

This is the Standard Professional Services Agreement of Cherokee County. Any consultant doing business with the County must enter into this Agreement.

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is effective as of this 8th day of January, 2013, by and between **CHEROKEE COUNTY**, a political subdivision of the State of Georgia, acting by and through its governing authority, the Cherokee County Board of Commissioners ("County"), and Rhonda D. McClendon & Associates, CPA, PC, ("Consultant"), collectively referred to as the "Parties."

WITNESSETH THAT:

WHEREAS, the County desires to retain Consultant to provide certain services generally described as forensic audit; and

WHEREAS, the County finds that specialized knowledge, skills, and training are necessary to perform the Work contemplated under this Agreement; and

WHEREAS, the Consultant has represented that it is qualified by training and experience to perform the Work; and

WHEREAS, the Consultant desires to perform the Work under the terms and conditions set forth in this Agreement; and

WHEREAS, the public interest will be served by this Agreement;

NOW, THEREFORE, for and in consideration of the mutual promises, the public purposes, and the acknowledgements and agreements contained herein, together with other good and adequate consideration, the sufficiency of which is hereby acknowledged, the Parties hereto do mutually agree as follows:

I. SCOPE OF SERVICES AND TERMINATION DATE

A. Project Description

This special purpose audit shall be conducted in accordance with the Accounting Standards and Professional Ethics Board – APES 215, Forensic Accounting Services; Statement of Auditing Standards (SAS) 54; Illegal Acts by clients, SAS 99; and other industry forensic accounting standards. The Auditor shall perform such forensic accounting services as necessary to identify and quantify any abnormal financial activity, including but not necessarily limited to civil fraud or criminal activities including but not limited to fraud, past or present use of the funds associated with the RRDA Bonds and Ball Ground Recycling Project for the period January 1, 2005 to current date. The Auditor shall make all reasonable efforts to locate and procure copies of all documentation relevant to the Scope of Work.

B. The Work

The Work to be completed under this Agreement (the "Work") consists of but not limited to the following:

Determine if civil fraud or criminal activities occurred associated with use of RRDA Bond Proceeds and compliance with the terms of the Lease Agreement dated as of September 1, 2007 between RRDA, as Lessor, and Ball Ground Recycling, LLC, as Lessee ("Lease") since January 1, 2005. The audit will include but not necessarily be limited to, an evaluation of the following:

- 1) RRDA Bond Payments for acquisition of land, facilities and equipment; design; construction management; and, capital construction of the Ball Ground Recycling Project;
- 2) Contracts and procurement of goods and services by Ball Ground Recycling and Operator of Ball Ground Recycling Business during design and construction of the Ball Ground Recycling Project.
- 3) Compliance with terms of Lease, including revenues generated to pay Lease payments and expenses incurred to operate the Ball Ground Recycling business.
- 4) Compliance with Validated Bond Documentation, including but not necessarily limited to, representations and warranties in the Official Statement and Tax Certificate.
- 5) Any funds owed by any entity to either RRDA or the County pursuant to the Lease and/or any element of the Validation Bond Documentation.
- 6) Financial (using the County's Accounting Department's internal audit, from early 2012, as a foundation, and in consultation with the Accountants who performed same (all in an effort to leverage both the work done to date, and the currently accumulated body of transactional knowledge)

Categorize (and sub-categorize, to the degree possible) and quantify by draw request, the specific, ultimate disposition of the funds, including all soft costs. In prosecution of the above line, determine, with specificity, any funds disbursed for which there is missing, illegible or otherwise insufficient supporting documentation.

In prosecution of same, determine, with specificity, the documents needed in order to satisfy the supporting-documentation deficiencies noted, thereby allowing for completion of this audit.

Verify existence and amount of remaining "Debt Service Reserve" account.

Verify proper application (and propriety of ensuing administration of same, if any, of "Estimated Investment Earnings" (noted in tab #35 of the bond closing binders) within the bond sale closing statement.

Reconcile all interest paid to date, since closing, both with respect to 1) the terms of bond repayment noted in the prospectus and 2) with the actual amounts both a) pulled from the bond funds by the Trustee and/or Underwriter, via the 15 draws, and thereafter, if any, being prior to exhaustion of the "Funded Interest" reserve account, and then, b) paid by Cherokee County, or the Lessor, after such exhaustion.

Verify the amounts paid to both Bond Counsel and Issuer Counsel for services rendered relative to the bond sale.

7) Physical Equipment - Inventory and then reconcile the actual equipment on site with both 1) that listed in the equipment inventory/audit commissioned by the County in early 2012 and 2) the equipment represented, in the supporting documentation, as having been purchased by the Lessor, via its agent, the Lessee, paying particular attention to whether any of the equipment purchased with bond funds:

a. is no longer on site.

b. is equipment having previously been owned by the Lessee or any entities related to its principal, Jimmy Bobo, David Bobo (also paying attention to the fact that the Lessee was allowed to remove any of its own equipment that it may have brought on site, but which was not sold to the Lessor).

c. was represented as new when, in reality, was less than new.

d. is physically identified with a serial number not matching that shown on the documentation supporting its 1) acquisition (invoice/bill-of-sale/title) or 2) collateralization (UCC), etc.

