



SUGGESTED AGENDA
Regular Meeting in the
Armory Civic Center
501 US Hwy 158 Business E., Warrenton, NC

6:00 PM
August 21, 2024

Call to Order Regular Meeting – Chairman or Designee
Moment of Silence & Pledge

Regular Meeting Agenda

1. ADOPT SUGGESTED AGENDA

Conflict of Interest Disclosure Statement

“Members of the Warren County Board of Commissioners are advised, hereby, of their duty under the State Government Ethics Act to avoid conflicts of interest and the appearance of such conflict; and, further, are instructed to refrain from participating in any matter coming before this Board of County Commissioners with respect to which there is a conflict of interest or appearance of such conflict”.

- In accordance with the State Government Ethics Act, it is the duty of every Board member to avoid both conflicts of interest and appearances of conflict.
- Does any Board member have any known conflict of interest or appearance of conflict with respect to any matter coming before this Board today?
- If so, please identify the conflict and refrain from any undue participation in the particular matter involved.

2. DISCUSSION ITEMS

- A. Presentation from KARTS - Randy Cantor
- B. Consider Approval of Resolution to Approve Lease-Purchases of Activity Buses for Warren County Schools
- C. Consider Approval of Eaton's Ferry Sewer Extension Project Ordinance in the Amount of \$400,000.00
- D. Consider Approval of Bridge 126 Project Ordinance in the Amount of \$1,043,112.00

3. ADJOURN August 21, 2024 BOARD MEETING

**WARREN COUNTY BOARD OF COMMISSIONERS
WARREN COUNTY, NORTH CAROLINA**

**RESOLUTION TO APPROVE LEASE-PURCHASES OF ACTIVITY BUSES
FOR WARREN COUNTY SCHOOLS**

WHEREAS, the Warren County Board of Education wishes to enter into a continuing contract for capital outlay under N.C. Gen. Stat. § 115C-528 with Daimler Truck Financial Services USA LLC (“DTFS”) for the purchase of certain school activity buses; and

WHEREAS, the contract requires the Warren County Board of Education to pay DTFS a total of up to \$307,495.65 over the subsequent 5 fiscal years in payments of up to \$61,499.13 for the 2024-2025 fiscal year, \$61,499.13 for the 2025-2026 fiscal year, \$61,499.13 for the 2026-2027 fiscal year, \$61,499.13 for the 2027-2028 fiscal year, and \$61,499.13 for the 2028-2029 fiscal year;

WHEREAS, the contract is a continuing contract for capital outlay subject to the provisions of N.C. Gen. Stat. § 115C-441(c1) and 115C-528, including the approval of the Warren County Board of Commissioners; and

WHEREAS, neither this resolution nor state law requires the appropriation of additional funds to the Warren County Board of Education so long as regular appropriations are sufficient to meet the contract obligations in each fiscal year of its terms.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the Warren County Board of Commissioners agrees to appropriate sufficient funds to the Warren County Board of Education to meet the DTFS contract obligations, so long as the amount the Warren County Board of Education shall be obligated to pay under that contract shall not exceed the amounts recited above. Said funds shall be a part of, and not in addition to, any regular appropriations made to the Board of Education from which the contract payments may be made. Said funds obligated by this contract for fiscal years 2024-25, 2025-26, 2026-27, 2027-28, and 2028-29 shall be budgeted by the Board of Education for this purpose, and the Warren County Board of Commissioners shall not be obligated to increase its annual appropriation to the Warren County Board of Education by the amount due under the contract.

Resolved, this ____ day of _____ 2024 by the Warren County Board of Commissioners.

Chair, Warren County Commissioners

MASTER INSTALLMENT PURCHASE AGREEMENT

This Master Installment Purchase Agreement is dated as of August 22, 2024 ("Master Agreement"), and entered into by and between Daimler Truck Financial Services USA LLC, a Delaware limited liability company ("Lender"), and Warren County Board of Education, a local board of education existing under the laws of the State of North Carolina ("Borrower").

1. Agreement. Borrower agrees to finance with Lender its installment purchase of certain "Equipment" as described in each Equipment Schedule (in substantially the form attached hereto as Exhibit A), which together with an Installment Payment Schedule (in substantially the form attached to such Equipment Schedule as Exhibit A-1) constitute a "Schedule", subject to the terms and conditions of and for the purposes set forth in the related Contract. Trucks, buses, other motor vehicles and other items of equipment and personal property may be financed under this Master Agreement from time to time by execution of individual Schedules by the parties hereto and as otherwise provided herein. Each Schedule and the terms and provisions of this Master Agreement (which includes all exhibits hereto, together with any amendments and modifications pursuant hereto) that are incorporated by reference into such Schedule shall constitute a separate and independent contract and installment purchase of the Equipment therein described and are referred to herein as a "Contract". In the event of any conflict in terms between a Schedule and this Master Agreement, the terms of the Schedule shall control in the interpretation of the Contract created thereby.

2. Term. The "Commencement Date" for each Contract is the date when interest commences to accrue under such Contract which date shall be the earlier of (a) the first date on which the Equipment listed in such Contract is accepted by Borrower in the manner described in Section 11 and the Funding Conditions under Section 8 with respect to such Contract have been satisfied, or (b) the first date on which the Funding Conditions under Section 8 with respect to such Contract have been satisfied and sufficient monies to purchase the Equipment listed in such Contract are deposited for that purpose into an Escrow Fund with an escrow agent as provided in Section 11, or (c) the date sufficient monies are set aside for acquisition of Equipment as evidenced in Exhibit D, if applicable. The "Contract Term" for each Contract means the Original Term and all Renewal Terms therein provided and for this Master Agreement means the period from the date hereof until termination of all Contracts thereunder. The "Original Term" means, with respect to a Contract, the period from the Commencement Date for such Contract until the end of Borrower's fiscal year or biennium, as the case may be (the "Fiscal Period") in effect at such Commencement Date. The "Renewal Term" for each Contract means each successive term having a duration that is coextensive with the Fiscal Period.

