



Gaston County

Gaston County
Board of Commissioners
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Finance Board Action

File #: 23-531

Commissioner Hovis - Finance - To Award Bid for Financing up to \$4,634,989.65 for Rolling Stock (Vehicles & Ambulances) and Equipment (SAN Replacement) to Banc of America Public Capital Corp and to Approve the Attached Budget Change Request (to appropriate funds) and Resolution Approving Financing Terms

STAFF CONTACT

Kyle Sutherland, Interim Finance Director - Finance - 704-866-3032

BUDGET IMPACT

The County is obligated to make payments on this debt through February 12, 2027.

BUDGET ORDINANCE IMPACT

Loan proceeds will be received from Banc of America Public Capital Corp and appropriated in the General Government Capital fund as on the attached Budget Change Request.

BACKGROUND

By approval of this action, the Gaston County Board of Commissioners finds that the financing of the acquisition of the vehicles and other items costing up to \$4,634,989.65 pursuant to the terms of an installment purchase contract with Banc of America Public Capital Corp is in the best interest of Gaston County and hereby authorizes the execution of such contract. The County staff received three bids for the financing and recommends Banc of America Public Capital Corp as the lowest responsible bidder at a rate of 4.2946% for the 36 months' term. The Board designates the obligations of the County to make payment under the proposed installment purchase contract as "non-bank qualified" obligations in accordance with the provisions of Section 265 (b)(3)(ii) of the Tax Reform Act of 1986, as amended. If any of the equipment or other items on the list are received before the financing documents are fully executed, the County staff is authorized, if necessary, to make payment directly to the appropriate vendor and to obtain subsequent reimbursement from the financial institution providing financing.

On March 28, 2023, the Board approved Resolution 2023-088 appropriating \$3,797,459 from the Community Investment Fund fund balance for the purchase of vehicles due to the volatile vehicle market and manufacturers implementing early cutoff dates. The attached Budget Change Request returns the \$3,797,459 back to the Community Investment Fund fund balance from the financing proceeds as stated in Resolution 2023-088.

(Continued on Page 2)

DO NOT TYPE BELOW THIS LINE

I, Donna S. Buff, Clerk to the County Commission, do hereby certify that the above is a true and correct copy of action taken by the Board of Commissioners as follows:

NO.	DATE	M1	M2	CBrown	CCloninger	AFraley	BHovis	KJohnson	TKeigher	RWorley	Vote
2023-415	12/12/2023	AF	BH	A	A	A	A	A	A	A	U

DISTRIBUTION:

Laserfiche Users

A=AYE, N=NAY, AB=ABSENT, ABS=ABSTAIN, U=UNANIMOUS

Commissioner Hovis - Finance - To Award Bid for Financing up to \$4,634,989.65 for Rolling Stock (Vehicles & Ambulances) and Equipment (SAN Replacement) to Banc of America Public Capital Corp and to Approve the Attached Budget Change Request (to appropriate funds) and Resolution Approving Financing Terms
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On August 22, 2023, the Board approved Resolution 2023-271 appropriating up to \$88,500 from the Community Investment Fund fund balance for the purchase of vehicles due to the volatile vehicle market and manufacturers implementing early cutoff dates and \$944,093 from the Community Investment Fund fund balance for the IT SAN equipment replacement, for a total of \$1,032,593. The attached Budget Change Request returns the \$1,032,593 back to the Community Investment Fund fund balance from the financing proceeds as stated in Resolution 2023-271.

The original appropriation of \$3,797,459 was based on estimates. Due to market volatility, the quotes came back approximately \$195,060 less - these funds will be returned to fund balance.

