon.
- Councilmember Morgan reported on the April 26, 2024, Central Pines Regional Council meeting to be held via Zoom; and on the April 26, 2024, internment of Admiral Leighton

"Snuffy" Smith, a longtime Village resident and distinguished U.S. Navy veteran who passed away on November 28, 2023.

- Councilmember Ficklin reported on the April 11, 2024, Central Pines Rural Planning Organization meeting; the April 15, 2024, Neighborhood Advisory Committee meeting; the April 16, 2024, Village of Pinehurst Volunteer Luncheon; and the April 22, 2024, Pinehurst Business Partners meeting.
- Mayor Pro Tem Taylor reported on the April 17, 2024, Sandhills Metropolitan Planning Organization meeting and the April 15, 2024, Neighborhood Advisory Committee meeting.
- Councilmember Farrell reported on the April 16, 2024, Village of Pinehurst Volunteer Luncheon; the April 15, 2024, Neighborhood Advisory Committee meeting; the April 18, 2024, Gathering at Given Memorial Library; and the May 2024 opening of the World Golf Hall of Fame and USGA Experience.

4. Motion to Approve Consent Agenda.

All items listed below are considered routine or have been discussed at length in previous meetings and will be enacted by one motion. No separate discussion will be held unless requested by a member of the Village Council.

A. Approval of Village Council Meeting Minutes
   - April 09, 2024, Regular Meeting
   - April 09, 2024, Work Session

B. Budget Amendments Report

C. 2024 Re-Revised Village Council Meeting Schedule
   The 2024 Village Council Meeting Schedule has been revised to reflect the relocation of the May 14, 2024, Village Council Regular Meeting and Work Session to the Cannon Park Community Center – Multipurpose Room (210 Rattlesnake Trail, Pinehurst, NC 28374).

End of Consent Agenda.
Upon a motion by Councilmember Farrell, seconded by Councilmember Morgan, Council unanimously approved the Consent Agenda by a vote of 5-0.

5. Consider Resolution 24-15 Appointing Mr. Justin Bramlage to the Historic Preservation Commission.
Mr. Sanborn provided background information on Mr. Bramlage's nomination for appointment to the Historic Preservation Commission.

Upon a motion by Councilmember Ficklin, seconded by Councilmember Farrell, Council unanimously approved Resolution 24-15 Appointing Mr. Justin Bramlage to the Historic Preservation Commission by a vote of 5-0.

RESOLUTION #24-15:

A RESOLUTION REGARDING AN APPOINTMENT TO THE PINEHURST HISTORIC PRESERVATION COMMISSION.

WHEREAS, the Village of Pinehurst has established an Historic Preservation Commission as authorized by North Carolina General Statutes, Chapter 160D, Article 303; and

WHEREAS, there is a need to fill a vacancy on the Historic Preservation Commission.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina in a Regular Meeting assembled this 23rd day of April 2024 that the following appointment is hereby made to the Historic Preservation Commission for the term indicated:

Mr. Justin Bramlage is appointed as a member of the Historic Preservation Commission, effective April 23, 2024, said term to expire April 30, 2026.

THIS RESOLUTION passed and adopted this the 23rd day of April 2024.

6. Consider Resolution 24-16 Approve Amendment to the Sandhills Metropolitan Planning Organization MOU.

Mr. Doug Willardson, Assistant Village Manager, provided background on the formation of the Sandhills Metropolitan Planning Organization (SMPO) and on the proposed amendment to the SMPO Memorandum of Understanding.

Upon a motion by Councilmember Taylor, seconded by Councilmember Morgan, Council unanimously approved Resolution 24-16 Approve Amendment to the Sandhills Metropolitan Planning Organization MOU by a vote of 5-0.

RESOLUTION #24-16

RESOLUTION APPROVING THE AMENDED SANDHILLS METROPOLITAN PLANNING ORGANIZATION MEMORANDUM OF UNDERSTANDING

THAT WHEREAS, it is recognized that a proper transportation system to support movement within and through the Sandhills Metropolitan Planning Organization (SMPO) urbanized area is highly desirable element of a comprehensive plan for the orderly growth and development of the area, and;

WHEREAS, there are a number of governmental jurisdictions within the Sandhills Metropolitan Planning Organization urbanized area which have been authorized with implementation and regulatory responsibilities for transportation by North Carolina General Statutes, and;

WHEREAS, it is desirable that coordinated, comprehensive and cooperative transportation planning processes be maintained in the Sandhills Metropolitan Planning Organization urbanized area to ensure that the transportation system is maintained on an efficient and economical basis commensurate with the public health, safety and welfare, and;

WHEREAS, a Memorandum of Understanding between the Village of Pinehurst, Town of Southern Pines, Town of Aberdeen, Village of Whispering Pines, Town of Pinebluff, Village of Foxfire, Town of Taylortown, County of Moore, and the North Carolina Department of Transportation has been entered into that sets forth the responsibilities and working arrangements for maintaining a continuing, comprehensive and cooperative transportation planning process, and;

NOW, THEREFORE, BE IT RESOLVED BY THE PINEHURST VILLAGE COUNCIL,

NORTH CAROLINA:

That the Memorandum of Understanding between the Village of Pinehurst, Town of Southern Pines, Town of Aberdeen, Village of Whispering Pines, Town of Pinebluff, Village of Foxfire, Town of Taylortown, County of Moore, and the North Carolina Department of Transportation be approved and that the Mayor and Village Clerk are hereby directed to enter into and execute the Memorandum of Understanding.

Adopted by the Pinehurst Village Council in regular session this 23rd day of April 2024.

7. Other Business.
None.

8. Comments from Attendees.
Mr. Jim Nash, 25 Lake View Drive East, expressed concerns about the 2024 US Open logistics for visitors to the Downtown area and asked for clarification on the plans.

Mr. Doug Willardson, Assistant Village Manager, provided clarification on certain aspects of the 2024 US Open logistics and stated more information will be given during the Work Session meeting immediately following the Regular Meeting as well as at an upcoming Downtown businesses "Listening Meeting" in May 2024.

9. Motion to Adjourn.
Upon a motion by Councilmember Morgan, seconded by Councilmember Farrell, Council unanimously approved to adjourn the Regular Meeting by a vote of 5-0 at 05:01 p.m.

Respectfully Submitted,

Shannon Konstantinou
Village Clerk

A videotape of this meeting is located on the Village website: www.vopnc.org
Vision: The Village of Pinehurst is a charming, vibrant community, which reflects our rich history and traditions.
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Village Council
Minutes for the Work Session of April 23, 2024
Assembly Hall
395 Magnolia Road
Pinehurst, North Carolina
4:30 p.m.

The Pinehurst Village Council held a Work Session Meeting at 05:07 p.m., Tuesday, April 23, 2024, in the Assembly Hall of Village Hall, 395 Magnolia Road, Pinehurst, North Carolina.

The following were in attendance in Assembly Hall:
Mr. Patrick Pizzella, Mayor
Dr. Jeff Morgan, Councilmember
Ms. Barb Ficklin, Councilmember
Mr. John Taylor, Mayor Pro Tem
Mr. Jack Farrell, Councilmember
Mr. Jeff Sanborn, Village Manager
Ms. Shannon Konstantinou, Village Clerk
Ms. JoEllen Richter, IT Technician

And approximately 12 attendees, including 6 staff and 1 press.

1. **Call to Order.**
Mayor Pizzella called the Village Council meeting to order at 05:07 p.m.

2. **US Open Plans Update.**
Mr. Doug Willardson, Assistant Village Manager, noted the fact that there is information about the 2024 US Open on the vopnc.org website, and reviewed a PowerPoint presentation on the 2024 US Open focusing on Parking, Downtown Experience in Tufts Park, Social District, and Ancillary Private Events.

Council and Staff discussed the USGA having full control of the Harness Track facility per the licensing agreement with the Village, which prohibits the Village from using the Harness Track facility for Village operated shuttle services, the availability of ride share services for those visitors unable to use provided shuttle services, and the possibility of additional drop off locations after 05:00 p.m. that are closer to Downtown.

Mr. Willardson stated on May 01st 2024 the Village will begin advocating the use of the vopnc.org website for 2024 US Open information to residents, further stated on June 01st 2024 a 2024 US Open informational flyer will be sent out to residents, and reminded residents to follow safety procedures common to any large event such as locking cars / doors / windows, etc.

3. **Consider Ordinance 24-09 Text Amendment to Municipal Code Relative to Fee Parking on Private Property.**
Mr. Doug Willardson, Assistant Village Manager, and Mr. Matthew McKirahan, Organizational Performance Director, reviewed a proposed amendment to Chapter 72 of the Pinehurst Municipal Code relating to fee

parking on private property.

Council agreed the proposed amendment is unnecessary and directed Staff to forgo pursuing approval of the amendment.

4. **Review Request for Qualifications (RFQ) for an Update to the Pinehurst Development Ordinance.**
Mr. Alex Cameron, Planning & Inspections Director, reviewed a draft Request for Qualifications to perform an update to the Pinehurst Development Ordinance (PDO), provided background information on the last update and the importance of the current proposed update, and discussed details of the RFQ process.

Council provided feedback on potential revisions to the draft RFQ and agreed to have Staff move forward with finalizing the RFQ for issuance.

5. **Discussion on MyVOP.**
Mr. Doug Willardson, Assistant Village Manager, reviewed a PowerPoint presentation on MyVOP focusing on MyVOP Usage and Privacy Settings.

Council and Staff agreed to research adding a category to make submitting complaints regarding use / misuse of a property to MyVOP easier and to provide a presentation on how to use the MyVOP privacy settings to the Neighborhood Advisory Committee (NAC) at a future meeting so the NAC representatives may assist in disseminating this information to residents.

6. **Other Business.**
Mayor Pizzella commented on the efforts by Staff and Council to have timely discussions on the PDO update, 2024 US Open progress, and MyVOP concerns.

Mayor Pro Tem Taylor verified the required 2019 Comprehensive Plan review and update will begin in 2025 provided no urgent changes are needed before this time.

7. **Adjournment.**
Upon a motion by Councilmember Morgan, seconded by Councilmember Ficklin, Council unanimously approved to adjourn the Work Session by a vote of 5-0 at 06:59 p.m.

Respectfully Submitted,

Shannon Konstantinou
Village Clerk

A videotape of this meeting is located on the Village website: www.vopnc.org
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RESOLUTION 24-21 APPOINTING MR. JACK FARRELL AS THE VILLAGE OF PINEHURST VOTING REPRESENTATIVE TO THE REGIONAL LAND USE ADVISORY COMMISSION (RLUAC)

ADDITIONAL AGENDA DETAILS:

FROM:
Shannon Konstantinou

CC:
Jeff Sanborn; Councilmembers

DATE OF MEMO:
5/8/2024

MEMO DETAILS:
Please, see the attached materials relating to this item.

ATTACHMENTS:

	Description
🗋	Resolution 24-21 Appointing Mr. Jack Farrell as the Village of Pinehurst Voting Representative to the Regional Land Use Advisory Commission (RLUAC)

RESOLUTION #24-21:

A RESOLUTION REGARDING THE APPOINTMENT OF A VILLAGE OF PINEHURST VOTING REPRESENTATIVE TO THE REGIONAL LAND USE ADVISORY COMMISSION (RLUAC)

WHEREAS, the Fort Liberty Regional Land Use Advisory Commission (RLUAC) was established 30 years ago under NCGS 160A, Article 20, Part 1 (Interlocal Cooperation) and consists of twenty-three units of local government; and

WHEREAS, RLUAC advocates for coordination between local governments and the military regarding compatible growth and environmental sustainability issues; and

WHEREAS, RLUAC is made up of voting members appointed by the Governing Boards of member local governments; and

WHEREAS, RLUAC is led by a 9-member Board of Directors consisting of leaders from some of the twenty-three units of local government and from the military.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina in a Regular Meeting assembled this 14th day of May 2024 that Councilmember Jack Farrell be appointed as the Regional Land Use Advisory Commission Voting Representative for the Village of Pinehurst.

THIS RESOLUTION passed and adopted this the 14th day of May 2024.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Patrick Pizzella, Mayor

Attest:

_____
Shannon Konstantinou, Village Clerk

Approved as to Form:

_____
Michael J. Newman, Village Attorney

PROCLAMATION FOR NATIONAL POLICE WEEK & PEACE OFFICERS' MEMORIAL DAY 2024

ADDITIONAL AGENDA DETAILS:

Peace Officers' Memorial Day is held annually on May 15th. In 2024, National Police Week is May 12th - 18th.

FROM:
Shannon Konstantinou

CC:
Jeff Sanborn; Councilmembers

DATE OF MEMO:
5/6/2024

MEMO DETAILS:
Please, see the attached materials relating to this item.

ATTACHMENTS:

	Description
🗋	Proclamation for National Police Week & Peace Officers' Memorial Day 2024

M A Y O R A L P R O C L A M A T I O N

VILLAGE OF PINEHURST

THAT WHEREAS, the Congress and the President of the United States have designated May 15th as "Peace Officers' Memorial Day" and the week in which May 15th falls as "National Police Week"; and

WHEREAS, the members of the Police Department of the Village of Pinehurst, North Carolina play an essential role in safeguarding the rights and freedoms of Pinehurst; and

WHEREAS, it is important that all citizens know and understand the duties, hazards, responsibilities, and sacrifices of their Police Department; and

WHEREAS, members of our Police Department recognize their duty to serve the people by safeguarding life and property, by protecting them against violence and disorder, and by protecting the innocent against deception and the weak against oppression; and

WHEREAS, the men and women of the Police Department of the Village of Pinehurst unceasingly provide a vital public service.

NOW, THEREFORE, I, Patrick Pizzella, Mayor of the Village of Pinehurst, North Carolina call upon all our citizens, and upon all patriotic civic and educational organizations to observe the week of May 12th through May 18th, 2024, as "Police Week" in the Village of Pinehurst; and with appropriate ceremonies and observances in which all of our citizens may join in commemorating law enforcement officers past and present who by their faithful and loyal devotion to their responsibilities have rendered a dedicated service to their communities, and in so doing, have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens.

FURTHER, I call upon all citizens of the Village of Pinehurst to observe, May 15th, 2024, as "Peace Officers' Memorial Day" in honor of those Law Enforcement Officers who, through their courageous deeds, have made the ultimate sacrifice in service to their community or have become disabled in the performance of duty; and let us recognize and pay respect to the survivors of our fallen heroes.

IN TESTIMONY WHEREOF, I have hereto set my hand and caused to be affixed the official seal of the Village of Pinehurst in the State of North Carolina this, the 14th day of May 2024.

_____

Patrick Pizzella, Mayor

CONSIDER RESOLUTION 24-17 REAPPOINTING MS. SONJA ROTHSTEIN TO THE PLANNING & ZONING BOARD AND BOARD OF ADJUSTMENT

ADDITIONAL AGENDA DETAILS:

FROM:
Shannon Konstantinou

CC:
Jeff Sanborn; Councilmembers

DATE OF MEMO:
5/6/2024

MEMO DETAILS:
Please, see the attached materials relating to this item.

ATTACHMENTS:

	Description
🗋	Resolution 24-17 Reappointing Ms. Sonja Rothstein to the Planning & Zoning Board and Board of Adjustment

RESOLUTION #24-17:

A RESOLUTION REGARDING A REAPPOINTMENT TO THE PINEHURST PLANNING & ZONING BOARD AND BOARD OF ADJUSTMENT.

THAT WHEREAS, the Village of Pinehurst has established a Planning & Zoning Board and a Board of Adjustment as required by its Development Ordinance and authorized by North Carolina General Statutes 160D-301 and 160D-302; and

WHEREAS, on the 13th day of March 2012, the Pinehurst Village Council adopted Ordinance #12-10 to amend Chapter 31 of the Pinehurst Municipal Code to combine the Planning & Zoning Board and the Board of Adjustment; and

WHEREAS, the current term of Ms. Sonja Rothstein will expire on June 30th, 2024; and

WHEREAS, Ms. Rothstein and the Village Council of Pinehurst are desirous of her continuing to serve as a member of the Planning & Zoning Board and the Board of Adjustment for an additional 1-year term.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina in a Regular Meeting assembled this 14th day of May 2024 that the following appointment is hereby made to the Planning & Zoning Board and the Board of Adjustment for the term indicated:

Ms. Sonja Rothstein is reappointed as a member of the Planning & Zoning Board and the Board of Adjustment effective July 01, 2024, to serve at the pleasure of the Council until the end of her term on June 30, 2025.

THIS RESOLUTION passed and adopted this 14th day of May 2024.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Patrick Pizzella, Mayor

Attest:

_____
Shannon Konstantinou, Village Clerk

Approved as to Form:

_____
Michael J. Newman, Village Attorney

CONSIDER RESOLUTION 24-18 REAPPOINTING MR. DAVID HERRING TO THE HISTORIC PRESERVATION COMMISSION

ADDITIONAL AGENDA DETAILS:

FROM:
Shannon Konstantinou

CC:
Jeff Sanborn; Councilmembers

DATE OF MEMO:
5/6/2024

MEMO DETAILS:
Please, see the attached materials relating to this item.

ATTACHMENTS:

	Description
🗋	Resolution 24-18 Reappointing Mr. David Herring to the Historic Preservation Commission

RESOLUTION #24-18:

A RESOLUTION REGARDING A REAPPOINTMENT TO THE HISTORIC PRESERVATION COMMISSION

THAT WHEREAS, the Village of Pinehurst has established an Historic Preservation Commission as authorized by North Carolina General Statutes, Chapter 160D, Article 303; and

WHEREAS, the term of Mr. David Herring will expire on May 31st, 2024; and

WHEREAS, Mr. Herring and the Village Council of Pinehurst are desirous of his continuing to serve as a member of the Historic Preservation Commission for an additional term.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina in a Regular Meeting assembled this 14th day of May 2024 that the following appointment is hereby made to the Historic Preservation Commission for the term indicated:

Mr. David Herring is reappointed as a member of the Historic Preservation Commission effective June 01, 2024, to serve at the pleasure of the Council until the end of his term on May 31, 2026.

THIS RESOLUTION passed and adopted this 14th day of May 2024.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Patrick Pizzella, Mayor

Attest:

_____
Shannon Konstantinou, Village Clerk

Approved as to Form:

_____
Michael J. Newman, Village Attorney

CONSIDER RESOLUTION 24-19 REAPPOINTING MS. CARA MATHIS TO THE HISTORIC PRESERVATION COMMISSION

ADDITIONAL AGENDA DETAILS:

FROM:
Shannon Konstantinou

CC:
Jeff Sanborn; Councilmembers

DATE OF MEMO:
5/6/2024

MEMO DETAILS:
Please, see the attached materials relating to this item.

ATTACHMENTS:

	Description
🗋	Resolution 24-19 Reappointing Ms. Cara Mathis to the Historic Preservation Commission

RESOLUTION #24-19:

A RESOLUTION REGARDING A REAPPOINTMENT TO THE HISTORIC PRESERVATION COMMISSION

THAT WHEREAS, the Village of Pinehurst has established an Historic Preservation Commission as authorized by North Carolina General Statutes, Chapter 160D, Article 303; and

WHEREAS, the term of Ms. Cara Mathis will expire on May 31st, 2024; and

WHEREAS, Ms. Mathis and the Village Council of Pinehurst are desirous of her continuing to serve as a member of the Historic Preservation Commission for an additional term.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina in a Regular Meeting assembled this 14th day of May 2024 that the following appointment is hereby made to the Historic Preservation Commission for the term indicated:

Ms. Cara Mathis is reappointed as a member of the Historic Preservation Commission effective June 01, 2024, to serve at the pleasure of the Council until the end of her term on May 31, 2026.

THIS RESOLUTION passed and adopted this 14th day of May 2024.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Patrick Pizzella, Mayor

Attest:

_____
Shannon Konstantinou, Village Clerk

Approved as to Form:

_____
Michael J. Newman, Village Attorney

CONSIDER RESOLUTION 24-20 APPOINTING MR. JOE IVERSON TO THE HISTORIC PRESERVATION COMMISSION

ADDITIONAL AGENDA DETAILS:

FROM:
Shannon Konstantinou

CC:
Jeff Sanborn; Councilmembers

DATE OF MEMO:
5/6/2024

MEMO DETAILS:
Please, see the attached materials relating to this item.

ATTACHMENTS:

	Description
🗋	Resolution 24-20 Appointing Mr. Joe Iverson to the Historic Preservation Commission

RESOLUTION #24-20:

A RESOLUTION REGARDING AN APPOINTMENT TO THE HISTORIC PRESERVATION COMMISSION

WHEREAS, the Village of Pinehurst has established an Historic Preservation Commission as authorized by North Carolina General Statutes, Chapter 160D, Article 303; and

WHEREAS, there is a need to fill a vacancy on the Historic Preservation Commission.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina in a Regular Meeting assembled this 14th day of May 2024 that the following appointment is hereby made to the Historic Preservation Commission for the term indicated:

Mr. Joe Iverson is appointed as a member of the Historic Preservation Commission, effective May 14, 2024, said term to expire May 31, 2026.

THIS RESOLUTION passed and adopted this the 14th day of May 2024.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Patrick Pizzella, Mayor

Attest:

_____
Shannon Konstantinou, Village Clerk

Approved as to Form:

_____
Michael J. Newman, Village Attorney

APPROVE DOCUMENT IMAGING CONTRACT WITH MCCI
ADDITIONAL AGENDA DETAILS:

FROM:
Dana Van Nostrand

CC:
Village Managers, Jason Whitaker

DATE OF MEMO:
5/3/2024

MEMO DETAILS:
The attached contract facilitates implementation of the Document Imaging BIRDIE for which our evaluation was completed in FY 2024. The FY 2024 SOP and budget includes $110,000 for this initiative. The total for year one of the contract is $114,305.29, exceeding the budget by $4,305.29. This small overage can be absorbed in the IT budget.

I reviewed the contract terms and the software subscription portion of the contract does not meet the requirements of GASB 96 to be reported as a right-to-use subscription. The costs will be operating expenditures. The Village's auditors reviewed the contract and agree with this assessment.

Please let Jason Whitaker and I know if you have any questions.

ATTACHMENTS:

	Description
🗋	MCCi Laserfiche Contract
🗋	Document Imaging Presentation

Date: 4/30/204

Subject: Document Imaging System Purchase

To: Dana Van Nostrand, Financial Services Director

The budget for FY 2024 includes funds to procure a document imaging solution for the Village. Members of our BIRDIE met to identify requirements and possible solutions. The team participated in several demos and selected Laserfiche as the imaging solution which will be hosted and managed by MCCi. Please see the notes and documents listed below. I appreciate your help as we go through this purchasing process.

Notes:

- We intend to use the Omnia NCPA 01-162 bid contract. There is an attached document titled " Tab 7-Pricing" which shows the discount off MSRP per type of service or purchase. I've attached an email explaining the discount percentages from MCCI. The main contract page is: https://www.omniapartners.com/suppliers/mcci/public-sector
- The budget for this project is $110,000 and the total is $114,305.29. This puts us $4,305.29 over budget. Pending on the final budget location for the purchase, we should be able to cover the overage in an existing line item. This $110,000 is sitting capital. Since this purchase involves subscriptions along with professional services, a budget amendment will need to be processed to move funds to 5901 to cover the subscriptions. I will need your assistance applying GASB to this. Since the service and labor costs are all needed together to complete this project, maybe those funds can stay in 7400.
- The Omnia contract is available online. (https://www.omniapartners.com/suppliers/mcci/public-sector/contract-documents#c25189). The Tab 7 pricing sheet (C) is attached.
- The length of the agreement is 1 year with the option to renew or cancel on the anniversary contract date each year. Non-GASB 96
- We are allowed to export (Copy out our data in the event of contract termination)
- Laserfiche doesn't always increase their rates year to year but we should expect 3% to 5% annually. The same with MCCi cloud hosting charges as well.
- There should be no onsite work from MCCI or Laserfiche for this project.

I've attached the following documents:

A - Contract Control Form

B.1, B.2 - The current quote from MCCI that includes 2 Addendums and B.3 master agreement

C – The discount explanation sheet from MCCI – Tab 7 from the contract

D – Email explaining the discount levels

E – PO Request (Need help with Budget Amendments)

F – W-9 is attached in lieu of subcontractor form

Please let me know if you have any questions.

Sincerely,

Jason Whitaker

MCCi/Laserfiche Contract Analysis
FY 2024

Item	Amount	Account
Laserfiche annual subscription	$ 40,527.50	10-00-980-5901
MCCi one-time services	47,758.04	10-00-980-5300
MCCi one-time discount - Training Center	(3,850.00)	10-00-980-5901
Total Addendum No. 1	84,435.54	

MCCi cloud hosting subscription	$ 27,499.50	10-00-980-5901
MCCi one-time services	2,370.25	10-00-980-5300
Total Addendum No. 2	29,869.75	

Total Contracts **114,305.29**

Account for PO	Amount
10-00-980-5901	$ 64,177.00
10-00-980-5300	50,128.29
Total for PO	114,305.29

-

Budget Amendment:

Account	Current Budget	Amendment	Final Budget
10-00-980-7400	$ 110,000.00	$ (110,000.00)	$ -
10-00-980-5901	450,629.00	59,870.00	510,499.00
10-00-980-5300	65,045.00	50,130.00	115,175.00

Also transfer all the IT capital equipment allocations in 7430 on the 2024 IT Allocation tab to 5911 within each dept

Laserfiche
Portal

B.1

ADDENDUM NO. 1 AND ADDENDUM NO. 2 TO MASTER SERVICES AGREEMENT NO. 23219

Pursuant to Master Services Agreement No. 23219 ("**Agreement**"):

Addendum No. 1 and Addendum No. 2 are entered into as of _____, ("**Addendum Effective Date**"), by and between MCCi and Client and is hereby incorporated into the Agreement and made a part thereof. If there is any conflict between a provision of the Agreement and the Addendums, the Agreement will control. Any capitalized terms not otherwise defined herein shall have the meaning set forth in the Agreement. This Order supersedes any previous quote or proposals received. Use of pre-printed forms, including, but not limited to, email, purchase orders, shrink-wrap or click-wrap agreements, acknowledgements, or invoices, is for convenience only, and all unilaterally issued and/or pre-printed terms and conditions stated thereon, except as specifically set forth in this Order, are void and of no effect.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum No. 1 and Addendum No. 2 to be executed by their respective duly authorized representatives as of the Addendum Effective Date.

MCCi, LLC	**VILLAGE OF PINEHURST ("Client")**
Signed: _____	Signed: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

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

_____ 5.2.24
DATE

ADDENDUM NO. 1 TO MASTER SERVICES AGREEMENT NO. 23219

INITIAL LASERFICHE SUBSCRIPTION SITE LICENSE ORDER

PRICING: LASERFICHE

mcci

3717 Apalachee Parkway, Suite 201
Tallahassee, FL 32311
850.701.0725
850.564.7496 fax

Bill /Ship to: Jason Whitaker
jwhitaker@vopnc.org
cc AP Contact: bkeith@vopnc.org

Client Name: Village of Pinehurst
Client Address: 395 Magnolia Road, Pinehurst, NC 28374
Estimate Number: 31303
Estimate Type: Net New

Quote Date: April 10, 2024

Product Description:	***Qty.***	***Unit Cost***	***OMNIA – NCPA 01-162***	***Annual Total***
LASERFICHE ANNUAL SUBSCRIPTION - BASIC				
☑ Laserfiche Municipality Site License Subscription (Pop < 25k)	1	$25,750.00	$24,462.50	$24,462.50
☑ Laserfiche Records Management Subscription	1	Included*	Included*	Included*
☑ Laserfiche Public Portal Subscription for Unlimited Laserfiche Servers	1	Included*	Included*	Included*
☑ Laserfiche Advanced Audit Trail Subscription	1	Included*	Included*	Included*
☑ Laserfiche Forms Portal Subscription	1	Included*	Included*	Included*
☑ Laserfiche SDK Subscription	1	Included*	Included*	Included*
☑ Laserfiche Sandbox Subscription	1	Included*	Included*	Included*
☑ Laserfiche Integration with DocuSign Subscription	1	Included*	Included*	Included*
Laserfiche Annual Recurring Subscription Subtotal				***$24,462.50***
MCCi ANNUAL SUBSCRIPTION				
☑ Laserfiche PowerPack by MCCi Subscription *Requires dedicated Full Named User.*	1	$1,000.00	$950.00	$950.00
☑ NEOGOV Integration by MCCi (Up to 299 Employees) Subscription	1	$3,000.00	$2,850.00	$2,850.00
MCCi Annual Recurring Subscription Subtotal				***$3,800.00***

MCCi SUPPLEMENTAL SUPPORT SERVICES SUBSCRIPTION					
☑	MCCi Process Administration Support Services for Laserfiche (MPASS) *Client needs are estimated based on the current components provided herein: up to 20 hours that will expire at the end of your renewal term.*	1	$3,780.00	N/A	$3,780.00
☑	Training Center for Laserfiche Site License, Population Less than 25,000	1	$3,850.00	N/A	$3,850.00
☑	MCCi SLA for Laserfiche Site License, Population Less than 25,000	1	$5,150.00	$4,635.00	$4,635.00
	MCCi Supplemental Support Services Annual Recurring Subscription Subtotal				***$12,265.00***

GRAND TOTAL - RECURRING ANNUAL SUPPORT/SUBSCRIPTION	***$40,527.50***

	Service Description:	***Qty.***	***Unit Cost***	***OMNIA – NCPA 01-162***	***Total***
MCCi SERVICE PACKAGES					
☑	Laserfiche Installation Package	1	$3,600.00	$3,420.00	$3,420.00
☑	Laserfiche Repository Configuration	1	$4,500.00	$4,275.00	$4,275.00
☑	Laserfiche Filing Workflow Configuration	1	$8,100.00	$7,695.00	$7,695.00
☑	Laserfiche PowerPack by MCCi Installation and Configuration Package	1	$1,350.00	$1,282.50	$1,282.50
☑	MCCi NeoGov Integration Installation and Configuration Package *Contact NEOGOV sales representative for required implementation services on the NEOGOV Platform*	1	$6,975.00	$6,626.25	$6,626.25
☑	Public-Facing Laserfiche Web Products Installation and Configuration Package	1	$2,250.00	$2,137.50	$2,137.50
☑	Installation and Initial Configuration of Active Directory Certificate Services (AD CS)	1	$450.00	$427.50	$427.50
☑	Laserfiche Repository Administrator Training - Half Day (Remote)	1	$1,250.00	$1,187.50	$1,187.50
☑	Laserfiche User Training - Half Day (Remote)	3	$1,250.00	$1,187.50	$3,562.50
☑	Process Automation Designer Training on Laserfiche Forms - Tier 1 (Remote)	1	$2,921.25	$2,775.19	$2,775.19
☑	Process Automation Designer Training on Laserfiche Workflow - Tier 1 (Remote)	1	$3,146.25	$2,988.94	$2,988.94
☑	Implementation Management	1	$14,625.00	$13,893.75	$13,893.75
	Service Packages Subtotal				***$50,271.63***
☑	***One-Time Services Discount***				($2,513.58)

GRAND TOTAL - ONE-TIME SERVICES	***$47,758.04***
☑ ***MCCi One-Time Discount - Training Center***	($3,850.00)
TOTAL LASERFICHE PROJECT COST	***$84,435.54***

**Products shown as "Included" will be implemented and configured ONLY if the applicable MCCi Service Package(s) is included in this order, or product(s) can be implemented and configured at a later date with the purchase of the applicable service package(s).*

All Quotes Expire 30 Days from Quote Date

This is NOT an invoice. Please use this confirmation to initiate Client's purchasing process.

RECURRING SERVICES

The Recurring Services portion of this Order will be based on the pricing at the time of renewal. It will systematically renew unless written notice of termination has been provided per the master agreement. In the event that a manufacturer increases its prices for recurring annual services, the increase will be passed along to the Client. No more than once per year, MCCi may adjust its recurring annual services (services not related to 3rd party manufacturers) to coincide with current U.S. inflation rates; any increase will not exceed the cumulative increase in the Consumer Price Index (CPI) occurring since the last price increase. Please note that if you subscribe to volume-based solutions, additional user licenses may increase the cost of those items at the time of your next annual renewal.

SALES TAX

Sales tax will be invoiced where applicable and is not included in the fee quote above.

REMOTE SERVICES

All services will be performed remotely unless noted otherwise.

PRODUCT ORDER TERMS

MCCi will process Product Orders as follows:

Product/Service Description	Timing of Product Order
All Software/Solutions, Recurring Annual Support/Subscription, and Supplemental Support Services	Post Project Kick-Off

The act of MCCi processing orders determines the start date of annual Recurring Service periods. Establishment of start dates for 3rd party manufacturer products are subject to each manufacturer's current policy.

BILLING TERMS

MCCi will invoice Client as follows:

Product/Service Description	Timing of Billing
All Software/Solutions, Recurring Annual Support/Subscription, and Supplemental Support Services	▪ **Initial Sale:** Upon delivery of software or activation of the subscription ▪ **Annual Renewal:** 75 days in advance of expiration date
Service Packages	50% of the total upon receipt of Order, remaining 50% of each Service Package upon delivery completion and Client acceptance.

MCCi shall not send any invoices nor claim payment for any fees or expenses incurred by MCCi until both parties authorize this Order. Sales tax will be invoiced where applicable and is NOT included in the Pricing section.

SERVICE PACKAGES

GENERAL ASSUMPTIONS

To determine which platform/licenses are applicable, please refer to the *Pricing* section. The following assumptions serve as the basis for the Service Package(s) reflected below. Any service or activity not described below is not included in the Scope of services to be provided. Variations to the following may impact the Service Package's cost and/or schedule, justifying a Change Order.

