BLACK MOUNTAIN TOWN COUNCIL MINUTES

June 30, 2026 | Special Called Meeting Agenda | Time: 8:30 AM

Town Hall Council Chambers | 160 Midland Avenue, Black Mountain, NC 28711

Black Mountain Town Council held a special called meeting agenda on Tuesday, June 30, 2026, at 8:30 AM in the Council Chambers of Town Hall, 160 Midland Avenue, Black Mountain, NC 28711.

1. CALL TO ORDER

Mayor C. Michael Sobol called the meeting to order at 8:30 a.m. with the following members in attendance: Vice Mayor Archie Pertiller, Town Council Member Alice Berry, Town Council Member Doug Hay, Council Member Larry Harris, Town Council Member Ryan Stone.

The following staff members were present: Richard Hicks, Interim Town Manager; Wesley Barker, Town Clerk; Steve Parker, Police Chief; John Coffey, Fire Chief, Jamey Matthews, Public Works Director; Jacob Guiot, Recreation & Parks Director; Chris Kuhn, Deputy Police Chief; Jim Bingham, Deputy Fire Chief; Tausha Millwood, Assistant Public Works Director; Greta Gibson, Revenue & Customer Service Supervisor; Laurel Mabery, Accountant.

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2. NEW BUSINESS

2.A. Approval of June 30, 2026 Special Meeting Agenda.

Town Council Member Alice Berry made a motion to approve the agenda as presented, but to move the USDA Grant item to the first item on the agenda as 2.B. and shift other items down. A vote of 5-0 in favor.

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2.B. Approval of USDA Disaster Assistance Funding Grant for Replacing Helene-Damaged Vehicles.

Josh Carswell, Community Programs Specialist, with USDA Rural Development gave a presentation to the Council about the USDA Disaster Assistance Funding Grant for Replacing Helene-Damaged Vehicles.

Town Council was presented with information regarding a United States Department of

Agriculture (USDA) Rural Development Community Facilities Grant awarded to the Town of Black Mountain through Disaster Assistance Funding (DAF). The grant will provide funding for the purchase of replacement public works and police vehicles to support essential municipal

operations, including public safety, emergency response, sanitation services, and other critical public services provided to Town residents. This is not strictly limited to just vehicle replacement as equipment replacement is also eligible. The USDA has identified grant funding not to exceed $548,400 for the project. If project costs exceed estimates after procurement or bid receipt, the Town may be responsible for covering additional project costs beyond the grant award amount. Some requirements of this grant would be quarterly performance and financial monitoring reporting and quarterly performance reporting.

Council Member Larry Harris made a motion to approve the following resolution accepting the letter of conditions & grant agreement 3570-3 & Supplemental Grant Agreement. A vote of 5-0 in favor.

RESOLUTION OF THE TOWN COUNCIL, TOWN OF BLACK MOUNTAIN, NC ACCEPTING THE CONDITIONS SET FORTH IN THE LETTER CONDITIONS AND GRANT AGREEMENT 3570-3 & SUPPLEMENTAL GRANT AGREEMENT FOR A USDA COMMUNITY FACILITIES GRANT (DAF - VEHICLE REPLACEMENT & REIMBURSMENTS)

Resolution No. # R-26-51

BE IT RESOLVED: That the Town of Black Mountain hereby accepts the conditions set forth in the Letter Conditions and Grant Agreement 3570-3 & Supplemental Grant Agreement once executed.

That the Town Manager and Town Clerk be authorized to execute all forms necessary to obtain a loan from Rural Development, including but not limited to the following forms:

Form RD 1942-46	Letter of Intent to Meet Conditions
Form RD 1940-1	Request for Obligation of Funds
Form RD 3570-3	3570-3 Grant Agreement
	Supplemental Grant Agreement
Form RD 400-4	Assurance Agreement
RD Instruction 1940-Q	Certification for Contracts, Grants and Loans

This resolution is to become a part of the official minutes for the Town of Black Mountain Council meeting held on 06/30/2026.

A copy of the USDA-RD – DAF Grant Documents are included at the end of these minutes as Appendix A.

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2.C. Adoption of Fiscal Year (FY) 2026-27 Budget Ordinance & Schedule of Fees.

Interim Town Manager Richard Hicks reviewed the proposed Budget Ordinance for Fiscal Year 2026-27 with the Town Council, reviewing each fund revenues and appropriations. Mr. Hicks also reviewed the proposed tax rate in this ordinance ($0.3565 on each one hundred dollars ($100) valuation of taxable property) but also discussed the legislation at the General Assembly that would impact the tax valuations in Buncombe County and discussed what the new tax rate would be ($0.249), if this piece of legislation passed and was signed by the Governor, which was suspected to happen any day. Mr. Hicks then reviewed the proposed Schedule of Fees for Fiscal Year 2026-27, noting the changes to fees indicated in red text on the fee schedule. These include changes to Golf Course fees and membership fees, water rates (for both inside and outside Town limits), increase to the System Development Fee cost of capacity, and an increase of Sanitation Waste Reduction Fee to $12.00. As part of budget adoption, there is a Council direction for staff to present a budget amendment reducing expenditures by $125,000 that will zero out the Fund Balance Appropriation by August 10, 2026. Mr. Hicks recommended that with the motion adopting the Budget Ordinance, include the proposed tax rate of $0.3565, and the new value of $0.249, which would apply if the tax valuation legislation was passed.

Council Member Larry Harris made a motion to adopt the Fiscal Year 2026-27 Budget Ordinance and Schedule of Fees, and the current tax rate of $0.3565 per $100 valuation, or tax rate of $0.249 based on the new values, if passed by the General Assembly and signed by Governor. A vote of 5-0 in favor.

A copy of the approved Budget Ordinance for Fiscal Year 2026-27 and Schedule of Fees is included at the end of these minutes as Appendix B.

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2.D. Consideration of Adoption of Budget Amendments to Fiscal Year (FY) 2025-26 Budget.

Interim Town Manager Richard Hicks explained that Town Council should first consider a resolution to correct prior budget amendments associated with the North Carolina Department of Environmental Quality (NC DEQ) Bridge Loan Program after staff identified duplicate budget appropriations related to previously approved project funding.

The resolution to correct will address prior adoption of **Resolution Nos. R-25-100 and R-25-101**, which inadvertently duplicated budgeted loan revenues and expenditures that had already been included in the Town's Fiscal Year 2025–2026 budget through an existing **$3,000,000 NC DEQ Bridge Loan** carried forward from Fiscal Year 2024–2025. The resolution authorize the following corrective actions:

- **Resolution R-25-100:** Reverse an incorrectly budgeted **$1,125,000** in **Fund 425** related to the **Oconeechee Sinkhole Project**, as existing budget authority from Fund 450 should have been transferred rather than creating new budget authority.
- **Resolution R-25-101:** Reverse a duplicate **$1,043,290.32** budget appropriation in **Fund 450** related to the **Water System Recovery Project**, which had already been included in the adopted budget.

The corrections eliminate duplicate appropriations totaling **$2,168,290.32** and restore the **NC DEQ Bridge Loan budget to its correct total of $3,000,000**.

Council Member Larry Harris made a motion to approve the resolution that will rescind Resolution Nos. R-25-100 and R-25-101 as recommended. . A vote of 5-0 in favor.

A RESOLUTION TO CORRECT PRIOR BUDGET AMENDMENTS RELATED TO THE NC DEQ BRIDGE LOAN (Repeal of Resolution Nos. R-25-100 and R-25-101)

Resolution No. # R-26-52

WHEREAS, the Town Council previously adopted Resolution Nos. R-25-100 and R-25-101 to amend the Fiscal Year 2025–2026 budget for projects funded by the North Carolina Department of Environmental Quality (NC DEQ) Bridge Loan Program;

WHEREAS, subsequent review determined that the original $3,000,000 NC DEQ Bridge Loan was budgeted during Fiscal Year 2024–2025 and properly carried forward into Fiscal Year 2025–2026 on July 1, 2025;

WHEREAS, Resolution No. R-25-100 budgeted an additional $1,125,000 in Fund 425 for the Oconeechee Sinkhole Project; however, because the bridge loan proceeds had already been budgeted, only a transfer of existing budget authority from Fund 450 to Fund 425 was necessary;

WHEREAS, Resolution No. R-25-101 budgeted an additional $1,043,290.32 in Fund 450 for the Water System Recovery Project, resulting in duplicate recognition of revenues and expenditures already included in the adopted budget;

WHEREAS, as a result of these actions, the budget for the NC DEQ Bridge Loan in Fund 450 totals $4,043,290.32 rather than the intended $3,000,000;

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Black Mountain, North Carolina, that:

Section 1. Purpose
The purpose of this resolution is to correct duplicate budget appropriations associated with the NC DEQ Bridge Loan Program and restore the adopted Fiscal Year 2025–2026 budget to its intended amounts.

Section 2. Budget Correction

Resolution	Action	Amount
R-25-100	Reverse budget amendment recorded in Fund 425 (budget authority to be transferred from existing Fund 450 budget rather than new loan proceeds).	$1,125,000.00
R-25-101	Reverse duplicate budgeted NC DEQ Bridge Loan revenues and expenditures in Fund 450.	$1,043,290.32

Following these reversals, the NC DEQ Bridge Loan budget in Fund 450 will return to the correct total of $3,000,000, with project expenditures funded through the existing bridge loan budget and appropriate budget transfers.

Section 3. Authorization
The Town Manager and Finance Director are authorized to make the necessary accounting entries and budget amendments to implement this resolution.

Section 4. Effective Date
This resolution shall become effective upon adoption.

Adopted this 30th day of June 2026.

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Council then considered adoption of end-of-year budget amendments to the FY 2025-26 Budget Ordinance for Fiscal Year ending June 30, 2026. Interim Town Manager Richard Hicks reviewed the budget amendments with the Council.

Council Member Larry Harris made a motion to approve the budget amendment ordinance to the Fiscal Year 2025-26 budget as presented. A vote of 5-0 in favor.

A copy of this budget amendment ordinance is included at the end of these minutes as Appendix C.

2.E. Discussion of Golf Course Bridges.
A brief discussion on the status of the Golf Course Bridge Project took place. No action taken.

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3. **CLOSED SESSION- N.C.G.S. 143-318.11 (A)(6): TO CONSIDER THE QUALIFICATIONS, COMPETENCE, PERFORMANCE, CHARACTER, FITNESS, CONDITIONS OF APPOINTMENT, OR CONDITIONS OF INITIAL EMPLOYMENT OF AN INDIVIDUAL PUBLIC OFFICER OR EMPLOYEE OR PROSPECTIVE PUBLIC OFFICER OR EMPLOYEE; OR TO HEAR OR INVESTIGATE A COMPLAINT, CHARGE, OR GRIEVANCE BY OR AGAINST AN INDIVIDUAL PUBLIC OFFICER OR EMPLOYEE.**

Before Council was to enter closed session, Council Member Doug Hay read a statement aloud to which he gave his resignation from the Town Council, effective immediately. After the statement was read, Doug then left the meeting.

The Town Council would now into closed session pursuant to N.C.G.S. § 143-318.11 (a)(6): To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee.

Vice Mayor Archie Pertiller made a motion to enter closed session pursuant to NCGS 143-318.11 (A)(6). A vote of 4-0 in favor. The time was 9:25 am.

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4. **ADJOURNMENT.**

Council returned from closed session at 10:10 a.m. With no further business to be discussed, Mayor C. Michael Sobol adjourned the meeting.

C. Michael Sobol, Mayor

Wesley M. Barker, Town Clerk

United States Department of Agriculture

Rural Development

Shelby Area Office

844 Wallace Grove Drive, Shelby, NC 28150

Voice 704.284.5771

06/30/2026

Town of Black Mountain
DAF – Vehicle Replacements & Reimbursements
160 Midland Avenue
Black Mountain, NC 28711

Subject: Letter of Conditions for a Community Facilities Grant (Replacement Generators)

This letter, with attachments, establishes conditions that must be understood and agreed to by the applicant before further consideration may be given to the application for assistance under the Community Facilities (CF) program for a:

☐ Congressionally Directed Spending (CDS)/Community Project Funding (CPF) grant
X Disaster Assistance Funding (DAF) grant
☐ Persistent Poverty grant
☐ Regular grant

CHANGES TO THE PROJECT:
Any changes in project cost, source of funds, scope of services, or any other significant changes in the project or applicant (including significant changes in the applicant's financial condition, operation, organizational structure, or executive leadership) must be reported to and approved by USDA Rural Development (RD) by written amendment to this letter. Any change not authorized by RD will result in the application process being discontinued.

FUNDS AND DISBURSEMENT:
- This letter does not constitute grant approval or representation that funds are available. The application will be processed based on an RD grant not to exceed **$548,400.**
- Any changes in funding sources after Agency funds have been obligated must be reported to the processing official.

OTHER IMPORTANT TOPICS:
- Project feasibility and funding will be reassessed if there is a significant change in project costs after bids are received. If actual project costs exceed the project cost estimates, an additional contribution by the grantee may be necessary.
- In addition to this letter of conditions and Sections I-III, the applicant must fully comply with all requirements on Form RD 3570-3, "Community Facilities Grant Agreement" and the USDA General Grant Terms and Conditions.
- The Agency reserves the right to cancel funds if the applicant does not fully comply with all requirements as presented or subsequently modified, as needed.

USDA is an equal opportunity provider, employer, and lender.

FORMS:

All Rural Development forms are located on the USDA forms site, while other grant related forms, such as Standard Forms (SF), can be found on Grants.gov.

CRITICAL TIMELINES:

- **10 DAYS –** Within the next 10 days, review, complete, and return the attached Form RD 1942-46, "Letter of Intent to Meet Conditions," and Form RD 1940-1, "Request for Obligation of Funds". The execution of these and all other documents required by RD must be authorized by appropriate resolutions of the applicant's governing body.
- **SIX MONTHS –** Section I of the attached conditions must be met within six months and completed prior to grant closing or before procurement begins, whichever occurs first.
- **SIX MONTHS –** If the recipient does not fulfill the conditions outlined in the Letter of Conditions (LOC) within six months, RD will require the recipient to notify the Agency of their intent to complete the project, after which the Agency will determine whether the LOC may be extended.
- **FIVE YEARS –** If grant funds are not used within five years of obligation, they will be canceled in accordance with 31 U.S. Code 1552. For CDS/CPF grants, funds are not subject to these limitations; however, they remain subject to cancelation in accordance with 31 U.S. Code 1555.