8) Improvements- Determine if any supporting documentation indicates a request for payment for any improvements that are in a state of lesser completion than that indicated on the pay request, paying particular attention to the completion level of the asphalt roadways. Further, to the extent possible (based upon the existence of, or ability to obtain, sufficient supporting documentation), determine the propriety of the costs paid to Lessee, or any of his related entities, for Project Management services and "self-performed work" on the site.

9) Procedural - Note administrative deficiencies, if any, which resulted in the disbursement of bond funds 1) without reasonably comprehensive and legible supporting documentation, and/or 2) in contradiction to the Lessor's assertion that the meeting-of-the-minds between itself and the Lessee (per the Lease, and various other documents in the bond closing binders) establish that the latter was not entitled to a "profit" on the land and/or 3) which could be considered "non-reimbursable", or "costs not applicable to the project", based upon the aforementioned meeting-of-the-minds.

Note contractual deficiencies, if any that resulted in the lack of a clear meeting of the minds, between the County and the Lessee, Particularly with regard to whether the latter was entitled to a "profit" on the land and/or on "self-performed" work.

Note on-site inspection and verification deficiencies, if any, which resulted in the County disbursing bond funds for what was, at the time of the draw request, 1) incomplete or non-conforming work, 2) assets not on site or 3) improvements/ equipment for which there was insufficient supporting documentation.

10) Conflictual - Note any individuals who both 1) received any of the bond funds directly, or indirectly through an entity in which they have an ownership interest; or for which they have a managerial responsibility, and 2) are associated with the Lessor, Cherokee County or any of its affiliated departments or authorities, whether in an elected, appointed or salaried position.

C. Schedule, Completion Date, and Term of Agreement

Consultant warrants and represents that it will perform its services in a prompt and timely manner, which shall not impose delays on the progress of the Work. This Agreement shall commence as of the date first written above, and the Work shall be completed on or before March 31, 2013. If the Term of this Agreement is longer than one year, the Parties agree that this Agreement, as required by O.C.G.A. § 36-60-13, shall terminate absolutely and without further obligation on the part of the County on December 31 each calendar year of the Term, and further, that this Agreement shall automatically renew on January 1 of each subsequent calendar year absent the County's provision of written notice of non-renewal to Consultant at least five (5) days prior to the end of the then current calendar year. Title to any supplies, materials, equipment, or other personal property shall remain in Consultant until fully paid for by the County.

II. WORK CHANGES

A. The County reserves the right to order changes in the Work to be performed under this Agreement by altering, adding to, or deducting from the Work. All such changes shall be incorporated in written change orders executed by the Consultant and the County. Such change orders shall specify the changes ordered and any necessary adjustment of compensation and completion time. If the Parties cannot reach an agreement on the terms for performing the changed work within a reasonable time to avoid delay or other unfavorable impacts as determined by the County in its sole discretion, the County shall have the right to determine reasonable terms, and the Consultant shall proceed with the changed work.

B. Any work added to the scope of this Agreement by a change order shall be executed under all the applicable conditions of this Agreement. No claim for additional compensation or extension of time shall be recognized, unless contained in a written change order duly executed on behalf of the County and the Consultant.

C. The County Manager has authority to execute without further action of the Cherokee County Board of Commissioners, any number of change orders so long as their total effect does not materially alter the terms of this Agreement or materially increase the total amount to be paid under this Agreement, as set forth in Section III(B) below. Any such change orders materially altering the terms of this Agreement or increasing the total amount to be paid under this Agreement in excess of \$25,000 must be approved by resolution of the Cherokee County Board of Commissioners.

III. COMPENSATION AND METHOD OF PAYMENT

A. County agrees to pay the Consultant for the Work performed and costs incurred

by Consultant upon certification by the County that the Work was actually performed and costs actually incurred in accordance with the Agreement. Compensation for Work performed and reimbursement for costs incurred shall be paid to the Consultant upon receipt and approval by the County of invoices setting forth in detail the services performed and costs incurred. Invoices shall be submitted on a monthly basis, and such invoices shall reflect charges incurred versus charges budgeted. Any material deviations in tests or inspections performed, or times or locations required to complete such tests or inspections, and like deviations from the Work described in this Agreement shall be clearly communicated to the County *before charges are incurred* and shall be handled through change orders as described in Section II above. The County shall pay the Consultant within thirty (30) days after approval of the invoice by County staff.

B. The total amount paid under this Agreement as compensation for Work performed and reimbursement for costs incurred shall not, in any case, exceed Seventy-Five Thousand (\$75,000), except as outlined in Section II(C) above.

