MEMORANDUM OF AGREEMENT FOR
DISASTER RECOVERY SERVICES

This Memorandum of Agreement for Disaster Recovery Services (hereinafter the "Agreement") is entered into as of the Effective Date set out below, by and between the Town of Black Mountain (Municipality) and the NC League of Municipalities (hereinafter the League), each additionally referred to as a "Party"; and collectively as the "Parties." This Agreement and the obligations hereunder shall be effective upon execution of this Agreement by all Parties (Effective Date).

For good and valuable consideration, the adequacy of which is acknowledged, the Parties agree as follows:

Article I. Overview.

1. Enabling Law and Regulation.

The Disaster Recovery Acts of 2024 and 2025 (SL 2024-51; SL 2024-53; SL 2025-26) provided the League with grant funds provided by the State of North Carolina. Pursuant to this legislation, the League received grant funds through agreements (Grant Agreements) with the North Carolina Office of State Budget and Management (OSBM). The State of North Carolina may provide additional grant funds through future legislative acts (Future Grants) which may fund services provided under this Agreement.

2. Grant Awarded to the NC League of Municipalities.

The Grant Agreements (OSBM Grants) enable the League to provide its municipal members with technical assistance for Hurricane Helene recovery efforts (Recovery Technical Assistance). The OSBM Grants are the source of funding for this Agreement.

3. Status of the Parties.

The undersigned Municipality is a beneficiary of the OSBM Grants. The service provider(s) retained by the League and funded by the OSBM Grants for the benefit of the Municipality are contractors (Contractors).

4. Services Offered.

Pursuant to this Agreement, the League hereby offers the following to the Municipality:

a. Services rendered by the League (League Services) as may be agreed upon in writing by the Parties. See Exhibit A.

b. Services rendered by one or more service providers (Contractor Services) retained by the League on behalf of the Municipality, who are members of a particular profession or possess a special skill. See Exhibit B (and subsequent Exhibits, as applicable).

c. Equipment, including information technology systems, and supplies, including computing devices, as determined necessary for delivery of League Services or Contractor Services.

The League shall fund Contractor Services and League Services, if applicable, using the OSBM Grants. The Municipality accepts the OSBM Grants pursuant to this Agreement.

5. Additional Services.

Additional Services (Additional Services) may be offered to the Municipality by the League during the OSBM Grant period pursuant to this Agreement. The Municipality's official, who is designated in the Municipality's adopting Resolution, may execute further agreements, modifications of this Agreement, and agree to Additional Services to be provided to the Municipality. These Additional Services shall be described in additional Exhibits to this Agreement (Exhibit C, D, E, etc.) that, when executed by the Parties, shall become part of this Agreement.

6. Term of Agreement.

This Agreement shall begin on the Effective Date of this agreement and shall end (1) when terminated at the discretion of the League, or June 30, 2030, whichever occurs earlier; or (2) upon termination of the Grant Agreements defined above.

7. Termination of Agreement.

The League may terminate this Agreement, in whole or in part, at any time upon written notice to the Municipality and the Contractor. Upon receipt of Notice of Termination from the League: (i) the agreement between the Municipality and the Contractor shall be deemed terminated and Municipality hereby authorizes the League to notify Contractor of said termination on behalf of the Municipality; and (ii) Contractor shall (1) immediately discontinue all services affected (unless the Notice of Termination directs otherwise), (2) deliver to the Municipality all reports, estimates, summaries, and other information and materials accumulated in performing this contract, whether completed or in process; and (3) subject to funding made available through the OSBM Grants, submit final invoice for work completed up until Contractor's receipt of Notice of Termination.

8. Duties of the Municipality.

The Municipality will utilize Contractor Services and League Services, if any, in accordance with this Agreement. It agrees to submit quarterly performance reports for the services received pursuant to this Agreement and to cooperate with the League in reviewing these services. The nature and scope of the reports will depend on the project and services rendered. Any deficiencies or other performance concerns will be addressed with the Municipality and the Contractor.

The Municipality shall provide the League with all relevant information requested by the League to enable the League to comply with the record-keeping, monitoring, reporting, and auditing requirements set forth in the Grant Agreements between the League and OSBM, unless such information is otherwise confidential under applicable federal or state laws.

Article II. Scope of Funded Activities.

