



**ROWAN COUNTY COMMISSION AGENDA
SPECIAL MEETING**

January 23, 2023 - 3:00 PM

Join from a PC, Mac, iPad, iPhone or Android device:

<https://bit.ly/rowanboc012323>

Password:012323

Or join by phone:

Dial: (602) 753-0140 (720) 928-9299 (213) 338-8477

Webinar ID: 932 1645 1696

Password:012323

Call to Order

Invocation

Pledge of Allegiance

Consider Approval of the Agenda

Board members are asked to voluntarily inform the Board if any matter on the agenda might present a conflict of interest or might require the member to be excused from voting.

- 1 West End Plaza Financing
- 2 Adjournment

Individuals with disabilities who need modifications to access the services or public meetings of Rowan County Government may contact the Clerk to the Board of Commissioners three days prior to the meeting by calling (704) 216-8181 or by utilizing the North Carolina relay number at 1-800-735-2962 (English) or 1-888-825-6570 (Spanish). For additional communication options, please consult: <https://relaync.com>.

ROWAN COUNTY
A COUNTY COMMITTED TO EXCELLENCE



130 West Innes Street - Salisbury, NC 28144
TELEPHONE: 704-216-8180 * FAX: 704-216-8195

MEMO TO COMMISSIONERS:

FROM: Anna Bumgarner, Finance Director
DATE: 1/23/23
SUBJECT: West End Plaza Financing

ATTACHMENTS:

Description

Supporting Documents

Upload Date

1/24/2023

Type

Backup Material

Summary:

Estimated Projected Cost Was: \$36,424,052
Actual Projected Cost: \$30,509,385
Savings: \$5,914,667 or 16%

1. Award the bid to Wharton – Smith, INC Construction Group in the amount of \$25,630,800 including all alternates. (Attachment 1 & 2)

2. Approve total project cost at:

| | |
|----------------|--------------|
| Construction: | \$25,630,800 |
| Contingency: | \$1,922,310 |
| Design Fees: | \$1,287,025 |
| Soft Cost: | \$1,524,500 |
| Closing Cost: | \$79,750 |
| First Tyron: | \$30,000 |
| Attorney Fees: | \$35,000 |

TOTAL: \$30,509,385

3. Award the financing agreement to TD Bank, N.A. to finance \$28,600,000 and authorize the County Manager to execute said agreement. (Attachment 3)

(Note the current exhibit A-1 will need to reflect an updated Amortization Schedule similar to the one shown in (Attachment 4))

Summary of Terms:

| | |
|-------------|--|
| Par Amount: | \$28,600,000 |
| Maturities: | February 1, 2024 – February 1, 2038 (15 Years) |
| Interest: | 3.57% |

4. Approve the Financing Resolution with TD Bank, N.A. (Attachment 5)
5. Authorize the use of \$1,922,310 from the West End Plaza Reserve to be used to pay for the project.
6. Authorize the County Manager or County Attorney to execute any and all loan documents including but not limited the Promissory Note and Deed of Trust.

January 20, 2023

Aaron Church
County Manager
Rowan County
130 W Innes St # 210
Salisbury, NC 28144

Re: West End Plaza Agricultural Center Renovations
ADW Project No. 19006

Aaron,

ADW Architects was pleased to have assisted in the bidding process for this project. Bids were received and have been evaluated. ADW recommends Rowan County award the construction contract to Wharton-Smith, Inc. Construction Group we believe to be the lowest responsive bidder with a Base Bid of \$14,611,000.

ADW recommends acceptance of Alternates, No. 1,1A,2,3,4,5,6,7,8,9,10,11,12,13,14&15. By accepting these Alternates, ADW recommends Rowan County to enter into Contract for Construction with Wharton-Smith, Inc. Construction Group in the amount of \$25,630,800. Please see the breakdown below for the total construction cost.

| | |
|--|--------------|
| Base bid amount | \$14,611,000 |
| Alternate No. 1: Exterior alterations, new entries and canopies at original Belk Building. See drawings for noted Alternate 1 items. | \$2,900,000 |
| Alternate No. 1A – Removal and replacement of the monolithic sidewalk plan-north and plan-northwest of the original Belk Building. See drawings for noted Alternate 1A items. | \$106,000 |
| Alternate No. 2 – Parking lot and site alterations around the original Belk Building. Outdoor pavilion/classroom, landscaping, green space. See drawings for noted Alternate 2 items. | \$2,525,000 |
| Alternate No. 3 – Exterior and parking lot alterations between the original Belk Building and the anchor store box (former JCPenney) on the mall north side. See drawings for noted Alternate 3 items. | \$2,255,000 |
| Alternate No. 4 – Interior mall concourse renovations on west side of mall. See drawings for noted Alternate 4 items. | \$1,265,000 |
| Alternate No. 5 – Electric Vehicle charging stations – infrastructure only for 3 stations. Price to include infrastructure only and not the actual units. | \$40,000 |

| | |
|--|------------------|
| Alternate No. 6 – Agricultural Meeting Area (203) - Provide/install 4 portable stages, stairs, ramps and associated equipment as indicated in the documents. | \$72,800 |
| Alternate No. 7 – Add 2 USDA departments – Natural Resources Conservation Service (NRCS) and Farm Service Agency (FSA). See drawings for noted Alternate 7 items. | \$675,000 |
| Alternate No. 8 – | \$171,000 |
| <ul style="list-style-type: none"> • Administration, Waiting (146) – add single display and associated equipment for signage. • Administration, north side of Admin demising wall facing the mall concourse – add three displays and associated equipment for signage. • Meeting Area, Main Lobby (201) – add seven displays plus the 9-display video wall and associated equipment for signage. • Meeting Area, Side Lobby (202) – add two displays and associated equipment for signage. | |
| Alternate No.9–Meeting Area, Corridors (204)+(219)–three displays +associated equipment. | \$11,000 |
| Alternate No. 10 – Administration, Conference Rooms (101) + (161) + (178) – advanced AV package and associated equipment. | \$56,000 |
| Alternate No. 11 – Agricultural Meeting Area (203) – add “Performance” audio system, including mounting hardware, tuning, alignment, and configuration. | \$241,000 |
| Alternate No. 12 – Agricultural Meeting Area (203) – add portable audio console and wireless microphone system, including brackets, hardware, cables, and misc. hardware. | \$31,000 |
| Alternate No. 13 – Meeting Area, Conference Rooms (207) + (208) + (223) – AV systems, including speakers, displays, projectors, screens, and associated equipment. | \$211,000 |
| Alternate No. 14 – Building and systems demolition at the north side of the Belk’s shell Building. See Sheets AD-105 + AD-106. | \$200,000 |
| Alternate No. 15 – Demonstration garden to the south of the original Belk Building. See drawings for noted Alternate 15 items. | <u>\$260,000</u> |
| Total bid amount | \$25,630,800 |

Enclosed is a copy of the Certified Bid Tabulation for the above referenced project. Please let us know if you need any more information.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Phillip Steele', with a large, stylized loop at the beginning and a horizontal stroke across the middle.

