

**FORSYTH COUNTY
BOARD OF COMMISSIONERS**

**BRIEFING
DRAFT**

MEETING DATE: DECEMBER 14, 2017

AGENDA ITEM NUMBER: 7

SUBJECT: RESOLUTION AUTHORIZING EXECUTION OF A GRANT AGREEMENT BETWEEN FORSYTH COUNTY AND KALEIDEUM TO SUPPORT THE NEXT PHASE OF THE MUSEUM DESIGN AS AUTHORIZED BY THE PROVISIONS OF N.C.G.S. 160A-488

COUNTY MANAGER'S RECOMMENDATION OR COMMENTS:

SUMMARY OF INFORMATION:

As part of the Fiscal Year 2017 State budget, the State awarded Forsyth County a grant of \$1,000,000 to support the new family museum (Kaleideum) created through the merger of the Children's Museum of Winston-Salem and SciWorks. Of the \$1,000,000, \$500,000 was earmarked for use by Kaleideum for design work.

On May 8, 2017, the Board adopted a resolution selecting an architectural and engineering firm to provide professional design and construction services under the Construction Manager at Risk delivery method. The first phase of the design contract is complete.

The next phase of the design process requires the involvement of Kaleideum staff more than County staff. Therefore, it is recommended that Kaleideum be the lead agency on this next phase of design, which will require the funding from the State which is held by the County in the 2016 New Family Museum Capital Projects Ordinance (CPO).

This agenda item will authorize execution of a grant agreement between the County and Kaleideum, which will provide for reimbursement of expenses for work previously completed and paid by Kaleideum and will be funded from the 2016 New Family Museum Capital Projects Ordinance. Under the provisions of the grant agreement, the County Chief Financial Officer will be authorized to make direct payments to vendors on behalf of Kaleideum for project expenses upon receipt of adequate documentation.

ATTACHMENTS: yes no

SIGNATURE: _____

COUNTY MANAGER

DATE: _____

RESOLUTION AUTHORIZING EXECUTION OF A GRANT AGREEMENT BETWEEN FORSYTH COUNTY AND KALEIDEUM TO SUPPORT THE NEXT PHASE OF THE MUSEUM DESIGN AS AUTHORIZED BY THE PROVISIONS OF N.C.G.S. 160A-488

WHEREAS, Kaleideum, a local museum, has requested an appropriation of an additional \$500,000 to be used for the next phase of the design of a museum facility to be constructed as authorized by the provisions of N.C.G.S. 160A-488; and

WHEREAS, Kaleideum will comply with the applicable bidding laws in the construction of the museum; and

WHEREAS, the Forsyth County Board of Commissioners has appropriated the requested funds and now proposes to consider authorizing execution of the associated grant agreement; and

WHEREAS, under the provisions of the grant agreement, the County Chief Financial Officer will be authorized to make direct payments to vendors on behalf of Kaleideum for project expenses upon receipt of adequate documentation;

NOW, THEREFORE, BE IT RESOLVED that the Forsyth County Board of Commissioners hereby authorizes the Chairman or County Manager and Clerk to the Board to execute, on behalf of Forsyth County, the attached Grant Agreement between Forsyth County and Kaleideum in the amount of \$500,000, for the next phase of the design of a museum facility to be constructed as authorized by the provisions of N.C.G.S. 160A-488, subject to compliance by Kaleideum with the applicable bidding laws in the construction of the museum, a pre-audit certificate thereon by the County Chief Financial Officer, where applicable, and approval as to form and legality by the County Attorney.

BE IT FURTHER RESOLVED that the County Chief Financial Officer will be authorized to make direct payments to vendors on behalf of Kaleideum for project expenses upon receipt of adequate documentation.

Adopted this 14th day of December 2017.

shall maintain a written accounting and documentation of all of its receipts and disbursements relating to the grant funds which are the subject of this Agreement. The COUNTY reserves the right to require a certified audit pertaining to the use of the grant funds, or may perform the audit through the use of its staff. The GRANTEE agrees to subject itself to the provisions of Article 33C of Chapter 143 of the North Carolina General Statutes, entitled "Meetings of Public Bodies," to the same extent as the COUNTY.

(4) The GRANTEE shall furnish to the COUNTY a copy of its annual audit report performed by a certified public accountant as soon as such becomes available to the GRANTEE but no later than 6 months following the GRANTEE's fiscal year end.

(5) Funds will be disbursed to the GRANTEE by reimbursement to the GRANTEE for expenses incurred in accordance with the attached budget, or by direct payment by the County Chief Financial Officer to vendors, on behalf of Grantee, for project expenses upon receipt of adequate documentation.

(6) The County may suspend or terminate the payment of grant funds in whole or in part for any violation of this Agreement. Suspension or termination may be effected for the following reasons as determined by the COUNTY, but not limited to these reasons:

- (a) Ineffective or improper use of grant funds;
- (b) Failure to comply with the terms and conditions of the Agreement;
- (c) Submission to the COUNTY of reports which are incorrect or incomplete in any material respect;
- (d) Frustration or impossibility of performance, rendering the carrying out of this Agreement improper or infeasible.
- (e) Any violation of this Agreement.
- (f) In the opinion of the COUNTY, the COUNTY's financial situation makes it impractical to provide the grant funds.

