

**NORTH CAROLINA**

**CONSTRUCTION OR REPAIR AGREEMENT**

**[Design-Build]**

**BRUNSWICK COUNTY**

**THIS CONSTRUCTION OR REPAIR AGREEMENT** (hereinafter referred to as the “Agreement” or “Contract”) is made and entered into by and between Brunswick County, a body politic and corporate of the State of North Carolina, (hereinafter referred to as “County” or “Owner”), party of the first part, and Coastal Carolina Builders, Inc., (hereinafter referred to as “Contractor”), party of the second part.

**WITNESSETH:**

**1. PROJECT; FEES**

Contractor shall furnish and deliver all materials and perform all work in the manner and form as provided by enumerated plans, specifications and documents, including, without limitation and as applicable: the Request for Qualifications; Qualifications Statement; Scope of Work; Schedule of Values; General Conditions; Supplementary General Conditions; Specifications; Addenda; Accepted Proposal; Notice to Proceed; Performance Bond; Payment Bond; MBE forms; Power of Attorney; Workers’ Compensation, Public Liability, Property Damage and Builder’s Risk Insurance Certificates; Approval by the Board of Commissioners; Tax Statement and Certification; Notice of Substantial Completion; Notice of Final Completion and Acceptance; and Drawings (hereinafter referred to collectively as the “Bid Documents”) titled:

**Project: 211 WTP Lab Building**

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Consisting of the following sheets **Electrical plans, floor plan**

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dated **various**

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The Bid Documents are incorporated by reference and made an integral part of this Agreement. To the extent the terms of such documents conflict with the terms of this Agreement, the terms of this Agreement shall prevail.

**2. TERM OF AGREEMENT**

The term of this Agreement begins upon issuance of the Notice to Proceed by Brunswick County (the “Effective Date”) and continues in effect for **Three Hundred Sixty-Five (365)** consecutive calendar days, unless extended or sooner terminated as provided for in the Brunswick County General Conditions of the Contract.

**3. BRUNSWICK COUNTY GENERAL CONDITIONS OF THE CONTRACT**

This Agreement, in addition to any construction documents prepared hereunder, shall be subject to the Brunswick County, North Carolina General Conditions of the Contract (for

construction contracts), unless the County directs otherwise. In the event of a conflict between the General Conditions of the Contract and this Agreement, this Agreement shall prevail.

#### 4. NONAPPROPRIATION

If the Board of County Commissioners does not appropriate the funding needed by the County to make payments under this Agreement for a given fiscal year, the County will not be obligated to pay amounts due beyond the end of the last fiscal year for which funds were appropriated. In such event, the County will promptly notify the Contractor of the non-appropriation and this Agreement will be terminated at the end of the last fiscal year for which funds were appropriated. No act or omission by the County which is attributable to non-appropriation of funds shall constitute a breach of or default under this Agreement.

#### 5. COMPENSATION

The County agrees to pay Contractor the total amount of **Two Hundred Seventy-Five Thousand and no/100 Dollars (\$275,000.00)** for the Project. Payment shall be subject to additions and deductions as provided in the specifications or Bid Documents. County shall make monthly progress payments to Contractor on the basis of a duly certified and approved estimate of work performed during a given calendar month, less five percent (5%) of the amount of such estimate which is to be retained by County until all work has been performed strictly in accordance with this Agreement and such work has been accepted by County. The County shall not require further retainage after fifty percent (50%) of the work has been satisfactorily completed on schedule as more fully set forth in the General Conditions included with the Bid Documents. County shall make full and final payment to Contractor within thirty (30) days after completion of the Project and acceptance of such work by County and upon Contractor's submittal of satisfactory evidence that all payrolls, material bills and other costs incurred in connection with the Project have been paid in full. Notwithstanding the foregoing, County will not pay late fees on any charges under this Agreement. If County disputes any portion of the charges, the County shall inform Contractor in writing of the disputed charges.

