



STATE OF NORTH CAROLINA  
DEPARTMENT OF TRANSPORTATION

ROY COOPER  
GOVERNOR

JAMES H. TROGDON, III  
SECRETARY

March 15, 2019

Chatham Capitol, LLC  
400 Market Street  
Chapel Hill, NC 27516

-AND-

Chatham County  
Dan LaMontagne  
12 East Street, PO Box 1809  
Pittsboro, NC 27312

**SUBJECT: ENCROACHMENT AGREEMENT (E081-019-19-00039)**  
**6-inch DIP Waterline**  
**SR 1863**  
**Chatham County**

Attn: Dan LaMontagne

Attached is a properly executed copy of a Right of Way Encroachment Agreement which covers the following:

Installation of 6- inch DIP waterline tap on SR1863 in Chatham County, and any associated pre-construction work.

This agreement is approved subject to the Special Provisions and plans which are attached to and made a part of the Encroachment Agreement. Any work associated with the subject project permitted under an NCDOT approved Driveway Permit shall be completed in accordance with this Encroachment Agreement.

Sincerely,  
Brandon H. Jones, P.E.  
Division Engineer

DocuSigned by:  
*Matthew Kitchen, P.E.*

By: Matthew Kitchen, PE  
District Engineer

cc: Justin Bullock, P.E., Chatham County Maintenance Engineer's Office

Mailing Address:  
NC DEPARTMENT OF TRANSPORTATION  
DISTRICT OFFICE  
PO BOX 1164  
ASHEBORO, NC 27204

Telephone: (336) 318-4000  
Fax: (336) 318-4573  
Customer Service: 1-877-368-4968

Location:  
300 DOT DRIVE  
ASHEBORO, NC 27205

Website: [www.ncdot.gov](http://www.ncdot.gov)

## ENCROACHMENT SPECIAL PROVISIONS

Chatham County

(E081-019-19-00039) (Chatham County)

*Approval of the encroachment agreement is made subject to the following Special Provisions:*

1. Changes noted in red on the plans shall be incorporated into and made a part of the encroachment agreement. An executed copy of the encroachment agreement shall be available at the construction site at all times. NCDOT reserves the right to stop all work unless evidence of approval can be shown.
2. **Notify the following prior to beginning work:**
  - **District Engineer**  
300 DOT Drive  
Asheboro, NC 27205  
(336) 318-4000
3. The Encroaching Party shall comply with all applicable federal, state and local environmental regulations, and shall obtain all necessary federal, state and local environmental permits, including but not limited to, those related to sediment control, stormwater, wetland, streams, endangered species, and historical sites.
4. All materials and construction shall be in accordance with NCDOT standards and specifications, including but not limited to the latest versions of the **NCDOT Standard Specifications for Roads and Structures**, the **NCDOT Roadway Standards Drawings**, and **NCDOT Policies and Procedures for Accommodating Utilities on Highway Rights of Way**.
5. It shall be the responsibility of the Encroacher to determine the location of other utilities within the encroachment area in accordance with General Statute 87-102. The Encroacher shall be responsible for notifying other utility owners and providing protection and safeguards to prevent damage or interruption to existing facilities and to maintain accessibility to existing utilities. Costs to repair, restore, or relocate existing utilities due to this encroachment shall be the responsibility of the encroaching party.
6. NCDOT does not guarantee the Right of Way on this road, nor will it be responsible for any claim for damages brought by any property owner by reason of this encroachment. All Right of Way and easements necessary for construction and maintenance shall be dedicated to NCDOT with the proof of dedication furnished to the District Engineer prior to beginning work. Encroachment within the Right of Way does not imply approval for encroachment onto adjacent property. The Encroacher shall be responsible for securing any easement, permit, permission, or approval for encroachment or other use of property outside the state maintained right of way. Right of Way monuments disturbed during construction shall be referenced by a Professional Land Surveyor and reset immediately after construction.
7. The encroaching Party shall take whatever measures are necessary to minimize soil erosion and siltation, water pollution, and air pollution. It shall be the responsibility of the Encroaching Party to keep fully informed to comply with the applicable regulations of all legally constituted authorities relating to pollution prevention and control. In the event of conflict between regulations, specifications, or requirements, the more restrictive requirement shall apply. All erosion and pollution control devices and measures shall be constructed, installed, maintained and removed by the encroaching party in accordance with all applicable Federal, State and Local laws, regulations, ordinances, and policies. No construction shall begin until all erosion control devices have been installed to the satisfaction of the District Engineer. Failure to comply with this provision shall be grounds for immediate suspension of all activities within the Right of Way.
8. Effective July 1, 2010, all flagging operations within NCDOT Right of Way require qualified and trained Work Zone Flaggers. Effective July 1, 2011, qualified and trained Work Zone Traffic Control Supervisors will be required on Significant Projects. The program will include anyone working within NCDOT Right of Way including work associated with NCDOT construction and encroachment agreements.
9. The encroaching party shall provide an inspector acceptable to the District Engineer for the work to be performed under this agreement. All costs and expenses for inspection shall be the responsibility of the encroaching party. The inspector's name, telephone and qualifications shall be provided in writing to the District Engineer prior to beginning construction.