1. Scope of Services; Fees; Prior Approval.

Services provided pursuant to this Agreement and associated fees are set forth in Exhibit A attached hereto (and subsequent Exhibits as applicable), subject to the not-to-exceed thresholds contained therein. The Municipality shall not make any changes, directly or indirectly, to the Contractor Services without the prior written approval of the League.

Article III. Compensation.

1. Payment of Funds.

The League will pay the Contractor identified in Exhibit B (and other Contractors identified in subsequent Exhibits as applicable) for services rendered in accordance with this Agreement. No Contractor Services shall be funded by the League outside the parameters of the OSBM Grants. Fees and costs must be supported by evidence of bona fide services rendered. The Municipality has no obligation to pay for any services identified in this Agreement that are the League's responsibility. Services not expressly agreed to by the League shall be the responsibility of the Municipality.

2. Invoices.

Invoices for Contractor Services shall be submitted to DRinvoices@NCLM.org. Expenses must be reasonable and necessary, documented, itemized, and incurred in accordance with this Agreement.

Article IV. Compliance with Grant Agreements and Applicable Laws.

1. Expenditure Authority.

This Agreement is subject to the laws, regulations, and guidance documents authorizing and implementing the OSBM Grants, including, but not limited to, the following:

1) The Disaster Recovery Acts of 2024 and 2025 (SL 2024-51; SL 2024-53; SL 2025-26), any subsequent legislation allocating disaster recovery funds, and any associated Grant Agreements between the League and OSBM.

2) All laws, ordinances, codes, rules, regulations, licensing requirements and other regulatory matters that are applicable to the conduct of its business and work performance under this Agreement, including those of Federal, State, and local agencies having appropriate jurisdiction, including, but not limited to, N.C.G.S. 143C-6-22 (Use of State funds by non-State entities) and 09 NCAC 03M .0205. (Minimum Reporting Requirements for Recipients and Subrecipients).

3) If applicable, the Municipality acknowledges and agrees that, in its conduct under this Agreement and in connection with any and all expenditures of grant funds made by it, it shall comply with the cost principles enunciated in the Code of Federal Regulations, 2 CFR, Part 200.

4) If eligible, the Municipality shall:
   i) Request from the North Carolina Department of Revenue a refund of all sales and use taxes paid by them in the performance of this Agreement, pursuant to N.C.G.S. 105-164.14; and
   ii) Exclude all refundable sales and use taxes from all reportable expenditures before the expenses are entered in their quarterly project status reports.

2. Conflicts of Interest; Gifts & Favors.

The Municipality acknowledges that the use of OSBM Grant funds is subject to State regulatory requirements governing conflicts of interest and gifts and favors (including, without limitation, N.C. Gen. Stat. § 14- 234(a)(1) and N.C. Gen. Stat. § 14-234.3(a)).

The Municipality certifies that, as of the date hereof, to the best of its knowledge after reasonable inquiry, no employee, officer, or agent of the Municipality involved in the selection, award, or administration of this Agreement (each a Covered Individual), nor any member of a Covered Individual's immediate family, nor a Covered Individual's partner, nor an organization which employs or is about to employ a Covered Individual, has a financial or other interest in or has received a tangible personal benefit from the OSBM Grants, except as to the funds legally expended in this Agreement. Should the Municipality obtain knowledge of any such interest, or any tangible personal benefit described in the preceding sentence after the date hereof, the Municipality shall promptly disclose the same to the League in writing.

The Municipality certifies to the League that it has not provided, nor offered to provide, any gratuities, favors, or anything of value to an officer, employee, or agent of the League. Should the Municipality obtain knowledge of the provision, or offer of a provision, of any gratuity, favor, or anything of value to an officer, employee, or agent described in the preceding sentence after the date hereof, the Municipality shall promptly disclose the same to the League in writing.

3. Records Retention and Access.

The Municipality shall maintain all records, books, papers and other documents related to its performance of services under this Agreement (including without limitation personnel, property, financial and medical records) through at least five (5) years following termination of this Agreement, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit, or other inquiry involving this Agreement. The Municipality shall make all records, books, papers and other documents that relate to this Agreement, unless otherwise privileged, available at all reasonable times for inspection, review or audit by the authorized representatives of the League, OSBM, the North Carolina State Auditor, and any other authorized state or federal oversight office.