3. Representations and Covenants of Borrower. Borrower represents, covenants and warrants for the benefit of Lender on the date hereof and as of the Commencement Date of each Contract as follows: (a) Borrower is a public body corporate and politic duly organized and existing under the constitution and laws of the State where Borrower is located ("State") with full power and authority under the constitution and laws of the State to enter into this Master Agreement and each Contract and the transactions contemplated hereby and thereby and to perform all of its obligations hereunder and thereunder; (b) Borrower has duly authorized the execution and delivery of this Master Agreement and each Contract by proper action of its governing body at a meeting duly called and held in accordance with State law, or by other appropriate official approval, and all requirements have been met and procedures have occurred to ensure the validity and enforceability of this Master Agreement and each Contract; (c) Borrower will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic; (d) Borrower has complied with such public bidding requirements as may be applicable to this Master Agreement and each Contract and the acquisition by Borrower of the Equipment as provided in each Contract; (e) during the Contract Term, the Equipment will be used by Borrower solely and exclusively for the purpose of performing essential

governmental or proprietary functions of Borrower consistent with the permissible scope of Borrower's authority; (f) within 210 days after the end of each Fiscal Period, Borrower will provide Lender with a copy of its audited financial statements for such Fiscal Period, budgets and proof of appropriation for the ensuing Fiscal Period, and such other financial information relating to the ability of Borrower to continue each Contract as may be requested by Lender; (g) Borrower has an immediate need for the Equipment listed on each Schedule and expects to make immediate use of the Equipment listed on each Schedule; and (h) during the last ten years prior to the Commencement Date of the applicable Contract, Borrower's governing body has not failed (for whatever reason) to appropriate amounts sufficient to pay its obligations that are subject to termination or non-renewal for failure to appropriate funds.

4. Tax Covenants and Representations; Tax Indemnity. Borrower agrees that it will not take any action that would cause the interest portion of Installment Payments under any Contract to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for federal income tax purposes, nor will it omit to take or cause to be taken, in a timely manner, any action which omission would cause the interest portion of Installment Payments under a Contract to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for federal income tax purposes. Borrower agrees, to the extent applicable, to (a) complete and file in a timely manner an information reporting return with respect to each Contract as required by the Internal Revenue Code of 1986, as amended ("Tax Code"); (b) rebate an amount equal to excess earnings on any escrow or other fund created with respect to a Contract to the federal government if required by, and in accordance with, Section 148(f) of the Tax Code, and make the determinations and maintain the records required by the Tax Code; and (c) so long as any Installment Payments under a Contract remain unpaid, moneys on deposit in any Escrow Fund created with respect to a Contract as provided in Section 11 will not be used in a manner that will cause such Contract to be classified as an "arbitrage bond" within the meaning of Section 148(a) of the Tax Code.

Borrower represents to Lender on the date hereof and as of the Commencement Date of each Contract that (i) Borrower has a the power of eminent domain under applicable State law; (ii) neither Borrower nor any agency or unit of Borrower has on hand any property, including cash and securities, that is legally required or otherwise restricted (no matter where held or the source thereof) to be used directly or indirectly to purchase the Equipment under the related Contract; (iii) Borrower has not and will not establish any funds or accounts (no matter where held or the source thereof) the use of which is legally required or otherwise restricted to pay directly or indirectly Installment Payments under a Contract; (iv) Borrower does not intend to sell or otherwise dispose of the Equipment or any interest therein prior to the conclusion of the Contract Term of the related Contract; (v) the payment of the Installment Payments or any portion thereof under each Contract is not (under the terms of this Master Agreement or any Contract) directly or indirectly (A) secured by any interest in property used or to be used in any activity carried on by any person other than a state or local governmental unit or payments in respect of such property or (B) on a present value basis, derived from payments (whether or not to Borrower) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit;

(vi) the Equipment will not be used, directly or indirectly, in any activity carried on by any person other than a state or local government unit; (vii) no portion of the purchase price for the Equipment will be used, directly or indirectly, to make or finance loans to any person other than Borrower; (viii) Borrower has not entered into any management or other service contract with respect to the use and operation of the Equipment; (ix) Borrower has entered into, or will enter into, each Contract for the purpose of purchasing and acquiring the Equipment and not for the purpose of refinancing any outstanding obligation

of Borrower more than 90 days in advance of its payment or prepayment date; and (x) the purchase price for the Equipment has been or will be paid directly by Lender to the supplier thereof, and no portion of the purchase price for the Equipment has been or will be paid to Borrower as reimbursement for any expenditures paid by Borrower more than 60 days prior to the Commencement Date of the applicable Contract or, if earlier, more than 60 days prior to any official action taken to evidence an intent to finance the Equipment on a federally tax-exempt basis.

