

BONLEE FIRE DEPARTMENT, INC.

NORTH CAROLINA

FIRE PROTECTION CONTRACT

CHATHAM COUNTY

THIS FIRE PROTECTION CONTRACT (this ("Agreement") made and entered into this 10th day of September, 2018, by and between CHATHAM COUNTY, hereinafter referred to as the "County", and the BONLEE FIRE DEPARTMENT, INC., hereinafter referred to as the "Fire Department";

W I T N E S S E T H:

WHEREAS, North Carolina General Statute §69-25.5 provides methods by which counties may provide for fire protection in a fire district. One (1) method counties may use is to contract with an incorporated non-profit volunteer fire department; and

WHEREAS, the South Chatham Fire District (the District") is a Special Tax District created pursuant to Chapter 69 of the North Carolina General Statutes; and

WHEREAS, the Fire Department is a non-profit corporation organized for fire protection service purposes as defined in North Carolina General Statutes §69-25.5.4; and

WHEREAS, the County has elected to provide fire protection services within the boundaries of the District, and, at the option of the Fire Department, to also provide rescue and Emergency Medical Responder Services by contracting with the Fire Department to provide such services; and

WHEREAS, the Fire Department has the ability to provide and is willing to provide said services within the boundary of the District; and

WHEREAS, the County levies and collects the taxes from the District for the provision of fire protection as defined in North Carolina General Statutes §69-25.4; and

WHEREAS, the parties desire to establish a renewable contract to enable the parties to make long range plans;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained the parties hereto contract and agree as follows:

1. The County contracts and agrees that it will cause to be assessed or levied a special tax of up to fifteen cents (\$.15) per one-hundred dollars (\$100) valuation of all real and personal property in the District unless otherwise limited or prohibited by law or a vote of the people, and will collect said tax as part of the ad valorem taxes of the County of Chatham; provided, however, the amount levied annually shall be based on the needs projected in the budget estimate submitted by the Fire Department to the County as approved by the County.
2. A special or separate fund shall be maintained by the County for funds collected as a result of said special tax.
3. Ninety-nine percent (99%) of current and delinquent funds collected for real and personal property including funds collected for County billed motor vehicles taxes shall be remitted to the Fire Department by the 10th of the month following the month of collection; provided, however, that the total sums remitted to the Fire Department in any fiscal year hereunder shall not exceed the sum appropriated for said service during the said fiscal year.

4. The Fire Department shall provide and furnish adequate fire protection services and will provide the necessary equipment, personnel, and other resources as determined necessary by the North Carolina Department of Insurance, Fire and Rescue Service Division, and the Insurance Service Office for all persons and property located within the District, and the fire department shall maintain a 9S certification in the rated District, and will furnish services free of charge to all persons and individuals within the District.
5. In addition, the Fire Department may elect to provide and furnish Rescue and Emergency Medical Responder Services ("the Services"). In the event the Fire Department elects to provide such Services, it shall notify the County in writing that it is providing the Services, and shall continue to provide the Services until it notifies the County that it is no longer providing the Services. In providing the Services the Department agrees that it will provide at a minimum the necessary equipment, personnel and other resources as determined by the North Carolina Office of Emergency Medical Services and the individual designated by the County as the Medical Director (the "County Medical Director"). For purposes of this Agreement the term "Rescue" shall be defined as the furnishing services in medical emergencies in accordance with the guidelines provided by the North Carolina Office of Emergency Medical Services and the County Medical Director.
6. Current Fire Department personnel who are not Emergency Medical Responders ("EMRs") or Emergency Medical Technicians ("EMTs") may respond to emergency medical calls as dispatched provided they (i) have attended and participated in a minimum of twenty-four (24) hours of Emergency Medical Responder/Emergency Medical Technician continuing education during the past one (1) year and have completed CPR and skills evaluation as prescribed by the North Carolina Office of Emergency Medical Services and Rescue, and the County Medical Director within the preceding twelve (12) months, and (ii) have agreed to complete the minimum hours of EMR/EMT continuing education annual training as directed by the County Medical Director. A roster of such Fire Department personnel and documentation of their required training shall be submitted to the County by January 31st of each year. No Fire Department personnel without such training shall be permitted to provide patient care, except in the case of CPR if applicable training has been completed, unless accompanied by a person who is qualified to provide CPR, or is a certified EMR or EMT.
7. All current Fire Department Emergency Medical Responders and Emergency Medical Technicians must have official certification on file with the Department. All Fire Department Emergency Medical Responders and Emergency Medical Technicians must maintain a current and valid State certificate and complete CPR and skills evaluations annually as prescribed by the North Carolina Office of Emergency Medical Services and the County Medical Director. A roster of Fire Department Emergency Medical Responders and Emergency Medical Technicians and recertification documentation shall be submitted to the County by January 31st of each year. No EMR or EMT without a current and valid certification from the North Carolina Office of Emergency Management Services shall be permitted to provide patient care, except in the case of CPR, if applicable training has been completed, unless accompanied by a certified EMR or EMT.
8. The Fire Department shall complete the required annual Harris Plant training for fire departments located in Chatham County, including without limitation, mock drills and FEMA evaluations.
9. All funds paid to the Fire Department by the County shall be used exclusively by the Fire Department to provide the fire protection services within the District, and, should the Fire Department elect to provide Rescue and Emergency Medical Responder Services as provided in this Agreement within the District,