GRANT OBLIGATION:

The following documents which must be executed prior to obligation:

- Form SF-LLL, "Disclosure Form to Report Lobbying," if applicable
- Form RD 400-4, "Assurance Agreement," (revised 06-06-25)

The grant will be considered approved on the date Form RD 1940-1, "Request for Obligation of Funds," is fully executed by all parties.

PROJECT PURPOSE:

The proposed project includes the purchase of public works and police vehicles that will provide public safety, emergency response, sanitation, and other services provided by the Town for the citizens of Black Mountain.

PROJECT BUDGET:
Based on Standard Form 424, "Application for Federal Assistance," the project cost and funding will be as follows:

Project cost	RD Grant	Applicant Contribution	Other Funds	Total Amount
Equipment				
Vehicle(s)				
TOTAL PROJECT COSTS	$548,400	$42	$0	$548,442

SOURCE OF FUNDS:

Title	Amount
Applicant contribution	$42
RD grant	$548,400
Other	$0
Total	$548,442

If you have any questions, feel free to contact this office.

Sincerely,

Joshua J. Carswell
Community Programs Specialist

cc: Community Programs Director, Rural Development

ATTACHMENT TO LETTER OF CONDITIONS

SECTION I. CONDITIONS TO BE SATISFIED PRIOR TO GRANT CLOSING

1. **Evidence of Other Project Funding [2 CFR 200.306]**

The applicant will provide evidence that funds from other sources will be made available for the project cost in the amount of $42.00. This evidence should include a copy of the loan/grant award that addresses how funds will be disbursed. The Agency will not disburse funds until all project funding sources have been secured. The applicant may request an exception if this requirement impedes the applicant's ability to carry out the project specified in the applicable appropriations bill.

The applicant's share of project funds will be treated as the first funds spent (except when appropriate exceptions are necessary) and must be deposited in its project account. Evidence of this deposit will be required unless express written exception is approved by the Agency. Agency funds will not be used to pre-finance funds committed to the project from other sources.

2. **Grant Security Requirements**
   2.1. All applicants will execute Form RD 3570-3, "Community Facilities Grant Agreement" before grant funds are disbursed.

3. **Applicable Federal Statutes**
   3.1. Grantees are responsible to execute a Civil Rights Assurance Agreement with the Agency - Form RD 400-4 (Rev. 06-25).
   3.2. The nondiscrimination poster, "And Justice for All," (provided by the Agency) must be displayed at the grant funded facility(ies) and/or office of any grantee.
   3.3. You are required to post a copy of the Non-Discrimination Statement (shown below) in your office and include it in full in all materials produced for public information, public education, or public distribution both print and non-print:

Non-Discrimination Statement:

In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the state or local agency that administers the program or contact USDA through the Telecommunications Relay Service at 711 (voice and TTY). Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Mail Stop 9410, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

3.4. **Controlled Substances Act:** Even though state law may allow some activities, as a recipient of federal funding, you are subject to the Controlled Substances Act. Specific questions about the Controlled Substances Act should be directed to the processing official who will contact the Office of General Counsel, as appropriate.

4. **Environmental Reviews:** The project as proposed has been evaluated to be consistent with the National Environmental Policy Act (NEPA) and 7 CFR 1b. Other federal, state, tribal, and local laws, regulations and or permits may also apply or be required. If environmental issues arise at any stage of project development that require mitigation measures, applicants must promptly notify RD and comply with all required mitigation actions. Failure to implement required mitigation measures may result in disqualification from Agency funding. All mitigation measures identified or developed during the NEPA environmental process must be implemented. If the project or any of its components deviates from the originally approved plan, additional environmental review may be necessary.

5. **Procurement:** All procurement transactions related to this project – whether conducted through negotiation or sealed bids, regardless of dollar amount – must be carried out in a manner that ensures maximum open and free competition and complies with 7 CFR 1942.18 (j)(2) and 2 CFR 200 [2 CFR 200.317 through 2 CFR 200.327] and other applicable regulations.

6. **Written agreements for professional services requiring RD approval (if applicable):**
   6.1. The legal service agreement

7. **Electronic Funds Transfer: :** In accordance with Executive Order 14247, "Modernizing Payments To and From America's Bank Account", all grant funds will be transferred to grantees via Electronic Funds Transfer/Automated Clearinghouse Systems (EFT/ACH). Normal transfers will be ACH, with money being placed in the grantees account two business days after the RD processing office approves the pay request. The applicant must submit the Electronic Funds Transfer Form containing the banking (ACH) information to the RD Servicing Office at least 45 days prior to the date of grant closing. Failure to do so could delay grant closing.

8. **Suspension and Debarment Screening:** The applicant and its principals must not be debarred, suspended, or otherwise excluded from participation in USDA programs in accordance with 2 CFR part 180 and 2 CFR part 417. Agency staff will screen the entity and its principals for suspension and debarment using the Do Not Pay Portal. Your organization will need to provide information about its principals.
   8.1. Principal: An officer, director, owner, partner, principal investigator, or other person within a participant with management or supervisory responsibilities related to a covered transaction; or
   8.2. A consultant or other person, whether employed by the participant or paid with federal funds, who –
      - can handle federal funds;
      - can influence or control the use of those funds; or occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction (2 CFR §180.995).

Section II. Project Requirements

1. **Insurance and bonding requirements**: The applicant must provide proof of adequate insurance and fidelity bond coverage by the grant closing. Coverage must comply with RD regulations and be maintained for the entire duration of the grant. Ensuring adequate insurance and fidelity bond coverage is the applicant's responsibility, not RD's. The applicant will have fidelity bond coverage until the grant is fully disbursed and closed out. Applicants are encouraged to review coverage amounts and deductible provisions with their attorney, consulting architect, and/or insurance provider(s).

   Proof of the following is required:
   1.1. Fidelity bond.
   1.2. Property Insurance: Fire and extended coverage will be required on all above-ground structures, including applicant-owned equipment and machinery housed therein.
   1.3. General liability and vehicular coverage must be maintained.
   1.4. Workers' Compensation Insurance: The applicant will be required to carry workers' compensation insurance for all employees in accordance with state laws.
2. **Permits (if applicable):** All permits required by federal, state, and local agencies must be obtained and submitted to RD.
3. **Contracts (if applicable)**: All contracts for professional and technical services entered into by the applicant for the project – including but not limited to, agreements for owner's representative, legal services, project management, inspection, and management agreements – must be reviewed and approved by both the Agency and the Office of General Counsel. Each contract must comply with the provisions outlined in 7 CFR 1942.18(n). If a contract does not meet the Agency requirements, it must be amended to incorporate those requirements; otherwise, the Agency will not accept the contract.

4. **Monthly Payment Applications:** The pay application submitted to the Agency must include:
   4.1. Form SF-270, "Request for Advance or Reimbursement". This form is used to track all project costs and funding sources and must be signed by the owner.
   4.2. All required supporting documentation for the application request – such as invoices, proof of payment, and any other applicable backup materials.

5. **Final Inspection**: The Agency will conduct a final inspection of the grant-funded component before authorizing final payment.

SECTION III. GRANT CONDITIONS TO BE SATISFIED DURING THE GRANT LIFE CYCLE

1. **Disbursement of Grant Funds**: [2 CFR 200.302 and 2 CFR 200.303] Grant funds will not be disbursed until they are actually needed by the applicant and all Grantee, Agency, or other funds are expended.

2. **Reporting**: [2 CFR 200.329] The applicant must monitor and provide required reports to the Agency on actual performance for each project financed, or to be financed, in whole or in part with RD funds.

3. **Excess Funds:** [2 CFR 200.344, 2 CFR 200.472, 2 CFR 200.403(h), 2 CFR 200.346, 7 CFR part 3 and 31 CFR part 901] Any remaining funds must be utilized for approved purposes within 120 days following the final inspection or the funds will be canceled in accordance with Agency policies.
   - 3.1. Funds remaining after the applicant contribution may be considered in direct proportion to the amounts of funding obtained from each source. The use of Agency funding will be limited to eligible grant purposes, provided the use will not result in major changes to the original scope of work and the purpose of the grant remains the same.
   - 3.2. Any reductions in Agency funding will be first applied to the grant funds.
   - 3.3. Grant funds not expended for authorized purposes will be cancelled (de-obligated) within **120** days of final completion of project. Prior to actual cancellation, you will be notified of the Agency's intent to cancel the remaining funds and given appropriate appeal rights.
   - 3.4. Under no circumstances is it appropriate to use remaining funds as contributions to a new project outside the scope of the funded project.
   - 3.5. Grant funds that are not needed will be cancelled (de-obligated) prior to closing.

SECTION IV. GRANT CONDITIONS TO BE SATISFIED AFTER PROJECT COMPLETION

1. **Financial Statements**: To be submitted on an annual basis in accordance with the following:
   1.1. 2 CFR Part 200.501 establishes audit requirements that grantees must follow. Grantees expending $1,000,000 or more in federal awards during their fiscal year must submit a single or program-specific audit in accordance with 2 CFR 200, Subpart F.
      1.1.1. **Audit Agreement:** If your organization meets this federal audit threshold, you must engage a licensed Certified Public Accountant (CPA) to perform the audit and execute a written agreement with the CPA, which should include mutually agreed terms and conditions.
      1.1.2. Grantees must submit audits within nine months from the end of the grantee's fiscal year or 30 days after receipt from the auditor, whichever is earlier. The audited financial statements must be submitted to the Federal Audit Clearinghouse. It is not intended that audits required by this part be separate and apart from audits performed in accordance with state and local laws. To the extent feasible, the audit work should be done in conjunction with those audits. The audit must be prepared by an independent licensed CPA, or a state or federal auditor, if allowed by state law.
   1.2. Grantees exempt from the audit requirements, and who do not otherwise have annual audits, must provide RD with annual financial statements within 60 days after the end of the fiscal year in which grant funds were expended. These statements must include a verified balance sheet and statement of income and expenses.
      1.2.1. The grantee may use Forms RD 442-2 "Statement of Budget, Income and Equity" and 442-3 "Balance Sheet", or similar format to provide the financial information. For grantees using Form RD 442-2, the dual purpose of fourth quarter management reports, when required, and annual statements of income will be met with this one submission.

Position 3

Form RD 1942-46
(Rev. 6-10)

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

FORM APPROVED
OMB NO. 0575-0015
OMB NO. 0570-0062

LETTER OF INTENT TO MEET CONDITIONS

Date 06-30-2026

TO: United States Department of Agriculture

Rural Development

(Name of USDA Agency)

844 Wallace Grove Drive
Shelby, NC 28150

(USDA Agency Office Address)

We have reviewed and understand the conditions set forth in your letter dated 06-30-2026 . It is our intent to meet all of them not later than 12-30-2026 .

Town of Black Mountain

(Name of Association)

BY [signature]

Interim Town Manager

(Title)

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a persons is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015 and 0570-0062. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data. needed, and completing and reviewing the collection of information.

USDA
Form RD 1940-1
(Rev 02-26)

View Burden Statement

FORM APPROVED
OMB No. 0570-0062
Exp. Date: 9/30/2028
OMB No. 0570-0067
Exp. Date: 9/30/2028

Request for Obligation of Funds

1. Borrower Name	Town of Black Mountain	5. Case/Borrower Number	ST 38 CO 011 BORROWER ID 556644962
2. Borrower Address	160 Midland Avenue	6. Type of Applicant	Public Body
3. City, State, Zip Code	Black Mountain, NC 28711-	7. Collateral Code	Chattel or Equipment Only
4. County Name	Buncombe	8. Community Size / Service Area	20,000 or less

9. Amount of Loan	$0.00	13. Interest Rate	0 %
10. Amount of Grant	$548,400.00	14. Repayment Terms *(years)*	
11. Type of Assistance Code	960	15. Type of Payment	Blank
12. Fiscal Year	2026	16. *Kept blank for future use*	

17. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL:

18. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual need at reasonable rates and terms taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time (as applicable in accordance with program regulations). I agree to use the sum specified herein, subject to and in accordance with regulations and applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan/grant closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan/grant approval requirements and comments associated with this loan/grant request and agree to comply with these provisions

WARNING: **Whoever, in any matter within the jurisdiction of any department or agency of the United States, knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes use of any false writing or document know the same to contain any false fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both.**

(For loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of lo check "NO" the interest rate charged on my loan will be the rate specified on this form ( ) YES ( ) NO (•) N/A-Grant Only

06/30/2026
(Date)

(Signature of Authorized Representative)

Town of Black Mountain
(Organization Name)

Richard A. Hicks Interim Town Manager
(Typed or Printed Name and Title of Authorized Representative)

For Internal Use Only

19. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

06/30/2026
(Date)

DURWARD BURNETTE
Digitally signed by DURWARD BURNETTE
Date: 2026.06.30 11:07:11 -04'00'
(Signature of Approving Official)

D. Garland Burnette
(Typed or Printed Name of Approving Official)

Acting State Director
(Title)

Obligation Date for Obligation ID 118965

20. TO THE APPLICANT: As of this date 06/30/2026, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

Form RD 3570-3
(Rev. 06-22)

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

FORM APPROVED
OMB No. 0575-0173
Exp. Date: 2/28/2025

COMMUNITY FACILITIES GRANT AGREEMENT

Grantee and Agency

This Grant Agreement (Agreement) dated 06/30/2026, is a contract for receipt of grant funds under the Community Facility Grant program (7 C.F.R. part 3570, subpart B). These requirements do not supersede the applicable requirements for receipt of Federal funds stated in 2 C.F.R. Part 200, "UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS", which are incorporated by reference into this Agreement. Further, 7 C.F.R. part 3570, subpart B, and all relevant regulatory requirements apply to applicants and are also incorporated by reference into this Agreement.

This Agreement for the Project and Amount described below (the "Project Description") and for the Community Facilities grant, CFDA Number 10.766, is between the Grantee, a public body, nonprofit corporation or Indian tribe (you), and the United States of America acting through the Rural Housing Service (RHS or Agency).