IV. COVENANTS OF CONSULTANT

A. Expertise of Consultant

Consultant accepts the relationship of trust and confidence established between it and the County, recognizing that the County's intention and purpose in entering into this Agreement is to engage an entity with the requisite capacity, experience, and professional skill and judgment to provide the Work in pursuit of the timely and competent completion of the Work undertaken by Consultant under this Agreement.

B. Budgetary Limitations

Consultant agrees and acknowledges that budgetary limitations are not a justification for breach of sound principals of Consultant's profession and industry. Consultant shall take no calculated risk in the performance of the Work. Specifically, Consultant agrees that, in the event it cannot perform the Work within the budgetary limitations established without disregarding sound principals of Consultant's profession and industry, Consultant will give written notice immediately to the County.

C. County's Reliance on the Work

The Consultant acknowledges and agrees that the County does not undertake to approve or pass upon matters of expertise of the Consultant and that, therefore, the County bears no responsibility for Consultant's Work performed under this Agreement. The Consultant acknowledges and agrees that the acceptance of designs, plans, and specifications by the County is limited to the function of determining whether there has been compliance with what is required to be produced under this Agreement. The County will not, and need not, inquire into adequacy, fitness, suitability or correctness of Consultant's performance. Consultant further agrees that no approval of designs, plans, or specifications by any person, body or agency shall

relieve Consultant of the responsibility for adequacy, fitness, suitability, and correctness of Consultant's Work under professional and industry standards, or for performing services under this Agreement in accordance with sound and accepted professional and industry principals.

D. Consultant's Reliance on Submissions by the County

Consultant must have timely information and input from the County in order to perform the Work required under this Agreement. Consultant is entitled to rely upon information provided by the County, but Consultant shall be required to provide immediate written notice to the County if Consultant knows or reasonably should know that any information provided by the County is erroneous, inconsistent, or otherwise problematic.

E. Consultant's Representative

Rhonda D. McClendon shall be authorized to act on Consultant's behalf with respect to the Work as Consultant's designated representative.

F. Assignment of Agreement

The Consultant covenants and agrees not to assign or transfer any interest in, nor delegate any duties of this Agreement, without the prior express written consent of the County. As to any approved subcontractors, the Consultant shall be solely responsible for reimbursing them, and the County shall have no obligation to them.

G. Responsibility of Consultant and Indemnification of County

The Consultant covenants and agrees to take and assume all responsibility for the Work rendered in connection with this Agreement. The Consultant shall bear all losses and damages directly or indirectly resulting to it on account of the performance or character of the Work rendered pursuant to this Agreement. Consultant shall defend, indemnify and hold harmless the County, its officers, boards, commissions, elected and appointed officials, employees, servants, volunteers and agents (hereinafter referred to as "County Parties") from and against any and all claims, injuries, suits, actions, judgments, damages, losses, costs, expenses and liability of any kind whatsoever, including but not limited to, attorney's fees and costs of defense, (hereinafter "Liabilities") which may be the result of willful, negligent or tortious conduct arising out of the Work, performance of contracted services, or operations by the Consultant, any subcontractor, anyone directly or indirectly employed by the Consultant or subcontractor or anyone for whose acts the Consultant or subcontractor may be liable, regardless of whether or not the negligent act is caused in part by a party indemnified hereunder. This indemnity obligation does not include Liabilities caused by or resulting from the sole negligence of the County or County Parties. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this provision. In any and all claims against the County or County Parties, by any employee of the Consultant, any subcontractor, anyone directly or indirectly employed by the Consultant or subcontractor or anyone for whose acts the Consultant or subcontractor may be liable, the indemnification obligation set forth in this provision shall not be limited in any way by any

limitation on the amount or type of damages, compensation or benefits payable by or for the Consultant or any subcontractor under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts. This obligation to indemnify, defend, and hold harmless the County and County Parties shall survive expiration or termination of this Agreement, provided that the claims are based upon or arise out of actions that occurred during the performance of this Agreement.

H. Independent Contractor

Consultant hereby covenants and declares that it is engaged in an independent business and agrees to perform the Work as an independent contractor and not as the agent or employee of the County. The Consultant agrees to be solely responsible for its own matters relating to the time and place the services are performed; the instrumentalities, tools, supplies and/or materials necessary to complete the Work; hiring of Consultants, agents or employees to complete the Work; and the payment of employees, including compliance with Social Security, withholding and all other regulations governing such matters. The Consultant agrees to be solely responsible for its own acts and those of its subordinates, employees, and subcontractors during the life of this Agreement. Any provisions of this Agreement that may appear to give the County the right to direct Consultant as to the details of the services to be performed by Consultant or to exercise a measure of control over such services will be deemed to mean that Consultant shall follow the directions of the County with regard to the results of such services only.

