

**SUPPLEMENTAL NORTH CAROLINA HAZARD MITIGATION GRANT PROGRAM
(HMGP) MEMORANDUM OF AGREEMENT**

THIS SUPPLEMENTAL HAZARD MITIGATION GRANT PROGRAM (HMGP) AGREEMENT is entered into by and between the **State of North Carolina, Department of Public Safety, Division of Emergency Management, Raleigh, North Carolina** (hereinafter referred to as the AGENCY/GRANTEE), and **the Town of North Topsail Beach, North Carolina** (hereinafter referred to as the RECIPIENT/SUBGRANTEE).

WITNESSETH

WHEREAS, in a letter dated June 9, 2020, the Federal Emergency Management Agency (FEMA) approved the Department of Public Safety, Division of Emergency Management State Centric Plan for DR-4393, DR-4412, and DR-4465, incorporated by reference into this Agreement as if fully set out herein, whereby the Division of Emergency Management will serve as the Grantee and perform some of the tasks of the Subgrantee for subgrantees that opt in and agree to participate in the State Centric Model;

WHEREAS, in a memorandum dated March 26, 2021, the Department of Public Safety, Division of Emergency Management notified HMGP Subgrantees regarding the Hazard Mitigation State Centric Implementation with attached State Centric Election Form for all North Carolina Sub-Applicants (Subgrantees);

WHEREAS, the Town of North Topsail Beach completed the State Centric Election Form for all North Carolina Sub-Applicants (Subrecipients) and selected the Opt-In Section agreeing to participate in the State Centric Model State Centric Model on the 13th day of June, 2022;

That WHEREAS, on June 24, 2022, the parties entered into a Hazard Mitigation Grant Program (HMGP) Grant Memorandum of Agreement wherein AGENCY/GRANTEE as grantee agreed to provide project management services per the State Centric Model and the RECIPIENT/SUBGRANTEE agreed to provide additional subrecipient management services for 4393-0058;

WHEREAS, on December 7, 2022, FEMA de-obligated project 4393-0058-R to be corrected and reinstituted into 4393-0097-R with the correct sub-recipient for HMGP elevation project;

WHEREAS, on March 21, 2024, FEMA approved a scope of work change to the project 4393-0097-R from an elevation to a mitigation reconstruction project;

And WHEREAS, the parties wish to further modify the provisions of the prior HMGP Memorandum of Agreement executed on June 24, 2022, by this Supplemental Agreement;

Therefore, in consideration of the work and progress that has already been made on the original HMGP Memorandum of Agreement and in further consideration of the promises and agreements that follow, the AGENCY/GRANTEE and the RECIPIENT/SUBGRANTEE do mutually agree that the prior HMGP Memorandum of Agreement of the parties is changed in the following respects only:

1. Revised Paragraph 1, SCOPE OF WORK.

The State and Town shall implement the Hazard Mitigation project summarized below and as described in the approved project application (**Project # 4393-0097-R**) and in accordance with the State Centric Plan. The approved project Application and the State Centric Plan are hereby incorporated by reference into this Agreement as if fully set out herein.

Based on the current approved total project cost listed above, the total amount of SRMC available (5% of the total project cost) for this sub-award is \$13,000.00 This amount is subject to change based on cost underruns or cost overruns.

Project	5% SRMC Available	SRMC Awarded	SRMC Remaining
4393-0097-R	\$13,000.00	\$2,746.00	\$10,254.00

**The “SRMC Available” amount listed above is the total amount that is available for the lifespan of the project and is based on the current approved Total Project Costs. The SRMC Available amount is subject to change based on cost underruns or cost overruns.*

The “SRMC Awarded” amount reflects the SRMC Awarded at the time of the FEMA award for SRMC costs. This number is based on estimates that were provided to FEMA at the application stage. Upon request and justification from the Town, the State can seek the release of additional “SRMC Remaining” funds for the Town beyond the initial SRMC Awarded amount.