10. A pre-construction conference between NCDOT, the Encroaching Party or the Encroaching Party's designated representative, and the contractor(s) is required prior to commencing any work within the Right of Way.
11. Storage of materials or equipment within the Right of Way is prohibited. During non-working hours, equipment shall be parked as close to the right of way line as possible and shall be properly barricaded so that no equipment obstruction shall be within the Clear Recovery Area.
12. Construction equipment or vehicles shall not be parked on the pavement or roadway shoulder.
13. Construction is authorized to be performed on Monday through Friday during the hours between sunrise and sunset.
14. No lane(s) of traffic shall be closed, or alteration of the traffic flow will be allowed on or during holidays, holiday weekends, special events, and/or any other time when traffic is unusually heavy. Holidays and holiday weekends shall include Easter, Memorial Day, Independence Day, and Labor Day.
15. The encroaching party may delegate the performance of certain provisions of this agreement to contractors or other parties. However, this shall not in any way release the encroaching party from its obligations to the terms and provisions of the encroachment.
16. The Encroaching Party shall provide the District Engineer with "as-built" plans upon completion of the installation.
17. Written notification shall be provided to the District Engineer upon completion of the work proposed under this agreement. Materials test frequencies and methods shall be in conformance with the NCDOT Materials and Tests guidelines, or as directed by NCDOT. A letter of approval, or recommendations for compliance, will be provided upon receipt and review of test reports.
18. The encroaching party or the contractor(s) for the encroaching party may request a written letter stating that the encroachment has been satisfactorily completed by making a request in writing to the appropriate County Maintenance Engineer. The letter of completion does not relieve the encroaching party from any obligations or responsibilities under the terms and provisions of the encroachment or from obligations or responsibilities for making repairs needed for a reasonable time period.
19. The traveling public shall be warned of construction with complete and proper signing and traffic control devices in accordance with the current **Manual on Uniform Traffic Control Devices (MUTCD)**. No work shall be performed in the Right of Way unless this requirement is satisfied. NCDOT reserves the right to require a written traffic control plan for encroachment operations. Traffic control devices and operations shall include, but are not limited to the following:
  - Adequate and appropriate advance warning signs for any and all work zones, closed or obstructed areas.
  - "End Construction" signage beyond the end of all work zones.
  - Adequate and appropriate delineation and control devices for all work zone areas including but not limited to lane closures, disturbed areas, and active work sites.
  - Properly trained and equipped flagmen.
  - Proper maintenance of all traffic control devices, including but not limited to proper signage and controls during periods of inactivity and removal of inappropriate traffic control signage and/or devices.
20. The Encroacher agrees to provide traffic control devices, lane closures, road closures, positive protection and/or any other warning or positive protection devices necessary for the safety of road users during construction and any subsequent maintenance. This shall be performed in conformance with the latest **NCDOT Roadway Standard Drawing and Standard Specifications for Roads and Structures** and Amendments or Supplements thereto. When there is no guidance provided in the Roadway Standard Drawings or Specifications, comply with the **Manual on Uniform Traffic Control Devices for Streets and Highways** and Amendments or Supplement thereto. Information as to the above rules and regulations may be obtained from the Division Engineer.
21. Traffic shall not be detoured or rerouted without the prior written approval of the Division Engineer. Two-way traffic shall be maintained at all times.
22. In the event work is completed in less time than permitted, the normal traffic pattern shall be restored as soon as the work has been completed.