**Phillip Steele,
Managing Principal
ADW Architects, p.a.**

INSTALLMENT FINANCING CONTRACT

between

TD BANK, N.A.
as the Bank

and

COUNTY OF ROWAN, NORTH CAROLINA
as the County

Dated: February 16, 2023

TABLE OF CONTENTS

| | |
|--|-----------|
| Section 1. DEFINITIONS..... | 2 |
| Section 2. ADVANCE OF LOAN AMOUNT | 4 |
| Section 3. INSTALLMENT PAYMENTS AND OTHER PAYMENTS | 5 |
| Section 4. NATURE OF CONTRACT..... | 6 |
| Section 5. RESPONSIBILITIES AND COVENANTS OF THE COUNTY | 6 |
| Section 6. DEED OF TRUST | 10 |
| Section 7. INSURANCE AND UNFORESEEN LOSSES..... | 10 |
| Section 8. WARRANTIES AND REPRESENTATIONS OF THE COUNTY | 13 |
| Section 9. INDEMNIFICATION..... | 14 |
| Section 10. DISCLAIMER OF WARRANTIES..... | 14 |
| Section 11. DEFAULT AND REMEDIES..... | 14 |
| Section 12. ASSIGNMENT | 16 |
| Section 13. LIMITED OBLIGATION OF THE COUNTY | 17 |
| Section 14. TAX-EXEMPT INTEREST | 17 |
| Section 15. DEFEASANCE..... | 19 |
| Section 16. MISCELLANEOUS | 20 |

INSTALLMENT FINANCING CONTRACT
REAL PROPERTY

THIS INSTALLMENT FINANCING CONTRACT, dated as of February 16, 2023 (the "Contract"), by and between the COUNTY OF ROWAN, NORTH CAROLINA, a political subdivision of the State of North Carolina (the "County") and TD BANK, N.A., a national banking association (the "Bank");

WITNESSETH:

WHEREAS, the County is a political subdivision, duly created and existing under and by virtue of the Constitution and laws of the State of North Carolina; and

WHEREAS, the County has the power, pursuant to Section 160A-20 of the General Statutes of North Carolina ("NCGS 160A-20"), to enter into installment contracts to finance the purchase of real or personal property; and

WHEREAS, after due consideration, the Board of Commissioners of the County has determined to finance the cost of the renovation of a portion of the West End Plaza Mall owned by the County for the purpose of creating a 1,000-person meeting room and associated conference rooms, storage and warming kitchen, and converting space to agricultural center offices, as well as certain exterior improvements (collectively, the "Project"); and

WHEREAS, the County desires to finance the Project by executing and delivering this Contract, as authorized under NCGS 160A-20, and the Bank has agreed to advance funds to the County for such purpose; and

WHEREAS, the County desires to obtain such advances from the Bank pursuant to the terms and conditions hereinafter set forth; and

WHEREAS, the obligation of the County to make Installment Payments, as hereinafter defined, and other payments required under Section 3 hereof shall constitute a limited obligation payable solely from currently budgeted appropriations of the County and shall not constitute a pledge of the faith and credit of the County within the meaning of any constitutional debt limitation or as otherwise prohibited by the North Carolina Constitution; and

WHEREAS, the County has received approval of this Contract and its plan of financing from the North Carolina Local Government Commission (the "LGC"); and

WHEREAS, the County has held a public hearing with respect to the contract providing for the financing of the Project; and

WHEREAS, in order to further secure the obligations of the County hereunder, the County has executed the Deed of Trust, as hereinafter defined, to a trustee named therein, for the benefit of the Bank; and

WHEREAS, no deficiency judgment may be rendered against the County in any action for breach of a contractual obligation under this Contract, and the taxing power of the County is not and

may not be pledged in any way, directly or indirectly or contingently, to secure any moneys due under this Contract; and

WHEREAS, the Bank and the County each have duly authorized the execution and delivery of this Contract;

NOW, THEREFORE, for and in consideration of the premises and of the covenants hereinafter contained, and other valuable consideration, the parties hereto agree as follows:

SECTION 1. DEFINITIONS

For purposes of this Contract, the following definitions will apply:

1.1 "Alternative Rate of Interest" has the meaning assigned to such term in Section 14.2.

1.2 "Closing Date" means February 16, 2023.

1.3 "Closing Costs" means and further includes all items of expense directly or indirectly payable by or reimbursable to the County relating to the financing of the Project, including, but not limited to, filing and recording costs, settlement costs, word processing costs, reproduction and binding costs, legal fees and charges and financing and other professional consultant fees.

1.4 "County" means the County of Rowan, North Carolina, a political subdivision of the State of North Carolina, acting through its Governing Body.

1.5 "Deed of Trust" means the Deed of Trust and Security Agreement (Future Advances) dated as of the date hereof from the County to the deed of trust trustee named therein securing its obligations hereunder, which creates a lien on the Property, including any amendments thereto or extensions thereof as may be required to include all parcels on real estate making up the Property.

1.6 "Default Rate" means the lesser of (i) 4% in excess of the Interest Rate charged prior to the occurrence of such Event of Default, or (ii) the maximum rate permitted by law.

1.7 "Environmental Laws" means any federal, state or local law, rule, regulation, permit, order or ordinance relating to the protection of the environment or human health or safety now or hereafter in effect, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.) (together with the regulations promulgated thereunder, "CERCLA"), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.) (together with the regulations promulgated thereunder, "RCRA"), the Oil Pollution Act of 1990 (33 U.S.C. Section 2701, et seq.) (together with the regulations promulgated thereunder, "OPA"), the Emergency Planning and Community Right-to-Know Act, as amended (42 U.S.C. Section 11001, et seq.) (together with the regulations promulgated thereunder, "Title III"), the Clean Water Act, as amended (33 U.S.C. Section 1321, et seq.) (together with the regulations promulgated thereunder, "CWA"), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.) (together with the regulations promulgated

thereunder, "CAA") and the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601 et seq.) (together with the regulations promulgated thereunder, "TSCA"), and any state or local similar laws and regulations and any so-called local, state or federal "superfund" or "superlien" law.

1.8 "Federal Securities" means, to the extent otherwise permitted by law, (a) direct obligations of the United States of America for the payment of which the full faith and credit of the United States of America is pledged; or (b) obligations the payment of the principal of and interest on which is fully guaranteed as full faith and credit obligations of the United States of America (including any securities described in (a) or (b) issued or held in the name of an escrow agent in book entry form on the books of the Department of Treasury of the United States of America), which obligations, in either case, are held in the name of an escrow agent acceptable to the Bank and are not subject to redemption or purchase prior to maturity at the option of anyone other than the owner thereof.

1.9 "Fixed Interest Rate" means a rate of interest equal to 3.57% per annum.

1.10 "Governing Body" means the Board of Commissioners of the County.

1.11 "Hazardous Materials" means any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials, asbestos or any materials containing asbestos or petroleum, petroleum hydrocarbons, or any other substance or material as defined by (or for purposes of) any federal, state or local environmental law, ordinance, rule or regulation including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. sections 9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. sections 1801 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. sections 9601 et seq.), and the regulations adopted and publications promulgated pursuant thereto. Hazardous Materials shall not include materials used by the County in connection with its operation of any of its public works or water/sewer system, provided such materials are properly handled and contained in accordance with applicable federal and state laws.