I. GENERAL AWARD INFORMATION

1. Grantee Name & Address BLACK MOUNTAIN, TOWN OF 160 Midland Avenue Black Mountain, NC 28711-	2. Unique Entity ID. FBFRMA4EHMM5
	3. Case No. 38-011-*****1182
4. Federal Award Identification Number (FAIN) CLSS00000118965	5. Award Date 06/30/2026
6. Performance Start Date 06/30/2026	7. Performance End Date 09/30/2031
8. Amount of Federal Funds Obligated for this Action, $548,400.00 and Total Amount of Federal Funds Obligated $548,400.00	9. Amount of Matching/Other Funds (if applicable) Less Than 1%
10. Total Project Cost (Budget Approved Amount) $548,442.00	11. Award as Percentage of Total Project Cost 0 %
12. Grantee Contact (Name, Title, Contact Info) Richard Hicks - Interim Town Manager (828) 419-9311	13. Agency Contact (Name, Title, Contact Info) Joshua J. Carswell - Community Programs Specialist (704) 284-5771
14. Description of Real Property covered by the grant N/A	15. Description of Equipment covered by the grant Public Works & Police Vehicles

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 0575-0173 and 0575-0200. Public reporting for this collection of information is estimated to be approximately 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, completing, and reviewing the collection of information. All responses to this collection of information are voluntary. However, in order to obtain or retain a benefit, the information in this form is required by 7 CFR 3570-B, Community Facilities Grant Program, and Section 1002 of the American Rescue Plan Act. Rural Development has no plans to publish information collected under the provisions of this program. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Information Collection Clearance Officer, Rural Development Innovation Center, Regulations Management Division at ICRMTRequests@usda.gov

The Agency has agreed to give the Grantee the Grant Funds, subject to the terms and conditions established by the Agency. Provided, however, that any Grant Funds actually advanced and not needed for grant purposes shall be returned immediately to the Agency. The Agency may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement or the applicable regulation.

II. RESPONSIBILITIES

A. Grantee. The Grantee shall cause said project to be completed within the total sums available to it, including Grant Funds, in accordance with any architectural or engineering reports, and any necessary modifications, prepared by Grantee and approved by the Agency as required by 7 C.F.R. part 3570. The Grantee will remain in compliance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements for the duration of the Agreement including 7 C.F.R. part 3570, subpart B and 2 C.F.R. parts 200, 400, 415, 416, 417, 418, 421, and 422. The most commonly-referenced provisions are identified below.

1. **Financial and Program Management.** You must follow the financial and performance management requirements in 2 C.F.R. § 200.300-.309.

   a. Financial Management. You must maintain a financial management system in compliance with 2 C.F.R. § 200.302.

   b. Internal Controls. You must maintain internal controls in compliance with 2 C.F.R. § 200.303.

   c. Payments. You must comply with the payment requirements described in 2 C.F.R. § 200.305. Payment must be requested by using the SF-270, "Request for Advance or Reimbursement" or SF-271, "Request for Reimbursement for Construction Programs" (as applicable). Receipts, hourly wage rate, personnel payroll records, or other documentation must be provided upon request from RHS if the request is for an advance; otherwise, the documentation must be provided at the time of the request. Requests for payment must be sent to the Agency contact listed in Section I.14.

   d. Revisions of the Work Plan and Budget. You must complete all elements of the Work Plan in Attachment A in accordance with that Attachment and must use project funds only for the purposes and activities specified in Attachment A - Approved Work Plan and Budget. You must further complete the outcomes shown for each Work Plan items within the time and scope constraints shown in Attachment A. You must report any changes and request prior approvals in accordance with 2 C.F.R. § 200.308.

   e. Period of Performance. You may only incur costs chargeable to the award in accordance with 2 C.F.R. § 200.309.

   f. Bonding. You must maintain your fidelity bond coverage in the amount of $ 82,260.00 for the Period of Performance of the award. (See 2 C.F.R.§ 200.304)

g. **Program Income.** You must comply with the requirements of 2 C.F.R. § 200.307. Additionally, if program income is earned during the period of performance, you may use it in accordance with 2 C.F.R. § 200.307(e)(2), provided that you inform us in writing of your intent prior to the award date. However, if you earn program income in excess of what can be used under 2 C.F.R. § 200.307(e)(2) or if you earn unanticipated program income, you must comply with 2 C.F.R. § 200.307(e)(1). Costs incidental to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the award.

2. **Procurement and Property Standards.** You must follow the procurement standards requirements in 2 C.F.R. § 200.310-.326.

3. **Performance and Financial Monitoring and Reporting.** You must follow the requirements in 2 C.F.R. Part 170, including Appendix A, and 2 C.F.R. § 200.327-.329, and submit reports as outlined below. Unless otherwise directed in the addendum to this Agreement, the reports are due as indicated below.

   a. **Form SF-425, "Financial Status Report."** Reports are due 30 calendar days after the reporting period ends. A final report is due within 120 days after the Performance End Date specified in Section I.8. of this Agreement or at the completion of your project, whichever date is sooner. Your reporting periods are below (mark one):

   ○ Annually: January 1 - December 31

   ○ Annually: July 1 - June 30

   ○ Semi-Annually: January 1 – June 30 and July 1 – December 31

   ○ Semi-Annually: April 1 – September 30 and October 1 – March 31

   ◉ Quarterly: January 1 – March 31, April 1 – June 30, July 1 – September 30, October 1 – December 31

   b. **Performance Reports.** SF-PPR, "Performance Progress Report" is due 30 calendar days after the reporting period ends. A final report is due within 120 days after the Performance End Date specified in Section I.8. of this Agreement or at the completion of your project, whichever date is sooner. Your reporting periods are below (mark one):

   ○ Annually: January 1 - December 31

   ○ Annually: July 1 - June 30

   ○ Semi-Annually: January 1 – June 30 and July 1 – December 31

   ○ Semi-Annually: April 1 – September 30 and October 1 – March 31

   ◉ Quarterly: January 1 – March 31, April 1 – June 30, July 1 – September 30, October 1 – December 31

   The performance narrative on the Performance Project Report shall include, but is not limited to, the following:

i. Describe the activities that the funds reflected in the financial status report were used for;

ii. A comparison of actual accomplishments to the objectives established for that period;

iii. Reasons why established objectives were not met, if applicable;

iv. Problems, delays, or adverse conditions which will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation;

v. Objectives and timetables established for the next reporting period;

The final report (due 120 calendar days after the period of performance end date) will also address the following:

i. What have been the most challenging or unexpected aspects of this program?

ii. What advice, best practices, and actions would you recommend to other organizations planning a similar program that would increase the success of their program? Please include strengths and limitations of the program. If you had the opportunity, what would you have done differently?

4. **Operations.** The Grantee will manage, operate and maintain the facility, including this project if less than the whole of said facility, continuously in an efficient and economical manner in accordance with 7 C.F.R. § 3570.61(e).

5. **Funding.** The Grantee will not use grant funds to replace any financial support previously provided or assured from any other source. The Grantee agrees that the Grantee's level of expenditure for the Project shall be maintained and not reduced as a result of Grant Funds in accordance with 7 C.F.R. § 3570.66.

6. **Default**. Upon any default under its representations or agreements contained in this instrument, 2 C.F.R. Part 200, or 7 C.F.R. Part 3570, Grantee, at the option and demand of the Agency, will immediately repay to the Agency the Grant Funds with any legally permitted interest from the date of the default. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Agreement may be enforced by the Agency, at its option and without regard to prior waivers of previous defaults by Grantee, by judicial proceedings to require specific performance of the terms of this Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by the Agency to assure compliance with the provisions of this Agreement and the laws and regulations under which this grant is made.

7. **Real Property.** Use the real property including land, improvements, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed and in accordance with 2 C.F.R. § 200.311; 2 C.F.R. § 200.312; 7 C.F.R. §15.4(a)(2) and 7 C.F.R. § 3570.92. In accordance with Title VI of the Civil Rights Act of 1964, deeds for real property must comply with the requirements for the Reverter and Habendum clauses.

   a. Title to real property shall vest in the Grantee subject to the condition that the Grantee shall use the real property for the authorized purpose of the original grant as long as needed.

   b. The Grantee shall obtain the Agency's approval to use the real property in other projects when the Grantee determines that the property is no longer needed for the original grant purposes. Use in other projects shall be limited to those under other Federal grant programs or programs that have purposes consistent with those authorized for support by the Agency.

   c. When the real property is no longer needed, as provided in paragraphs (a) and (b) above, the Grantee shall request disposition instructions from the Agency. The Agency will observe the following rules in the disposition instructions:

      i. The Grantee may be permitted to retain title after it compensates the Federal government in an amount computed by applying the Federal percentage of participation in the cost of the original Project to the fair market value of the property;

      ii. The Grantee may be directed to sell the property under guidelines provided by the Agency and pay the Federal government an amount computed by applying the Federal percentage of participation in the cost of the original Project to the proceeds from sale (after deducting actual and reasonable selling and fix-up expenses, if any, from the sales proceeds). When the Grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practical and result in the highest possible return;

      iii. The Grantee may be directed to transfer title to the property to the Federal government provided that in such cases the Grantee shall be entitled to compensation computed by applying the Grantee's percentage of participation in the cost of the program or Project to the current fair market value of the property;

8. **Equipment.** Abide by the following conditions pertaining to equipment which is furnished by the Agency or acquired wholly or in part with Grant Funds. Equipment is defined at 2 C.F.R. § 200.33 and is tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit.

a. **Use of equipment**. The Grantee shall use the equipment in the Project for which it was acquired as long as needed. When no longer needed for the original project, the Grantee shall use the equipment in connection with its other federally sponsored activities, if any, in the following order of priority:

   i. Activities sponsored by the Agency.

   ii. Activities sponsored by other Federal agencies.

b. **Use of equipment**. During the time that equipment is held for use on the project for which it was acquired, the Grantee shall make it available for use on other projects if such other use will not interfere with the work on the project for which the property was originally acquired. First preference for such other use shall be given to the Agency sponsored projects. Second preference will be given to other federally sponsored projects.

c. **Disposition of equipment**. When the Grantee no longer needs the property as provided in paragraph 1 (a) and (b) above, the equipment may be sold or used for other activities in accordance with 2 C.F.R. § 200.313 and 7 C.F.R. §15.4(a)(3) :

   i. Equipment with a current fair market value of less than $5,000. The Grantee may use the property for other activities without reimbursement to the Federal government or sell the property and retain the proceeds.

   ii. Equipment with a current fair market value of $5,000 or more. The Grantee may retain the property for other uses provided that compensation is made to the Agency. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original Project to the current fair market value of the property. If the Grantee has no need for the equipment and the equipment has further use value, the Grantee shall request disposition instructions from the Agency.

   iii. The Agency shall determine whether the equipment can be used to meet RHS or its successor agency's requirements. If no such requirements exist, the availability of the property shall be reported, in accordance with the guidelines of the Federal Property Management Regulations (FPMR), to the General Services Administration by the Agency to determine whether a requirement for the equipment exists in other Federal agencies. They shall issue instructions to the Grantee no later than 120 days after the Grantee's request and the following procedures shall govern:

- If so instructed or if disposition instructions are not issued within 120 calendar days after the Grantee's request, the Grantee shall sell the equipment and reimburse the Agency an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the Grantee shall be permitted to deduct and retain from the Federal share 10 percent of the proceeds or $500, whichever is less, for the Grantee's selling and handling expenses.

- If the Grantee is instructed to ship the property elsewhere, the Grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the Grantee participation in the cost of the original grant Project or program to the current fair market value of the equipment plus any reasonable shipping or interim storage costs incurred.

- If the Grantee is instructed to otherwise dispose of the equipment, the Grantee shall be reimbursed by the Agency for such costs incurred in its disposition.

d. The Grantee's property management standards for equipment shall be in accordance with 2 CFR § 200.313 and shall include:

i. Property records which accurately provide for: a description of the equipment; manufacturer's serial number or other identification number; acquisition date and cost; source of the equipment; percentage (at the end of budget year) of Federal participation in the cost of the Project for which the equipment was acquired; location, use, and condition of the equipment and the date the information was reported; and ultimate disposition data including sales price, or the method used to determine current fair market value if the Grantee reimburses the Agency for its share.

ii. A physical inventory of equipment shall be taken, and the results reconciled with the equipment records at least once every two years to verify the existence, current utilization, and continued need for the equipment.

iii. A control system shall be in effect to ensure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented.

iv. Adequate maintenance procedures shall be implemented to keep the equipment in good condition.

v. Proper sales procedures shall be established for unneeded equipment which would provide for competition to the extent practicable and result in the highest possible return;

9. **Earned Interest**. Grantee agree to account for and to return to Agency interest earned on grant funds pending their disbursement for program purposes when the Grantee is a unit of local government. States and agencies or an instrumentality of a State shall not be held accountable for interest earned on Grant Funds pending their disbursement.

10. **Record Retention and Access.** You must retain records related to this work performed under this Agreement and allow access to them in accordance with 2 C.F.R. § 200.333-.337.

11. **Closeout.** You must comply with the closeout requirements in 2 C.F.R. § 200.344.

12. **Post-Closeout Adjustments and Continuing Responsibilities.** You must continue to comply with the requirements in 2 C.F.R. § 200.345 even after the Period of Performance for this Agreement has ended.

13. **Cost Principles.** You must comply with the provisions in 2 C.F.R. Part 200, Subpart E.

14. **Audits.** You must comply with the provisions in 2 C.F.R. Part 200, Subpart F.

15. **Civil Rights Compliance.** Unless otherwise provided in the addendum, you must comply with Executive Order 12898, Executive Order 13166- Limited English Proficient, the Americans with Disabilities Act of 1990, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973 as applicable. You must make the public facility or services available to all persons in the Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status or physical or mental disability at reasonable rates, including assessments, taxes, or fees. You may make modifications as long as they are reasonable and nondiscriminatory. Your compliance shall include collection and maintenance of data on race, sex, and national origin of your membership, ownership, and employees. This data must be available to us for Civil Rights Compliance Reviews. You must submit to a post-award compliance review conducted after the final disbursement of grant funds has occurred.

16. **Execute Agreements**. The Grantee will execute any agreements required by the Agency which the Grantee is legally authorized to execute. If any such agreement has been executed by the Grantee as a result of a loan being made to the Grantee by the Agency contemporaneously with the making of this grant, that agreement applies equally to the grant and another identical agreement need not be executed in connection with this grant.