- MCCi's completion of a Deliverable to Client shall constitute that MCCi has conducted its own review and believes it meets Client's requirements. Client shall then have the right to conduct its own review of the Deliverable as Client deems necessary. If Client, in its reasonable discretion, determines that any submitted Deliverable does not meet the agreed upon expectations, Client shall have five (5) business days after MCCi's submission to give written notice to MCCi specifying the deficiencies in reasonable detail. MCCi shall use reasonable efforts to promptly resolve any such deficiencies. Upon resolution of any such deficiencies, MCCi shall resubmit the Deliverable for review as set forth above. Notwithstanding the foregoing, if Client fails to reject any Deliverable within five (5) business days, such Deliverable shall be deemed accepted.
- If either party identifies a business issue during the project, MCCi and Client must jointly establish a plan to resolve the issues with potential impact analysis of timeline and budget within five (5) business days of identification. Any necessary business decision resulting from the identified business issues must be made by Client within five (5) business days from request.
- Client is responsible for ensuring that adequate hardware/infrastructure is in place and capable of handling the extra resources that may be required to support the services performed.
- Any additional software-licensing needs related to this service/process configuration have not been considered or included as part of service packages. Client is responsible for ensuring required software licensing is available.
- If the Services require MCCi to access client data, item, and/or use any third party software products provided or used, Client represents and warrants that it shall have all rights and licenses, including, without limitation those of third parties, necessary or appropriate for MCCi to access or use such data and/ or third party products and agrees to produce evidence of such rights and licenses upon the reasonable request of MCCi.
- Client will maintain primary contacts and project staff for the duration of the project, as a change in staff may result in a Change Order for time spent by MCCi on retraining, reeducating, or changes in direction.
- Through the course of this project, MCCi may choose to utilize the third-party service Asana (http://www.asana.com) for project management and team collaboration. Documentation and correspondence exchanged between MCCi and Client may be stored in Asana.
- Client will ensure that all Client's personnel who may be necessary or appropriate for the successful performance of the services will, on reasonable notice: (i) be available to assist MCCi' personnel by answering business, technical and operational questions and providing requested documents, guidelines and procedures in a timely manner; (ii) participate in the services as reasonably necessary; and (iii) be available to assist MCCi with any other activities or tasks required to complete the services.
- **All Services pricing assumes the Client will grant MCCi unattended access** to the required infrastructure for the project. Unattended access requires the following:
  - Either a VPN connection with proper credentials or installation of on-demand remote access software utilized by MCCi.
  - Connections that can be made by an assigned MCCi Project Team without intervention from the Client from the hours of 8:00 AM ET to 8:00 PM ET.
  - A Windows Domain account assigned exclusively to the assigned MCCi Project Team, with passwords provided, that has administrative access to all infrastructure being serviced for purposes of the project.
  - A Windows Domain account, and complete access to that account including the password, for the service account to be used with any installed software products.

  Failure to provide this access will result in a Change Order increasing the cost to Client and timeline of the project.
- Projects enter "On-Hold" status when (i) Client requests a delay in starting a new project, or (ii) Client is unresponsive for more than 15 business days during an active project. On-Hold status will remain until a new

project start date is mutually agreed upon, or until Closed. MCCi may elect to Close the project due to project remaining On-Hold for more than 35 business days.

- Projects that are Closed prior to completion, will be billed for any progress made to date and the MCCi project team will no longer be assigned to the project. Billing for progress made to date is based on the number of hours worked or the estimated percentage of the project that has been completed, whichever is greater. Subsequently, a new order is required to restart a Closed project, and to have new MCCi project resources assigned.
- Client will provide a single point of contact responsible for coordinating communications and scheduling amongst Client stakeholders.
- MCCi will conduct a project kickoff call with Client to set objectives and review systems/processes used.
- Google Chrome or Chrome Microsoft Edge is installed on all Laserfiche servers.
- TLS 1.2 is configured on all Laserfiche servers.
- Firewall ports will be opened for and unattended remote access on all necessary servers will be granted to MCCi.
- All services will be performed Monday – Friday, 8 am to 5 pm EST.
- MCCi will only provide recordings of trainings or meetings if requested in advance. Requested recordings will be available through the Training Center for Laserfiche.
- Client will acquire, install, and set up TLS certificates that meet application requirements.
- Purchase of Managed Cloud services may cover some of these assumptions/deliverables.
- Client will ensure previously agreed upon scheduled trainings are attended by their staff. For cancellations or rescheduling, the minimum notice period requirement to avoid penalties is 2 calendar weeks prior to the training date. Penalties: (i) Regardless of the notification time period, if the training was to be in person and MCCi has incurred non-refundable travel expenses, client will reimburse MCCi accordingly, and (ii) If client cancels or reschedules training within 7 calendar days and no less than 48 hours from the training date, the client will forfeit half of the allotted training time, or be assessed a fee equal to 50% of the training package purchased, or (ii) If the client cancels or reschedules the training within 48 hours of the training date, or is a no show on the training date, the training package purchased will be charged in full and forfeited by the client.

GENERAL TESTING DEFINITIONS

- Alpha Testing – Defined as internal acceptance testing performed by the project team prior to releasing the product or configuration to the Client
- Basic Deployment Testing – Defined as testing to ensure that the crucial functions of the system are operating properly, and that the deployment is stable
- Beta Testing – Defined as the testing performed to verify functionality and fulfillment of user requirements
- User Acceptance Testing – Defined as testing performed by the Client's users to verify and accept the implemented functionality or deployment

GENERAL EXCLUSIONS

- MCCi is not responsible for assigning an external URL for any web-based platform/software module.
- MCCi is not responsible for creating or maintaining backups, backup plans or recovery plans.
- MCCi is not responsible for creating training documentation.
- MCCi is not responsible for final testing including, but not limited to, configuration changes made by Client prior to system handoff.
- Except where specifically noted, no custom coding is included; configuration work is restricted to the capabilities associated with the out-of-the-box solution.

LASERFICHE INSTALLATION PACKAGE

MCCi's Installation Package is designed for MCCi to install and do initial configuration of the applications that come with your Laserfiche Licensing Platform (e.g., Avante, Rio, Subscription).

CLIENT DELIVERABLES

- Provide Microsoft Windows Server(s) that meet(s) the Laserfiche system requirements
- Acquire, install, and set up TLS Certificates that meet Laserfiche requirements
- Provide a Windows account that has administrative rights to each Laserfiche server (can create, write, and read the various Laserfiche databases, and query Active Directory)

MCCI DELIVERABLES

- Install and configure one (1) instance of each application in one (1) environment (e.g., Test, Dev, Staging, QA, etc.) as outlined in the Laserfiche Assumptions section
- Perform basic software deployment testing

EXCLUSIONS

MCCi is not responsible for the following:

- Installing and configuring failover clusters or load balancing
- Configuring servers in DMZs
- Migration of existing Laserfiche environment/applications to new environment
- Configuring identity providers other than Active Directory

ASSUMPTIONS

- Google Chrome or Chromium Microsoft Edge is installed on all Laserfiche servers.
- If applicable, Client has also ordered Installation and Initial Configuration of Active Directory Certificate Services package (see package description for full detail).

LASERFICHE REPOSITORY CONFIGURATION

MCCi's Laserfiche Repository Configuration Services are designed to assist the Client with establishing a basic repository structure. The goal is to start a foundation for the Client's organization to build their Laserfiche repository from and help establish consistent standards the Client's organizations can build on. MCCi's team will work with Client's Project Manager to discover the templates and structure that fits the Client needs.

CLIENT DELIVERABLES

- Define each user and group necessary to access Laserfiche
- Complete requirements gathering with MCCi Project Team to define document types, naming schemes, folder paths, and metadata

MCCI DELIVERABLES

- Provide requirements gathering
- Create up to two (2) folder structures that consist of three (3) tiered levels with no more than ten (10) folders in each level
- Create up to two (2) Laserfiche templates with up to seven (7) fields each
- Create up to two (2) Laserfiche User Groups
- Set entry access security for up to two folder levels with no more than ten (10) folders in each level, for up to two (2) user groups
- Conduct one (1) session (three (3) hours total) of remote "train the trainer" training on repository configuration overview.

EXCLUSIONS

MCCi is not responsible for the following:

- Configuring business routing logic
- Restructuring metadata
- Determining Records Management settings
- Cleaning up existing documents
- Configuring automated security
- Installing software

- Configuring workflows

LASERFICHE FILING WORKFLOW CONFIGURATION

MCCi's Laserfiche Filing Workflow Configuration Services are designed to be highly collaborative. The goal is to provide a customized process that allows Client's organization to archive specified records in a proper format and location that is consistent with Client's organization's standards. To execute, MCCi's team of expert Project Managers and System Engineers will work with Client's Project Manager to build a Filing Workflow in Client's Laserfiche environment.

CLIENT DELIVERABLES

- Complete requirements gathering with MCCi Project Manager to define document types, naming schemes, folder paths, and metadata

MCCI DELIVERABLES

- Configure a Laserfiche Filing Workflow to file documents in the Laserfiche repository (not to exceed 15 document types)
- Rename documents and route to appropriate folder structure
- Create up to three (3) Laserfiche templates and up to seven (7) fields per template
- Provide requirements gathering
- Set root-level security
- Conduct half-day of remote "train the trainer" training on administering and executing the processes built by the MCCi project team
- Perform alpha and beta testing on the built processes. MCCi will transition project to Client UAT team once beta is complete and successful

EXCLUSIONS

MCCi is not responsible for the following:

- Configuring business routing logic
- Restructuring metadata
- Determining Records Management settings
- Cleaning up existing documents
- Configuring automated security
- Installing software

ASSUMPTIONS

- Workflow is already installed and configured.

LASERFICHE POWERPACK BY MCCi INSTALLATION AND CONFIGURATION PACKAGE

MCCi provides installation and configuration services to assist MCCi's Clients in quickly utilizing the benefits of the powerful features included in PowerPack.

CLIENT DELIVERABLES

- Provide IIS web server to host the Data Analytics website
- Provide SQL Server to host Data Analytics database (will be created during the initial configuration)
- Provide server/workstation to install OCR Scheduler and Data Analytics service
- Provide Laserfiche Workflow server to install and configure custom Workflow Activities
- Provide a dedicated Laserfiche named user license for PowerPack to utilize

MCCI DELIVERABLES

- Install PowerPack components on a single server (workflow custom activities will be installed on the workflow server)
- Configure one OCR Scheduler schedule
- Install PDF and Microsoft Office iFilters
- Provide one (1) remote overview training for up to one (1) hour

EXCLUSIONS

MCCi is not responsible for the following:

- Configuring OCR Scheduler to extract text from electronic files other than PDF and MS Office files (Tiff files will still be OCR'd)
- Running OCR on files in Laserfiche record series
- Creating workflows

ASSUMPTIONS

- PowerPack is whitelisted with Client's antivirus software.
- Client environment supports the latest Laserfiche SDK runtimes.
- Microsoft Visual C++ 2015 Update 3 is installed and configured on Client system.
- Microsoft .NET Framework 4.8 is installed and configured on Client system.
- Laserfiche Workflow 10.2 or later is installed and configured on Client system.
- Laserfiche Server 10.2 is installed and configured on Client system.

MCCi NEOGOV INTEGRATION INSTALLATION AND CONFIGURATION PACKAGE

MCCi NEOGOV integration leverages MCCI's CWSAPI to integrate with NEOGOV, bringing documents with metadata into the repository and passing a reference back to NEOGOV to facilitate ease of viewing documents.

CLIENT DELIVERABLES

- **Contact NEOGOV sales representative for required implementation services on the NEOGOV Platform**
- Provide desired NEOGOV Fields for mapping metadata to Laserfiche
- Appoint an IT resource to work with MCCi for configuration and training
- Communicate Laserfiche metadata requirements
- Facilitate access to NEOGOV technical staff and resources as needed
- Provide an outward-facing server for installation of the integration
- Ensure that web server within the organization's DMZ with IIS is installed
- Ensure that TLS Certificate is installed and created with a publicly addressable subdomain, such as https://lfintegrations.cityname.gov
- Provide SQL database to facilitate upload "chunking"
- Provide a dedicated named user/keyed integrator license for the integration
- Perform alpha testing

MCCi DELIVERABLES

- Install NEOGOV Integration Utility on Client server
- Configure Integration Utility to pair core NEOGOV metadata fields to Laserfiche metadata fields
- Create integration Laserfiche template for initial incoming documents
- Create integration Laserfiche workflow to translate document name to document type and move to final HR Laserfiche template for the documents
- Perform alpha testing

EXCLUSIONS

- MCCi is not responsible for the configuration of filing workflows unless a separate package or SOW is included.

ASSUMPTIONS

- Laserfiche 9.2 or later is installed and configured on Client system
- Microsoft .NET Framework 4.8 is installed and configured on Client system
- Laserfiche SDK 10.4 is installed and configured on Client system
- Microsoft Visual C++ Runtime 2017 is installed and configured on Client system

PUBLIC FACING LASERFICHE WEB PRODUCTS INSTALLATION AND CONFIGURATION PACKAGE

MCCi's public facing Laserfiche installation and configuration package is designed to implement a single Laserfiche web product in a Client's DMZ or Reverse Proxy environment and configure it to use Directory Server authentication.

CLIENT DELIVERABLES

- Acquire, install, and set up TLS Certificates that meet Laserfiche requirements
- Provide servers in DMZ or Reverse Proxy
- Configure appropriate DNS entries
- Provide a Windows account that has administrative rights to each Laserfiche server (can create, write, and read the various Laserfiche databases, and query Active Directory)

MCCI DELIVERABLES

- Install and configure one (1) instance of Laserfiche Web Client, Forms, Mobile, or WebLink in one (1) environment (E.g., Test, Dev, Staging, QA, etc.) in a DMZ or Reverse Proxy
- Configure Laserfiche software to use TLS Certificates supplied by Client
- Configure Laserfiche software to communicate with necessary internal servers
- Assuming Weblink is the instance chosen for installation and configuration:
  - Basic configuration using the WebLink Designer not to exceed three (3) hours
  - Configure WebLink access security to one (1) level from the root on one (1) repository for the public user account
- Perform basic software deployment testing

EXCLUSIONS

MCCi is not responsible for the following:

- Installing and configuring failover clusters or load balancing
- Provisioning Client servers in DMZs
- Customization of WebLink asp Microsoft .NET Framework file
- Configuration of Folder Filter Expression
- Configuration of ADFS/SAML Authentication

ASSUMPTIONS

- Google Chrome or Chromium Microsoft Edge is installed on all Laserfiche servers

INSTALLATION AND INITIAL CONFIGURATION OF ACTIVE DIRECTORY CERTIFICATE SERVICES (AD CS)

MCCi will install and do an initial configuration of the Active Directory Certificate Services (AD CS) on a Windows Server. This configuration will be used to create the necessary TLS certificates required for the software implementation.

CLIENT DELIVERABLES

- Provide a Windows Server that meets the requirements necessary to install and configure an AD CS as outlined by Microsoft
- Install CA Certificate on end-user machines (recommended to use Group Policy)

MCCI DELIVERABLES

- Install AD CS on one (1) Windows Server
- Complete initial configuration of AD CS
- Create necessary certificates to use with Laserfiche and ABBYY products from the newly installed AD CS

EXCLUSIONS

MCCi is not responsible for the following:

- Maintaining or troubleshooting AD CS in any manner after the initial configuration is complete
- Maintaining the validity of certificates created from the AD CS. This includes renewing certificates that expire

ASSUMPTIONS

- For MCCi to be able to perform the installation and configuration of this service, Client must be able to log in with an administrative account that belongs to the Enterprise Admins and the root domain's Domain Admins group.
- Domain Functional Level and Forest Functional Level are Windows Server 2016 at a minimum.

LASERFICHE REPOSITORY ADMINISTRATOR TRAINING – HALF DAY

MCCi's Administrator Training is available as a single half-day session. The goal is for your organization to have a trained repository administrator. The single half-day session focuses on ongoing management of the repository with a focus on user management, troubleshooting user permissions, monitoring and auditing user activity, and managing metadata. The complete list of training topics is listed below.

- User Management & Security
- Monitoring User Activity
- Licensing
- Metadata Management
- Repository Architecture Overview
- Cloud Navigation
- General Repository Settings
- Folder Security
- Recycle Bin Settings

CLIENT DELIVERABLES

- Have a license available for each attendee participating in the training
- Have access point for each attendee (laptop, desktop application, etc.)
- Provide the requisite IT system access

MCCI DELIVERABLES

- Provide one (1) training session for three (3) hours
- Provide Repository Administration training according to the level of package purchased
- Provide training for up to six (6) users per session

ASSUMPTIONS

- Attendees have either attended a Laserfiche User Training or have requisite prior user experience
- A single half-day onsite training will be accompanied by other training packages

EXCLUSIONS

- MCCi is not responsible for customizing training materials for the client.

LASERFICHE USER TRAINING - HALF DAY

MCCi's User Training is a great introduction to the Laserfiche repository, which is accessed through an application called the Laserfiche Client or the Laserfiche Cloud site. Attendees will become familiar with how to import new content, how to search and retrieve existing content, and how to export. Your organization can choose whether training is conducted on the web-based or on the Windows Desktop Client. Your organization can work closely with the product trainer to identify user functions. The trainer can emphasize certain topics listed below.

- Import Options & Scanning
- Search & Retrieval
- User Options
- Metadata Usage & Reports
- User Navigation
- Export Options
- Repository Organization
- Document Modification
- OCR & Generating Text

CLIENT DELIVERABLES

- Have a license available for each attendee participating in the training
- Have access point for each attendee (laptop, desktop application, etc.)
- Provide the requisite IT system access

MCCI DELIVERABLES

- Provide one (1) training session for three (3) hours
- Provide Laserfiche User training according to the level of package purchased
- Provide training for up to six (6) users per session

ASSUMPTIONS

- A single half-day onsite training will be accompanied by other training packages

EXCLUSIONS

- MCCi is not responsible for customizing training materials for the client.

PROCESS AUTOMATION DESIGNER TRAINING: LASERFICHE FORMS – TIER 1

MCCi's Laserfiche Forms Training is designed to be highly interactive. The goal is to quickly empower individuals in your organization to learn Laserfiche Forms. Individuals will learn how to create and maintain webforms and also

how to apply their new skills to streamlining approval and review processes. Lastly, training is completed in your Laserfiche Forms environment, ensuring attendees have the right permissions to get started after training. This training is intended as an overview of the Forms module.

In Tier 1, attendees are led through exercises designed to showcase commonly used features and tools within Laserfiche Forms. Training topics include:

- Reporting
- Forms Inbox
- Configuration
- Lookups
- Field Rules
- Monitoring
- Forms Administration

CLIENT DELIVERABLES

- Have a license available for each attendee participating in the training
- Appoint a Forms Configuration Administrator who has been through Laserfiche Administrator training to manage ongoing user and process permissions
- Have access point for each attendee (laptop, desktop application, etc.)
- Provide the requisite IT system access

MCCI DELIVERABLES

- Provide one (1) full-day session or two (2) half-day sessions for a total of six (6) hours of training
- Provide Process Automation training according to the level of package purchased
- Provide training for up to (six) 6 users per session

ASSUMPTION

- Onsite training will be scheduled in full-day sessions where applicable. Scheduling exceptions can be discussed with your trainer.

EXCLUSIONS

- CSS and JavaScript are outside the scope of this training package.
- MCCi is not responsible for customizing training materials for the client.

PROCESS AUTOMATION DESIGNER TRAINING: LASERFICHE WORKFLOW-TIER 1

MCCi's Laserfiche Workflow Training is designed to be highly interactive. The goal is to quickly empower individuals in your organization to learn Laserfiche Workflow. Individuals will learn how to build workflows to replace repetitive steps performed in the repository, how to send email notifications, promote uniform document filing and naming, and how to potentially integrate with other applications through data lookups and insertions. Lastly, training is completed in your Laserfiche environment. This training is intended as an overview of the Workflow module.

In Tier 1, attendees are led through exercises designed to showcase commonly used features and tools within Laserfiche Workflow. Training topics include:

- Architecture
- Creating monitoring
- Starting rules
- Processing
- Activities
- Workflow Administration Console

CLIENT DELIVERABLES

- Provide each attendee access to Workflow Designer and Workflow Administration Console
- Appoint a Workflow Configuration Administrator who has been through Laserfiche Administrator training to manage ongoing user and process permissions
- Have access point for each attendee (laptop, desktop application, etc.)
- Provide the requisite IT system access

MCCI DELIVERABLES

- Provide one (1) full-day session or two (2) half-day sessions for a total of six (6) hours of training

- Provide Workflow Designer training on commonly used activities according to the level of package purchased
- Provide training for up to six (6) users per session

ASSUMPTION

- Onsite training will be scheduled in full-day sessions where applicable. Scheduling exceptions can be discussed with your trainer.

EXCLUSIONS

- Activities that require skills not related to Laserfiche to configure (i.e., SQL queries, VBA, C#, Microsoft .NET Framework, API calls) are outside the scope of this training package.
- MCCi is not responsible for customizing training materials for the client.

IMPLEMENTATION MANAGEMENT PACKAGE

MCCi will manage the work, communication, and documentation MCCi deems necessary for successful project delivery.

MCCI DELIVERABLES

- Manage Client communication
- Produce project documentation
- Oversee risk/issue management
- Oversee meeting scheduling
- Ensure deliverables are met
- Budgeting and Resource Management

SUPPLEMENTAL SUPPORT PACKAGES

As Client's first-tier solution provider, MCCi provides multiple options for technical support. Client's annual renewal covers application break/fix support, version downloads, and continued educational resources. MCCi offers supplemental support packages to cover remote training, basic configuration services, and maintenance of existing business processes. MCCi's Managed Support Services (MMSS) or Process Administration Support Services (MPASS & MPASS2) packages are strongly encouraged to be included with every renewal. Supplemental Support Packages are annual subscriptions and pricing is based on the package purchased and an advanced discounted block of hours, which expire on the same date as Client's annual renewal. MMSS pricing for the advanced block of hours is based on MCCi's Support Technician II hourly rate discounted by 10%. MPASS and MPASS2 pricing for the advanced block of hours is based on MCCi's Application Support Analyst hourly rate discounted by 10%.

LASERFICHE

	MCCi's Managed Support Services	MCCi's Process Administration Support Services	
Description	**MMSS**	**MPASS**	**MPASS2**
Easy access to MCCi's team of Certified Technicians for application break/fix support issues (i.e., error codes, bug fixes, etc.)⁺	■	■	■
Remote access support through web conferencing service ⁺	■	■	■
Access to product update version and hotfixes (Client Download)⁺	■	■	■
24/7 access to the Laserfiche Support Site and Laserfiche Answers discussion forums⁺	■	■	■
Additional Remote Basic Training	■	■	■
Additional System Settings Consultation	■	■	■
Assistance with Implementation of Version Updates	■	■	■
Annual Review (upon Client's request) of Administration Settings	■	■	■
Priority Offering of Laserfiche CPPs & Laserfiche Empower Registration Scholarships	■	■	■
Configuration and maintenance of *basic* business processes and MCCi packaged solution utilizing Laserfiche Forms and Workflow	■	■	■
Configuration of Laserfiche Quick Fields sessions	■	■	■
Basic Records Management Module Overview Training	■	■	■
Administration Configuration Services	■	■	■
Dedicated Certified Professional		■	■
Proactive recurring consultation calls upon the Client's request		■	■
Annual Review of business process configurations			■
Institutional Knowledge of Client's Solution			■
Maintenance of MCCi/Client configured *complex* business processes			■
Ability to schedule after-hours upgrades Monday-Friday 8 am to 10 pm ET and Saturday-Sunday from 12 pm to 4 pm ET			■
Basic JavaScript, CSS, and Calculations for Laserfiche Forms*			■

⁺ Client's Support/Subscription Renewal includes these benefits, regardless of whether a supplemental package is purchased.

* Excludes the development of new integrations, large-scale development projects, and SQL queries. Excludes maintenance of custom-built integrations, or any item not purchased from MCCi.

** **Hours:** MCCi allows clients to use their hours for a multitude of services, if a request will not start a service that cannot be completed with the hours available. None of the packages listed above are intended to be utilized to configure a new *complex* business process. In those instances, a separate SOW is required.

CLIENT RESPONSIBILITIES (All Packages)

- For self-hosted (applications hosted by Client) solutions: Configuring/maintaining backups and any general network, security, or operating system settings outside of Client's solution.
- Managing application-level security.
- Managing and creating retention policies related to Records Management Module.
- Providing an IT contact (internal or third-party) for MCCi to work with as necessary.
- Providing remote access capabilities as needed. If the Client requests MCCi to have unattended access, the Client assumes all responsibility for the related session(s). The Client will work with MCCi to set up user profiles, user tags, etc. to allow desired security rights/access.
- Creating/providing process diagrams (and any other necessary paperwork/examples).

SUPPLEMENTAL SUPPORT PACKAGE DEFINITIONS

ADDITIONAL REMOTE TRAINING

Additional web-based training is conducted to train new users or as refresher training for existing users.

ADDITIONAL SYSTEM SETTINGS CONSULTATION

MCCi offers additional best practices consultation that includes recommendations for adding additional departments, additional types of indexing, etc.

REMOTE IMPLEMENTATION OF VERSION UPDATES

While Client's renewal includes version updates, implementation of those updates is sometimes overlooked. With the addition of MMSS, MCCi is at Client's service to directly assist with implementing software updates such as minor updates, quick fixes or point releases. Dependent on the complexity and the Client's specific configurations, major software upgrades may or may not be covered and should be discussed with Client's Account Management Team.

ANNUAL SYSTEM REVIEW & ANALYSIS

MCCi will access Client's system to review how Client's organization uses Client's solution, to identify potential issues, and to make recommendations for better use of the system. This analysis may be performed annually and is an optional service that will be completed only if requested by the Client.

LASERFICHE CERTIFICATIONS

Priority offering of complimentary Laserfiche certifications, based on availability.

LASERFICHE CONFERENCE REGISTRATION

Priority offering of complimentary Laserfiche Empower registration, based on availability.

CONFIGURATION AND MAINTENANCE OF BASIC BUSINESS PROCESS

Utilizing Laserfiche Forms and Workflow, MCCi will assist with the configuration and maintenance of *basic* business processes. A basic business process requires minimal configuration and virtually no institutional knowledge of the Client's business process, allowing an MCCi Application Support Analyst to assist with configuration, support, and maintenance of the process. Examples include Filing Workflows, simple Forms, or approval/notification workflows that have few routing steps, no integration, and little to no database lookups.

MAINTENANCE OF MCCi PACKAGED SOLUTION: MCCi will assist with maintenance with a solution MCCi has created for a market that has a specific business process automation use.

CONFIGURATION OF LASERFICHE QUICK FIELDS SESSIONS

Using Client's current Quick Fields modules, MCCi will configure Quick Fields sessions, excluding custom scripting, custom calculations, etc.

BASIC RECORDS MANAGEMENT MODULE OVERVIEW TRAINING

MCCi will provide refresher overview training of the records management module. Initial training cannot be performed under this support level.

ADMINISTRATION CONFIGURATION SERVICES
MCCi will assist with administration configuration services, including setting up users, metadata, security, etc.

DEDICATED LASERFICHE CERTIFIED PROFESSIONAL
While on MCCi's **MMSS** level, Client will have access to MCCi's team of Certified Support Professionals; with **MPASS** and **MPASS2,** Client will have a representative dedicated to Client's organization.

SCHEDULED RECURRING CONSULTATION CALLS
Upon Client's request, Client's **MPASS** representative will schedule recurring calls with Client to discuss Client's current and upcoming projects. This helps us stay on the same page with Client and ensure tasks and project milestones are being completed.

ANNUAL REVIEW OF BUSINESS PROCESS CONFIGURATIONS
MCCi will review Client's business processes to see how Client's organization uses the solution, to identify potential issues, and to make recommendations for better use of the system. This analysis may be performed annually and is an optional service that will be completed only if requested by the Client.

INSTITUTIONAL KNOWLEDGE OF CLIENT SOLUTION
Turnover within Client's organization can happen, and it is important to have a plan. Who will help Client's new solution administrator get up to speed on Client's processes and solutions in place? Leave that to us. MCCi documents Client's specific organization's usage and implemented business processes, integrations, etc., and can assist with the knowledge transfer to the new solution administrator if needed.

MAINTENANCE OF MCCI/CLIENT CONFIGURED COMPLEX BUSINESS PROCESSES
The assigned representative can maintain MCCi or Client configured *complex* business processes. A *complex* business solution is a large business process with an extensive configuration that is mission-critical to the organization. For example, minor tweaks, updates due to upgrades, process improvements, etc. can be requested. For creation of new complex Forms, Workflow, and Transparent Records Management configurations, please discuss a Business Process Configuration Service with Client's Account Executive or Account Manager.

ABILITY TO SCHEDULE AFTER-HOURS UPGRADES
Avoid MCCi's after-hours premium charge for upgrades. MPASS2 clients can schedule these anytime Monday-Friday from 8 am to 10 pm ET and Saturday and Sunday from 12 pm to 4 pm ET.

BASIC JAVASCRIPT, CSS AND CALCULATIONS FOR LASERFICHE FORMS
Excludes complex scripting.

BASIC LASERFICHE WEBLINK/PUBLIC PORTAL CUSTOMIZATION
MCCi will help customize Client's WebLink/Public Portal to meet Client's needs.

THE TRAINING CENTER FOR LASERFICHE*

MCCi's Training Center for Laserfiche annual subscription provides an easy, cost-effective way for all users in Client's organization to access training videos for Laserfiche and ABBYY.

BENEFITS

- 24/7 access to on-demand Laserfiche training videos and other resources
- Reduction in training expenses
- Caters to all skill levels from Basic Users to Advanced System Administrators
- Unlimited access for Client's entire organization
- User determined schedule and pacing

- Reduction in internal support and increased user productivity
- Increased efficiency through improved internal usage/adoption
- Instant/budgeted training available in the case of employee turnover
- Enhance Client's organization's internal Laserfiche training program

**The Training Center subscription gate is based on Laserfiche user counts*

SERVICE LEVEL AGREEMENT (SLA)*

MCCi's SLAs are offered as additional options to Client's annual support/subscription. An SLA offers clients escalated response times depending on the severity of the support issue, as well as other additional benefits. The SLA documentation and pricing is readily available upon request. MCCi currently has two separate SLAs available:

- Infrastructure Hosting
- Application Support (Client Self-Hosted)
- Application Support (Cloud Applications)

** Full SLA document is available upon request*

[remainder of page left intentionally blank]

MCCi ASSUMPTIONS

TECHNICAL SUPPORT

Clients may contact MCCi support via MCCi's Online Support Center, email (support@mccinnovations.com), or telephone 866-942-0464. Support is available Monday through Friday (excluding major holidays) from 8 am to 8 pm Eastern Time.

PROFESSIONAL SERVICES

CHANGE ORDER PROCESS

Any deviations from the contract will be documented in a Change Order that Client must execute.

CONFIGURATION ASSISTANCE

Many of MCCi's packages list remote configuration assistance for up to a certain number of days. This is based on total days, not business days.

TRAVEL

MCCi will schedule travel in consecutive days for most engagements unless otherwise stated or agreed upon.

SCHEDULING

All rates are based on normal business hours, Monday through Friday from 8 am to 5 pm local time. If scheduling needs to occur after business hours, additional rates may apply.

RETURN POLICY

Any product returns are subject to the manufacturer's return policy.

LIMITED LIABILITY

If the Master Agreement is silent on each party's limited liability, or there exists no master agreement, except for breach of any intellectual property right, or end user terms of use, and/or license agreement, liability is limited to the amount of dollars received by MCCi directly associated with this Order in the six (6) months prior to the date of the Claim. If the applicable agreement provides for a limitation of liability, then such limitation applies to the greatest extent allowed.

MCCi also does not warrant any third-party products procured on behalf of Client. If there are any product warranties provided by the manufacturer of the product, any remedy should be requested directly from manufacturer and MCCi has no liability associated therewith.

PRE-EXISTING INTELLECTUAL PROPERTY (IP)

The following products noted below are deemed Pre-existing IP as defined in the Master Agreement and are not considered "Works Made for Hire" and as such all rights, title or interest remains with MCCi. Client shall retain a non-exclusive, royalty-free, world-wide, license to use the product(s) as such product(s) is integrated into the solution purchased from MCCi and for the term of the applicable subscription(s) by Client.

- Laserfiche PowerPack by MCCi
- Laserfiche EnerGov Integration by MCCi
- Laserfiche Neogov Integration by MCCi
- GoFiche Suite for Avante/Rio/Subscription
- Common Web Service API for Laserfiche
- GovBuilt software

CLIENT SOLUTION CUSTOMIZATIONS

Client may also choose to customize their system internally without MCCi's help. MCCi is not responsible for any damage caused by the user's customization of the system not performed by MCCi. MCCi will not be held responsible for correcting any problems that may occur from these customizations. Routine updates as provided by software manufacturers may affect any customizations made by entities other than MCCi. If MCCi's help is required to correct/update any customizations made by any entity other than MCCi, appropriate charges will apply.

CLIENT INFORMATION TECHNOLOGY ASSISTANCE

For MCCi to excel in providing the highest level of service, Client must provide timely access to technical resources. Client must provide adequate technical support for all MCCi installation and support services. If Client does not have "in-house" technical support, it is Client's responsibility to make available the appropriate Information Technology resources/consultant when needed.

LASERFICHE ASSUMPTIONS

The following assumptions are current as of the date of order. Manufacturer's terms and conditions are subject to change.

HARDWARE REQUIREMENTS & INSTALLATION

Client is responsible for ensuring they meet the recommended hardware requirements, which are available upon request. One (1) of each of the following components will be installed as part of Client's Laserfiche solution by default unless Pricing section states otherwise:

LASERFICHE SUBSCRIPTION

- Laserfiche Server
- Windows Client & Administration Console
- Web Client*
- Mobile Server
- Federated Search*
- Directory Server (LFDS)* †
- Import Agent
- Workflow (Professional/Business only)
- Forms* (Professional/Business only)
- Audit Trail

**Requires SSL/TLS Certificate. Client is responsible for acquiring and installing prior to Laserfiche implementation. Certificate requirements for Laserfiche Directory Server can be found here.*

†Required for all Rio and Avante systems and cannot be removed.

