

# 441 Page Street ● P.O. Box 427 ● Troy, North Carolina 27371-0427 (910) 576-6511 FAX (910) 576-2044

TO: Board of Education

FROM: Dale Ellis

DATE: September 9, 2013

SUBJ: CONSENT ITEM (Tolling Agreement)

Attached is the tolling agreement drawn up by Rod Malone of Tharrington Smith to extend our protection period while we finish up the final construction phases at Green Ridge. I recommend approval under the consent agenda.

I am available to answer any questions you might have.

209 Fayetteville Street P.O. Box 1151 Raleigh, NC 27602-1151 **ROD MALONE** 

rmalone@tsmithlaw.com

August 14, 2013

### Via E-mail and U.S. Mail

Dr. Dale Ellis Superintendent Montgomery County Schools 441 Page Street Troy, NC 27371-0427

Re: <u>Montgomery County Schools - Green Ridge Elementary School</u>

Dear Dale:

Please find enclosed the original partially executed Tolling Agreement in regard to Green Ridge Elementary School. The enclosed has been executed by all parties, except the Montgomery County Board of Education. As discussed, please place this matter on the agenda for the September 9, 2013 Board meeting for approval. Once the Tolling Agreement is fully executed, please forward me a copy of the same. As always, if you have any questions, please do not hesitate to contact me.

Thanks in advance for your assistance with this matter.

Sincerel

THARRINGTON SMITH, LLP

Rod Maldne

Enclosure RM/dsb

c: VRM's Email Distribution List

969219

#### STATE OF NORTH CAROLINA

#### COUNTY OF MONTGOMERY

#### **TOLLING AGREEMENT**

THIS TOLLING AGREEMENT ("Agreement") among the Montgomery County Board of Education ("Board"), a body corporate of the State of North Carolina, and Dimensions Metals, Inc., an Ohio corporation ("DMI"), Grieme Roofing, a North Carolina corporation ("Grieme"), R.L. Casey, Inc., a North Carolina corporation ("R.L. Casey"), and SfL+a Architects, a North Carolina corporation ("SfL+a") provides as follows:

#### **RECITALS**

- A. The Board and R.L. Casey entered into a contract in which R.L. Casey agreed to perform as a general contractor on the new Green Ridge Elementary School project ("Construction Contract"). SfL+a served as the architect on the project.
- B. R.L. Casey's work on the Green Ridge Elementary School project was substantially completed on October 17, 2008.
- C. The Board contends that Green Ridge Elementary School has experienced problems with the roof leaks and water infiltration throughout the building.
- D. The Board alleges that it was damaged by actions and/or inactions of DMI, Grieme and R.L. Casey. DMI, Grieme and R.L. Casey deny their actions or inactions have damaged the Board.
- E. The Parties have initiated discussions regarding the roof leaks and water infiltration issues at Green Ridge Elementary School.
  - F. The Parties desire to toll the operation of any applicable statutes of limitations,

statutes of repose, and other time-related defenses in order to provide the Parties with an opportunity to evaluate potential claims amongst themselves in order to see whether those claims can and should be resolved, in whole or in part, before commencement of any litigation by the Parties.

NOW, THEREFORE, in consideration of the promises herein exchanged and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby covenant and agree as follows:

- 1. Tolling of Time-Related Defenses. Any applicable statutes of limitations, statutes of repose, the doctrine of laches, and all other time-based defenses with respect to any claims by the Parties to this Agreement arising from or relating in any manner to the roof leaks and water infiltration issues throughout Green Ridge Elementary School existing among the Parties for any acts or omissions relating, directly or indirectly in any manner whatsoever to these issues are hereby tolled effective August 1, 2013 (the "Effective Date"). The passage of time during the "Tolling Period" as hereinafter defined shall not be counted for purposes of any applicable statutes of limitations, statutes of repose, laches, or any other time-based defenses in any legal proceeding or arbitration in which the Parties assert claims covered by this Agreement.
- 2. <u>Non-Assertion of Defenses</u>. The Parties agree that they will not assert any defense based on any statute of limitations, statutes of repose, laches or other time-related defense based, in whole or in part, on the passage of time during the Tolling Period as hereinafter defined in any legal proceedings or arbitration with respect to any of the claims covered by this Agreement.
  - 3. Tolling Period. For purposes of this Agreement, the term "Tolling Period" shall

mean the period from August 1, 2013 until July 31, 2014, unless this Agreement is terminated earlier by a thirty (30) day Notice of Termination, as defined hereinafter. Any Notice of Termination by a party shall be effective thirty (30) days after it is received and it shall terminate the Tolling Period only for claims against the party giving the Notice of Termination and the parties named in and receiving the Notice of Termination. The Tolling Period shall otherwise continue in full force between all other parties. Notice of Termination must be given to all parties.