4. Publications.

Any publications produced with funds from this Agreement shall display the following language: "This project or program is supported, in whole or in part, by The Disaster Recovery Acts of 2024 and 2025 (SL 2024-51; SL 2024-53; SL 2025-26) by a grant awarded to the NC League of Municipalities through the North Carolina Office of State Budget and Management."

Article V. Limitations of Liability

1. Limitations of Liability.

In no event shall the League have any liability to the Municipality or any third party for damages resulting from Municipality's use of services provided through this Agreement or any separate agreement between the Municipality and the Contractor identified in Exhibit B (and other Contractors identified in subsequent Exhibits as applicable).

In no event shall the League be liable for any loss of profit or revenue, including but not limited to loss revenue caused by a cyber security breach, by the Municipality or any consequential, indirect, incidental, special, punitive, or exemplary damages incurred or suffered by the Municipality, even if the League has been advised of the possibility of such loss or damage. Further, except for claims based on U.S. Patent or U.S. Copyright infringement or for personal injury or physical loss or damage to real or tangible personal property caused by the negligence of the League, Municipality agrees that the League's total liability for

all claims of any kinds arising as a result of, or related to, this Agreement, whether based on contract, tort, (including but not limited to strict liability and negligence) warranty, or on other legal or equitable grounds, shall be limited to general money damages and shall not exceed the amounts actually received by Municipality under this Agreement.

THE REMEDIES PROVIDED HEREIN ARE EXCLUSIVE AND IN LIEU OF ALL OTHER REMEDIES, EXCEPT FOR THE WARRANTIES SET FORTH IN THIS AGREEMENT. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, WHETHER ORAL OR WRITTEN, WITH RESPECT TO THE GOODS AND SERVICES COVERED BY OR FURNISHED PURSUANT TO THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES (I) OF MERCHANTABILITY, (II) OF FITNESS FOR A PRACTICAL PURPOSE, OR (III) ARISING FROM COURSE OF PERFORMANCE OR DEALING, OR FROM USAGE OF TRADE.

Article VI. General Conditions.

1. **Venue and Jurisdiction**.

This Agreement will be governed by and construed in accordance with the laws of North Carolina. The exclusive forum and venue for all actions arising out of this Agreement is the appropriate division of the North Carolina General Court of Justice in Wake County. Such actions may not be commenced in, nor removed to, federal court unless required by law.

2. **Nonwaiver**.

No action or failure to act by the League constitutes a waiver of any of its rights or remedies that arise out of this Agreement, nor shall such action or failure to act constitute approval of or acquiescence in a breach of this Agreement, except as specifically agreed in writing.

3. **Limitation of Authority.**

Nothing contained in this Agreement may be deemed or construed to in any way stop, limit, or impair the Municipality from exercising or performing any regulatory, policing, legislative, governmental, or other powers or functions.

4. **Assignment.**

The Municipality may not assign or delegate any of their rights or duties that arise out of this Agreement without the League's written consent.

5. **Integration.**

This Agreement contains the entire agreement between the parties pertaining to the subject matter of this Agreement. With respect to that subject matter, there are no promises, agreements, conditions, inducements, warranties, or understandings, written or oral, expressed, or implied, between the parties, other than as set forth or referenced in this Agreement.

6. **North Carolina Public Records Law.**

Notwithstanding any other provisions of this Agreement, this Agreement and all materials submitted to the Municipality by the League are subject to the public records laws of the State of North Carolina and it is the responsibility of the League to properly designate materials that may be protected from disclosure as trade secrets under North Carolina law as such and in the form required by law prior to the submission

of such materials to the Municipality. League understands and agrees that the Municipality may take any and all actions necessary to comply with federal, state, and local laws and/or judicial orders and such actions will not constitute a breach of the terms of this Agreement. To the extent that any other provisions of this Agreement conflict with this paragraph, the provisions of this section shall control.

7. **E-Verify.**

League shall comply with E-Verify, the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law and as in accordance with N.C.G.S. §64-25 et seq. In addition, to the best of League's knowledge, any subcontractor employed by League as a part of this contract shall be in compliance with the requirements of E-Verify and N.C.G.S. §64-25 et seq.