23. The Traffic Services Supervisor shall be notified at (910) 947-3930 in Carthage, NC, prior to beginning work on the Right of Way if there are existing NCDOT signs, traffic signals, or signal equipment in or near the proposed work zone. Costs to relocate, replace, or repair NCDOT signs, signals, or associated equipment shall be the responsibility of the Encroacher.
24. Excavation within 500 feet of a signalized intersection will require notification by the party of the second part to the Division Traffic Engineer at telephone number (910) 947-3930. All traffic signal or detection cables must be located prior to excavation.
25. Access to the site covered under this agreement shall remain closed (i.e. barricaded) to traffic until all requirements relating to traffic control and signalization have been satisfied.
26. Ingress and egress shall be maintained to businesses and dwellings. Driveways altered during construction shall be restored to a condition equal to that prior to beginning construction.
27. Excavated material shall not be placed on the paved roadway surface at any time unless specifically approved by the District Engineer. Drainage structures shall not be blocked with excavated material at any time.
28. Trenches/excavations/bore pits shall not remain open longer than a 24-hour period. No trench/excavation/bore pit shall be left open overnight except in the event of emergency, in which case the encroacher shall notify the District Engineer and inform him as to the nature and anticipated duration of the emergency. Any excavation left open overnight due to emergency shall be protected and delineated with complete, adequate and appropriate safety and traffic control devices.
29. Excavated areas adjacent to pavement having more than a 2 inch drop shall be backfilled and made safe with a 6:1 or flatter slope and shall be designated by appropriate delineation during periods of construction inactivity including, but not limited to, night and weekend hours.
30. All excavations inside the theoretical 1:1 slope from the existing edge of pavement to the bottom of the nearest trench wall shall be made in accordance with the following conditions:
  - Traffic shall be moved to a travel lane outside the limits of a theoretical 1:1 slope from the bottom of the nearest trench wall to the pavement surface.
  - Active excavation shoring such as sheet piling shall be installed. The design of the shoring shall include the effects of traffic loads. The design shall be designed and sealed by an engineer registered in North Carolina. Shoring plans and design calculations shall be submitted to the Division Engineer for review prior to construction. **Trench boxes shall not be accepted as shoring.**
  - The trench backfill shall meet the Statewide Borrow Criteria. The trench shall be backfilled in accordance with Section 300-6 of the latest version of the **NCDOT Standard Specifications for Roads and Structures.**
  - At the first sign of trench failure, the trench shall be immediately backfilled with materials consisting of A-1, A-3, A-2-4 soils or A-4 soils having a maximum of 45% passing a No. 200 sieve and a maximum P.I. of 6. All work shall cease, and the Division Engineer shall be contacted. The Encroaching party or contractor shall repair any damage to the pavement caused by the excavation.
  - All trench excavation inside the limits of the theoretical 1:1 slope from the bottom of the nearest trench wall to the pavement surface shall be completely backfilled and compacted at the end of each construction day. No portion of the trench shall be left open overnight.
  - The length of parallel excavation shall be limited to the length necessary to install and backfill on joint of pipe at a time, not to exceed twenty-five (25) feet.
31. Drainage structures and systems shall be preserved and protected. Any structure which is disturbed or damaged during construction shall be immediately restored to its original condition at no expense to the Department of Transportation. All utility installations shall be designed and constructed so as not to hinder, disrupt or interfere with existing storm drainage. All facilities shall pass over or under highway drainage facilities.
32. The dry bore method of boring shall be utilized and made perpendicular to the roadway. Any bore exceeding 6 inches shall be encased. Encasements shall extend from ditch line to ditch line in cut sections, 5 feet beyond toe of slope in fill sections, and 3 feet behind curb sections. When the directional boring method is used an overbore shall not be more than two (2") inches greater than the diameter of the pipe encasement. An overbore exceeding two (2") inches greater than the diameter of the pipe or encasement will be considered if the encroachment agreement includes a statement signed and sealed by a North Carolina Registered Professional