4. Notice of Termination. As used herein, the term "Notice of Termination" means a written notice of termination on behalf of a party identifying the party giving the notice and the parties for whom Notice of Termination is to be effective, delivered by Certified Mail, Return Receipt Requested. For purposes of notification under this Agreement, the addresses of the parties are as follows: the Board shall be notified through its attorney, Rod Malone, Tharrington Smith, LLP, P.O. Box 1151, Raleigh, NC, 27602; Dimensional Metals, Inc. shall be notified through Keith A. Vanderburg its attorney at Wegman, Hessler & Vanderburg, 6055 Rockside Woods Boulevard, Suite 200, Cleveland, OH 44131; Grieme Roofing shall be notified through Jonathan Grieme at 321 Fields Drive, Aberdeen, NC 28315; R.L. Casey, Inc. shall be notified through Matthew Cox its attorney at Wilkes Law Firm, P.A., 127 Dunbar Street, Suite 200, Spartanburg, SC 29306; and SfL+a Architects shall be notified through Neil Yarborough, The Yarborough Law Firm, 115 East Russell Street, Fayetteville, NC 28301. The effective date of any Notice of Termination shall be thirty (30) days after the date upon which the Notice of Termination is actually received by the receiving party, as indicated by the Certified Mail Return Receipt.

- 5. <u>Non-Waiver of Existing Defense</u>. Nothing herein shall preclude any Party from asserting any defense which is based on any applicable statute of limitations, laches or other time-based defense arising out of the lapse of time prior to the Effective Date of this Tolling Agreement combined with any lapse of time after the end of the Tolling Period as herein defined. In addition, nothing contained in this Agreement shall waive or preclude any party from asserting any defense, except as specifically set forth herein, including, without limitation, defenses contained in previous agreements entered into by the parties.
- 6. <u>Disputed Claims</u>. It is understood and agreed that the Parties entered into this Agreement for purposes of evaluation and attempted resolution of disputed claims. Neither the execution of this Agreement by the Parties nor anything in this Agreement shall constitute an admission of fault or liability of any nature whatsoever by any Party. This Agreement or any part thereof shall not be admissible in any legal proceeding, mediation, or arbitration for any purpose other than the interpretations or enforcement of the Agreement and its effect.
- 7. Authority of Signatories. The persons executing this Agreement hereby represent and warrant that they have full authority and representative capacity to execute the Agreement in the capacities indicated below and this Agreement constitutes the binding obligation of the Parties on whose behalf they signed.
- 8. <u>Applicable Law</u>. This agreement and the interpretation thereof shall be governed by North Carolina law.
- 9. <u>Entire Agreement</u>. This Agreement contains the entire agreement between the Parties concerning matters set forth, and it supersedes negotiations, discussions and understandings regarding such matters. This Agreement may be amended or modified only by a

writing executed with the same formality as this Agreement. This Agreement shall not affect any other agreement entered into between the Parties with respect to matters other than time-related defenses and the tolling of statutes of limitation and statutes of repose. IN WITNESS WHEREOF this Agreement was entered into this the \_\_\_\_ day of July 2013. MONTGOMERY COUNTY **BOARD OF EDUCATION** (SEAL) Steven W. DeBerry, Board Chair ATTEST: Dr. Dale Ellis (CORPORATE SEAL) (SEAL) Stephen C. Wissman, CEO

ATTEST:

Corporate Secretary Keith A. Vanderbu

(CORPORATE SEAL)

# **GRIEME ROOFING**

	Peggy L. Grieme, President	_(SEAL)
ATTEST:		
Jantha D. Kuru Jorporate Secretary		
(CORPORATE SEAL)		
	R.L. CASEY, INC.	
		_(SEAL)
	Anthony D. Howerton, President	
ATTEST:		
Corporate Secretary		
(CORPORATE SEAL)		

## **GRIEME ROOFING**

ī	Peggy L. Grieme, President	L)
ATTEST:		
Corporate Secretary	_	
(CORPORATE SEAL)		

R.L. CASEY, INC.

Anthony D. Howerton, President

ATTEST:

Corporate Secretary

(CORPORATE SEAL)

CASE

CORPOR

SEAL

1978

SfL+a Architects

Robert W. Ferris, CEO/President

(SEAL)

ATTEST:

Corporate Secretary

(CORPORATE SEAL)