Note: *Configuring a test environment, setting up an external DMZ, and/or setting up failover/load balancing are not included by default and must be detailed and priced in the applicable Statement of Work to be implemented.*

LASERFICHE END USER LICENSE AGREEMENT (EULA)

By accepting this Order, Client acknowledges Laserfiche's EULA and agrees to abide by its terms and absolve MCCi of any Laserfiche product-related liability.

LASERFICHE SOFTWARE SUPPORT PLAN

MCCi acts as first-tier support and works with Laserfiche, who would provide second-tier level support when needed. Laserfiche software support plans are applicable to actively supported perpetual software and are bundled with on-premises Subscription and Cloud systems. All software support plans are on a yearly subscription basis and accompany the applicable software product designed, developed, created, written, owned, or licensed by Laserfiche. On-premises Subscription and Cloud system subscribers are advised to export data from their Laserfiche system prior to cancellation or any other termination.

ACTIVE LASERFICHE SOFTWARE SUPPORT PLAN BENEFITS INCLUDE:

- Easy remote access to MCCi's team of Laserfiche Gold Certified Support Technicians
- Access to new product update versions and hotfixes
- Software credit eligibility for product upgrades, as determined by Laserfiche's then current policy
- Continued access to Client's Laserfiche solution*

** Specific to Laserfiche Cloud and Laserfiche on-premises Subscription licensed Clients*

POLICIES

- To receive periodic product updates for a Laserfiche Software Solution, its associated software support plan must be purchased and maintained throughout the software term.
- All software support plan subscriptions are annual, prepaid and non-refundable
- The annual term start date for new systems is established by Laserfiche at the time MCCi submits an order to Laserfiche on Client's behalf.
- For platform upgrades, software and support credit eligibility is determined by Laserfiche's then-current policy. To receive any available software or support credit, Client's support plan must be active (i.e., support plan has not expired)

- For expansion purchases, the applicable service period is prorated to match Client's existing or future service period, which is dependent on Laserfiche's then current policy and the timing of the expansion order vs. the Client's annual service period renewal date (i.e., prorating for less than four months may not be permittable due to the timing of renewal invoicing.)

LATE PAYMENTS

- If payment is not received before Client's renewal date, Client's Laserfiche software support plan expires. Please allow up to five (5) business days after receipt of payment for MCCi to process renewal payment to Laserfiche.
- Impact of Expiration:
- Client will be able to access MCCi Support Technicians for 30 days post expiration. However, if there are support issues that require Laserfiche involvement, these issues cannot be resolved until Client's support is renewed.
- Perpetual software support plan: Access to the Laserfiche support website and Laserfiche technicians will no longer be available until MCCi receives Client's renewal payment and processes payment to Laserfiche.
- Laserfiche on-premises Subscription or Laserfiche Cloud: Access to Client's Laserfiche solution will be turned off after 30 days and Client's access to the Laserfiche support website, and Laserfiche technicians will no longer be available until MCCi receives Client's renewal payment and processes payment to Laserfiche. Laserfiche on-premises Subscription Clients must reactivate the on-premises Subscription system following payment of the software support plan renewal to ensure uninterrupted usage.
- Reinstatement Fees: In order to receive uninterrupted support for perpetual on-premises Laserfiche Software Solutions, Client must maintain a software support plan for the term of the Laserfiche Software Solution. In the event that Client's software support plan is expired for more than 45 days, the plan will need to be reinstated. Reinstatements reset the annual date of the software support plan, and the cost includes one year of the software support plan in addition to the Reinstatement Fee. The Reinstatement Fee is a 10% markup on the lapsed value of the software support plan. The Reinstatement Fee includes the number of days lapsed since your software support plan expired.

INTEGRATIONS

Third-party Laserfiche integrations or utilities may consume one (1) or more Laserfiche user licenses depending on how the vendor designed and coded the integration. These additional licensing needs should be verified by Client and considered in the user licensing purchased.

LASERFICHE SOLUTION PROVIDER OF RECORD

As Client's current Solution Provider of Record, Laserfiche's policy dictates that MCCi is the only Laserfiche Solution Provider that has access to Client's support account, along with the ability to download software licenses and activations, process subscription renewals and initiate additional purchases on Client's behalf. Unless Client decides to cancel Client's contract with MCCi or work with Laserfiche to formally change Client's Laserfiche Solution Provider of Record, future purchases and subscription renewals will be processed and provided by MCCi.

B.2 Cloud portion

ADDENDUM NO. 2 TO MASTER SERVICES AGREEMENT NO. 23219

INITIAL MANAGED CLOUD ORDER

PRICING: MANAGED CLOUD

mcci

3717 Apalachee Parkway, Suite 201
Tallahassee, FL 32311
850.701.0725
850.564.7496 fax

Bill /Ship to: Jason Whitaker
jwhitaker@vopnc.org
cc AP Contact: bkeith@vopnc.org

Client Name: Village of Pinehurst
Client Address: 395 Magnolia Road, Pinehurst, NC 28374
Estimate Number: 31303
Estimate Type: Net New

Quote Date: April 10, 2024

Product Description:	***Qty.***	***Unit Cost***	***OMNIA – NCPA 01-162***	***Annual Total***
MCCi ANNUAL SUBSCRIPTION				
☑ Laserfiche Managed Cloud, V200 *Includes 2 Servers (1 Web, 1 App/DB with SQL Standard), 256GB Protected Document Storage, 256GB Protected Database Storage, and 1 S2SVPN.*	1	$24,950.00	$24,201.50	$24,201.50
☑ Managed Cloud Protected Storage, 1,024 GB	1	$3,400.00	$3,298.00	$3,298.00
MCCi Annual Recurring Subscription Subtotal				***$27,499.50***

GRAND TOTAL - RECURRING ANNUAL SUPPORT/SUBSCRIPTION	***$27,499.50***

Service Description:	***Qty.***	***Unit Cost***	***OMNIA – NCPA 01-162***	***Total***
MCCi SERVICE PACKAGES				
☑ Managed Cloud Setup Package - Laserfiche V200	1	$2,495.00	$2,370.25	$2,370.25
Service Packages Subtotal				***$2,370.25***

GRAND TOTAL - ONE-TIME SERVICES	***$2,370.25***

TOTAL MCCi MANAGED CLOUD PROJECT COST	***$29,869.75***

All Quotes Expire 30 Days from Quote Date

This is NOT an invoice. Please use this confirmation to initiate Client's purchasing process.

RECURRING SERVICES

The Recurring Services portion of this Order will systematically renew unless written notice of termination has been provided per the master agreement. An annual increase of 5% will be applied to the immediately preceding annual rates (excluding any initial or one-time discounts) unless Client has terminated the Order and/or Addendum earlier.

SALES TAX

Sales tax will be invoiced where applicable and is not included in the fee quote above.

REMOTE SERVICES

All services will be performed remotely unless noted otherwise.

PRODUCT ORDER TERMS

MCCi will process Product Orders as follows:

Product/Service Description	Timing of Product Order
All Software/Solutions, Recurring Annual Support/Subscription, and Supplemental Support Services	Upon deployment of infrastructure

The act of MCCi processing orders determines the start date of annual Recurring Service periods. Establishment of start dates for 3rd party manufacturer products are subject to each manufacturer's current policy.

BILLING TERMS

MCCi will invoice Client as follows:

Product/Service Description	Timing of Billing
All Software/Solutions, Recurring Annual Support/Subscription, and Supplemental Support Services	▪ **Annual Renewal:** 75 days in advance of expiration date ▪ **Initial Managed Cloud:** Upon deployment of infrastructure
Service Packages	50% of the total upon receipt of Order, remaining 50% of each Service Package upon delivery completion and Client acceptance.

MCCi shall not send any invoices nor claim payment for any fees or expenses incurred by MCCi until both parties authorize this Order. Sales tax will be invoiced where applicable and is NOT included in the Pricing section.

SERVICE PACKAGES

GENERAL ASSUMPTIONS

To determine which platform/licenses are applicable, please refer to the *Pricing* section. The following assumptions serve as the basis for the Service Package(s) reflected below. Any service or activity not described below is not included in the Scope of services to be provided. Variations to the following may impact the Service Package's cost and/or schedule, justifying a Change Order.

- MCCi's completion of a Deliverable to Client shall constitute that MCCi has conducted its own review and believes it meets Client's requirements. Client shall then have the right to conduct its own review of the Deliverable as Client deems necessary. If Client, in its reasonable discretion, determines that any submitted Deliverable does not meet the agreed upon expectations, Client shall have five (5) business days after MCCi's submission to give written notice to MCCi specifying the deficiencies in reasonable detail. MCCi shall use reasonable efforts to promptly resolve any such deficiencies. Upon resolution of any such deficiencies, MCCi shall resubmit the Deliverable for review as set forth above. Notwithstanding the foregoing, if Client fails to reject any Deliverable within five (5) business days, such Deliverable shall be deemed accepted.
- If either party identifies a business issue during the project, MCCi and Client must jointly establish a plan to resolve the issues with potential impact analysis of timeline and budget within five (5) business days of identification. Any necessary business decision resulting from the identified business issues must be made by Client within five (5) business days from request.
- Client is responsible for ensuring that adequate hardware/infrastructure is in place and capable of handling the extra resources that may be required to support the services performed.
- Any additional software-licensing needs related to this service/process configuration have not been considered or included as part of service packages. Client is responsible for ensuring required software licensing is available.
- If the Services require MCCi to access client data, item, and/or use any third party software products provided or used, Client represents and warrants that it shall have all rights and licenses, including, without limitation those of third parties, necessary or appropriate for MCCi to access or use such data and/ or third party products and agrees to produce evidence of such rights and licenses upon the reasonable request of MCCi.
- Client will maintain primary contacts and project staff for the duration of the project, as a change in staff may result in a Change Order for time spent by MCCi on retraining, reeducating, or changes in direction.
- Through the course of this project, MCCi may choose to utilize the third-party service Asana (http://www.asana.com) for project management and team collaboration. Documentation and correspondence exchanged between MCCi and Client may be stored in Asana.
- Client will ensure that all Client's personnel who may be necessary or appropriate for the successful performance of the services will, on reasonable notice: (i) be available to assist MCCi' personnel by answering business, technical and operational questions and providing requested documents, guidelines and procedures in a timely manner; (ii) participate in the services as reasonably necessary; and (iii) be available to assist MCCi with any other activities or tasks required to complete the services.
- **All Services pricing assumes the Client will grant MCCi unattended access** to the required infrastructure for the project. Unattended access requires the following:
  - Either a VPN connection with proper credentials or installation of on-demand remote access software utilized by MCCi.
  - Connections that can be made by an assigned MCCi Project Team without intervention from the Client from the hours of 8:00 AM ET to 8:00 PM ET.
  - A Windows Domain account assigned exclusively to the assigned MCCi Project Team, with passwords provided, that has administrative access to all infrastructure being serviced for purposes of the project.
  - A Windows Domain account, and complete access to that account including the password, for the service account to be used with any installed software products.

  Failure to provide this access will result in a Change Order increasing the cost to Client and timeline of the project.
- Projects enter "On-Hold" status when (i) Client requests a delay in starting a new project, or (ii) Client is unresponsive for more than 15 business days during an active project. On-Hold status will remain until a new

project start date is mutually agreed upon, or until Closed. MCCi may elect to Close the project due to project remaining On-Hold for more than 35 business days.

- Projects that are Closed prior to completion, will be billed for any progress made to date and the MCCi project team will no longer be assigned to the project. Billing for progress made to date is based on the number of hours worked or the estimated percentage of the project that has been completed, whichever is greater. Subsequently, a new order is required to restart a Closed project, and to have new MCCi project resources assigned.
- Client will provide a single point of contact responsible for coordinating communications and scheduling amongst Client stakeholders.
- MCCi will conduct a project kickoff call with Client to set objectives and review systems/processes used.
- Google Chrome or Chrome Microsoft Edge is installed on all Laserfiche servers.
- TLS 1.2 is configured on all Laserfiche servers.
- Firewall ports will be opened for and unattended remote access on all necessary servers will be granted to MCCi.
- All services will be performed Monday – Friday, 8 am to 5 pm EST.
- MCCi will only provide recordings of trainings or meetings if requested in advance. Requested recordings will be available through the Training Center for Laserfiche.
- Client will acquire, install, and set up TLS certificates that meet application requirements.
- Purchase of Managed Cloud services may cover some of these assumptions/deliverables.
- Client will ensure previously agreed upon scheduled trainings are attended by their staff. For cancellations or rescheduling, the minimum notice period requirement to avoid penalties is 2 calendar weeks prior to the training date. Penalties: (i) Regardless of the notification time period, if the training was to be in person and MCCi has incurred non-refundable travel expenses, client will reimburse MCCi accordingly, and (ii) If client cancels or reschedules training within 7 calendar days and no less than 48 hours from the training date, the client will forfeit half of the allotted training time, or be assessed a fee equal to 50% of the training package purchased, or (ii) If the client cancels or reschedules the training within 48 hours of the training date, or is a no show on the training date, the training package purchased will be charged in full and forfeited by the client.

GENERAL TESTING DEFINITIONS

- Alpha Testing – Defined as internal acceptance testing performed by the project team prior to releasing the product or configuration to the Client
- Basic Deployment Testing – Defined as testing to ensure that the crucial functions of the system are operating properly, and that the deployment is stable
- Beta Testing – Defined as the testing performed to verify functionality and fulfillment of user requirements
- User Acceptance Testing – Defined as testing performed by the Client's users to verify and accept the implemented functionality or deployment

GENERAL EXCLUSIONS

- MCCi is not responsible for assigning an external URL for any web-based platform/software module.
- MCCi is not responsible for creating or maintaining backups, backup plans or recovery plans.
- MCCi is not responsible for creating training documentation.
- MCCi is not responsible for final testing including, but not limited to, configuration changes made by Client prior to system handoff.
- Except where specifically noted, no custom coding is included; configuration work is restricted to the capabilities associated with the out-of-the-box solution.

MANAGED CLOUD SETUP PACKAGES

MCCi sets up Client's Managed Cloud infrastructure on Client's behalf, providing a secure and compliant environment without the worry of day-to-day management.

MCCI DELIVERABLES

- Provide Azure compute and networking resources
- Deploy security and identity management configurations
- Setup monitoring and alerting
- Configure Backups and Update Management

EXCLUSIONS

- Migrating existing data
- Anything not expressly included

MCCi ASSUMPTIONS

TECHNICAL SUPPORT

Clients may contact MCCi support via MCCi's Online Support Center, email (support@mccinnovations.com), or telephone 866-942-0464. Support is available Monday through Friday (excluding major holidays) from 8 am to 8 pm Eastern Time.

PROFESSIONAL SERVICES

CHANGE ORDER PROCESS

Any deviations from the contract will be documented in a Change Order that Client must execute.

CONFIGURATION ASSISTANCE

Many of MCCi's packages list remote configuration assistance for up to a certain number of days. This is based on total days, not business days.

TRAVEL

MCCi will schedule travel in consecutive days for most engagements unless otherwise stated or agreed upon.

SCHEDULING

All rates are based on normal business hours, Monday through Friday from 8 am to 5 pm local time. If scheduling needs to occur after business hours, additional rates may apply.

LIMITED LIABILITY

If the Master Agreement is silent on each party's limited liability, or there exists no master agreement, except for breach of any intellectual property right, or end user terms of use, and/or license agreement, liability is limited to the amount of dollars received by MCCi directly associated with this Order in the six (6) months prior to the date of the Claim. If the applicable agreement provides for a limitation of liability, then such limitation applies to the greatest extent allowed.

MCCi also does not warrant any third-party products procured on behalf of Client. If there are any product warranties provided by the manufacturer of the product, any remedy should be requested directly from manufacturer and MCCi has no liability associated therewith.

PRE-EXISTING INTELLECTUAL PROPERTY (IP)

The following products noted below are deemed Pre-existing IP as defined in the Master Agreement and are not considered "Works Made for Hire" and as such all rights, title or interest remains with MCCi. Client shall retain a non-exclusive, royalty-free, world-wide, license to use the product(s) as such product(s) is integrated into the solution purchased from MCCi and for the term of the applicable subscription(s) by Client.

- Laserfiche PowerPack by MCCi
- Laserfiche EnerGov Integration by MCCi
- Laserfiche Neogov Integration by MCCi
- GoFiche Suite for Avante/Rio/Subscription
- Common Web Service API for Laserfiche
- GovBuilt software

CLIENT SOLUTION CUSTOMIZATIONS

Client may also choose to customize their system internally without MCCi's help. MCCi is not responsible for any damage caused by the user's customization of the system not performed by MCCi. MCCi will not be held responsible

for correcting any problems that may occur from these customizations. Routine updates as provided by software manufacturers may affect any customizations made by entities other than MCCi. If MCCi's help is required to correct/update any customizations made by any entity other than MCCi, appropriate charges will apply.

CLIENT INFORMATION TECHNOLOGY ASSISTANCE

For MCCi to excel in providing the highest level of service, Client must provide timely access to technical resources. Client must provide adequate technical support for all MCCi installation and support services. If Client does not have "in-house" technical support, it is Client's responsibility to make available the appropriate Information Technology resources/consultant when needed.

MANAGED CLOUD ASSUMPTIONS

The following assumptions are current as of the date of order. Manufacturer's terms and conditions are subject to change.

REQUIREMENTS

Managed Cloud, as with all cloud-based services, requires sufficient internet bandwidth (both upload and download) to ensure an acceptable experience for end users. Client is responsible for ensuring internet bandwidth sufficient for Client's environment (site locations and number of users).

SUBSCRIPTION TERM

Subscriptions for Managed Cloud are for one (1) year periods **("Term")** and can be prorated longer to match other solution support/subscription renewal dates. The subscription term will begin once the Azure environment has been activated. This is not contingent upon a completed implementation. Client is still responsible for adhering to the Microsoft terms of service (e.g., EULA, AUP, etc.).

FEE INCREASES:

- Adjustment to fees related to an increase in the level of service requested/authorized by Client will be made at the time of such changes in service becoming available to Client.
- MCCi will not increase fees more than once over a 12-month period.
- **Third-Party License Fees:** In the event that a third-party license provider increases the fee they charge MCCi for Client's use of such license, we will increase Client's fees by the same percentage amount, provided we notify Client in writing at least 90 days before the effective date of the price increase.

LATE PAYMENT POLICY

- If payment is not received before Client's renewal date, Client's Managed Cloud subscription will expire. Please allow up to five (5) business days for MCCi to process payment.
- If Client's Managed Cloud subscription is expired for 30 days or more, Client's service will be suspended, and Client will have no access to Client's Managed Cloud environment.
- If Client's Managed Cloud subscription is not paid after 60 days of Client's renewal date, Client's account will be terminated and Client's data deleted.

REINSTATEMENT FEES

- After Client's Managed Cloud subscription has expired, MCCi will move Client's renewal date to date paid, inclusive of applicable reinstatement fees.
- Reinstatement Fees = 20% of Annual Subscription

AZURE HOSTING

MCCi offers its Managed Cloud service with Azure hosted infrastructure, as well as fully Managed Service options, all through its partnership with Azure.

Client acknowledges the following terms, conditions, and limitations (and accepts that MCCi's liability and responsibility is limited by the following):

- Client shall have no rights against Azure in connection with the Infrastructure as a Service (IaaS) sold by MCCi.
- Client agrees to abide by the Microsoft license terms: https://azure.microsoft.com/en-us/support/legal/.
- MCCi does not promise that the services will be uninterrupted, error-free, or completely secure. Client acknowledges that there are risks inherent in internet connectivity that could result in the loss of Client's privacy, client data, confidential information, and property.
- MCCi has no liability for loss of data to the extent the data has changed since the last backup as defined in the Order.
- **Prohibition of high-risk use:** Client may not use the Managed Cloud service in any situation where failure or fault of the hosting services could lead to death or serious bodily injury of any person, or to physical or

environmental damage. For example, Client may not use or permit any other person to use the hosting services in connection with aircraft or other modes of human mass transportation, nuclear or chemical facilities, or medical life support devices.

AZURE TERMS OF SERVICE:
Client agrees to abide by the Azure service terms: https://azure.microsoft.com/en-us/support/legal/subscription-agreement/government/

IP ADDRESSES

The IP addresses allocated to Client's Hosted System during the term of the Agreement are managed by MCCi, and MCCi will retain these IP addresses after termination of the Order, meaning that they may not be transferred or utilized by Client after termination of the Order.

SECURITY

MCCi will use every reasonable effort to prevent the unauthorized access, use or disclosure of client data and direct client information located on MCCi servers, including the implementation of industry-standard measures designed to maintain the security of such data. Client acknowledges, however, that MCCi cannot guarantee the security of such data given the nature of the Internet.

BACKUP & DATA RESTORATION SERVICES

SCHEDULE

- Daily snapshot of all VM OS and attached storage disks.

RESTORATION

- Client may receive assistance to restore data that may have been lost as a result of its own actions. Additional fees may apply.

DATA MIGRATION SERVICES

Existing clients may receive assistance to migrate data from their existing servers. Since each client's needs are different, this migration will be quoted separately and is not included in MCCi's standard packages.
Should Client choose to move away from their Managed Cloud hosted environment, additional costs will apply for MCCi to assist with the data migration.

B.3

MASTER SERVICES AGREEMENT NO. 23219

This Master Services Agreement No. 23219 (this "**Agreement**") is effective on the date of the last signature, ("**Effective Date**") and is made by and between MCCi, LLC, a Florida limited liability company with its principal office located at 3717 Apalachee Parkway, Suite 201, Tallahassee, FL 32311 ("**MCCi**") and Client (defined herein). MCCi and Client may each be referred to individually herein as a "**Party**" or collectively as the "**Parties**".

The terms "**Client**" in this Agreement shall also include Client's "**Affiliates**," defined as a legal entity that directly or indirectly controls, is controlled by, or is under common control with the applicable Party. It is agreed that Client's Affiliates who are a party to the applicable Order (defined below) shall enjoy the same rights, benefits and obligations set forth in this Agreement as are applicable to Client.

As used in this Agreement, "MCCi" means the MCCi Affiliate providing the Services (defined below) to the Client in the applicable Order.

The Parties hereto intending to be legally bound hereby, agree as follows:

1. Scope of Service

MCCi and Client may develop and enter into one or more sales orders, attached hereto or incorporated by reference, incorporating a description of the specific goods and/or services requested by Client and agreed to be performed or otherwise provided by MCCi (and as modified in writing by the Parties, each an "**Order**"). MCCi will provide to Client those goods and/or services described as its obligation in the Order (collectively, the "**Services**"). If applicable, each Order will also describe items specifically required to be delivered by MCCi to Client (each a "**Deliverable**"), and the acceptance criteria, if any, for each of the Deliverables. Further, each Order will set forth, among other things, tasks to be performed by the Parties and roles and responsibilities of each Party. Each Order shall specifically identify this Agreement and indicate that it is subject to the terms hereof. Unless provided to the contrary in the applicable Order, to the extent there are any conflicts or inconsistencies between this Agreement and any Order or Client purchase order, except in regard to Sections 2 or 3 herein, the provisions of this Agreement shall govern and control. Use of pre-printed forms, including, but not limited to email, purchase orders, shrink-wrap or click-wrap agreements, except those that may appear in the appliable Order, acknowledgements or invoices, is for convenience only and all pre-printed terms and conditions stated thereon, except as specifically set forth in this Agreement, are void and of no effect. No amendment or modification to this Agreement will be valid unless set forth in writing and formally approved by authorized representatives of both parties. To the extent that there are any conflicts or inconsistencies between this Agreement and any Client-entered third-party government purchasing agreement ("**Purchasing Vehicle**"), the provisions of the Purchasing Vehicle shall govern and control.

No change order, notice, direction, authorization, notification or request (each a "**Change Order**") will be binding upon Client or MCCi, nor will such Change Order be the basis for any claim for additional compensation by MCCi, until Client and MCCi have both signed such Change Order, or a new Order, as appropriate.

Each MCCi Affiliate will only be liable for those obligations expressly set forth in the applicable Order to which it is a party. In no event will a MCCi Affiliate be liable for any of the obligations or liabilities of any other MCCi Affiliate pursuant to this Agreement.

2. Fees

Client shall pay to MCCi the fees and other compensation set forth in each Order. By executing the applicable Order, Client acknowledges their pre-approval for any Order Expenses, defined below, quoted, and will reimburse MCCi for all reasonable out-of-pocket travel, living and other ancillary expenses paid or incurred by MCCi in connection with the Services ("**Order Expenses**"). If relevant, and provided to MCCi, MCCi will make commercially reasonable efforts to conform to Client's expense policy. If a dispute occurs regarding MCCi's invoicing of Order Expenses not in conformity with Client's expense policy and greater than five (5) percent of a specific invoice, such dispute will be subject to investigation and correction; otherwise, Client agrees to reimburse MCCi for the full amount of expenses invoiced. The Client acknowledges that it may incur expenses due to circumstances such as non-refundable items (e.g., airline tickets, training/install charges, hotel reservations, rental cars, and the like), in the event that (i) Client cancels or reschedules performance, after MCCi has made the applicable arrangements; or (ii) If Client is not prepared upon MCCi's arrival, which results in cancellation, delays, and/or the need to reperform any Deliverables.

Client acknowledges that the price of the license and/or subscription for the use of a third-party licensed product is subject to increases during the term of the license and/or subscription or at the time of renewal. If MCCi is reselling a license and/or subscription of a third-party product to Client, then MCCi will provide Client at least 15 days prior to written notice (an email will be sufficient) of an increase in the price of the license and/or subscription. If Client does not agree to pay such increase in the license and/or subscription, Client must provide written notice to MCCi within 15 days of the date of the notice of such increase. Upon receipt of such notice, MCCi will cancel Client's license and/or subscription to the third-party licensed product.

3. Invoicing and Payment

Unless otherwise stated in an Order, MCCi will invoice Client for all fees, charges and reimbursable expenses on a monthly basis and upon completion of each Order.

Client agrees to pay all undisputed invoices and undisputed portions of a disputed invoice in full within thirty (30) days from the date of each invoice. Failure to pay invoices by the due date, unless MCCi has been informed by said due date that an invoice is being contested and the reason therefor, may result in the imposition of interest charges to the extent allowable by law as well as any associated legal and collection fees incurred.

To the extent that Client is not exempt and/or has not communicated its tax status to MCCi, Client further agrees to pay

amounts equal to any federal, state or local sales, use, excise, privilege or other taxes or assessments, however designated or levied, relating to any amounts payable by Client to MCCi under this Agreement or any other Agreement between the Parties, exclusive of taxes based on MCCi's net income or net worth. Client understands and accepts that any pricing set forth in an Order does not include such taxes.

All recurring software maintenance support, subscriptions and/or other service packages (**"Recurring Services"**) will automatically renew unless Client has

(a) terminated the Agreement and/or applicable Order, per Section 4;
(b) provided sixty (60) days written notice prior to the scheduled renewal date of the Recurring Services; or
(c) not paid in full the renewal invoice by the renewal service period start date, but may be reinstated if/when the Client pays the renewal invoice in full (including any applicable reinstatement fees)

Once payment has been received, no refunds for Recurring Services are available.

4. Term, Termination, and Cancellation

This Agreement will commence on the Effective Date and will be effective for the longer of (i) a one (1) year period or (ii) the term of the original Order and will renew automatically for one (1) year periods and continue in full force and effect, unless terminated by either Party as set forth below. Termination of this Agreement or any Order hereunder may occur upon any of the following:

(a) Thirty (30) days after a Party's receipt of written notice from the other Party that this Agreement or the Services, in whole or in part under an Order, shall be terminated; or
(b) Thirty (30) days after a Party notifies the other in writing that they are in breach or default of this Agreement, unless the breaching Party cures such breach or default within such thirty (30) day period; or
(c) Fifteen (15) days after the filing of a petition in bankruptcy by or against either Party, any insolvency of a Party, any appointment of a receiver for such Party, or any assignment for the benefit of such Party's creditors (a **"Bankruptcy Event"),** unless such Party cures such Bankruptcy Event within the fifteen (15) day period; or
(d) If Client is a city, county, or other government entity the following applies: If Client's governing body fails to appropriate sufficient funds to make payments due and to become due during Client's next fiscal period, Client may, subject to the terms herein, terminate the applicable Order as of the last day of the fiscal period for which appropriations were received (each an **"Event of Non-appropriation"**). Client agrees to deliver notice of an Event of Non-appropriation to MCCi at least 30 days prior to the end of Client's then-current fiscal period, or if an Event of Non-appropriation has not occurred by that date, promptly upon the occurrence of any such Event of Non-appropriation. If this Agreement is terminated following an Event of Non-appropriation, Client agrees (but only to the extent permitted by applicable law) that, for a period of one (1) year from the effective date of such termination, Client shall not purchase or otherwise acquire any technology performing functions similar to those performed by the Recurring Services from a third party.

In all events, Client shall be liable for full payment for Services and/or Deliverables and reimbursement of MCCi's expenses incurred through the effective date of termination. If Client cancels or suspends an Order, pursuant to this Agreement and only if allowed hereunder, between completed milestones, MCCi will invoice Client for a pro-rated share of the completed portion of each milestone(s) for Deliverables performed through the date of such termination or delay. If Services are resumed or Deliverables continued, MCCi will recommence invoicing per the applicable Order.

5. Working Arrangements

All Services shall be performed remotely, unless otherwise agreed to by the Parties. If Services are to be performed on Client's premises, Client shall provide the following to MCCi Personnel: (i) a suitable and adequate work environment, including space for work and equipment for performance of the Services; (ii) access to and use of Client's facilities and relevant information, including all necessary software, hardware and documentation; (iii) timely assistance in the acquisition, or correction of any hardware or software problems that would affect the performance of Services and/or delivery of a Deliverable; and (iv) any other items set forth in the applicable Order.

Client will ensure that all Client's personnel, vendors, and/or subcontractors who may be necessary or appropriate for the successful performance of the Services and/or delivery of a Deliverable will, on reasonable notice: (i) be available to assist MCCi Personnel by answering business, technical and operational questions and providing requested documents, guidelines and procedures in a timely manner; (ii) participate in the Services as reasonably necessary for performance under an Order; and (iii) be available to assist MCCi with any other activities or tasks required to complete the Services in accordance with the Order.

6. MCCi Personnel

Neither MCCi nor its Personnel (defined below) are or shall be deemed to be employees of Client but instead are independent contractors to Client. MCCi shall be responsible for the compensation of its Personnel, in addition to any applicable employment taxes, workmen's compensation and any other taxes, insurance or provisions associated with the engagement of such Personnel.

In addition, MCCi shall be responsible for all acts or omissions of its Personnel. MCCi will not discriminate in the referral or hiring of MCCi Personnel on the bases of race, religion, sexual orientation, color, sex, age, national origin, disability that does not affect the ability for an individual to perform his or her job, or other protected categories as required by applicable state, federal, and local laws.

MCCi may utilize independent subcontractors in satisfying its obligations under this Agreement (collectively with MCCi employees "**Personnel**"). MCCi remains responsible for all acts and omissions of all Personnel.

Upon receipt of notice from Client that any MCCi Personnel is not suitable, MCCi shall remove such person from the performance of Services and will provide a qualified replacement as quickly as reasonably possible.

Unless a particular MCCi Personnel member has been identified as a key resource to the relevant Order, MCCi at its sole discretion may reassign, if and as necessary, other appropriately qualified MCCi Personnel to the relevant Order as long as such assignment will not affect MCCi's fee for the Services defined or ability to satisfy its Deliverables.

Neither Party is a legal representative of the other nor does a Party have the authority, either express or implied, to bind or obligate the other in any way.

7. Non-Solicitation

To the extent permitted by law, during the term of this Agreement and for a period of twelve (12) months thereafter, neither Party shall knowingly (i) induce or attempt to induce any then-current employee or independent contractor of the other Party to terminate his or her employment or other relationship with the non-soliciting Party or (ii) solicit or hire any former employee or independent contractor that had been employed or engaged by the non-soliciting Party during the previous twelve (12) months. Notwithstanding the foregoing, either Party may solicit for employment, offer employment to, employ, or engage as a consultant or advisor, any of the other Party's personnel who: (i) had no previous direct contact with the soliciting Party's personnel in connection with, and during the performance of, the Services hereunder, or (ii) have responded to a general, publicly-available advertisement for employment by the hiring Party (including its Affiliates), or (iii) make unsolicited approaches or inquiries to such Party (including its Affiliates) regarding employment opportunities. The current engaging Party, in its sole discretion, may waive this provision in writing for an individual. In consideration for such waiver, the soliciting Party agrees to pay a placement fee equal to fifty (50) percent of such person's new total annual compensation. This placement fee shall be due immediately upon such person's commencement of services.

8. Confidential Information

The Parties acknowledge that in the course of MCCi providing Services for Client hereunder, each may receive Confidential Information (as defined below) of the other Party. Any and all Confidential Information in any form or media obtained by a Recipient (defined below) shall be held in confidence and shall not be copied, reproduced, or disclosed to third parties for any purpose whatsoever except as necessary in connection with the performance hereunder. Each Recipient further acknowledges that it shall not use such Confidential Information for any purposes other than in connection with the activities contemplated by this Agreement. All consultants assigned by MCCi to Client will sign appropriate forms of confidentiality agreements on or prior to their start date.

"**Confidential Information**" means any and all confidential information of a Party disclosed to the other Party, including, but not limited to, research, development, proprietary software, technical information, techniques, know-how, trade secrets, processes, clients, employees, consultants, pricing information and financial and business information, plans and systems. Confidential Information shall not include information which: (i) was known to the Party receiving the information (the "**Recipient**") prior to the time of disclosure by the other Party (the "**Disclosing Party**"); (ii) at the time of disclosure is generally available to the public or after disclosure becomes generally available to the public through no breach of this Agreement or other wrongful act by the Recipient; (iii) was lawfully received by Recipient from a third party without any obligation of confidentiality; or (iv) is required to be disclosed by law or order of a court of competent jurisdiction or regulatory authority.