POLICY IMPACT

N/A

ATTACHMENTS

Resolution; Budget Change Request (BCR); Finance Package Chart; Schedule of Property No. 10 - Draft

RESOLUTION OF GOVERNING BODY

At a duly called meeting of the governing body of County of Gaston, North Carolina, as Purchaser held in accordance with all applicable legal requirements, including open meeting laws, on the 12th day of December 2023, the following resolution was introduced and adopted:

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A SCHEDULE TO ITS EXISTING MASTER EQUIPMENT FINANCING AGREEMENT, AND RELATED INSTRUMENTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the governing body of the County of Gaston, North Carolina (" Purchaser") desires to finance certain equipment (the " Equipment") described in the Schedule of Property No 10 to the Master Equipment Financing Agreement dated as of February 14, 2013 (collectively, the "Agreement") in an amount not to exceed \$ 4,634,989.65 with Banc of America Capital Corp (" Lender"), the form of which has been available for review by the governing body of Purchaser prior to this meeting; and,

WHEREAS, the Equipment is essential for Purchaser to perform its governmental functions; and,

WHEREAS, Purchaser has taken the necessary steps, including those relating to any applicable legal bidding requirements, to arrange for the acquisition of the Equipment; and,

WHEREAS, Purchaser proposes to enter into the Agreement with Lessor substantially in the forms presented to this meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF PURCHASER AS FOLLOWS:

Section 1. It is hereby found and determined that the terms of the Agreement in the forms presented to this meeting and incorporated in this resolution are in the best interests of Purchaser for the acquisition of the Equipment.

Section 2. The Agreement and the acquisition and financing of the Equipment under the terms and conditions as described in the Agreement are hereby approved. The County Manager of Purchaser and any other officer of Purchaser who shall have power to execute contracts on behalf of Purchaser be, and each of them hereby is, authorized to execute, acknowledge and deliver the Agreement with any changes, insertions and omissions therein as may be approved by the officers who execute the Agreement, such approval to be conclusively evidenced by such execution and delivery of the Agreement. The Clerk to the Board of the Purchaser and any other officer of Purchaser who shall have power to do so be, and each of them hereby is, authorized to affix the official seal of Purchaser to the Agreement and attest the same.

Section 3. The proper officers of Purchaser be, and each of them hereby is, authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits, and other documents and to do or cause to be done any all other acts and things necessary or proper for carrying out this resolution and the Agreement.

Section 4. The Purchaser's obligation under the Agreement will not be designated as a qualified tax exempt obligation under Section 265(b) of the Internal Revenue Code of 1986, as amended (the

"Code"), and therefore such obligation is "non-bank qualified" for purposes of Section 265(b)(3)(ii) of the Code.

The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect and further certifies that the Agreement executed on behalf of Purchaser is the same as presented at such meeting of the governing body of Purchaser, excepting only such changes, insertions and omissions as shall have been approved by the officers who executed the same.

Date: December 12, 2023

County of Gaston, North Carolina

Purchaser

By: 

Signature of Secretary, Board Chairman, or other member of the Governing Body

Name: Chad Brown

Title: Chairman of the Board of Commissioners

Attested By: 

Signature of one additional person who can witness the passage of this Resolution

Name: Donna S. Buff

Title: Clerk to the Board



[illegible]

