

Date: December 8th, 2022

This Sub-contract Agreement (“Agreement”) formalizes the relationship between Otto Connect, Inc. (“Consultant”) and The Town of North Topsail Beach (“Client”), and the terms and conditions both sides agree are reasonable for the conduct of the relationship for the Services noted below. This Agreement includes the updated naming of parking zones and use of the new Town Logo per Client’s request.

1. Services to Be Performed

The Consultant agrees to procure and install parking signs for installation at all Town Parking lots described in Exhibit B. Size, content, and layout are as described in Exhibit A.

2. CLIENT Responsibilities

The Client will be responsible for approval of the sign content, layout, quantity, and location of each sign. Consultant’s ability to satisfactorily perform the Services is conditioned on CLIENT’s cooperation as CLIENT in all matters relating thereto, including access to the project premises and CLIENT’s prompt response to requests for information and such other inputs as Consultant believes are required in order to perform the Services. CLIENT represents all information CLIENT makes available to Consultant will be accurate and complete in all material respects and that Consultant can rely on the accuracy and completeness of such information without independent verification. CLIENT agrees to notify Consultant promptly of any material change in any information previously made available to Consultant by CLIENT.

3. Term

This agreement is effective for 3 months commencing on December 8th, 2022. Client and Consultant will provide reasonable commercial efforts to have all signs initially ordered, purchased, and installed prior to March 1st, 2023. Additional signs may be procured and installed at a later date as determined by an amendment to this agreement providing the additional details needed in Exhibits A and B and agreed to in writing by both parties.

4. Payment

Consultant will provide the signs and materials including equipment rental if appropriate at cost, labor at a rate of \$25 per hour per person, and mileage per GSA published rate from North Topsail Beach, NC to Jacksonville, NC as needed for removal, update, and installation of the signs and will invoice monthly or upon completion.

5. Responsibility for Taxes and Benefits

- a) **State and Federal Taxes:** The Consultant will be solely responsible for complying with all federal, state, local, and other tax laws, and regulations applicable to payments received from CLIENT. CLIENT will not withhold employment taxes, including, without limitation, FICA (Social Security and Medicare taxes) from the Consultant’s payments or make tax payments on the Consultant’s behalf, make state or federal unemployment compensation contributions on the Consultant’s behalf, or withhold state or federal income tax from the Consultant’s payments.
- b) **Fringe Benefits.** Notwithstanding paragraph 4, Consultant understands that he is not eligible to participate in any employee pension, employee benefit (welfare or otherwise), or other CLIENT fringe benefit plan.

6. Indemnification

The Consultant shall indemnify and hold CLIENT free and harmless from any obligations, costs, claims, judgments, attorneys’ fees, and attachments arising from (i) any grossly negligent, reckless or intentionally wrongful act of Consultant, and (ii) a determination by a court or agency that the Consultant is not an independent contractor. CLIENT shall indemnify and hold Consultant free and harmless from any obligations, costs, claims, judgments,

attorneys' fees, and attachments arising from any grossly negligent reckless or intentionally wrongful act of CLIENT.

7. Disclaimer

All recommendations, suggestions, and information provided by Consultant are provided "as is" without representation or warranty of any kind. Consultant expressly disclaims any and all representations and warranties with respect to the Services, this Agreement and the recommendations, suggestions, and information provided by Consultant hereunder, whether oral or in writing, statutory, express, or implied, including, but not limited to, warranties of merchantability or fitness for a particular purpose or use. In no event will Consultant's total cumulative liability to CLIENT or any other party for claims, losses, or damages of any kind arising out of or related to this engagement letter exceed the fees actually paid by CLIENT hereunder. In no event will Consultant be liable for any special, remote, punitive, indirect, incidental, consequential, lost profits or exemplary damages of any kind arising under this Agreement, even if Consultant was advised in advance of the possibility of such damages.

8. Confidentiality and Nondisclosure

CLIENT will hold as confidential, not use except as otherwise authorized herein, and protect from disclosure to unauthorized third parties Consultant's confidential information except as required by law. For purposes hereof, "confidential information" means any confidential or proprietary information disclosed, made available or otherwise provided by or on behalf of Consultant to Client that relates to Consultant's business affairs, internal operations, financial matters, technology, research and development, product plans or offerings, markets, customers, or know-how, and that is labeled as "confidential" or with like marking or that reasonably should be known to be confidential or proprietary to Consultant in light of the nature of the information disclosed or the circumstances of disclosure. Confidential information will not include information that: (i) was publicly available at the time of disclosure, or that subsequently becomes publicly available, except by wrongful disclosure hereunder by CLIENT; (ii) was received from a third party who was not known by CLIENT to be under any obligation of confidentiality with respect to such information or to have violated any applicable law; or (iii) is approved in writing for release by Consultant. This Agreement does not grant CLIENT any license or other rights with respect to any confidential information or any invention, patent application, patent, claims of patent, know-how, trade secrets, or intellectual property rights relating thereto.

9. Publicity

No information concerning this Agreement, or the services provided for in it will be released by the Consultant for publication, advertising, or for any other purpose without the prior written approval of CLIENT.

10. Stop Work Order

CLIENT may at any time by written order to Consultant, direct Consultant to stop all or any part of the work authorized for such period of time as CLIENT may specify.