1.12 "Installment Payments" means those payments made by the County to the Bank as described in Section 3 of this Contract and in the Payment Schedule.

1.13 "Interest Rate" means the Fixed Interest Rate or the Alternative Rate of Interest, as applicable.

1.14 "Loan Amount" means \$28,600,000, as described in Exhibit A hereto, which will be advanced by the Bank to enable the County to finance the Project and to pay certain costs of issuance in connection therewith.

1.15 "Net Proceeds," when used with respect to any proceeds from policies of insurance required hereunder or proceeds of any condemnation award arising out of the condemnation of all or any portion of the Property, means the amount remaining after deducting from the gross proceeds thereof all expenses (including, without limitation, attorneys' fees and costs) incurred in the collection of such proceeds.

1.16 "Payment Schedule" means the document labeled "Payment Schedule" attached hereto as Exhibit A-1 and incorporated herein by reference, which describes the County's Installment Payments.

1.17 "Project" means the renovation of a portion of the West End Plaza Mall owned by the County for the purpose of creating a 1,000-person meeting room and associated conference rooms, storage and warming kitchen, the conversion of other space within the West End Plaza Mall to agricultural center offices, and certain exterior improvements.

1.18 "Project Fund" has the meaning assigned in Section 2.1.

1.19 "Property" means that certain parcel or those certain parcels of land on which the Project will be located, together with all fixtures, improvements and appurtenances thereon now or hereafter existing, as further described in the Deed of Trust.

SECTION 2. ADVANCE OF LOAN AMOUNT

2.1 Loan Advance. In consideration of the covenants, warranties and representations contained herein, and in consideration of the County's agreement to repay the moneys advanced hereunder and interest thereon, the Lender hereby agrees to advance \$30,100,000 to the County on the Closing Date (the "Loan Amount") to pay the costs of the Project and related Closing Costs. On the Closing Date, the Loan Amount shall be deposited into an account at a depository bank selected by the County and designated the "County of Rowan Project Fund" (the "Project Fund") to be applied in accordance with the provisions of this Article.

2.2 Acquisition, Construction and Equipping of the Project. The County has entered into or shall enter into one or more contracts or purchase agreements providing for the acquisition, construction and equipping of the Project. The County shall cause the acquisition, construction and equipping of the Project to be carried on expeditiously in accordance with the plans and specifications therefor and in compliance with all applicable ordinances and statutes and requirements of all regularly constituted authorities having jurisdiction over the same.

2.3 Investment. Money, and any interest thereon, held in the Project Fund shall be invested and reinvested in accordance with Section 159-30 of the General Statutes of North Carolina, as may be amended from time to time, or any substitute or successor statute. Investment earnings on the Project Fund shall be retained in the Project Fund pending disbursement to pay Closing Costs and costs of the Project in accordance with Section 2.4. The County shall be solely responsible for ascertaining that all proposed investments and reinvestments of amounts held in the Project Fund comply with federal, state and local laws, regulations and ordinances governing investment of such funds.

2.4 Disbursements. Unless the Project Fund is earlier terminated in accordance with the provisions of Section 2.5, the moneys held in the Project Fund shall be used to pay, or reimburse the County for payment of, the Closing Costs and the costs of the Project. If the moneys held in the Project Fund and any other moneys provided by the County are insufficient to pay all of the Closing Costs and the costs of the Project, the County shall provide any balance of the funds needed to complete the acquisition of the Project. Any moneys remaining in the Project Fund

upon completion of the Project and not theretofore applied to pay Closing Costs or costs of the Project shall be applied to the next succeeding Installment Payment.

2.5 Termination. The Project Fund shall be terminated at the earliest of (a) the final distribution of moneys from the Project Fund, (b) the occurrence of an Event of Default and exercise by the Bank of its remedies under Sections 11.2 and 11.3, and (c) termination of this Agreement.

SECTION 3. INSTALLMENT PAYMENTS AND OTHER PAYMENTS

3.1 Amounts and Times of Installment Payments and Other Payments. Subject to the provisions of Section 13 hereof entitled "Limited Obligation of the County," the County shall repay the Loan Amount in installments as provided in Exhibit A to this Contract. Each installment shall be deemed to be an Installment Payment and shall be paid in the amount and at the time set forth in the Payment Schedule (each, an "Installment Payment Date") except as provided herein. Installment Payments shall be sufficient in the aggregate to repay the Loan Amount together with interest thereon at a per annum rate equal to the rate per annum described in Exhibit A hereto. A portion of each Installment Payment is interest.

Interest on the Loan Amount as set forth on Exhibit A is based upon a 360-day year, with twelve (12) thirty (30) day months. The amortization schedule is based on all payments being received by the Bank on the scheduled due date. Interest shall continue to accrue on any payment that is not paid when due until such payment is made.

3.2 Place of Payments. All payments required to be made to the Bank hereunder shall be made at the Bank's principal office or as may be otherwise directed by the Bank or its assignee.

3.3 Late Charges. Should the County fail to pay any Installment Payment or any other sum required to be paid to the Bank within fifteen (15) days after the due date thereof, the County shall pay a late payment charge equal to five percent (5%) of the delinquent payment.

3.4 No Abatement of Installment Payments. Subject to Section 13 hereof entitled "Limited Obligation of the County," there shall be no abatement or reduction of the Installment Payments or other payments by the County for any reason, including but not limited to, any defense, recoupment, setoff, counterclaim, or any claim (real or contingent) arising out of or related to the Project. The County assumes and shall bear the entire risk of loss and damage to the Project from any cause whatsoever, it being the intention of the parties that the Installment Payments and other payments shall be made in all events unless the obligation to make such Installment Payments and other payments is terminated as otherwise provided herein.

3.5 Prepayment of Installment Payments. The Installment Payments are not subject to optional prepayment prior to August 1, 2030. On or after August 1, 2030, the County has the right to prepay the Loan Amount in whole or in part, at a prepayment price equal to 100% of the Loan Amount to be prepaid, plus accrued interest to the prepayment date, without premium or penalty. Any prepayment in part shall be applied to the Installment Payments coming due in inverse order of maturity.

3.6 Prepayment Notice. At least thirty (30) days (or fewer days if permitted by the Bank) prior to the prepayment date of the Loan Amount, the County shall cause a notice of any such prepayment signed by the County Manager or Finance Director to be mailed, first class, postage prepaid, to the Bank and will endeavor to email the Bank within such time period.

Each such notice shall set forth the date fixed for prepayment, the Installment Payments to be prepaid, the address and phone number of the County Manager and Finance Director and the date of the prepayment notice.

Any notice of prepayment may state that the prepayment to be effected is conditioned upon the receipt by the County on or prior to the prepayment date of moneys sufficient to pay the Installment Payments, and accrued interest to the prepayment date, and that if such moneys are not so received such notice shall be of no force or effect and such Installment Payments shall not be required to be prepaid. In the event that such notice contains such a condition and moneys sufficient to pay the Installment Payments, and accrued interest to the prepayment date, are not received by the County on or prior to the prepayment date, the prepayment shall not be made, and the County shall within a reasonable time thereafter give notice, in the manner in which the notice of prepayment was given, that such moneys were not so received.

