NORTH CAROLINA
WAKE COUNTY

SPECIAL REIMBURSEMENT AGREEMENT

DATE: 1/17/2017

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

AND

WBS Elements:

UNITED STATES DEPARTMENT OF THE ARMY, WILMINGTON DISTRICT, CORPS OF ENGINEERS, REGULATORY DIVISION

THIS AGREEMENT herein, is made and entered into on the last date executed below, by and between, the NORTH CAROLINA DEPARTMENT OF TRANSPORTATION, an agency of the State of North Carolina, hereinafter referred to as the "NCDOT," and the UNITED STATES DEPARTMENT OF THE ARMY, WILMINGTON DISTRICT, CORPS OF ENGINEERS, REGULATORY DIVISION hereinafter referred to as the "WILMINGTON DISTRICT, USACE," referred to individually as "Party" or collectively as "Parties."

WITNESSETH:

WHEREAS, the NCDOT and the WILMINGTON DISTRICT, USACE have a history of exploring collaborative solutions to issues involving transportation needs relative to the USACE's regulatory program; and

WHEREAS, under Section 214 of the Federal Water Resources Development Act of 2000, as amended by the Federal Water Resources Reform and Development Act of 2014 ("Section 214, as amended,"), the WILMINGTON DISTRICT, USACE may accept and expend funds contributed by non-Federal public entities to expedite the evaluation of permits of that entity related to a project or activity for a public purpose under the jurisdiction of the Department of the Army while ensuring that the use of funds does not impact impartial decision-making with respect to permits, either substantively or procedurally; and,

WHEREAS, the NCDOT is a non-Federal public entity; and,

WHEREAS, the Secretary of the Army has delegated the responsibility of carrying out Section 214, as amended, to the Chief of Engineers and his delegated representatives; and,

WHEREAS, the Chief of Engineers by memorandum dated September 2, 2015, issued implementation guidance which authorizes the Wilmington District, USACE to accept and expend funds contributed by non-federal entities subject to certain limitations; and,

WHEREAS, the NCDOT requires expedited and priority review of certain projects in the State of North Carolina by the WILMINGTON DISTRICT, USACE; and,

WHEREAS, the WILMINGTON DISTRICT, USACE shall ensure that expediting the evaluation of a permit through the use of funds accepted and expended under Section 214, as amended, does not adversely affect the timeline for evaluations of permits of other entities that have not contributed funds under this section; and,

WHEREAS, it is acknowledged and understood that the Federal review of USACE permit applications will be completely impartial and in accordance with all applicable Federal laws and regulations and will be

performed using the same procedures for decisions that would otherwise be required for the evaluation of permits for similar projects or activities not carried out using funds authorized under this section; and,

WHEREAS, the WILMINGTON DISTRICT, USACE issued an initial Public Notice dated July 15, 2016, regarding its intent to accept and expend funds contributed by NCDOT, a non-Federal public entity for such purposes; and,

WHEREAS, the WILMINGTON DISTRICT, USACE has determined that expenditure of funds received from NCDOT will be in compliance with Section 214, as amended; and,

WHEREAS, the NCDOT and the WILMINGTON DISTRICT, USACE, in order to expedite the evaluation of permits of NCDOT related to projects or activities for a public purpose, have agreed to maintain up to two (2) positions within the WILMINGTON DISTRICT, USACE, as needed, to ensure that the WILMINGTON DISTRICT, USACE can fully satisfy its obligations under the 2001 MOA that established the Merger process, in part, by focusing solely on transportation issues and future Department of the Army (DA) permitting decisions; and,

WHEREAS, the NCDOT and the WILMINGTON DISTRICT, USACE agree that these positions would help ensure that environmental issues are identified and resolved early in the transportation development process rather than delayed to a point that impacts project delivery, thereby improving the transportation project delivery process; and,

WHEREAS, the NCDOT has agreed to fund said positions subject to the conditions hereinafter set forth; and,