If Borrower takes any action or fails to take any action (including, without limitation, breaching any covenant contained in this Section 4), or makes any intentional misrepresentation herein or in any certificate or document required to be given in connection with this Master Agreement or any Contract, in any case which causes or results in the interest portion of Installment Payments under such Contract to be or become includible in gross income of the owner or owners thereof for federal income tax purposes, Borrower agrees to pay (subject to Section 7) promptly after any such determination of taxability and on each Installment Payment due date thereafter to Lender an additional amount determined by Lender to compensate such owner or owners for the loss of such excludability (including without limitation, compensation relating to interest expense, penalties or additions to tax), which determination shall be conclusive (absent manifest error).

Lender and Borrower intend that each Contract constitute a "conditional sale" for federal income tax purposes and, therefore, Lender and Borrower intend that Borrower be considered the owner of the Equipment under each Contract for federal income tax purposes.

5. Financing Installment Purchase of Equipment. Upon satisfaction of the Funding Conditions set forth in Section 8 with respect to a Contract and execution and delivery of such Contract, Lender advances funds to provide for, and Borrower borrows funds from Lender to finance, Borrower's installment purchase and acquisition of the Equipment in accordance with the terms thereof. The Contract Term for each Contract may be continued, solely at the option of Borrower, at the end of its Original Term or any Renewal Term for the next succeeding Renewal Term up to the maximum Contract Term set forth in such Contract. At the end of the Original Term and at the end of each Renewal Term the Contract Term shall be automatically extended upon the successive appropriation by Borrower's governing body of amounts sufficient to pay Installment Payments and other amounts payable under the related Contract during the next succeeding Fiscal Period until all Installment Payments payable under such Contract have been paid in full, unless Borrower shall have terminated such Contract pursuant to Section 7 or Section 22. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Installment Payments shall be as provided in the applicable Contract.

6. Continuation of Contract Term. Borrower currently intends, subject to Section 7, to continue the Contract Term of each Contract through its Original Term and all of its Renewal Terms and to pay the Installment Payments and other amounts thereunder. Borrower reasonably believes that legally available funds in an amount sufficient to make all Installment Payments and other payments during the maximum Contract Term of each Contract can be obtained. Borrower currently intends to do all things lawfully within its power to obtain and maintain funds from which the Installment Payments may be made, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable provisions of law. Notwithstanding the foregoing, the decision whether or not to budget and appropriate funds or to extend the applicable Schedule for any Renewal Term is within the discretion of the governing body of Borrower.

7. Non-appropriation. Borrower is obligated only to pay such Installment Payments and other

amounts under each Contract as may lawfully be made from funds budgeted and appropriated for that purpose. If Borrower's governing body fails to appropriate sufficient funds in any Fiscal Period to pay Installment Payments and other amounts when due under any Contract during the next succeeding Fiscal Period (a "Event of Non-Appropriation"), then (a) Borrower shall deliver written notice to Lender of such Event of Non-Appropriation at least 30 days prior to the end of the then current Fiscal Period, but failure to deliver such notice shall not extend the Contract Term; (b) on or before the Return Date, Borrower shall cease use of the Equipment covered by the affected Contract and peaceably remove and deliver all (but not less than all) of such Equipment to Lender, at Borrower's expense (from legally available funds) at the location(s) in the United States to be specified by Lender and in the condition required by Section 13; and (c) the affected Contract shall terminate on the Return Date without penalty or expense to Borrower, *provided* that Borrower shall pay all Installment Payments and other amounts payable under the affected Contract for which funds shall have been appropriated, and *provided further* that Borrower shall pay month-to-month rent at the rate set forth in the affected Contract for each month or part thereof that Borrower fails to return the Equipment under the affected Contract as provided in this Section 7. "Return Date" means the last day of the Fiscal Period for which appropriations were made for the Installment Payments due under a Contract.

8. Conditions to Lender's Performance. This Master Agreement is not a commitment by Lender or Borrower to enter into any Contract not currently in effect, and nothing in this Master Agreement is intended or shall be construed to impose any obligation upon Lender or Borrower to enter into any proposed Contract, it being understood that whether Lender or Borrower enters into any proposed Contract shall be a decision solely within their respective discretion. Lender shall have no obligation to pay the purchase price for Equipment to a supplier or deposit any amount into an Escrow Fund as provided in Section 11 unless all reasonable conditions established by Lender ("Funding Conditions") have been satisfied, including, without limitation, the following:

(a) Borrower has signed and delivered to Lender the Schedule and the related Escrow Agreement (if applicable); (b) no Event of Default or Event of Non-Appropriation shall have occurred and be continuing under any Contract; (c) no material adverse change shall have occurred in the financial condition of Borrower since the date of this Master Agreement; (d) the Equipment to be described in such Schedule is reasonably satisfactory to Lender and is free and clear of any security interests, liens or other encumbrances (except the security interest provided in this Master Agreement to secure Borrower's obligations to Lender under the related Contract); (e) all representations of Borrower in each Contract remain true, accurate and complete; and (f) Lender has received all of the following documents, which shall be reasonably satisfactory, in form and substance, to Lender: (1) evidence of insurance coverage or self-insurance required by Section 17; (2) an opinion of Borrower's counsel in substantially the form attached as Exhibit C hereto; (3) if any items of Equipment are motor vehicles, properly completed certificates of title or certificates of origin (or applications therefor) for such vehicles and noting Lender's interest thereon; (4) for Equipment other than motor vehicles, such Uniform Commercial Code financing statements as Lender may require; (5) copies of resolutions by Borrower's governing body duly authorizing the Contract and incumbency certificates for the person(s) who will sign the Contract; (6) such documents, opinions and certificates as Lender may request relating to applicable federal tax-exemption of the interest portion of Installment Payments payable under the Contract, including (without limitation) IRS Form 8038-G or 8038-GC and evidence of the adoption of a reimbursement resolution or other official action in the event that Borrower is to be reimbursed for expenditures that it has paid more than sixty days prior to the date on which the Funding Conditions are satisfied; (7) if applicable, a certificate of an authorized official of Borrower designating the Contract as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Tax Code; and (8) such other documents and

information previously identified by Lender or otherwise reasonably requested by Lender. Borrower shall cooperate with Lender in Lender's review of any proposed Contract. Without limiting the foregoing, Borrower will provide Lender with any documentation or information Lender may request in connection with Lender's review of any proposed Contract. Such documentation may include, without limitation, documentation concerning the Equipment and its contemplated use and location and documentation or information concerning the financial status of Borrower and other matters related to Borrower. Credit information relating to Borrower may be disseminated among Lender and any of its successors and assigns.