The obligations set forth in this Section shall survive termination of this Agreement for a period of three (3) years thereafter.

9. Intellectual Property

Unless otherwise specified in any Order, or subject to a third-party license agreement, title to all materials, products software, Services, and/or Deliverables, including, but not limited to, reports, designs, programs, specifications, documentation, manuals, visual aids, and any other materials developed and/or prepared for Client by MCCi under any Order (whether or not such Order is completed) ("**Works**"), and all interest therein shall vest in Client and shall be deemed to be a work made for hire and made in the course of the Services rendered hereunder. MCCi shall retain a non-exclusive, royalty-free, world-wide, perpetual license to use, sell, modify, distribute, and create derivative works based upon any of the foregoing Works in its information technology professional services business, provided that in so doing MCCi shall not use or disclose any Client Confidential Information or Deliverables unique to Client. To the extent that title to any such Works may not, by operation of law, vest in Client or such Works may not be considered works made for hire, all rights, title and interest therein are hereby irrevocably assigned to Client. All such Works shall belong exclusively to Client, except as set forth herein, with Client having the right to obtain and to hold in its own name, copyrights, registrations, or such other protection as may be appropriate to the subject matter, and any extensions and renewals thereof. MCCi agrees to give Client and any person designated by Client, reasonable assistance, at Client's expense, required to perfect the rights defined in this Section 9. Unless otherwise requested by Client, upon the completion of the Services to be performed under each Order or upon the earlier termination of such Order, MCCi shall promptly turn over to Client all Works and Deliverables developed pursuant to such Order, including, but not limited to, working papers, narrative descriptions, reports, and data.

Notwithstanding the foregoing, the following shall not constitute the property of Client: (i) MCCi software, including but not limited to any proprietary code (source and object), or that which is subject to third-party license agreements with MCCi; (ii) those portions of the Deliverables which include information in the public domain or which are generic ideas, concepts, know-how and techniques within

the computer design, support and consulting business generally; and (iii) those portions of the Deliverables which contain the computer consulting knowledge, techniques, tools, routines and sub-routines, utilities, know-how, methodologies and information which MCCi had prior to or acquired during the performance of its Services for Client and which do not contain any Confidential Information of Client conveyed to MCCi. Should MCCi, in performing any Services hereunder, use any computer program, code, or other materials developed by it independently of the Services provided hereunder ("**Pre-existing Work**"), MCCi shall retain any and all rights in such Pre-existing Work. MCCi hereby grants Client a paid up, world-wide, non-exclusive license to use and reproduce the Pre-existing Work for its internal business needs.

Client understands and agrees that MCCi may perform similar services for third Parties using the same Personnel that MCCi may use for rendering Services for Client hereunder, subject to MCCi's obligations respecting Client's Confidential Information pursuant to Section 8.

10. Data Privacy

In the event that MCCi, in the course of providing Services to Client, receives, stores, maintains, processes or otherwise has access to "**Personal Information**" (as defined by the State Data Protection Laws (defined below) and/or European Union Directives, and including, but not limited to, an individual's name and social security number, driver's license number or financial number) then MCCi shall safeguard this information in accordance with these laws. MCCi may disclose Personal Information for business purposes only on a need-to-know basis and only to (i) MCCi Personnel, (ii) any third-party service providers that have agreed to safeguard Personal Information in a like manner as MCCi safeguards such information, and (iii) with other entities authorized to have access to such information under applicable law or regulation. MCCi may disclose Personal Information when necessary to protect its rights and property, to enforce its terms of use and legal agreements, as required or permitted by law, or at the request of law enforcement authorities and the courts, and pursuant to a subpoena. MCCi shall have no duty to notify Client of such compliance with law. MCCi takes reasonable and appropriate measures to maintain the confidentiality and security of Personal Information and to prevent its unauthorized use or disclosure. To the extent that MCCi experiences a Security Breach as defined under the applicable State Data Protection Laws for information generated in connection with this Agreement or any Order hereto, MCCi shall notify Client in writing within five (5) business days of confirming the same.

11. Warranty

(a) General Representation and Warranty.

Client represents and warrants that it shall have all rights and licenses, including, without limitation those related to data, software and the like, of third parties, necessary or appropriate for MCCi to access or use such data and/or third-party products and agrees to produce evidence of such rights and licenses upon the reasonable request of MCCi.

(b) Services Warranty.

MCCi warrants that all Services shall be performed by personnel with relevant skill sets and familiarity with the subject matter for the Order, in a professional, competent, and workman-like manner.

MCCi's delivery of a Deliverable to Client shall constitute a representation by MCCi that it has conducted a review of the Deliverable and believes it meets the written specifications, if any, set forth in the corresponding Order. Client shall then have the right to conduct any review of the Deliverable as Client shall deem necessary or desirable. If Client, in its reasonable discretion, determines that any submitted Services or Deliverable does not meet the specifications, set forth in the applicable Order, Client shall have five (5) business days after MCCi's submission to give written notice to MCCi specifying the deficiencies in reasonable detail. MCCi shall use reasonable efforts to promptly cure any such deficiencies. After completing any such cure, MCCi shall resubmit the Deliverable for review as set forth above. Notwithstanding the foregoing, if Client fails to reject any Deliverable within five (5) business days, such Deliverable shall be deemed accepted.

MCCI DOES NOT WARRANT THAT THE SERVICES OR DELIVERABLES WILL BE UNINTERRUPTED OR ERROR-FREE, PROVIDED THAT MCCI SHALL REMAIN OBLIGATED PURSUANT TO THIS SECTION 11. IF THE SERVICES FAIL TO CONFORM TO THE FOREGOING WARRANTY IN ANY MATERIAL RESPECT OR TO THE SPECIFICATION SET FORTH IN AN ORDER, CLIENT'S INITIAL REMEDY WILL BE FOR MCCI, AT ITS EXPENSE, TO PROMPTLY USE COMMERCIALLY REASONABLE EFFORTS TO CURE OR CORRECT SUCH FAILURE. UPON FAILURE OF THE FOREGOING, CLIENT'S REMEDIES, AND MCCI'S ENTIRE LIABILITY, AS A RESULT OF SUCH FAILURE, SHALL BE SUBJECT TO THE LIMITATIONS SET FORTH IN SECTION 12 BELOW. THE FOREGOING WARRANTY IS EXPRESSLY CONDITIONED UPON (I) CLIENT PROVIDING MCCI WITH PROMPT WRITTEN NOTICE OF ANY CLAIM THEREUNDER PRIOR TO THE EXPIRATION THEREOF, WHICH NOTICE MUST IDENTIFY WITH PARTICULARITY THE NON-CONFORMITY; (II) CLIENT'S FULL COOPERATION WITH MCCI IN ALL REASONABLE RESPECTS RELATING THERETO, INCLUDING, IN THE CASE OF MODIFIED SOFTWARE, ASSISTING MCCI TO LOCATE AND REPRODUCE THE NON-CONFORMITY; AND (III) WITH RESPECT TO ANY DELIVERABLE, THE ABSENCE OF ANY ALTERATION OR OTHER MODIFICATION OF SUCH DELIVERABLE BY ANY PERSON OR ENTITY OTHER THAN MCCI. MCCI ALSO DOES NOT WARRANT ANY THIRD-PARTY PRODUCTS PROCURED ON BEHALF OF CLIENT. IF THERE ARE ANY PRODUCT WARRANTIES PROVIDED BY THE MANUFACTURER OF THE PRODUCT, ANY REMEDY SHOULD BE REQUESTED DIRECTLY FROM MANUFACTURER AND MCCi HAS NO LIABILITY ASSOCIATED THEREWITH.

EXCEPT AS EXPRESSLY PROVIDED IN THIS SECTION 11, MCCI DOES NOT MAKE OR GIVE ANY REPRESENTATION OR WARRANTY, WHETHER SUCH REPRESENTATION OR WARRANTY BE EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, QUALITY, OR FITNESS FOR A PARTICULAR PURPOSE OR ANY REPRESENTATION OR WARRANTY FROM COURSE OF DEALING OR USAGE OF TRADE.

In the event that Client asserts any claim for warranty services hereunder and such claim relates to any matter that is mutually determined by the Parties not to be MCCi's responsibility hereunder (including any problem with Client's computer hardware or software that was not caused by any Services performed by MCCi), Client shall pay MCCi for all costs incurred for all evaluation, correction or other services performed by MCCi relating to such claim on a time and materials basis at MCCi's then-standard rates.

(c) General Warranty.

MCCi shall perform the Services in compliance with all applicable federal and state laws and regulations and industry codes, including but not limited to (i) federal and state anti-kickback laws and regulations, (ii) federal and state securities laws, meaning that MCCi agrees that Client may be a publicly traded company and MCCi shall instruct MCCi Personnel that federal and state securities laws prohibit the purchase, sale, or pledge of Client stock while in possession of any material, non-public information, (iii) the Foreign Corrupt Practices Act of 1977, (iv) federal and state privacy and data protection laws, including, but not limited to, Health Insurance Portability and Accountability Act of 1996 and the Health Information Technology for Economic and Clinical Health Act (collectively, **"State Data Protection Laws"**), and (v) MCCi also represents that it uses E-Verify to verify the work authorization of all newly hired employees.

12. Indemnification and Limitation of Liability

(a) Indemnification.

MCCi shall indemnify, defend, and hold Client harmless against any loss, damage, or costs (including reasonable attorneys' fees) in connection with third party claims, demands, suits, or proceedings (**"Claims"**) to the extent caused by MCCi, for bodily injury or tangible property damage arising out of MCCi's performance within the scope of its responsibilities under this Agreement or by a third alleging that the use of any Deliverable (expressly excluding third party software and/or cloud host provider) as provided to Client under this Agreement or any Order hereto and used in accordance with this Agreement and relevant documentation, infringes any third party's intellectual property rights perfected in the United States. Notwithstanding the foregoing, MCCi shall not be required to indemnify Client to the extent the alleged infringement: (i) is based on information or requirements furnished by Client, (ii) is the result of a modification made by an entity other than MCCi, or (iii) arises from use of a Deliverable in combination with any other product or service not provided or approved in writing by MCCi. If Client is enjoined from using the Deliverable or MCCi reasonably believes that Client will be enjoined, MCCi shall have the right, at its sole option, to obtain for Client the right to continue use of the Deliverable or to replace or modify the same so that it is no longer infringing. If neither of the foregoing options is reasonably available to MCCi, then this Agreement may be terminated at either Party's option, and MCCi's sole liability shall be subject to the limitation of liability provided in this Section.

(b) Indemnification Procedure.

Client shall give MCCi (i) prompt written notice of the Claim; (ii) sole control of the defense and settlement of the Claim (provided that MCCi may not settle any Claim unless it unconditionally releases Client of all liability and does not otherwise negatively impact Client's rights, including, without limitation, those in its intellectual property); and (iii) at MCCi's cost, all reasonable assistance.

(c) Limitation of Liability.

Except for a breach of intellectual property rights, a third party's end user and/or terms of use agreement, and to the extent caused by the applicable Party:

(i) IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR SPECIAL, EXEMPLARY, INCIDENTAL, OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST REVENUES, PROFITS, SAVINGS OR BUSINESS) OR LOSS OF RECORDS OR DATA, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED TO SUCH PARTY IN ADVANCE OR COULD HAVE BEEN REASONABLY FORESEEN BY SUCH PARTY, AND WHETHER IN AN ACTION BASED ON CONTRACT, WARRANTY, STRICT LIABILITY, TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE), OR OTHERWISE. EXCEPT FOR A PARTY'S PAYMENT OBLIGATIONS; (ii) EACH PARTY'S MAXIMUM AGGREGATE LIABILITY FOR ALL CLAIMS, LOSSES, OR OTHER LIABILITY ARISING OUT OF, OR CONNECTED WITH, THIS AGREEMENT, THE SERVICES, DELIVERABLES AND/OR SOFTWARE PROVIDED HEREUNDER OR CLIENT'S USE OF ANY SUCH SERVICES, DELIVERABLES, AND/OR SOFTWARE, AND WHETHER BASED UPON CONTRACT, WARRANTY, STRICT LIABILITY, TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE), OR OTHERWISE, SHALL IN NO CASE EXCEED THE AGGREGATE AMOUNTS PAID TO MCCI BY CLIENT UNDER THE APPLICABLE ORDER, GIVING RISE TO SUCH CLAIM DURING THE LAST TWELVE (12) MONTHS.

EACH PARTY'S ENTIRE LIABILITY AND CLIENT'S REMEDIES UNDER THIS AGREEMENT SHALL BE SUBJECT TO THE LIMITATIONS CONTAINED IN THIS SECTION 12. THE LIMITATIONS ON WARRANTY AND LIABILITY SPECIFIED IN SECTIONS 11 AND 12 HEREOF WILL SURVIVE AND APPLY EVEN IF ANY LIMITED REMEDY HEREIN IS FOUND TO HAVE FAILED OF ITS ESSENTIAL PURPOSE.

The Parties acknowledge that the limitation of warranties and liabilities as set out in this Agreement are an essential basis of this Agreement and that the prices agreed to be paid by Client for Services reflect these limitations.

13. Insurance

During the term of this Agreement, MCCi shall carry, at its sole expense, insurance coverage to include at a minimum the following:

- Workers Compensation: State statutory limits and $1,000,000 employers' liability
- Comprehensive General Liability: $2,000,000 per occurrence and $4,000,000 in the aggregate
- Professional Liability and Errors & Omissions: $1,000,000 per occurrence and $3,000,000 in the aggregate
- Cyber and Technical Errors and Omissions: $3,000,000 in the aggregate

MCCi, at Client's request, will name Client as an additional insured under the Comprehensive General Liability policy. MCCi represents that Client is automatically included as an additional insured under the Errors and Omissions and Cyber and Technical Errors and Omissions policies for vicarious liability, but no modified certificate of insurance will be provided.

14. Notices

All notices, demands, and other communications required or permitted hereunder or in connection herewith shall be in writing and shall be deemed to have been duly given if delivered (including by receipt verified electronic transmission) or five (5) business days after mailed in the Continental United States by first class mail, postage prepaid, to a Party at the following address, or to such other address as such Party may hereafter specify by notice:

If to MCCi	If to Client:
MCCi, LLC	Village of Pinehurst
3717 Apalachee Parkway	395 Magnolia Road
Suite 201	Pinehurst, NC 28374
Tallahassee, FL 32311	Attn: Jason Whitaker
Attn: Legal Department	Email: jwhitaker@vopnc.org
Email: legal@mccinnovations.com	

15. Miscellaneous

(a) Third-Party EULA Provisions.

Client acknowledges that they are responsible for adhering to any third-party End User License Agreements, acceptable use policies, and/or terms and conditions or similar requirements (**"EULA"**), whether supplied by MCCi as a convenience or not, for any products procured on behalf of Client by MCCi and MCCi shall not be responsible for such products except related services provided directly by MCCi

(b) Use of Open-Source Code.

Except as disclosed in the Order, MCCi does not distribute nor otherwise use any open-source or similar software in a manner that would obligate MCCi to disclose, license, make available or distribute any of its material proprietary source code as a condition of such use. For purposes of this Agreement, "**Open Source**" shall mean any software or other Intellectual Property that is distributed or made available as "open-source software" or "free software" or is otherwise publicly distributed or made generally available in source code or equivalent form under terms that permit modification and redistribution of such software or Intellectual Property. Open Source includes, but may not be limited to, software that is licensed under the GNU General Public License, GNU Lesser General Public License, Mozilla License, Common Public License, Apache License, or BSD License, as well as all other similar "public" licenses.

(c) Client Software Customizations.

Client may choose to customize their software internally without MCCi's help. MCCi is not responsible for any damages caused by Client's customization of the software. MCCi will not be held responsible for correcting any problems that may occur from these customizations.

(d) MCCi Software Configuration Services.

Client may elect to contract with MCCi to configure Client's software. In these situations, Client acknowledges they are responsible for testing all software configurations and as such, waives any and all liability to MCCi for any damages that could be related to these software configurations.

(e) Compliance with Laws.

To the extent applicable to the Parties each Party shall comply with and give all notices required by all applicable federal, state, and local laws, ordinances, rules, regulations, and lawful orders of any public authority bearing on use of the Services, Deliverables and/or software and the performance of this Agreement.

(f) Equal Opportunity.

To the extent applicable to the Parties each shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a), and the posting requirements of 29 CFR Part 471, appendix A to subpart A, if applicable. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin.

(g) Excluded Parties List.

To the extent required by law and applicable to Client, MCCi agrees to promptly report to Client if an employee or contractor is listed by a federal agency as debarred, excluded or otherwise ineligible for participation in federally funded health care programs.

(h) Force Majeure.

If either of the Parties hereto are delayed or prevented from fulfilling any of its obligations under this Agreement by force majeure, said Parties shall not be liable under this Agreement for said delay or failure. "**Force Majeure**" means any cause beyond the reasonable control of a Party including, but not limited to, an act of God, an act or omission of civil or military authorities of a state or nation, epidemic, pandemic, fire, strike, flood, riot, war, delay of transportation, or inability due to the aforementioned causes to obtain necessary labor, materials or facilities.

(i) Audit Rights.

With reasonable notice and at a convenient location, Client will have the right to audit MCCi's records to verify the accuracy of invoicing to Client.

In addition, should any of Client's regulators legally require access to audit the Services, MCCi will, to the extent legally required by such regulators, provide access for the same. All results of such audits shall be MCCi Confidential Information.

Client shall bear all costs associated with audits.

(j) Assignment.

Neither Party may assign or otherwise transfer any of its rights, duties, or obligations under this Agreement without the prior written consent of the other Party. Either Party, however, without any requirement for prior consent by the other, may assign this Agreement and its rights hereunder to any entity who succeeds (by purchase, merger, operation of law or otherwise) to all or

substantially all of the capital stock, assets, or business of such Party, if the succeeding entity agrees in writing to assume and be bound by all of the obligations of such Party under this Agreement. This Agreement shall be binding upon and accrue to the benefit of the Parties hereto and their respective successors and permitted assignees.

(k) Modification.

This Agreement may be modified only by a written amendment executed by duly authorized officers or representatives of both Parties.

(l) Provisions Severable.

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, then such provision shall be severed from this Agreement and the remaining provisions will continue in full force.

(m) Dispute Resolution.

Should a dispute arise between MCCi and Client involving their respective responsibilities, limitations, or the working relations between the Parties under this Agreement or any Order, then the Parties will make reasonable efforts to amicably resolve the dispute. Prior to entering arbitration as set forth below, the Parties agree that any dispute will initially be referred to their senior management for resolution within ten (10) business days of receipt of notice specifying and asking for the intervention of the Parties' superiors. If the dispute is still unresolved after such ten (10) business day period, the Parties agree, at the written request of either Party, to submit the dispute to a single arbitrator for resolution by binding arbitration under the rules of the American Arbitration Association, and that any award of the arbitrator shall be enforceable under any court having jurisdiction thereof. In any such action, the Parties will bear their own costs and will share equally in the costs and fees assessed by the American Arbitration Association for its services.

(n) Interpretation.

The descriptive headings of this Agreement and of any Order under this Agreement are for convenience only and shall not affect the construction or interpretation of this Agreement. As used herein, "include" and its derivatives (including, "e.g.") shall be deemed to mean "including but not limited to." Each Party acknowledges that this Agreement has been the subject of active and complete negotiations, and that this Agreement should not be construed in favor of or against any Party by reason of the extent to which any Party or its professional advisers participated in the preparation of this Agreement.

(o) Publicity.

MCCi may use the name of Client, the existence of this Agreement and the nature of the associated services provided herein for marketing purposes, except that such use shall not include any Client Confidential Information as defined in Section 8 of this Agreement.

(p) Entire Agreement.

This Agreement and all Order(s) attached hereto constitute the complete and exclusive statement of the agreement between the Parties and supersedes all proposals, oral or written, and all other prior or contemporaneous communications between the Parties relating to the subject matter herein.

(q) Counterparts.

This Agreement may be executed in several counterparts, each of which will be deemed an original, and all of which taken together will constitute one single agreement between the Parties with the same effect as if all the signatures were upon the same instrument. The counterparts of this Agreement may be executed and delivered by facsimile or other electronic signature (including portable document format) by either of the Parties and the receiving Party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

(r) Governing Law.

This Agreement, any claim dispute or controversy hereunder (a "Dispute") will be governed by (i) the laws of the State of Florida, or (ii) if Client is a city, county, municipality or other governmental entity, the law of state where Client is located, in all cases without regard to its conflicts of law. The UN Convention for the International Sale of Goods and the Uniform Computer Information Transactions Act will not apply. In any Dispute, each Party will bear its own attorneys' fees and costs and expressly waives any statutory right to attorneys' fees.

(s) Bench Trial.

The Parties agree to waive, to the maximum extent permitted by law, any right to a jury trial with respect to any Dispute.

(t) No Class Actions.

NEITHER PARTY SHALL BE ENTITLED TO JOIN OR CONSOLIDATE CLAIMS BY OR AGAINST EACH OTHER, SUCH PARTY'S PROVIDERS, AND/OR CLIENTS, OR PURSUE ANY CLAIM AS A REPRESENTATIVE OR CLASS ACTION OR IN A PRIVATE ATTORNEY GENERAL CAPACITY.

(u) Limitation Period.

Neither Party shall be liable for any claim brought more than two (2) years after the cause of action for such claim first arose.

(Remainder of Page Intentionally Left Blank; Signature Page Follows)

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the Effective Date.

MCCi, LLC

Signed: _____

Name: _____

Title: _____

Date: _____

VILLAGE OF PINEHURST ("Client")

Signed: _____

Name: _____

Title: _____

Date: _____

395 MAGNOLIA ROAD
PINEHURST, NC 28374

TAB 7 - PRICING

PLEASE SUBMIT PRICE LIST ELECTRONICALLY VIA OUR ONLINE BONFIRE PORTAL (PRICING CAN BE SUBMITTED AS DISCOUNT OFF MSRP, COST PLUS, ETC). PRODUCTS, SERVICES, WARRANTIES, ETC. SHOULD BE INCLUDED IN PRICE LIST.

Please see the document labeled MCCi – Pricing – NCPA – 2022. Also see the summary of pricing discounts found in the table below.

NCPA 36-22 Pricing

MCCi has summarized the discounts below available through the NCPA contract. A pricing proposal for the products and services that meet your requirements can be furnished including discounts. The following is to be an overview of the available discounts.

Product Description	Discount Off MSRP	Discount off MSRP with Active SLA
Enterprise Content Management		
Laserfiche Subscription	0.00%	5.00%
Laserfiche Software	7.00%	7.00%
Laserfiche Support	0.00%	10.00%
Laserfiche Cloud Subscription	0.00%	3.00%
MCCi Subscriptions	0.00%	5.00%
Professional Services		
MCCi Professional Services	5.00%	10.00%
JustFOIA Professional Services	10.00%	10.00%
MCCi Services		
Scanning Services	5.00%	5.00%
Managed Cloud	0.00%	3.00%
MCCi Supplemental Support	10.00%	10.00%
MCCi Service Level Agreement	0.00%	10.00%
Document Process Automation		
ABBYY Subscription	5.00%	5.00%
JustFOIA Subscription	10.00%*	10.00%*
OneSpan Subscription	5.00%	5.00%

***Annual Subscriptions are subject to a 5% Annual Escalator**

D

Jason Whitaker

From: Kevin Smith <ksmith@mccinnovations.com>
Sent: Tuesday, April 30, 2024 11:35 AM
To: Jason Whitaker
Subject: RE: Meeting

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

That one is a little confusing so I'll try to explain it but am happy to jump back on a call if needed.

The 10% discount on Pro services while the SLA is in force applies to all services offered after the initial contract. For the initial contract, the discount is 5% through the Omnia Contract. However, we also added another one-time 5% discount to the Pro Services on top of the Omnia discount so you are effectively at the 10% level.

You are getting Active SLA discounts on Laserfiche licensing, MCCi Cloud hosting and all professional services. We don't discount MPASS since the hours included are already discounted at a higher level (15%).

The Training Center is not discounted with Omnia but we have included a courtesy discount of 100% of the first year cost. It is also 2nd year optional so you can decide if you want to retain it after year 1.

I think I got questions from both emails covered – let me know if you have more.

Kevin Smith
Senior Account Executive

mcci

Direct: 850.426.4328
Support: 850.701.0737
ksmith@mccinnovations.com
mccinnovations.com

MCCi Family of Brands >> Learn More

From: Jason Whitaker <jwhitaker@vopnc.org>
Sent: Tuesday, April 30, 2024 11:26 AM
To: Kevin Smith <ksmith@mccinnovations.com>
Subject: RE: Meeting

Also, what exactly does the discount with the Active SLA mean? Would we qualify since we are starting the SLA? The Laserfiche Cloud Subscription is 3% off so it looks like that is coming from the Active SLA discount. It

looks like the MCCi Professional Services discount is 10% with an Active SLA so we are trying to figure out which discount applies to us. The quote shows a 5% discount but that wouldn't be the Active SLA discount.

Clear as mud 😊 ?

Thanks Kevin.

From: Kevin Smith <ksmith@mccinnovations.com>
Sent: Tuesday, April 30, 2024 10:44 AM
To: Jason Whitaker <jwhitaker@vopnc.org>
Subject: RE: Meeting

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Jason,

Thanks for your time this morning. As a quick follow-up to our call, my sales operation team provided the page attached here, which details the Omnia discount levels. The discounts we are offering Pinehurst are the "Discount with SLA" PLUS we provided additional one-time discounts on the initial contract.

This link provides additional contract information: https://mccinnovations.com/omnia-ncpa-01-162/

If you need to, we suggest connecting with your Omnia representative and they will validate that this is our approved pricing.

Thank you,

Kevin Smith
Senior Account Executive

mcci

Direct: 850.426.4328
Support: 850.701.0737
ksmith@mccinnovations.com
mccinnovations.com

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From: Kevin Smith
Sent: Monday, April 29, 2024 8:49 AM
To: Jason Whitaker <jwhitaker@vopnc.org>
Subject: RE: Meeting

Sounds good Jason,

Document Imaging

What is Document Imaging?

Digital images of documents (Scanned or uploaded)

Provides:

- ❖ Document Versioning
- ❖ Retention policies
- ❖ Redaction functionality
- ❖ Change logs
- ❖ Integration with other applications
- ❖ Forms & Workflow
- ❖ **Quick Retrieval**

Freeing up needed space

Digital Transformation

COVID-19 Response

Charlottesville Commissioner of Revenue's COVID-19 Paperless Initiative

Laserfiche - Content Services

Florida County Health Department Overcomes Inaccessibility to Records

Scanning

Hillsboro Preserved History While Going Digital

Best Practices

MCCi Consulting Transformed The City of Fayetteville's Operations

Content Services

North Texas Municipal Water District Save $41,600 in Cabinet Space Alone

Applications & Approvals

Davie County Automated Contract Approvals

Laserfiche - Content Services

Newton County HR Kick Starts A Paperless Trend

Best Practices

How North Carolina Department of Environmental Quality Leverages Content Services to Improve Compliance

Process

- Surveyed BIRDIE Team
- Discussed and gathered requirements
- Participated in solution demos
- Field trip to experience document imaging firsthand
- Selected Laserfiche as the solution provided and implemented by MCCi
- Approved in FY24 budget
- Agreement (OMNIA Contract):
  First year total implementation/subscription - $114,305.29
  Ongoing annual fee - $68,027

Questions?

DISCUSSION AND APPROVAL OF LIBRARY DESIGN AGREEMENT AMENDMENT WITH OAKLEY COLLIER ARCHITECTS

ADDITIONAL AGENDA DETAILS:

FROM:
Doug Willardson

DATE OF MEMO:
5/8/2024

MEMO DETAILS:
Please see the attached.

ATTACHMENTS:

	Description
🗋	Memo on OCA Contract Amendment
🗋	Oakley Collier Services
🗋	Contract Amendment Form
🗋	Original OCA Agreement

Village of Pinehurst
395 Magnolia Road
Pinehurst, NC 28374
Phone: 910-295-8646
Fax: 910-295-4434

Village of Pinehurst

Memo

To: Village Council

From: Doug Willardson

CC: Village Managers

Date: May 8, 2024

Re: Oakley Collier Architects Library Design Contract Amendment

---

Typically, architectural fees are 10-12% of the overall budget of a construction project. When the Village first began negotiating with Oakley Collier Architects, there was not a firm construction budget amount and consequently it was difficult to come to an agreed upon fee for design services. To address this issue, the Village entered into an agreement with Oakley Collier Architects for $140,000 for schematic design services with the understanding that once the scope of the project was further defined and a construction budget could be developed, we would amend the contract to address payment for the remaining design services.

Attached is a memo from Oakley Collier Architects outlining the remaining fees for their work as well as an American Institute of Architects (AIA) B101-2017 amendment form to adjust for the additional compensation of $460,900. The additional $460,900 plus the original $140,000 previously paid comes to $600,900 or 10% of what we expect to be an approximately $6,000,000 project cost.

We ask Council when approving this proposal to grant authority to the Village Manager to execute the amendment on behalf of the Village.

April 15, 2024

OAKLEY COLLIER ARCHITECTS

Doug Willardson, Assistant Village Manager
Village of Pinehurst
395 Magnolia Drive
Pinehurst, NC 28374

Re: Revised Proposal for Design Services
Given Memorial Library
Pinehurst, NC

Mr. Willardson,
Oakley Collier Architects, PA is excited about continuing to work with the Village of Pinehurst on the Given Memorial Library project. We are pleased to submit this design fee proposal that outlines our project understanding, scope of work, and professional design fees for your review.

Project Understanding:
As we understand it, this is an important project for the Village of Pinehurst, as the work includes a new 9,250 SF facility for the Given Memorial Library. A Needs Assessment was performed by Oakley Collier Architects on 09/26/2023. It is expected that the new facility will provide additional collections space, children's program space, public computers, study/work areas, and general meeting space(s) for use by the public & staff.

Scope of Work:

A. Schematic Design

Schematic design phase will provide further development of the conceptual design that was created in the Programming phase. Engineering rationales and design bases will be established. Design team will conduct regular meetings among themselves and with Owner's team in this phase to review and discuss design options & details (typically, these meetings are conducted bi-weekly, or as otherwise deemed necessary).

Deliverables:
- Schematic Site Plan, colored/rendered (hard copies and digital)
- Schematic Floor Plan, colored/rendered (hard copies and digital)
- Schematic Elevation Renderings (2), colored (hard copies and digital)
- Schematic Design Set (hard copies and digital)
- Updated Project Budget & Schedule (hard copies and digital)
- Presentation to Village of Pinehurst Staff & Village Council, as deemed necessary

B. Design Development

- Further Floor Plan Development
- Complete Exterior Elevations
- Develop Engineering Designs

- Structural, Plumbing, Mechanical, Electrical
- Submission to Owner for review and approval prior to advancing to Construction Documents

C. Construction Documents

- Produce final Architectural Construction plans and details for bidding
- Produce final Engineering plans and details for bidding
- Produce Specification Manual for bidding
- Submission to Owner for review and approval prior to advancing to Bidding & Negotiation

D. Bidding & Negotiation

- Provide advertisement for bids for public bidding
- Provide plans/specifications to interested bidders
- Respond to bidders' questions during bidding phase
- Conduct pre-bid meeting approximately two (2) weeks prior to receiving bids
- Conduct formal bid opening
- Analyze construction bids and prepare recommendation to Owner
- Prepare construction contracts for award

E. Construction Administration

- Conduct Pre-Construction Conference and issue Notice to Proceed
- Provide site observation as required to observe construction progress
- Review contractor provided shop drawings for adherence to plans and specifications
- Review Contractor's application for payments
- Conduct pre-final walk through & note any punch list items
- Conduct Final walk through & note any punch list items
- Prepare a Certificate of Substantial Completion for Owner occupancy
- Coordinate project close-out documentation & materials

Separate services provided by the Owner (if required):

- Topographical surveys
- Hazardous Material Abatement
- Geotechnical & Subsurface Investigations
- Materials Testing & Special Inspections
- Commissioning
- Security Consultant
- Traffic Study

Proposed Professional Fees:

The professional fees for Phase 1 shall be as follows and are broken down by phase:

A.	Schematic Design (Structural MEP & Civil)	$36,180.00
B.	Design Development	$106,180.00
C.	Construction Documents	$185,815.00
D.	Bidding & Negotiation	$26,545.00
E.	Construction Administration	$106,180.00
		$460,900.00

*****Fee includes reimbursable expenses (prints, plots, copies, travel, etc.)

Consultants: Consulting Engineers proposed for this project:

Site/Civil Engineering:	Stocks Engineering, Nashville, NC
Structural Engineering:	Stewart Engineering, Raleigh, NC
Mechanical Electrical & Plumbing Engineering:	Atlantec Engineers, PA, Raleigh, NC

Schedule:

Upon contract approval, we can prepare a standard AIA B101-2017 Standard Form of Agreement between Architect and Owner for execution.

Doug, we are excited about working with the Village of Pinehurst on the Given Memorial Library! We can assure you that we will put forth our best efforts for you and the Village of Pinehurst.

Please contact me if you have any questions or comments regarding this proposal. We look forward to hearing from you and beginning the design process.

Regards,

Matthew R. Oakley, Principal
Oakley Collier Architects, PA

AIA® Document G802® – 2017

Amendment to the Professional Services Agreement

PROJECT: *(name and address)*
Pinehurst Library Expansion

AGREEMENT INFORMATION:
Date: 01/05/2023

AMENDMENT INFORMATION:
Amendment Number: 01
Date: 04/22/2024

OWNER: *(name and address)*
Village of Pinehurst
395 Magnolia Drive
Pinehurst, NC 28374

ARCHITECT: *(name and address)*
Oakley Collier Architects, PA
109 Candlewood Road
Rocky Mount, NC 27804

The Owner and Architect amend the Agreement as follows:
Change in scope of work for the Given Memorial Library only.