*To receive any reimbursement of SRMC funds, whether designated Awarded, Available, or Remaining, the Town must justify work **actually performed through the submission of the reimbursement forms found in Attachment C to the State.** The Town will submit Requests for Reimbursements (RFRs) through EM Grants using the forms found below in **Attachment C.***

The State on behalf of the Town of North Topsail Beach will implement mitigation reconstruction for one (1) residential structure located in the Special Flood Hazard Area (SFHA). The existing structure will be demolished, and a new structure will be built within the footprint of the original structure. The location of the new structure may differ slightly from the existing footprint to meet current zoning and building ordinances. The new structure will be elevated to the BFE plus two feet of freeboard and will have an open foundation on wooden piles. All construction will comply with ASCE 24-14 and FEMA P-551. The square footage of the new structure will be no more than 10 percent greater than the original structure. The property will be deed restricted in accordance with FEMA requirements to require flood insurance for the life of the structure regardless of the transfer of ownership.

Site Location:

	Address	Town	State	ZIP Code	Latitude	Longitude
1.	6910 12 th Avenue	North Topsail Beach	NC	28460	34.46812	-77.47368

FEMA approved additional HMGP funding in the amount of \$260,000.00 a federal share of \$173,625.00 and a non-federal share of \$86,375.00. This modification brings the total project cost to \$260,000.00. A breakdown of the award is provided in the table below.

	Total	Federal Share	Non-Federal Share
Non-Construction Activities	\$31,500.00	\$23,625.00	\$7,875.00
Construction Activities*	\$228,500.00	\$150,000.00	\$78,500.00
Total	\$260,000.00	\$173,625.00	\$86,375.00

**The construction activities identified in the budget are subject to the Federal share limit of \$150,000.00 For a full list of which costs are subject to this limit, please see the 2015 HMA Guidance Addendum D.2.2.*

2. Revised Paragraph 2, CONDITIONS, RECIPIENT/SUBGRANTEE, Section 4,

4) The County shall be present at all closings (if an acquisition project) in order to take title and possession of the properties acquired in the project and maintain and utilize the properties in open space or other allowable and agreed upon condition in perpetuity. The County shall ensure compliance with the deed restrictions and flood insurance requirements for the properties. **If the**

project is an elevation project or mitigation reconstruction project, the County shall be required to participate in the process of signing the Elevation Deed Amendment that includes the flood insurance requirements for the elevated property.

3. Revised Paragraph 3, BUDGET AND FUNDING,

AGENCY/GRANTEE, RECIPIENT/SUBGRANTEE, will review Cost Reports for invoices incurred, and review and approve eligible expenses against project **DR-4393-0097**, which is a sub-award in the **Cost Center 206846-0-0-6018-19GF001506**.

Budget Information Total: \$260,000.00

4. Added Paragraph 22, PERIOD OF PERFORMANCE.

(22) PERIOD OF PERFORMANCE

The initial Period of Performance (POP) expires on **March 12, 2026**. The POP may be extended beyond the original date by extensions that the State may request, and FEMA may grant. **All work must be completed by this date. Project costs and management costs incurred after the Period of Performance are not eligible for reimbursement.** If the initial POP is extended, the State will notify the County of such an extension prior to the expiration of the POP and will seek a Modification per Section 8 of this Agreement. If the original POP is not extended, the State will notify the County of the expiration of the POP. In the event the POP is not extended, the County will be required to submit all documents necessary for closeout contemplated under this Agreement within 30 days of the expiration of the POP.

5. Added Paragraph 23, PERIOD OF AGREEMENT.

(23) PERIOD OF AGREEMENT

This Agreement becomes effective upon the execution of the signatures of all parties. The date of execution shall be the date of the last signature. The termination date of this Agreement shall be June 25, 2025, or unless terminated earlier in accordance with the provisions of paragraphs (8), (11), (12), (17), or the closeout of the project contemplated under this Agreement. This Agreement may be extended as necessary per Section 8.

6. Revised Attachment A to include:

24. Termination For Convenience. The AGENCY/GRANTEE may terminate this Agreement at any time by providing fifteen (15) days' notice in writing from the

AGENCY/GRANTEE to the RECIPIENT/SUBGRANTEE. If the Agreement is terminated by the AGENCY/GRANTEE as provided in this section, the AGENCY/GRANTEE shall reimburse for those eligible items for which such option is exercised, less any payment or compensation previously made.

25. Prohibition on Contracting for Covered Telecommunications Equipment or Services. If applicable, Compliance with this Act.