I. Insurance

(1) Requirements:

The Consultant shall have and maintain in full force and effect for the duration of this Agreement, insurance insuring against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Work by the Consultant, its agents, representatives, employees or subcontractors. All policies shall be subject to approval by the County Attorney to form and content. These requirements are subject to amendment or waiver if so approved in writing by the County Manager.

(2) Minimum Limits of Insurance:

Consultant shall maintain limits no less than:

- (a) Comprehensive General Liability of \$1,000,000 (one million dollars) combined single limit per occurrence for bodily and personal injury, sickness, disease or death, injury to or destruction of property, including loss of use resulting therefrom.
- (b) Comprehensive Automobile Liability (owned, non-owned, hired) of \$1,000,000 (one million dollars) combined single limit per occurrence for

bodily and personal injury, sickness, disease or death, injury to or destruction of property, including loss of use resulting therefrom.

- (c) Professional Liability of \$1,000,000 (one million dollars) limit for claims arising out of professional services and caused by the Consultant's errors, omissions, or negligent acts.
- (d) Workers' Compensation limits as required by the State of Georgia and employers Liability limits of \$1,000,000 (one million dollars) per accident.

(3) Deductibles and Self-Insured Retentions:

Any deductibles or self-insured retentions must be declared to and approved by the County.

(4) Other Insurance Provisions:

The policy is to contain, or be endorsed to contain, the following provisions:

(a) General Liability and Automobile Liability Coverage.

- (i) The County and County Parties are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, leased, or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the County, its officials, employees, agents or volunteers.
- (ii) The Consultant's insurance coverage shall be primary noncontributing insurance as respects to any other insurance or self-insurance available to the County, its officials, employees, agents or volunteers. Any insurance or self-insurance maintained by the County, its officials, employees or volunteers shall be in excess of the Consultant's insurance and shall not contribute with it.
- (iii) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County and County Parties.
- (iv) Coverage shall state that the Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought.

- (v) Coverage shall be provided on a “pay on behalf” basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusion.
- (vi) The insurer shall agree to waive all rights of subrogation against the County and County Parties for losses arising from work performed by the Consultant for the County.
- (vii) All endorsements to policies shall be executed by an authorized representative of the insurer.

(b) Workers' Compensation Coverage.

The insurer providing Workers' Compensation Coverage will agree to waive all rights of subrogation against the County and County Parties for losses arising from work performed by the Consultant for the County.

(c) All Coverages.

- (i) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the County.
- (ii) Policies shall have concurrent starting and ending dates.

(5) Acceptability of Insurers:

Insurance is to be placed with insurers with an A.M. Best's rating of no less than A:VII.

(6) Verification of Coverage:

Consultant shall furnish the County with certificates of insurance and endorsements to the policies evidencing coverage required by this Article prior to the start of work. The certificates of insurance and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificate of insurance and endorsements shall be on a form utilized by Consultant's insurer in its normal course of business and shall be received and approved by the County prior to execution of this Agreement by the County. The County reserves the right to require complete, certified copies of all required insurance policies at any time. The Consultant shall provide proof that any expiring coverage has been renewed or replaced at least two (2) weeks prior to the expiration of the coverage.

(7) Subcontractors:

Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated in this Agreement, including but not limited to naming the parties as additional insureds.

(8) Claims-Made Policies:

Consultant shall extend any claims-made insurance policy for at least six (6) years after termination or final payment under the Agreement, whichever is later.

(9) County as Additional Insured and Loss Payee:

The County shall be named as an additional insured and loss payee on all policies required by this Agreement.

J. Employment of Unauthorized Aliens Prohibited

(1) E-Verify Affidavit

It is the policy of County that unauthorized aliens shall not be employed to perform work on County contracts involving the physical performance of services. Therefore, the County shall not enter into a contract for the physical performance of services within the State of Georgia unless the Consultant shall provide evidence on County-provided forms, attached hereto as Exhibits "A" and "B" (affidavits regarding compliance with the E-Verify program to be sworn under oath under criminal penalty of false swearing pursuant to O.C.G.A. § 16-10-71), that it and Consultant's subcontractors have within the previous twelve (12) month period conducted a verification, under the federal Employment Eligibility Verification ("EEV" or "E-Verify") program, of the social security numbers, or other identifying information now or hereafter accepted by the E-Verify program, of all employees who will perform work on the County contract to ensure that no unauthorized aliens will be employed. The Consultant hereby verifies that it has, prior to executing this Agreement, executed a notarized affidavit, the form of which is provided in Exhibit "A", and submitted such affidavit to County. In the event the Consultant employs or contracts with any subcontractor(s) in connection with the covered contract, the Consultant agrees to secure from such subcontractor(s) attestation of the subcontractor's compliance with O.C.G.A. § 13-10-91 and Rule 300-10-1-.02 by the subcontractor's execution of the subcontractor affidavit, the form of which is attached hereto as Exhibit "B", and such subcontractor affidavit shall become part of the contractor/subcontractor agreement. Further, Consultant agrees to provide completed copies of Exhibit "B" to the County within five (5) business days of receipt from any subcontractor.