The Architect's compensation and schedule shall be adjusted as follows:

Compensation Adjustment:
$460,900.00

Schedule Adjustment:
N/A

SIGNATURES:

Oakley Collier Architects, PA	
ARCHITECT *(Firm name)*	**OWNER** *(Firm name)*
SIGNATURE	**SIGNATURE**
Tim Oakley, Principal	
PRINTED NAME AND TITLE	**PRINTED NAME AND TITLE**
04/22/2024	
DATE	**DATE**

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User Notes:
(3B9ADA46)

AIA® Document B101™ – 2017

Standard Form of Agreement Between Owner and Architect

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

BETWEEN the Architect's client identified as the Owner:

Village of Pinehurst
395 Magnolia Drive
Pinehurst, NC 28374

and the Architect:

Oakley Collier Architects, PA
109 Candlewood Road
Rocky Mount, NC 27804

for the following Project:

Pinehurst Library & Archives Expansion OCA Project # 22038
This project will be completed in phases. The first phase (Phase 1) shall be to confirm the existing conditions and spaces, programming and schematic design. Subsequent phases would be completion of building documents, bidding and contract administration. See attached proposal.

The Owner and Architect agree as follows.

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

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

Init.
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11 COMPENSATION

12 SPECIAL TERMS AND CONDITIONS

13 SCOPE OF THE AGREEMENT

ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.

(Paragraph deleted)

§ 1.1.1 The Owner's program for the Project:

(Paragraph deleted)

The current program is based on a Needs Assessment that was performed by Library IQ in 2019-2020with final results presented in 2021. OCA shall review and reevaluate the space needs and functionality of the existing library to determine a growth plan and solution for the Owner.

§ 1.1.2 The Project's physical characteristics:

(Paragraph deleted)

The current Library and Archives is located within the historic downtown area of Pinehurst in approximately 8,400 square feet.

§ 1.1.3 The Owner's budget for the Cost of the Work, as defined in Section 6.1:

To be determined.

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

.1 Design phase milestone dates, if any:

TBD

.2 Construction commencement date:

TBD

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User Notes: (1716669493)

.3 Substantial Completion date or dates:

TBD

.4 Other milestone dates:

TBD

§ 1.1.5 The Owner intends the following procurement and delivery method for the Project:

Traditional Design, Bid, Build with prequalification of bidders.

§ 1.1.6 The Owner's anticipated Sustainable Objective for the Project:

TBD

§ 1.1.6.1 If the Owner identifies a Sustainable Objective, the Owner and Architect shall complete and incorporate AIA Document E204™–2017, Sustainable Projects Exhibit, into this Agreement to define the terms, conditions and services related to the Owner's Sustainable Objective. If E204–2017 is incorporated into this agreement, the Owner and Architect shall incorporate the completed E204–2017 into the agreements with the consultants and contractors performing services or Work in any way associated with the Sustainable Objective.

§ 1.1.7 The Owner identifies the following representative in accordance with Section 5.3:

Doug Willardson, Assistant Village Manger
Village of Pinehurst
395 Magnolia Drive
Pinehurst, NC 28374
Telephone Number: (910) 295-1900
Email Address: dwillardson@vopnc.org

§ 1.1.8 The persons or entities, in addition to the Owner's representative, who are required to review the Architect's submittals to the Owner are as follows:

N/A

§ 1.1.9 The Owner shall retain the following consultants and contractors:

.1 Geotechnical Engineer:

TBD

(Paragraphs deleted)

.2 Surveyor:

(Paragraphs deleted)

TBD

§ 1.1.10 The Architect identifies the following representative in accordance with Section 2.3:

Tim Oakley, Principal Ann Collier, Principal Matt Oakley, Principal
Oakley Collier Architects, PA
109 Candlewood Road

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Rocky Mount, NC 27804
Telephone Number: (252) 937-2500
Email Address: toakley@oakleycollier.com , acollier@oakleycollier.com ,mattoakley@oakleycollier.com

§ 1.1.11 The Architect shall retain the consultants identified in Sections 1.1.11.1 and 1.1.11.2:

§ 1.1.11.1 Consultants retained under Basic Services:

.1 Structural Engineer:

Stewart Engineering
223 S West Street, Suite 1100
Raleigh, NC 27603
(919) 380-8750

.2 Mechanical Engineer:

Atlantec Engineering
3221 Blue Ridge Road # 113
Raleigh, NC 27612
(919) 571-1111

.3 Electrical Engineer:

Atlantec Engineering
3221 Blue Ridge Road # 113
Raleigh, NC 27612
(919) 571-1111

.4 Site/Civil Engineer:

The Wooten Company
120 N Boylan Avenue
Raleigh, NC 27603
(919) 828-0531

§ 1.1.11.2 Consultants retained under Supplemental Services:

N/A

§ 1.1.12 Other Initial Information on which the Agreement is based:

N/A

§ 1.2 The Owner and Architect may rely on the Initial Information. Both parties, however, recognize that the Initial Information may materially change and, in that event, the Owner and the Architect shall appropriately adjust the Architect's services, schedule for the Architect's services, and the Architect's compensation. The Owner shall adjust the Owner's budget for the Cost of the Work and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

§ 1.3 The parties shall agree upon protocols governing the transmission and use of Instruments of Service or any other information or documentation in digital form. The parties will use AIA Document E203™–2013, Building

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Information Modeling and Digital Data Exhibit, to establish the protocols for the development, use, transmission, and exchange of digital data.

§ 1.3.1 Any use of, or reliance on, all or a portion of a building information model without agreement to protocols governing the use of, and reliance on, the information contained in the model and without having those protocols set forth in AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, and the requisite AIA Document G202™–2013, Project Building Information Modeling Protocol Form, shall be at the using or relying party's sole risk and without liability to the other party and its contractors or consultants, the authors of, or contributors to, the building information model, and each of their agents and employees.

ARTICLE 2 ARCHITECT'S RESPONSIBILITIES

§ 2.1 The Architect shall provide professional services as set forth in this Agreement. The Architect represents that it is properly licensed in the jurisdiction where the Project is located to provide the services required by this Agreement, or shall cause such services to be performed by appropriately licensed design professionals.

§ 2.2 The Architect shall perform its services consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances. The Architect shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project.

§ 2.3 The Architect shall identify a representative authorized to act on behalf of the Architect with respect to the Project.

§ 2.4 Except with the Owner's knowledge and consent, the Architect shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Architect's professional judgment with respect to this Project.

§ 2.5 The Architect shall maintain the following insurance until termination of this Agreement. If any of the requirements set forth below are in addition to the types and limits the Architect normally maintains, the Owner shall pay the Architect as set forth in Section 11.9.

§ 2.5.1 Commercial General Liability with policy limits of not less than one million dollars ($ 1,000,000.00) for each occurrence and two million dollars ($ 2,000,000.00) in the aggregate for bodily injury and property damage.

§ 2.5.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Architect with policy limits of not less than one million dollars ($ 1,000,000.00) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 2.5.3 The Architect may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required under Sections 2.5.1 and 2.5.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 2.5.4 Workers' Compensation at statutory limits.

§ 2.5.5 Employers' Liability with policy limits not less than one million dollars ($ 1,000,000.00) each accident, one million dollars ($ 1,000,000.00) each employee, and one million dollars ($ 1,000,000.00) policy limit.

§ 2.5.6 Professional Liability covering negligent acts, errors and omissions in the performance of professional services with policy limits of not less than two million dollars ($ 2,000,000.00) per claim and two million dollars ($ 2,000,000.00) in the aggregate.

§ 2.5.7 Additional Insured Obligations. To the fullest extent permitted by law, the Architect shall cause the primary and excess or umbrella polices for Commercial General Liability and Automobile Liability to include the Owner as an

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additional insured for claims caused in whole or in part by the Architect's negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies and shall apply to both ongoing and completed operations.

§ 2.5.8 The Architect shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 2.5.

ARTICLE 3 SCOPE OF ARCHITECT'S BASIC SERVICES

§ 3.1 The Architect's Basic Services consist of those described in this Article 3 and include usual and customary structural, mechanical, and electrical engineering services. Services not set forth in this Article 3 are Supplemental or Additional Services.

§ 3.1.1 The Architect shall manage the Architect's services, research applicable design criteria, attend Project meetings, communicate with members of the Project team, and report progress to the Owner.

§ 3.1.2 The Architect shall coordinate its services with those services provided by the Owner and the Owner's consultants. The Architect shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of, services and information furnished by the Owner and the Owner's consultants. The Architect shall provide prompt written notice to the Owner if the Architect becomes aware of any error, omission, or inconsistency in such services or information.

§ 3.1.3 As soon as practicable after the date of this Agreement, the Architect shall submit for the Owner's approval a schedule for the performance of the Architect's services. The schedule initially shall include anticipated dates for the commencement of construction and for Substantial Completion of the Work as set forth in the Initial Information. The schedule shall include allowances for periods of time required for the Owner's review, for the performance of the Owner's consultants, and for approval of submissions by authorities having jurisdiction over the Project. Once approved by the Owner, time limits established by the schedule shall not, except for reasonable cause, be exceeded by the Architect or Owner. With the Owner's approval, the Architect shall adjust the schedule, if necessary, as the Project proceeds until the commencement of construction.

§ 3.1.4 The Architect shall not be responsible for an Owner's directive or substitution, or for the Owner's acceptance of non-conforming Work, made or given without the Architect's written approval.

§ 3.1.5 The Architect shall contact governmental authorities required to approve the Construction Documents and entities providing utility services to the Project. The Architect shall respond to applicable design requirements imposed by those authorities and entities.

§ 3.1.6 The Architect shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

§ 3.2 Schematic Design Phase Services Phase 1

§ 3.2.1 The Architect shall review the program and other information furnished by the Owner, and shall review laws, codes, and regulations applicable to the Architect's services.

§ 3.2.2 The Architect shall prepare a preliminary evaluation of the Owner's program, schedule, budget for the Cost of the Work, Project site, the proposed procurement and delivery method, and other Initial Information, each in terms of the other, to ascertain the requirements of the Project. The Architect shall notify the Owner of (1) any inconsistencies discovered in the information, and (2) other information or consulting services that may be reasonably needed for the Project.

§ 3.2.3 The Architect shall present its preliminary evaluation to the Owner and shall discuss with the Owner alternative approaches to design and construction of the Project. The Architect shall reach an understanding with the Owner regarding the requirements of the Project.

§ 3.2.4 Based on the Project requirements agreed upon with the Owner, the Architect shall prepare and present, for the Owner's approval, a preliminary design illustrating the scale and relationship of the Project components.

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§ 3.2.5 Based on the Owner's approval of the preliminary design, the Architect shall prepare Schematic Design Documents for the Owner's approval. The Schematic Design Documents shall consist of drawings and other documents including a site plan, if appropriate, and preliminary building plans, sections and elevations; and may include some combination of study models, perspective sketches, or digital representations. Preliminary selections of major building systems and construction materials shall be noted on the drawings or described in writing.

§ 3.2.5.1 The Architect shall consider sustainable design alternatives, such as material choices and building orientation, together with other considerations based on program and aesthetics, in developing a design that is consistent with the Owner's program, schedule and budget for the Cost of the Work. The Owner may obtain more advanced sustainable design services as a Supplemental Service under Section 4.1.1.

§ 3.2.5.2 The Architect shall consider the value of alternative materials, building systems and equipment, together with other considerations based on program and aesthetics, in developing a design for the Project that is consistent with the Owner's program, schedule, and budget for the Cost of the Work.

§ 3.2.6 The Architect shall submit to the Owner an estimate of the Cost of the Work prepared in accordance with Section 6.3.

§ 3.2.7 The Architect shall submit the Schematic Design Documents to the Owner, and request the Owner's approval.

§ 3.3 Design Development Phase Services Phase 2

§ 3.3.1 Based on the Owner's approval of the Schematic Design Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Design Development Documents for the Owner's approval. The Design Development Documents shall illustrate and describe the development of the approved Schematic Design Documents and shall consist of drawings and other documents including plans, sections, elevations, typical construction details, and diagrammatic layouts of building systems to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, and other appropriate elements. The Design Development Documents shall also include outline specifications that identify major materials and systems and establish, in general, their quality levels.

§ 3.3.2 The Architect shall update the estimate of the Cost of the Work prepared in accordance with Section 6.3.

§ 3.3.3 The Architect shall submit the Design Development Documents to the Owner, advise the Owner of any adjustments to the estimate of the Cost of the Work, and request the Owner's approval.

§ 3.4 Construction Documents Phase Services Phase 2

§ 3.4.1 Based on the Owner's approval of the Design Development Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Construction Documents for the Owner's approval. The Construction Documents shall illustrate and describe the further development of the approved Design Development Documents and shall consist of Drawings and Specifications setting forth in detail the quality levels and performance criteria of materials and systems and other requirements for the construction of the Work. The Owner and Architect acknowledge that, in order to perform the Work, the Contractor will provide additional information, including Shop Drawings, Product Data, Samples and other similar submittals, which the Architect shall review in accordance with Section 3.6.4.

§ 3.4.2 The Architect shall incorporate the design requirements of governmental authorities having jurisdiction over the Project into the Construction Documents.

§ 3.4.3 During the development of the Construction Documents, the Architect shall assist the Owner in the development and preparation of (1) procurement information that describes the time, place, and conditions of bidding, including bidding or proposal forms; (2) the form of agreement between the Owner and Contractor; and (3) the Conditions of the Contract for Construction (General, Supplementary and other Conditions). The Architect shall also compile a project manual that includes the Conditions of the Contract for Construction and Specifications, and may include bidding requirements and sample forms.

§ 3.4.4 The Architect shall update the estimate for the Cost of the Work prepared in accordance with Section 6.3.

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§ 3.4.5 The Architect shall submit the Construction Documents to the Owner, advise the Owner of any adjustments to the estimate of the Cost of the Work, take any action required under Section 6.5, and request the Owner's approval.

§ 3.5 Procurement Phase Services Phase 2

§ 3.5.1 General

The Architect shall assist the Owner in establishing a list of prospective contractors. Following the Owner's approval of the Construction Documents, the Architect shall assist the Owner in (1) obtaining either competitive bids or negotiated proposals; (2) confirming responsiveness of bids or proposals; (3) determining the successful bid or proposal, if any; and, (4) awarding and preparing contracts for construction.

§ 3.5.2 Competitive Bidding Phase 2

§ 3.5.2.1 Bidding Documents shall consist of bidding requirements and proposed Contract Documents.

§ 3.5.2.2 The Architect shall assist the Owner in bidding the Project by:

.1 facilitating the distribution of Bidding Documents to prospective bidders;

.2 organizing and conducting a pre-bid conference for prospective bidders;

.3 preparing responses to questions from prospective bidders and providing clarifications and interpretations of the Bidding Documents to the prospective bidders in the form of addenda; and,

.4 organizing and conducting the opening of the bids, and subsequently documenting and distributing the bidding results, as directed by the Owner.

§ 3.5.2.3 If the Bidding Documents permit substitutions, upon the Owner's written authorization, the Architect shall, as an Additional Service, consider requests for substitutions and prepare and distribute addenda identifying approved substitutions to all prospective bidders.

(Paragraphs deleted)

§ 3.6 Construction Phase Services Phase 2

§ 3.6.1 General

§ 3.6.1.1 The Architect shall provide administration of the Contract between the Owner and the Contractor as set forth below and in AIA Document A201™–2017, General Conditions of the Contract for Construction. If the Owner and Contractor modify AIA Document A201–2017, those modifications shall not affect the Architect's services under this Agreement unless the Owner and the Architect amend this Agreement.

§ 3.6.1.2 The Architect shall advise and consult with the Owner during the Construction Phase Services. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement. The Architect shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, nor shall the Architect be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect shall be responsible for the Architect's negligent acts or omissions, but shall not have control over or charge of, and shall not be responsible for, acts or omissions of the Contractor or of any other persons or entities performing portions of the Work.

§ 3.6.1.3 Subject to Section 4.2 and except as provided in Section 3.6.6.5, the Architect's responsibility to provide Construction Phase Services commences with the award of the Contract for Construction and terminates on the date the Architect issues the final Certificate for Payment.

§ 3.6.2 Evaluations of the Work Phase 2

§ 3.6.2.1 The Architect shall visit the site at intervals appropriate to the stage of construction, or as otherwise required in Section 4.2.3, to become generally familiar with the progress and quality of the portion of the Work completed, and to determine, in general, if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of the site visits, the Architect shall keep the Owner reasonably informed about the progress and quality of the portion of the Work completed, and promptly report to the Owner (1) known deviations from the Contract Documents, (2) known deviations from the most recent construction schedule submitted by the Contractor, and (3) defects and deficiencies observed in the Work.

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

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

§ 3.6.2.4 Interpretations and decisions of the Architect shall be consistent with the intent of, and reasonably inferable from, the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and decisions, the Architect shall endeavor to secure faithful performance by both Owner and Contractor, shall not show partiality to either, and shall not be liable for results of interpretations or decisions rendered in good faith. The Architect's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents.

§ 3.6.2.5 Unless the Owner and Contractor designate another person to serve as an Initial Decision Maker, as that term is defined in AIA Document A201–2017, the Architect shall render initial decisions on Claims between the Owner and Contractor as provided in the Contract Documents.

§ 3.6.3 Certificates for Payment to Contractor Phase 2

§ 3.6.3.1 The Architect shall review and certify the amounts due the Contractor and shall issue certificates in such amounts. The Architect's certification for payment shall constitute a representation to the Owner, based on the Architect's evaluation of the Work as provided in Section 3.6.2 and on the data comprising the Contractor's Application for Payment, that, to the best of the Architect's knowledge, information and belief, the Work has progressed to the point indicated, the quality of the Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment in the amount certified. The foregoing representations are subject to (1) an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, (2) results of subsequent tests and inspections, (3) correction of minor deviations from the Contract Documents prior to completion, and (4) specific qualifications expressed by the Architect.

§ 3.6.3.2 The issuance of a Certificate for Payment shall not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and suppliers and other data requested by the Owner to substantiate the Contractor's right to payment, or (4) ascertained how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

§ 3.6.3.3 The Architect shall maintain a record of the Applications and Certificates for Payment.

§ 3.6.4 Submittals Phase 2

§ 3.6.4.1 The Architect shall review the Contractor's submittal schedule and shall not unreasonably delay or withhold approval of the schedule. The Architect's action in reviewing submittals shall be taken in accordance with the approved submittal schedule or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time, in the Architect's professional judgment, to permit adequate review.

§ 3.6.4.2 The Architect shall review and approve, or take other appropriate action upon, the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. Review of such submittals is not for the purpose of determining the accuracy and completeness of other information such as dimensions, quantities, and installation or performance of equipment or systems, which are the Contractor's responsibility. The Architect's review shall not constitute approval of safety precautions or construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

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§ 3.6.4.3 If the Contract Documents specifically require the Contractor to provide professional design services or certifications by a design professional related to systems, materials, or equipment, the Architect shall specify the appropriate performance and design criteria that such services must satisfy. The Architect shall review and take appropriate action on Shop Drawings and other submittals related to the Work designed or certified by the Contractor's design professional, provided the submittals bear such professional's seal and signature when submitted to the Architect. The Architect's review shall be for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect shall be entitled to rely upon, and shall not be responsible for, the adequacy and accuracy of the services, certifications, and approvals performed or provided by such design professionals.

§ 3.6.4.4 Subject to Section 4.2, the Architect shall review and respond to requests for information about the Contract Documents. The Architect shall set forth, in the Contract Documents, the requirements for requests for information. Requests for information shall include, at a minimum, a detailed written statement that indicates the specific Drawings or Specifications in need of clarification and the nature of the clarification requested. The Architect's response to such requests shall be made in writing within any time limits agreed upon, or otherwise with reasonable promptness. If appropriate, the Architect shall prepare and issue supplemental Drawings and Specifications in response to the requests for information.

§ 3.6.4.5 The Architect shall maintain a record of submittals and copies of submittals supplied by the Contractor in accordance with the requirements of the Contract Documents.

§ 3.6.5 Changes in the Work Phase 2

§ 3.6.5.1 The Architect may order minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. Subject to Section 4.2, the Architect shall prepare Change Orders and Construction Change Directives for the Owner's approval and execution in accordance with the Contract Documents.

§ 3.6.5.2 The Architect shall maintain records relative to changes in the Work.

§ 3.6.6 Project Completion Phase 2

§ 3.6.6.1 The Architect shall:

.1 conduct inspections to determine the date or dates of Substantial Completion and the date of final completion;

.2 issue Certificates of Substantial Completion;

.3 forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract Documents and received from the Contractor; and,

.4 issue a final Certificate for Payment based upon a final inspection indicating that, to the best of the Architect's knowledge, information, and belief, the Work complies with the requirements of the Contract Documents.

§ 3.6.6.2 The Architect's inspections shall be conducted with the Owner to check conformance of the Work with the requirements of the Contract Documents and to verify the accuracy and completeness of the list submitted by the Contractor of Work to be completed or corrected.

§ 3.6.6.3 When Substantial Completion has been achieved, the Architect shall inform the Owner about the balance of the Contract Sum remaining to be paid the Contractor, including the amount to be retained from the Contract Sum, if any, for final completion or correction of the Work.

§ 3.6.6.4 The Architect shall forward to the Owner the following information received from the Contractor: (1) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment; (2) affidavits, receipts, releases and waivers of liens, or bonds indemnifying the Owner against liens; and (3) any other documentation required of the Contractor under the Contract Documents.

§ 3.6.6.5 Upon request of the Owner, and prior to the expiration of one year from the date of Substantial Completion, the Architect shall, without additional compensation, conduct a meeting with the Owner to review the facility operations and performance.

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ARTICLE 4 SUPPLEMENTAL AND ADDITIONAL SERVICES

§ 4.1 Supplemental Services

§ 4.1.1 The services listed below are not included in Basic Services but may be required for the Project. The Architect shall provide the listed Supplemental Services only if specifically designated in the table below as the Architect's responsibility, and the Owner shall compensate the Architect as provided in Section 11.2. Unless otherwise specifically addressed in this Agreement, if neither the Owner nor the Architect is designated, the parties agree that the listed Supplemental Service is not being provided for the Project.

(Designate the Architect's Supplemental Services and the Owner's Supplemental Services required for the Project by indicating whether the Architect or Owner shall be responsible for providing the identified Supplemental Service. Insert a description of the Supplemental Services in Section 4.1.2 below or attach the description of services as an exhibit to this Agreement.)

Supplemental Services	Responsibility *(Architect, Owner, or not provided)*
§ 4.1.1.1 Programming	Architect (Basic Services)
§ 4.1.1.2 Multiple preliminary designs	Architect (Basic Services)
§ 4.1.1.3 Measured drawings	Not Provided
§ 4.1.1.4 Existing facilities surveys	Architect (Basic Services)
§ 4.1.1.5 Site evaluation and planning	Architect (Basic Services)
§ 4.1.1.6 Building Information Model management responsibilities	Architect (Basic Services)
§ 4.1.1.7 Development of Building Information Models for post construction use	Not Provided
§ 4.1.1.8 Civil engineering	Architect (Basic Services)
§ 4.1.1.9 Landscape design Phase 2	Architect (Basic Services)
§ 4.1.1.10 Architectural interior design Phase 2	Architect
§ 4.1.1.11 Value analysis	Not Provided
§ 4.1.1.12 Detailed cost estimating beyond that required in Section 6.3	Not Provided
§ 4.1.1.13 On-site project representation Phase 2	Architect (Basic Services)
§ 4.1.1.14 Conformed documents for construction	Not Provided
§ 4.1.1.15 As-designed record drawings	Not Provided
§ 4.1.1.16 As-constructed record drawings	Not Provided
§ 4.1.1.17 Post-occupancy evaluation	Not Provided
§ 4.1.1.18 Facility support services	Not Provided
§ 4.1.1.19 Tenant-related services	Not Provided
§ 4.1.1.20 Architect's coordination of the Owner's consultants Phase 2	Architect (Basic Services)
§ 4.1.1.21 Telecommunications/data design	Owner
§ 4.1.1.22 Security evaluation and planning	Owner
§ 4.1.1.23 Commissioning	Not Provided
§ 4.1.1.24 Sustainable Project Services pursuant to Section 4.1.3	Not Provided
§ 4.1.1.25 Fast-track design services	Not Provided
§ 4.1.1.26 Multiple bid packages	Not Provided
§ 4.1.1.27 Historic preservation	Not Provided
§ 4.1.1.28 Furniture, furnishings, and equipment design	Owner
§ 4.1.1.29 Other services provided by specialty Consultants	Architect
§ 4.1.1.30 Other Supplemental Services	Architect

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Supplemental Services	Responsibility *(Architect, Owner, or not provided)*

§ 4.1.2 Description of Supplemental Services

§ 4.1.2.1 A description of each Supplemental Service identified in Section 4.1.1 as the Architect's responsibility is provided below.

See Exhibit A

§ 4.1.2.2 A description of each Supplemental Service identified in Section 4.1.1 as the Owner's responsibility is provided below.

See Exhibit B

§ 4.1.3 If the Owner identified a Sustainable Objective in Article 1, the Architect shall provide, as a Supplemental Service, the Sustainability Services required in AIA Document E204™–2017, Sustainable Projects Exhibit, attached to this Agreement. The Owner shall compensate the Architect as provided in Section 11.2.

§ 4.2 Architect's Additional Services

The Architect may provide Additional Services after execution of this Agreement without invalidating the Agreement. Except for services required due to the fault of the Architect, any Additional Services provided in accordance with this Section 4.2 shall entitle the Architect to compensation pursuant to Section 11.3 and an appropriate adjustment in the Architect's schedule.

§ 4.2.1 Upon recognizing the need to perform the following Additional Services, the Architect shall notify the Owner with reasonable promptness and explain the facts and circumstances giving rise to the need. The Architect shall not proceed to provide the following Additional Services until the Architect receives the Owner's written authorization:

- **.1** Services necessitated by a change in the Initial Information, previous instructions or approvals given by the Owner, or a material change in the Project including size, quality, complexity, the Owner's schedule or budget for Cost of the Work, or procurement or delivery method;
- **.2** Services necessitated by the enactment or revision of codes, laws, or regulations, including changing or editing previously prepared Instruments of Service;
- **.3** Changing or editing previously prepared Instruments of Service necessitated by official interpretations of applicable codes, laws or regulations that are either (a) contrary to specific interpretations by the applicable authorities having jurisdiction made prior to the issuance of the building permit, or (b) contrary to requirements of the Instruments of Service when those Instruments of Service were prepared in accordance with the applicable standard of care;
- **.4** Services necessitated by decisions of the Owner not rendered in a timely manner or any other failure of performance on the part of the Owner or the Owner's consultants or contractors;
- **.5** Preparing digital models or other design documentation for transmission to the Owner's consultants and contractors, or to other Owner-authorized recipients;
- **.6** Preparation of design and documentation for alternate bid or proposal requests proposed by the Owner;
- **.7** Preparation for, and attendance at, a public presentation, meeting or hearing;
- **.8** Preparation for, and attendance at, a dispute resolution proceeding or legal proceeding, except where the Architect is party thereto;
- **.9** Evaluation of the qualifications of entities providing bids or proposals;
- **.10** Consultation concerning replacement of Work resulting from fire or other cause during construction; or,
- **.11** Assistance to the Initial Decision Maker, if other than the Architect.

§ 4.2.2 To avoid delay in the Construction Phase, the Architect shall provide the following Additional Services, notify the Owner with reasonable promptness, and explain the facts and circumstances giving rise to the need. If, upon receipt of the Architect's notice, the Owner determines that all or parts of the services are not required, the Owner shall give prompt written notice to the Architect of the Owner's determination. The Owner shall compensate the Architect for the services provided prior to the Architect's receipt of the Owner's notice.

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.1 Reviewing a Contractor's submittal out of sequence from the submittal schedule approved by the Architect;

.2 Responding to the Contractor's requests for information that are not prepared in accordance with the Contract Documents or where such information is available to the Contractor from a careful study and comparison of the Contract Documents, field conditions, other Owner-provided information, Contractor-prepared coordination drawings, or prior Project correspondence or documentation;

.3 Preparing Change Orders and Construction Change Directives that require evaluation of Contractor's proposals and supporting data, or the preparation or revision of Instruments of Service;

.4 Evaluating an extensive number of Claims as the Initial Decision Maker; or,

.5 Evaluating substitutions proposed by the Owner or Contractor and making subsequent revisions to Instruments of Service resulting therefrom.

§ 4.2.3 The Architect shall provide Construction Phase Services exceeding the limits set forth below as Additional Services. When the limits below are reached, the Architect shall notify the Owner:

.1 Two (2) reviews of each Shop Drawing, Product Data item, sample and similar submittals of the Contractor

.2 Weekly ( ) visits to the site by the Architect during construction

.3 Two (2) inspections for any portion of the Work to determine whether such portion of the Work is substantially complete in accordance with the requirements of the Contract Documents

.4 Two (2) inspections for any portion of the Work to determine final completion.

§ 4.2.4 Except for services required under Section 3.6.6.5 and those services that do not exceed the limits set forth in Section 4.2.3, Construction Phase Services provided more than 60 days after (1) the date of Substantial Completion of the Work or (2) the initial date of Substantial Completion identified in the agreement between the Owner and Contractor, whichever is earlier, shall be compensated as Additional Services to the extent the Architect incurs additional cost in providing those Construction Phase Services.

§ 4.2.5 If the services covered by this Agreement have not been completed within twenty four (24) months of the date of this Agreement, through no fault of the Architect, extension of the Architect's services beyond that time shall be compensated as Additional Services.

ARTICLE 5 OWNER'S RESPONSIBILITIES

§ 5.1 Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on the Project, including a written program, which shall set forth the Owner's objectives; schedule; constraints and criteria, including space requirements and relationships; flexibility; expandability; special equipment; systems; and site requirements.

§ 5.2 The Owner shall establish the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1; (2) the Owner's other costs; and, (3) reasonable contingencies related to all of these costs. The Owner shall update the Owner's budget for the Project as necessary throughout the duration of the Project until final completion. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Architect. The Owner and the Architect shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 5.3 The Owner shall identify a representative authorized to act on the Owner's behalf with respect to the Project. The Owner shall render decisions and approve the Architect's submittals in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Architect's services.

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

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

§ 5.6 The Owner shall provide the Supplemental Services designated as the Owner's responsibility in Section 4.1.1.

§ 5.7 If the Owner identified a Sustainable Objective in Article 1, the Owner shall fulfill its responsibilities as required in AIA Document E204™–2017, Sustainable Projects Exhibit, attached to this Agreement.

§ 5.8 The Owner shall coordinate the services of its own consultants with those services provided by the Architect. Upon the Architect's request, the Owner shall furnish copies of the scope of services in the contracts between the Owner and the Owner's consultants. The Owner shall furnish the services of consultants other than those designated as the responsibility of the Architect in this Agreement, or authorize the Architect to furnish them as an Additional Service, when the Architect requests such services and demonstrates that they are reasonably required by the scope of the Project. The Owner shall require that its consultants and contractors maintain insurance, including professional liability insurance, as appropriate to the services or work provided.

§ 5.9 The Owner shall furnish tests, inspections and reports required by law or the Contract Documents, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

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

§ 5.11 The Owner shall provide prompt written notice to the Architect if the Owner becomes aware of any fault or defect in the Project, including errors, omissions or inconsistencies in the Architect's Instruments of Service.

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

§ 5.13 Before executing the Contract for Construction, the Owner shall coordinate the Architect's duties and responsibilities set forth in the Contract for Construction with the Architect's services set forth in this Agreement. The Owner shall provide the Architect a copy of the executed agreement between the Owner and Contractor, including the General Conditions of the Contract for Construction.

§ 5.14 The Owner shall provide the Architect access to the Project site prior to commencement of the Work and shall obligate the Contractor to provide the Architect access to the Work wherever it is in preparation or progress.

§ 5.15 Within 15 days after receipt of a written request from the Architect, the Owner shall furnish the requested information as necessary and relevant for the Architect to evaluate, give notice of, or enforce lien rights.

ARTICLE 6 COST OF THE WORK

§ 6.1 For purposes of this Agreement, the Cost of the Work shall be the total cost to the Owner to construct all elements of the Project designed or specified by the Architect and shall include contractors' general conditions costs, overhead and profit. The Cost of the Work also includes the reasonable value of labor, materials, and equipment, donated to, or otherwise furnished by, the Owner. The Cost of the Work does not include the compensation of the Architect; the costs of the land, rights-of-way, financing, or contingencies for changes in the Work; or other costs that are the responsibility of the Owner.

§ 6.2 The Owner's budget for the Cost of the Work is provided in Initial Information, and shall be adjusted throughout the Project as required under Sections 5.2, 6.4 and 6.5. Evaluations of the Owner's budget for the Cost of the Work, and the preliminary estimate of the Cost of the Work and updated estimates of the Cost of the Work, prepared by the Architect, represent the Architect's judgment as a design professional. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials, or equipment; the Contractor's methods of determining bid prices; or competitive bidding, market, or negotiating conditions. Accordingly, the Architect cannot

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and does not warrant or represent that bids or negotiated prices will not vary from the Owner's budget for the Cost of the Work, or from any estimate of the Cost of the Work, or evaluation, prepared or agreed to by the Architect.

§ 6.3 In preparing estimates of the Cost of Work, the Architect shall be permitted to include contingencies for design, bidding, and price escalation; to determine what materials, equipment, component systems, and types of construction are to be included in the Contract Documents; to recommend reasonable adjustments in the program and scope of the Project; and to include design alternates as may be necessary to adjust the estimated Cost of the Work to meet the Owner's budget. The Architect's estimate of the Cost of the Work shall be based on current area, volume or similar conceptual estimating techniques. If the Owner requires a detailed estimate of the Cost of the Work, the Architect shall provide such an estimate, if identified as the Architect's responsibility in Section 4.1.1, as a Supplemental Service.