FY2024 Finance Package
11/7/2023

	Quantity	Department	Quote or Estimate	PO	Vendor	Model	Account	Total per Account	Qty per Account
Replacement Vehicle	1	ACE	\$ 51,578.12	24000258	Piedmont Truck	F250 Super Cab Pickup/Chassis	4005-GPD-200-00000-InstFn-VLP2024-0000-02-540003-P2401		
		Swab Box w/ freight est one way	\$ 26,000.00	Estimate	Swab	Swab box \$23,070 plus \$1,740 fght est	4005-GPD-200-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	ACE	\$ 51,578.12	24000258	Piedmont Truck	F250 Super Cab Pickup/Chassis	4005-GPD-200-00000-InstFn-VLP2024-0000-02-540003-P2401		
		Swab Box w/ freight est one way	\$ 26,000.00	Estimate	Swab	Swab box \$23,070 plus \$1,740 fght est	4005-GPD-200-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	ACE	\$ 51,578.12	24000258	Piedmont Truck	F250 Super Cab Pickup/Chassis	4005-GPD-200-00000-InstFn-VLP2024-0000-02-540003-P2401		
		Swab Box w/ freight est one way	\$ 26,000.00	Estimate	Swab	Swab box \$23,070 plus \$1,740 fght est	4005-GPD-200-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	ACE	\$ 51,578.12	24000258	Piedmont Truck	F250 Super Cab Pickup/Chassis	4005-GPD-200-00000-InstFn-VLP2024-0000-02-540003-P2401		
		Swab Box w/ freight est one way	\$ 26,000.00	Estimate	Swab	Swab box \$23,070 plus \$1,740 fght est	4005-GPD-200-00000-InstFn-VLP2024-0000-02-540003-P2401	\$ 310,312.48	4
Replacement Vehicle	1	Grounds Maintenance	\$ 114,023.30	24000437	Piedmont Truck	F450 Crew Cab Chassis w/ Crane	4005-PRK-360-00000-InstFn-VLP2024-0000-01-540003-P2401	\$ 114,023.30	1
Replacement Vehicle	1	DSS	\$ 25,900.00	24000635	Toyota of Gastonia	Toyota Camry SE sedan	4005-DSS-000-00000-InstFn-VLP2024-0000-05-540003-P2401	\$ 25,900.00	1
Replacement Vehicle	1	Environmental Health	\$ 36,902.59	24000532	Parks Ford	Ford Edge SUV	4005-HLT-252-00000-InstFn-VLP2024-0000-05-540003-P2401	\$ 36,902.59	1
Replacement Vehicle	1	County Police	\$ 37,828.00	24000508-01	Ilderton Dodge	2023 Charger RWD	4005-GPD-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	County Police	\$ 37,828.00	24000508	Ilderton Dodge	2023 Charger RWD	4005-GPD-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	County Police	\$ 37,828.00	24000508	Ilderton Dodge	2023 Charger RWD	4005-GPD-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	County Police	\$ 37,828.00	24000508	Ilderton Dodge	2023 Charger RWD	4005-GPD-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	County Police	\$ 37,828.00	24000508	Ilderton Dodge	2023 Charger RWD	4005-GPD-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	County Police	\$ 37,828.00	24000508	Ilderton Dodge	2023 Charger RWD	4005-GPD-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	County Police	\$ 37,828.00	24000508	Ilderton Dodge	2023 Charger RWD	4005-GPD-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	County Police	\$ 37,828.00	24000508	Ilderton Dodge	2023 Charger RWD	4005-GPD-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	County Police	\$ 37,828.00	24000508	Ilderton Dodge	2023 Charger RWD	4005-GPD-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	County Police	\$ 37,828.00	24000508-01	Ilderton Dodge	2023 Charger RWD	4005-GPD-000-00000-InstFn-VLP2024-0000-02-540003-P2401	\$ 453,936.00	12
Replacement Vehicle	1	Emergency Management	\$ 55,344.00	Estimate	Suburban		4005-EMG-000-00000-InstFn-VLP2024-0000-02-540003-P2401	\$ 55,344.00	1
Replacement Vehicle	1	Sheriff	\$53,835.17	24000474	Piedmont Truck	#350 Transit Van (use w/ County Van Cell)	4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	Sheriff	\$53,835.17	24000474	Piedmont Truck	#350 Transit Van (use w/ County Van Cell)	4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	Sheriff	\$53,835.17	24000474	Piedmont Truck	#350 Transit Van (use w/ County Van Cell)	4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	Sheriff	\$ 37,177.00	24000510	Ilderton Dodge	2023 Charger AWD	4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	Sheriff	\$ 37,177.00	24000510	Ilderton Dodge	2023 Charger AWD	4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	Sheriff	\$ 37,177.00	24000510	Ilderton Dodge	2023 Charger AWD	4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	Sheriff	\$ 37,177.00	24000510	Ilderton Dodge	2023 Charger AWD	4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	Sheriff	\$ 37,177.00	24000510	Ilderton Dodge	2023 Charger AWD	4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	Sheriff	\$ 37,177.00	24000510	Ilderton Dodge	2023 Charger AWD	4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	Sheriff	\$ 37,177.00	24000510	Ilderton Dodge	2023 Charger AWD	4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	Sheriff	\$ 37,177.00	24000510	Ilderton Dodge	2023 Charger AWD	4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	Sheriff	\$ 49,248.64	24000649	Parks Ford	F150 Police Responder 4x4	4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	Sheriff	\$ 49,248.64	24000649	Parks Ford	F150 Police Responder 4x4	4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401	\$594,595.79	14
Replacement Vehicle	1	Building Inspections	\$ 45,202.83	24000509	Parks Ford	F150 Super Cab 4x4 with Bed Cover	4005-BDS-230-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	Building Inspections	\$ 45,202.83	24000509	Parks Ford	F150 Super Cab 4x4 with Bed Cover	4005-BDS-230-00000-InstFn-VLP2024-0000-02-540003-P2401	\$ 90,405.66	2
Replacement Vehicle	1	Land Use/Zoning	\$ 45,202.83	24000509	Parks Ford	F150 Super Cab 4x4 with Bed Cover	4005-BDS-232-00000-InstFn-VLP2024-0000-07-540003-P2401	\$ 45,202.83	1
Replacement Vehicle	1	GEMS	\$ 566,218.00	Estimate		ALS Ambulances	4005-EMS-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	GEMS	\$ 566,218.00	Estimate		ALS Ambulances	4005-EMS-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	GEMS	\$ 566,218.00	Estimate		ALS Ambulances	4005-EMS-000-00000-InstFn-VLP2024-0000-02-540003-P2401		
Replacement Vehicle	1	GEMS	\$ 265,620.00	Estimate		BLS Ambulance	4005-EMS-000-00000-InstFn-VLP2024-0000-02-540003-P2401	\$ 1,964,274.00	4
Replace Equipment	lot	IT - SAN Equipment	\$ 944,093.00	Estimate	Davenport	SAN storage equipment	4005-ITS-000-00000-InstFn-ELP2024-0000-02-540002-P2401		
		included			NWN Carousel	Servers and connectivity components	4005-ITS-000-00000-InstFn-ELP2024-0000-02-540002-P2401	\$ 944,093.00	
TOTAL	41		\$ 4,634,989.65					\$ 4,634,989.65	41