SECTION 4. NATURE OF CONTRACT

This Contract is an installment contract pursuant to Section 160A-20 of the General Statutes of North Carolina and a security agreement pursuant to Article 9 of Chapter 25 (the "Uniform Commercial Code - Secured Transactions") of the General Statutes of North Carolina.

SECTION 5. RESPONSIBILITIES AND COVENANTS OF THE COUNTY

5.1 Maintenance, Care and Use. The County shall use the Property in a careful and proper manner, in compliance with all applicable laws and regulations, and shall take no action to adversely affect the Property, and shall take all reasonable action to preserve the Property in good condition, repair, appearance and working order for the purposes intended, ordinary wear and tear excepted, including, without limitation, at its sole cost and expense, to repair and maintain the Property, and to replace any part of the Property as may from time to time become worn out, lost, stolen, destroyed or damaged or unfit for use. Any and all additions to or replacements of the Property and all parts thereof shall constitute accessions to the Property and shall be subject to all the terms and conditions of this Contract and the Deed of Trust.

5.2 Inspection. The Bank shall have the right upon reasonable prior notice to the County to enter into and upon the Property to inspect the Property and the Project or any part thereof during normal business hours.

5.3 Encumbrances. Except for permitted encumbrances described on Exhibit B to the Deed of Trust, the County shall not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Property, or the rights of the County and the Bank therein, except with the prior written consent of the Bank.

5.4 Utilities. The County shall pay or cause to be paid, when due, all charges for utility services used in connection with the Property. There shall be no abatement of the Installment Payments on account of interruption of any such services.

5.5 Taxes. The County shall pay, when due, any and all taxes levied by any governmental body as a result of the County's ownership, possession, or use of the Property or as a direct or indirect result of the acquisition, ownership and operation of the Project by the County.

5.6 Risk of Loss. Subject to the provisions of Section 13 hereof entitled "Limited Obligation of the County," the County shall bear all risk of loss to and condemnation of the Property. In the event of loss or damage to the Property, the County shall either (a) continue to make the Installment Payments due hereunder and repair, reconstruct and restore the applicable portion of the Property to the satisfaction of the Bank, or (b) prepay in full the principal components of the outstanding Installment Payments, but only in accordance with Section 3.5 hereof.

5.7 Performance by the Bank of the County's Responsibilities. Any performance required of the County or any payments required to be made by the County may, if not timely performed or paid, be performed or paid by the Bank, and, in that event, the Bank shall be immediately reimbursed by the County for such payments and for any costs and expenses, legal or otherwise, associated with the payments or other performance by the Bank, with interest thereon at a per annum rate equal to the Default Rate in effect on the last business day of the calendar month preceding the payment (but not exceeding the maximum rate, if any, permitted by applicable law).

5.8 Financial Statements. The County agrees that it will furnish to the Bank current audited financial statements as soon as practicable after the County's acceptance thereof, but in no event later than 210 days after the end of such fiscal year, and the County's annual budget as submitted or approved, but in no event later than 30 days after its adoption, and permit the Bank or its agents and representatives to inspect the County's books and records and make extracts therefrom at its own expense during regular business hours and in a manner which will not disrupt the normal business routine of the County. The County shall furnish to the Bank current financial statements at such reasonable times as the Bank may request. The County represents and warrants to the Bank that all financial statements which have been delivered to the Bank in connection with this Contract fairly and accurately reflect the County's financial condition and there has been no material adverse change in the County's financial condition as reflected in the financial statements since the date thereof.

5.9 Other Responsibilities and Conditions. Simultaneously with the execution of this Contract and prior to the advancement of any funds hereunder by the Bank, the County shall cause to be provided to the Bank the following:

- (a) The Deed of Trust executed by the County;
- (b) A Tax and Non-Arbitrage Certificate;
- (c) Internal Revenue Service Form 8038-G;

(d) An Incumbency and Authorization Certificate in the form of Exhibit B attached hereto;

(e) An Opinion Letter of counsel for the County in a form satisfactory to the Bank;

(f) Certified copies of resolutions of the Governing Body authorizing the County to enter into this Contract and carry out its terms, together with evidence of a public hearing held with respect to the Contract;

(g) An opinion letter from the County's bond counsel which states that the interest portion of Installment Payments will not be included in the gross income of the Bank for federal and North Carolina income tax purposes; and

(h) Executed originals of any other documents and instruments required by Bank in connection with this Contract.

5.10 Environmental Covenants. To the best of the County's knowledge, the Property is not now and has not ever been used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials and that no Hazardous Materials have ever been installed on such Property except in compliance with applicable Environmental Laws or as otherwise disclosed to the Bank. The County covenants that the Property shall be kept free of Hazardous Materials and shall not be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials, except in connection with the normal maintenance and operation of the Project and in compliance with all Environmental Laws. The County shall not cause or permit, as a result of any intentional or unintentional act or omission on the part of the County or any lessee, tenant, subtenant, licensee, guest, invitee, employee, agent or contractor of either of them, the installation of Hazardous Materials on the Property or a release of Hazardous Materials onto the Property or suffer the presence of Hazardous Materials on the Property, except in connection with the normal maintenance and operation of the Project or the Property and in compliance with all Environmental Laws. The County shall comply with and ensure compliance by all sublessees, tenants, subtenants, licensees, guests, invitees, employees, agents and contractors with all applicable federal, state and local laws, ordinances, rules and regulations with respect to Hazardous Materials and shall keep the Property free and clear of any liens imposed pursuant to such laws, ordinances, rules and regulations. The County has not received any notice from any governmental agency, entity or any other person who receives any notices from any governmental agency, entity or any other person with regard to Hazardous Materials on, from or affecting the Property. In the event the County does receive any such notices, the County shall immediately notify the Bank. The County, at no expense to the Bank, shall conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions necessary to comply with all applicable Environmental Laws.

5.11 Special Tax Covenants. The County covenants that: (a) it will make no use of the monies advanced by the Bank (the "proceeds") which would cause this Contract to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), or the Treasury Regulations promulgated thereunder; (b) so long as the Contract remains in effect, the County will comply with the requirements of the Code and the applicable Treasury Regulations promulgated thereunder and will not take or omit to take any action which will cause

the interest portion of Installment Payments paid or payable under this Contract to be includible in the gross income of the registered owner hereof; (c) the Project shall be used exclusively for essential governmental purposes of the County and no use shall be made of the proceeds or of the Project, directly or indirectly, which would cause this Contract to be a "private activity bond" within the meaning of Section 141 of the Code; (d) no part of the payment of the principal or interest components of Installment Payments under this Contract is or shall be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof; (e) no portion of the proceeds shall be used, directly or indirectly, in making loans the payment of principal or interest with respect to which are to be guaranteed, in whole or in part, by the United States or any agency or any instrumentality thereof; and (f) the County shall not lease or otherwise make any portion of the Project available to any entity if such lease or other availability would cause the interest portion of the Installment Payments to be included in the gross income of the Bank under the Code for income tax purposes.

The County shall file IRS Form 8038-G on or before its due date. The County shall not take or omit to take any action that may cause a loss of the federal or state tax-exempt status of this Contract or the interest thereon.