§ 6.4 If, through no fault of the Architect, the Procurement Phase has not commenced within 90 days after the Architect submits the Construction Documents to the Owner, the Owner's budget for the Cost of the Work shall be adjusted to reflect changes in the general level of prices in the applicable construction market.

§ 6.5 If at any time the Architect's estimate of the Cost of the Work exceeds the Owner's budget for the Cost of the Work, the Architect shall make appropriate recommendations to the Owner to adjust the Project's size, quality, or budget for the Cost of the Work, and the Owner shall cooperate with the Architect in making such adjustments.

§ 6.6 If the Owner's budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services is exceeded by the lowest bona fide bid or negotiated proposal, the Owner shall

- **.1** give written approval of an increase in the budget for the Cost of the Work;
- **.2** authorize rebidding or renegotiating of the Project within a reasonable time;
- **.3** terminate in accordance with Section 9.5;
- **.4** in consultation with the Architect, revise the Project program, scope, or quality as required to reduce the Cost of the Work; or,
- **.5** implement any other mutually acceptable alternative.

§ 6.7 If the Owner chooses to proceed under Section 6.6.4, the Architect shall modify the Construction Documents as necessary to comply with the Owner's budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services, or the budget as adjusted under Section 6.6.1. If the Owner requires the Architect to modify the Construction Documents because the lowest bona fide bid or negotiated proposal exceeds the Owner's budget for the Cost of the Work due to market conditions the Architect could not reasonably anticipate, the Owner shall compensate the Architect for the modifications as an Additional Service pursuant to Section 11.3; otherwise the Architect's services for modifying the Construction Documents shall be without additional compensation. In any event, the Architect's modification of the Construction Documents shall be the limit of the Architect's responsibility under this Article 6.

ARTICLE 7 COPYRIGHTS AND LICENSES

§ 7.1 The Architect and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project.

§ 7.2 The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Architect and the Architect's consultants.

§ 7.3 The Architect grants to the Owner a nonexclusive license to use the Architect's Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner substantially performs its obligations under this Agreement, including prompt payment of all sums due pursuant to Article 9 and Article 11. The Architect shall obtain similar nonexclusive licenses from the Architect's consultants consistent with this Agreement. The license granted under this section permits the Owner to authorize the Contractor, Subcontractors, Sub-subcontractors, and suppliers, as well as the Owner's consultants and separate contractors, to reproduce applicable portions of the Instruments of Service, subject to any protocols established pursuant to Section 1.3, solely and exclusively for use in performing services or construction for the Project. If the

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Architect rightfully terminates this Agreement for cause as provided in Section 9.4, the license granted in this Section 7.3 shall terminate.

§ 7.3.1 In the event the Owner uses the Instruments of Service without retaining the authors of the Instruments of Service, the Owner releases the Architect and Architect's consultant(s) from all claims and causes of action arising from such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless the Architect and its consultants from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner's use of the Instruments of Service under this Section 7.3.1. The terms of this Section 7.3.1 shall not apply if the Owner rightfully terminates this Agreement for cause under Section 9.4.

§ 7.4 Except for the licenses granted in this Article 7, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. Any unauthorized use of the Instruments of Service shall be at the Owner's sole risk and without liability to the Architect and the Architect's consultants.

§ 7.5 Except as otherwise stated in Section 7.3, the provisions of this Article 7 shall survive the termination of this Agreement.

ARTICLE 8 CLAIMS AND DISPUTES

§ 8.1 General

§ 8.1.1 The Owner and Architect shall commence all claims and causes of action against the other and arising out of or related to this Agreement, whether in contract, tort, or otherwise, in accordance with the requirements of the binding dispute resolution method selected in this Agreement and within the period specified by applicable law, but in any case not more than 10 years after the date of Substantial Completion of the Work. The Owner and Architect waive all claims and causes of action not commenced in accordance with this Section 8.1.1.

§ 8.1.2 To the extent damages are covered by property insurance, the Owner and Architect waive all rights against each other and against the contractors, consultants, agents, and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A201–2017, General Conditions of the Contract for Construction. The Owner or the Architect, as appropriate, shall require of the contractors, consultants, agents, and employees of any of them, similar waivers in favor of the other parties enumerated herein.

§ 8.1.3 The Architect and Owner waive consequential damages for claims, disputes, or other matters in question, arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination of this Agreement, except as specifically provided in Section 9.7.

§ 8.2 Mediation

§ 8.2.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to binding dispute resolution. If such matter relates to or is the subject of a lien arising out of the Architect's services, the Architect may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by binding dispute resolution.

§ 8.2.2 The Owner and Architect shall endeavor to resolve claims, disputes and other matters in question between them by mediation, which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of this Agreement. A request for mediation shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint or other appropriate demand for binding dispute resolution but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this section, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

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§ 8.2.3 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 8.2.4 If the parties do not resolve a dispute through mediation pursuant to this Section 8.2, the method of binding dispute resolution shall be the following:

[ ] Arbitration pursuant to Section 8.3 of this Agreement

[X] Litigation in a court of competent jurisdiction

[ ] Other: *(Specify)*

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

(Paragraphs deleted)

ARTICLE 9 TERMINATION OR SUSPENSION

§ 9.1 If the Owner fails to make payments to the Architect in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Architect's option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, the Architect shall give seven days' written notice to the Owner before suspending services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Owner shall pay the Architect all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.2 If the Owner suspends the Project, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

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

§ 9.4 Either party may terminate this Agreement upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

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

§ 9.6 If the Owner terminates this Agreement for its convenience pursuant to Section 9.5, or the Architect terminates this Agreement pursuant to Section 9.3, the Owner shall compensate the Architect for services performed prior to termination, Reimbursable Expenses incurred, and costs attributable to termination, including the costs attributable to the Architect's termination of consultant agreements.

§ 9.7 In addition to any amounts paid under Section 9.6, if the Owner terminates this Agreement for its convenience pursuant to Section 9.5, or the Architect terminates this Agreement pursuant to Section 9.3, the Owner shall pay to the Architect the following fees:

.1 Termination Fee:

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N/A

.2 Licensing Fee if the Owner intends to continue using the Architect's Instruments of Service:

N/A

§ 9.8 Except as otherwise expressly provided herein, this Agreement shall terminate one year from the date of Substantial Completion.

§ 9.9 The Owner's rights to use the Architect's Instruments of Service in the event of a termination of this Agreement are set forth in Article 7 and Section 9.7.

ARTICLE 10 MISCELLANEOUS PROVISIONS

§ 10.1 This Agreement shall be governed by the law of the place where the Project is located, excluding that jurisdiction's choice of law rules. If the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 8.3.

§ 10.2 Terms in this Agreement shall have the same meaning as those in AIA Document A201–2017, General Conditions of the Contract for Construction.

§ 10.3 The Owner and Architect, respectively, bind themselves, their agents, successors, assigns, and legal representatives to this Agreement. Neither the Owner nor the Architect shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner's rights and obligations under this Agreement, including any payments due to the Architect by the Owner prior to the assignment.

§ 10.4 If the Owner requests the Architect to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least 14 days prior to the requested dates of execution. If the Owner requests the Architect to execute consents reasonably required to facilitate assignment to a lender, the Architect shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to the Architect for review at least 14 days prior to execution. The Architect shall not be required to execute certificates or consents that would require knowledge, services, or responsibilities beyond the scope of this Agreement.

§ 10.5 Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against either the Owner or Architect.

§ 10.6 Unless otherwise required in this Agreement, the Architect shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

§ 10.7 The Architect shall have the right to include photographic or artistic representations of the design of the Project among the Architect's promotional and professional materials. The Architect shall be given reasonable access to the completed Project to make such representations. However, the Architect's materials shall not include the Owner's confidential or proprietary information if the Owner has previously advised the Architect in writing of the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Architect in the Owner's promotional materials for the Project. This Section 10.7 shall survive the termination of this Agreement unless the Owner terminates this Agreement for cause pursuant to Section 9.4.

§ 10.8 If the Architect or Owner receives information specifically designated as "confidential" or "business proprietary," the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except as set forth in Section 10.8.1. This Section 10.8 shall survive the termination of this Agreement.

§ 10.8.1 The receiving party may disclose "confidential" or "business proprietary" information after 7 days' notice to the other party, when required by law, arbitrator's order, or court order, including a subpoena or other form of compulsory legal process issued by a court or governmental entity, or to the extent such information is reasonably necessary for the receiving party to defend itself in any dispute. The receiving party may also disclose such information to its employees, consultants, or contractors in order to perform services or work solely and exclusively

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for the Project, provided those employees, consultants and contractors are subject to the restrictions on the disclosure and use of such information as set forth in this Section 10.8.

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

ARTICLE 11 COMPENSATION

§ 11.1 For the Architect's Basic Services described under Article 3, the Owner shall compensate the Architect as follows:

Stipulated Sum

(Paragraphs deleted)

$140,000.00

§ 11.2 For the Architect's Supplemental Services designated in Section 4.1.1 and for any Sustainability Services required pursuant to Section 4.1.3, the Owner shall compensate the Architect as follows:

N/A

§ 11.3 For Additional Services that may arise during the course of the Project, including those under Section 4.2, the Owner shall compensate the Architect as follows:

Hourly Bill Rates:	
Principal:	$325.00
Sr. Designer:	$275.00
Project Manager:	$225.00
Construction Administrator:	$200.00
Senior BIM Tech:	$175.00
Junior BIM Tech:	$150.00
Administration:	$120.00

§ 11.4 Compensation for Supplemental and Additional Services of the Architect's consultants when not included in Section 11.2 or 11.3, shall be the amount invoiced to the Architect plus

(Paragraphs deleted)

twenty percent (20 %), or as follows:

§ 11.5 When compensation for Basic Services is based on a stipulated sum or a percentage basis, the proportion of compensation for each phase of services shall be as follows:

Existing Conditions Documentation		Four	percent (	4	%)
Programming Phase		Fourteen	percent (	14	%)
Schematic Design		Eighty two	percent (	82	%)
(Rows deleted)					
Total Basic Compensation	one hundred	percent (		100	%)
(Row deleted)					

(Row deleted)

§ 11.6 When compensation identified in Section 11.1 is on a percentage basis, progress payments for each phase of Basic Services shall be calculated by multiplying the percentages identified in this Article by the Owner's most recent

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budget for the Cost of the Work. Compensation paid in previous progress payments shall not be adjusted based on subsequent updates to the Owner's budget for the Cost of the Work.

§ 11.6.1 When compensation is on a percentage basis and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions. The Architect shall be entitled to compensation in accordance with this Agreement for all services performed whether or not the Construction Phase is commenced.

§ 11.7 The hourly billing rates for services of the Architect and the Architect's consultants are set forth below. The rates shall be adjusted in accordance with the Architect's and Architect's consultants' normal review practices.

Hourly Bill Rates:	
Principal:	$325.00
Sr. Designer:	$275.00
Project Manager:	$225.00
Construction Administrator:	$200.00
Senior BIM Tech:	$175.00
Junior BIM Tech:	$150.00
Administration:	$120.00

(Table deleted)

§ 11.8 Compensation for Reimbursable Expenses

§ 11.8.1 Reimbursable Expenses are in addition to compensation for Basic, Supplemental, and Additional Services and include expenses incurred by the Architect and the Architect's consultants directly related to the Project, as follows:

.1 Transportation and authorized out-of-town travel and subsistence;
.2 Fees required by authorities having jurisdiction over the Project;
.3 Printing, reproductions, plots, and standard form documents;
.4 Postage, handling, and delivery;

(Paragraph deleted)

.5 Renderings, physical models, mock-ups, professional photography, and presentation materials requested by the Owner or required for the Project;

(Paragraphs deleted)

.6 Other similar Project-related expenditures.

§ 11.8.2 For Reimbursable Expenses the compensation shall be the expenses incurred by the Architect and the Architect's consultants plus twenty percent (20 %) of the expenses incurred.

§ 11.9 Architect's Insurance. If the types and limits of coverage required in Section 2.5 are in addition to the types and limits the Architect normally maintains, the Owner shall pay the Architect for the additional costs incurred by the Architect for the additional coverages as set forth below:

N/A

§ 11.10 Payments to the Architect

§ 11.10.1 Initial Payments

§ 11.10.1.1 An initial payment of zero ($ 0) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner's account in the final invoice.

§ 11.10.1.2 If a Sustainability Certification is part of the Sustainable Objective, an initial payment to the Architect of ($) shall be made upon execution of this Agreement for registration fees and other fees payable to the Certifying Authority and necessary to achieve the Sustainability Certification. The Architect's payments to the Certifying Authority shall be credited to the Owner's account at the time the expense is incurred.

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§ 11.10.2 Progress Payments

§ 11.10.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Architect's invoice. Amounts unpaid thirty (30) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Architect.

1.5% % monthly

§ 11.10.2.2 The Owner shall not withhold amounts from the Architect's compensation to impose a penalty or liquidated damages on the Architect, or to offset sums requested by or paid to contractors for the cost of changes in the Work, unless the Architect agrees or has been found liable for the amounts in a binding dispute resolution proceeding.

§ 11.10.2.3 Records of Reimbursable Expenses, expenses pertaining to Supplemental and Additional Services, and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times.

ARTICLE 12 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Agreement are as follows:

N/A

ARTICLE 13 SCOPE OF THE AGREEMENT

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

§ 13.2 This Agreement is comprised of the following documents identified below:

.1 AIA Document B101™–2017, Standard Form Agreement Between Owner and Architect

.2

(Paragraphs deleted)

Other documents:

AIA D401: Certification of Document's Authenticity
Certificate of Insurace
Exhibit A- Summary of Architect's Supplemental Services

(Paragraphs deleted)

Exhibit B- Summary of Owner's Supplemental Services
Proposal

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

OWNER *(Signature)*	**ARCHITECT** *(Signature)*
Jeffrey M. Sanborn, Village Manager	Timothy D Oakley
(Printed name and title)	*(Printed name, title, and license number, if required)*

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

Sheila Edmonds 1/18/23
DATE

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AIA® Document B101™ – 2017

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PAGE 1

~~(Name, legal status, address and other information)~~
Village of Pinehurst
395 Magnolia Drive
Pinehurst, NC 28374

...

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

Oakley Collier Architects, PA
109 Candlewood Road
Rocky Mount, NC 27804

...

~~(Name, location and detailed description)~~
Pinehurst Library & Archives Expansion OCA Project # 22038
This project will be completed in phases. The first phase (Phase 1) shall be to confirm the existing conditions and spaces, programming and schematic design. Subsequent phases would be completion of building documents, bidding and contract administration. See attached proposal.

PAGE 2

~~*(For each item in this section, insert the information or a statement such as "not applicable" or "unknown at time of execution.")*~~

...

~~*(Insert the Owner's program, identify documentation that establishes the Owner's program, or state the manner in which the program will be developed.)*~~

The current program is based on a Needs Assessment that was performed by Library IQ in 2019-2020with final results presented in 2021. OCA shall review and reevaluate the space needs and functionality of the existing library to determine a growth plan and solution for the Owner.

...

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

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The current Library and Archives is located within the historic downtown area of Pinehurst in approximately 8,400 square feet.

...

~~(Provide total and, if known, a line item breakdown.)~~

To be determined.

...

TBD

...

TBD

PAGE 3

TBD

...

TBD

...

~~(Identify method such as competitive bid or negotiated contract, as well as any requirements for accelerated or fast-track design and construction, multiple bid packages, or phased construction.)~~
Traditional Design, Bid, Build with prequalification of bidders.

...

~~(Identify and describe the Owner's Sustainable Objective for the Project, if any.)~~
TBD

...

~~(List name, address, and other contact information.)~~
Doug Willardson, Assistant Village Manger
Village of Pinehurst
395 Magnolia Drive
Pinehurst, NC 28374
Telephone Number: (910) 295-1900
Email Address: dwillardson@vopnc.org

...

~~(List name, address, and other contact information.)~~
N/A

...

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

...

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TBD

~~.2 Civil Engineer:~~.2 Surveyor:

~~.3 Other, if any:~~
~~*(List any other consultants and contractors retained by the Owner.)*~~
TBD

...

~~(List name, address, and other contact information.)~~
Tim Oakley, Principal Ann Collier, Principal Matt Oakley, Principal
Oakley Collier Architects, PA
109 Candlewood Road
Rocky Mount, NC 27804
Telephone Number: (252) 937-2500
Email Address: toakley@oakleycollier.com , acollier@oakleycollier.com ,mattoakley@oakleycollier.com
PAGE 4

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

...

Stewart Engineering
223 S West Street, Suite 1100
Raleigh, NC 27603
(919) 380-8750

...

Atlantec Engineering
3221 Blue Ridge Road # 113
Raleigh, NC 27612
(919) 571-1111

...

Atlantec Engineering
3221 Blue Ridge Road # 113
Raleigh, NC 27612
(919) 571-1111

.4 Site/Civil Engineer:

The Wooten Company

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120 N Boylan Avenue
Raleigh, NC 27603
(919) 828-0531

...

N/A

...

N/A

PAGE 5

§ 2.5.1 Commercial General Liability with policy limits of not less than one million dollars ($ 1,000,000.00) for each occurrence and two million dollars ($ 2,000,000.00) in the aggregate for bodily injury and property damage.

§ 2.5.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Architect with policy limits of not less than one million dollars ($ 1,000,000.00) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

...

§ 2.5.5 Employers' Liability with policy limits not less than one million dollars ($ 1,000,000.00) each accident, one million dollars ($ 1,000,000.00) each employee, and one million dollars ($ 1,000,000.00) policy limit.

§ 2.5.6 Professional Liability covering negligent acts, errors and omissions in the performance of professional services with policy limits of not less than two million dollars ($ 2,000,000.00) per claim and two million dollars ($ 2,000,000.00) in the aggregate.

PAGE 6

§ 3.2 Schematic Design Phase Services Phase 1

PAGE 7

§ 3.3 Design Development Phase Services Phase 2

...

§ 3.4 Construction Documents Phase Services Phase 2

PAGE 8

§ 3.5 Procurement Phase Services Phase 2

...

§ 3.5.2 Competitive Bidding Phase 2

...

~~**§ 3.5.3 Negotiated Proposals**~~

~~**§ 3.5.3.1** Proposal Documents shall consist of proposal requirements and proposed Contract Documents.~~

~~**§ 3.5.3.2** The Architect shall assist the Owner in obtaining proposals by:~~

~~.1 facilitating the distribution of Proposal Documents for distribution to prospective contractors and requesting their return upon completion of the negotiation process;~~

~~.2 organizing and participating in selection interviews with prospective contractors;~~

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~~.3 preparing responses to questions from prospective contractors and providing clarifications and interpretations of the Proposal Documents to the prospective contractors in the form of addenda; and,~~

~~.4 participating in negotiations with prospective contractors, and subsequently preparing a summary report of the negotiation results, as directed by the Owner.~~

~~§ 3.5.3.3 If the Proposal Documents permit substitutions, upon the Owner's written authorization, the Architect shall, as an Additional Service, consider requests for substitutions and prepare and distribute addenda identifying approved substitutions to all prospective contractors.~~

§ 3.6 Construction Phase Services Phase 2

...

§ 3.6.2 Evaluations of the Work Phase 2
PAGE 9

§ 3.6.3 Certificates for Payment to Contractor Phase 2

...

§ 3.6.4 Submittals Phase 2
PAGE 10

§ 3.6.5 Changes in the Work Phase 2

...

§ 3.6.6 Project Completion Phase 2
PAGE 11

§ 4.1.1.1 Programming	Architect (Basic Services)
§ 4.1.1.2 Multiple preliminary designs	Architect (Basic Services)
§ 4.1.1.3 Measured drawings	Not Provided
§ 4.1.1.4 Existing facilities surveys	Architect (Basic Services)
§ 4.1.1.5 Site evaluation and planning	Architect (Basic Services)
§ 4.1.1.6 Building Information Model management responsibilities	Architect (Basic Services)
§ 4.1.1.7 Development of Building Information Models for post construction use	Not Provided
§ 4.1.1.8 Civil engineering	Architect (Basic Services)
§ 4.1.1.9 Landscape design Phase 2	Architect (Basic Services)
§ 4.1.1.10 Architectural interior design Phase 2	Architect
§ 4.1.1.11 Value analysis	Not Provided
§ 4.1.1.12 Detailed cost estimating beyond that required in Section 6.3	Not Provided
§ 4.1.1.13 On-site project representation Phase 2	Architect (Basic Services)
§ 4.1.1.14 Conformed documents for construction	Not Provided
§ 4.1.1.15 As-designed record drawings	Not Provided
§ 4.1.1.16 As-constructed record drawings	Not Provided
§ 4.1.1.17 Post-occupancy evaluation	Not Provided
§ 4.1.1.18 Facility support services	Not Provided
§ 4.1.1.19 Tenant-related services	Not Provided

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§ 4.1.1.20 Architect's coordination of the Owner's consultants Phase 2	Architect (Basic Services)
§ 4.1.1.21 Telecommunications/data design	Owner
§ 4.1.1.22 Security evaluation and planning	Owner
§ 4.1.1.23 Commissioning	Not Provided
§ 4.1.1.24 Sustainable Project Services pursuant to Section 4.1.3	Not Provided
§ 4.1.1.25 Fast-track design services	Not Provided
§ 4.1.1.26 Multiple bid packages	Not Provided
§ 4.1.1.27 Historic preservation	Not Provided
§ 4.1.1.28 Furniture, furnishings, and equipment design	Owner
§ 4.1.1.29 Other services provided by specialty Consultants	Architect
§ 4.1.1.30 Other Supplemental Services	Architect

PAGE 12

~~(Describe in detail the Architect's Supplemental Services identified in Section 4.1.1 or, if set forth in an exhibit, identify the exhibit. The AIA publishes a number of Standard Form of Architect's Services documents that can be included as an exhibit to describe the Architect's Supplemental Services.)~~
See Exhibit A

...

~~(Describe in detail the Owner's Supplemental Services identified in Section 4.1.1 or, if set forth in an exhibit, identify the exhibit.)~~
See Exhibit B

PAGE 13

.1 Two (2) reviews of each Shop Drawing, Product Data item, sample and similar submittals of the Contractor
.2 Weekly ( ) visits to the site by the Architect during construction
.3 Two (2) inspections for any portion of the Work to determine whether such portion of the Work is substantially complete in accordance with the requirements of the Contract Documents
.4 Two (2) inspections for any portion of the Work to determine final completion.

...

§ 4.2.5 If the services covered by this Agreement have not been completed within twenty four (24) months of the date of this Agreement, through no fault of the Architect, extension of the Architect's services beyond that time shall be compensated as Additional Services.

PAGE 17

~~(Check the appropriate box.)~~

...

[X] Litigation in a court of competent jurisdiction

...

~~**§ 8.3 Arbitration**~~
~~**§ 8.3.1** If the parties have selected arbitration as the method for binding dispute resolution in this Agreement, any claim, dispute or other matter in question arising out of or related to this Agreement subject to, but not resolved by, mediation shall be subject to arbitration, which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules in effect on the~~

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~~date of this Agreement. A demand for arbitration shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the arbitration.~~

~~§ 8.3.1.1 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the claim, dispute or other matter in question would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the claim, dispute or other matter in question.~~

~~§ 8.3.2 The foregoing agreement to arbitrate, and other agreements to arbitrate with an additional person or entity duly consented to by parties to this Agreement, shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof.~~

~~§ 8.3.3 The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.~~

~~§ 8.3.4 Consolidation or Joinder~~
~~§ 8.3.4.1 Either party, at its sole discretion, may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation; (2) the arbitrations to be consolidated substantially involve common questions of law or fact; and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).~~

~~§ 8.3.4.2 Either party, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.~~

~~§ 8.3.4.3 The Owner and Architect grant to any person or entity made a party to an arbitration conducted under this Section 8.3, whether by joinder or consolidation, the same rights of joinder and consolidation as the Owner and Architect under this Agreement.~~

~~§ 8.4 The provisions of this Article 8 shall survive the termination of this Agreement.~~

...

~~(Set forth below the amount of any termination or licensing fee, or the method for determining any termination or licensing fee.)~~
PAGE 18

N/A

...

N/A

PAGE 19

~~.1~~ Stipulated Sum
~~*(Insert amount)*~~

~~.2 Percentage Basis~~
~~*(Insert percentage value)*~~

~~( )% of the Owner's budget for the Cost of the Work, as calculated in accordance with Section 11.6.~~

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~~.3 Other~~

~~*(Describe the method of compensation)*~~

$140,000.00

...

~~(Insert amount of, or basis for, compensation. If necessary, list specific services to which particular methods of compensation apply.)~~

N/A

...

~~(Insert amount of, or basis for, compensation.)~~

Hourly Bill Rates:

Principal:	$325.00
Sr. Designer:	$275.00
Project Manager:	$225.00
Construction Administrator:	$200.00
Senior BIM Tech:	$175.00
Junior BIM Tech:	$150.00
Administration:	$120.00

...

§ 11.4 Compensation for Supplemental and Additional Services of the Architect's consultants when not included in Section 11.2 or 11.3, shall be the amount invoiced to the Architect plus ~~percent (%), or as follows:~~

~~*(Insert amount of, or basis for computing, Architect's consultants' compensation for Supplemental or Additional Services.)*~~

twenty percent (20 %), or as follows:

...

Existing Conditions Documentation	Four	percent (	4	%)
Programming Phase	Fourteen	percent (	14	%)
Schematic Design~~Phase~~	Eighty two	percent (	82	%)
~~Design Development Phase~~		~~percent (~~		~~%)~~
~~Construction Documents Phase~~		~~percent (~~		~~%)~~
~~Procurement Phase~~Total Basic Compensation	one hundred	percent (	100	%)
~~Construction Phase~~		~~percent (~~		~~%)~~
~~Total Basic Compensation~~	~~one hundred~~	~~percent (~~	~~100~~	~~%)~~

PAGE 20

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

Hourly Bill Rates:

Principal:	$325.00
Sr. Designer:	$275.00
Project Manager:	$225.00
Construction Administrator:	$200.00
Senior BIM Tech:	$175.00
Junior BIM Tech:	$150.00
Administration:	$120.00

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...

~~Employee or Category~~ ~~Rate ($0.00)~~

...

~~.2 Long distance services, dedicated data and communication services, teleconferences, Project web sites, and extranets;~~

~~.3 Permitting and other fees~~ Fees required by authorities having jurisdiction over the Project;

~~.4~~ .3 Printing, reproductions, plots, and standard form documents;

~~.5~~ .4 Postage, handling, and delivery;

~~.6 Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner;~~

~~.7~~ .5 Renderings, physical models, mock-ups, professional photography, and presentation materials requested by the Owner or required for the Project;

~~.8 If required by the Owner, and with the Owner's prior written approval, the Architect's consultants' expenses of professional liability insurance dedicated exclusively to this Project, or the expense of additional insurance coverage or limits in excess of that normally maintained by the Architect's consultants;~~

~~.9 All taxes levied on professional services and on reimbursable expenses;~~

~~.10 Site office expenses;~~

~~.11 Registration fees and any other fees charged by the Certifying Authority or by other entities as necessary to achieve the Sustainable Objective; and,~~

~~.12~~ .6 Other similar Project-related expenditures.

§ 11.8.2 For Reimbursable Expenses the compensation shall be the expenses incurred by the Architect and the Architect's consultants plus twenty percent (20 %) of the expenses incurred.

...

~~(Insert the additional coverages the Architect is required to obtain in order to satisfy the requirements set forth in Section 2.5, and for which the Owner shall reimburse the Architect.)~~
N/A

...

§ 11.10.1.1 An initial payment of zero ($ 0) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner's account in the final invoice.
PAGE 21

§ 11.10.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Architect's invoice. Amounts unpaid thirty (30) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Architect.
~~(Insert rate of monthly or annual interest agreed upon.)~~

1.5% % monthly

...

~~(Include other terms and conditions applicable to this Agreement.)~~
N/A

...

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User Notes: (1716669493)

.2 ~~AIA Document E203™ 2013, Building Information Modeling and Digital Data Exhibit, dated as indicated below:~~

~~*(Insert the date of the E203-2013 incorporated into this agreement.)*~~

.3 ~~Exhibits:~~Other documents:

~~(Check the appropriate box for any exhibits incorporated into this Agreement.)~~

~~[ ] AIA Document E204™ 2017, Sustainable Projects Exhibit, dated as indicated below:~~AIA D401: Certification of Document's Authenticity

~~(Insert the date of the E204-2017 incorporated into this agreement.)~~Certificate of Insurace

Exhibit A- Summary of Architect's Supplemental Services

~~[ ] Other Exhibits incorporated into this Agreement:~~

~~(Clearly identify any other exhibits incorporated into this Agreement, including any exhibits and scopes of services identified as exhibits in Section 4.1.2.)~~Exhibit B- Summary of Owner's Supplemental Services

Proposal

~~.4 Other documents:~~

~~*(List other documents, if any, forming part of the Agreement.)*~~

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Certification of Document's Authenticity

AIA® Document D401™ – 2003

I, TIMOTHY D OAKLEY, hereby certify, to the best of my knowledge, information and belief, that I created the attached final document simultaneously with its associated Additions and Deletions Report and this certification at 16:05:19 ET on 01/05/2023 under Order No. 2114298453 from AIA Contract Documents software and that in preparing the attached final document I made no changes to the original text of AIA® Document B101™ – 2017, Standard Form of Agreement Between Owner and Architect, as published by the AIA in its software, other than those additions and deletions shown in the associated Additions and Deletions Report.

(Signed)

Principal

(Title)

01/05/2023

(Dated)

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User Notes: (1716669493)

OAKLEY COLLIER ARCHITECTS

AIA Document B101-2017: Exhibit A
Description of Supplemental Services

SUMMARY OF ARCHITECT'S SUPPLEMENTAL SERVICES
AIA Contract Document B101-2017

Article 4.1.2 – Description of Supplemental Services: The following descriptions apply to the services identified in Article 4.1.1 – Supplemental Services, & as identified as being provided by the "Architect".

4.1.1.1 - Programming: (Included in Basic Services)
Programming services shall include the following items:

- Meeting with owner and staff to determine functionality requirements for project;
- Preparation of a Space Planning Summary, to include all spaces required by Owner & User group, with anticipated square footages associated with each space. Space Planning Summary shall also assign a grossing factor (%) to the total net square footage to accommodate support services for the building. Support services include items such as toilets, circulation, wall thicknesses, mechanical / electrical rooms, etc.
- Project Budget development based on square footages determined by Space Planning Summary and anticipated site development costs. Project budget development shall also include estimated costs associated with project development and completion. Estimated costs include design fees, contingency, furniture & equipment, and other project associated soft costs.
- All provided programming information developed will be reviewed and approved by Owner prior to moving forward with the preliminary design concept.

4.1.1.2- Multiple Preliminary Designs: (Included in Basic Services)
The Architect shall provide preliminary design options as necessary to satisfy the Owner's program. Multiple options may be required based on Owner's feed back during Schematic Design phase.

4.1.1.4-Existing Facilities Surveys: (Included in Basic Services)
The Architect shall assess the condition of the existing building and the suitability of the building to be remodeled/expanded to meet future needs.

4.1.1.5- Site Evaluation and Planning: (Included in Basic Services)
The Architect shall provide evaluation of a 3.92-acre parcel for development of a 35.13-acre tract. This evaluation shall establish the limits of the building site as well as a future road adjacent to the building site.

4.1.1.6 – Building Information Modeling (BIM) Management Responsibilities: (Included in Basic Services)
The architect will utilize building information modeling (BIM) through REVIT software and shall be responsible for providing models to the consulting engineering firms, for their use in production of final construction plans.

4.1.1.8 – Civil Engineering: (Included in Basic Services)

Civil engineering shall include site design, stormwater design, site grading and drainage design, site utilities design and appropriate details required for each. Civil engineering does NOT include topographical surveys, geotechnical engineering or payment of state & local permits that may be required by regulatory agencies. See below for description of these supplemental services.

4.1.1.9- Landscape Design: (Included in Basic Services)
Landscape Design shall include the design of and specifications for landscaping on the project site to meet the requirements of local jurisdictions and zoning ordinances. The Landscape design shall be included in the bid documents.

4.1.1.10- Architectural Interior Design: **(Not included in Basic Services)** **Cost of Service: $8,500.00**
Interior finish selection shall be prepared by the Architect. These selections will be limited to: Flooring, walls, ceilings, paint, millwork, hardware, exterior wall finishes, storefront and roofing.

4.1.1.13- On-Site Project Representation: (Included in Basic Services)
This service is provided by RD Guide 27 Attachment # 1, Article 3.6 Construction Phase Services, and as this project is of limited scope and complexity, this service is being provided on a regular basis in accordance with Article 3.6.2 of this Agreement. Also see Waiver letter dated 05/09/2022.

4.1.1.20- Architect's Coordination of the Owner's Consultants: (Included in Basic Services)
The Architect will coordinate with the Owner's Dental Equipment and Xray equipment supplier. The plans shall include mechanical, plumbing, and electrical as specified by the Owner's consultants.

4.1.1.29-Other Services provided by specialty consultants: Additional Compensation is noted for each additional service.

A. Geotechnical Investigation **Cost of Service: $9,6.00**
The Architect shall contract with geotechnical engineering firm to provide subsurface investigation and report of findings for the project.

B. Topographical Survey (Based on 3 Acres): **Cost of Service: $14,500.00**

AIA Document B101-2017: Exhibit B
Description of Supplemental Services

SUMMARY OF OWNER'S SUPPLEMENTAL SERVICES
AIA Contract Document B101-2017

Article 4.1.2 – Description of Supplemental Services: The following descriptions apply to the services identified in Article 4.1.1 – Supplemental Services, & as identified as being provided by the "Owner".