such funds shall be used to pay those expenses as well, and to pay other legitimate Fire, Rescue, and Emergency Medical Responder expenses attributable to such services rendered within the District.

10. The Fire Department shall operate in compliance and all applicable State and local laws and regulations including, but not limited to, the North Carolina Fire Incident Reporting System (N.C. G. S 58-79-46, NC Administrative Code, §.0402). The Fire Department shall submit incident reports to the Fire Marshal's Office by the 10th of each and every month if applicable, in accordance with said directives. The Fire Department shall provide the County a copy of its Annual Training Report that is submitted to the NC Firefighter's Association, and shall record all equipment in the County's resource tracking system no later than January 31st of each year.
11. It is agreed that the County may inspect all books, records, and accounts of the Fire Department at any reasonable time. It is further agreed that the Fire Department will present the County with its annual budget request for its most recent fiscal year, annual audit by a Certified Public Accountant, which audit shall be in conformity with the most recent version audit policies of the County and the North Carolina Local Government Commission.
12. The Fire Department agrees to comply with County budgeting procedures and other procedures provided for by state law and shall submit annual budget estimates in accordance with established County budget timetables along with a supporting letter containing its request for a proposed tax rate signed by the Fire Department's president upon approval of its Board of Directors. The County will provide the Fire Department with standard forms for budget submission and the Fire Department shall use such standard forms.
13. The Fire Department will file with the County Fire Marshal's Office a true copy of its Articles of Incorporation and shall furnish any changes made thereto, not less than thirty (30) days prior to their effective dates. Further, the Fire Department agrees to amend its Articles of Incorporation and Bylaws as necessary to meet all minimum legal requirements for a North Carolina non-profit corporation as required by law. In addition, upon request of the Fire Marshal's Office the Fire Department shall provide copies of its bylaws or other operation rules of procedure.
14. In the event the Fire Department (i) dissolves or (ii) ceases to provide any fire protection Services within the District, the Fire Department hereby agrees that its dissolution shall be in conformity with Chapter 55A of the North Carolina Statutes. Unless prohibited by law, the Fire Department shall deliver, release, and convey to the County all of its equipment, cash, real estate, and other assets owned by the Fire Department, subject to any debt or encumbrances thereon (collectively "Fire Department Property") ; provided, however, that any real estate (including buildings or portions thereof) owned by the Fire Department, constructed with non-tax funds, and subject to an agreement or other provision requiring the Fire Department to permit a third party to use a building or portion thereof should the Fire Department cease to operate a fire station on said property, is exempt from the provisions of this Paragraph 14. All other Fire Department Property shall be delivered, released, and conveyed to the County unless it is "Excepted Property". Excepted Property is property (i) that does not impair the ability of the County or another agency to provide adequate fire protection services in the District, (ii) was not purchased or acquired wholly or partially with County funds, and (iii) is listed on Appendix 2, attached hereto and incorporated herein by reference. Excepted Property must be disposed as provided by law, i.e. delivered to another nonprofit, unless subject to an agreement providing otherwise.
15. The Fire Department agrees to indemnify and save harmless the County from and against any and all liability and expenses, including attorney fees, court costs, and other costs incurred by the County, caused by an act or omission of the Fire Department, its agents, or employees, up to the amount of

insurance required by this Agreement provided that such liability arises out of acts for which any defense of governmental, statutory, or common law immunity is not available to the County. The indemnification provided for herein shall not be construed as a waiver of any applicable defense of governmental, statutory, or common law immunity, and shall not prevent the Fire Department from asserting any defense of such immunity; provided, however, that the indemnity provided for herein shall apply unless and until a nonappealable judicial decision holding that no such immunity applies is entered.