#### 6. INDEPENDENT CONTRACTOR

Both County and Contractor agree that Contractor shall act as an independent contractor and shall not represent itself as an agent or employee of the County for any purpose in the performance of its duties under this Agreement. Contractor represents that it has or will secure, at its own expense, all personnel required in performing the work under this Agreement. Accordingly, Contractor shall be responsible for payment of all federal, state and local taxes arising out of its activities in accordance with this Agreement, including, without limitation, federal and state income tax, social security tax, unemployment insurance taxes and any other taxes or business license fees as required. Contractor shall not be entitled to participate in any plans, arrangements or distributions by the County pertaining to or in connection with any pension, stock, bonus, profit sharing or other benefit extended to County employees.

In the event the Internal Revenue Service should determine that Contractor is, according to Internal Revenue Service guidelines, an employee subject to withholding and social security

contributions, then Contractor hereby acknowledges that all payments hereunder are gross payments, and the Contractor is responsible for all income taxes and social security payments thereon.

## **7. PERMITS AND APPROVALS**

Contractor shall provide County with a schedule of all required approvals and the dates by which application for such approvals must be made in order to avoid any risk of delay to the Project. Contractor shall prepare the necessary application forms, present documents requiring approval by County and submit documents with County approval to appropriate federal, state and local government or other agencies in a timely manner. County shall be financially responsible for all necessary permits, licenses, approvals, easements, assessments and charges required for the construction, use or occupancy of permanent structures or for permanent changes in existing facilities.

## **8. CONTRACTOR REPRESENTATIONS**

- (1) Contractor is a duly organized entity or corporation qualified to do business and in good standing under the laws of the State of North Carolina;
- (2) Contractor has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement;
- (3) No approval, authorization or consent of any governmental or regulatory authority is required to be obtained or made by it in order for Contractor to enter into and perform its obligations under this Agreement;
- (4) Contractor shall not violate any agreement with any third party by entering into or performing the work under this Agreement;
- (5) Contractor will perform all work in conformity with the specifications and requirements of this Agreement;
- (6) Unless otherwise agreed by the parties, Contractor agrees that all materials will be new and of good quality;
- (7) The work provided by Contractor under this Agreement will not violate, infringe or misappropriate any patent, copyright, trademark or trade secret rights of any third party, or any other third-party rights (including without limitation non-compete agreements);
- (8) Contractor will perform the work in a professional and workmanlike manner exercising reasonable care and diligence and will ensure that it adheres to the highest generally accepted standards in the industry when performing said work;

- (9) Contractor acknowledges that if any specific licenses, certifications or related credentials are required in its performance of the work, it will ensure that such credentials remain current and active and not in a state of suspension or revocation; and
- (10) Contractor shall ensure that whenever its employees or agents are on County property, they will strictly abide by all instructions and directions issued by the County with respect to rules, regulations, policies and security procedures applicable to work on the County's premises. Such rules, regulations, policies and security procedures shall include, but not be limited to: (i) not possessing any controlled substances; (ii) smoking only in designated smoking areas, if any; and (iii) not possessing weapons, except for weapons possessed by law enforcement officials.

## **9. NON-ENDORSEMENT AND PUBLICITY**

County is not endorsing Contractor or its work, and Contractor is not permitted to reference this Agreement or County in any manner without the prior written consent of County. Notwithstanding the foregoing, the parties agree that Contractor may list the County as a reference in response to requests for proposals and may identify County as a customer in presentations to potential customers.

## **10. NON-EXCLUSIVITY**

Contractor acknowledges that County is not obligated to contract solely with Contractor for the work covered under this Agreement.

## **11. DIVESTMENT FROM COMPANIES THAT BOYCOTT ISRAEL**

Contractor hereby 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.

## **12. DEBARMENT**

Contractor hereby certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this Agreement by any governmental department or agency. Contractor must notify County within thirty (30) days if debarred by any governmental entity during this Agreement.

## **13. MINORITY BUSINESS ENTERPRISES**

Contractor will make a good faith effort to utilize Minority Business Enterprises (MBEs) per N.C. Gen. Stat. 143-128 as subcontractors in the performance of this Agreement.