- a. *Definitions.* As used in this clause, the terms backhaul; covered foreign country; covered telecommunications equipment or services; interconnection arrangements; roaming; substantial or essential component; and telecommunications equipment or services have the meaning as defined in FEMA Policy 405-143-1, Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services (Interim), as used in this clause—
- b. *Prohibitions.*
 - i. Section 889(b) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232, and 2 C.F.R. § 200.216 prohibit the head of an executive agency on or after Aug.13, 2020, from obligating or expending grant, cooperative agreement, loan, or loan guarantee funds on certain telecommunications products or from certain entities for national security reasons.
 - ii. Unless an exception in paragraph (c) of this clause applies, the contractor and its subcontractors may not use grant, cooperative agreement, loan, or loan guarantee funds from the Federal Emergency Management Agency to:
 - 1. Procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;
 - 2. Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;
 - 3. Enter into, extend, or renew contracts with entities that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system; or
 - 4. Provide, as part of its performance of this contract, subcontract, or other contractual instrument, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.
- c. *Exceptions.*

- i. This clause does not prohibit contractors from providing—
 - 1. A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or
 - 2. Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.
- ii. By necessary implication and regulation, the prohibitions also do not apply to;
 - 1. Covered telecommunications equipment or services that:
 - a. Are not used as a substantial or essential component of any system; and
 - b. Are not used as critical technology of any system
 - 2. Other telecommunications equipment or services that are not considered covered telecommunications equipment or services.

d. Reporting Requirement.

- i. In the event the contractor identifies covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the contractor is notified of such by a subcontractor at any tier or by any other source, the contractor shall report the information in paragraph (d)(2) of this clause to the recipient or subrecipient, unless elsewhere in this contract are established procedures for reporting the information.
- ii. The Contractor shall report the following information pursuant to paragraph (d)(1) of this clause:
 - 1. Within one business day from the date of such identification or notification: The contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.
 - 2. Within 10 business days of submitting the information in paragraph (d)(2)(i) of this clause: Any further available information about mitigation actions undertaken or recommended. In addition, the contractor shall describe the efforts it undertook to prevent use or submission of covered telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future use or submission of covered telecommunications equipment or services

- e. *Subcontracts*. The Contractor shall insert the substance of this clause, including this paragraph (e), in all subcontracts and other contractual instruments.

7. New Attachment E, Agency and Subrecipient Conditions, (see page 8).

8. Revised Attachment C, Subrecipient Management Cost Form. (see page 9, 10).

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ATTACHMENT E: AGENCY AND SUBRECIPIENT CONDITIONS

State Centric Model Agency & Subrecipient Obligations (Opt-In)			
Project Phase	Agency / State	Subrecipient / Town	Contractor / Vendor
Project Development Phase	<ul style="list-style-type: none"> Application is built and submitted to FEMA as Applicant and Counties are Subrecipients. 	<ul style="list-style-type: none"> Conduct intake/nominate properties. 	
FEMA Award Letter Received	<ul style="list-style-type: none"> Contracts sets up for bid. MOA prepared and signed. 	<ul style="list-style-type: none"> Coordinate with homeowners to answer questions, identify withdrawals, collect documents, and other information needed for project success. 	<ul style="list-style-type: none"> Responds to bid requests. Signs BAFO. Contracts directly with State.
Project Management	<ul style="list-style-type: none"> Project Managers conduct kick-off meeting and additional meetings to support the project. Provide oversight to all contract work and be the initial point of contact for the Town to obtain answers to questions on behalf of homeowners or local leadership. Perform periodic QA/QC inspections. 	<ul style="list-style-type: none"> Coordinate with Contractors to administer needed permits and DOT requirements, needed for project success. Participate in all scheduled meetings with State and Contractor. Coordinate with homeowners to provide information on Contractor visits and answer other project-related questions. Submit SRMC reimbursement request as needed. 	<ul style="list-style-type: none"> Requests needed permits for project completion from Town. Begin work and meet timeline quotas.
Project Completion	<ul style="list-style-type: none"> Work completion verified. Additional QA/QC inspections performed if needed. 	<ul style="list-style-type: none"> Inspect to ensure project meets building codes. Be present for all closings (acquisitions only) and ensure deed restriction compliance. 	<ul style="list-style-type: none"> Notify State of work completion.
Request for Reimbursement / Request for Subrecipient Management Costs (SRMC)	<ul style="list-style-type: none"> Requests for Reimbursement are received and processed. Requests for SRMC are received and processed. 	<ul style="list-style-type: none"> Submit any remaining requests for reimbursement to the State for charges incurred during project. Counties will produce (by deadline) reports, receipts, and other documents requested by State. 	<ul style="list-style-type: none"> Submit request for payment to the State. Submit invoices, receipts, and other documents requested to receive payment.
Closeout Phase	<ul style="list-style-type: none"> Verify work/receipts and reimburses Town. Contractors are paid directly by the State. State closes out project. 	<ul style="list-style-type: none"> Payment received for Subrecipient Management Costs. 	<ul style="list-style-type: none"> Payment received.