11. Permits and Licenses

The Consultant certifies that he has complied with all federal, state, and local laws requiring business permits, certificates and licenses required to carry out the services to be performed under this Agreement.

12. Agreement Modification or Termination

Either party may terminate this Agreement at will any time for any reason.

13. Dispute Resolution

Both parties will attempt in good faith to resolve disputes arising under this Agreement, if necessary, with the help of a mutually agreed-upon mediator. Pending resolution of any dispute, the Consultant agrees to proceed

diligently with the performance of this Agreement. The Agreement will be governed by the laws of the North Carolina, without regard to its conflicts of law principles.

14. Entirety of Agreement

This Agreement constitutes the entire Agreement between the parties.

15. Notices

All notices and other communications in connection with this Agreement shall be in writing and shall be considered given: 1) when delivered personally to the recipient’s address as stated in this Agreement, or 2) when sent by fax or electronic mail. Such notice is effective upon receipt, provided that a duplicate copy of the notice is promptly sent by first class mail, or the recipient delivers a written confirmation of receipt, or the recipient provides confirmation via email.

16. Assignment

This Sub-Contract Agreement may not be assigned without the written agreement of CLIENT and the Consultant.

Otto Connect, Inc. (Consultant):

Town of North Topsail Beach (CLIENT):

By:

By:

(Signature with Authority)

(Signature with Authority)

Name: Jim Varner

Name: _____

Title: President and CEO

Title: _____

Date: _Dec 8th, 2022_____

Date: _____

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act.

Town Finance Officer

Exhibit A

Consultant will remove existing signs, transport to Jacksonville (Signworks), procure the updated vinyl overlay, have overlay installed by Signworks, and reinstall paid parking signs as identified per parking area in locations to be confirmed by Client personnel.

Signs will be installed on existing posts where applicable. Client personnel (Public Works) will support the installation of additional posts and move existing posts as needed on an as available basis prior to March 1st, 2023.

Estimated costs will be:

- Signs (based on quoted estimate from Signworks):
 - Large 32” x 48” 35 signs \$156.00/sign
 - Small 12” x 18” 76 signs \$28.50/sign
 - Clean/install overlay All signs \$80.00

Sub-Total with Taxes: \$9000.00

 - Otto Team estimates for labor and mileage
- Sub-Total: \$1500.00
- Total Estimated costs = \$10,500.00

All sign overlays will be reflective vinyl.

Sign Layout to be customized per each parking area with Zone as appropriate for the parking area:

- All signs will be the same format – customized for the specific zone based on the table in Exhibit B.
- Two sizes formats will be used with the same sign:
 - 32” x 48” (35 signs)
 - 12” x 18” (74 signs)

Example of the New Sign

Town of
NORTH TOPSAIL BEACH
FOUNDED IN 1990 *Naturis Tranquil Beauty* NORTH CAROLINA

Pay to Park

Use the SurfCAST App or Web for Local Information

1) Download & Pay via Mobile App  **SurfCAST**
by otto CONNECT

2) Scan the QRcode (via Smartphone camera) for Secure Web-Link
<https://surfcast.ottoconnect.us/pay>

3) Call for support: **910-200-1497**
- Parking Permits and Violation Payments

Zone: NTB08
Reeves – 320 Seashore

Please pay for your parking before leaving your vehicle
Pay to Park Every Day - All Year: 9:00 AM – 5:00 PM

For Issues, Concerns, Disputes – please contact us at
Customer Support email: customerservice@ottoconnect.us

Exhibit B - The following table represents the parking zone names (former and new) and quantity of signs per zone. New zone names align with the Beach Access number for clarity.

Zones: 2021-22	Location	Zone Names: New 2023	Location (on the sign)	Large Signs	Small Signs
NTB01	Reeves	NTB08	Reeves & 320 Seashore	1	2
NTB02	Chestnut	NTB10	Chestnut & 590 Ocean	2	2
NTB03	21st Lot	NTB13	21st Ave & 124 Topsail Dr	2	3
NTB04	13th St	NTB17	13th Ave & 296 Topsail Dr	1	2
NTB05	Robert Knowles	NTB29	Robert Knowles Park & 3623 Island Dr	1	5
NTB06	Myrtle	NTB30	1 Myrtle Ave	1	4
NTB07	Rogers Bay	NTB31	Rogers Bay & 4021 Island Dr	4	9
NTB08	Old Jeffries	NTB33	215 New River Inlet	4	10
NTB09	New Jeffries	NTB34	315 New River Inlet	7	12
NTB10	Town Park S	NTB04	Town Park & 484 New River Inlet	1	5
NTB11	Town Park N	NTB04	Town Park & 484 New River Inlet	1	5
NTB12	Jenkins Way	NTB41	Jenkins Way & 1294 New River Inlet	2	3
NTB13	Bay Ct	NTB42	Bay Ct. & 1574 New River Inlet	1	4
NTB14	Marina Way	NTB43	Marina Way & 1600 New River Inlet	2	4
NTB15	BA3 Lot	NTB03	Beach Access 3 - 4000 River Rd Ext	2	4
NTB44	BA3 4x4 Beach	NTB4x4	Beach Access 3 - 4x4 Drive on the Beach Lot	3	2
			TOTAL SIGNS	35	76