8. **Iran Divestment Act.**

League certifies that, as of the date listed below, it is not on the Final Divestment List as created by the State Treasurer pursuant to N.C.G.S. § 147-86.55, et seq. In compliance with the requirements of the Iran Divestment Act and N.C.G.S. § 147-86.59, League shall not utilize in the performance of the contract any subcontractor that is identified on the Final Divestment List.

9. **Companies Boycotting Israel Divestment Act.**

League certifies that it has not been designated by the North Carolina State Treasurer as a company engaged in the boycott of Israel pursuant to N.C.G.S. 147-86.81.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by digital signature on the respective dates below, and this Agreement shall be effective upon the date of the last signature below.

NC LEAGUE OF MUNICIPALITIES:	**MUNICIPALITY:** **TOWN OF BLACK MOUNTAIN** _____ a North Carolina municipal corporation
By:	By:
_____ Signature	_____ Signature
_____ Rose Vaughn Williams	_____ Name
_____ Executive Director	_____ Title
_____ Date of Signature	_____ Date of Signature

ATTEST:

_____
City/Town/Village Clerk (or designee)

Exhibit A
League Services

In addition to the Contractor Services set out in Exhibit B, as applicable (and subsequent Exhibits, as applicable, pursuant to Section 4.b. above) the League may provide some or all of the services described below.

1. **Grant Management Support**

The League will provide grant management support for towns to include grant mapping, oversight and assistance with town grant compliance, monitoring reporting requirements, and submitting required reports for funded projects. The League will initially work directly with impacted municipalities to assess their needs related to grants management and provide an overall plan for grants administration. Grant management support may include assistance in developing grant proposals and assisting with submission of these proposals. This assistance which includes grant submission, implementation, tracking, and reporting of all grant activities related to state and federal funds related to disaster recovery.

2. **Assistance, Instruction, and Mentorship (AIM)**

League staff will work in a variety of ways to provide financial technical guidance that is tailored to the Municipality's specific situation, including but not limited to assistance with accounting issues, implementation of routine processes and best practices, one-on-one mentorship, and practical application tools, including a comprehensive manual. When necessary, the League may offer Contractor Services pursuant to Article I, Section 4.b. to assist with auditing and bookkeeping requirements. An emphasis will be placed on helping the Municipality develop a fiscally responsible program that meets State requirements and empowers municipal staff, administration, and board members to effectively communicate the Municipality's financial position.

3. **Cyber Security Assessment**

The League's Cyber Security Strategist ("Security Team"), will conduct a comprehensive assessment of the Municipality's overall cyber security posture ("Security Assessment") against the current standardized framework established by the Center for Internet Security ("CIS"). The Security Team will review the results and make appropriate hardware, software, policy, and procedure recommendations in accordance with industry best practices and the baseline standards set by the CIS assessment framework. If necessary, the League's security team will purchase and transfer ownership of equipment to a municipality to assist in the daily function and recovery efforts of the municipality.

4. **Finance Evaluation**

The League's Finance Team ("Finance Team"), in consultation with the Municipality. League MAS representatives will further work with bookkeeping Contractors to prepare the Municipality for bookkeeping actions and assist the Municipality in adopting best practice solutions.

5. **Accounting Assistance Efforts**

During the term of this Agreement (as described in Article I, Paragraph 6 above), League Accounting Assistance contractors will provide the Municipality with ongoing assistance with accounting issues, review and assist with best practice accounting and finance processes, and generally assist the Municipality to be current with its bookkeeping and accounting. An emphasis will be placed on ensuring participating Municipalities are prepared for their annual audit. The implementation of best practices and timely preparation should improve the audit experience for both the Municipality and the firm performing the audit.

Exhibit B

Contractor Services

ICF Incorporated, L.L.C. (ICF) will provide in person support to the Town of Black Mountain (Town) to reconcile financial costs related to Hurricane Helene. The Town of Black Mountain has approximately 34 federal projects for which contracts have been entered, costs have been incurred, invoices received and paid. All federal projects will require alignment with the Town's owned assets. ICF will provide the Town with a spreadsheet, aligning costs to its assets and organizing documentation to support financial reconciliation. Unless otherwise instructed in writing, ICF will direct invoices via email to DRinvoices@NCLM.org. Unless otherwise agreed to in writing between the firm and the League, ICF services invoiced under this A greement shall not exceed ten thousand dollars ($20,000).