5.12 Appropriations of Payments.

(a) The County reasonably believes that funds sufficient to make all Installment Payments during the term of this Contract can be obtained. While recognizing that it is not empowered to make any binding commitment to make Installment Payments or any other payments beyond its current fiscal year, the Governing Body of the County in authorizing the execution of this Contract has stated its intent to make annual appropriations sufficient to make the Installment Payments and has recommended that future governing bodies continue to do so during the term of this Contract.

(b) The County Manager or Finance Director shall include in the initial proposal for each of the County's annual budgets the amount of all Installment Payments coming due during the fiscal year to which such budget is applicable. Notwithstanding that the County Manager or Finance Director includes an appropriation for Installment Payments in a proposed budget, the County may terminate all its obligations hereunder by not appropriating sufficient funds to make the scheduled Installment Payments. In the event the Governing Body determines not to appropriate in its budget an amount sufficient to pay all Installment Payments coming due in the applicable fiscal year, the Governing Body shall adopt a resolution specifically deleting such appropriation from the proposed budget for that fiscal year. Such resolution shall state the reasons for such deletion, shall be adopted by a vote identifying those voting for and against and abstaining from the resolution, and shall be recorded in the minutes of the Governing Body. A copy of such resolution shall be promptly sent to the Bank. Such failure to appropriate shall constitute an Event of Default.

(c) If the amount equal to the Installment Payments which will be due during the next fiscal year has not been appropriated by the County in its budget, the County Manager or Finance Director shall deliver to the Bank and the LGC, within ten (10) days after the adoption of the County's budget for such fiscal year, but not later than fifteen (15) days after the start of such fiscal

year, a certificate from the Finance Director of the County stating that the County did not make such appropriation.

SECTION 6. DEED OF TRUST

6.1 Security Interest. In order to secure its obligations hereunder, the County shall deliver to the Bank the Deed of Trust that places a lien on, and grants a security interest in, the Property.

6.2 Liens. The County shall not directly or indirectly create, incur, assume or suffer to exist any lien, charge, security interest, encumbrance or claim on or with respect to the Property (except the security interest granted to the Bank or as permitted by Section 5.3). The County shall promptly, at its own expense, take such action as may be necessary to duly discharge any such lien, security interest, charge, encumbrance or claim if the same shall arise at any time. The County shall reimburse the Bank for any expense incurred by it in order to discharge or remove any such lien, security interest, encumbrance or claim.

SECTION 7. INSURANCE AND UNFORESEEN LOSSES

7.1 Insurance. The County shall obtain and maintain, at its expense, at all times until termination of this Contract a policy of insurance covering the Property and providing the insurance protection described in this Section. The County shall maintain, at its own expense fire, casualty, public liability, property damage and theft insurance, and such other insurance in such amounts and with such deductibles, if permitted, as required by the Bank from time to time. The Property shall be insured in an amount equal to the total replacement value or the Loan Amount, whichever is greater. All such insurance shall be maintained with an insurance company or companies licensed to do business in North Carolina and shall contain a standard mortgagee clause designating the Bank as additional insured as its interest may appear. Upon the request of the Bank, the County shall deliver to the Bank the policies of insurance or duplicates thereof or other evidence satisfactory to the Bank of such insurance coverage. Each insurer shall agree by endorsement upon the policy or policies issued by it that (i) it will give thirty (30) days prior written notice to the Bank of the cancellation or material modification of such policy; and (ii) the coverage of the Bank shall not be terminated, reduced or affected in any manner regardless of any breach or violation by the County of any warranties, declarations and conditions of such insurance. The County agrees to cooperate fully in all accident insurance investigations, claims and litigation proceedings. The County shall cooperate fully with the Bank in filing any proof of loss with respect to any insurance policy described above. In no event shall the County voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim with respect to the Property without the written consent of the Bank.

In lieu of policies of insurance written by commercial insurance companies meeting the requirements of this Section, the County may maintain a program of self-insurance or participate in group risk financing programs, risk pools, risk retention groups, purchasing groups and captive insurance companies, and in state or federal insurance programs.

7.2 Damage or Destruction.

(a) The County shall notify the Bank immediately in the event of any damage to or destruction from fire or other casualty of any portion of the Property if the County determines in good faith that such damage, destruction or loss will cost more than \$500,000 to repair, replace and restore.

(b) If any portion of the Property is damaged or destroyed as provided herein, to an extent that the County determines in good faith that the cost of repairing, replacing and restoring such damage or destruction will exceed \$500,000, then the County shall deposit the Net Proceeds with the Bank and shall, within 90 days after the date such damage or destruction occurs, elect one of the following two options by giving notice of such election to the Bank, and the Bank shall disburse such Net Proceeds in accordance with the option so elected:

(i) Option A – Repair and Restoration. The County may elect to repair, reconstruct and restore that portion of the Property so lost, damaged or destroyed. If the County elects this Option A, then the County shall proceed forthwith to repair, reconstruct and restore the applicable portion of the Property to substantially the same condition as had existed prior to the event causing such damage or destruction, with such alterations and additions as the County may determine to be necessary or desirable and as will not impair the capacity or character of the applicable portion of the Property for the purposes for which it had been used prior to such damage or destruction or is intended to be used. So long as no Event of Default has occurred and is continuing under this Contract, the Bank, upon receipt of a request made by the County, shall apply so much as may be necessary of such Net Proceeds to payment of the cost of such repair, reconstruction and restoration, either on completion thereof or as the work progresses. Any such request may provide for Net Proceeds to be paid directly to third-party vendors or to be paid to the County for reimbursement of costs incurred in such repair, replacement or restoration. If such Net Proceeds are not sufficient to pay in full the cost of such repair, replacement and restoration, the County shall, subject to Section 5.12, pay so much of the cost thereof as may be in excess of such Net Proceeds. The County shall not by reason of the payment of such excess cost be entitled to any (A) reimbursement from the Bank, or (B) abatement or diminution of the Installment Payments.

(ii) Option B – Prepayment of Installment Payments. The County may elect to have the Net Proceeds of insurance payable as a result of such loss, damage or destruction, together with other monies provided by the County, applied to the prepayment of Installment Payments in accordance with Section 3.5; provided, however, if such prepayment occurs prior to August 1, 2030, any such prepayment, or partial prepayment, shall be applied in accordance with Section 15, in whole or in part, as the case may be. Notwithstanding anything to the contrary, in the event that the County elects to make partial prepayment under this Option B, the County shall first provide to the Bank a certificate signed by the County Manager to the effect that (i) the Property has been restored to its condition prior to the damage, or (ii) such damage will not impair the County's use of the Property for its intended purposes.

(c) If the County determines in good faith that such cost will not exceed \$500,000, the County shall (1) retain the Net Proceeds with respect to such damage or destruction, (2) forthwith repair, reconstruct and restore the Property so damaged or destroyed to substantially the same condition as it had existed prior to the event causing such damage or destruction, and (3) apply Net Proceeds retained by it to the payment or reimbursement of the costs of such repair,

replacement and restoration. If such Net Proceeds are not sufficient to pay in full the cost of such repair, replacement and restoration, the County shall, subject to Section 5.12, pay so much thereof as is in excess of such Net Proceeds.