In addition, the COUNTY may suspend or terminate payment of grant funds if the GRANTEE fails to make satisfactory progress toward meeting the project services which are the subject of this Agreement; and the determination of whether satisfactory progress has been made shall be in the discretion of the COUNTY.

If for any reason the payment of grant funds is suspended or terminated, the GRANTEE agrees to promptly remit to the COUNTY any payments previously received by the GRANTEE which the COUNTY deems to have been paid and received in violation of this Agreement.

(7) Any and all alterations in the restrictions and conditions upon the grant of the funds herein or alterations in the amount of this Budget attached hereto shall be subject to prior review and written approval by the COUNTY.

(8) This Agreement and the grant funds which are the subject of this Agreement are expressly nonassignable without the prior written consent and approval of the COUNTY.

(9) Non-expendable property purchased under this Agreement shall remain the property of the GRANTEE, unless the attached conditions or Budget provide that such property shall become the property of the COUNTY.

(10) The attached Exhibits are:

- (a) The Budget;
- (b) Purposes and/or Restrictions and Conditions; and
- (c) Reporting Requirements, which are incorporated herein by reference.

IN WITNESS WHEREOF, the COUNTY has caused this Agreement to be duly executed in its behalf, and the GRANTEE has caused the same to be duly executed in its behalf as of the date first above written.

(SIGNATURES ON NEXT PAGE)

FORSYTH COUNTY, NORTH CAROLINA

ATTEST:

By _____
County Manager

Clerk To The Board

(SEAL)

KALEIDEUM (Grantee)

ATTEST:

By _____
Executive Director/CEO or Board Chair

Secretary

(SEAL)

EXHIBIT A
KALEIDEUM
EXPENDITURES AND REVENUES
FY 2017-2018
BUDGET

EXPENDITURES

TOTAL EXPENDITURES	\$500,000
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REVENUES

TOTAL REVENUES	\$500,000
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EXHIBIT B

KALEIDEUM

RESTRICTIONS AND CONDITIONS

FY 2017-2018

PURPOSE: The purpose of the Grant is to establish and support a museum which will be open to the public pursuant to N.C.G.S. 160A-488. Support includes but is not limited to: construction and renovation of buildings, compensation of personnel, and all operating and maintenance expenses of the program or facility.

1. Payment to the Grantee will be made upon receipt of a report of Grantee expenses and receipts for the preceding period completed or the County Chief Financial Officer is authorized to make direct payment to vendors, on behalf of Kaleideum, for project expenses upon receipt of adequate documentation.
2. ~~If the Grantee lacks sufficient funds to operate prior to payment by the County, arrangements may be made for an advance of County funds based on a report of the Grantee's current financial condition and an estimate of expenditures for the period of the advance requested.~~
3. The Board of Commissioners is concerned that the County's very strong financial condition at present may create unrealistic expectations among some Grantee organizations that County financial support will continue indefinitely, or regularly increase in the future. There may also be a perception in the community that the County is always a likely source of financial assistance for various capital fund drives or special projects. The County's first priorities must always be those services and functions which counties are required by law to provide. Because the County's revenues are very responsive to changes in the local economy, even a slight economic downturn might require a reduction or withdrawal of County support for such organizations, projects and fund drives.
4. Grantee organizations shall immediately notify the County of any substantive changes in their other sources of financial support which might cause them to seek additional County funding in the current year, or in future years, which County funding may not be forthcoming or available.
5. The Grantee agrees to hold the County harmless from liability for any expenses which may be claimed against the County due to the administration of the Grantee's program.
6. Grantee and its subcontractors shall comply with Article 2 of Chapter 64 of the North Carolina General Statutes relating to the required use of the federal E-Verify program to verify the work authorization of newly hired employees. Failure of the Grantee to comply with the provision or failure of its subcontractors to comply could render this contract void under North Carolina law.
7. In accordance with N.C.G.S. §147-86.59 and other applicable sections of N.C.G.S. §147-86.55 et seq., the Iran Divestment Act of 2015, each Party hereby certifies that it is not identified on the State Treasurer's list of persons which the Treasurer has determined engage in investment activities in Iran, including any subcontractors hereunder of either Party.

EXHIBIT C
KALEIDEUM
REPORTING REQUIREMENTS
FY 2017-2018

1. Grantee shall submit to Forsyth County a quarterly report which shall include but not be limited to the following:
 - A. Financial statement showing revenue and the source, and line item expenditures compared with the approved budget.
 - B. Report of activities and programs indicating the amount of progress toward meeting the objectives for the design of the new Kaleideum museum.
2. Prior to the final payment, Grantee shall provide an evaluation of Kaleideum's programs and its impact on the total community.