WHEREAS, the WILMINGTON DISTRICT, USACE has agreed to comply with the provisions and requests of the NCDOT to support said positions hereinafter set forth; and,

NOW, THEREFORE, the Parties hereto, each in consideration of the promises and undertakings of the other as herein provided, do hereby covenant and agree, each with the other, to fund and/or maintain a total of up to two (2) positions within the WILMINGTON DISTRICT, USACE as follows:

SCOPE

1. Pursuant to Section 214, this AGREEMENT is entered into by the Parties for the purpose of establishing a mutual framework governing the respective responsibilities of the Parties for the acceptance and expenditure of funds contributed by the NCDOT to expedite the evaluation of permits under the jurisdiction of the Department of the Army. This AGREEMENT is not intended as the exclusive means of obtaining WILMINGTON DISTRICT, USACE review of NCDOT projects. This AGREEMENT is a means by which the NCDOT may obtain expedited review of its projects designated as a priority, outside of the ordinary WILMINGTON DISTRICT, USACE review process.

2. NCDOT will provide additional funds to the WILMINGTON DISTRICT, USACE to completely offset the actual costs associated with positions and activities dedicated to expedite the evaluation of NCDOT priority projects under the jurisdiction of the WILMINGTON DISTRICT, USACE for up to a five (5) year period beginning October 1, 2016 or upon execution of this AGREEMENT and ending September 30, 2021, unless extended as included herein. These funds shall be provided and used to perform project review in accordance with ATTACHMENT A, as attached hereto and incorporated in its entirety as if fully set out herein. The Wilmington District's regulatory program is funded as a congressionally appropriated line item in the annual Federal budget. Funds received from the Department will be used to augment the Wilmington District regulatory budget in accordance with Section 214, as amended.

3. The WILMINGTON DISTRICT, USACE will provide up to two (2) additional full-time Project Managers positions and hire employees to conduct the work specified under this Agreement, as agreed to by both Parties. One position may be filled independently of the other.

4. The Project Managers are USACE employees for all intents and purposes, including but not limited to Workers Compensation, Federal Torts Claims, retirement, insurance and other employment benefits. The fact that the positions are funded largely with contributed funds does not alter that relationship.

5. Pursuant to this AGREEMENT, the said positions shall work exclusively on NCDOT projects and provide project review in accordance with ATTACHMENT A, Position Description Duties Summary, as attached hereto and incorporated in its entirety as if fully set out herein.

6. Upon written request, special consideration may be given in writing by the NCDOT for involvement in non-directly related transportation activities, non-NCDOT work. The NCDOT provides consideration for State and Federal emergency circumstances such as hurricanes, floods, tornadoes and earthquakes when notified by the USACE in writing.

7. These positions shall conduct their work in a manner that reflects the Standards of Conduct for Employees of the Executive Branch, the Department of Defense's (DOD's) Supplemental Standards of Conduct - 5 C.F.R. Part 3601, and the Joint Ethics Regulation DoD 5500.07-R.

ELIGIBLE EXPENDITURES, ACCOUNTABILITY SYSTEM AND REPORTING

8. The WILMINGTON DISTRICT, USACE shall provide the required tracking and pre-approvals for all eligible costs reimbursed under this AGREEMENT as included herein and as deemed necessary by NCDOT, including the following:

   (A) The WILMINGTON DISTRICT, USACE will establish a separate account to track the receipt and expenditure of the funds in the Corps of Engineers Financial Management System. USACE personnel included under this AGREEMENT accomplishing the technical, administrative, and process improvement tasks as described in ATTACHMENT C required to expedite the evaluation of the permit applications covered by the AGREEMENT will charge their time against a specific account when working on those permit applications.