17. **Universal Identifier and Central Contractor Registration.** The Grantee must have a Unique Entity ID number in order to apply for, receive, and report on a Federal award. Additionally, the Grantee must comply with the additional requirements set forth in Attachment C regarding the Unique Entity ID Requirements and the Central Contractor Registry (CCR) Requirements found at 2 CFR Part 25, including Appendix A. For the purposes of this Agreement, "you" in Attachment B shall mean "Grantee" as defined hereunder;

18. **Federal Funding Accountability and Transparency Act.** The Grantee is responsible for complying with all requirements of the Federal award. For all Federal awards, this includes the provisions of the Federal Funding Accountability and Transparency Act (FFATA), which includes requirements on executive compensation, and also requirements implementing the Act for the Grantee at 2 CFR Part 25 Financial Assistance Use of Universal Identifier and Central Contractor Registration and 2 CFR Part 170 Reporting Subaward and Executive Compensation Information. See also statutory requirements for whistleblower protections at 10 U.S.C. 2409, 41 U.S.C. 4712, 10 U.S.C. 2324, 41 U.S.C. 4304 and 4310. See also 2 C.F.R. § 200.11-200.113.

19. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Agency or acquired wholly or in part with Agency funds without the written consent of the Agency except as provided in paragraph 8 (c).

20. Not duplicate other Project purposes for which monies have been received, are committed, or are applied to from other sources (public or private).

B. **Rural Housing Service (RHS).** RHS has agreed to give the Grantee the grant funds, subject to the terms and conditions established by RHS. Provided, however, that any grant funds actually advance and not needed for grant purposes shall be returned immediately to RHS. RHS may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement or the applicable regulation. RHS shall remain in compliance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements for the duration of the Agreement. The most commonly-referenced provisions are identified below.

1. **Payments.** We will advance or reimburse funds up to the Award Amount identified in Section I.9 upon the Grantee's proper request according to Section II.A.1.c.

2. **Monitoring and Enforcement.** We will monitor the project to ensure that you are in compliance with the terms of the award. If we find that you are not in

compliance, we will enforce the terms of this Agreement using the provisions of 2 C.F.R. § 200.338-.342.

a. Will assist Grantee, within available appropriations, with such technical assistance as Agency deems appropriate in planning the Project and coordinating the plan with local official comprehensive plans for essential community facilities and with any State or area plans for the area in which the project is located.

b. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Agency may determine to be (1) advisable to further the purpose of the grant or to protect Agency's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.

3. **Termination of This Agreement**. This Agreement may be terminated for cause in the event of default on the part of the Grantee or for convenience of the Agency and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Agency agree that the continuation of the Project will not produce beneficial results commensurate with the further expenditure of funds. In all cases termination and notification will be in accordance with 2 C.F.R. § 200.339 and 200.340.

C. **Both Parties.** The Grantee and RHS agree to the following:

1. **Invalid Clauses.** The invalidity of any one or more phrases, clauses, sentences, paragraphs, or provisions of this Agreement shall not affect the remaining portions of the Agreement.

2. **Conflict between this Agreement and Other Applicable Regulations or Laws.** If there is a conflict between this Agreement and the applicable Program Regulation, the applicable Program Regulation shall prevail. If there is a conflict between this Agreement and another law or regulation, RHS shall seek a legal opinion to determine which provision applies.

3. **Dates.** When the date fixed for the performance of an act under this Agreement is on a weekend or Federal holiday, then the performance by the close of business on the next Federal work day shall have the same force and effect as if made performed or exercised on the specified date.

The signatories below certify that they have authority to enter into this Agreement.

Approved by an Authorized Representative of the Grantee:

Richard A. Hicks
Name (Please Print)

Interim Town Manager
Title (Please Print)

Signature

6-30-2026
Date

Approved by the United States of America, Rural Housing Service by:

Joshua J. Carswell
Name (Please Print)

Community Programs Specialist
Title (Please Print)

Signature

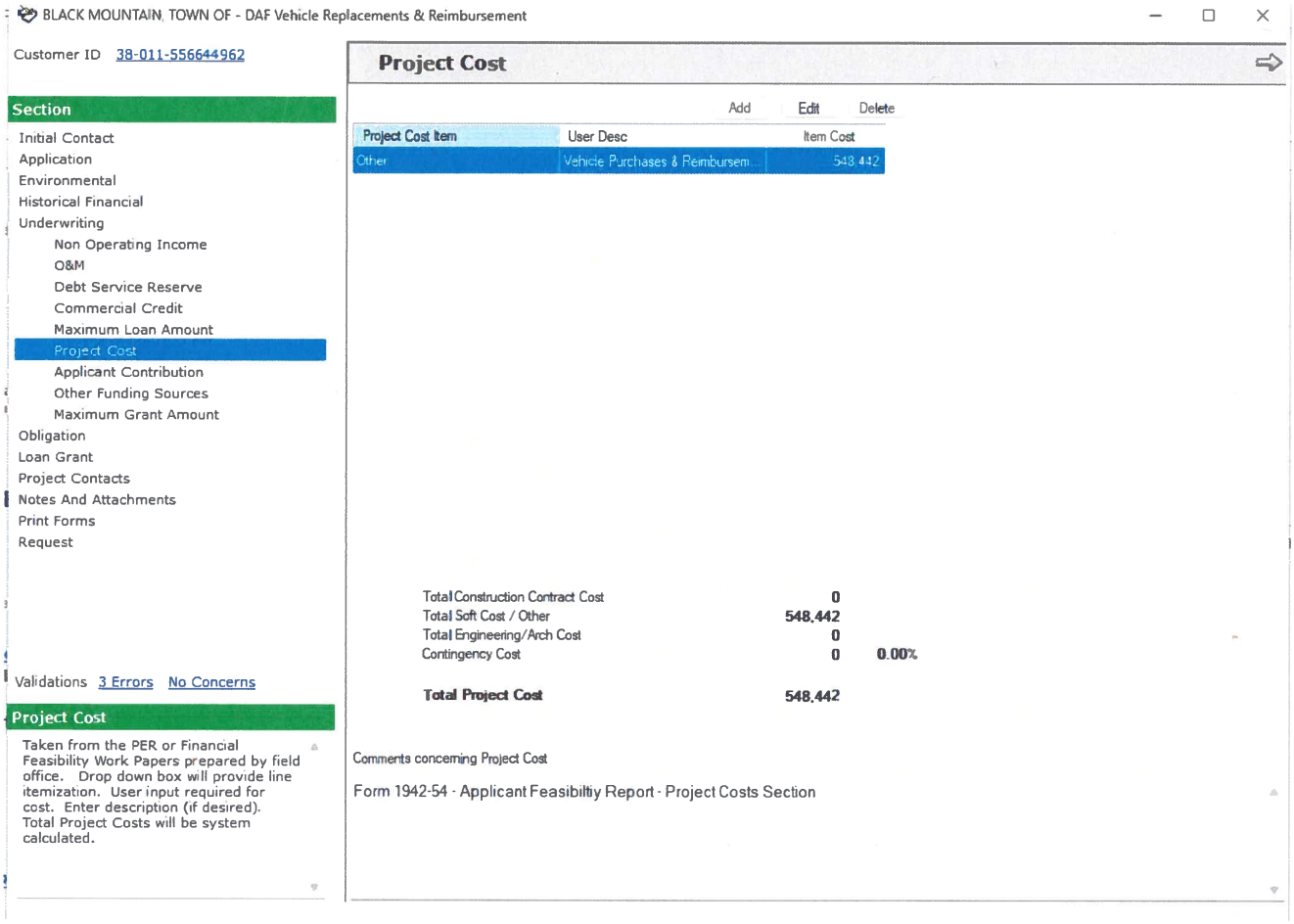
6-30-2026
Date

Attachment A

Approved Work Plan and Budget

(The work plan must have time, scope, and outcome entries for each task.)

The Town will purchase the public works and police vehicles once grant funds are available for disbursement. Attached below is the proposed budget:



ATTACHMENT B

I. Reporting Executive Compensation.

A. Reporting Total Compensation of Recipient Executives.

1. *Applicability and what to report.* You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if:
   a. the total Federal funding authorized to date under this award is $25,000 or more;
   b. in the preceding fiscal year, you received
      i. 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
      ii. $25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards);
   c. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at *http://www.sec.gov/answers/execomp.html*)

2. *Where and when to report.* You must report executive total compensation described in paragraph b.1. of this award term:
   a. As part of your registration profile at http://www.ccr.gov.
   b. By the end of the month following the month in which this award is made, and annually thereafter.

B. *Reporting of Total Compensation of Subrecipient Executives.*

1. *Applicability and what to report.* Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if
   a. in the subrecipient's preceding fiscal year, the subrecipient received—
      i. 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 C.F.R. § 170.320 (and subawards); and
      ii. $25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
   b. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at *http://www.sec.gov/answers/execomp.htm.)*

2. *Where and when to report.* You must report subrecipient executive total compensation described in paragraph c.1. of this award term:
   a. To the recipient.
   b. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (*i.e.,* between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

C. *Exemptions.* If, in the previous tax year, you had gross income, from all sources, under $300,000, you are exempt from the requirements to report:
   1. Subawards, and
   2. The total compensation of the five most highly compensated executives of any subrecipient.

D. *Definitions.* For purposes of this award term:
   1. *Entity* means all of the following, as defined in 2 CFR part 25:
      a. A Governmental organization, which is a State, local government, or Indian tribe;
      b. A foreign public entity;
      c. A domestic or foreign nonprofit organization;
      d. A domestic or foreign for-profit organization;
      e. A Federal agency, but only as a subrecipient under an award or subaward to a
      f. non-Federal entity.
   2. *Executive* means officers, managing partners, or any other employees in management positions.
   3. *Subaward:*
      a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
      b. The term does not include your procurement of property and services needed to carry out the project or program.
      c. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
   4. *Subrecipient* means an entity that:
      a. Receives a subaward from you (the recipient) under this award; and
      b. Is accountable to you for the use of the Federal funds provided by the subaward.
   5. *Total compensation* means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 C.F.R. § 229.402(c)(2)):
      a. Salary and bonus.
      b. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
      c. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
      d. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
      e. Above-market earnings on deferred compensation which is not tax-qualified.
      f. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds $10,000.

ATTACHMENT C

I. System for Award Management and Universal Identifier Requirements

A. Requirement for Registration with the General Services Administration's System for Award Management. Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for Unique Entity ID Numbers.
The Grantee must have a Unique Entity ID number in order to apply for, receive, and report on a Federal award. The DUNS Number is no longer valid for federal award identification. On April 4, 2022, the Unique Entity ID from SAM.gov is now the authoritative identifier for those doing business with the federal government.

C. Definitions. For purposes of this award term:

1. System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at http://www.sam.gov).

2. The Unique Entity ID from SAM.gov is now the authoritative identifier for those doing business with the federal government. The Unique Entity ID is generated in SAM.gov. If you are registered in SAM.gov (active or not), you already have a Unique Entity ID. It is viewable at SAM.gov. If you are new to SAM.gov and will be registering for the first time, you will get your Unique Entity ID (SAM) during registration.

3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
   a. A Governmental organization, which is a State, local government, or Indian Tribe;
   b. A foreign public entity;
   c. A domestic or foreign nonprofit organization;
   d. A domestic or foreign for-profit organization; and
   e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
4. Subaward:
   a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
   b. The term does not include your procurement of property and services needed to carry out the project or program.
   c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

COMMUNITY FACILITIES GRANT AGREEMENT

I. Grantee and Agency

This Grant Agreement (Agreement) dated 06/30/2026, is a contract for receipt of grant funds under the Community Facilities Grant program (7 C.F.R. part 3570, subparts B and F). These requirements do not supersede the applicable requirements for receipt of Federal funds stated in 2 C.F.R. Part 200,"UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS", which are incorporated by reference into this Agreement. Further, 7 C.F.R. part 3570, subpart B, and all relevant regulatory requirements apply to applicants and are also incorporated by reference into this Agreement.

This Agreement for the Project and Amount described below (the "Project Description") and for the Community Facilities grant, CFDA Number 10.766, is between the Grantee, a public body, nonprofit corporation or Indian tribe (you), and the United States of America acting through the Rural Housing Service (RHS or Agency).The Agency has agreed to give the Grantee the Grant Funds, subject to the terms and conditions established by the Agency. Provided, however, that any Grant Funds actually advanced and not needed for grant purposes shall be returned immediately to the Agency. The Agency may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement or the applicable regulation.

II. RESPONSIBILITIES

A. Grantee. The Grantee will abide by all the USDA General Terms and Conditions, dated December 31, 2025, available at https://www.usda.gov/sites/default/files/documents/usda-general-terms-conditions-2025.pdf. The Grantee shall cause said project to be completed within the total sums available to it, including Grant Funds, in accordance with any architectural or engineering reports, and any necessary modifications, prepared by Grantee and approved by the Agency as required by 7 C.F.R. part 3570. The Grantee will remain in compliance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements for the duration of the Agreement including 7 C.F.R. part 3570, subpart B and 2 C.F.R. parts, 416, 418,
The most commonly-referenced provisions are identified below.

1. **Financial and Program Management.** You must follow the financial and performance management requirements in 2 C.F.R. § 200.300-.309.

   a. Revisions of the Work Plan and Project Budget. You must complete all elements of the Work Plan in Attachment A in accordance with that Attachment and must use project funds only for the purposes and activities specified in Attachment A - Approved Work Plan and Project Budget. You must further complete the outcomes shown for each Work Plan items within the time and scope constraints shown in Attachment A. You must report any changes and request prior approvals in accordance with 2 C.F.R. § 200.308.

   b. Bonding. You must maintain your fidelity bond coverage in the amount of $ 82,260 for the Period of Performance of the award. (See 2 C.F.R.§ 200.304).