7.3 Condemnation; Loss of Title.

(a) In the case of a taking of all or any part of the Property or any right therein under the exercise of the power of eminent domain or any loss of all or any part of the Property because of loss of title thereto, or the commencement of any proceedings or negotiations which might result in such a taking or loss, the party upon whom notice of such taking is served or with whom such proceedings or negotiations are commenced or who learns of a loss of title shall give prompt notice to the other. Each such notice shall describe generally the nature and extent of such condemnation, taking, loss, proceedings or negotiations. All obligations of the County under this Contract (except obligations to make Installment Payments when due) shall terminate as to the portion of the Property as to which there is a loss of title or which is condemned or taken when such loss of title is finally adjudicated or when title thereto vests in the party condemning or taking the same, as the case may be (hereinafter referred to as the "Takings Date"). The County shall pay over to the Bank (and hereby irrevocably assigns, transfers and sets over to the Bank) all right, title and interest of the County in and to any Net Proceeds payable as to any such loss of title, condemnation or taking during the term of this Contract.

(b) In the event of any such loss of title, condemnation or taking, the County shall deliver the Net Proceeds from the condemnation proceeding to the Bank, and, within 90 days after the Takings Date for such proceeding, elect either or both of the following two options by giving notice of such election to the Bank, and the Bank shall disburse the Net Proceeds in accordance with the option so elected:

(i) Option A – Restoration. The County may elect to have the Net Proceeds as to such loss of title, condemnation or taking used to restore the applicable portion of the Property as to which there has been a loss of title, condemnation or taking to substantially its condition prior to such loss of title, condemnation or taking. So long as no Event of Default has occurred and is continuing under this Contract, the Bank, upon receipt of a request made by the County, shall apply so much as may be necessary of such Net Proceeds to payment of the cost of such restoration, either on completion thereof or as the work progresses. If such Net Proceeds are not sufficient to pay in full the cost of such restoration, the County shall, subject to Section 5.12, pay so much of the cost thereof as may be in excess of such Net Proceeds. The County shall not, by reason of the payment of such excess cost, be entitled to any (A) reimbursement from the Bank, or (B) abatement or diminution of the Installment Payments.

(ii) Option B – Prepayment of Installment Payments. The County may elect to have the Net Proceeds payable as to any such loss of title, condemnation or taking, together with other monies provided by the County, applied to the prepayment of the Installment Payments in accordance with Section 3.5; provided, however, if such prepayment occurs prior to August 1, 2030, any such prepayment, or partial prepayment, shall be applied in accordance with Section 15, in whole or in part, as the case may be. Notwithstanding anything to the contrary, in the event that the County elects to make partial prepayment pursuant to this Option B, the County shall first

provide to the Bank a certificate signed by the County Manager to the effect that such loss of title, condemnation or taking has not impaired the County's use of the Property for its intended purpose.

(c) The Bank shall, at the expense of the County, cooperate fully with the County in the contest of any prospective or pending condemnation proceedings or in any contest over title with respect to the Property or any part thereof and shall, to the extent it may lawfully do so, permit the County to litigate, at the expense of the County, in any such proceeding in the name and on behalf of the Bank. In no event shall the Bank voluntarily settle, or consent to the settlement of, any prospective or pending condemnation proceedings, or proceedings as to title, with respect to the Property or any part thereof without the consent of the County.

SECTION 8. WARRANTIES AND REPRESENTATIONS OF THE COUNTY

The County warrants and represents to the Bank (all such representations and warranties being continuing) as follows:

(a) The County is a political subdivision duly created and existing under the laws of the State of North Carolina as a political subdivision of the State of North Carolina, and has all powers necessary to enter into the transactions contemplated by this Contract and to carry out its obligations hereunder;

(b) This Contract and the Deed of Trust have been duly and validly authorized, approved, executed and delivered by the County, and the performance by the County of its obligations under such documents has been approved and authorized under all laws, regulations and procedures applicable to the County, including, but not limited to, compliance with all applicable public meeting and bidding requirements, and the transactions contemplated by this Contract and the Deed of Trust constitute a public purpose for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina;

(c) No approval or consent is required from any governmental authority with respect to the entering into or performance by the County of this Contract and the transactions contemplated hereby, or, if any such approval is required, it has been duly obtained;

(d) There is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or, to the best of the County's knowledge, threatened, against or affecting the County challenging the validity or enforceability of this Contract or the Deed of Trust, or the performance of the County's obligations hereunder, and compliance with the provisions hereof, under the circumstances contemplated hereby, does not and will not in any material respect conflict with, constitute on the part of the County a breach of or default under, or result in the creation of a lien or other encumbrance on any property of the County (except as contemplated herein) pursuant to any agreement or other instrument to which the County is a party, or any existing law, regulation, court order or consent decree to which the County is subject;

(e) There are no liens or encumbrances on the Property other than the Deed of Trust or any encumbrances permitted by Section 5.3;

(f) A resolution authorizing the execution, delivery and performance of the Contract and the Deed of Trust has been duly adopted, is in full force and effect, and has not been in any respect amended, modified, revoked or rescinded;

(g) The Project is essential to the proper, efficient and economical operation of the County, and the delivery of their services, and the Project will provide an essential use and permit the County to carry out public functions that it is authorized by law to perform; and

(h) The security interest granted by the County to the Bank in the Property shall have been duly perfected and shall constitute a first lien security interest in the Property subject to any encumbrances permitted by Section 5.3.

SECTION 9. INDEMNIFICATION

To the extent permitted by applicable law, the County hereby agrees to indemnify protect and save the Bank and the LGC and the members and employees of each of the foregoing harmless from all liability, obligations, losses, claims, damages, actions, suits, proceedings, costs and expenses, including attorneys' fees, arising out of, connected with, or resulting directly or indirectly from the Project or the Property, including without limitation, the possession, condition or use thereof. The indemnification arising under this section shall continue in full force and effect notwithstanding the payment in full of all obligations under this Contract.

SECTION 10. DISCLAIMER OF WARRANTIES

10.1 No Representations by the Bank. The County acknowledges that it has inspected the Project and found the Project to be satisfactory and acknowledges and agrees that it has undertaken the Project based upon its own judgment and disclaims any reliance upon any statements or representations made by the Bank with respect thereto.

10.2 Disclaimer By the Bank. THE BANK MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, AS TO THE CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROJECT OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE PROJECT.

SECTION 11. DEFAULT AND REMEDIES

11.1 Definition of Event of Default. The County shall be deemed to be in default hereunder upon the happening of any of the following events of default (each, an "Event of Default"):

(a) The County shall fail to make any Installment Payment or fail to pay any other sum hereunder when due, in either case, within ten (10) days after receipt of written notice of such failure; or

(b) The County fails to budget and appropriate money sufficient to pay all Installment Payments coming due in any fiscal year; or

(c) The County shall fail to perform or observe any term, condition or covenant of this Contract or the Deed of Trust or shall breach any warranty by the County herein or therein contained; or

(d) Proceedings under any bankruptcy, insolvency, reorganization or similar litigation shall be instituted by or against the County, or a receiver, custodian or similar officer shall be appointed for the County or any of its property, and such proceedings or appointments shall not be vacated or fully stayed after the institution or occurrence thereof; or

(e) Any warranty, representation or statement made by the County herein or in the Deed of Trust or in any other document executed or delivered in connection herewith is found to be incorrect or misleading in any material respect on the date made; or

(f) The occurrence of an Event of Default as defined in the Deed of Trust.