9. Installment Payments. Borrower shall promptly pay "Installment Payments" as described in Exhibit A-1 to each Contract, in lawful money of the United States of America, to Lender on the dates and in such amounts as provided in each Contract. Following 30 days prior written notice by Borrower of late payment, Borrower shall pay Lender a charge on any Installment Payment not paid within 30 days of the date such payment is due at the rate of 12% per annum or the maximum rate permitted by law, whichever is less, from such date until paid. Installment Payments consist of principal and interest portions as more fully detailed on the Schedule for each Contract. Lender and Borrower understand and intend that the obligation of Borrower to pay Installment Payments under each Contract shall constitute a current expense of Borrower payable solely from its general fund or other funds that are legally available for that purpose and shall not in any way be construed to be a debt of Borrower in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Borrower, nor shall anything contained in this Master Agreement or in a Contract constitute a pledge of the general tax revenues, funds or monies of Borrower.

10. INSTALLMENT PAYMENTS TO BE UNCONDITIONAL. EXCEPT AS PROVIDED IN SECTION 7, THE OBLIGATIONS OF BORROWER TO MAKE INSTALLMENT PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED IN EACH CONTRACT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION ANY FAILURE OF THE EQUIPMENT TO BE DELIVERED OR INSTALLED, DISPUTES WITH ANY SUPPLIER OR VENDOR OF ANY EQUIPMENT OR LENDER, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE EQUIPMENT OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES.

11. Delivery and Acceptance by Borrower. Borrower shall order the Equipment to be subject to a Contract, cause such Equipment to be delivered and installed at the location specified in such Contract, and pay any and all delivery, installation and other costs in connection therewith. When the Equipment listed in any Contract has been delivered and acceptance tested, Borrower shall immediately accept such Equipment and evidence said acceptance by executing and delivering to Lender an Acceptance Certificate (in substantially the form attached hereto as Exhibit B) whereupon, as between Lender and Borrower, the Equipment shall be deemed to have been unconditionally accepted by Borrower for all purposes of the applicable Contract. Subject to satisfaction of the Funding Conditions with respect to the related Contract, Lender shall pay to such supplier or vendor as directed by Borrower on the Commencement Date for such Contract the purchase price for such Equipment in an amount equal to the aggregate principal portion of Installment Payments under the applicable Contract, unless Lender and Borrower otherwise agree in the related Schedule. During the Contract Term of each Contract, Borrower shall be entitled to quiet use and enjoyment of the Equipment identified therein, subject to the terms of the applicable Contract.

As an alternative to acceptance of the Equipment and payment by Lender of the purchase price therefor on behalf of Borrower under a Contract as provided in the next preceding paragraph, Lender and Borrower may agree with respect to a Contract and the Equipment to be acquired and financed thereunder to enter into an escrow agreement (an "Escrow Agreement") relating to such Contract, dated the Commencement Date of such Contract, among Lender, Borrower and the escrow agent therein identified, relating to the creation and administration of an escrow fund (an "Escrow Fund") thereunder. Subject to satisfaction of the Funding Conditions with respect to the related Contract, Lender shall deposit funds into the related Escrow Fund on the Commencement Date for such Contract for payment of the costs to purchase and acquire the Equipment under such Contract, and such funds (including investment earnings thereon) shall be disbursed in accordance with the applicable Escrow Agreement. Borrower shall pay the excess (if any) of the actual costs of purchasing and acquiring the Equipment under a Contract over the amount deposited by Lender in the related Escrow Fund and interest earnings thereon.

During the Contract Term of each Contract, Borrower shall be entitled to quiet use and enjoyment of the Equipment identified therein, subject to the terms of the applicable Contract.

12. Location; Inspection. Once installed, no item of the Equipment will be moved from the location (or the base location with respect to motor vehicles) specified for it in the related Contract without Lender's prior written consent, which consent shall not be unreasonably withheld. Lender shall have the right at all reasonable times during regular business hours to enter into and upon the property where the Equipment is located for the purpose of inspecting the Equipment.

13. Use; Maintenance. Borrower will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by the related Contract. Borrower shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Borrower agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body. Borrower agrees that it will, at Borrower's own cost and expense, maintain, preserve and keep the Equipment in good repair and working order, in a condition comparable to that recommended by the manufacturer. Lender shall have no responsibility to maintain, repair or make improvements or additions to the Equipment.

Borrower shall not alter any item of Equipment or install any accessory, equipment or device on an item of Equipment if that would impair any applicable warranty, the originally intended function or the value of that Equipment. All repairs, accessories, equipment and devices furnished, affixed to or installed on any Equipment, excluding temporary replacements, shall thereupon become subject to the security interest of Lender.