Engineer indicating that an overbore in excess of two (2”) inches of the pipe or encasement will arch and no damage will be done to the pavement or subgrade.

33. At points where the utility is placed under existing storm drains the trench shall be backfilled with Class B concrete up to the outside diameter of the existing pipe.
34. Hydrants shall be placed behind the roadway ditch and as near the right of way line as possible.
35. The grade of top of pipe or casing, including services, shall provide the following minimum bury:
  - Crossing under roadways - 3 feet from pavement surface
  - Longitudinal installations - 3 feet from finished grade
  - Crossing under ditches - 2 feet from ditch line
36. All service connections shall be bored unless construction is of ductile iron or equal quality material with satisfactory leakproof joints.
37. All blow-off assemblies shall be directed away from any travel lane.
38. All blow-off valves, vaults, manholes and other appurtenances within the NCDOT right of way shall be located behind the ditch and at the right of way line. Manholes and/or vaults shall not be placed in the ditch line, side slopes of ditches or in the pavement.
39. All manholes and/or vaults shall be of an NCDOT pre-approved design. Manholes or vaults shall be designed for HS-20 live loads and conform to the latest versions of the **NCDOT Standard Specifications for Roads and Structures**, the **NCDOT Roadway Standards Drawings**. Any proposed structure which is not of a design pre-approved by NCDOT shall be submitted to NCDOT with details and design calculations sealed by a Professional Engineer for approval prior to construction. A list of approved structures may be obtained from NCDOT Design Services at 919-250-4128.
40. Manhole rings and covers, and valve covers shall be a traffic bearing type designed for HS-20 loading and approved for use within NCDOT right of ways. All such appurtenances shall be installed flush to or below the surface of the ground in such a manner that they do not pose obstacles or obstructions to pedestrians, vehicles, equipment, or roadway maintenance operations.
41. All vaults, manholes and other appurtenances within the NCDOT right of way shall be located behind the ditch and at the right of way line. Manholes and/or vaults shall not be placed in the ditch line, side slopes of ditches or in the pavement.
42. Manholes/Valves should not be located in the pavement or shoulders of any State road. Exceptions may be made on roads at those locations where manholes/valves are essential parts of existing lines that are permitted to remain in place under existing and proposed roadways. Every effort should be made to minimize such installations and to avoid their location in wheel paths or at street intersections, insofar as practicable. Manholes should be designed and located in such a manner that will cause the least interference with roadway users, other utilities, and future highway expansion.
43. Pavement cuts shall be allowed for tapping purposes only and at the dimensions and locations shown on the approved plans.
44. All disturbed soil areas shall be promptly seeded and mulched. The encroaching party shall obtain the District Engineer’s approval of ditch and shoulder grading prior to seeding and mulching.
45. All earth areas shall be regraded, seeded and mulched in accordance with Section 1660 of the latest version of the **NCDOT Standard Specifications for Roads and Structures**. The kinds of seed and fertilizer, and the rates of application of seed, fertilizer, and limestone, shall be as stated below. During periods of overlapping dates, the kind of seed to be used shall be determined. All rates are in pounds per acre.