12/1/2023

Account	Description	2023 Revised Budget <i>As of BA 2023-088</i>	Life Rev Budget <i>After BA 2023-271</i>	Total Ordered or Est Per Account per Fin Pkg Chart	Unit Qty Per Account	Difference Budget vs Ord/Est
Vehicles and Ambulances						
4005-BDS-230-00000-InstFn-VLP2024-0000-02-540003-P2401	Motor Vehicles: FY24 LP	96,251.00	96,405.00	90,405.66	2	5,999.34
4005-BDS-232-00000-InstFn-VLP2024-0000-07-540003-P2401	Motor Vehicles: FY24 LP	52,148.00	52,148.00	45,202.83	1	6,945.17
4005-DSS-000-00000-InstFn-VLP2024-0000-05-540003-P2401	Motor Vehicles: FY24 LP	27,850.00	29,850.00	25,900.00	1	3,950.00
4005-EMG-000-00000-InstFn-VLP2024-0000-02-540003-P2401	Motor Vehicles: FY24 LP	51,844.00	55,344.00	55,344.00	1	0.00
4005-EMS-000-00000-InstFn-VLP2024-0000-02-540003-P2401	Motor Vehicles: FY24 LP	1,842,428.00	1,964,274.00	1,964,274.00	4 Estimate	0.00
4005-GPD-000-00000-InstFn-VLP2024-0000-02-540003-P2401	Motor Vehicles: FY24 LP	605,950.00	503,950.00	453,936.00	12	50,014.00
4005-GPD-200-00000-InstFn-VLP2024-0000-02-540003-P2401	Motor Vehicles: FY24 LP	296,200.00	304,200.00	310,312.48	4 Inc estimate for Swab boxes	-6,112.48
4005-HLT-252-00000-InstFn-VLP2024-0000-05-540003-P2401	Motor Vehicles: FY24 LP	37,906.00	41,406.00	36,902.59	1	4,503.41
4005-PRK-360-00000-InstFn-VLP2024-0000-01-540003-P2401	Motor Vehicles: FY24 LP	71,500.00	114,500.00	114,023.30	1	476.70
4005-SHF-000-00000-InstFn-VLP2024-0000-02-540003-P2401	Motor Vehicles: FY24 LP	715,382.00	723,882.00	594,595.79	14	129,286.21
SAN Replacement						
4005-ITS-000-00000-InstFn-ELP2024-0000-02-540002-P2401	F/E>\$5,000: FY24 LP	0.00	676,045.00	676,045.00	Lot estimate	0.00
4005-ITS-000-00000-InstFn-ELP2024-0000-02-540016-P2401	Prof Svcs:CapitalProj: FY24 LP	0.00	268,048.00	268,048.00	estimate	0.00
		3,797,459.00	4,830,052.00	4,634,989.65	41	195,062.35