2. **Performance and Financial Monitoring and Reporting.** You must follow the requirements in 2 C.F.R. Part 170, including Appendix A, and 2 C.F.R. § 200.327-.329, and submit reports as outlined below. Unless otherwise directed in the addendum to this Agreement, the reports are due as indicated below.

   a. **Form SF-425, "Financial Status Report."** Reports are due 30 calendar days after the reporting period ends. A final report is due within 120 days after the Performance End Date specified in Section I.7. of this Agreement or at the completion of your project, whichever date is sooner. Your reporting periods are below (mark one):

   ○ Annually: January 1 - December 31

   ○ Annually: July 1 - June 30

   ○ Semi-Annually: January 1 – June 30 and July 1 – December 31

   ○ Semi-Annually: April 1 – September 30 and October 1 – March 31

   ◉ Quarterly: January 1 – March 31, April 1 – June 30, July 1 – September 30, October 1 – December 31

   b. **Performance Reports.** SF-PPR, "Performance Progress Report" is due 30 calendar days after the reporting period ends. A final report is due within 120 days after the Performance End Date specified in Section I.7. of this Agreement or at the completion of your project, whichever date is sooner. Your reporting periods are below (mark one):

   ○ Annually: January 1 - December 31

   ○ Annually: July 1 - June 30

   ○ Semi-Annually: January 1 – June 30 and July 1 – December 31

   ○ Semi-Annually: April 1 – September 30 and October 1 – March 31

   ◉ Quarterly: January 1 – March 31, April 1 – June 30, July 1 – September 30, October 1 – December 31

   The performance narrative on the Performance Project Report shall include, but is not limited to, the following:

i. Describe the activities that the funds reflected in the financial status report were used for;
ii. A comparison of actual accomplishments to the objectives established for that period;
iii. Reasons why established objectives were not met, if applicable;
iv. Problems, delays, or adverse conditions which will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation;
v. Objectives and timetables established for the next reporting period;

The final report (due 120 calendar days after the period of performance end date) will also address the following:

i. What have been the most challenging or unexpected aspects of this program?
ii. What advice, best practices, and actions would you recommend to other organizations planning a similar program that would increase the success of their program? Please include strengths and limitations of the program. If you had the opportunity, what would you have done differently?

3. **Operations.** The Grantee will manage, operate and maintain the facility, including this project if less than the whole of said facility, continuously in an efficient and economical manner in accordance with 7 C.F.R. § 3570.61(e).

4. **Funding.** The Grantee will not use grant funds to replace any financial support previously provided or assured from any other source. The Grantee agrees that the Grantee's level of expenditure for the Project shall be maintained and not reduced as a result of Grant Funds in accordance with 7 C.F.R. § 3570.66.

5. **Civil Rights Compliance.** The recipient must comply, and certifies that it will comply, with all applicable Federal anti-discrimination laws, regulations, and policies for the duration of the Federal award. Unless otherwise provided in the addendum, you must comply with, the Americans with Disabilities Act of 1990, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973 as applicable. You must make the public facility or services available to all persons in the Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status or physical or mental disability at reasonable rates, including assessments, taxes, or fees. You may make modifications as long as they are reasonable and nondiscriminatory. Your compliance shall include collection and maintenance of data on race, sex, and national origin of your membership, ownership, and employees. This data must be available to us for Civil Rights Compliance Reviews. You must submit to a post-award compliance review conducted after the final disbursement of grant funds has occurred.

6. **Execute Agreements**. The Grantee will execute any agreements required by the Agency which the Grantee is legally authorized to execute. If any such agreement has been executed by the Grantee as a result of a loan being made to the Grantee by the Agency contemporaneously with the making of this grant, that agreement applies equally to the grant and another identical agreement need not be executed in connection with this grant.

7. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Agency or acquired wholly or in part with Agency funds without the written consent of the Agency except as provided in paragraph 8 (c).

8. Not duplicate other Project purposes for which monies have been received, are committed, or are applied to from other sources (public or private).

B. **Rural Housing Service (RHS).** RHS has agreed to give the Grantee the grant funds, subject to the terms and conditions established by RHS. Provided, however, that any grant funds actually advanced and not needed for grant purposes shall be returned immediately to RHS. RHS may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement or the applicable regulation. RHS shall remain in compliance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements for the duration of the Agreement. The most commonly-referenced provisions are identified below.

1. **Payments.** We will advance or reimburse funds up to the Award Amount identified in Section I.8 upon the Grantee's proper request according to the General Terms and Conditions.

2. **Monitoring and Enforcement.** We will monitor the project to ensure that you follow the terms of the award. If we find that you are not in compliance, we will enforce the terms of this Agreement using the provisions of 2 C.F.R. § 200.338-.342.

    a. Will assist Grantee, within available appropriations, with such technical assistance as Agency deems appropriate in planning the Project and coordinating the plan with local official comprehensive plans for essential community facilities and with any State or area plans for the area in which the project is located.
    b. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Agency may determine to be (1) advisable to further the purpose of the grant or to protect Agency's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.

C. **Both Parties.** The Grantee and RHS agree to the following:

1. **Invalid Clauses.** The invalidity of any one or more phrases, clauses, sentences,

paragraphs, or provisions of this Agreement shall not affect the remaining portions of the Agreement.

2. **Dates.** When the date fixed for the performance of an act under this Agreement is on a weekend or Federal holiday, then the performance by the close of business on the next Federal work day shall have the same force and effect as if made performed or exercised on the specified date.

The signatories below certify that they have authority to enter into this Agreement.

Approved by an Authorized Representative of the Grantee:

Richard A. Hicks
Name (Please Print)

Interim Town Manager
Title (Please Print)

Signature

06-30-2026
Date

Approved by the United States of America, Rural Housing Service by:

Joshua J. Carswell
Name (Please Print)

Community Programs Specialist
Title (Please Print)

Signature

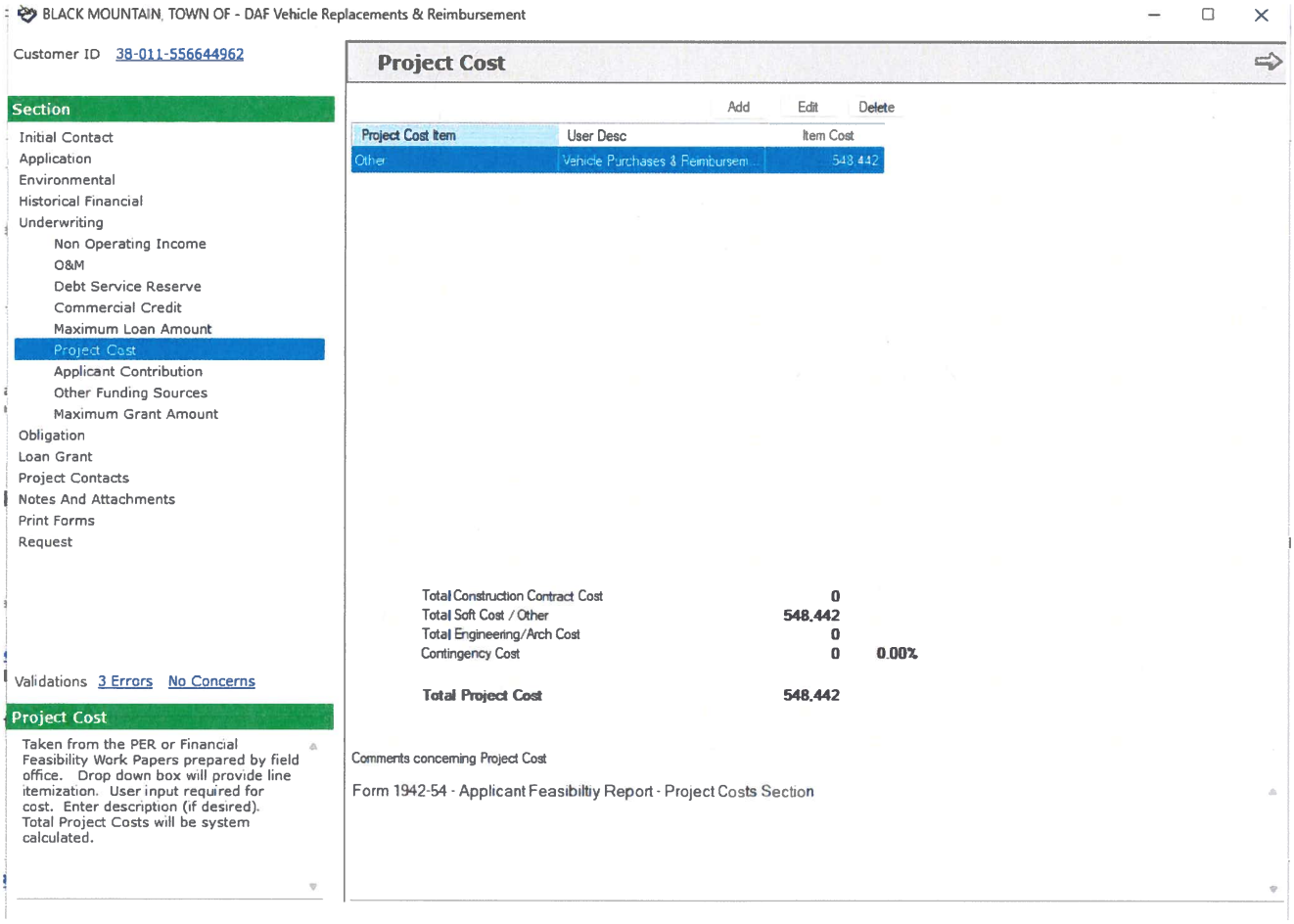
06-30-2026
Date

Attachment A

Approved Work Plan and Budget

(The work plan must have time, scope, and outcome entries for each task.)

The Town will purchase the public works and police vehicles once grant funds are available for disbursement. Attached below is the proposed budget:



View Burden Statement

FORM APPROVED
OMB No. 0575-0018
Exp Date: 3/31/2026

USDA
Form RD 400-4
(Rev. 06-25)

Position 3

ASSURANCE AGREEMENT
(Under Title VI, Civil Rights Act of 1964)

The Town of Black Mountain
(name of recipient)

160 Midland Avenue, Black Mountain, NC 28711
(address)

As a condition of receipt of Federal financial assistance, you acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of Federal laws and regulations prohibiting discrimination, including but not limited to:

1. Title VI of the Civil Rights Act of 1964, as amended, which prohibits you from discriminating on the basis of race, color, or national origin (42 U.S.C. 2000d et seq.) as implemented by 7 CFR Part 15;

2. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating on the basis of sex in education programs or activities (20 U.S.C. 1681 et seq.) as implemented by 7 CFR Part 15a;

3. The Age Discrimination Act of 1975, as amended, which prohibits you from discriminating on the basis of age (42 U.S.C. 6101 et seq.) as implemented by 7 CFR Part 15c;

4. Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits you from discriminating on the basis of disability (29 U.S.C. 794) as implemented by 7 CFR Part 15e;

5. Title VIII of the Civil Rights Act, which prohibits you from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (42 U.S.C. 3601 et seq.) as implemented by 7 CFR Part 3560.2; and

Titles II (State and Local Governments) and III (Places of public accommodation) of the Americans with Disabilities Act, which prohibit you from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. 12131-12189), as implemented by 28 CFR Part 35.190(b)(1).

Responsibilities:

1. You must cooperate with any compliance review or complaint investigation conducted by USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).
2. You must give USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) access to and the right to examine and copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as may be necessary to meet statutory requirements.
3. You must keep accurate records and timely submit information (including all reports, data collection and evaluation requirements) as described by law or detailed in program guidance.
4. You must inform participants, beneficiaries, and other interested persons of the protection assured them against discrimination according to the providions of this agreement and statutory requirements.

5. If you (the recipient) have been accused of discrimination on the grounds of race, color, national origin), sex, age, disability, religion, or familial status, in the past three years, you must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements.
6. In the event any court or administrative agency makes a finding of discrimination on grounds of race, color, national origin, sex, age, disability, religion, or familial status against you, or you settle a case or matter alleging such discrimination, you must forward a copy of the complaint and findings to USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), Civil Rights Office.

Period of Obligation

In the case of any service, financial aid, covered employment, equipment, property, or structure provided, leased, or improved with federal assistance extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), this assurance obligates the Recipient for the period during which federal assistance is extended. In the case of any transfer of such service, financial aid, equipment, property, or structure, this assurance obligates the transferee for the period during which federal assistance is extended. If any personal property is so provided, this assurance obligates the Recipient for the period during which it retains ownership or possession of the property. In all other cases, this assurance obligates the Recipient for the period during which the federal assistance is extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).

Employment Practices

Where a primary objective of the federal assistance is to provide employment or where the Recipient's employment practices affect the delivery of services in programs or activities resulting from federal assistance extended by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), the Recipient agrees not to discriminate on the grounds of race, color, national origin, sex, age, or disability, in its employment practices. Such employment practices may include, but are not limited to, recruitment, advertising, hiring, layoff or termination, promotion, demotion, transfer, rates of pay, training and participation in upward mobility programs; or other forms of compensation and use of facilities.

Data Collection

The Recipient agrees to compile and maintain information pertaining to programs or activities developed as a result of the Recipient's receipt of federal assistance from Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service). Such information may include, but is not limited to the following: (1) the manner in which services are or will be provided and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination; (2) the population eligible to be served by race, color, national origin, sex, age, and disability; (3) data regarding covered employment; (4) the location of existing or proposed facilities connected with the program and related information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any person on the basis of prohibited discrimination; (5) the present or proposed membership by race, color, national origin, sex, age and disability in any planning or advisory body which is an integral part of the program; and (6) any additional written data determined by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) to be relevant to the obligation to assure compliance by recipients with laws cited in this assurance agreement.

Under penalty of perjury, the undersigned officials certify that they have read and understand their obligations as herein described, that the information submitted in conjunction with this Document is accurate and complete, and that the recipient is in compliance with the nondiscrimination requirements set out above.

Rights and remedies provided for under this agreement shall be cumulative.. The United States has the right to seek judicial enforcement of these obligations.

In witness whereof, Town of Black Mountain on this
(name of recipient)

date has caused this agreement to be executed by its duly authorized officers and its seal affixed hereto, or, if a natural person, has hereunto executed this agreement.

(S E A L)

Recipient

06-30-2026

Date

Attest: Town Clerk
Title

Interim Town Manager
Title

CERTIFICATION FOR CONTRACTS, GRANTS AND LOANS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or Federal loan, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant or loan.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant or loan, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including contracts, subcontracts, and subgrants under grants and loans) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

[signature] (name)

06/30/2026
(date)

Interim Town Manager (title)

oOo

RESOLUTION OF THE TOWN COUNCIL, TOWN OF BLACK MOUNTAIN, NC

BE IT RESOLVED:

That the Town of Black Mountain hereby accepts the conditions set forth in the Letter of Conditions and Grant Agreement 3570-3 & Supplemental Grant Agreement once executed.