The County Manager or his/her designee shall be authorized to conduct an inspection of the Consultant's and Consultant's subcontractors' verification process at any time to determine that the verification was correct and complete. The Consultant and Consultant's subcontractors

shall retain all documents and records of their respective verification process for a period of three (3) years following completion of the contract.

The County Manager or his/her designee shall further be authorized to conduct periodic inspections to ensure that no County Consultant or Consultant's subcontractors employ unauthorized aliens on County contracts. By entering into a contract with the County, the Consultant and Consultant's subcontractors agree to cooperate with any such investigation by making their records and personnel available upon reasonable notice for inspection and questioning. Where a Consultant or Consultant's subcontractors are found to have employed an unauthorized alien, the County Manager or his/her designee may report same to the Department of Homeland Security. The Consultant's failure to cooperate with the investigation may be sanctioned by termination of the contract, and the Consultant shall be liable for all damages and delays occasioned by the County thereby.

Consultant hereby agrees to comply with the requirements of the federal Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603, O.C.G.A. § 13-10-91 and Rule 300-10-1-.02. Consultant's compliance with the requirements of O.C.G.A. § 13-10-91 and Rule 300-10-1-.02 shall be attested by the execution of the contractor's affidavit, attached hereto as Exhibit "A" and incorporated herein by this reference.

Consultant agrees that the employee-number category designated below is applicable to the Consultant.

500 or more employees.

100 or more employees.

Fewer than 100 employees.

Consultant hereby agrees that, in the event Consultant employs or contracts with any subcontractor(s) in connection with this Agreement, the Consultant will secure from the subcontractor(s) such subcontractor(s)' indication of the above employee-number category that is applicable to the subcontractor.

The above requirements shall be in addition to the requirements of State and federal law, and shall be construed to be in conformity with those laws.

(2) SAVE Affidavit and Secure Verifiable Document

Pursuant to O.C.G.A. § 50-36-1, the County must obtain a SAVE Affidavit and a secure and verifiable document evidencing the Consultant's legal status in the Country *each* time that Consultant obtains a public benefit, including any contract, from the County. Consultant hereby verifies that it has, prior to executing this Agreement, executed a SAVE Affidavit (to be sworn under oath under criminal penalty of false swearing pursuant to O.C.G.A. § 16-10-71), a form of which is attached hereto as Exhibit "C", and submitted such affidavit to the County in person, electronically, or by mail. Further, Consultant verifies that it has, prior to executing this

Agreement, submitted a secure and verifiable document, evidencing the Consultant's legal status, to the County either in person or electronically (in compliance with the Uniform Electronic Transactions Act). Consultant verifies that it is in compliance with the Residency Status of an Applicant for Public Benefit, as required by the Georgia Security and Immigration Compliance Act (O.C.G.A. § 50-36-1).

K. Records, Reports and Audits

(1) Records:

(a) Records shall be established and maintained by the Consultant in accordance with requirements prescribed by the County with respect to all matters covered by this Agreement. Except as otherwise authorized, such records shall be maintained for a period of three years from the date that final payment is made under this Agreement. Furthermore, records that are the subject of audit findings shall be retained for three years or until such audit findings have been resolved, whichever is later.

(b) All costs shall be supported by properly executed payrolls, time records, invoices, contracts, or vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible.

(2) Reports and Information:

Upon request, the Consultant shall furnish to the County any and all statements, records, reports, data and information related to matters covered by this Agreement in the form requested by the County.

(3) Audits and Inspections:

At any time during normal business hours and as often as the County may deem necessary, there shall be made available to the County for examination all records with respect to all matters covered by this Agreement. The Consultant will permit the County to audit, examine, and make excerpts or transcripts from such records, and to audit all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and or data relating to all matters covered by this Agreement.

L. Conflicts of Interest

Consultant agrees that it shall not engage in any activity or conduct that would result in a violation of the Cherokee County Code of Ethics.

M. Confidentiality

Consultant acknowledges that it may receive confidential information of the County and that it will protect the confidentiality of any such confidential information and will require any of its subcontractors, consultants, and/or staff to likewise protect such confidential information. The Consultant agrees that confidential information it receives or such reports, information, opinions or conclusions that Consultant creates under this Agreement shall not be made available to, or discussed with, any individual or organization, including the news media, without prior written approval of the County. The Consultant shall exercise reasonable precautions to prevent the unauthorized disclosure and use of County information whether specifically deemed confidential or not.

N. Licenses, Certifications and Permits

The Consultant covenants and declares that it has obtained all diplomas, certificates, licenses, permits or the like required of the Consultant by any and all national, state, regional, county, local boards, agencies, commissions, committees or other regulatory bodies in order to perform the Work contracted for under this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily expected of competent professionals.

