



**GASTON COUNTY BOARD OF COMMISSIONERS**  
**BOARD ACTION**

County Admin Building  
128 W. Main Avenue.  
Gastonia, NC 28052

**Finance**

**File #: 15-139**

Commissioner Keigher - To Award Bid for Financing up to \$3,319,761.60 for Rolling Stock and Equipment to Bank of America and to Approve the Attached Budget Change Request (to Appropriate Funds) and Resolution Approving Financing Terms

**STAFF CONTACT**

Bryant Morehead - Interim Assistant County Manager - 704-866-3038

**BUDGET IMPACT**

The purchase of these vehicles, ambulances and bulldozer were included in the FY 2016 Budget. This item provides for the financing of these items.

**BUDGET ORDINANCE IMPACT**

Loan proceeds will be received from Bank of America and appropriated in the various departmental accounts as attached on the 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 \$3,319,761.60 pursuant to the terms of an installment purchase contract with Bank of America is in the best interests of Gaston County and hereby authorizes the execution of such contract. 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 the financing.

**POLICY IMPACT**

The County is obligated to make payments on this debt for 36 months after closing.

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	Brown	Carpenter	Fraley	Keigher	Philbeck	Price	Williams	Vote
2016-015	01/26/2016	TP	CB	A	A	A	A	A	A	A	U

**DISTRIBUTION:**

Laserfiche Users

## GASTON COUNTY BUDGET CHANGE REQUEST

TO: Earl Mathers COUNTY MANAGER

FROM: 4130 Finance  
           Dept. #                      Department Name

\_\_\_\_\_  
 Department Director's Signature                      Date

### TYPE OF REQUEST:

☐ Line Item Transfer Within Department & Fund

☒ Line Item Transfer Between Funds \*

☐ Project Transfer Within Department & Fund

☒ Additional Appropriation of Funds \*

☐ Line Item Transfer Between Departments\*

\* Requires resolution by the Board of Commissioners

Resolution #

Date

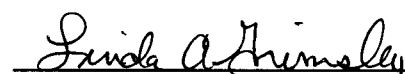
ACCOUNT DESCRIPTION (As it appears in the budget)	ACCOUNT NUMBER	PROJECT	AMOUNT
	Fund - Dept - Subdept - Div - Acct - Subacct	SUBPROJECT	Whole Dollars Only
	xx - xxxx - xxxx - xxxx - xxx - xxx	xxxxx - xxxxx	(See Note Below)
Installment Purchase	10-8300-912-500		(2,610,238)
Animal Control Motor Vehicles	10-4380-540-000		44,898
Building Inspection Motor Vehicles	10-4350-540-000		53,163
GEMS Motor Vehicles	10-4370-540-000		1,654,620
Rescue Squads Motor Vehicles	10-4372-540-000		136,695
Sheriff Department Motor Vehicles	10-4315-4315-540-000		105,995
Police Department Motor Vehicles	10-4310-4310-540-000		491,069

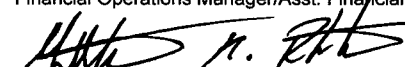
### JUSTIFICATION FOR REQUEST:

This Budget Change Request appropriates funds in the amount of \$3,319,767 from the lease purchase agreement with Bank of America for rolling stock and equipment. The County staff received six (6) bids for the financing and recommends Bank of America as the lowest responsible bidder at a rate of 1.3075% for the thirty-six month term.

### APPROVAL SIGNATURES:

 1/28/16  
 County Manager/Interim Assistant County Manager                      Date

 1/28/16  
 Financial Operations Manager/Asst. Financial Operations Mgr.                      Date

 1/28/16  
 Interim Budget Administrator                      Date

Note: Decreases in expenditures & increases in revenue accounts require brackets. Increases in expenditures & decreases in revenue do not require brackets. Please note that transfers between funds require interfund transfer accounts.

ACCOUNT DESCRIPTION  (As it appears in the budget)	ACCOUNT NUMBER	PROJECT	AMOUNT
	Fund – Dept – Subdept – Div – Acct – Subacct	SUBPROJECT	Whole Dollars Only
	xx – xxxx – xxxx – xxxx – xxx – xxx	XXXXX - XXXX	(See Note Below)
Proceeds: Inst. Purchase Agreement	60-8300-912-500		\$(709,529)
Motor Vehicles	60-4720-540-000		\$709,529
Transfer to Health Fund	10-9800-980-011		\$75,628
Transfer from Gen Fund	11-9800-980-510		\$(75,628)
Environ. Health Motor Vehicles	11-5100-5114-5128-540-000		75,628
Transfer to Pub Asst Fund	10-9800-980-020		\$48,170
Transfer from Gen Fund	20-9800-980-510		\$(48,170)
Social Services Motor Vehicles	20-5300-5310-540-000		48,170

## **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 26th day of January, 2016, 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 County of Gaston, North Carolina ("Purchaser") desires to finance certain equipment (the "Equipment") described in the Schedule of Property No. 3 to the Master Equipment Financing Agreement dated as of February 14, 2013 (collectively, the "Agreement") in an amount not to exceed \$3,320,000 with Banc of America Public 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 the 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 and 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: January 26th, 2016

County of Gaston, North Carolina  
Purchaser

By: 

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

Name: Tom Keigher

Title: Chairman of the Board of Commissioners

Attested By:  1/27/2016

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

Name: Donna Buff

Title: Clerk to the Board