## **14. WORKERS' COMPENSATION**

To the extent required by law, Contractor shall comply with the North Carolina Workers' Compensation Act and shall provide for the payment of workers' compensation to its employees

in the manner and to the extent required by such Act. In the event Contractor is excluded from the requirements of such Act and does not voluntarily carry workers' compensation coverage, Contractor shall carry or cause its employees to carry adequate medical/accident insurance to cover any injuries sustained by its employees or agents while fulfilling Contractor's obligations under this Agreement. Contractor agrees to furnish County proof of compliance with said Act or adequate medical/accident insurance coverage upon request.

## **15. TAXES**

Contractor shall be responsible for paying all taxes, fees, assessments and premiums of any kind payable on its employees and operations. Contractor shall substantiate, on demand by the County, that all taxes and other charges are being properly paid.

## **16. COMPLIANCE WITH E-VERIFY PROGRAM**

Pursuant to N.C.G.S. § 143-133.3, Contractor understands that it is a requirement of this Agreement that Contractor and its subcontractors must comply with the provisions of Article 2 of Chapter 64 of the North Carolina General Statutes. In doing so, Contractor agrees that, unless it is exempt by law, it shall verify the work authorization of its employees utilizing the federal E-Verify program and standards as promulgated and operated by the United States Department of Homeland Security, and Contractor shall require its subcontractors to do the same. Upon request, Contractor agrees to provide County with an affidavit of compliance or exemption.

## **17. CONFIDENTIAL INFORMATION**

For purposes of this Agreement, the party disclosing Confidential Information is the "Discloser," and the party receiving Confidential Information is the "Recipient." "Confidential Information" shall mean any nonpublic information concerning the parties' respective businesses including, but not limited to, all tangible, intangible, visual, electronic, present or future information such as: (a) trade secrets; (b) financial information, including pricing; (c) technical information, including research, development, procedures, algorithms, data, designs and know-how; (d) business information, including operations, planning, marketing interests and products; and (e) the terms of any agreement between the parties and the discussions, negotiations and proposals related thereto. Confidential Information disclosed to the other party must be clearly identified. Written Confidential Information must be clearly marked in a conspicuous place with an appropriate legend identifying the information as "Confidential." Confidential Information that is not written must be identified as confidential at the time of disclosure and confirmed in writing delivered to Recipient within fifteen (15) days of disclosure.

The restrictions regarding the use and disclosure of Confidential Information do not apply to information that is:

- (1) in the public domain through no fault of the Recipient;
- (2) within the legitimate possession of the Recipient, with no confidentiality obligations to a third party;

- (3) lawfully received from a third party having rights in the information without restriction, and without notice of any restriction against its further disclosure;
- (4) independently developed by the Recipient without breaching this Agreement or by parties who have not had, either directly or indirectly, access to or knowledge of the Confidential Information;
- (5) disclosed with the prior written consent of the Discloser; or
- (6) required to be disclosed by law, regulation or court or governmental order, specifically including requests pursuant to the Public Records Laws of North Carolina contained in Chapter 132 of the North Carolina General Statutes. In the event Recipient receives such a request, it shall notify Discloser and Discloser shall have the opportunity to defend against production of such records at Discloser's sole expense.

## **18. NO ASSIGNMENT WITHOUT CONSENT**

Neither party shall assign this Agreement (or assign any right or delegate any obligation contained herein whether such assignment is of service, of payment or otherwise) without the prior written consent of the other party hereto. Any such assignment without the prior written consent of the other party hereto shall be void. An assignee shall acquire no rights, and County shall not recognize any assignment in violation of this provision.

## **19. GOVERNING LAW AND VENUE**

This Agreement shall be governed by applicable federal law and by the laws of the State of North Carolina without regard for its choice of law provisions. All actions relating in any way to this Agreement shall be brought in the General Court of Justice of the State of North Carolina in Brunswick County or in the Federal District Court for the Eastern District of North Carolina, Wilmington division.

## **20. DISPUTE RESOLUTION**

Should a dispute arise as to the terms of this Agreement, both parties agree that neither may initiate binding arbitration. The parties may agree to non-binding mediation, as more fully set forth in the General Conditions of the Contract.