   (B) Funds provided by the NCDOT under this AGREEMENT shall be expended to defray the actual costs of the additional WILMINGTON DISTRICT, USACE position(s) included in Provision 2 of this AGREEMENT, including salary, associated benefits, overhead, training, travel expenses and other costs in order to expedite the evaluation of permit requests submitted by the NCDOT. Such activities may include, but not be limited to permit application intake review, permit database entry, jurisdictional determinations, site visits, public notice preparation, preparation of correspondence, conducting public interest reviews, preparation of draft permit decision documents, meetings with the NCDOT and other agencies, compliance inspections and any other permit evaluation-related responsibilities that may be mutually agreed upon by the Parties under ATTACHMENT A, as previously included herein. For the purposes of this AGREEMENT, compliance inspections are defined as: "Facilitating field reviews on permitted construction activities and offering on-site advice for adherence to permit conditions."

   Funds will not be expended for review by supervisors or other persons or elements of the WILMINGTON DISTRICT, USACE in the decision-making chain of command, nor will such funds be used for paying for the costs of public hearings and distribution of public notices.

Enforcement activities will not be performed by positions funded by NCDOT under the terms of this AGREEMENT.

(C) Two-way feedback and consultation can be initiated by either party at any time for the purposes of strategic planning, process improvement and for better service and communication.

(D) The WILMINGTON DISTRICT, USACE shall obtain written pre-approval from the NCDOT Transportation Program Management Unit Director or his/her designee prior to any out-of-state travel for which reimbursement is requested.

Out of state travel required by WILMINGTON DISTRICT, USACE for regional meetings and required WILMINGTON DISTRICT, USACE training shall be identified by the WILMINGTON DISTRICT, USACE prior to commencement and may be pre-approved by the NCDOT Transportation Program Management Unit Director or his/her designee. In these cases of exception, a prior notification with anticipated travel costs should be submitted to the NCDOT Transportation Program Management Unit Director or his/her designee with as much advance notice as possible.

(E) The WILMINGTON DISTRICT, USACE shall acquire written pre-approval from the NCDOT Transportation Program Management Unit Director or his/her designee prior to any training for which reimbursement is requested.

(F) Interim meetings between the NCDOT and the USACE may be held for the purpose of discussing the quality of work performed and the key accomplishments, setting of priorities and goals, reviewing annual financial reports and annual accomplishment reports provided on the said positions and adherence to the Codes of Conduct referenced in Provision 6 of this AGREEMENT.

9. The WILMINGTON DISTRICT, USACE shall submit to the NCDOT, on an annual basis, a qualitative and quantitative programmatic report summarizing services provided by the position(s) under the terms of this AGREEMENT. Said report shall include, but not be limited to, a narrative description of the contributions and value added to NCDOT's programs, a quantitative and qualitative assessment which defines and demonstrates how the use of the funds expedited the permit review process, trend analysis of services and deliverables provided, quantifiable measures achieved, and any efforts facilitating the transportation and environmental decision-making process. Specific performance measures that must be included in this report are included in ATTACHMENT C, Performance Measures, attached hereto and incorporated in its entirety as if fully set out herein. Additional performance measures may be included, as determined beneficial by WILMINGTON DISTRICT, USACE or as requested by NCDOT. The format of the annual report shall be agreed upon by the Parties.

10. The WILMINGTON DISTRICT, USACE shall provide to the NCDOT an annual summary of expenditures during the duration of the AGREEMENT. The said expenditure summaries shall be provided by October 31 of each year for the previous Federal Fiscal year. The said expenditure reports shall include the burdened salary rates (benefits included) and hours spent, and shall be itemized for each position. Other expenditures that shall be identified on the report include office supplies, travel, vehicle costs, training, and computer costs, and shall be itemized by position. If at the end of each federal fiscal year there are unexpended funds remaining with a cumulative total these funds may be carried over to the next available federal fiscal year budget. The carried over funds shall be identified on the annual expenditure report.