14. Title. During the Contract Term under each Contract, and so long as Borrower is not in default under Section 24, all right, title and interest in and to each item of the Equipment under the related Contract shall be vested in Borrower immediately upon its acceptance of each item of Equipment, subject to the terms and conditions of the applicable Contract. Upon the occurrence of an Event of Default under a Contract (as provided in Section 24) or upon termination of a Contract pursuant to Section 7, full and unencumbered legal title to the Equipment shall, at Lender's option, pass to Lender, and Borrower shall have no further interest therein. In addition, upon the occurrence of such an Event of Default or such termination, Borrower shall execute and deliver to Lender such documents as Lender may request to evidence the passage of such legal title to Lender and the termination of Borrower's interest therein, and

upon request by Lender shall deliver possession of the Equipment to Lender in accordance with Section 7 or Section 25, as applicable. Upon payment or prepayment of all amounts due and owing under a Contract in accordance with its terms, Lender's security interest or other interest in the Equipment under such Contract shall terminate, and Lender shall execute and deliver to Borrower such documents as Borrower may request to evidence the termination of Lender's security interest in the Equipment subject to the related Contract.

15. Security Interest. To secure the payment and performance of all of Borrower's obligations under each Contract, upon the execution of such Contract, Borrower grants to Lender a security interest constituting a first and exclusive lien on the Equipment subject to such Contract, on the moneys and investments held from time to time in any related Escrow Fund and on any and all proceeds of any of the foregoing. Borrower agrees to execute and deliver such additional documents, in form satisfactory to Lender, which Lender deems necessary or appropriate to establish and maintain its security interest in the Equipment, including, without limitation, such financing statements with respect to personal property under Article 9 of the Uniform Commercial Code in effect in the State and treating such Article 9 as applicable to entities such as Borrower. The Equipment is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated.

16. Liens, Taxes, Other Governmental Charges and Utility Charges. Borrower shall at all times protect and defend, at its own cost and expense, its title in and to the Equipment from and against all claims, liens and legal processes of its creditors and keep the Equipment free and clear of all such claims, liens and legal processes except those created by the related Contract. The parties to this Master Agreement contemplate that the Equipment under each Contract will be used for governmental or proprietary purposes of Borrower and that the Equipment will therefore be exempt from all property and other taxes. Nevertheless, Borrower shall pay promptly when due or reimburse Lender for, and hold Lender harmless from: (a) all titling, recordation, filing, registration, documentary stamp and other fees; (b) taxes (other than taxes calculated solely on the basis of Lender's net income), including but not limited to transfer, sales, use, excise, gross receipts, value added and personal property taxes; and (c) assessments and all other charges or withholdings of any nature (together with any penalties, fines or interest on any such fees, taxes, assessments, charges or withholdings) arising at any time relating to the Equipment or any Contract or with respect to the use, possession, acquisition, ownership, operation, delivery, return or other disposition of any Equipment or upon the Installment Payments, whether the same be assessed to Lender or Borrower. Borrower and Lender shall cooperate in providing each other with any appropriate resale or governmental exemption certificates, sale-for-lease exemption certificates and other similar documentation, if applicable. Unless otherwise required by applicable law, Borrower shall timely make all filings, reports or returns with respect to any applicable fees and taxes. If Lender is required by applicable law to make any such filing, report or return, Borrower shall promptly notify Lender in writing, provide Lender with all information required in order for Lender to timely file any and all of the same and pay all costs and expenses related thereto from legally available funds. Borrower shall pay all utility and other charges incurred in the use and maintenance of the Equipment as the same may become due.

17. Insurance. At its own expense, Borrower shall during the Contract Term of each Contract maintain (a) casualty insurance insuring the Equipment under such Contract against loss or damage by fire, collision 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 then applicable " Prepayment Price" of the Equipment as described in Exhibit A-1 of each Contract; (b) liability insurance that protects Borrower from liability in all events in form and amount satisfactory to Lender as set forth in the attachment hereto titled "Insurance Coverage Requirements"; and (c) workers'

compensation coverage as required by the laws of the State; provided that, with Lender's prior written consent, Borrower may self-insure against the risks described in clauses (a) and (b). Borrower shall furnish to Lender evidence of such insurance or self-insurance coverage throughout the Contract Term of each Contract. Borrower shall not materially modify or cancel such insurance or self-insurance coverage without first giving written notice thereof to Lender at least 10 days in advance of such cancellation or modification. Lender shall be named as a loss payee with respect to all casualty insurance described in clause (a) above and as an additional insured with respect to all liability insurance described in clause (b) above.

18. Advances. In the event Borrower shall fail to keep the Equipment in good repair and working order pursuant to Section 13 or to maintain any insurance required by Section 17, 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. All amounts so advanced by Lender shall constitute additional consideration for the then current Original Term or Renewal Term under the affected Contract, and Borrower agrees to pay such amounts so advanced by Lender with interest thereon from the advance date until paid at the rate of 12% per annum or the maximum rate permitted by law, whichever is less.

19. Damage, Destruction and Condemnation. If (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, Borrower and Lender will cause the Net Proceeds to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment to substantially the same condition as existed prior to the event causing such damage, destruction, or condemnation, unless Borrower shall have exercised its option to prepay its obligations under the related Contract pursuant to Section 22. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Borrower.

For purposes of this Section, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof. If the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement referred to herein, Borrower shall either (i) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds from funds legally available for that purpose, or (ii) prepay its obligations under the related Contract pursuant to Section 22. The amount of the Net Proceeds, if any, remaining after completing such replacement, repair, restoration, modification or improvement or after prepaying its obligations under such Contract pursuant to Section 22 shall be retained by Borrower. If Borrower shall make any payments pursuant to this Section, Borrower shall not be entitled to any reimbursement therefor from Lender nor shall Borrower be entitled to any diminution of the amounts payable under Section 9.