SCHEDULE OF PROPERTY NO. 10

Re: Schedule of Property No. 10 dated February 12, 2024, to Master Equipment Financing Agreement, dated as of February 14, 2013, between Banc of America Public Capital Corp, as Lender, and the County of Gaston, North Carolina, as Purchaser

1. Defined Terms. All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Financing Agreement (the “Master Agreement”).

2. Equipment; Maximum Equipment Cost. The following items of Equipment, or items similar in make and model as approved by the Lender, are hereby included under this Schedule of the Master Agreement:

Quantity	Description of Equipment
4	F-250 Super Cab Trucks w/ Swab Boxes
1	F-450 Crew Cab Truck w/ Crane
1	Toyota Camry SE Sedan
1	Ford Edge SUV
12	Dodge Charger RWD
1	Chevrolet Suburban
3	350 Transit Van
9	Dodge Charger AWD
2	F-150 Police Responder 4X4
3	F-150 Super Cab 4X4 w/ Bed Cover
3	ALS Ambulance
1	BLS Ambulance
	IT SAN Storage Equipment

The Equipment to be purchased under this Schedule consists of vehicles to be used by the County. The model numbers and VIN numbers of such Equipment shall be provided to the Lender upon purchase. All references in the Master Agreement to “install” shall be deemed deleted with respect to the Equipment under this Schedule since vehicles are not equipment capable of being installed.

The “Maximum Equipment Cost” of Equipment subject to this Schedule is \$4,634,989.65

3. Payment Schedule.

(a) Installment Payment Schedule. The Purchase Price for the Equipment is \$4,634,989.65. The Installment Payments shall be in such amounts and payable on such dates as

set forth in the Installment Payment Schedule attached to this Schedule as Schedule B-1. Installment Payments shall commence on the Commencement Date (defined below), which is the date on which the Purchase Price is delivered to the Purchaser for deposit into a separate account of the Purchaser designated the 2024 Project Fund.

(b) Purchase Price Schedule. The Purchase Price on each Installment Payment date for the Equipment listed in this Schedule shall be the amount set forth for such Installment Payment date in the “Purchase Price” column of the Installment Payment Schedule attached to this Schedule (including the Installment Payment shown on the same line in the Installment Payment Schedule).

4. Representations, Warranties and Covenants. Purchaser hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Master Agreement are true and correct as though made on the date of commencement of Installment Payments on this Schedule. Purchaser further represents and warrants that (a) no material adverse change in Purchaser’s financial condition has occurred since the date of the Master Agreement, (b) the governing body of Purchaser has authorized the execution and delivery of this Schedule pursuant to a resolution adopted by the governing board of the Purchaser on December 12, 2023 (c) the Equipment described above is essential to the functions of Purchaser or to the services Purchaser provides its citizens; (d) Purchaser has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Purchaser only for the purpose of performing one or more of Purchaser’s governmental or proprietary functions consistent with the permissible scope of its authority; and (e) Purchaser expects and anticipates adequate funds to be available for all future payments due hereunder after the current budgetary period.