4.1.1.21 – Telecommunications/Data Design:
The Owner shall select and employ a telecommunications & data vendor for the design, purchase, and installation of IT-related items. The architect shall provide raceway and electrical outlet design for all IT-related items and coordination with Owner's consultant as part of their basic services.

4.1.1.22 – Security Evaluation and Planning:
The Owner shall select and employ a security vendor for the design, purchase, and installation of all security-related items (ie, camera systems, security equipment, etc). The architect shall provide coordination with Owner's security consultant as part of their basic services.

4.1.1.28 – Furniture, Furnishings, and Equipment Design:
The Owner shall select and employ furniture / equipment vendor(s) as necessary for the project. The architect shall provide coordination with the Owner's furniture / equipment vendor as part of their basic services.

December 6, 2022

OAKLEY COLLIER ARCHITECTS

Doug Willardson, Assistant Village Manager
Village of Pinehurst
395 Magnolia Drive
Pinehurst, NC 28374

Re: Revised Proposal for Design Services
Given Memorial Library & Tufts Archives
Pinehurst, NC

Mr. Willardson,
Oakley Collier Architects, PA is excited about continuing to work with the Village of Pinehurst on the Given Memorial Library & Tufts Archives expansion project. We are pleased to submit this design fee proposal that outlines our project understanding, scope of work, and professional design fees for your review.

Project Understanding:
As we understand it, this is an important project for the Village of Pinehurst, as the work includes expansion for both the Given Memorial Library as well as the Tufts Archives, both of which are currently located in one facility with limited space. A Needs Assessment was performed by Library IQ in 2019-2020, with final results presented in early 2021. Because this work was initiated during the COVID pandemic, it will be essential to re-evaluate how the recommendations may have changed. Nonetheless, it is expected that expansion of the facility will be required to provide additional collections space, children's program space, public computers, study/work areas, and general meeting space(s) for use by the public & staff. The Design team shall meet with Library and Village staff to prepare an updated Program Space Summary, which shall be the basis for design of new/expanded facilities.

It is the desire of the owner to conduct the project in phases. The first Phase is confirming existing conditions and spaces, programming and schematic design. Subsequent phases would be completion of building documents, bidding and contract administration.

Scope of Work:
Our team will provide the following design services & deliverables for the project in Phase 1. All deliverables will be provided per Village of Pinehurst standards. We will not move forward into the next phase until the Village has had an opportunity to review and approve the work completed to date.

A. Design Phases & Deliverables:
Existing Conditions Documentation: The OCA team will use the Matterport Camera & software to confirm existing conditions and spaces, along with on-site walkthrough documentation by the team. This documentation will be conducted in conjunction with the programming process to provide a valid base file for conceptual sketching, architectural and engineering design & detailing.

Deliverables: Existing Floor Plan
Existing Spaces documentation/walkthrough

REVIT Base Model

B. Programming:

Programming phase includes review and updates to the Village of Pinehurst Library Needs Assessment (prepared by Library IQ) based on individual meetings with user groups and project stakeholders. Information sessions with public users may be included as part of this process as well. The Programming process will validate the current needs and goals for the project. We can typically accomplish this work with (3) user group/stakeholder meetings, including initial interviews, conceptual design reviews and confirmation of program summary. Meeting with the Owner's team to review programming deliverables is also included in this phase.

Deliverables: Comprehensive Program Summary (net/gross SF)
Conceptual Floor Plan
Conceptual Site Plan
Conceptual Project Budget, based on Program SF

C. Schematic Design

Schematic design phase will provide further development of the conceptual blocking diagram created in the Programming phase. Engineering rationales and design bases will be established. Design team will conduct regular meetings among themselves and with Owner's team in this phase to review and discuss design options & details (typically, these meetings are conducted bi-weekly, or as otherwise deemed necessary).

Deliverables: Schematic Site Plan, colored/rendered (hard copies and digital)
Schematic Floor Plan, colored/rendered (hard copies and digital)
Schematic Elevation Renderings (2), colored (hard copies and digital)
Schematic Design Set (hard copies and digital)
Updated Project Budget & Schedule (hard copies and digital)
Presentation to Village of Pinehurst Staff & Village Council, as deemed necessary

D. Separate services provided by the Owner (if required):

- Topographical surveys
- Hazardous Material Abatement
- Geotechnical & Subsurface Investigations
- Materials Testing & Special Inspections
- Commissioning
- Security Consultant
- Traffic Study

Proposed Project Budget:

We understand that the first phase of the project will be to develop the program, Schematic design and a budget to present to the Village of Pinehurst for approval. Once a budget has been established that is based on the work of Phase 1, OCA shall submit a proposal for the completion of the subsequent phases of the design, bidding and construction administration. The Project Budget includes all design fees

(including specialty consultants), Owner contingencies, Owner-provided services (separate), and other Owner-related costs.

Proposed Professional Fees:

The professional fees for Phase 1 shall be as follows and are broken down by phase:

A.	Existing Conditions Documentation	$5,000.00
B.	Programming Phase	$20,000.00
C.	Schematic Design	$115,000.00
		$140,000.00

*Fee includes reimbursable expenses (prints, plots, copies, travel, etc.)

Consultants: Consulting Engineers proposed for this project:

Site/Civil Engineering:	Wooten, Raleigh, NC
Structural Engineering:	Stewart Engineering, Raleigh, NC
Mechanical Electrical & Plumbing Engineering:	Atlantec Engineers, PA, Raleigh, NC

Schedule:

Upon contract approval, we can prepare a standard AIA B101-2017 Standard Form of Agreement between Architect and Owner for execution, as well as schedule the as-built documentation & programming work. Based on our understanding of the project, we anticipate the as-built documentation, programming and Schematic design work to be completed within 12 weeks after contract approval.

Doug, we are excited about working with the Village of Pinehurst on the Given Memorial Library & Tufts Archives Expansion! We can assure you that we will put forth our best efforts for you and the Village of Pinehurst.

Please contact me if you have any questions or comments regarding this proposal. We look forward to hearing from you and beginning the design process.

Regards,

Matthew R. Oakley, Principal
Oakley Collier Architects, PA

Memorandum of Understanding for Performing Services or Construction
(Revised 6/19)

Through the course of a year, the Village of Pinehurst contracts for various services and/or construction projects. The Village finds it necessary to impose certain minimum insurance and hold harmless requirements upon contractors performing the work.

In order to be considered an "eligible contractor/service provider" to complete services and/or construction projects as called upon, the contractor agrees to the following:

1. Contractor's Independent Status

Contractor/service provider acknowledges that they are an independent contractor and, as such, shall be responsible for all taxes and other expenses attributable to the rendering of its services to the Village. The contractor/service provider agrees that there is no joint venture, partnership, or employer/employee relationship with the Village. Neither the Contractor nor its employees or agents shall look to Village for vacation pay, sick leave, retirement benefits, Social Security, disability or unemployment insurance benefits, or other employee benefits. Neither Contractor nor Village shall be or become liable or bound by any representation, act, or omission whatsoever of the other made contrary to the provisions of this Agreement.

2. General Provision

The contractor/service provider agrees to comply with the specifications and our requirements of the project and provide for the proper protection of employees and the public for any and all work performed. The contractor/service provider agrees to comply with all applicable federal, state and local regulations and requirements pertinent to the job or service being provided.

The contractor/service provider agrees to maintain insurance in types and amounts as noted below for as long as necessary to complete any job or service.

A. Workers' Compensation: Insurance covering all employees meeting statutory limits in compliance with the applicable state and federal laws. The coverage must include employers' liability with a limit of $500,000.00 for each accident, $500,000.00 bodily injury by disease, each employee; and $500,000.00 bodily injury by disease, policy limit.

B. Commercial General Liability: Coverage shall have minimum limits of $1,000,000.00 general aggregate, products/completed operations aggregate, personal and advertising liability and each occurrence. This shall include premises and operations, independent contractors, products and completed operations, broad form property damage, XCU coverage, if applicable and contractual liability. The coverage shall be written on an occurrence basis.

C. Business Auto Liability: Coverage shall have minimum limit of $1,000,000.00 per occurrence, combined single limit for bodily injury liability and property damage liability. This shall include owned vehicles, hired and non-owned vehicles.

D. Professional Liability – If providing professional services such as legal, architectural, engineering, accounting or other service requiring specific licensure, coverage shall have minimum limits of $1,000,000.00 per occurrence for errors and omissions.

E. Umbrella/Excess Liability: At the option of the contractor, the limits of the primary general liability, auto liability and employers' liability may be less than stipulated herein, with an excess policy providing the additional limits needed. This form of coverage must be approved by the Village and will only be acceptable when both the primary and excess policies include the coverage and endorsements required herein.

3. Special Requirements

A. Current, valid insurance policies meeting the requirements herein identified shall be maintained to be considered an "eligible contractor/service provider." Renewal certificates shall be sent to the Village prior to any expiration date. There shall also be notification to the Village in the event of cancellation or modification of any stipulated insurance coverage. Certificates of insurance meeting the required insurance provisions shall be forwarded to the Village of Pinehurst, 395 Magnolia Road, Pinehurst, NC 28374 Attn: Risk Manager. It shall be the responsibility of the contractor/service provider to insure that all subcontractors comply with the same insurance requirements that he is required to meet.

B. E-Verify – The contractor and their subcontractors with 25 or more employees in North Carolina as defined in Article 2 of Chapter 64 of the NC General Statutes must comply with E-Verify requirements to contract with the Village. E-Verify is a Federal program operated by the US Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law.

4. Hold Harmless

The contractor/service provider agrees to protect, defend, indemnify and hold the Village of Pinehurst and its officers, employees, and agents free and harmless from and against any and all losses, penalties, damages, settlements, costs, charges, professional fees or other expenses or liabilities of every kind and character arising out of or relating to any and all claims, liens, demands, obligations, actions, proceedings or causes of action of every kind and character in connection with or arising directly or indirectly out of this agreement and/or the performance hereof and caused by the negligence of the contractor/service provider. The contractor/service provider further agrees to investigate, handle, respond to, provide defense for, and defend any such claims, etc., at his sole expense and agrees to bear all other costs and expenses related thereto, even if (claims, etc.) is groundless, false or fraudulent.

This memorandum of understanding is considered valid for any and all work completed by the contractor/service provider during the Village of Pinehurst's fiscal year, defined as July 1 to June 30, or at the completion of an ongoing and existing project, whichever comes last.

Oakley Collier Architects, PA

Company Name

109 Candlewood Road Rocky Mount, NC 27804

Address

01/13/2023

Signature of Company Representative — Date

Timothy D Oakley

Print Representative Name

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 04/18/2022

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	**CONTACT NAME:**
Insurance Management Consultants, Inc. P.O. Box 2490 Davidson NC 28036	**PHONE (A/C, No, Ext):** (704) 799-1600 **FAX (A/C, No):** (704) 799-2955 **E-MAIL ADDRESS:** cert@imcipls.com
INSURED Oakley Collier Architects, PA 109 Candlewood Road Rocky Mount NC 27804	**INSURER(S) AFFORDING COVERAGE** — **NAIC #** **INSURER A :** RLI Insurance Company — 13056 **INSURER B :** Liberty Insurance Underwriters — 19917 **INSURER C :** **INSURER D :** **INSURER E :** **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 22/23 All Lines Renewal **REVISION NUMBER:**

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	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [X] PRO-JECT [ ] LOC [ ] OTHER:			PSB0003333	04/19/2022	04/19/2023	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG [ ]	$ 1,000,000 $ 1,000,000 $ 10,000 $ 1,000,000 $ 2,000,000 $ 2,000,000 $
A	AUTOMOBILE LIABILITY [X] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY			PSA0001740	04/19/2022	04/19/2023	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) [ ]	$ 1,000,000 $ $ $ $
A	[X] UMBRELLA LIAB [X] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $			PSE0001959	04/19/2022	04/19/2023	EACH OCCURRENCE AGGREGATE [ ]	$ 1,000,000 $ 1,000,000 $
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [N] (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		PSW0002542	04/19/2022	04/19/2023	[X] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
B	Professional Liability			AEX100675-0007	04/19/2022	04/19/2023	Per Claim Aggregate	$2,000,000 $2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

If required by an insured written contract, executed prior to any loss, the certificate holder is an Additional Insured on a primary and non-contributory basis for ongoing and completed operations under the General Liability and Auto Liability Policies, subject to all policy terms and conditions. If required by an insured written contract, executed prior to any loss, a Waiver of Subrogation is provided for General Liability, Auto Liability, and Workers Compensation Policies. Umbrella Policy follows form over General Liability, Auto Liability, and Employer's Liability Policies. Policies provide thirty (30) day notice of cancellation, other than ten (10) days for non-payment of premium.

CERTIFICATE HOLDER

Village of Pinehurst
395 Magnolia Road
Pinehurst NC 28374

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

Karen McCabe

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RLIPack® FOR DESIGN PROFESSIONALS EXCESS LIABILITY ENHANCEMENT

SCHEDULE OF COVERAGES ADDRESSED BY THIS ENDORSEMENT

A. General Aggregate Limit – Per Project Or Per Location
B. Additional Insured – Primary/Non-contributory
C. Waiver Of Transfer Of Rights Of Recovery Against Others To Us

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE FORM

A. General Aggregate Limit – Per Project Or Per Location

Paragraph **2.a.** of **C. Limits of Liability** of **SECTION I – INSURING AGREEMENT** is deleted and replaced by the following:

a. The limit of liability stated in the Declarations as general aggregate is the most we will pay during each policy period for all ultimate net loss, except ultimate net loss because of:

(1) injury and damage included in the products-completed operations hazard or;

(2) any coverage included in **underlying insurance** to which no underlying aggregate applies.

The general aggregate applies separately to each of your "projects" away from premises owned by or occupied by you or to each of your locations owned by or occupied by you.

"Projects" mean an area away from premises owned by or rented to you at which you are performing operations pursuant to a contract or agreement. For the purposes of determining the applicable aggregate limit of insurance, each "project" at the same "location" shall be considered a single "project".

For the purposes of this provision, "location" means

(1) premises involving the same or connecting lots;

(2) premises where connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad; or

(3) premises where operations are performed in sections, stages or phases as a continuation of the same contract or agreement, even if the premises do not involve connecting lots.

B. Additional Insured – Primary/Non-contributory

Paragraph **K. Other Insurance** of **SECTION IV – CONDITIONS** is deleted and replaced by the following:

K. Other Insurance

If other insurance, whether collectible or not, is available to the insured covering a loss also covered by this policy, the insurance afforded by this policy shall be in excess of, and shall not contribute with, such other insurance. However, if the **underlying insurance** provides coverage to an additional insured on a primary basis, or a primary and non-contributory basis, this insurance shall be available to such additional insured on an excess basis over the underlying insurance. We will not share with other insurance which covers such additional insured as a named insured.

C. Waiver Of Transfer Of Rights Of Recovery Against Others To Us

Paragraph **L. Subrogation** of **SECTION IV – CONDITIONS** is deleted and replaced by the following:

L. Subrogation

In the event of any payment under this policy, the insured must notify us of any of the insured's rights of recovery against any person or organization. We shall be subrogated to all such rights. The insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The insured shall do nothing after loss to prejudice such rights. However we waive any rights of recovery we may have against any person or organization if the **underlying insurance** also waives such rights.

Any amount recovered through subrogation or otherwise shall be apportioned in the inverse order of payment of the claim or claims involved to the extent of actual payment thereof by all interests. The expenses of all such recoveries and proceedings in connection therewith shall be apportioned in the ratio of respective recoveries. With respect to proceedings conducted solely by us, if there is no recovery, we will bear the expense thereof. If there is a recovery, we shall be reimbursed in full from such recovery for the amount of all expenses incurred by us before apportionment of such recovery as herein provided.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Policy Number: PSB0003333
Named Insured: Oakley Collier Architects, P.A.

RLI Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RLIPack® FOR PROFESSIONALS BLANKET ADDITIONAL INSURED ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM - SECTION II – LIABILITY

1. **C. WHO IS AN INSURED** is amended to include as an additional insured any person or organization that you agree in a contract or agreement requiring insurance to include as an additional insured on this policy, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part by you or those acting on your behalf:
   a. In the performance of your ongoing operations;
   b. In connection with premises owned by or rented to you; or
   c. In connection with "your work" and included within the "product-completed operations hazard".
2. The insurance provided to the additional insured by this endorsement is limited as follows:
   a. This insurance does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this policy.
   b. This insurance does not apply to the rendering of or failure to render any "professional services".
   c. This endorsement does not increase any of the limits of insurance stated in **D. Liability And Medical Expenses Limits of Insurance**.
3. The following is added to **SECTION III H.2. Other Insurance – COMMON POLICY CONDITIONS (BUT APPLICABLE ONLY TO SECTION II – LIABILITY)**

   However, if you specifically agree in a contract or agreement that the insurance provided to an additional insured under this policy must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such additional insured which covers such additional insured as a named insured, and we will not share with that other insurance, provided that:
   a. The "bodily injury" or "property damage" for which coverage is sought occurs after you have entered into that contract or agreement; or
   b. The "personal and advertising injury" for which coverage is sought arises out of an offense committed after you have entered into that contract or agreement.
4. The following is added to **SECTION III K. 2. Transfer of Rights of Recovery Against Others to Us – COMMON POLICY CONDITIONS (BUT APPLICABLE TO ONLY TO SECTION II – LIABILITY)**

   We waive any rights of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage" or "personal and advertising injury" arising out of "your work" performed by you, or on your behalf, under a contract or agreement with that person or organization. We waive these rights only where you have agreed to do so as part of a contract or agreement with such person or organization entered into by you before the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" offense is committed.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RLIPack® BUSINESS AUTO ENHANCEMENT

SCHEDULE OF COVERAGES ADDRESSED BY THIS ENDORSEMENT

A. Broad Form Named Insured
B. Employees As Insureds
C. Blanket Additional Insured
D. Blanket Waiver Of Subrogation
E. Employee Hired Autos
F. Fellow Employee Coverage
G. Auto Loan Lease Gap Coverage
H. Glass Repair – Waiver Of Deductible
I. Personal Effects Coverage
J. Hired Auto Physical Damage Coverage
K. Hired Auto Physical Damage – Loss Of Use
L. Hired Car – Worldwide Coverage
M. Temporary Transportation Expenses
N. Amended Bodily Injury Definition – Mental Anguish
O. Airbag Coverage
P. Amended Insured Contract Definition – Railroad Easement
Q. Coverage Extensions – Audio, Visual And Data Electronic Equipment Not Designed Solely For The Production Of Sound
R. Notice Of And Knowledge Of Occurrence
S. Unintentional Errors Or Omissions
T. Towing Coverage

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

A. Broad Form Named Insured

The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE,** Paragraph **A.1. Who Is An Insured** Provision:

Any business entity newly acquired or formed by you during the policy period, provided you own fifty percent (50%) or more of the business entity and the business entity is not separately insured for Business Auto Coverage. Coverage is extended up to a maximum of one hundred eighty (180) days following the acquisition or formation of the business entity.

This provision does not apply to any person or organization for which coverage is excluded by endorsement.

B. Employees As Insureds

The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE,** Paragraph **A.1. Who Is An Insured** Provision:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

C. Blanket Additional Insured

The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE,** Paragraph **A.1. Who Is An Insured** Provision:

Any person or organization that you are required to include as an additional insured on this coverage form in a contract or agreement that is executed by you before the "bodily injury" or "property damage" occurs is an "insured" for liability coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in **SECTION II – COVERED AUTOS LIABILITY COVERAGE**.

The insurance provided to the additional insured will be on a primary and non-contributory basis to the additional insured's own business auto coverage if you are required to do so in a contract or agreement that is executed by you before the "bodily injury" or "property damage" occurs.

D. Blanket Waiver Of Subrogation

The following is added to the **SECTION IV – BUSINESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer Of Rights Of Recovery Against Others To Us**:

We waive any right of recovery we may have against any person or organization to the extent required of you by a contract executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of the operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

E. Employee Hired Autos

1. The following is added to the **SECTION II – COVERED AUTOS LIABILITY COVERAGE,** Paragraph **A.1. Who Is An Insured** Provision:

   An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. Changes In General Conditions:

   Paragraph **5.b.** of the **Other Insurance** Condition in the **BUSINESS AUTO CONDITIONS** is deleted and replaced with the following:

   b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

   (1) Any covered "auto" you lease, hire, rent or borrow; and

   (2) Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

F. Fellow Employee Coverage

SECTION II – COVERED AUTOS LIABILITY COVERAGE, Exclusion B.5. does not apply if you have workers compensation insurance in-force covering all of your employees.

G. Auto Loan Lease Gap Coverage

SECTION III – PHYSICAL DAMAGE COVERAGE, C. Limit Of Insurance, is amended by the addition of the following:

In the event of a total "loss" to a covered "auto" shown in the Schedule of Declarations, we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

1. The amount paid under the **PHYSICAL DAMAGE COVERAGE** section of the policy; and
2. Any:
   a. Overdue lease/loan payments at the time of the "loss";

b. Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage.

c. Security deposits not returned by the lessor;

d. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and

e. Carry-over balances from previous loans or leases.

H. Glass Repair – Waiver Of Deductible

SECTION III – PHYSICAL DAMAGE COVERAGE, D. Deductible is amended by adding the following:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

I. Personal Effects Coverage

The following is added to **SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions**:

c. Personal Effects Coverage

In the event of a total theft loss of your covered "auto" we will pay up to $400 for "loss" to wearing apparel and other personal effects which are:

(1) Owned by an "insured"; and

(2) In or on your covered "auto";

No deductible applies to Personal Effects Coverage.

J. Hired Auto Physical Damage Coverage

The following is added to **SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions**:

d. Hired Auto Physical Damage Coverage

If hired "autos" are covered "autos" for Liability Coverage and this policy also provides Physical Damage Coverage for an owned "auto", then the Physical Damage Coverage is extended to "autos" that you hire, rent or borrow subject to the following:

(1) The most we will pay for "loss" in any one "accident" to a hired, rented or borrowed "auto" is the lesser of:

(a) $60,000

(b) The actual cash value of the damaged or stolen property as of the time of the "loss"; or

(c) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

(2) An adjustment for depreciation and physical condition will be made in the event of a total "loss".

(3) If a repair or replacement results in better than like kind or quality, we will not pay for the betterment.

(4) A deductible equal to the highest Physical Damage deductible applicable to any owned auto will apply.

(5) This Coverage Extension will not apply to:

(a) Any "auto" that is hired, rented or borrowed with a driver; or

(b) Any "auto" that is hired, rented or borrowed from your "employee".

K. Hired Auto Physical Damage – Loss Of Use

The following is added to **SECTION II – COVERED AUTOS LIABILITY COVERAGE, A.2. Coverage Extensions**:

e. We will pay sums which you legally must pay to the lessor of a covered "auto" which you have leased without a driver for thirty (30) days or less for the lessor's loss of use of the covered "auto", provided:

(1) This insurance provides comprehensive, specified causes of loss or collision covered on the covered "auto";

(2) The loss of use results from the covered "auto" being damaged in an "accident" while you are leasing it.

We will pay up to a maximum limit of $1,500 for this covered extension.

L. Hired Car – Worldwide Coverage

The following is added to **SECTION II – COVERED AUTOS LIABILITY COVERAGE, A.2. Coverage Extensions**:

f. Hired Car – Worldwide Coverage

(1) We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" which occurs outside of the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada resulting from the maintenance, or use of any covered "auto" of the private passenger type you lease, hire, rent or borrow without a driver for thirty (30) days or less.

(2) With respect to any claim made or "suit" instituted outside the United States of America, the territories and possessions of the United States of America, Puerto Rico, and Canada:

(a) You shall undertake the investigation, settlement and defense of such claims and "suits" and keep us advised of all proceedings and actions.

(b) You will not make any settlement without our consent.

(c) We will reimburse you:

(i) For the amount of damages because of liability imposed upon you by law on account of "bodily injury" or "property damage" to which this insurance applies, and

(ii) For all reasonable expenses incurred with our consent in connection with the investigation, settlement or defense of such claims or "suits". Reimbursement for expenses will be part of the Limit of Insurance for liability coverage shown in the Business Auto Coverage Declarations, and not in addition to such limits.

(3) The limit of Insurance for Liability Coverage shown in the Business Auto Coverage Declarations is the most we will reimburse you for the sum of all damages imposed on you, as set forth in paragraph **2.c.** above, and all expenses incurred by you arising out of any single "accident" or "loss".

(4) You must maintain the greater of the following primary auto liability insurance limits:

(a) Compulsory admitted insurance with limits required to be in force to satisfy the legal requirements of the jurisdiction where the accident occurs; or

(b) Insurance limits required by law and issued by a government entity or by an insurer licensed or permitted by law to do business in the jurisdiction where the "accident" occurs; or

(c) Auto liability insurance limits of at least $300,000 combined single limit or $100,000 per person/$300,000 per accident Bodily Injury, $100,000 Property Damage.

If you fail to comply with the above, this insurance is not invalidated. However, in the event of a "loss", we will pay only to the extent that we would have been liable had you so complied.

(5) The insurance provided by this coverage extension is excess over any other collectible insurance available to you whether on a primary, excess contingent or any other basis.

M. Temporary Transportation Expenses

SECTION III – PHYSICAL DAMAGE COVERAGE, A.4. Coverage Extensions, subparagraph **a. Transportation Expenses** is deleted and replaced by the following:

a. Transportation Expenses

(1) We will pay up to a maximum of $1,500 for temporary transportation expense incurred by you because of Physical Damage to a covered "auto".

(2) We will pay only for those covered "autos" for which you carry Comprehensive, Collision or Specified Case of Loss Coverage.

(3) We will pay only for those expenses incurred by you during the period of time that begins twenty-four (24) hours after the covered "loss" and ends at the time when the covered "auto" can be reasonable repaired or replaced.

(4) This coverage does not apply while there are spare or reserve "autos" available to you for your operations.

N. Amended Bodily Injury Definition – Mental Anguish

The following is added to **SECTION V – DEFINITIONS, Definition C.**:

"Bodily injury" also includes mental anguish, but only when the mental anguish arises from other bodily injury, sickness or disease.

O. Airbag Coverage

The following is added to **SECTION III – PHYSICAL DAMAGE COVERAGE B. Exclusions 3.a.**:

However, this exclusion will not apply to accidental discharge of an airbag due to mechanical or electrical breakdown.

P. Amended Insured Contract Definition – Railroad Easement

SECTION V – DEFINITIONS paragraph **H.** "Insured contact" is modified as follows:

1. Paragraph **H.3.** is replaced by the following:

3. Any easement or license agreement.

2. Paragraph **H.6.a.** is deleted.

Q. Coverage Extensions – Audio, Visual And Data Electronic Equipment Not Designed Solely For The Production Of Sound

SECTION III – PHYSICAL DAMAGE COVERAGE B. Exclusions, exception paragraph **a.** to exclusion **4.c.** and **4.d.** is deleted and replaced with the following:

a. Equipment and accessories used with such equipment, except for tapes, records, discs or other electronic media device, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or is removable from the housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "autos" electrical system, in or upon the covered "autos"; or

R. Notice Of And Knowledge Of Occurrence

SECTION IV – BUSINESS AUTO CONDITIONS, A.2. Duties In The Event Of Accident, Claim Suit Or Loss, subparagraph **a.** is deleted and replaced with the following:

a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss" including:

(1) How, when and where the "accident" or "loss" occurred;

(2) The "insured's" name and address; and

(3) To the extent possible, the names and addresses of any injured person and witnesses.

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

(1) You, if you are an individual;

(2) A partner if you are a partnership; or

(3) An executive officer or insurance manager, if you are a corporation.

S. Unintentional Errors Or Omissions

SECTION IV – BUSINESS AUTO CONDITIONS, B. General Conditions; 2. Concealment Misrepresentation Or Fraud is amended by adding the following:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or nonrenewal.

T. Towing Coverage

SECTION III – PHYSICAL DAMAGE COVERAGE, A.2. Towing, is deleted and replaced by the following:

2. We will pay up to $750 for towing and labor costs incurred each time a covered "auto" is disabled due to a covered cause of loss. However:

a. All labor must be performed at the place of disablement; and

b. If the covered auto is a private passenger type no deductible applies; and

c. If the covered auto is not of the private passenger type our obligation to pay will be reduced by a $250 deductible per disablement.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule.

(This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Any person or organization that you have agreed with in a written contract to provide this agreement.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 04-19-2022
Insured
Oakley Collier Architects, P.A.
Insurance Company
RLI Insurance Company

Policy No.
PSW0002542

Endorsement No.
Premium 3072

Countersigned by _____

WC 00 03 13
(Ed. 4-84)

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PRESENTATION OF THE GFOA DISTINGUISHED BUDGET PRESENTATION AWARD

ADDITIONAL AGENDA DETAILS:

FROM:
Jeff Sanborn

CC:
Doug Willardson

DATE OF MEMO:
5/1/2024

MEMO DETAILS:
The Village's Finance Department has once again been recognized with the Government Finance Officers Association's Distinguished Budget Presentation Award for the 2024 Strategic Operating Plan. This award marks the 17th consecutive year the Village's Budget and Strategic Operating Plan have met the highest governmental principles and standards for governmental budgeting.

In addition, the Village's 2024 Strategic Operating Plan received the Special Performance Measures Recognition when all three evaluators gave the Village the highest marks for our inclusion and integration of Key Performance Indicators (KPIs) in the budget document. This marks the fifth time the Village has received this special recognition in the 17 years of achieving the award.

To receive the Distinguished Budget Presentation Award, the Village had to satisfy nationally recognized guidelines for effective budget presentations designed to assess how well the annual budget serves as:

- A policy document
- A financial plan
- An operations guide, and
- A communications device

Congratulations to our Finance Director, Dana Van Nostrand, Assistant Finance Director, Sheila Edmonds, and our Organizational Performance Director, Matt McKirahan, for this tremendous accomplishment and well-deserved recognition.

ATTACHMENTS:

	Description
🗋	FY 2024 GFOA Distinguished Budget Presentation Award

September 15, 2023

Dana Van Nostrand
Financial Services Department
Village of Pinehurst
395 Magnolia Road
Pinehurst, NC 28374

Dear Ms. Van Nostrand:

We are pleased to inform you, based on the examination of your budget document by a panel of independent reviewers, that your budget document has been awarded the Distinguished Budget Presentation Award from Government Finance Officers Association (GFOA) for the current fiscal period. This award is the highest form of recognition in governmental budgeting. Its attainment represents a significant achievement by your organization. In addition to receiving the award, your entity's budget received the following special recognition:

Special Performance Measures Recognition

The Distinguished Budget Presentation Award is valid for one year. To continue your participation in the program, it will be necessary to submit your next annual budget document to GFOA within 90 days of the proposed budget's submission to the legislature or within 90 days of the budget's final adoption. Information about how to submit an application for the Distinguished Budget Program application is posted on GFOA's website.

Each program participant is provided with confidential comments and suggestions for possible improvements to the budget document. Your comments are enclosed. We urge you to carefully consider the suggestions offered by our reviewers as you prepare your next budget.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual(s) or department designated as being primarily responsible for its having achieved the award. Enclosed is a Certificate of Recognition for Budget Preparation for:

Financial Services Department

Continuing participants will receive a brass medallion that will be mailed separately. First-time recipients will receive an award plaque within eight to ten weeks. Also enclosed is a camera-ready reproduction of the award for inclusion in your next budget. If you reproduce the camera-ready image in your next budget, it should be accompanied by a statement indicating continued compliance with program criteria.

The following standardized text should be used:

> Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **Village of Pinehurst, North Carolina**, for its Annual Budget for the fiscal year beginning **July 01, 2023**. In order to receive this award, a governmental

unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

A press release is enclosed.

We appreciate your participation in this program, and we sincerely hope that your example will encourage others in their efforts to achieve and maintain excellence in governmental budgeting. The most current list of award recipients can be found on GFOA's website at www.gfoa.org. If we can be of further assistance, please contact the Technical Services Center at (312) 977-9700.

Sincerely,

Michele Mark Levine
Director, Technical Services Center

Enclosure

FOR IMMEDIATE RELEASE

September 15, 2023

For more information, contact:

Technical Services Center
Phone: (312) 977-9700
Fax: (312) 977-4806
E-mail: budgetawards@gfoa.org

(Chicago, Illinois)--Government Finance Officers Association is pleased to announce that **Village of Pinehurst, North Carolina**, has received GFOA's Distinguished Budget Presentation Award for its budget.

The award represents a significant achievement by the entity. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the entity had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as:

- a policy document
- a financial plan
- an operations guide
- a communications device

Budget documents must be rated "proficient" in all four categories, and in the fourteen mandatory criteria within those categories, to receive the award.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual(s) or department designated as being primarily responsible for having achieved the award. This has been presented to **Financial Services Department**.

There are over 1,700 participants in the Budget Awards Program. The most recent Budget Award recipients, along with their corresponding budget documents, are posted quarterly on GFOA's website. Award recipients have pioneered efforts to improve the quality of budgeting and provide an excellent example for other governments throughout North America.

Government Finance Officers Association (GFOA) advances excellence in government finance by providing best practices, professional development, resources and practical research for more than 22,500 members and the communities they serve.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Village of Pinehurst
North Carolina

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morrill

Executive Director

The Government Finance Officers Association of the United States and Canada

presents this

CERTIFICATE OF RECOGNITION FOR BUDGET PREPARATION

to

Financial Services Department
Village of Pinehurst, North Carolina

The Certificate of Recognition for Budget Preparation is presented by the Government Finance Officers Association to those individuals who have been instrumental in their government unit achieving a Distinguished Budget Presentation Award. The Distinguished Budget Presentation Award, which is the highest award in governmental budgeting, is presented to those government units whose budgets are judged to adhere to program standards

Executive Director Christopher P. Morrill

Date: **September 15, 2023**

PRESENTATION OF THE FISCAL YEAR 2025 BUDGET AND STRATEGIC OPERATING PLAN

ADDITIONAL AGENDA DETAILS:

FROM:
Jeff Sanborn

DATE OF MEMO:
5/7/2024

MEMO DETAILS:
At the Village Council meeting on May 14, 2024, I will present an overview of the Proposed FY 2025 Budget and Strategic Operating Plan. I have attached the Budget in Brief, which provides an overview of what is included in the Proposed FY 2025 Budget and a copy of the presentation.