20. DISCLAIMER OF WARRANTIES. BORROWER ACKNOWLEDGES THAT LENDER IS NOT THE SUPPLIER OR VENDOR OF ANY OF THE EQUIPMENT. LENDER MAKES NOW WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR WARRANTY WITH RESPECT THERETO WHETHER EXPRESS OR IMPLIED. AS BETWEEN BORROWER AND LENDER, BORROWER ACCEPTS ALL SUCH EQUIPMENT AS IS AND WITH ALL FAULTS. BORROWER AGREES TO SETTLE ALL CLAIMS WITH RESPECT TO THE EQUIPMENT DIRECTLY WITH THE SUPPLIER

OR VENDOR AND WILL NOT ASSERT OR SEEK TO ENFORCE ANY SUCH CLAIMS AGAINST LENDER OR ITS ASSIGNEE. IN NO EVENT SHALL LENDER BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF ANY CONTRACT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR BORROWER'S USE OF ANY ITEM, PRODUCT OR SERVICE PROVIDED FOR IN ANY CONTRACT.

21. Vendor's Warranties. Lender hereby irrevocably appoints Borrower as its agent and attorney-in-fact during the Contract Term of each Contract, so long as Borrower shall not be in default under such Contract, to assert from time to time whatever claims and rights (including without limitation warranties) relating to the Equipment that Lender may have against Vendor. The term "Vendor" means any supplier or manufacturer of the Equipment as well as the agents or dealers of the manufacturer or supplier from whom Borrower purchased or is purchasing such Equipment. Borrower's sole remedy for the breach of such warranty, indemnification or representation shall be against Vendor of the Equipment, and not against Lender. Any such matter shall not have any effect whatsoever on the rights or obligations of Lender with respect to any Contract, including the right to receive full and timely Installment Payments and other payments under each Contract. Borrower expressly acknowledges that Lender makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties by Vendor of the Equipment.

22. Prepayment Option. Borrower shall have the option to prepay all, but not less than all, its obligations under a Contract, upon giving written notice to Lender at least 30 days before the prepayment date, at the following times and upon the following terms: (a) on the Installment Payment due dates specified in such Contract, upon payment in full of the Installment Payments then due and all other amounts then owing under such Contract plus the then applicable Prepayment Price as referenced in Exhibit A-1 to such Contract, which may include a premium on the unpaid principal balance; or (b) in the event of substantial damage to or destruction or condemnation of substantially all of the Equipment listed in such Contract, on the day specified in Borrower's notice to Lender of its exercise of the prepayment option upon payment in full to Lender of the Installment Payments then due and all other amounts then owing under such Contract plus the then applicable Prepayment Price plus accrued interest from the immediately preceding Installment Payment due date to such prepayment date.

23. Assignment. Lender's right, title and interest in and to each Contract, including Installment Payments and any other amounts payable by Borrower thereunder and all proceeds therefrom, may be assigned and reassigned at any time and from time to time to one or more assignees or subassignees by Lender without the necessity of obtaining the consent of Borrower. During the term of this Master Agreement, Borrower shall keep, or cause to be kept, a complete and accurate record of all such assignments in form necessary to comply with Section 149 of the Tax Code. For this purpose, Borrower appoints Lender to act as its registration agent, which appointment Lender hereby accepts. Lender agrees on Borrower's behalf to maintain such record of all assignments. Borrower agrees to execute all documents that may be reasonably requested by Lender or any assignee to protect its interests and property assigned pursuant to this Section. Borrower shall not have the right to and shall not assert against any assignee any claim, counterclaim or other right Borrower may have against Lender or Vendor. Assignments may include without limitation assignment of all of Lender's security interest in and to the Equipment listed in a particular Contract and any related Escrow Fund and all rights in, to and under the Contract related to such Equipment and any related Escrow Agreement. Borrower hereby agrees that Lender may, without notice to Borrower, sell, dispose of, or assign any particular Contract or Contracts through a pool, trust, limited partnership, or other similar entity, whereby one or more interests are created

in a Contract or Contracts, or in the Equipment listed in or the Installment Payments under a particular Contract or Contracts.

None of Borrower's right, title and interest in, to and under any Contract or any portion of the Equipment listed in any Contract or in any Escrow Fund may be assigned, subleased, or encumbered by Borrower for any reason without obtaining prior written consent of Lender, which consent may be withheld, conditioned or delayed in the sole discretion of Lender. Any purported assignment, sublease or encumbrance without Lender's prior written consent shall be null and void.