BUDGET STATEMENT AND FUNDING PROCEDURE

11. Subject to compliance by the WILMINGTON DISTRICT, USACE with the provisions set forth in this AGREEMENT, the NCDOT shall provide total funding in the amount not to exceed $2,100,000 for support up to two (2) Project Managers for the purposes outlined in this AGREEMENT and pursuant to the descriptions identified in Attachment A, previously attached and made part of this AGREEMENT. Funding shall be for up to a five (5) year period beginning October 1, 2016 or upon execution of this AGREEMENT and ending September 30, 2021, unless extended as included herein.

    (A) Funds for each federal fiscal year will be payable in one lump sum forty-five (45) days in advance of the WILMINGTON DISTRICT, USACE incurring any financial obligations for the next annual funding year covered under this MOA. Payment will be made to the Finance and Accounting Officer, U.S. Army Corps of Engineers, Wilmington District.

    (B) Payment shall be made in five (5) annual installments with the first payment not to exceed $304,126. The WILMINGTON DISTRICT, USACE shall submit an invoice in the form of a letter identifying the funding amount needed for the next Federal Fiscal Year. This invoice will be sent to the Program Administrator, NCDOT's Transportation Program Management Unit Director. Payment shall be made upon approval of said invoice by the Program Administrator and the NCDOT's Financial Management Division. The second (not to exceed $406,105), third (not to exceed $415,237), fourth (not to exceed $424,598), and fifth (not to exceed $434,192) installment payments shall be made at one (1) year intervals. The WILMINGTON DISTRICT, USACE will be responsible for submitting an invoice describing the actual funding amount required at least sixty (60) days prior to the payment date in order that said invoice can be approved by the Program Administrator and the NCDOT's Financial Management Division, and payment can be made.

    (C) Total funds of $2,100,000 as shown in Attachment B, Budget, attached hereto and incorporated in its entirety as if fully set out herein, shall be the maximum commitment during the life of this AGREEMENT unless a modification of this AGREEMENT is specifically authorized and executed in writing by both Parties.

    (D) At the conclusion of this five-year AGREEMENT, any unexpended funds paid to the WILMINGTON DISTRICT, USACE during the duration of this AGREEMENT, shall be returned to NCDOT. The WILMINGTON DISTRICT, USACE shall have until January 31, 2022 to refund the excess funds to the NCDOT.

    (E) The WILMINGTON DISTRICT, USACE is solely responsible for all agreements, contracts, and work orders entered into or issued by the WILMINGTON DISTRICT, USACE. The NCDOT shall not be held liable, by the WILMINGTON DISTRICT, USACE, for any expenses or obligations incurred for each position except those specifically eligible for the funds and obligations as approved by the NCDOT under the terms of this AGREEMENT.

    (F) The WILMINGTON DISTRICT, USACE shall be responsible for maintaining appropriate records in accordance with federal accounting procedures and regulations for work conducted under this AGREEMENT and for a minimum of three (3) years from the date of final payment under this AGREEMENT. These records shall be subject to examination or audit by NCDOT if they should so desire.

PERFORMANCE PERIOD

12. Subject to the provisions stated herein, the AGREEMENT shall be in effect October 1, 2016 or when executed by all parties through September 30, 2021. However, it is subject to any potential sunset clause as determined by Section 214, as amended.

(A) An Option for renewal of this AGREEMENT for an additional term may be initiated by either party nine (9) months prior to the end of the five (5) year period.

(B) If this Agreement is not renewed, or is otherwise terminated, any remaining NCDOT permit applications will be handled like those of any other non-Party to this AGREEMENT, in a manner decided by the assigned WILMINGTON DISTRICT, USACE Regulatory project manager and his or her supervisor.

MODIFICATION

13. Any changes, amendments, corrections, or additions to this AGREEMENT or its Attachments herein, shall be in writing; in the form of a supplemental agreement and shall be executed and approved by the same officials or their designee, of the parties who execute and approve original AGREEMENT; shall be in accordance with applicable law; and shall become effective upon complete execution by both Parties. This AGREEMENT can be extended by mutual agreement by all Parties.