5. The Purchase Agreement. The terms and provisions of the Master Agreement (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules) are hereby incorporated into this Schedule by reference and made a part hereof.

6. Purchase Agreement Proceeds. The Purchase Agreement Proceeds which Lender shall pay to the Purchaser in connection with this Schedule is \$4,634,989.65, all of which will be deposited in the Project Fund for this Schedule, which shall be designated the “Gaston County 2024 Equipment Project Fund”. It is expected that by thirty-six (36) months from the date of this Schedule No. 10, Purchaser will have taken possession of all items of Equipment shown above and that a Purchaser’s Acceptance Certificate, or Acceptance Certificates, will be signed by Purchaser and delivered to Lender on or before thirty-six (36) months from the date of this Schedule No. 10.

7. Acquisition Period. The Acquisition Period applicable to this Schedule shall end at the conclusion of the 36th month following the date hereof.

8. Term. The Term shall begin on February 12, 2024 (the “Commencement Date”) and end on February 12, 2027.

9. Optional Prepayment Date. For purposes of Section 4.01(b) of the Agreement, the Optional Prepayment Commencement Date is August 8, 2025 which is the first Payment Date occurring after half of the term of this Schedule has elapsed.

10. Maximum Equipment Cost. The Maximum Equipment Cost approved under the Purchase Agreement for this Schedule is \$4,634,989.65.

11. Registration. Any Equipment that is a motor vehicle is to be registered and titled as follows:

(a) Registered Owner: County of Gaston, North Carolina

(b) Lienholder: Banc of America Public Capital Corp
Bank of America Plaza
600 Peachtree Street NE, 11th Floor
Atlanta, GA 30308-2265

Purchaser shall be responsible for the correct titling of all Equipment purchased hereunder. Purchaser will cause the original Certificates of Title to be delivered to Lender for retention in Lender's files throughout the Term.

12. Notwithstanding anything in the Agreement to the contrary, Lender and Purchaser agree that for purposes of this Purchase Agreement only, the following amendments to the Agreement are effective:

(a) Section 7.02 of the Agreement is hereby deleted in its entirety and the following Section 7.02 is substituted in lieu thereof:

Section 7.02. Insurance. Purchaser shall, during the Lease Term under each Lease, maintain or cause to be maintained (a) casualty insurance naming Lender and its assigns as loss payee and insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State, and any other risks reasonably required by Lender, in an amount at least equal to the greater of (i) the then applicable Prepayment Price under such Lease or (ii) the replacement cost of the Equipment under such Lease; (b) liability insurance naming Lender and its assigns as additional insured that protects Lender from liability with limits of at least \$10,000,000 for bodily injury and property damage coverage, or such other minimum coverage amount as may be agreed upon between Lender and Purchaser in connection with the execution and delivery of a Lease, in all events under clauses (a) and (b) issued in form and amount satisfactory to Lender and by an insurance company that is authorized to do business in the State and having a financial strength rating by A.M. Best Company of "A-" or better; and (c) worker's compensation coverage as required by the laws of the State. Notwithstanding the foregoing, Purchaser may self-insure against the risks described in clauses (a) and/or (b) through a government pooling arrangement, self-funded loss reserves, risk retention program or other self-insurance program, in each case with Lender's prior written consent (which Lender may grant, withhold or deny in its sole discretion) and provided that

Purchaser has delivered to Lender such information as Lender may request with respect to the adequacy of such self-insurance to cover the risks proposed to be self-insured and otherwise in form and substance acceptable to Lender. In the event Purchaser is permitted, at Lender's sole discretion, to self-insure as provided in this Section, Purchaser shall provide to Lender a self-insurance letter in substantially the form attached hereto as Exhibit G. Purchaser shall furnish to Lender evidence of such insurance or self-insurance coverage throughout the Lease Term under each Lease. Purchaser shall not cancel or modify such insurance or self-insurance coverage in any way that would affect the interests of Lender without first giving written notice thereof to Lender at least 30 days in advance of such cancellation or modification.