11.2 Remedies on Default. Subject to Section 13 hereof entitled "Limited Obligation of the County," upon the occurrence of any Event of Default, the Bank may exercise any one or more of the following remedies as the Bank in its sole discretion shall elect:

(a) Declare the entire principal amount of the Installment Payments and all accrued interest and other charges immediately due and payable without notice or demand to the County;

(b) Proceed by appropriate court action to enforce performance by the County of the applicable covenants of this Contract or to recover for the breach thereof;

(c) Exercise all the rights and remedies of a secured party or creditor under the Deed of Trust, Uniform Commercial Code of the State of North Carolina and the general laws of the State of North Carolina with respect to the enforcement of the security interest granted or reserved hereunder and under the Deed of Trust, including, without limitation, to the extent permitted by law, take possession of any collateral without any court order or other process of law and without liability for entering the Property and sell, lease, sublease or make other disposition of the same in a commercially reasonable manner for the account of the County, and apply the proceeds of any such sale, lease, sublease or other disposition, after deducting all costs and expenses, including court costs and attorneys' fees, incurred with the recovery, repair, storage and other sale, lease, sublease or other disposition costs, toward the balance due under this Contract and, thereafter, shall pay any remaining proceeds to the County;

(d) Take possession of any proceeds of the Property, including Net Proceeds; or

(e) Impose the Default Rate on all outstanding obligations of the County owed to the Bank; or

(f) Pursue any other remedy available at law or equity to the Bank.

11.3 Further Remedies. (a) Following acceleration of the Installment Payments pursuant to Section 11.2(a), all funds remaining in the Project Fund shall be delivered to the Bank and applied to the repayment of Installment Payments.

(b) All remedies of the Bank are cumulative and may be exercised concurrently or separately. The exercise of any one remedy shall not be deemed an election of such remedy or preclude the exercise of any other remedy. The County agrees to pay to the Bank all court costs and reasonable attorney fees incurred by Bank in enforcing the Bank's rights and remedies under this Contract.

SECTION 12. ASSIGNMENT

12.1 Assignment by the County. The County agrees not to sell, assign, lease, sublease, pledge or otherwise encumber or suffer a lien or encumbrance upon or against any interest in this Contract or the Property (except for the lien and security interest of the Bank or as permitted by Section 5.3) without the Bank's prior written consent.

12.2 Assignment by the Bank.

(a) The Bank may, at any time and from time to time, assign all or any part of its interest in the Project or this Contract, including, without limitation, Bank's rights to receive Installment Payments payable to Bank hereunder or thereunder, in accordance with this Section 12.2. Any assignment made by the Bank or any subsequent assignee shall not purport to convey any greater interest or rights than those held by the Bank pursuant to this Contract. The Bank or its assignees may assign or reassign all or any part of this Contract, including the assignment or reassignment of any partial interest through the use of certificates evidencing participation interests in this Contract, or making this Contract part of a pool of obligations without the consent of the LGC, so long as such assignment or reassignment is to (i) a bank, insurance company or similar institution or any other entity approved by the LGC; or (ii) a trustee for the purpose of issuing certificates of participation or other forms of certificates evidencing an undivided interest in the Contract, provided such certificates are sold only to a bank, insurance company or similar financial institution or other entity approved by the LGC. Notwithstanding the foregoing, unless to an affiliate controlling, controlled by or under common control with Bank, no assignment or reassignment of the Bank's interest in the Contract shall be effective unless and until the County shall receive notice of such assignment or reassignment disclosing the name and address of each such assignee.

(b) The County further agrees that the Bank's interest in this Contract may be assigned in whole or in part (subject to the limitations on assignment contained in Section 12.2(a)) upon terms which provide in effect that the assignor or assignee will act as a collection and paying agent for any holders of certificates of participation in this Contract, provided the County receives notice of such assignment and such collection and paying agent covenants and agrees to maintain for the full remaining term of this Contract a written record of each assignment and reassignment of such certificates of participation.

(c) The County agrees to execute any document reasonably required in connection with any assignment. Any assignor must provide notice of any assignment to the County and the County shall keep a complete and accurate record of all assignments as required by the Code. After the giving of any such notice, the County shall thereafter make all payments in accordance with the notice to the assignee named therein and shall, if so requested, acknowledge such

assignment in writing, but such acknowledgment shall in no way be deemed necessary to make the assignment effective.

(d) The Bank represents and warrants that it is familiar with federal and North Carolina legislation, rules and regulations as to limitations upon the public distribution of securities that have not been registered under the Securities Act of 1933, as amended, and that it is entering into this Contract for its own account and has no present intention of making any sale or other distribution of this Contract in violation of such legislation, rules or regulations. The Bank represents that it is familiar with the operations and financial condition of the County, based upon information furnished to the Bank by the County, and has made such inquiries as it deems appropriate in connection with the Loan Amount.

SECTION 13. LIMITED OBLIGATION OF THE COUNTY

NO PROVISION OF THIS CONTRACT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE FAITH AND CREDIT OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION. NO PROVISION OF THIS CONTRACT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A DELEGATION OF GOVERNMENTAL POWERS NOR AS A DONATION BY OR A LENDING OF THE CREDIT OF THE COUNTY WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OF NORTH CAROLINA. THIS CONTRACT SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE COUNTY TO MAKE ANY PAYMENTS BEYOND THOSE APPROPRIATED IN THE SOLE DISCRETION OF THE COUNTY FOR ANY FISCAL YEAR IN WHICH THIS CONTRACT IS IN EFFECT; PROVIDED, HOWEVER, ANY FAILURE OR REFUSAL BY THE COUNTY TO APPROPRIATE FUNDS, WHICH RESULTS IN THE FAILURE BY THE COUNTY TO MAKE ANY PAYMENT COMING DUE HEREUNDER WILL IN NO WAY OBVIATE THE OCCURRENCE OF THE EVENT OF DEFAULT RESULTING FROM SUCH NONPAYMENT. NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE COUNTY IN ANY ACTION FOR BREACH OF A CONTRACTUAL OBLIGATION UNDER THIS CONTRACT, AND THE TAXING POWER OF THE COUNTY IS NOT AND MAY NOT BE PLEDGED DIRECTLY OR INDIRECTLY OR CONTINGENTLY TO SECURE ANY MONEYS DUE UNDER THIS CONTRACT.

To the extent of any conflict between this Section and any other provision of this Contract, this Section shall take priority.

SECTION 14. TAX-EXEMPT INTEREST

14.1 Intent of Parties. It is the intention of the parties hereto that the interest portion of the Installment Payments paid by the County to the Bank under this Contract shall be tax-exempt under Section 103 of the United States Internal Revenue Code.