14. If the WILMINGTON DISTRICT, USACE changes, amendments, corrections, reallocations, reclassifications or additions to this AGREEMENT or its Attachments herein occur without following the prescribed process, then it may be grounds for the NCDOT to terminate funding for the position(s) or participation in this AGREEMENT.

TERMINATION

15. Either party may terminate this AGREEMENT prior to its expiration date by providing written notice to the other party. Such termination shall be effective upon the sixtieth (60th) calendar day following the date of the written notice. In the event of termination, the NCDOT shall continue to be responsible for all costs incurred by the WILMINGTON DISTRICT, USACE under this AGREEMENT prior to the effective date of such termination.

AGENCY CONTACTS

16. To provide for consistent and effective communication between the WILMINGTON DISTRICT, USACE and the NCDOT, each party will appoint a Principal Representative to serve as its central point of contact on matters relating to this AGREEMENT. The Principal Representative for this AGREEMENT will be as follows:

WILMINGTON DISTRICT, USACE
Monte Matthews
Lead Project Manager
3331 Heritage Trade Drive
Wake Forest, NC 27587
(919) 554-4884 x31

NCDOT
Michael L. Holder, PE
Chief Engineer
1 South Wilmington Street
Raleigh, North Carolina 27601
(919) 707-2500

IMPARTIAL DECISION MAKING

17. It is understood and agreed that in order to ensure that the funds will not impact impartial decision-making with respect to NCDOT permit applications, the following procedures, mandated from Headquarters, U.S. Army Corps of Engineers, will apply to all cases using funds provided by the NCDOT as a participating non-Federal public entity:

    (A) All final permit decisions, decision documents, approved jurisdictional determinations, and preliminary jurisdictional determinations for cases where these funds are used must be reviewed by at least one level above the decision-maker, unless the decision-maker is the District Engineer, WILMINGTON DISTRICT, USACE. For example, if the decision-maker would be a Project Manager, then a review would be the Team Lead.

    (B) All final permit decisions for cases where these funds are used will be made available on the WILMINGTON DISTRICT, USACE web page.

    (C) The WILMINGTON DISTRICT, USACE will not eliminate any procedures or decision criteria that would otherwise be required for that type of project and permit application under consideration.

    (D) The WILMINGTON DISTRICT, USACE must comply with all applicable Federal laws and regulations.

    (E) Funds will only be expended to expedite the final decision on the permit applications and jurisdictional determinations according to the terms and conditions of this AGREEMENT. Funds will not be expended for the review of the decision-makers decision.

ADDITIONAL PROVISIONS

18. It is mutually understood that the NCDOT may conduct periodic audits on any position as identified in this AGREEMENT. Said audits may examine time spent and the nature of work on NCDOT projects or the accounting records and receipts for each position.

19. The applicable statutes, regulations, policies, directives, and procedures of the United States and the State of North Carolina will govern this AGREEMENT and all documents and actions pursuant to it. Unless otherwise required by Law, all expediting of environmental permit applications undertaken by the WILMINGTON DISTRICT, USACE will be governed by its regulations, policies and procedures.

20. The Parties agree that, in the event of a dispute not covered by the current Merger Dispute Resolution process, the NCDOT and the WILMINGTON DISTRICT, USACE shall use their best efforts to resolve the dispute in an informal fashion through consultation and communication, or other forms of non-binding alternative dispute resolution mutually acceptable to the Parties. The Parties agree that, in the event such measures fail to resolve the dispute, they shall refer the dispute for resolution to an appropriate forum in accordance with Federal Law.

21. Justification and explanation of NCDOT programs or projects before other agencies, departments and offices will not be the responsibility of the WILMINGTON DISTRICT, USACE. The Wilmington District may provide, upon request from NCDOT, any assistance necessary to support justification or explanations of activities covered under this AGREEMENT. In general, the WILMINGTON DISTRICT, USACE is responsible only for public information regarding its activities.