(b) Section 7.04 of the Agreement is hereby deleted in its entirety and the following Section 7.04 is substituted in lieu thereof:

Section 7.04. Advances. In the event Purchaser shall fail to keep the Equipment in good repair and working order or shall fail to maintain any insurance required by Section 7.02 hereof, Lender may, but shall be under no obligation to, maintain and repair the Equipment or obtain and maintain any such insurance coverages, as the case may be, and pay the cost thereof. Purchaser covenants and agrees to pay such amounts so advanced by Lender with interest thereon from the due date until paid at a rate equal to the Contract Rate (or the Taxable Rate if then in effect) *plus* 5% per annum or the maximum amount permitted by law, whichever is less.

(c) Section 11.01(a) of the Agreement is hereby deleted in its entirety and the following Section 11.01(a) is substituted in lieu thereof:

(a) Failure by Purchaser to (i) pay any Installment Payment or other payment required to be paid under any Purchase Agreement within 10 days after the date when due as specified therein or (ii) maintain insurance as required under such Purchase Agreement (including Section 7.02 incorporated therein);

(d) The attached Exhibit G is hereby attached to the Agreement.

(e) A new Section 12.08 and 12.09 are hereby added to the Agreement, which shall read as follows:

Section 12.08. E-Verify. Lender understands the "E-Verify" is a federal program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with Section 64-25(5) of the General Statutes of North Carolina, as amended. The Lender uses E-Verify to verify the work authorization of its employees in accordance with Section 64-26(a) of the General Statutes of North Carolina, as amended. The Lender shall require any subcontractor that it uses in connection with the performance of its obligations under this Agreement to certify to such subcontractor's compliance with E-Verify.

Section 12.09. Iran Divestment Act Certification. The Lender does hereby represent and certify that the Lender is not currently listed on a list created and maintained by the North Carolina Department of State Treasurer pursuant to Section 147-86.58 of the Iran Divestment Act of 2016, Article 6E, as amended, of Chapter 147 of the General Statutes of North Carolina. The Lender will not utilize any subcontractor that is listed on any such list on the date hereof in connection with the transactions contemplated by this Agreement.

Dated: February 12, 2024

LENDER:

Banc of America Public Capital Corp
555 California Street, 4th Floor
San Francisco, California 94104
Attention: Contract Administration

PURCHASER:

County of Gaston, North Carolina
Post Office Box 1578
Gastonia, North Carolina 28053-1578
Attention: Finance Director

By: _____
Name: _____
Title: _____

By: _____
Matthew K. Rhoten, Deputy County
Manager

(Seal)

Attest:

By: _____
Donna S. Buff, Clerk to the Board

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act.

Kyle Sutherland, Interim Finance Director

Counterpart No. _____ of _____ manually executed and serially numbered counterparts. To the extent that this Purchase Agreement constitutes chattel paper (as defined in the Uniform Commercial Code), no security interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

Exhibit B-1
INSTALLMENT PAYMENT SCHEDULE

Re: Schedule No. 10 dated February 12, 2024 to Master Equipment Financing Agreement, dated as of February 14, 2013, between Banc of America Public Capital Corp, as Lender, and the County of Gaston, North Carolina, as Purchaser

Purchaser: County of Gaston, North Carolina
Term: Three (3) years
Acquisition Amount: \$4,634,989.65
Contract Rate: 4.2946%