O. Key Personnel

All of the individuals identified in Exhibit "D" are necessary for the successful completion of the Work due to their unique expertise and depth and breadth of experience. There shall be no change in Consultant's Project Manager or members of the project team, as listed in Exhibit "D", without written approval of the County. Consultant recognizes that the composition of this team was instrumental in the County's decision to award the work to Consultant and that compelling reasons for substituting these individuals must be demonstrated for the County's consent to be granted. Any substitutes shall be persons of comparable or superior expertise and experience. Failure to comply with the provisions of this section shall constitute a material breach of Consultant's obligations under this Agreement and shall be grounds for termination. Consultant shall not subcontract with any third party for the performance of any portion of the Work without the prior written consent of the County. Consultant shall be solely responsible for any such subcontractors in terms of performance and compensation.

P. Authority to Contract

The Consultant covenants and declares that it has obtained all necessary approvals of its board of directors, stockholders, general partners, limited partners or similar authorities to simultaneously execute and bind Consultant to the terms of this Agreement, if applicable.

Q. Ownership of Work

All reports, designs, drawings, plans, specifications, schedules, work product and other materials prepared or in the process of being prepared for the Work to be performed by the

Consultant (“materials”) shall be the property of the County, and the County shall be entitled to full access and copies of all such materials. Any such materials remaining in the hands of the Consultant or subcontractor upon completion or termination of the Work shall be delivered immediately to the County. The Consultant assumes all risk of loss, damage or destruction of or to such materials. If any materials are lost, damaged or destroyed before final delivery to the County, the Consultant shall replace them at its own expense. Any and all copyrightable subject matter in all materials is hereby assigned to the County, and the Consultant agrees to execute any additional documents that may be necessary to evidence such assignment.

V. COVENANTS OF THE COUNTY

A. Right of Entry

The County shall provide for right of entry for Consultant and all necessary equipment, documents, materials, etc. to Rhonda D. McClendon or designee, in order for Consultant to complete the Work.

B. County’s Representative

Jerry W. Cooper shall be authorized to act on the County’s behalf with respect to the Work as the County’s designated representative in consultation, direction and guidance from the District Attorney as the District Attorney deems appropriate.

VI. TERMINATION

A. The County shall have the right to terminate this Agreement for any reason whatsoever by providing written notice thereof at least five (5) calendar days in advance of the termination date. The Consultant shall have no right to terminate this Agreement prior to completion of the Work, except in the event of the County’s failure to pay the Consultant within thirty (30) days of Consultant providing the County with notice of a delinquent payment and an opportunity to cure.

B. Upon termination, County shall provide for payment to the Consultant for services rendered and expenses incurred prior to the termination date.

C. Upon termination, the Consultant shall: (1) promptly discontinue all services affected, unless the notice directs otherwise; and (2) promptly deliver to the County all data, drawings, reports, summaries, and such other information and materials as may have been generated or used by the Consultant in performing this Agreement, whether completed or in process, in the form specified by the County.

D. The rights and remedies of the County and the Consultant provided in this Article are in addition to any other rights and remedies provided under this Agreement or at law or in equity.

VII. NO PERSONAL LIABILITY

Nothing herein shall be construed as creating any individual or personal liability on the part of any County Party. No County Party shall be personally liable to the Consultant or any successor in interest in the event of any default or breach by the County or for any amount which may become due to the Consultant or successor or on any obligation under the terms of this Agreement. Likewise, Consultant's performance of services under this Agreement shall not subject Consultant's individual employees, officers or directors to any personal liability. The Parties agree that their sole and exclusive remedy, claim, demand or suit shall be directed and/or asserted only against Consultant or the County, respectively, and not against any employee, officer, director, or elected or appointed official.

VIII. ENTIRE AGREEMENT

This Agreement constitutes the complete agreement between the Parties and supersedes any and all other agreements, either oral or in writing, between the Parties with respect to the subject matter of this Agreement. No other agreement, statement or promise relating to the subject matter of this Agreement not contained in this Agreement shall be valid or binding. This Agreement may be modified or amended only by a written document signed by representatives of both Parties with appropriate authorization.

IX. SUCCESSORS AND ASSIGNS

Subject to the provision of this Agreement regarding assignment, this Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the respective Parties, provided that no party may assign this Agreement without prior written approval of the other party.

X. APPLICABLE LAW

If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the rules, regulations, statutes and laws of the State of Georgia will control. Any action or suit related to this Agreement shall be brought in the Superior Court of Cherokee County, Georgia.