**March 1 – August 31**

50#	Tall Fescue
10#	Centipede
25#	Bermudagrass (hulled)
500#	Fertilizer

**September 1 – February 28**

50#	Tall Fescue
10#	Centipede
35#	Bermudagrass (unhulled)
500#	Fertilizer

- Add 10 pounds of Kobe or Korean Lespedeza and 10 pounds of Millet to the above mixture from May 1 to August 31.
  - On cut and fill slopes 2:1 or steeper, Centipede shall be applied at the rate of 5 pounds per acre and add 20# Sericea Lespedeza from January 1 to December 31.
  - Fertilizer shall be 10-20-20 analysis. Upon written approval of the Engineer, a different analysis may be used provided the 1-2-2 ratio is maintained and the rate of application is adjusted to provide the same amount of plant food as a 10-20-20 analysis.
- 46.** The encroaching party or any agent acting on behalf of the encroaching party shall exercise care and provide any and all necessary measures and precautions to preserve and protect existing landscaping and roadside plantings within the right of way. Existing landscaping and landscape plantings shall not be disturbed unless approved by the NCDOT Division 8 Roadside Environmental Engineer. All costs associated with restoration or replacement of landscaping or landscape plantings damaged or destroyed by the encroaching party or its agents shall be the responsibility of the encroaching party.
- 47.** In the event it is determined that there is a conflict between the existing landscaping or landscape plantings and the proposed utility installation, the encroaching party or any agent acting on behalf of the encroaching party shall not proceed until the Division 8 Roadside Environmental Engineer has been notified and the conflict has been resolved to his satisfaction.
- 48.** Upon completion of the work authorized under this agreement, the encroaching party shall notify the Division 8 Roadside Environmental Engineer for inspection of the work to verify that landscaping and landscape plantings are acceptable. No bonds shall be released until this requirement has been satisfied.
- 49.** The Division 8 Roadside Environmental Engineer can be contacted as follows:
- Roadside Environmental Engineer  
902 N. Sandhills Boulevard  
Aberdeen, NC 28315  
(910-944-2344)
- 50.** The area of proposed construction covered under this agreement lies within the limits of an NCDOT construction project and is subject to the following conditions:
- Relocation, modification, or adjustment of the proposed utility necessary for the construction of the NCDOT project shall be the responsibility of the Encroaching party and shall be done at no expense to the Department of Transportation upon notification by the Department.
  - The NCDOT project shall have priority over all others. Work performed under this agreement shall be performed either prior to the NCDOT operations, or after the NCDOT project is completed. If the work is performed prior to the NCDOT project, the encroaching party shall obtain written approval from the District Engineer to commence work within the project limits. No work permitted under this encroachment shall be performed during the period of the NCDOT project unless approved in writing by the District Engineer. NCDOT shall not be held liable for any delays to work proposed under the encroachment agreement.
  - Installations proposed within an NCDOT contract project shall be subject to approval by the contractor for the project. The encroaching party shall obtain a waiver in writing from the project contractor releasing NCDOT from liability for damages or delays and granting access within the project limits.
- 51.** The encroaching party shall assume all responsibility, obligation, and liability for maintenance of the structure permitted under this encroachment agreement. This condition shall be conveyed in any future buy, lease, sell or rental agreement. In the event that the encroaching party, or any future responsible party should fail to satisfy this condition, NCDOT reserves the right close or remove the structure.
- 52.** The utility proposed under this agreement shall be placed at or near the existing right of way line at a location acceptable to the District Engineer.
- 53.** Any disturbed or damaged guardrail shall be reset in accordance with current NCDOT standards or as directed by the District Engineer.