Installment Payment Date	Installment Payment Amount	Interest Portion	Principal Portion	Balance
2/12/2024	\$0.00	\$0.00	\$0.00	\$4,634,989.65
5/12/2024	\$413,731.73	\$49,763.08	\$363,968.65	\$4,271,021.00
8/12/2024	\$413,731.73	\$45,855.37	\$367,876.36	\$3,903,144.64
11/12/2024	\$413,731.73	\$41,905.71	\$371,826.03	\$3,531,318.61
2/12/2025	\$413,731.73	\$37,913.63	\$375,818.10	\$3,155,500.51
5/12/2025	\$413,731.73	\$33,878.70	\$379,853.03	\$2,775,647.48
8/12/2025	\$413,731.73	\$29,800.45	\$383,931.28	\$2,391,716.20
11/12/2025	\$413,731.73	\$25,678.41	\$388,053.32	\$2,003,662.88
2/12/2026	\$413,731.73	\$21,512.12	\$392,219.62	\$1,611,443.26
5/12/2026	\$413,731.73	\$17,301.09	\$396,430.64	\$1,215,012.62
8/12/2026	\$413,731.73	\$13,044.86	\$400,686.88	\$814,325.74
11/12/2026	\$413,731.73	\$8,742.92	\$404,988.81	\$409,336.93
2/12/2027	\$413,731.73	\$4,394.80	\$409,336.93	\$0.00
Totals	\$4,964,780.80	\$329,791.15	\$4,634,989.65	

Prepayment of the Principal Portion of the Installment Payments is permitted on and after the Optional Prepayment Commencement Date, without Prepayment Premium.

For purposes of this Purchase Agreement, "Taxable Rate," with respect to the interest component of Installment Payments, means an annual rate of interest equal to 4.9138%.

PURCHASER:

COUNTY OF GASTON, NORTH CAROLINA

By: _____
Matthew K. Rhoten, Deputy County
Manager

EXHIBIT G
FORM OF SELF-INSURANCE CERTIFICATE

Banc of America Public Capital Corp
555 California Street, 4th Floor
San Francisco, California 94104

Re: Schedule of Property No. 10, dated February 12, 2024, to Master Equipment Financing Agreement, dated as of February 14, 2013, between Banc of America Public Capital Corp, as Lender, and County of Gaston, North Carolina, as Purchaser

In connection with the above-referenced Schedule of Property (the "*Schedule*"), County of Gaston, North Carolina (the "*Purchaser*") hereby warrants and represents to Banc of America Public Capital Corp the following information. The terms capitalized herein but not defined herein shall have the meanings assigned to them in the Agreement incorporated in the Schedule by reference.

1. The Purchaser is self-insured for damage or destruction to the Equipment listed in the Schedule (herein, the "*Equipment*"). The dollar amount limit for property damage to the Equipment under such self-insurance program is \$_____. [The Purchaser maintains an umbrella insurance policy for claims in excess of Purchaser's self-insurance limits for property damage to the Equipment which policy has a dollar limit for property damage to the Equipment under such policy of \$_____.]

2. The Purchaser is self-insured for liability for injury or death of any person or damage or loss of property arising out of or relating to the condition or operation of the Equipment. The dollar limit for such liability claims under the Purchaser's self-insurance program is \$_____. [The Purchaser maintains an umbrella insurance policy for claims in excess of Purchaser's self-insurance limits for liability which policy has a dollar limit for liabilities for injury and death to persons as well as damage or loss of property arising out of or relating to the condition or operation of the Equipment in the amount of \$_____.

[3]. The Purchaser maintains a self-insurance fund. Monies in the self-insurance fund [are/are not] subject to annual appropriation. The total amount maintained in the self-insurance fund to cover Purchaser's self-insurance liabilities is \$_____. [Amounts paid from the Purchaser's self-insurance fund are subject to a dollar per claim of \$_____.]

[3]. The Purchaser does not maintain a self-insurance fund. The Purchaser obtains funds to pay claims for which it has self-insured from the following sources: _____. Amounts payable for claims from the such sources are limited as follows: _____.

4. Attached hereto are copies of certificates of insurance with respect to policies maintained by Purchaser.

PURCHASER:
COUNTY OF GASTON, NORTH CAROLINA

By: _____
Name: Matthew K. Rhoten
Title: Deputy County Manager