ATTACHMENT C: SUBRECIPIENT MANAGEMENT COST FORM

Project #: _____ Town: _____ Modification #: N/A

Applicant Name: _____

Project Title: _____

Point of Contact

Name: _____ Title: _____

Agency: _____ Address: _____

Phone: _____ Email: _____

Current Federal Share Amount: \$ _____ Cost Share Percentage: #DIV/0!

Total Project Costs	
Total Estimated SRMC Ceiling <small>*up to 5% of total project costs (**adjusted based on cost share)</small>	<u>#DIV/0!</u>

Sub-Recipient Management Costs Details

A. Personnel (In-House Labor) *If "Salaried" convert to hourly rate (Salary/2080 = Hourly Rate)

Position	Base Rate	Fringe %					Total Rate		
		FICA	Health Insurance	Life Insurance	Retirement	Other			
							\$-		\$-
							\$-		\$-
							\$-		\$-
							\$-		\$-
Pre-Award							\$-		\$-
Estimated Subtotal:									\$-

Narrative:

B. Contractual Services		
Company Name(s) or Consultant(s)	Purpose	Costs
Pre-award		
Estimated Subtotal:		\$ -
Narrative:		

C. Indirect Costs * Must have a federally approved indirect cost rate. Must attach letter from Cognizant Agency.			
Description	Base	Rate	Costs
	\$ -		\$ -
Estimated Subtotal:			\$ -
Narrative:			

Total Estimated Sub-Recipient Management Cost Request: \$ -

Maximum amount that can be claimed (5%) _____

If negative, adjust budget above by amount shown _____

Pre-award Sub-Recipient Management Cost is requested in the amount of: _____

Pre-award activities were performed by (Position(s) or Company): _____

Estimated Start Date: _____

Please select an option below:

Solicitation, review, and processing of subapplications and subawards

It is expressly agreed by the parties that this Supplemental HMGP Grant Agreement is supplemental to the HMGP Memorandum of Agreement executed on June 24, 2022, attached and incorporated by reference herein, and all terms, conditions, and provisions of the original HMGP Memorandum of Agreement and subsequent supplemental agreements unless specifically modified by this supplemental agreement, are to apply to this HMGP Supplemental Memorandum of Agreement and are made a part of this agreement as though expressly included.

IN WITNESS WHEREOF, the AGENCY/GRANTEE and the RECIPIENT/SUBGRANTEE have each executed this Agreement, this_____

CONTRACTING AGENCY
DIVISION OF EMERGENCY MANAGEMENT
DEPARTMENT OF PUBLIC SAFETY

WITNESS:

BY:_____

WILLIAM RAY, DIRECTOR
DIVISION OF EMERGENCY MANAGEMENT
DATE _____

WITNESS:

BY:_____

CASANDRA S. HOEKSTRA
CHIEF DEPUTY SECRETARY ADMINISTRATION
DEPARTMENT OF PUBLIC SAFETY
DATE _____

WITNESS:

BY:_____

(NAME DA)
TOWN MANAGER
TOWN OF NORTH TOPSAIL BEACH
FEDERAL EMPLOYER I.D. #56-1692876
DATE _____

APPROVED AS TO PROCEDURES:

BY:_____

SHARON MARSALIS, BUDGET DIRECTOR
DEPARTMENT OF PUBLIC SAFETY
DATE _____

APPROVED AS TO FORM SUBJECT TO EXECUTION BY CASANDRA S. HOEKSTRA, CHIEF DEPUTY SECRETARY, ADMINISTRATION OF DEPARTMENT OF PUBLIC SAFETY.

DEPARTMENT OF PUBLIC SAFETY

BY:_____

DEPUTY GENERAL COUNSEL