**54.** The following minimum dimensions shall apply where the method of installation is directional drilling or boring:

- |                                     |   |
|-------------------------------------|---|
| • Drilled hole diameter 2"-6"       | Minimum Depth of Cover - 6'                         |
| • Drilled hole diameter >6" to 15"  | Minimum Depth of Cover – 12 times the hole diameter |
| • Drilled hole diameter >15" to 36" | Minimum Depth of Cover -15'                         |

**55.** Notify the District Engineer's office at **(336) 318-4000**, prior to beginning work. The encroaching party shall provide the District Engineer with the following information at least 3 working days prior to commencing operations:

- Proposed schedule of operations
- The name(s) and phone number(s) of project contact person(s). (See Special Provision 10)
- Tentative locations where directional bores will commence and terminate.

**56.** All activities or operations approved under this agreement which fall within the project limits or contract period of any active NCDOT project shall require a waiver from the prime Contractor for the NCDOT project, granting the encroaching party access within the project and releasing NCDOT from claims against NCDOT by the prime Contractor resulting from the encroaching party's operations or activities. The NCDOT project shall have precedence and priority over all others.

*Revised 8/3/2017 #84*

ROUTE 1863 PROJECT Sunset Grove Sub. 2 COUNTY OF

DEPARTMENT OF TRANSPORTATION

-AND-  
Chatham Capital LLC

THREE PARTY RIGHT OF WAY  
ENCROACHMENT AGREEMENT ON  
PRIMARY AND SECONDARY SYSTEM

-AND-  
Chatham County

THIS AGREEMENT, made and entered into this the 15 day of March, 20 19, by and between the Department of Transportation, party of the first part; and Chatham Capital LLC party of the second part; and Chatham County party of the third part,

WITNESSETH

THAT WHEREAS, the party of the second part desires to encroach on the right of way of the public road designated as Route(s) 1863 (Valley Ln), located 3,050 feet east of the intersection of Mt. Gilead Church Road (SR 1700) and Valley Lane (SR 1863)

with the construction and/or erection of: 45 lf of 6" DIP waterline (tapping sleeve and gate valve is to be outside existing pavement), and silt fence for erosion control along new waterline easement

WHEREAS, it is to the material advantage of the party of the second part to effect this encroachment, and the party of the first part in the exercise of authority conferred upon it by statute, is willing to permit the encroachment within the limits of the right of way as indicated, subject to the conditions of this agreement;

NOW, THEREFORE, IT IS AGREED that the party of the first part hereby grants to the party of the second part the right and privilege to make this encroachment as shown on attached plan sheet(s), specifications and special provisions which are made a part hereof upon the following conditions, to wit:

That the installation, operation, and maintenance of the above described facility will be accomplished in accordance with the party of the first part's latest POLICIES AND PROCEDURES FOR ACCOMMODATING UTILITIES ON HIGHWAY RIGHTS-OF-WAY, and such revisions and amendments thereto as may be in effect at the date of this agreement. Information as to these policies and procedures may be obtained from the Division Engineer or State Utility Agent of the party of the first part.

That the said party of the second part binds and obligates himself to install and maintain the encroaching facility in such safe and proper condition that it will not interfere with or endanger travel upon said highway, nor obstruct nor interfere with the proper maintenance thereof, to reimburse the party of the first part for the cost incurred for any repairs or maintenance to its roadways and structures necessary due to installation and existence of the facilities of the party of the second part, and if at any time the party of the first part shall require the removal of or changes in the location of the said facilities, that the said party of the second part binds himself, his successors and assigns, to promptly remove or alter the said facilities, in order to conform to the said requirement, without any cost to the party of the first part.

That the party of the second part agrees to provide during construction and any subsequent maintenance proper signs, signal lights, flagmen and other warning devices for the protection of traffic in conformance with the latest Manual on Uniform Traffic Control Devices for Streets and Highways and Amendments or Supplements thereto. Information as to the above rules and regulations may be obtained from the Division Engineer of the party of the first.