XI. CAPTIONS AND SEVERABILITY

The caption or headnote on articles or sections of this Agreement are intended for convenience and reference purposes only and in no way define, limit or describe the scope or intent thereof, or of this Agreement nor in any way affect this Agreement. Should any article(s) or section(s), or any part thereof, later be deemed unenforceable by a court of competent jurisdiction, the offending portion of the Agreement should be severed, and the remainder of this Agreement shall remain in full force and effect to the extent possible.

XII. BUSINESS LICENSE

~~Prior to commencement of the services to be provided hereunder, Consultant shall apply to the County for a business license, pay the applicable business license fee, and maintain said business license during the term of this Agreement.~~

XIII. NOTICES

A. Communications Relating to Day-to-Day Activities

All communications relating to the day-to-day activities of the Work shall be exchanged between Jerry W. Cooper for the County and Rhonda D. McClendon for the Consultant.

B. Official Notices

All other notices, writings or correspondence as required by this Agreement shall be in writing and shall be deemed received, and shall be effective, when: (1) personally delivered, or (2) on the third day after the postmark date when mailed by certified mail, postage prepaid, return receipt requested, or (3) upon actual delivery when sent via national overnight commercial carrier to the Parties at the addresses given below, or at a substitute address previously furnished to the other Parties by written notice in accordance herewith:

NOTICE TO THE COUNTY shall be sent to:

County Manager
Cherokee County Board of Commissioners
1130 Bluffs Parkway
Canton, Georgia 30114

NOTICE TO THE CONSULTANT shall be sent to:

Rhonda D. McClendon
Rhonda D. McClendon & Associates
9 West Broad Street
Newnan, Georgia 30263

Future changes in address shall be effective only upon written notice being given by the County to Consultant or by Consultant to County Manager via one of the delivery methods described in this Section.

XIV. WAIVER OF AGREEMENT

No failure by the County to enforce any right or power granted under this Agreement, or to insist upon strict compliance by Consultant with this Agreement, and no custom or practice of the County at variance with the terms and conditions of this Agreement shall constitute a general waiver of any future breach or default or affect the County's right to demand exact and strict compliance by Consultant with the terms and conditions of this Agreement.

XV. NO THIRD PARTY RIGHTS

This Agreement shall be exclusively for the benefit of the Parties and shall not provide any third parties with any remedy, claim, liability, reimbursement, cause of action or other right.

XVI. SOVEREIGN IMMUNITY

Nothing contained in this Agreement shall be construed to be a waiver of the County's sovereign immunity or any individual's qualified good faith or official immunities.

XVII. FORCE MAJEURE

Neither the County nor Consultant shall be liable for their respective non-negligent or non-willful failure to perform or shall be deemed in default with respect to the failure to perform (or cure a failure to perform) any of their respective duties or obligations under this Agreement or for any delay in such performance due to: (a) any cause beyond their respective reasonable control; (b) any act of God; (c) any change in applicable governmental rules or regulations rendering the performance of any portion of this Agreement legally impossible; (d) earthquake, fire, explosion or flood; (e) strike or labor dispute, excluding strikes or labor disputes by employees and/or agents of CONSULTANT; (f) delay or failure to act by any governmental or military authority; or (g) any war, hostility, embargo, sabotage, civil disturbance, riot, insurrection or invasion. In such event, the time for performance shall be extended by an amount of time equal to the period of delay caused by such acts, and all other obligations shall remain intact.

IN WITNESS WHEREOF the County and the Consultant have executed this Agreement effective as of the date the County Manager executes this Agreement on behalf of the County.

[SIGNATURES ON FOLLOWING PAGE]

CONSULTANT:

By: [Signature]
Its: J. D. McLenahan & Associates, P.A.
President

[CORPORATE SEAL]

SIGNED, SEALED, AND DELIVERED
in the presence of:

[Signature]
Witness
[Signature]
Notary Public

[NOTARY SEAL]

My Commission Expires:
MY COMMISSION EXPIRES MARCH 1, 2014

CHEROKEE COUNTY

By: [Signature]
Its: L.B. Ahrens
Chairman

[COUNTY SEAL]



SIGNED, SEALED, AND DELIVERED
in the presence of:

[Signature]
Witness
[Signature]
Notary Public

[NOTARY SEAL]

My Commission Expires:



EXHIBIT "A"

STATE OF GEORGIA
COUNTY OF CHEROKEE

CONTRACTOR AFFIDAVIT AND AGREEMENT

By executing this affidavit, the undersigned contractor verifies its compliance with O.C.G.A. § 13-10-91, stating affirmatively that the individual, firm, or corporation which is engaged in the physical performance of services on behalf of Cherokee County has registered with, is authorized to use and uses the federal work authorization program commonly known as E-Verify, or any subsequent replacement program, in accordance with the applicable provisions and deadlines established in O.C.G.A. § 13-10-91.