## **21. GOVERNMENTAL IMMUNITY**

County, to the extent applicable, does not waive its governmental immunity by entering into this Agreement and fully retains all immunities and defenses provided by law with regard to any action based on this Agreement.

## **22. NON-WAIVER**

Failure by County at any time to require the performance by Contractor of any of the provisions of this Agreement shall in no way affect County's right hereunder to enforce the same, nor shall any waiver by County of any breach be held to be a waiver of any succeeding breach or a waiver of this Section.

## **23. ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the parties with respect to the subject matter herein. There are no other representations, understandings or agreements between the parties with respect to such subject matter. This Agreement supersedes all prior agreements, negotiations, representations and proposals, written or oral, related specifically to the Project herein.

## **24. HEADINGS**

The headings in this Agreement are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

## **25. SEVERABILITY**

The invalidity of one or more of the phrases, sentences, clauses or sections contained in this Agreement shall not affect the validity of the remaining portion of the Agreement so long as the material purposes of this Agreement can be determined and effectuated. If a provision of this Agreement is held to be unenforceable, then both parties shall be relieved of all obligations arising under such provision, but only to the extent that such provision is unenforceable, and this Agreement shall be deemed amended by modifying such provision to the extent necessary to make it enforceable while preserving its intent.

## **26. AMENDMENTS**

Amendments or changes to this Agreement shall not be valid unless in writing and signed by authorized agents of both Contractor and County.

## **27. NOTICES**

- (1) **DELIVERY OF NOTICES.** Unless otherwise specified in the General Conditions, any notice, consent or other communication required or contemplated by this Agreement shall be in writing, and shall be delivered in person, by U.S. mail, by overnight courier, by electronic mail or by facsimile to the intended recipient at the address set forth below.
- (2) **EFFECTIVE DATE OF NOTICES.** Any notice shall be effective upon the date of receipt by the intended recipient; provided that any notice which is sent by facsimile or

electronic mail shall also be simultaneously sent by mail deposited with the U.S. Postal Service or by overnight courier.

**(3) NOTICE ADDRESS.**

- a. Communications that relate to any breach, default, termination, amendment or waiver of any provision of this Agreement shall be sent to:

For the County: Brunswick County Attorney  
P.O. Box 249  
Bolivia, NC 28422

With a copy to: Paul Biagiotti  
Construction Manager  
P.O. Box 249  
Bolivia, NC 28422

- b. Communications that relate to any delay in performance, prevention of performance, modification or extension of this Agreement shall be sent to:

For the County: Paul Biagiotti  
Construction Manager  
P.O. Box 249  
Bolivia, NC 28422

- c. All communications to Contractor shall be sent to:

For the Contractor: Coastal Carolina Builders Inc.  
7237 Ridgewood Trail NW  
Ocean Isle Beach, NC 28469

[SIGNATURES APPEAR ON FOLLOWING PAGE]



## 28. SIGNATURES

This Agreement, together with any amendments or modifications, may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall be considered one and the same agreement. This Agreement may also be executed electronically. By signing electronically, the parties indicate their intent to comply with the Electronic Commerce in Government Act (N.C.G.S § 66-358.1 et seq.) and the Uniform Electronic Transactions Act (N.C.G.S § 66-311 et seq.). Delivery of an executed counterpart of this Agreement by either electronic means or by facsimile shall be as effective as a manually executed counterpart.

### BRUNSWICK COUNTY

DocuSigned by:  
By: Randell K. Woodruff  
D90ACF07AE2946C...

Printed Name: Randell K. Woodruff

Title: County Manager

Date: 6/15/2020

### COASTAL CAROLINA BUILDERS, INC.

DocuSigned by:  
By: Matthew Reaves  
2D8727BC1345457...

Printed Name: Matthew Reaves

Title: President

Date: 6/15/2020

“This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.”

DocuSigned by:  
Julie A. Miller  
09299718CD1D4B2  
Julie A. Miller, Finance Director  
Brunswick County, North Carolina

### APPROVED AS TO FORM

DocuSigned by:  
Robert V. Shaver, Jr.  
13876416C174014A8  
Robert V. Shaver, Jr., County Attorney /  
Bryan W. Batton, Assistant County Attorney