A hard copy of the proposed 2025 Strategic Operating Plan was delivered to you on Thursday, May 9, 2024. The document will also be placed on the Village's website following the presentation Tuesday and a printed copy will be available at the Village Hall for public inspection, as required by law.

As a reminder, Council has two budget work sessions scheduled to discuss the budget in more detail:

1. Monday, May 20 at 9:00 a.m.
2. Tuesday, May 21 at 2:00 p.m.

A public hearing is scheduled for the regular meeting on Tuesday, May 28 at 4:30 pm for the Council to receive public comments on the budget.

As always, thank you for your leadership and direction throughout the process of developing the 2025 Strategic Operating Plan.

ATTACHMENTS:

	Description
🗋	FY 2025 SOP Presentation
🗋	FY 2025 Budget in Brief

Presentation of the Proposed

FY 2025 Strategic Operating Plan

May 14, 2024

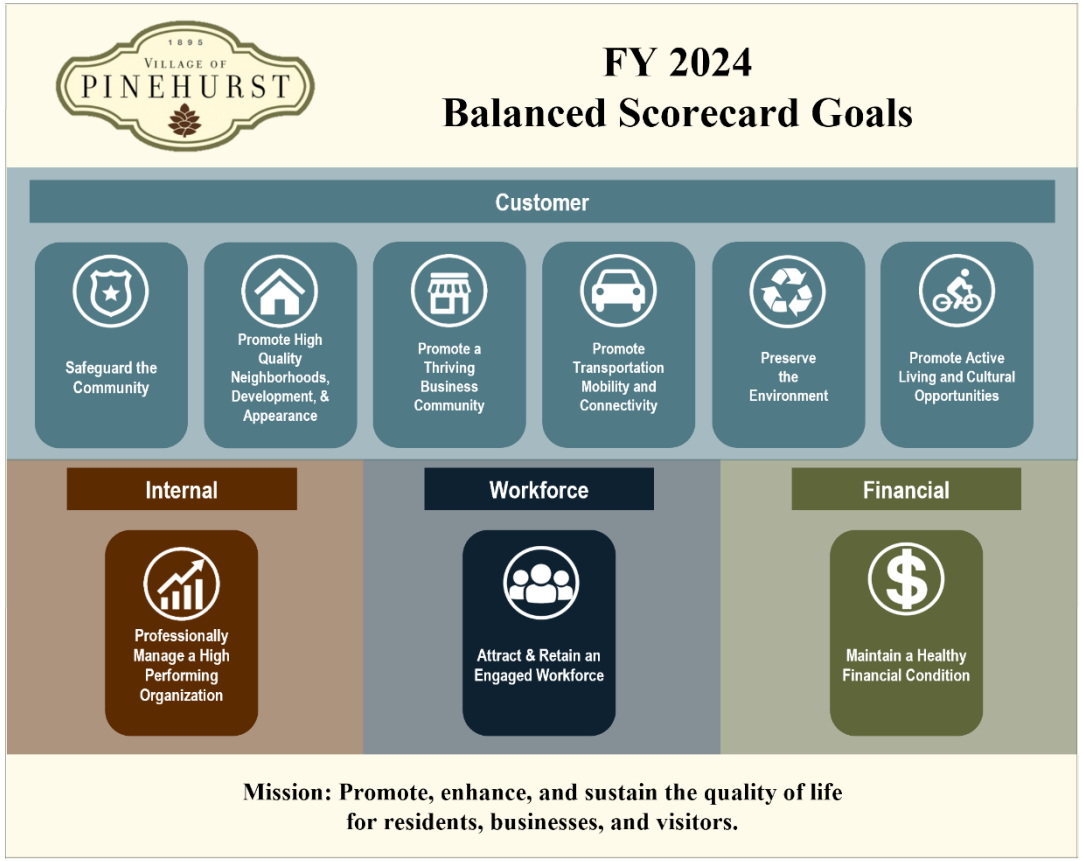
What we will cover:

1. Council's strategic direction
2. Key components of the Strategic Operating Plan (SOP)
3. FY 2025 Budget
4. FY 2025-2029 Financial Forecast
5. Next steps

Council's Strategic Direction

Council's Strategic Direction

- Discussed in *Strategic Priorities* Section (pgs. 58-91)
- Indicates:
  - Strategic planning process
  - FY 2025 Balanced Scorecard (BSC), with Areas of Focus (AOF)
  - Initiative Action Plans (IAPs) to address strategic goals & objectives
  - Key process evaluations planned
  - Historical and projected performance, given resources allocated in the SOP



FY 2025 Strategic Operating Plan

The Village Council identified three Areas of Focus (AOF) in January 2024 that are addressed in the FY 2025 Strategic Operating Plan.

Areas of Focus
1. Deliver effective fire and rescue services 2. Ensure codes and ordinances protect the character of Village neighborhoods 3. Provide a safe and effective multi-modal transportation system

Key Components of the Strategic Operating Plan

Key Components of the Strategic Operating Plan

- Budget in Brief (Page 16)
- Budget Message (Page 20)
- Strategic Operating Plan Guide (Page 44)
- Strategic Priorities (Page 58)
- General Fund (Page 92)
- Special Revenue Fund – SMPO (Page 164)
- Capital Project Funds – Library Expansion, PS Relocation, and Fire Facility (Page 168)
- Five-Year Financial Forecast (Page 172)
- Capital Improvement Plan (Page 182)

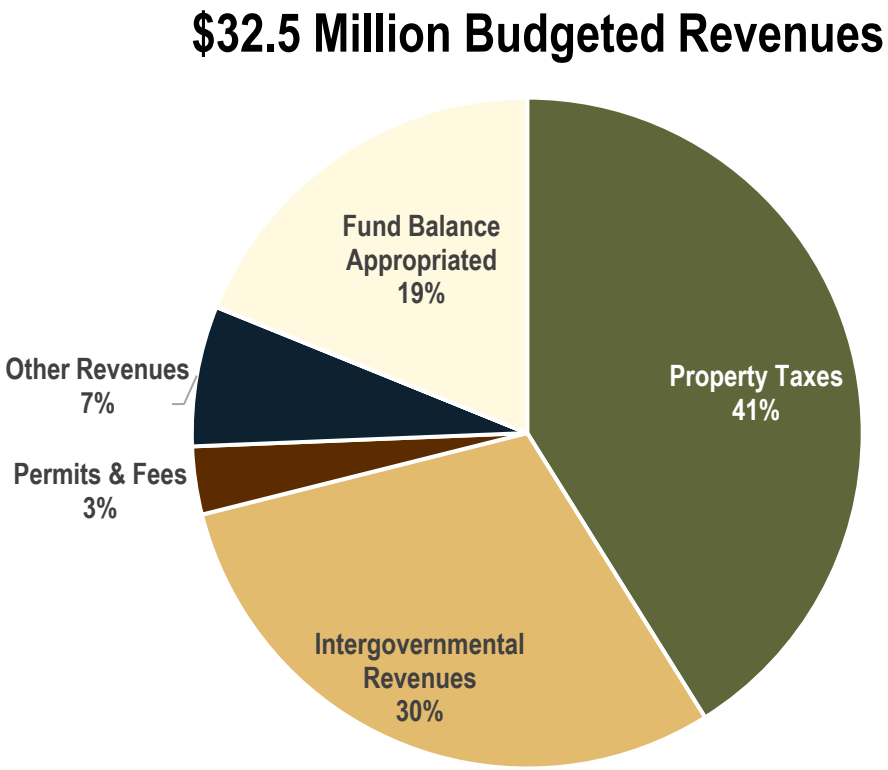
FY 2025 Budget

FY 2025 General Fund Budget Overview:

- $32.5 million budget
  - 11.4% above the FY 2024 amended General Fund budget as of December 31, 2023
- Property tax rate of $0.225 (reduction of ½ cent)
- Includes $6.1 million of appropriated fund balance due to transfers to the Library Expansion Capital Project Fund and other significant capital
- Expect ending fund balance of 52% of expenditures
- Includes four (4) Initiative Action Plans (IAPs) at a cost of nearly $6M
  1. Update the Pinehurst Development Ordinance - $0 (funded in FY 2022)
  2. Relocation of the Public Services Complex - $400,000 for land acquisition
  3. Retrofit Current Athletic Fields with Synthetic Turf - $1,382,300 for Wicker Park
  4. Expand and Renovate Given Library/Tufts Archives - $4,200,000 for library design and construction

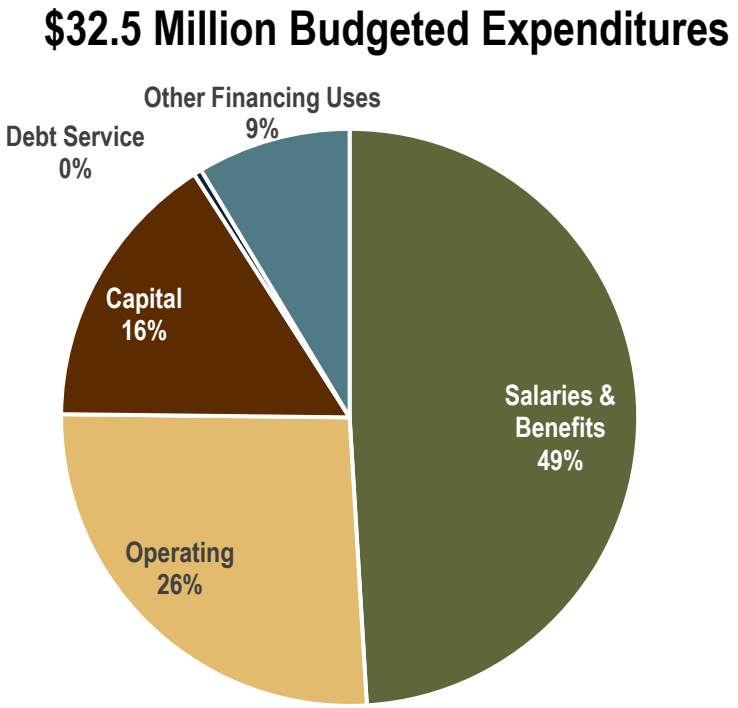
FY 2025 General Fund Revenues:

- 2.0% decrease in ad valorem tax revenue from the half cent tax rate decrease
- Assumes a 0.5% growth in the real property tax base based on prior year construction levels and 75 new homes
- Assumes 4.8% increase in sales tax receipts over FY 2024 amended budget
- $6.1 million fund balance appropriation to fund the Library capital project fund transfer and other significant capital

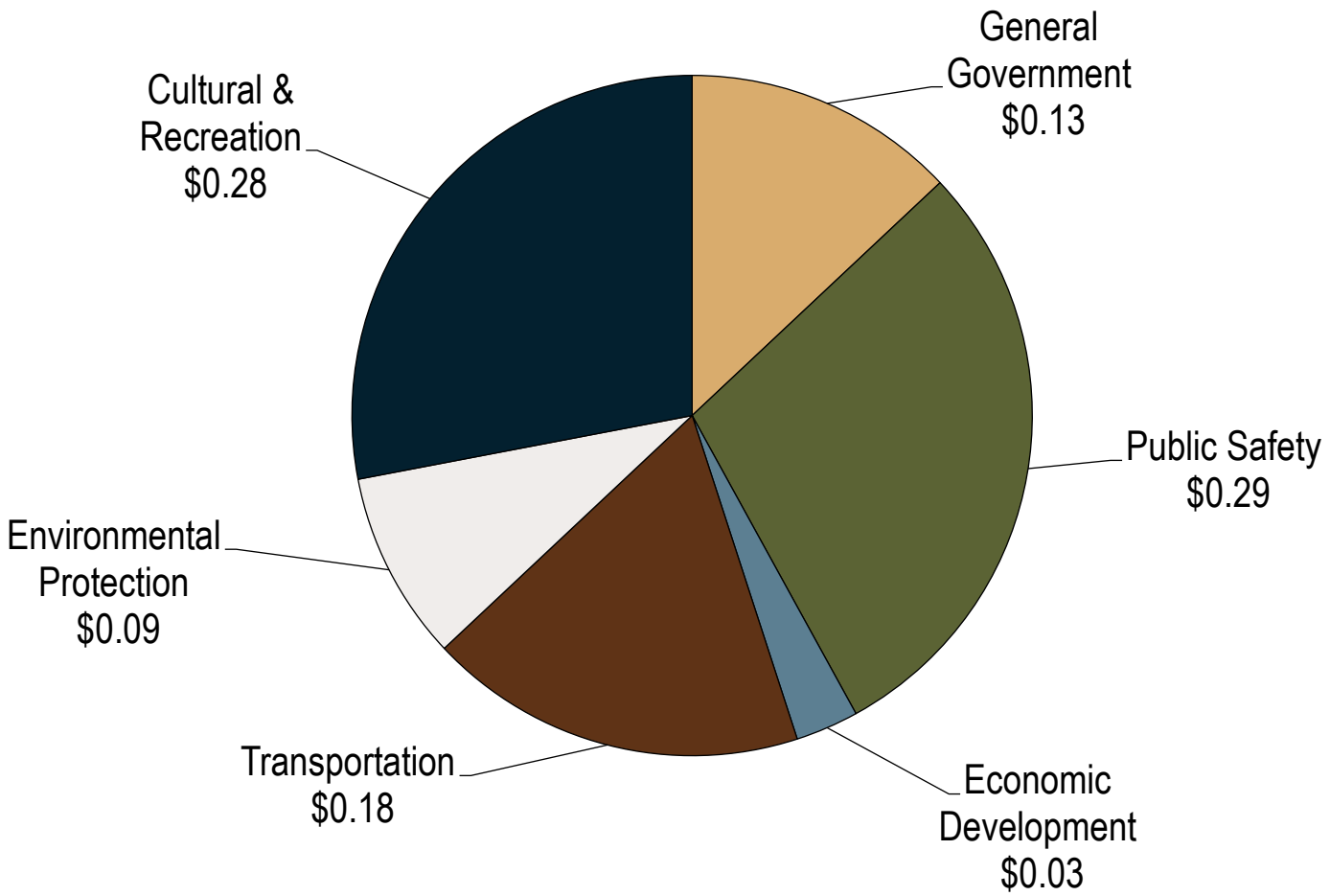


FY 2025 General Fund Expenditures:

- Merit pay raises at 2% average plus cost-of-living adjustment of 4.1%
- Two new full-time equivalents (FTEs):
  - Stormwater Technician
  - Fleet Service Apprentice
- VOP pays 100% of employee health/dental insurance; Estimated 10% increase in premiums



Amount of Tax Dollar Expended by Function in the General Fund



FY 2025 Significant Capital ($5.1 million in total):

Significant Capital Items	Amount
Synthetic turf installation on Wicker Park field	$1,416,000
Pedestrian facilities	$460,000
Stormwater drainage projects	$450,000
Two (2) garbage trucks	$420,000
Public Services property acquisition	$400,000
Cannon Park field lights and poles upgrades	$345,000
Five (5) police patrol vehicles	$325,000
Streetscape improvements	$200,000
Handicap accessible van	$124,000

FY 2025–2029 Five-Year Financial Forecast

Five-Year Financial Forecast (Pages 172-181):

- Developed to meet key financial ratios:
  - Fund balance (>30%)
  - Operating margins (89% - 91%)
  - Debt service ratios (<10%)
- Incorporates:
  - Five-Year Staffing Forecast (addition of 6.5 FTEs)
  - Five-Year Capital Improvement Plan (CIP)
- Key Financial Assumptions:
  - 1.0% annual growth in real & personal tax base
  - 4.2% average annual increase in salaries & benefits
  - 2.0% inflation rate in operating costs

Key Highlights of the Proposed FY 2025-2029 Forecast:

- FY 2025 Tax Rate of $0.225 is a half cent less than the FY 2024 tax rate and the planned rate for FY 2025 in the FY 2024 SOP
- Same tax rate increases as the adopted FY 2024 Strategic Operating Plan
- FY 2026–2029 Projected Tax Rates:
  - FY 2026: No change
  - FY 2027: Increase one cent to $0.235 to fund added staff and operating costs for the new library and renovated archives, and Public Services debt service
  - FY 2028-2029: No change

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Tax Rate	**$0.23**	**$0.225**	**$0.225**	**$0.235**	**$0.235**	**$0.235**
Year-Over-Year Tax Rate Change		**-0.5¢**	**-**	**1.0¢**	**-**	**-**
Projected in FY 2024 SOP		**$0.23**	**$0.24**	**$0.24**	**$0.24**	**N/A**
Note: FY 2028 is expected to be the next revaluation year.						

FY 2025 Strategic Operating Plan

Proposed Five Year Financial Forecast					
	FY 2025	**FY 2026**	**FY 2027**	**FY 2028**	**FY 2029**
Tax Rate per $100 valuation	**$ 0.225**	**$ 0.225**	**$ 0.235**	**$ 0.235**	**$ 0.235**
Tax Rate Projected in FY 2024 SOP	**$ 0.230**	**$ 0.240**	**$ 0.240**	**$ 0.240**	**N/A**
Full-Time Equivalents (FTEs)	**164.9**	**166.4**	**169.4**	**169.4**	**169.4**
Operating Revenues	$ 26,380,610	$ 26,335,900	$ 27,277,800	$ 28,798,700	$ 28,631,600
Operating Expenditures	24,590,500	25,315,090	26,473,308	27,433,720	28,465,700
Operating Income	1,790,110	1,020,810	804,492	1,364,980	165,900
Capital Expenditures	5,127,200	2,407,000	4,281,500	3,718,000	2,607,000
Other Financing Uses (Capital Transfers)	2,800,000	2,980,000	3,800,000	400,000	-
Total Expenditures	$ 32,517,700	$ 30,702,090	$ 34,554,808	$ 31,551,720	$ 31,072,700
Other Financing Sources	7,000	-	-	-	-
Budget to Actual Variance [1]	2,463,915	2,531,727	2,633,776	2,725,972	2,818,079
Projected Actual Gain/(Loss)	**$(3,666,175)**	**$(1,834,463)**	**$(4,643,232)**	**$ (27,048)**	**$ 376,979**
Fund Balance as a % of Total Exp.	**52.0%**	**49.1%**	**30.2%**	**33.0%**	**34.7%**
Estimated Operating Margin	**84.0%**	**86.6%**	**87.4%**	**85.8%**	**89.6%**

[1] *Assumes actual revenues of 101% of budget and actual expenditures of 91% of budget*

FY 2025 Strategic Operating Plan

FY 2025 – FY 2029 Initiative Action Plans							
Strategic Objective	**Initiative Action Plan (IAP) Name**	**FY 2025**	**FY 2026**	**FY 2027**	**FY 2028**	**FY 2029**	**TOTAL**
Deliver effective fire and rescue services AOF	Design, build, staff, and equip a third Fire Dept. facility				$400,000		$400,000
Ensure codes and ordinances protect the character of Village neighborhoods AOF	Update the Pinehurst Development Ordinance	$0	$0				$0
Support the business community	Relocation of the Public Services Complex to allow for redevelopment of Village Place. (6.5)	$400,000	$480,000	$6,000,000	($1,200,000)		$5,680,000
Provide a safe and effective multi-modal transportation system AOF	Develop and implement a consolidated multi-modal transportation plan		$0	$0	$0	$0	$0
Provide recreation programs and facilities	Retrofit current athletic fields with synthetic turf	$1,382,300	($44,600)	($45,500)	$684,600	($70,300)	$1,906,500
Provide Library and Archive services	Expand and Renovate Given Library/Tufts Archives	$4,200,000	$2,296,100	$1,207,800	$420,600	$434,800	$8,559,300
AOF – Addresses Council Areas of Focus $0 indicates work is being done in that year but there is no net impact to costs or revenues	**TOTAL NET COST**	**$5,982,300**	**$2,731,500**	**$7,162,300**	**$305,200**	**$364,500**	**$16,545,800**

FY 2025 Strategic Operating Plan

- Sandhills Metropolitan Planning Organization (SMPO) Special Revenue Fund:
  - Accounts for the grant revenues, member dues revenue, and expenditures of the SMPO separate from the Village's General Fund
  - Annual budget is approved by the SMPO Governing Board for inclusion in the Village's annual budget ordinance
  - FY 2025 budget of $216,750 is funded 80% from federal grants ($173,400) and 20% from member dues local match ($43,350)
  - FY 2025 budget covers salary and benefits for one full-time director, consultant costs, insurance, travel, and indirect costs
  - Indirect costs will be remitted to the Village as reimbursement for its services as lead planning agency
  - Village's member dues are estimated to be $12,578 for FY 2025

- Capital Project Funds
  - Library Expansion - $7.2 million total budget
    - Funded from General Fund (GF) fund balance
    - $1.4 million already contributed from the GF
    - $2.8 million estimated from the GF in FY 2025 for the library design and beginning of construction
    - $2.5 million estimated from the GF in FY 2026 for completion of the library and beginning of archives renovation
    - $800K estimated from the GF in FY 2027 for completion of the archives renovation
    - 1 FTE added in FY 2026 + 3 FTE added in FY 2027
    - Total additional operating expenditures of $408K in FY 2027

- Capital Project Funds (continued)
  - Public Services Relocation - $6.5 million total budget
    - Plan to fund from General Fund (GF) fund balance and debt
    - $480K in FY 2026 for site plan and design from GF fund balance
    - $6.0 million in FY 2027 for construction - $3M from GF fund balance + $3M debt
    - Debt assumptions:
      - 15-year term
      - 5.00% interest
      - Paid semi-annually in level principal + interest payments
      - Debt issued mid-year in FY 2027 so only one debt service payment is due in FY 2027
      - $355K maximum annual debt service in FY 2028
  - Fire Facility - $400K total budget
    - $400K in FY 2028 from GF fund balance in FY 2028 for design
    - Construction expected to be in FY 2030 with additional staffing and equipment purchases when the building is completed

Other Significant Projects/Purchases in the Five-Year Forecast:

Project	Timeframe	Total Cost
Construct Pedestrian Facilities	FY25-FY29	$2,300,000
Stormwater improvements	FY25-FY29	$2,300,000
Purchase a ladder truck	FY27	$2,100,000
Evaluate and implement document imaging storage	FY25-29	$380,000
Replace park lighting (Cannon Park Fields 1 & 2)	FY25	$345,000
Restore historical pathways within the Village	FY25-29	$250,000
Streetscape enhancements	FY25	$200,000
Provide world-class execution of plans for the 2029 US Open	FY29	$150,000
Evaluate and implement Planning software replacement	FY29	$120,000
Evaluate and implement a replacement of ERP software	FY29	$80,000
Address resident street lighting dissatisfaction	FY25-29	$50,000

Red Highlights – Item(s) related to Areas of Focus

FY 2025 Strategic Operating Plan

- Plan to conduct 18 **evaluations** in FY 2025-2029 to ID ways to improve processes and service delivery. Several will be evaluated using the BIRDIE or ACE process improvement methodology.

BIRDIEs	
FY25	Re-evaluate building and staffing needs for a third Fire Department Facility
FY 25-29	Evaluate and implement document imaging storage

ACEs	
FY25	Evaluate CAD/RMS
FY26	Evaluate automation of p-card reconciliation and processing
FY27	Evaluate improvements to the budget development aspect of the annual SOP process

Next Steps

FY 2025 Strategic Operating Plan

Key Upcoming Dates	
May 20	Budget Work Session at 9:00 a.m.
May 21	Budget Work Session at 2:00 p.m. (if needed)
May 28	Budget Public Hearing
June 4	Adopt the Budget

Following this presentation, the FY 2025 Strategic Operating Plan will be posted online at www.vopnc.org and the Village welcomes public comments at www.engage.vopnc.org/budget.

Budget in Brief

Letter from the Mayor

The Village Council is committed to ensuring the Village of Pinehurst is a charming, vibrant community that reflects our rich history and traditions. Each year, we ask residents and businesses for feedback on our services through the community and business surveys. Council and senior leaders used that feedback, along with other relevant data, to prepare the 2025 Strategic Operating Plan, which includes the Fiscal Year (FY) 2025 budget.

Annually, the Council affirms the Balanced Scorecard and identifies strategic objectives as Areas of Focus to improve Village services. The three Areas of Focus for FY 2025 are:

- Deliver effective fire and rescue services,
- Ensure codes and ordinances protect the character of Village neighborhoods, and
- Provide a safe and effective multi-modal transportation system.

The $32.5 million FY 2025 budget contains a $0.225 per $100 valuation property tax rate, the lowest in the county, along with several great initiatives and projects that are sure to enhance the quality of life and bring new value to the Village of Pinehurst.

The FY 2025 budget reflects the Village of Pinehurst's commitment to expand the Given Memorial Library by building a dedicated space for the library in a new location that will allow it to more fully enrich our community with resources and programming. The FY 2025 budget also makes strategic investments in recreation assets and public properties as we look through FY 2029.

We continue to keep a watchful eye on our operating environment, including the impact of inflation over the last few years on the Village and its taxpayers. With these considerations in mind, I believe we have prepared a Strategic Operating Plan that will promote, enhance, and sustain the quality of life in the Village of Pinehurst. I encourage you to read further about our plans and the FY 2025 budget in our 2025 Strategic Operating Plan.

Sincerely,

Quick Facts

$32.5 M
Total Budget

$0.225
Per $100 of Valuation
Tax Rate

4
Initiative Action Plans

2.0
Increase of Staff
Full Time Equivalents (FTEs)

Fiscal Year 2025 Initiative Action Plans

The FY 2025 budget includes four Initiative Action Plans (IAPs) at a cost of nearly $6 million to address the Village's nine strategic goals. Three of these IAPs are designated to address an Area of Focus (AOF). In the five-year planning period, there are six IAPs totaling $16.9 million. Additional information on IAPs, including costs planned after FY 2025, can be found in the *Strategic Priorities* section of the 2025 Strategic Operating Plan.

The FY 2025 Initiative Action Plans and the funding incorporated in the FY 2025 budget include:

1. **Update the Pinehurst Development Ordinance AOF ($0)**
   The Village will continue to conduct a comprehensive update to the Pinehurst Development Ordinance to reflect priorities of the 2019 Comprehensive Plan and revisions required by changes in NC legislation. Funding for this IAP was budgeted in FY 2022.

2. **Relocation of the Public Services Complex AOF ($400,000)**
   The Village will continue its work towards moving the public services facility from its current location to allow for future development in Village Place. The FY 2025 budget includes $400 thousand to acquire property for the new location of the complex. The site plan and design are planned for FY 2026 with construction in FY 2027. The vacated property is expected to be sold in FY 2028 for the future development of Village Place.

3. **Retrofit Current Athletic Fields with Synthetic Turf ($1,382,300)**
   The Village began retrofitting athletic fields to synthetic turf in FY 2023. In FY 2025, the Village budgeted $1.4 million to retrofit the Wicker Park soccer fields with synthetic turf and expects net cost savings of $34 thousand from the turf on Cannon Park Field 1 that was retrofitted in FY 2023. Retrofitting Cannon Park Field 2 is scheduled in FY 2028.

4. **Expand and Renovate Given Memorial Library and Tufts Archives ($4,200,000)**
   The Village is scheduled to begin construction on a new Library facility in FY 2025. The location and scope of the project were finalized in FY 2024. The Village anticipates approximately $4.2 million in design and construction costs in FY 2025 which will be funded from the existing fund balance in the Library Expansion Capital Project Fund plus an additional transfer of $2.8 million from the General Fund in FY 2025.

Future Year IAPs:

- **Develop and Implement a Consolidated Multi-Modal Transportation Plan AOF**
  This IAP will consolidate the Village's multi-modal transportation plans into one document that incorporates bicycle, pedestrian, and golf cart accessibility. This work is expected to begin in FY 2026.

- **Design, Build, Staff, and Equip a Third Fire Department Facility AOF**
  The design of a new fire facility is scheduled for FY 2028 with construction slated for outside the five-year plan. This IAP is designed to meet the growing demand for fire and rescue services identified through the FY 2025 BIRDIE to re-evaluate the building and staffing needs for a third fire facility.

How will your tax dollars be spent in FY 2025?

The FY 2025 budget for salaries and benefits for the Village's 164.9 full-time equivalents (FTEs) accounts for 49% of total expenditures, or $15.9 million. The budget includes a 4.1% cost of living adjustment and merit raises at an average of 2% per employee. The Village currently pays for 100% of health, dental, and vision insurance premiums for employee-only coverage.

New Positions Funded

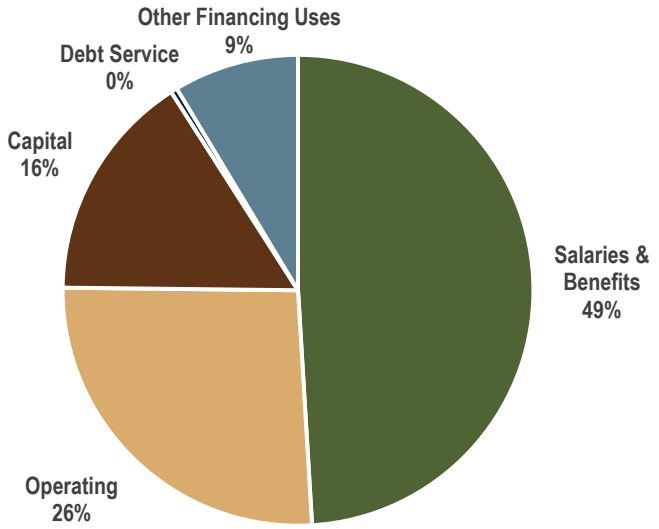
Stormwater Technician

Fleet Service Apprentice

The FY 2025 budget includes an increase of 2.0 FTEs for two positions. These new positions are related to the need to increase staff capacity to serve a growing community in the Village of Pinehurst and address stormwater infrastructure improvements. For more details, see the *Personnel Classification Summary* section.

The FY 2025 budget includes $5.1 million in capital investment, or 16% of total expenditures. Significant operating costs include funding for Initiative Action Plans supporting the Council's goals and objectives. The operating expenditures also include a $1.5 million investment in street resurfacing and patching devoted to improving the quality of Village streets (see the *Powell Bill* section for additional details).

$32.5 Million Budgeted Expenditures



Expenditures by Function

Public Safety
(Police, Fire, Inspections)
29%

Cultural & Recreation
(Recreation, Harness Track, Fair Barn, Library & Archives)
20%

Transportation
(Public Services Admin, Streets & Grounds, Powell Bill)
18%

General Government
(Governing Body, Administration, Finance, Human Resources)
12%

Environmental Protection
(Solid Waste)
9%

Economic & Physical Development
(Planning)
3%

Debt Service
(Equipment Leases and Software Subscriptions)
Nearly 0%

Other Financing Uses
(Capital Project Fund Transfer)
9%

View the Budget Online

To view the FY 2025 Budget online, go to www.vopnc.org/sop.

On the Strategic Operating Plan "launch" page, residents can open the entire FY 2025 Budget and Strategic Operating Plan document with a linked table of contents or an individual section.

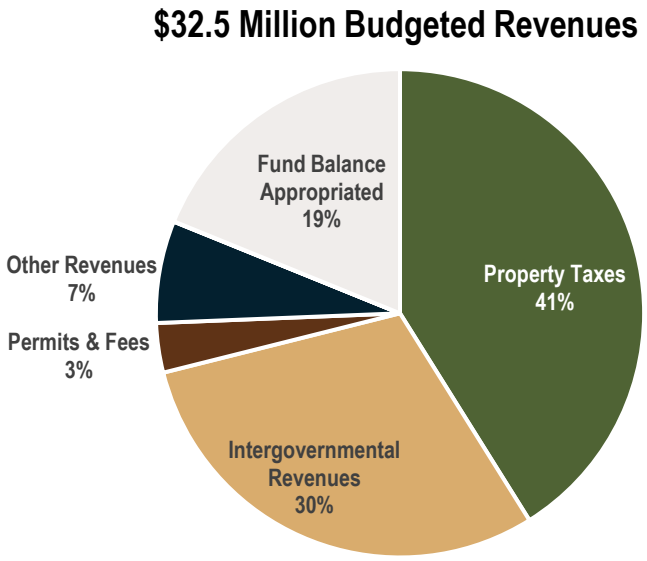
In FY 2025, the Village has $145 thousand in debt service expenditures related to leases of capital assets and software subscriptions. The other financing uses of $2.8 million is a transfer from the General Fund to the Library Expansion Capital Project Fund to cover anticipated design and construction expenditures in FY 2025.

Overall, the FY 2025 budget totals $32.5 million or 11% more than the prior year's amended General Fund budget as of December 31, 2023. The FY 2025 budget as presented results in a per capita expenditure of $1,735 based on a projected population of 18,747.

How is the Village of Pinehurst Funded in FY 2025?

The primary revenue source for the Village is property taxes, accounting for 41% of total revenues, or $13.4 million. In FY 2025, the Village elected to adopt a tax rate of $0.225 per $100 of valuation, which is a half-cent less than the FY 2024 tax rate.

Other key revenues that make up 28% of total General Fund revenues include local option sales taxes, utility sales taxes, and other state-collected revenues. Of these, local option sales taxes are the largest intergovernmental revenue source for the Village, representing 19% of the total budget. Sales tax revenue for FY 2025 is projected above FY 2024 estimates.



The FY 2025 budget includes a fund balance appropriation of $6.1 million to cover the library capital project fund transfer and other significant capital investments.

After accounting for the budget-to-actual variance the Village historically achieves, we estimate the Village will use $3.7 million of fund balance in FY 2025. This will result in an ending fund balance of approximately $16.9 million, or 52% of General Fund expenditures. This is above the Council's adopted policy minimum of 30% and positions the Village well to complete the library and archives project and other significant future capital plans.