24. Events of Default.

- a) **Borrower Default.** Any of the following events shall constitute an "Event of Default" under a Contract: (a) failure by Borrower to (i) pay any Installment Payment or other payment required to be paid under such Contract at the time specified therein or (ii) maintain insurance as required under such Contract; (b) failure by Borrower to observe and perform any covenant, condition or agreement contained in this Master Agreement or such Contract on its part to be observed or performed, other than as referred to in subparagraph (a) above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to Borrower by Lender, unless Lender shall agree in writing to an extension of such time prior to its expiration; *provided* that, if the failure stated in the notice cannot be corrected within the applicable period, Lender will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Borrower within the applicable period and diligently pursued until the default is corrected; (c) any statement, representation or warranty made by Borrower in or pursuant to any Contract shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made; (d) Borrower institutes any proceedings under any bankruptcy, insolvency, reorganization or similar law or a receiver or similar official is appointed for Borrower or any of its property; or (e) an Event of Default occurs under any other Contract.
- b) **Lender Default.** Lender shall be in default under this Agreement upon the happening of any of the following events or conditions ("Events of Default"), unless such Event of Default shall have been specifically waived by Borrower in writing: (a) Default by Lender in the performance of any obligation, covenant or liability contained in this Agreement and the continuance of such default for 10 consecutive business days after written notice thereof by Borrower to Lender, or (b) any warranty, representation or statement made or furnished to Borrower by or on behalf of Lender proves to have been false in any material respect when made or furnished, or (c) dissolution, termination of existence, discontinuance of the Lender, insolvency, failure to pay debts as they mature, or appointment of a receiver of any part of the property of, or assignment for the benefit of creditors by the Lender, or the commencement of any proceedings under any bankruptcy, reorganization or arrangement laws by or against the Lender.

25. Remedies on Default.

- a. Whenever any Borrower Event of Default exists under a Contract, Lender shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps: (a) by written notice to Borrower, Lender may declare all Installment Payments payable by Borrower pursuant to such Contract and other amounts payable by Borrower under such Contract to the end of the then current Original Term or

Renewal Term to be immediately due and payable; (b) with or without terminating the Contract Term under such Contract, Lender may enter the premises where the Equipment listed in such Contract is located and retake possession of such Equipment or require Borrower at Borrower's expense to promptly return any or all of such Equipment to the possession of Lender at such place within the United States as Lender shall specify, and sell such Equipment or, for the account of Borrower, lease such Equipment, continuing to hold Borrower liable, but solely from legally available funds, for the difference between (i) the Installment Payments payable by Borrower pursuant to such Contract and other amounts related to such Contract or the Equipment listed therein that are payable by Borrower to the end of the then current Original Term or Renewal Term, as the case may be, and (ii) the net proceeds of any such sale or leasing (after deducting all expenses of Lender in exercising its remedies under such Contract, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees), subject, however, to the provisions of Section 7. The exercise of any such remedies in respect of any such Event of Default shall not relieve Borrower of any other liabilities under any other Contract or the Equipment listed therein; (c) Lender may terminate any Escrow Agreement relating to such Contract and apply any proceeds in the Escrow Fund thereunder to the Installment Payments under such Contract; and (d) Lender may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under such Contract or as a secured party in any or all of the Equipment and any related Escrow Fund. Any net proceeds from the exercise of any remedy under a Contract (after deducting all costs and expenses described in this Section) shall be applied as follows: (i) if such remedy is exercised solely with respect to a single Contract, Equipment listed in such Contract or rights thereunder, then to amounts due pursuant to such Contract and other amounts related to such Contract or such Equipment; or (ii) if such remedy is exercised with respect to more than one Contract, Equipment listed in more than one Contract or rights under more than one Contract, then to amounts due pursuant to such Contracts pro-rat

- b. Whenever any Lender Event of Default exists under a Contract or this Agreement, Borrower may, after reasonable written notice to Lender of its intentions, surrender possession of the Property to Lender, terminate this Agreement, extinguish any further obligation to make Installment Payments hereunder, seek reimbursement or refund of any Installment Payments made, and/or claim an abatement or reduction of the Installment Payments. No right or remedy herein conferred upon or reserved to Borrower is exclusive of any right or remedy herein or at law or in equity or otherwise provided or permitted, but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time.

26. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lender is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under a Contract now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lender to exercise any remedy reserved to it in Section 25 it shall not be necessary to give any notice other than such notice as may be required in Section 25.

27. Notices. All notices or other communications under any Contract shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, or delivered by

overnight courier, to the parties hereto at the addresses listed below (or at such other address as either party hereto shall designate in writing to the other for notices to such party), or to any assignee at its address as it appears on the registration books maintained by Lender (as Borrower's registration agent as provided in Section 23).

28. General Indemnification. To the fullest extent permitted by State law, Borrower shall indemnify, defend and hold harmless Lender from and against any and all liability, obligation, loss, claim, tax and damage whatsoever, regardless of cause thereof, and all expenses in connection therewith (including, without limitation, attorney's fees and expenses and court costs and expense) arising out of or as result of (a) entering into this Master Agreement or any Contract or any of the transactions contemplated hereby or thereby, (b) the ownership of any item of Equipment, (c) the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of Equipment, (d) any accident in connection with the operation, use, condition, possession, storage or return of any item of Equipment resulting in damage to property or injury to or death to any person, and/or (e) the breach of any covenant of Borrower or any material representation of Borrower contained in this Master Agreement or a Contract. The indemnification and obligations arising under this Section shall be payable solely from funds legally available for such purpose and shall continue in full force and effect notwithstanding the full payment of all obligations under all Contracts or the termination of the Contract Term under all Contracts for any reason. This indemnification provision shall not be construed as a waiver of any governmental immunity available to Borrower under applicable state law.

29. Miscellaneous Provisions. Each Contract shall inure to the benefit of and shall be binding upon Lender and Borrower and their respective successors and assigns. References herein to "Lender" shall be deemed to include successors and each of Lender's assignees and subsequent assignees from and after the effective date of each assignment as permitted by Section 23. In the event any provision of any Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision thereof. Each Contract may be amended by mutual written consent of Lender and Borrower. Each Contract and this Master Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. The captions or headings in this Master Agreement and in each Contract are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Master Agreement or any Contract. This Master Agreement and each Contract shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, Lender and Borrower have caused this Master Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

(LENDER)
Daimler Truck Financial Services

USALLC
14372 Heritage Parkway, Ste 400
Fort Worth, TX 76177

(BORROWER)
Warren County Board of
Education

Daimler
Truck Financial

ByX _____
Name _____
Title _____

ByX _____
Name Victoria Lehman
Title Board Chair

July 15, 2024

Warren County PS

Tax-exempt Installment financing of the following equipment, subject to annual appropriation.