22. This AGREEMENT will not affect any pre-existing or independent relationships or obligations between the NCDOT and the WILMINGTON DISTRICT, USACE.

23. If any provision of this AGREEMENT is determined to be invalid or unenforceable, the remaining provisions will remain in force and unaffected to the fullest extent permitted by law and regulation.

24. This AGREEMENT, including any documents incorporated by reference or attachments thereto, constitute the entire agreement between the Parties. All prior or contemporaneous agreements, understandings, representations and statements, oral and written, are merged herein and shall be of no further force or effect.

25. Work proposed to be performed under this AGREEMENT by the WILMINGTON DISTRICT, USACE shall not be outsourced without prior written approval by the NCDOT's Transportation Program Management Unit.

26. It is the policy of the NCDOT not to enter into any agreement with parties that have been debarred by any government agency. By execution of this Agreement, the WILMINGTON DISTRICT, USACE certifies, that it, nor any employee hired to perform work under the terms of this AGREEMENT is not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by a governmental department or agency.

27. The WILMINGTON DISTRICT, USACE and/or its agents, including all contractors, sub-contractors, or sub-recipients, shall comply with Title VI of the Civil Rights Act of 1964, (Title 49 CFR, Subtitle A, Part 21). Title VI prohibits discrimination on the basis of race, color, national origin, disability, gender, and age in all programs or activities of any recipient of Federal assistance.

28. The WILMINGTON DISTRICT, USACE and/or its agents, including all contractors, sub-contractors, or sub-recipients agree to comply with the requirements of 49 CFR Part 20, New Restrictions on Lobbying.

29. The WILMINGTON DISTRICT, USACE and/or its agents, including all contractors, sub-contractors, or sub-recipients agrees to comply with 49 CFR § 32.400, Drug-Free Workplace requirements under subpart B of 49 CFR Part 32

30. The WILMINGTON DISTRICT, USACE, and/or its agents, including all contractors, sub-contractors, or sub-recipients, shall comply with the following federal policies: (a) Conflict of Interest; (b) Equal Employment Opportunity.

31. In the event of a claim against either party by a third party, which arises out of an action taken under this AGREEMENT, the party whose actions give rise to the claim shall be responsible for the defense of the claim and any ultimate liability determined; provided, however, that neither party may waive the other's claim of sovereign immunity or similar defense.

32. In no way shall it be construed or implied that either the NCDOT or the WILMINGTON DISTRICT, USACE is by this AGREEMENT intending to abrogate its obligation and duty to comply with the regulations promulgated under federal and state law.

33. By Executive Order 24, issued by Governor Perdue, and N.C.G.S. § 133-32, it is unlawful for any vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, Transportation, and the Office of the Governor).

IN WITNESS WHEREOF, this Agreement has been executed, in duplicate, the day and year heretofore set out, on the part of the NCDOT and the WILMINGTON DISTRICT, USACE by authority duly given.

WITNESS:

BY: Mike Matthews

TITLE: Project Manager

UNITED STATES DEPARTMENT OF THE ARMY, WILMINGTON DISTRICT, CORPS OF ENGINEERS, REGULATORY DIVISION

BY: Kep. [illegible]

TITLE: Colonel, US Army Commanding

DATE: 18 JAN 2017

"N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization."