That the party of the second part hereby agrees to indemnify and save harmless the party of the first part from all damages and claims for damage that may arise by reason of the installation and maintenance of this encroachment.

That the party of the second part agrees to restore all areas disturbed during installation and maintenance to the satisfaction of the Division Engineer of the party of the first part. The party of the second part agrees to exercise every reasonable precaution during construction and maintenance to prevent eroding of soil; silting or pollution of rivers, streams, lakes, reservoirs, other water impoundments, ground surfaces or other property; or pollution of the air. There shall be compliance with applicable rules and regulations of the North Carolina Division of Environmental Management, North Carolina Sedimentation Control Commission, and with ordinances and regulations of various counties, municipalities and other official agencies relating to pollution prevention and control. When any installation or maintenance operation disturbs the ground surface and existing ground cover, the party of the second part agrees to remove and replace the sod or otherwise reestablish the grass cover to meet the satisfaction of the Division Engineer of the party of the first part.

That the party of the second part agrees to assume the actual cost of any inspection of the work considered to be necessary by the Division Engineer of the party of the first part.

That the party of the second part agrees to have available at the construction site, at all times during construction, a copy of this agreement showing evidence of approval by the party of the first part. The party of the first part reserves the right to stop all work unless evidence of approval can be shown.

Provided the work contained in this agreement is being performed on a completed highway open to traffic; the party of the second part agrees to give written notice to the Division Engineer of the party of the first part when all work contained herein has been completed. Unless specifically requested by the party of the first part, written notice of completion of work on highway projects under construction will not be required.

That in the case of noncompliance with the terms of this agreement by the party of the second part, the party of the first part reserves the right to stop all work until the facility has been brought into compliance or removed from the right of way at no cost to the party of the first part.

That it is agreed by both parties that this agreement shall become void if actual construction of the work contemplated herein is not begun within one (1) year from the date of authorization by the party of the first part unless written waiver is secured by the party of the second part from the party of the first part.



During the performance of this contract, the second party, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor"), agrees as follows:

- a. **Compliance with Regulations:** The contractor shall comply with the Regulations relative to nondiscrimination in Federally-assisted programs of the U. S. Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
- b. **Nondiscrimination:** The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- c. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
- d. **Information and Reports:** The contractor shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the Department of Transportation, or the Federal Highway Administration as appropriate, and shall set forth what efforts it has made to obtain the information.
- e. **Sanctions for Noncompliance:** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to,
  - (1) withholding of payments to the contractor under the contract until the contractor complies, and/or
  - (2) cancellation, termination or suspension of the contract, in whole or in part.
- f. **Incorporation of Provisions:** The contractor shall include the provisions of paragraphs "a" through "f" in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Department of Transportation to enter into such litigation to protect the interests of the State, and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

That when title to the subject that constitutes the aforesaid encroachment passes from the party of the second part and vests in the party of the third part, the party of the third part agrees to assume all responsibilities and rights and to perform all obligations as agreed to herein by the party of the second part.

R/W (166) : Party of the Second Part certifies that this agreement is true and accurate copy of the form R/W (166) incorporating all revisions to date.

IN WITNESS WHEREOF, each of the parties to this agreement has caused the same to be executed the day and year first above written.

DEPARTMENT OF TRANSPORTATION

BY: Brandon H. Jones, PE BY: Matthew Kitchner

DIVISION ENGINEER

DocuSigned by:

DE44C69F4BC74D9...

Dist Engineer

WITNESS:

[Signature]

400 Market Street

Chapel Hill, NC 27516

[Signature], manager

Chatham Capital, LLC

400 Market Street

Chapel Hill, NC 27516

Second Party

WITNESS:

[Signature]

Lindsay K. Ray

Clerk to the Board - Chatham County

PO Box 1809, Pittsboro, NC 27312

[Signature]  
Dan LaMontagne, Interim County Manager

Chatham County

12 East Street, PO Box 1809

Pittsboro, NC 27312

Third Party

