That the Town Manager and Town Clerk be authorized to execute all forms necessary to obtain a loan from Rural Development, including but not limited to the following forms:

Form RD 1942-46	Letter of Intent to Meet Conditions
Form RD 1940-1	Request for Obligation of Funds
Form RD 3570-3	3570-3 Grant Agreement
	Supplemental Grant Agreement
Form RD 400-4	Assurance Agreement
RD Instruction 1940-Q	Certification For contracts, Grants and Loans

This resolution is to become a part of the official minutes for the Town of Black Mountain Council meeting held on 06/30/2026.

MOTION MADE BY: Larry Harris and

SECONDED BY : N/A THAT THE RESOLUTION BE APPROVED.

MOTION PASSED 5 FOR AND 0 AGAINST.

TO BE MADE A PART OF THE MINUTES DATED 06-30-2026.

BY: C. Michael Sobol
Town Manager

Attest: 6/30/26 BY:
(Date) Town Clerk

Council Member Larry Harris made a motion to adopt the following ordinance. A vote of 5-0 in favor.

TOWN OF BLACK MOUNTAIN
ANNUAL BUDGET ORDINANCE - FISCAL YEAR 2026-27
ORDINANCE NUMBER # O-26-12

BE IT ORDAINED by the Town Council of the Town of Black Mountain, North Carolina, that, in accordance with NCGS 159-13(b)(16), the following anticipated fund revenues, expenditures, Fee and Charge Schedule, and certain authorizations and restrictions for the Town's Budget Officer (Town Manager) are hereby appropriated and approved for the operation of the Town Government and its activities for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027 as follows:

SECTION 1. GENERAL FUND REVENUES

It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Ad Valorem Taxes	$	6,563,868
Other Taxes and Licenses	$	2,672,554
Unrestricted Intergovernmental Revenues	$	998,210
Restricted Intergovernmental Revenues	$	27,500
Permits and Fees	$	-
Sales and Services	$	1,972,368
Investment Income	$	170,000
Miscellaneous Income	$	703,199
Other Financing Sources	$	260,000
TOTAL REVENUES	**$**	**13,367,699**

SECTION 2. GENERAL FUND APPROPRIATIONS

The following amounts are appropriated in the General Fund for the operation of the Town government and its activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027 in accordance with the chart of accounts heretofore established for this Town:

Administration	$	693,308
Building And Grounds Maintenance	$	320,423
Finance	$	717,091
Golf Course	$	943,585
Governing Body	$	180,500
Human Resources	$	488,745
Information Technology	$	328,916
Lakeview Center	$	60,345
Parks & Rec	$	653,170
Police	$	4,156,806
Pool	$	213,062
Public Works Administration	$	220,534
Sanitation	$	1,152,581
Streets And Highways	$	832,247
Transfers	$	2,406,386
TOTAL EXPENSES	**$**	**13,367,699**

TOWN OF BLACK MOUNTAIN
ANNUAL BUDGET ORDINANCE - FISCAL YEAR 2026-27
ORDINANCE NUMBER # O-26-12

SECTION 3. WATER FUND REVENUES
It is estimated that the following revenues will be available in the Water Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Sales and Services	$	2,782,308
Other Financing Sources	$	-
Permits and Fees	$	243,800
Investment Income	$	55,000
Miscellaneous Income	$	21,000
TOTAL REVENUES	**$**	**3,102,108**

SECTION 4. WATER FUND APPROPRIATIONS
The following amounts are appropriated in the Water Fund for the operation of the Town water utilities for the fiscal year beginning July 1, 2026 and ending June 30, 2027 in accordance with the chart of accounts heretofore established for this Town:

Operational Services and Supplies	$	1,767,061
Personnel Services and Employee Benefits	$	1,157,636
Capital Outlay	$	-
Debt Service	$	177,411
Other Operating Expense		
Employment and Retention Cost		
TOTAL EXPENSES	**$**	**3,102,108**

SECTION 5. DEVELOPMENTAL SERVICES REVENUES
It is estimated that the following revenues will be available in the Developmental Services Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Other Financing Sources	$	242,016
Permits and Fees	$	431,133
Investment Income		
TOTAL REVENUES	**$**	**673,149**

SECTION 6. DEVELOPMENTAL SERVICES FUND APPROPRIATIONS
The following amounts are appropriated in the Developmental Services Fund for the operation of the Developmental Services activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027 in accordance with the chart of accounts heretofore established for this Town:

Personnel Services and Employee Benefits	$	615,402
Operational Services and Supplies	$	54,502
Capital Outlay	$	-
Employment and Retention Cost		
Other Operating Expense		
Lease and Rentals	$	3,245
TOTAL EXPENSES	**$**	**673,149**

TOWN OF BLACK MOUNTAIN
ANNUAL BUDGET ORDINANCE - FISCAL YEAR 2026-27
ORDINANCE NUMBER # O-26-12

SECTION 7. STORMWATER FUND REVENUES
It is estimated that the following revenues will be available in the Stormwater Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Permits and Fees	$	379,000
Investment Earnings	$	13,000
TOTAL REVENUES	**$**	**392,000**

SECTION 8. STORMWATER FUND APPROPRIATIONS
The following amounts are appropriated in the Stormwater Fund for the operation of the stormwater fund and its activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027 in accordance with the chart of accounts heretofore established for this Town:

Personnel Services and Employee Benefits	$	107,507
Operational Services and Supplies	$	72,960
Other Operating Expense	$	202,083
Debt Service	$	9,450
Employment and Retention Cost		
TOTAL EXPENSES	**$**	**392,000**

SECTION 9. TECHNOLOGY FUND REVENUES
It is estimated that the following revenues will be available in the Technology Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Permits and Fees	$	16,000
TOTAL REVENUES	**$**	**16,000**

SECTION 10. TECHNOLOGY FUND APPROPRIATIONS
The following amounts are appropriated in the Technology Fund for activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027 in accordance with the chart of accounts heretofore established for this Town:

Operational Services and Supplies	$	16,000
TOTAL EXPENSES	**$**	**16,000**

SECTION 11. FIRE SERVICE FUND REVENUES
It is estimated that the following revenues will be available in the Fire Service Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Other Financing Sources	$	2,211,401
Ad Valorem Taxes	$	1,257,670
Restricted	$	360,000
Investment Income	$	5,000
Miscellaneous Income	$	11,000
Permits and Fees	$	20,000
TOTAL REVENUES	**$**	**3,865,071**

SECTION 12. FIRE SERVICE FUND APPROPRIATIONS
The following amounts are appropriated in the Fire Service Fund for the operation of the Town Fire Fund and its activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027 in accordance with the chart of accounts heretofore established for this Town:

Personnel Services and Employee Benefits	$	2,960,627
Capital Outlay	$	126,950
Operational Services and Supplies	$	613,060
Employment and Retention Cost		
Other Operating Expense		
Debt Service	$	164,434
TOTAL EXPENSES	**$**	**3,865,071**

TOWN OF BLACK MOUNTAIN
ANNUAL BUDGET ORDINANCE - FISCAL YEAR 2026-27
ORDINANCE NUMBER # O-26-12

SECTION 13. POWELL BILL FUND REVENUES

It is estimated that the following revenues will be available in the Powell Bill Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Restricted Intergovernmental Revenues	$	307,000
Interest Income	$	11,000
TOTAL REVENUES	**$**	**318,000**

SECTION 14. POWELL BILL FUND APPROPRIATIONS

The following amounts are appropriated in the Golf Fund for the operation of the Powell Bill Fund and its activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027 in accordance with the chart of accounts heretofore established for this Town:

Capital Outlay	$	248,000
Operational Services and Supplies	$	70,000
TOTAL EXPENSES	**$**	**318,000**

SECTION 15. FINES AND FORFEITURES FUND REVENUES

It is estimated that the following revenues will be available in the Fines and Forfeitures Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Penalties Fines and Forfeitures	$	3,000
TOTAL REVENUES	**$**	**3,000**

SECTION 16. FINES AND FORFEITURES FUND APPROPRIATIONS

The following amounts are appropriated in the Fines and Forfeitures Fund for the remittance to the Buncombe County Schools for the fiscal year beginning July 1, 2026 and ending June 30, 2027 in accordance with the chart of accounts heretofore established for this Town:

Operational Services and Supplies	$	3,000
TOTAL EXPENSES	**$**	**3,000**

SECTION 17. COMMUNITY OUTREACH FUND REVENUES

It is estimated that the following revenues will be available in the Community Outreach Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Other Donation Sources/Donations	$	40,000
Miscellaneous Income	$	2,000
TOTAL REVENUES	**$**	**42,000**

SECTION 18. COMMUNITY OUTREACH FUND APPROPRIATIONS

The following amounts are appropriated in the Police Department Community Outreach Fund for the services and activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027 in accordance with the chart of accounts heretofore established for this Town:

Other Operating Expenses	$	42,000
TOTAL EXPENSES	**$**	**42,000**

TOWN OF BLACK MOUNTAIN
ANNUAL BUDGET ORDINANCE - FISCAL YEAR 2026-27
ORDINANCE NUMBER # O-26-12

SECTION 19. PD STATE AND FEDERAL DRUG FORFEITURE REVENUES

It is estimated that the following revenues will be available in the PD State and Federal Drug Forfeiture Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Other Financing Sources	$	15,000
Investment Income		
TOTAL REVENUES	**$**	**15,000**

SECTION 20. PD STATE AND FEDERAL DRUG FORFEITURE APPRORIATIONS

The following amounts are appropriated in the Police Department Community Outreach Fund for the services and activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027 in accordance with the chart of accounts heretofore established for this Town:

Capital Outlay	$	15,000
Operational Services and Supplies	$	-
TOTAL EXPENSES	**$**	**15,000**

SECTION 21. GENERAL FUND CAPITAL RESERVE FUND REVENUES

It is estimated that the following revenues will be available in the General Fund Capital Reserve Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

Other Financing Sources	$	400,000
TOTAL REVENUES	**$**	**400,000**

SECTION 22. GENERAL FUND CAPITAL RESERVE FUND APPROPRIATIONS

The following amounts are appropriated in the General Fund Capital Reserve Fund for the services and activities for the fiscal year beginning July 1, 2025 and ending June 30, 2026 in accordance with the chart of accounts heretofore established for this Town:

Transfers	$	400,000
TOTAL EXPENSES	**$**	**400,000**

TOWN OF BLACK MOUNTAIN
ANNUAL BUDGET ORDINANCE - FISCAL YEAR 2026-27
ORDINANCE NUMBER # O-26-12

SECTION 23. TAXES LEVIED

There is hereby levied a property tax of $0.3565 on each one hundred dollars ($100.00) valuation of taxable property, as listed for taxes as of January 1, 2026 for the purpose of raising the revenue from current year's property tax, as set forth in the foregoing estimates of revenue and in order to finance the foregoing appropriation.

There is hereby levied a Municipal Vehicle Tax of five dollars ($5.00) on each residential vehicle as authorized by General Statue 20-97.

SECTION 24. SCHEDULE OF FEES

The corresponding "FY 2026-2027 Schedule of Fees" is approved with the adoption of this Annual Budget Ordinance

SECTION 25. BOARD DIRECTION

Town Staff is to present a Budget Amendment to further reduce costs by $125,000 that will zero out the Fund Balance Appropriation by August 10, 2026

SECTION 26. SPECIAL AUTHORIZATION

The Town Manager is hereby authorized to execute agreements, within funds included in the Budget Ordinance or other actions by the Governing Body, for the following purposes:

A. Leases of routine business equipment;
B. Consultant, professional, or maintenance service agreements;
C. Purchase of supplies, materials, or equipment where formal bids are not required by law;
D. Purchase of real property when a budget amendment is not required;
E. Form grant agreements to public and non-profit organizations;
F. Applications for and agreements for acceptance of grant funds from federal, state, public, and non-profit organizations, and other funds from other governmental units, for services to be rendered which have been previously approved by the Governing Body;
G. Construction or repair projects;
H. Liability, health, life, disability, casualty, property, or other insurance or performance bonds;
I. Other administrative contracts which include agreements adopted in accordance with the
J. directives of the Governing Body.

SECTION 27. TRANSFER OF APPROPRIATIONS

The Town Manager and Finance Officer is hereby authorized to transfer appropriations within a fund as contained herin under the following conditions:

A. Revise the budget by transfer of appropriations within each fund without limitations;
B. All amendments affecting the revenues or total fund appropriations shall be approved by ordinance by the Town Council, Form grant agreements to public and non-profit organizations;
C. Amendments will be acted upon at any regular or special meeting and approved by a simple majority of those present and voting, a quorum being present. Only one reading will be required and a public hearing or publication of notice is not necessary unless requested by council.

SECTION 28. ANNUAL BUDGET ORDINANCE COPIES

Copies of the Annual Budget Ordinance shall be furnished to the Town Clerk, Town Manager, and the Finance Officer to be kept on file by them for their direction in the disbursement of funds.

Duly adopted this 30th day of June 2026.

C. Michael Sobol, Mayor

ATTEST:

Wesley M. Barker, Town Clerk

*Note: FY2-27 Sch. of Fees accompanies the FY26-27 Budget Ordinance, **O-26-12**.

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ADMINISTRATION

Copies of Public Records (includes sections out of ordinance) NO MAPS	Price per page
B/W, single sided, letter 8.5x11	$0.08
B/W, double sided, letter 8.5x11	$0.16
Color, single sided, letter 8.5x11	$0.53
Color, double sided, letter 8.5x11	$1.06
B/W, single sided, legal 8.5x14	$0.12
B/W, double sided, legal 8.5x14	$0.25
Color, single sided,legal 8.5x14	$0.79
Color, double sided,legal 8.5x14	$1.58
B/W, single sided, ledger 11x17	$0.16
B/W, double sided, ledger 11x17	$0.32
Color, single sided, ledger 11x17	$1.06
Color, double sided, ledger 11x17	$2.12

FINANCE

General	
Returned Check Fee	$35.00
Motor Vehicle License Tax	$5.00
Beer & Wine License	
Beer License - On Premises	$15.00
Beer License - Off Premises	$5.00
Wine License - On Premises	$15.00
Wine License - Off Premises	$10.00
Wholesale Dealers License - Beer Only	$37.50
Wholesale Dealers License - Wine Only	$37.50
Wholesale Dealers License - Beer & Wine	$62.50

In accordance with G.S. 105-113.77 and G.S. 105-113.79 If a business has multiple locations in one county or city, that business will need to obtain separate ABC licenses for each location. Town beer and wine taxes increase by 10% for each additional license of the same type issued to the same taxpayer for use at a separate location. Furthermore, G.S. 105-236 applies penalties for failure to pay for and obtain local beer and wine license taxes. Operating a business without the required privilege license triggers a monthly penalty of 5 % of the applicable privilege license tax, up to a total of 25 % of the tax amount due and no less than five dollars ($5.00). Failure to pay the required tax triggers a separate 10% penalty. These violations are also Class 1 misdemeanors. No license shall be granted until the license tax plus any additional fees have been paid in full.