Furthermore, the undersigned contractor agrees that it will continue to use the federal work authorization program throughout the contract period, and, should it employ or contract with any subcontractor(s) in connection with the physical performance of services pursuant to this contract with Cherokee County, contractor will secure from such subcontractor(s) similar verification of compliance with O.C.G.A. § 13-10-91 on the Subcontractor Affidavit in the form attached hereto as Exhibit "B." Contractor further agrees to maintain records of such compliance and provide a copy of each such verification to Cherokee County within five (5) business days of receipt.

Contractor hereby attests that its federal work authorization user identification number and date of authorization are as follows:

630691
Federal Work Authorization User Identification
Number

1/8/13
Date of Authorization

Robert D. Melcher
Name of Contractor

Cherokee County
Name of Project

Cherokee County
Name of Public Employer

I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on 1, 8, 2013 in Newnan (city),
GA (state).

[Signature]
Signature of Authorized Officer or Agent

Robert Melcher - President
Printed Name and Title of Authorized Officer or Agent

SUBSCRIBED AND SWORN BEFORE ME ON
THIS THE 8th DAY OF

January, 2013.
Jean Lawrence
NOTARY PUBLIC

[NOTARY SEAL]

My Commission Expires:
MY COMMISSION EXPIRES MARCH 1, 2014

EXHIBIT "B"

STATE OF GEORGIA
COUNTY OF CHEROKEE

SUBCONTRACTOR AFFIDAVIT

By executing this affidavit, the undersigned subcontractor verifies its compliance with O.C.G.A. § 13-10-91, stating affirmatively that the individual, firm or corporation which is engaged in the physical performance of services under a contract with Richard D. McLellan & Associates, Inc. (name of contractor) on behalf of Cherokee County has registered with, is authorized to use and uses the federal work authorization program commonly known as E-Verify, or any subsequent replacement program, in accordance with the applicable provisions and deadlines established in O.C.G.A. § 13-10-91. Furthermore, the undersigned subcontractor will continue to use the federal work authorization program throughout the contract period, and the undersigned subcontractor will contract for the physical performance of services in satisfaction of such contract only with sub-subcontractors who present an affidavit to the subcontractor with the information required by O.C.G.A. § 13-10-91(b). Additionally, the undersigned subcontractor will forward notice of the receipt of an affidavit from a sub-subcontractor to the contractor within five (5) business days of receipt. If the undersigned subcontractor receives notice that a sub-subcontractor has received an affidavit from any other contracted sub-subcontractor, the undersigned subcontractor must forward, within five (5) business days of receipt, a copy of the notice to the contractor.

Subcontractor hereby attests that its federal work authorization user identification number and date of authorization are as follows:

630691
Federal Work Authorization User Identification Number
1/8/13
Date of Authorization
Richard D. McLellan & Associates, Inc.
Name of Subcontractor
Ball Ground Regular Agent
Name of Project
Cherokee Courts
Name of Public Employer

I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on 1/8, 2013 in Dunwoody (city),
GA (state).

[Signature]
Signature of Authorized Officer or Agent
Richard D. McLellan, CEO
Printed Name and Title of Authorized Officer or Agent

SUBSCRIBED AND SWORN BEFORE ME
ON THIS THE 8th DAY OF
January, 2013.
[Signature]
NOTARY PUBLIC

[NOTARY SEAL]

My Commission Expires:

MY COMMISSION EXPIRES MARCH 1, 2014

EXHIBIT "C"
SAVE Affidavit

By executing this affidavit under oath, and as an applicant for a public benefit, as referenced in O.C.G.A. § 50-36-1, from Cherokee County, the undersigned applicant verifies one of the following with respect to my application for a public benefit:

- 1) X I am a United States citizen.
- 2) X I am a legal permanent resident of the United States.
- 3) _____ I am a qualified alien or non-immigrant under the Federal Immigration and Nationality Act with an alien number issued by the Department of Homeland Security or other federal immigration agency.

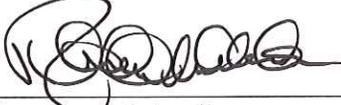
My alien number issued by the Department of Homeland Security or other federal immigration agency is: _____.

The undersigned applicant also hereby verifies that he or she is 18 years of age or older and has provided at least one secure and verifiable document, as required by O.C.G.A. § 50-36-1(e)(1), with this affidavit.

The secure and verifiable document provided with this affidavit can best be classified as:
Georgia license

In making the above representation under oath, I understand that any person who knowingly and willfully makes a false, fictitious, or fraudulent statement or representation in an affidavit shall be guilty of a violation of O.C.G.A. § 16-10-20, and face criminal penalties as allowed by such criminal statute.

Executed in Newnan (city), Georgia (state).



Signature of Applicant

Richard D. Tucker

Printed Name of Applicant

SUBSCRIBED AND SWORN
BEFORE ME ON THIS THE
8th DAY OF January, 20 13
Jean Lawrence
NOTARY PUBLIC
My Commission Expires:
MY COMMISSION EXPIRES MARCH 1, 2014