16. The Department shall purchase and maintain, during the term of this Agreement, and any extension hereof, at least the following insurance coverage in amounts not less than those set forth below and shall name the County as an additional Insured on each policy:
 - A. Comprehensive Automobile Liability Insurance with combined single limits of at least one-million dollars (\$1,000,000) per occurrence. Coverage shall be provided under the symbol "1". Coverage shall apply, on an excess basis for hired, borrowed, and non-owned vehicles. Coverage shall apply, on a primary basis, for commandeered vehicles. Volunteers or employees shall be considered insureds and volunteers and employees shall have coverage terms in excess of their personal auto liability limits when they are using their vehicles on behalf of the Fire Department. Fellow member liability shall be provided. Auto pollution liability shall be included in the coverage.
 - B. Auto physical damage shall be provided on an agreed value basis. Coverage shall be included for hire, borrowed or commandeered vehicles without a limit of liability. Coverage shall be provided to bring replacement vehicle up to the most current national standards such as NFPA or DOT.
 - C. Comprehensive General Liability Insurance with limits of at least one-million dollars (\$1,000,000) per occurrence and two-million (\$2,000,000) aggregate. The aggregate shall apply per named insured and per insured location. The policy shall include the following coverage: Volunteers or employees as insureds, Medical Malpractice, Good Samaritan Liability Coverage, Intentional Acts Coverage for both bodily injury and or property damage, Fellow Member Liability, Non-owned Watercraft, Fire Damage Legal Liability with limits of one-million dollars (\$1,000,000), Pollution Liability arising out of emergency operations, training activities or equipment wash downs.
 - D. Directors and Officers Liability Insurance with limits of at least one-million dollars (\$1,000,000) per occurrence with two-million (\$2,000,000) aggregate. This policy shall include coverage for prior acts. The insureds shall include current volunteers and employees, former volunteers and employees, and any persons or organizations providing service to the Fire Department under a mutual aid or similar agreement. Coverage shall include civil rights type suits such as discrimination and sexual harassment; liability arising out of the administration of benefit plans for employees or volunteers and employment related practice suites. Coverage shall include claims made for future compensation and benefits lost from wrongful termination of an employee.
 - E. Umbrella Liability Insurance with limits of at least one-million dollars (\$1,000,000) per occurrence and two-million (\$2,000,000) aggregate. The umbrella policy shall provide excess coverage over the Auto Liability Policy, General Liability Policy, and the Employer's Liability Section of the Workers' Compensation Policy. Volunteers and employees shall be included as insureds.
 - F. The Fire Department shall maintain Property Insurance protecting against the risk of direct physical loss or damage. The policy covering the building shall be written on a Guaranteed Replacement Cost Basis, with coverage included for Building Ordinance, Flood, and Earthquake. Coverage shall include Commandeered Property in the

amount of two-hundred fifty thousand dollars (\$250,000). Contents coverage shall be provided on a replacement cost basis. Coinsurance penalties shall not apply.

- G. Portable Equipment Coverage shall be provided protecting against the risk of direct physical loss or damage, including electrical surges. Coverage shall be provided on a Guaranteed Replacement Cost Basis.
 - H. The Automobile Liability Policy, General Liability Policy, Umbrella Liability Policy and Management Liability Policy shall name the County as an additional insured. The Fire Department shall furnish the County on or before July 1st of each year that this Agreement remains in force, Certificates of Insurance, issued by the respective insurance companies, showing the type of policy, limits of liability, name of insurance companies, policy numbers, effective dates and expiration dates of policies.
 - I. Workers' Compensation Insurance covering all volunteers and salaries firefighters meeting statutory limits in compliance with applicable State and Federal Laws.
 - J. The Fire Department shall require its insurance company or its insurance agent to provide the County the same notice that the Fire Department receives from the insurance company or its agent as to cancellation, nonrenewal, reduction in coverage, or other material change with respect to any policy on which the County is required by this Agreement to be named as an additional insured.
17. Attached to this Agreement as Appendix 1 is a list of the certifications, reports, records, and other submittals (collectively "Submittals") that the Fire Department is required to make to the County and the date each is due. The Department agrees to make each Submittal on or before its due date.
18. In connection with the performance of this Agreement, the Fire Department agrees not to discriminate against any employee, member, or applicant for employment or membership because of race, religion, color, sex, age, disability or national origin. Employees, members and applicants must however, be competent and capable of performing the requirements of the job. The Fire Department agrees to take all reasonable measures to insure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion color, sex, age, disability or national origin.
19. This Agreement is effective beginning September 1, 2018, and ending June 30, 2019, at which time it shall automatically renew for successive terms of one (1) year beginning each July 1st and ending June 30th unless terminated as hereinafter provided. Either party may terminate this Agreement effective at the end of any fiscal year by giving the other party notice at least one (1) year in advance of the end of the fiscal year that the Agreement is to terminate.
20. This Agreement sets forth the entire understanding of the parties and supersedes any and all other prior agreements, arrangements, and understandings related to the subject matter hereto. This Agreement may not be changed or terminated except as provided herein, and no waiver or compliance with any provision or condition hereof shall be effective unless evidenced by an instrument in writing duly executed by the parties hereto.
21. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, legal representatives and assigns, but this Agreement may not be assigned by either party without prior written consent of the other party, which may be withheld in the sole discretion of a party.
22. Notwithstanding anything herein to the contrary, it is understood and agreed that the Fire Department shall be entitled to use the funds provided pursuant to this Agreement for the purchase of land, buildings, and equipment determined by the Fire Department in the exercise of its reasonable