FIRE DEPARTMENT

Inspections

State Mandated Annual Fire Inspections	Black Mountain	Montreat
General		
Minimum up to 1,000 square feet	$50.00	$55.00
1,001 – 5,000 square feet	$100.00	$110.00
5,001 – 10,000 square feet	$150.00	$165.00
10,001 – 25,000 square feet	$200.00	$220.00
25,001 – 50,000 square feet	$250.00	$275.00
50,001 – 100,000 square feet	$300.00	$330.00
100,001 – 200,000 square feet	$350.00	$385.00
Over 200,000 square feet	$400.00	$440.00
R-2 Occupancies		
1-20 units	$50.00	$55.00
21-50 units	$100.00	$110.00
51-100 units	$150.00	$165.00
101-150 units	$200.00	$220.00
151-200 units	$250.00	$275.00
201-250 units	$300.00	$330.00
251-300 units	$350.00	$385.00
Over 300 units	$400.00	$440.00
Other Inspections		
Residential & Rental Inspections		
Carbon Monoxide Detector Inspections - Short Term Rental	$25.00	$28.00
Foster Care	$25.00	$28.00
Home Fire Safety	Exempt	
Other		
ABC Inspections	$100.00	$110.00
Special Event (As defined in Current TOBM Ordinances)	$75.00	
Outdoor Event Fire/200 sq.ft. Onsite Cooking	$75.00	$75.00
Temporary Membrane Structures ,Tents and Stages	$75.00	
General Violation Re-Inspection (per visit after initial re-inspection)	$100.00	$100.00
Fireworks	$100.00	
After hours, weekends & holidays (Travel Time Included)	$75 per hour	

Fire Plan Reviews, Permits, and Testing

Plan Review	Black Mountain	Montreat
Fire Suppuression System (Sprinkler)	$50 +$0.02/sf	$60 +$0.02/sf
Fire Alarm/Detection System	$50 +$0.02/sf	$60 +$0.02/sf
Site/Subdivision	$75.00	$85.00
Buildings requiring a permit (Job Cost x $0.00125)	$100 Minimum	$110 Minimum
Fire Pumps and Related Material	$75.00	$85.00
Tanks, Pumps & Piping (per Tank)	$100.00	$110.00
Private Water Systems (Hydrants)	$75.00	$85.00
Construction Permits		
State Required Construction Permits		
Automatic Fire Extinguishing Systems	$100.00	$110.00
Battery Systems	$100.00	$110.00
Compressed Gas	$100.00	$110.00
Cyrogenic Fluids	$100.00	$110.00
Emergency Responder Radio Coverage Systems	$100.00	$110.00
Fire Alarm and Detection Systems and Related Equipment	$100.00	$110.00

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Fire Pumps and Related Equipment	$100.00	$110.00
Flammable and Combustible Liquids	$100.00	$110.00
Gates and Barricades across Fire Aparatus Access Roads	$100.00	$110.00
Hazardous Materials	$100.00	$110.00
Industrial Ovens	$100.00	$110.00
LP Gas	$100.00	$110.00
Private Fire Hydrants	$100.00	$110.00
Smoke Control and Smoke Exhaust Systems	$100.00	$110.00
Solar Photovoltaic Power Systems	$100.00	$110.00
Spaying and Dipping	$100.00	$110.00
Standpipe Systems	$100.00	$110.00
Temporary Membrane Structures and Tents	$50.00	$55.00
Operational Permits		
State Required Operational Permits		
Amusement Buildings	$75.00	$85.00
Carnivals and Fairs	$75.00	$85.00
Combustible Dust Producing Operations	$75.00	$85.00
Covered and Open Mall Buildings	$75.00	$85.00
Exhibits and Trade Shows	$75.00	$85.00
Explosives (Fireworks)	$75.00	$85.00
Flammable and Combustible Liquids	$75.00	$85.00
Fumigation and Insecticidal Fogging	$75.00	$85.00
Liquid or Gas Fueled Vehicles or Equipment in Assembly Building	$75.00	$85.00
Private Fire Hydrant	$75.00	$85.00
Pyrotechnic Special Effects Material	$75.00	$85.00
Spraying or Dipping	$75.00	$85.00
Temporary Membrane Structures and Tents	$75.00	$85.00
Optional Operational Permits		
Aerosol Products	$50.00	$60.00
Aviation Facilities	$50.00	$60.00
Carbon Dioxide Systems used in Beverage Dispensing Operations	$50.00	$60.00
Cellulose Nitrate Film	$50.00	$60.00
Combustible Fibers	$50.00	$60.00
Compressed Gas	$50.00	$60.00
Cryogenic Fluids	$50.00	$60.00
Cutting and Welding	$50.00	$60.00
Dry Cleaning	$50.00	$60.00
Fire Hydrants and Valves	$50.00	$60.00
Flammable and Combustible Liquids	$50.00	$60.00
Floor Finishing	$50.00	$60.00
Fruit and Crop Ripening	$50.00	$60.00
Hazardous Materials	$50.00	$60.00
HPM Facilities	$50.00	$60.00
High Piled Storage	$50.00	$60.00
Hot Work Operations	$50.00	$60.00
Industrial Ovens	$50.00	$60.00
Lumber Yards and Woodworking Plants	$50.00	$60.00
LP Gas	$50.00	$60.00
Magnesium	$50.00	$60.00
Miscellaneous Combustible Storage	$50.00	$60.00
Motor Fuel-Dispensing Facilities	$50.00	$60.00
Open Burning	$50.00	$60.00
Open Flames and Torches	$50.00	$60.00
Open Flames and Candles	$50.00	$60.00
Organic Coating	$50.00	$60.00
Places of Assembly	$50.00	$60.00
Pyroxylin Plastics	$50.00	$60.00
Refrigeration Equipment	$50.00	$60.00
Repair Garages	$50.00	$60.00
Rooftop Heliports	$50.00	$60.00
Storage of Scrap Tires and Tire By-Products	$50.00	$60.00
Tire Re-Building Plants	$50.00	$60.00
Waste Handling	$50.00	$60.00
Wood Products	$50.00	$60.00
Acceptance/Performance Test	$75 + $0.03/sf	$85 + $0.03/sf
Fire Suppuression System (Sprinkler)	$75 + $0.03/sf	$85 + $0.03/sf
Fire Alarm/Detection System	$75.00	$85.00
Fixed Suppression System (per system/hood)	$75.00	$85.00
Fire Pumps & Related Items	$75.00	$85.00
Private Water Systems (Hydrants)	$75.00	$85.00
Standpipes		
Personnel & Apparatus for Events (minimum of 4 hours)		
Firefighter		$50.00/hour
Firefighter - 7 days or less notice		$70.00/hour
Light Duty Vehicle/Support Vehicle/UTV		$40.00/hour
Fire Engine/Rescue/Ladder Truck		$200.00/hour
Violations		
Class D - *Violation of the provisions within the Code of Ordinance*		$100.00 minimum

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Class C - *Violation increases hazard or menace of fire, explosion, or other hazardous condition that may delay, hinder, or interfere with the operations of the Fire Department.*	$200.00 minimum
Class B - *Violation that may delay, hinder, or prevent the egress of the occupants of a building on fire and/or other emergency, or acts which may prevent the operation of fire and/or life safety devices and/or systems.*	$300.00 minimum
Class A - *Violation of a provision of this article that delayed, hindered, or prevented the egress of the occupants during an emergency, that caused a fire or increased the severity of a fire, or the commission of any acts that prevented the operation of a fire and/or life safety system or device during an emergency.*	$500.00 minimum
Other Violations	
Illegal Burning	$100.00
Work without Permit	$250.00
Fire Lane	$100.00
Fire Hydrant	$100.00
General Violation Re-inspection	$100.00
Repeated False Fire Alarms (3 within a 72hr window-subject to review by the Fire Inspector)	$150.00

In accordance with Town of Black Mountain ordinance section 21-31, any person or any assign, agent, or executor of such person who violates a provision of this article, who fails to comply with any of the requirements of this article, or who erects, installs, alters, repairs or does work in violation of the approved construction documents or directive of the fire code official or of a permit or certificate used under provisions of this article, shall be deemed in violation of this article. Each calendar day, or lesser time period as specified in a written notice, that a violation continues after due notice has been served shall be deemed a separate offense. Violators of this article may be assessed a civil monetary penalty based upon the class of violation and the schedule of civil penalties as adopted by the town. These penalties are represented in the listed fines.

POLICE DEPARTMENT	
General	
Precious Metals Dealer - Annual Fee	$180.00
Precious Metals Dealer - Special Occasion	$180.00
Precious Metals - Employee	$10.00
Precious Metals - Employee Renewal	$3.00
ABC License Fee	$50.00
Off-Duty Officer for Events - minimum of 4 hours*	$50.00
Off-Duty Officer for Events - minimum of 4 hours (7 days or less notice)*	$70.00
Patrol Vehicle for Events*	$40.00
*An Additional Service Charge Fee will be charged by Off Duty 3rd Party Scheduling Agent	
Civil Fines & Penalties	
Parking Violations	$50.00
Fire Lane Violation	$100.00
Fire Hydrant Violation	$100.00
Loading Zone Violation	$50.00
Handicapped Parking Violation	$250.00
Nuisance Alarms	$75.00
PLANNING AND DEVELOPMENT	
Copies	
Plotter & Map Copy	
8.5" x 11" color map	$3.18
11" x 17" color map	$5.30
18" x 24" color map	$24.00
36" x 48" color map	$30.00
GIS Print Out 8.5" x 11"	$1.00 + $212 for each increment of 5 minutes or less
Applications & Fees	
General	
Certificate of Appropriateness-Historic District	$53.00
Text Amendment to Development Regulations	$212.00
Required Notification-Each	$8.48
Technology Fee-All Permits & Fees	6% of transaction total
Applications	
Special Use Application	$636.00
Variance Application	$636.00
Conditional Re-zoning Application	$848.00
Re-zoning Application	$636.00
Road Closure Application	$530.00
Reviews	
Site Plan Review (single family or duplex)	No Charge
Recombination Plat Review	$26.50
Exempt Subdivision Review	$26.50
Subdivision Plat Review (minor 1- 4 lots)	$238.50
Subdivision Plat Review (major: 5-10 lots)	$636.00
Subdivision Plat Review (major: 11+ lots)	$1,272.00
Sign Permit Review	$53.00 + application fee by type
Permits	
General	
Zoning Permit	$79.50
Fence Permit	$53.00
Retaining Wall Permit	$79.50
Working without a Permit	Double the Permit Fee
Floodplain Development Permit	
Interior Renovations with no Structural Change	
Exterior Utilities	$53.00
Interior/Exterior Structural Changes (including utilities)	$79.50
Small Level Floodplain	$159.00
Medium Level Floodplain	$318.00

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Large Level Floodplain	$636.00
Sign Permits	
Free Standing Signs	$265.00
Temporary Signs-Special Event-Limit of 30 days**	$26.50
A-Frame, Annually	$53.00
All other Regulated Signs	$212.00
Political (Deposit Only)*	$106.00

Deposit will be returned ten days after the election if all signs have been removed.
Temporary signs, flags, banners, etc. - Not to exceed 50 sq ft. aggregate area. Must be on premise, freestanding, or mounted to wall.

BUILDING INSPECTIONS

Permit and Fees

Fees	
Re-Inspection Fee	$90.10
Tenant Occupancy Inspection	$106.00
Single Family Plan Review	$106.00
Commercial Plan Review (Technical Review)	$530.00
Homeowners Recovery Fund*	$10.00
Fire Inspection	$53.00
ABC License	$106.00
Permits	
Day Care Center Inspection	$180.20
Demolition Permit (must have Air Quality permit)	$106.00
Electrical, Mechanical, & Plumbing Inspections	$90.10 per trade inspection
Driveway Permit	$106.00
Modular Office	$132.50
Moved Home	$424.00
Temporary Structures (tents, etc.) 400 sq. ft or greater	$159.00

Homeowners Recovery Fund is established as a special account of the State to reimburse homeowners who have suffered a reimbursable loss in constructing or altering a single family dwelling unit.

Inspection Fees

RESIDENTIAL FEES

General	
Residential Certificate of Occupancy	$42.40
Commercial Certificate of Occupancy	$106.00
Temporary Certificate of Occupancy	$106.00
Temporary Utility Service	$106.00
Mechanical/Electrical Changeout	$75.00
Residential Clean-up Fee (refundable)**	$106.00
Commercial Clean-up Fee (refundable)**	$318.00

Clean-up fee is refunded upon final inspection, all construction materials removed, final grading, and stabilization is completed.