Federal Tax Identification Number

62-1642142

Remittance Address:

United States Department of the Army
Wilmington District
Corps of Engineers
69 Darlington Avenue,
Wilmington, North Carolina 28403

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

BY: [illegible]
(CHIEF ENGINEER)

DATE: 1/24/17

APPROVED BY THE NORTH CAROLINA BOARD OF TRANSPORTATION ITEM O: 1/5/17
(Date)

ATTACHMENT A

Position Description Duties Summary
Wilmington District, USACE

The Wilmington District, USACE, positions will accomplish the following tasks for NCDOT, as appropriate, to facilitate timely and productive response, evaluations, and decisions between the District, NCDOT, and the many stakeholders that participate in the review and processing of DA permits to move projects through the process. Expected responsibilities include but are not limited to the following:

Project Manager

- Providing evaluation and review of selected NCDOT jurisdictional determinations, project scoping, project specific mitigation, and permit applications leading to a subsequent decision on permitting.
- Facilitating field reviews on permitted construction activities and offering on-site advice for adherence to permit conditions.
- Providing technical review of mitigation site proposals and field site reviews.
- When necessary, implementing and participating in the current Merger process for proper project development and evaluation.
- Representing the District on various transportation improvement initiatives.
- Assisting in the development of programmatic agreements/consultation pursuant to the Clean Water Act to facilitate permit determinations.
- Reviewing transportation plans and programs.
- Being readily accessible to NCDOT staff to address issues. This would be an efficiency that would improve all aspects of both our programs. Addressing issues/problems sooner and potentially issue permits sooner.
- Perform other related tasks as defined by NCDOT and agreed to by the Wilmington District.

ATTACHMENT B

BUDGET
Wilmington District, USACE

ANNUAL COSTS	10/01/2016 -09/30/2017	10/01/2017 -09/30/2018	10/01/2018 -09/30/2019	10/01/2019 -09/30/2020	10/01/2020 -09/30/2021
[1]Salary – PM #1:	$196,370	$201,280	$206,312	$211,470	$216,757
[1]Salary – PM #2:	$80,000*	$164,000	$168,100	$172,303	$176,610
[2]Travel:	$5,000	$10,000	$10,000	$10,000	$10,000
[3]Training:	$6,000	$12,000	$12,000	$12,000	$12,000
[4]Vehicle Lease:	$8,756	$17,525	$17,525	$17,525	$17,525
[5]Office Set-Up:	$7,000	$0	$0	$0	$0
[6]Office Operations:	$1,000	$1,300	$1,300	$1,300	$1,300
TOTAL COST: ***(ANNUAL)***	**$304,126**	**$406,105**	**$415,237**	**$424,598**	**$434,192**

Total – Wilmington District, USACE (5-year period):	**$1,984,258**
[7]Contingency (5.833%):	**$ 115,742**
Grand Total (Cost and Contingency)(Agreement Maximum):	**$2,100,000**

Notes:

[1]Estimated salary costs included are full burdened labor rates from USACE with anticipated salary escalation of 2.5% per fiscal year. Actual burdened labor rates will be billed. *Half year expected.

[2]Estimated travel costs are based on expected normal allowance allowed per employee per year by the USACE. Actual travel costs will be billed.

[3]Estimated training costs per USACE requirements. Actual training costs will be billed.

[4]Estimated vehicle lease costs include monthly lease, gasoline, oil changes, minor repairs, etc. Mileage estimate of 15,000 miles annually is based upon employees projected field review, site visits, attendance at monthly USACE/NCDOT meetings and required training. Actual vehicle costs will be billed.

[5]Estimated office set-up costs include furniture, photocopier, computer, fax, printer, network connection, telephone, utilities, etc. Actual office set-up costs will be billed.

[6]Estimated office operations costs which includes but is not limited to facsimile service, postage, telephone service (local, long distance, and cell), photocopier supplies, office supplies, field equipment, etc. Note that some operations costs may be supplied by both USACE and NCDOT funding. Actual operations costs to USACE will be billed.

[7]A contingency is provided to cover normal actual business cost fluctuations and unanticipated operations costs during fiscal blackout periods for the life of the five (5) year AGREEMENT period. Unused contingency will be reverted by USACE to NCDOT upon completion of the AGREEMENT as included herein.