DESCRIPTION OF EQUIPMENT

No of Units

COST

Thos. C-2

2

\$275,574.00

ry Date:
i Payment: None
ce:

TOTAL: \$275,574.00

Amortization Schedule

Years	Date	Financing	Installment Payment	Interest	Principal	Balance
	08/15/24	275,574.00	-	-	-	275,574.00
1	08/15/24	-	61,499.13	-	61,499.13	214,074.87
2	08/15/25	-	61,499.13	12,418.82	49,080.31	164,994.56
3	08/15/26	-	61,499.13	9,571.59	51,927.54	113,067.02
4	08/15/27	-	61,499.13	6,559.20	54,939.93	58,127.09
5	08/15/28	-	61,499.13	3,372.04	58,127.09	-
	TOTALS	-	307,495.65	31,921.65	275,574.00	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
Grand Total		\$ 275,574.00	\$ 307,495.65	\$ 31,921.65	\$ 275,574.00	-

pires: August 8, 2024
45481

MEMORANDUM

TO: Warren County Board of Commissioners

FROM: Nikki Dickerson, Finance Director

DATE: September 9, 2024

RE: Recommendation for Approval of Project Ordinance – Eaton’s Ferry Sewer Extension

Background

Eaton’s Ferry Sewer Extension Project Ordinance (see attached) is being presented for approval. This ordinance does the following:

Section 1. The project authorized is the Eaton’s Ferry Sewer Extension.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the above statute and the budget contained within.

Section 3. The following revenues are anticipated to be available to complete the project:

Transfer from General Fund – Fund 89	<u>\$400,000</u>
---	-------------------------

Section 4. The following amounts are appropriated for the project:

Bridge 126 Expenses	<u>\$400,000</u>
----------------------------	-------------------------

Section 5. The Finance Officer is hereby directed to maintain with the Capital Project Fund sufficient detailed accounting records required by federal and state regulations.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments as due.

Section 7. Copies of this project ordinance shall be entered into the minutes of the governing board and filed with the Finance Officer.

CAPITAL PROJECT ORDINANCE WARREN COUNTY

Eaton's Ferry Sewer Extension – Fund 89

BE IT ORDAINED by the Warren County Board of Commissioners that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Capital Project Ordinance is hereby adopted:

Section 1. The project authorized is the Eaton's Ferry Sewer Extension.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the above statute and the budget contained within.

Section 3. The following revenues are anticipated to be available to complete the project:

Transfer from General Fund – Fund 89	\$400,000
---	------------------

Section 4. The following amounts are appropriated for the project:

Eaton's Ferry Sewer Extension Expenses	<u>\$400,000</u>
---	-------------------------

Section 5. The Finance Officer is hereby directed to maintain with the Capital Project Fund sufficient detailed accounting records required by federal and state regulations.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments as due.

Section 7. Copies of this project ordinance shall be entered into the minutes of the governing board and filed with the Finance Officer.

Adopted this 9th day of September, 2024.

Warren County Board of Commissioners

Jennifer Pierce, Chairman

ATTEST:

Paula Pulley, Clerk to the Board

MEMORANDUM

TO: Warren County Board of Commissioners

FROM: Nikki Dickerson, Finance Director

DATE: September 9, 2024

RE: Recommendation for Approval of Project Ordinance – Bridge 126

Background

Bridge 126 Project Ordinance (see attached) is being presented for approval. This ordinance does the following:

Section 1. The project authorized is the Bridge 126.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the above statute and the budget contained within.

Section 3. The following revenues are anticipated to be available to complete the project:

Transfer from General Fund – Fund 89	<u>\$1,043,112</u>
---	---------------------------

Section 4. The following amounts are appropriated for the project:

Bridge 126 Expenses	<u>\$1,043,112</u>
----------------------------	---------------------------

Section 5. The Finance Officer is hereby directed to maintain with the Capital Project Fund sufficient detailed accounting records required by federal and state regulations.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments as due.

Section 7. Copies of this project ordinance shall be entered into the minutes of the governing board and filed with the Finance Officer.

CAPITAL PROJECT ORDINANCE WARREN COUNTY

Bridge 126 – Fund 89

BE IT ORDAINED by the Warren County Board of Commissioners that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Capital Project Ordinance is hereby adopted:

Section 1. The project authorized is the Bridge 126.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the above statute and the budget contained within.

Section 3. The following revenues are anticipated to be available to complete the project:

Transfer from General Fund – Fund 89	<u>\$1,043,112</u>
---	---------------------------

Section 4. The following amounts are appropriated for the project:

Bridge 126 Expenses	<u>\$1,043,112</u>
----------------------------	---------------------------

Section 5. The Finance Officer is hereby directed to maintain with the Capital Project Fund sufficient detailed accounting records required by federal and state regulations.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments as due.

Section 7. Copies of this project ordinance shall be entered into the minutes of the governing board and filed with the Finance Officer.

Adopted this 9th day of September, 2024.

Warren County Board of Commissioners

Jennifer Pierce, Chairman

ATTEST:

Paula Pulley, Clerk to the Board