New Construction	
Site Built Homes	$72.08
Manufactured Homes	$48.76
Covered Unheated	$33.92
Porches, Decks, etc.	$25.44
Concrete Slabs, Walks, etc.	$4.24
Remodel & Renovation	
$0 - $999.99	$23.32
$1,000 - $1,999.99	$28.62
$2,000 - $4,999.99	$33.92
$5,000 or more	Project cost x .0085

Fees are based on estimated project cost

Non-Residential Fees

New Construction & Remodel	
New Construction & Remodel-up to $1,000,000	$159.00 or $53.00 + $5.30 per each $1000.00 of gross project value, whichever is greater.
New Construction & Remodel-$1,000,000+	Project cost x .159% (0.00159)
Stormwater Permits	
Disturbed Acreage - up to 3 acres	$795.00 + Engineer Review Fee
Disturbed Acreage - greater than 3 acres	$1,272.00 + Engineer Review Fee
Engineer Review Fee	$160.00 minimum
Land Disturbance Permits	
New Single or Two-Family Residence < 1 acre of disturbance	$84.80 + $10.60 for each additional dwelling unit for multi-family
Residential Addition < 1 acre of disturbance	$42.40
New Commercial < 1 acre of disturbance	$636.00
Commercial Addition < 1 acre of disturbance	$318.00
Land Disturbance/Grading > 1,000 sq. ft, but less than 1 acre	$291.50

****Plan Reviews and Inspections may require additional Fire Department fees*

PARKS & RECREATION

Facility Rental

Alcohol fee of $50.00 (NON-REFUNDABLE) on Facility Rentals

	Non-Profit	Private Citizen		Employee
		Resident	*Non-Resident*	
Lakeview Clubhouse - 120 Max				
Deposit	$100.00	$100.00	$200.00	$100.00
Rental Fee	$320.00	$380.00	$440.00	$230.00
Lakeview Downstairs - 50-60 Max				
Deposit	$100.00	$100.00	$200.00	$100.00
Rental Fee	$260.00	$280.00	$340.00	$190.00
Lake Tomahawk Wedding Package	*Please contact the Parks & Recreation Department for Further Details*			
Deposit:	$200.00	$200.00	$200.00	$200.00	$200.00
Rental (Lakeview Up/Downstairs & Gazebo)	$860.00	$860.00	$860.00	$860.00	$430.00
	Includes Required Alcohol Permit (Beer, Wine, and Champagne Only)			
Full Day Rental (9am-9pm)	$40.00	$80.00	$120.00	$35.00
Half Day Rental (9am-3pm/3:30pm-9pm)	$20.00	$40.00	$70.00	$25.00

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Gazebo				
Deposit	$20.00		$20.00	$0.00
Rental Fee	$20.00	$25.00	$35.00	$15.00
Swimming Pool (40 people)				
Friday-Sunday (6:15pm-8:15pm) only	$185.00	$220.00	$280.00	$145.00
Additional Lifeguards -mandatory over 40 ppl/ Rate for each additional 20 ppl	$40.00		$40.00	$40.00
Additional lifeguard within 48 hours of rental	$50.00		$50.00	$50.00
Grey Eagle				
Deposit	$100.00	$100.00	$200.00	$100.00
Building & Field per hour	$25.00	$45.00	$65.00	$25.00
Veterans Park Picnic Pavilion (20 x 28ft) - 35 Max				
Deposit	$60.00		$60.00	$60.00
Full Day (9am-9pm)	$30.00	$50.00	$70.00	$25.00
Half Day Rental (9am-3pm/3:30pm-9pm)	$20.00	$30.00	$40.00	$15.00
Ballfield				
Ballfield (each)	$120.00	$140.00	$180.00	$120.00
Lights (each field) per hour	$35.00	$35.00	$55.00	$35.00
Press Box	$50.00	$70.00	$90.00	$70.00
Concession Stand	$70.00	$90.00	$110.00	$50.00

Deposit and rental contract are required to make a reservation. Deposit must be made within 2 business days to hold a reservation. Deposits are refundable as long as there are no damages and keys are returned. Weekday rentals at Lakeview Center downstairs will be from 4pm-10pm nightly. Cancellations made within 2 weeks, will receive half of the deposit refund. Cancellations made within 48 hours will receive no deposit refund. Proof of address (drivers license, utility bill, etc.) must be provided in order to receive resident rates.

Special Events			
Application Fee		$50.00	
Additional service fees charged per department's rates.			
Community Garden Plots			
Half Plot		$35.00	
Full Plot		$60.00	
Raised Garden Beds	$15.00	$20.00	
Activities	**Resident**	**Non-Resident**	**Employee**
Youth Sports			
Flag Football	$70.00	$80.00	$35.00
Basketball	$70.00	$80.00	$35.00
Swim League	$70.00	$80.00	$35.00
Tennis Clinics	$50.00	$60.00	$25.00
Indoor Soccer	$70.00	$80.00	$35.00
Skateboarding lessons - Carver Skate Park (6 total sessions)		$150.00	
Camp			
Sports Camp (half day)	$70.00	$80.00	$35.00
Summer Camp (per week)	$190.00	$200.00	$95.00
Aquatics			
Daily Admission	$4.00	$6.00	
Multiple Entry Pass (10 Visits)	$30.00	$50.00	
Season Pass - Individual	$85.00	$120.00	$40.00
Season Pass - Family	$160.00	$200.00	$50.00
Additional family members in same household (up to 5 people)		$30.00	$25.00
Each additional family member (over 5 people) per member		$25.00	$25.00
Swim Lessons (per session)	$60.00	$70.00	$20.00
Black Mountain Pool - Group Rates		**11-19 Persons**	**20-40 Persons**
1x Visit		$95.00	$150.00
3x Visit		$170.00	$300.00
Unlimited		$540.00	$975.00

SAFETY & LIABILITY: No persons under the age of thirteen (13) years old will be allowed in the pool area unless accompanied by a responsible person, eighteen (18) years or older for pool admittance.

GOLF COURSE

Green Fees	**Weekday (Mon-Thur)**	**Weekend/Holiday (Fri, Sat, Sun)**
Green Fees - 18 Holes Walking	$35.00	$40.00
Green Fees - 9 Holes Walking	$20.00	$26.00
Twilight Green Fees - 18 Holes Walking (after 1pm)	$25.00	$30.00
Twilight Green Fees -9 Holes Walking (after 1pm)	$18.00	$22.00
18 Holes with Cart	$60.00	$70.00
9 Holes with Cart	$35.00 (after 11am)	$40.00 (after 11am)
Twilight Rates - 18 Holes with Cart (after 1pm)	$50.00	$60.00
Twilight Rates - 9 Holes with Cart (after 1pm)	$25.00	$30.00
Senior Rate - 60+ (weekdays) 18 Holes with Cart	$50.00	N/A
Memberships		
Special Players Pass		$300.00
Ghin Handicap (Jan thru Dec		$35.00
Individual		$1,700.00
Family		$2,500.00
Cart Rates		
18 Hole Cart (per person)		$25.00
9 Hole Cart (per person)		$13.00

Riding (Cart Fee) is required on weekends (Friday-Sunday) before 12pm by all non pass holder players 5/1 thru 9/30. Walking will be allowed anytime 10/1 to 4/31. Pass holder players can walk anytime. Sales Tax not included in fees

UTILITIES

General Fees	
Connnection Fee	$25.00
Deposit with verified SSN or FEIN	$100.00
Deposit without verified SSN or FEIN	$200.00

New accounts require a connection fee and deposit prior to service (homeowners are exempt from deposit requirement). Deposit and overpayments will only be refunded for amounts over $5.00.

Late Fee	$10.00 or 5% of account balance, whichever is greater.

TOWN OF BLACK MOUNTAIN
FISCAL YEAR 2027
FEE AND RATE SCHEDULE
REVISED 06/30/26

Bond Fee			$2.82
MSD Billing Fee			$2.66
Premise Visit			$40.00
Non-Payment Fee			$60.00
Illegal Use of Fire Hydrant/Tamper Fee			$500 + Damages
Relocate Meter/Box			Cost + 25%
Boring Fee			$400.00
Meter/Box Replacement Fee			Cost + 25%
Meter/Box Tampering Fee			$500.00 each offense
Pavement Cut			$250.00 - $500.00
Water & Sewer			
Water Rates		**Inside Town Limits**	**Outside Town Limits**
Water Charge - Base		$13.14	$18.55
Water Consumption Rate (per 1000 gallons)			
	0 to 4,999 gallons	$12.79	$22.80
	5,000+ gallons	$13.20	$23.41
	Municipal Water Rates	$4.89	
	Bulk Water Rates	$7.99	
Sewer Rates			
Sewer services provided by Metropolitan Sewerage District		Rates are published on MSD's website at www.msdbc.org	
Hydrant Connection Fees			
Water Consumption Rate (per 1000 gallons)		Billed at Inside Town Limits 5000+ gallons rate	
Eqipment and Mainenance Fee - One Time			$50.00
Deposit			$500.00
Rental Fee			$25 daily/$100 weekly/$350/month
Taps & Connections		**Inside Town Limits**	**Outside Town Limits**
	Water Taps		
3/4" Water Tap		$1,350.00	$1,750.00
1" Water Tap		$1,550.00	$2,050.00
2" Water Tap		$3,050.00	$4,300.00
6" Water Tap		$16,550.00	$24,550.00
	Meter Drops		
3/4" Water Meter		$350.00	$400.00
1" Water Meter		$500.00	$550.00
2" Water Meter		$825.00	$875.00
6" Water Meter		Special Order	Special Order
Irrigation Installation		Subject to all applicable tap and connection fees.	
System Development Fee		Current Cost of Capacity Increases From $8.87GPD to $10.66 GPD	

A new water tap consists of these components: connection fee, deposit, water tap fee, meter drop fee, system development fee, and possible paving cut or boring fees. System development fees are assessed to water customers for their use of water system capacity and serve as an equitable method by which to recover up-front system costs from those using the water capacity. North Carolina General Statute §162A, Article 8 provides the uniform authority to implement system development fees for public water systems in North Carolina. Revenues from this fee are set aside in a capital reserve fund, per NCGS §162A Article 8.

Sanitation	
Waste Reduction Fee - per living unit or business	$12.00

All residents and businesses within town limits are offered sanitation services. The town does not offer collection services to commercial dumpsters. Refuse is collected once each week and recycling is collected every other week.

Special Waste Collection	
Bulk Pick-Up	1 Free (monthly)
Additional Bulk Pick-Up (per item)	$25.00
White Goods	No Charge
TV Pick-Up	$10.00
Brush & Yard Waste	Contact Public Works

Residents must contact the Public Works Department to request a pickup. Special collections does not include any material used in construction, remodeling, wrecking, or repair of any building or real estate improvements, including carpet and toilets. No automotive parts, fluids, or tires will be collected.

Stormwater	
Utility Fee	**Monthly**
Tier 1- Residential (minimal impact)	$6.00
Tier 2 - Commercial & Institutional (moderate impact)	$20.00
Tier 3 - Undeveloped	$0.00
Tier 4 - Exempt Government Properties	$0.00
Tier 5 - Industrial (heavy impact)	$100.00

Stormwater Utility Fee is charged to residents and businesses to fund the Town's federally mandated stormwater management program.

Council Member Larry Harris made a motion to approve the following amendment. A vote of 5-0 in favor.

TOWN OF BLACK MOUNTAIN
AMENDMENT TO FISCAL YEAR (FY) 2025-26 BUDGET ORDINANCE
Ordinance No: # O-26-13

BE IT ORDAINED by the Town Council of the Town of Black Mountain, North Carolina, that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2026

Section 1: To amend the General Fund, the appropriations are to be changed as follows:

Department	Account	Account Name	Decrease	Increase
Governing Body	100-4010-50100	Salaries - Regular		$40,000
Human Resources	100-4025-50100	Salaries - Regular		$10,000
	100-4025-50232	Insurance - Workers Comp		$23,000
Finance	100-4030-50100	Salaries - Regular		$11,000
	100-4030-52010	Professional Services - Audit		$7,800
Information Technology	100-4040-52019	Inf. Technology Services		$7,500
Public Works Admininstration	100-4610-52210	Utilities - Electricity		$5,000
Sanitation	100-4610-50100	Salaries - Regular		$60,500
	100-4610-52210	Disposal Fees		$91,500
Golf Course	100-4750-52020	Contract Services		$3,700
Transfers	100-7000-59510	Transfers Out (To Fire Fund)		$225,000
Parks and Recreation	100-4700-50100	Salaries - Regular	$10,000	
Administration	100-4020-50100	Salaries - Regular	$100,000	
	100-4020-55110	Contingency	$25,000	
Police	100-4510-50100	Salaries - Regular	$75,000	
	100-4510-50220	Retirement	$25,000	
	100-4510-50230	Insurance	$25,000	
		Total	$260,000	$485,000

Section 2: To amend the General Fund, the estimated revenues are to be changed as follows:

Account	Account Name	Decrease	Increase
100-0000-48900	Appropriated Fund Balance		$225,000

Increases Fund Balance Appropriated From $559,200 to $784,200

Section 3: To amend the Water Fund, the estimated revenues are to be changed as follows:

Account	Account Name	Decrease	Increase
600-0000-45100	Water Sales - General	$450,000	
600-0000-48025	Debt Proceeds	$91,000	
600-0000-46010	Interest Income	$74,000	
600-0000-48900	Appropriated Fund Balance		$615,000
600-0000-44130	Water System Dev. Fees		$86,088

Reduces Available Unrestricted Funds From $1,033,310 to $418,310

Council Member Larry Harris made a motion to approve the following amendment. A vote of 5-0 in favor.

TOWN OF BLACK MOUNTAIN
AMENDMENT TO FISCAL YEAR (FY) 2025-26 BUDGET ORDINANCE
Ordinance No: # O-26-13

Section 4: To amend the Water Fund, the appropriations are to be changed as follows:

Account	Account Name	Decrease	Increase
600-7000-59510	Transfer Out System Dev. Capital Reserve		$86,088

Section 5: To amend the Fire Special Revenue Fund, the estimated revenues are to be changed as follows:

Account	Account Name	Decrease	Increase
200-7000-48590	Transfer In (General Fund)		$225,000
200-0000-48900	Appropriated Fund Balance	$240,504	
200-0000-43031	Fire District State Insurance		$15,504

Section 6: To Amend The System Dev. Capital Reserve Fund, the estimated revenues are to be changed as follows:

Account	Account Name	Decrease	Increase
456-7000-48590	Transfers In (Water Fund)		$86,088

Section 7: To Amend the System Dev. Captial Reserve fund, the appropriations are to be changed as follows:

Account	Account Name	Decrease	Increase
456-0000-55110	Contingency		$86,088

The budget officer has perfomed a thorough analysis of revenues and expenditures and is recommending approval of the amendments as presented.

Section 8: Copies of this budget amendment shall be furnished to the Town Clerk, and to the Budget Officer and the Finance Officer for their direction.

ADOPTED this the 30th day of June, 2026 by the Town Council of the Town of Black Mountain.

C. Michael Sobol
Mayor

ATTEST:

Wesley M. Barker
Town Clerk