ATTACHMENT C

EXHIBIT C

Performance Measures

The Wilmington District staff will accomplish the reviews and tasks appropriate to expedite, implement, and coordinate the evaluation of priority projects and process improvements in compliance with applicable state and federal statutes. The Wilmington District will, after coordination with the NCDOT, be responsible for assigning tasks, assessing workload, and supervising the funded liaison.

The portion of the Wilmington District staff funded under this agreement will conduct reviews and tasks that may include, but are not limited, to the following:

- Providing evaluation and review of selected NCDOT jurisdictional determinations, project scoping, and permit applications leading to a subsequent decision on permitting.
- Facilitating field reviews on permitted construction activities and offering on-site advice for adherence to permit conditions.
- Providing technical review of mitigation site proposals and field site reviews.
- Participating on Mitigation Bank and In-lieu Fee Review Teams, and act as a Point-of-Contact for mitigation items.
- When necessary, implementing and participating in the current Merger process for proper project development and evaluation.
- Representing the District on various transportation improvement initiatives.
- Assisting in the development of programmatic agreements/consultation pursuant to the Endangered Species Act and Section 106 of the National Historic Preservation Act to facilitate permit determinations.
- Reviewing transportation plans and programs.
- Being more accessible to NCDOT staff to address issues. This would be an efficiency that would improve all aspects of both our programs. Addressing issues/problems sooner and potentially issuing permits sooner.
- Perform other related tasks as defined by NCDOT and agreed to by the Wilmington District.

Under normal circumstances the Wilmington District will make every effort to meet the following timeframes for tasks assigned to the positions funded under this agreement:

- With all requests for General Permit authorization (GP) and Individual Permit (IP) applications, the Wilmington District shall provide notification of any need for additional, required information/clarification within less than or equal to 15 days of the Wilmington District's receipt of such applications.
- Upon receipt of a completed application or the requested (required), additional information associated with an IP application, the Wilmington District shall disseminate the 30-day Joint Public Notice within less than or equal to 12 days.
- For IPs, within less than or equal to 7 days of the end of any Joint Public Notice, the Wilmington District shall provide, to the NCDOT, formal copies of all comments received as a result of the notice, as well as those comments from the Wilmington District. In addition, an informal submission of comments received will be emailed by the Corps to NCDOT as soon as possible after their receipt.

ATTACHMENT C

EXHIBIT C

Performance Measures (Continued)

- For NCDOT requests for Jurisdictional Determinations (JDs), the Wilmington District funded liaison shall provide notification of any need for additional, required information/clarification within less than or equal to 15 days of Wilmington District's receipt of such JD requests. Once all information is obtained, the funded liaison will schedule a site visit (if required) to occur within less than or equal to 30 days of the complete request. If other NCDOT identified priorities preclude the ability to meet this 30-day timeline, additional coordination will take place between the agencies to ensure that all projects are properly prioritized. If no changes to priorities are identified, the 30-day target will be waived. Upon receipt of a completed and correct JD request and any subsequent site visits, the Wilmington District shall issue the JD within less than or equal to 30 days in 50% of all instances unless coordination with another agency is required.
- For IPs, upon resolution of comments/issues with the Wilmington District, the resource and other regulatory agencies, and issuance of 401 Water Quality Certification or a Coastal Zone Consistency, the Wilmington District shall render a permit decision within less than or equal to 120 days, in greater than 50% of all instances.
- For GP authorization requests that do not require dissemination to the resource agencies, the Wilmington District shall issue or deny such GP authorization requests within less than or equal to 25 days of their receipt of a complete GP authorization request, or of the requested (required) additional information associated with a GP authorization request, in 75% of all instances.
- The Wilmington District funded liaison shall make every effort to attend meetings and site visits in person when requested by NCDOT. If the funded liaison is unable to attend, another Corps representative will be substituted, or comments provided prior to the meeting.
- Workload permitting, the Wilmington District funded liaison shall be a member of any process improvement team identified by the NCDOT.