discretion and business judgment to be necessary for the provision of services hereunder. Said land, building, and equipment may be pledged as collateral for the financing thereof. Nothing contained herein shall affect the rights of third party lenders with a lien or security interest in said property as collateral.

23. The failure of either party to exercise any right granted hereunder, or to insist upon strict compliance by the other party with its respective obligations hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver by either party to require exact compliance with the terms hereof.

(Signature page follows)

IN WITNESS WHEREOF, the County has caused this instrument to be executed by the Chairperson of the Chatham County Board of Commissioners and attested by the Clerk to the said Board, and the Fire Department has caused this instrument to be signed in its corporate name by its President, attested by its Secretary, and its corporate seal hereto affixed, all by order of its Board of Directors.

ATTEST:

CHATHAM COUNTY

Lindsay K. Ray, Clerk
Chatham County Board of Commissioners

By: _____
Diana Hales, Chair

(Seal)

ATTEST:


Secretary

BONLEE FIRE DEPARTMENT, INC.
By: 

Kim Beal, Chairman

(Corporate Seal)

APPENDIX 1

Fire Protection Contract

Between

Chatham County

And

Bonlee Fire Department, Inc.

Submittal

Due Date

- | | |
|---|-----------------------------------|
| 1. Fire Incident Reports (NCFIRS) | 10 th of each month |
| 2. Certificates of Insurance including: | July 1 st annually |
| a) Type of Policy | |
| b) Limits of Liability | |
| c) Name of all insurance companies | |
| d) Policy numbers | |
| e) Effective dates/Expiration dates | |
| f) County named as additionally insured | |
| 3. Roster of First Responders | January 31 st annually |
| 4. Roster of Medical First Responders | January 31 st annually |
| 5. Roster of Emergency Medical Technicians | January 31 st annually |
| 6. Recertification documentation | January 31 st annually |
| 7. Fire Department training report submitted to
NC Firefighter's Association | January 31 st annually |
| 8. Changes to any Articles of Incorporation
Bylaws, or other Rules of Procedures | 30 days prior to effective date |

APPENDIX 2
Fire Protection Contract
Between
Chatham County
And
Bonlee Fire Department, Inc.

EXCEPTED PROPERTY

(If any)

C O N T R A C T

BONLEE FIRE DEPARTMENT, INC.

AND

TRUSTEES

Mt. Vernon Lodge #143, AF and AM

5 November, 1963

F. J. Davis, Jr.

Attorney at Law

The Graham-Sparks Building

Filer City, N.C.

NORTH CAROLINA

CHATHAM COUNTY

THIS contract, made and entered into this 5th day of November, 1963, by and between BONLEE FIRE DEPARTMENT, INC., a corporation duly organized and existing under and by virtue of the laws of the State of North Carolina, with its principal office and place of business in the village of Bonlee, Chatham County, North Carolina, party of the first part,

A N D

TRUSTEES, Mt. Vernon Lodge #143, AF and AM, Chatham County, North Carolina, parties of the second part,

W I T N E S S E T H :

THAT WHEREAS, the hereinafter described lot or parcel of land was conveyed by A. W. Davis and wife, Hazel H. Davis to party of the first part by deed dated the first day of November, 1962 and recorded in Book 282 at page 585, Chatham County Registry, and as a part of the consideration of such conveyance, the said Bonlee Fire Department, Inc. contracted and agreed to and with the said A. W. Davis and wife, Hazel H. Davis that if the said Bonlee Fire Department, Inc. should ever cease to use said premises for the purpose of maintaining a fire station thereon that the said Bonlee Fire Department, Inc. would convey said lands by deed in fee simple to parties of the second part, said lot or parcel of land is described as follows:

BEGINNING at an iron stake in the Southern margin of Main Street, H. S. Clere's Northeast corner; thence a Southerly direction with Clere's line, 80 feet to a stake; thence an Easterly direction, and parallel with Main Street, 54 feet to a stake; thence a Northerly direction and parallel with first line, 80 feet to a stake in the Southern margin of Main Street; thence with the Southern margin of Main Street a Westerly direction 54 feet to a stake, the point of BEGINNING, and being a portion of Lot #1, described in a deed from D. G. Edwards, single, to Troy McDonald Hancock, which deed is dated the 10th day of May, 1940, and is recorded in Book I. V. at page 282, Chatham County Registry; and being the same identical real estate described in a deed of even date herewith from Mary Ollie Hancock, widow, et al, to A. W. Davis, et al; and being the same identical real estate described in a deed from A. W. Davis and wife, Hazel H. Davis, to The Bonlee Fire Department, Inc., dated the first day of November, 1962 and recorded in Book 282 at page 585, Chatham County Registry.

NOW, THEREFORE, in consideration of the premises, together with other good and valuable considerations, to them, in hand, paid by said A. W. Davis and wife, Hazel H. Davis, and by parties of the second part, said party of the first part hereby contracts and agrees to and with parties of the second part, as follows:

(1) If party of the first part shall cease to maintain and operate a fire station on the premises described herein for a period of twenty-four months continuously, then and in such event party of the first part hereby contracts and agrees to convey the above described lot or parcel of land by deed to parties of the second part, their successors in office, in fee simple; provided, however, that if party of the first part is forced to cease the maintenance and operation of a fire station on the described premises by acts of civil insurrection, war, or acts of God, or other acts beyond its control, it shall not be charged for such time in the interpretation and enforcement of this paragraph. In the event party of the first part shall cease to operate and maintain a fire station on the described premises for a period of twenty-four months continuously (except as the same may be caused by acts of civil insurrection, war, or other acts of God) it will convey said property to parties of the second part as hereinbefore provided, such conveyance, however, shall be subject to any existing encumbrances on said lands, and; it is understood and agreed that parties of the second part shall have the option to accept or refuse said conveyance;

(2) It is understood and agreed that this contract shall run with the land herein described; however, it is specifically understood and agreed that party of the first part may mortgage or otherwise encumber the described premises to secure the repayment of monies borrowed for the purpose of carrying on its principal corporate purposes, that it, to maintain and operate a fire department or fire station.

It is further specifically understood and agreed that in the event party of the first part finds it necessary or advisable to mortgage or otherwise encumber said described property for the purpose or purposes aforesaid (it shall be conclusively presumed that any and all funds borrowed by party of the first part and secured by deed of trust or other security instrument on the described real estate was borrowed for the purpose of carrying on its principal corporate purpose or purposes) and is unable to comply with the terms and conditions of

the deed of trust or other security instrument, and the described lands are sold under the provisions of said deed of trust or other security instrument to satisfy such indebtedness, that the purchaser at such sale shall take said lands free and clear of this contract and agreement, and in such event this contract and agreement shall terminate and be of no further effect, otherwise to remain in full force and effect.

IN TESTIMONY WHEREOF, party of the first part has caused this instrument to be executed in its corporate name by its president, attested by its secretary and its corporate seal to be hereto affixed, all in duplicate originals, the day and year first above written.

BONLEE FIRE DEPARTMENT, INC.

BY Lee Emerson
PRESIDENT

ATTEST:

Glenn Routh
SECRETARY

NORTH CAROLINA
CHATHAM COUNTY

This is to certify that on the 22 day of Nov., 1963, before me personally came Lee Emerson and Glenn Routh with whom I am personally acquainted, who being by me duly sworn, says that Lee Emerson is the President and Glenn Routh is the Secretary of Bonlee Fire Department, Inc., the corporation described in and which executed the foregoing instrument; that he knows the common seal of said corporation; that the seal affixed to the foregoing instrument is said common seal, and the name of the corporation was subscribed thereto by the said President, and that the said President and Secretary subscribed their names thereto, and said common seal was affixed, all by order of the Board of Directors of said corporation, and that the said instrument is the act and deed of said corporation.

Witness my hand and official seal this 22 day of Nov., 1963
My commission expires: Aug 4, 1965

Thomas J. Emerson
NOTARY PUBLIC

NORTH CAROLINA, CHATHAM COUNTY

The foregoing certificate of _____, Notary Public of _____ is adjudged to be correct. Let the said instrument be registered. Witness my hand, this the _____ day of _____, 19____.

DEPUTY CLERK SUPERIOR COURT, CHATHAM COUNTY

Filed for registration on the _____ day of _____, 19____ at _____ o'clock _____ M., and duly received in the office of the Register of Deeds of Chatham County, North Carolina, in Book _____, Page _____.

By _____