14.2 Determination or Event of Taxability. If at any time there is a Determination of Taxability or Event of Taxability, as such terms are hereinafter defined, the principal portion of the indebtedness of the County to the Bank which is represented by the Installment Payments shall, from and after the Date of Taxability, as hereinafter defined, bear interest at the rate which will

provide to the Bank the effective yield which it would have received if there had not been a Determination of Taxability or an Event of Taxability, such rate to be determined by the Bank (the "Alternative Rate of Interest"), payable from the Date of Taxability to such time. In such event, the County also shall be required to pay to the Bank all amounts, if any, which may be necessary to reimburse the Bank for any interest, penalties or other charges assessed by the Internal Revenue Service and the Department of Revenue of the State of North Carolina against the Bank by reason of the Bank's failure to include the interest portion of the Installment Payments (hereinafter called "Interest") in its gross income for income tax purposes. Installment Payment amounts under this Contract shall be increased as a result of the increased interest rate and additional interest as a result of such rate increase on all previous payments to which such rate increase applies shall be paid to the Bank upon demand therefor. The County shall pay to the Bank the Interest calculated at the above-mentioned Alternative Rate of Interest notwithstanding any transfer by the Bank or payment or prepayment by the County prior to the date such Determination of Taxability was made.

An Event of Taxability shall mean any event, occurrence or situation, resulting from an action, or failure to act, by the County, the effect of which is to cause the interest portion of the Installment Payments (the "Interest") to be includible in the gross income of the Bank for federal income tax purposes. A Determination of Taxability shall mean a determination that the Interest is included in gross income of the Bank for federal income tax purposes, which determination shall be deemed to have been made upon the occurrence of the first to occur of the following: (a) the date on which the Bank is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that, as a consequence of an action, or failure to act, by the County, the Interest is included in the gross income of the Bank for federal income tax purposes; (b) the date on which the County receives notice from the Bank that the Bank has been advised (i) in writing that the Internal Revenue Service has issued a statutory notice of deficiency or similar notice to the Bank which asserts, in effect, that Interest received by the Bank is included in the gross income of the Bank for federal income tax purposes, as a result of an action, or failure to act, by the County, or (ii) by an opinion of counsel received by the Bank which concludes, in effect, that Interest is included in the gross income of the Bank for federal income tax purposes as a result of an action, or failure to act, by the County; (c) the day on which the County is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that there has been issued a public or private ruling of the Internal Revenue Service that the Interest is included in the gross income of the Bank for federal income tax purposes as a result of an action, or failure to act, by the County; or (d) the day on which the County is advised in writing by counsel to the Bank that a final determination, from which no further right of appeal exists, has been made by a court of competent jurisdiction in the United States of America in a proceeding with respect to which the County has been given written notice and an opportunity to participate and defend that the Interest is included in the gross income of the Bank for federal income tax purposes, as a result of an action, or failure to act, by the County.

The Date of Taxability shall mean the first date upon which Interest is included in the gross income of the Bank for federal income tax purposes as a result of an Event of Taxability or a Determination of Taxability.

14.3 Duty to Notify the Bank. The County agrees to give prompt written notice to the Bank upon the County's receipt of any oral or written notice or information from any source whatsoever to the effect that an Event of Taxability or a Determination of Taxability has occurred.

SECTION 15. DEFEASANCE

15.1 Defeasance. If the County pays or causes to be paid or is deemed to have paid to the Bank the principal and interest due and payable, and thereafter to become due and payable on the Contract, the Bank will cease to be entitled to any lien, benefit or security under the Contract or the Deed of Trust. If the County pays or causes to be paid the principal of, premium, if any, and interest due and payable under the Contract, and pays or causes to be paid all other sums payable by the County, including all fees, expenses and other amounts payable to any escrow agent used in connection with such payment, then the Bank agrees to release the Deed of Trust on the Property.

The Contract will be deemed to be paid within the meaning of this Section and for all purposes of the Contract when (a) payment of the principal components of the outstanding Installment Payments plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon the earliest date on which prepayment is permitted as provided herein) either (i) has been made or caused to be made in accordance with the terms thereof, or (ii) has been provided for by irrevocably depositing with an escrow agent in trust and irrevocably set aside exclusively for such payment, (1) money, sufficient to make such payment or (2) non-callable Federal Securities maturing as to principal and interest in such amount and at such time as will insure the availability of sufficient money to make such payment, (b) all necessary and proper fees, compensation and expenses of the escrow agent pertaining to the Contract with respect to which such deposit is made have been paid or the payment thereof provided for to the satisfaction of the escrow agent, (c) an accountant provides verification that the money or Federal Securities deposited with the escrow agent will be sufficient to pay when due the principal, premium, if any, and interest due and to become due under the Contract on and before the prepayment date or maturity date thereof, and (d) Bond Counsel delivers an opinion that such deposit of money or Federal Securities will not adversely affect the tax treatment for federal income tax purposes of interest on the Contract. At such time as the Contract is deemed to be paid hereunder, as aforesaid, the County's obligations under this Contract shall be secured by the money or Federal Securities held by the escrow agent, this Contract will no longer be secured by or entitled to the benefits of the Deed of Trust, and the Bank agrees to take such steps as may be required to release the Deed of Trust. In the event the County elects to set aside funds for the payment of a portion of the Contract with Net Proceeds as permitted under Section 7.2 or 7.3, then only a portion of the Contract relating to such Net Proceeds so deposited shall be deemed to be paid and will be secured by the money or Federal Securities held by the escrow agent, and the remaining portion of the Contract shall remain secured by the Deed of Trust and the Deed of Trust shall not be released.

Notwithstanding the foregoing paragraph, no deposit under clause (a)(ii) of the immediately preceding paragraph will be deemed a payment of the Contract as aforesaid until (a) proper notice of prepayment of the Contract has been previously given in accordance with this Contract, or if the Contract is not to be prepaid within the next 30 days, until the County has given the escrow agent, in form satisfactory to the escrow agent, irrevocable instructions to notify, as soon as practicable, the Bank in accordance with the Contract, that the deposit required by (a)(ii) above has been made with an escrow agent and that the Contract is deemed to have been paid in accordance with this Section and stating the maturity or prepayment date on which money is to be available for the payment of principal components of the outstanding Installment Payments plus interest thereon to the due date thereof, or (b) the maturity of the Contract.

SECTION 16. MISCELLANEOUS

16.1 Waiver. No covenant or condition of this Contract can be waived except by the written consent of the Bank. Any failure of the Bank to require strict performance by the County or any waiver by the Bank of any terms, covenants or conditions herein shall not be construed as a waiver of any other breach of the same or any other term, covenant or condition herein.

16.2 Severability. In the event any portion of this Contract shall be determined to be invalid under any applicable law, such provision shall be deemed void and the remainder of this Contract shall continue in full force and effect.

16.3 Governing Law. This Contract shall be construed, interpreted and enforced in accordance with the laws of the State of North Carolina.

16.4 Notices. Any and all notices, requests, demands, and other communications given under or in connection with this Contract shall be effective only if in writing and either personally delivered or mailed by registered or certified United States mail, postage prepaid, return receipt requested, addressed to the address of the recipient as described below, and shall be deemed to be received on the third day after the day it was deposited in the United States mail or on the day it was actually received, whichever is earlier.

County: County of Rowan
130 W. Innes Street
Salisbury, North Carolina 28144
Attn: Finance Director

Bank's Address: TD Bank, N.A.
11325 N. Community House Rd, Suite 500
Charlotte, North Carolina 28255
Attn: Mason Hurley, Vice President
Email: mason.hurley@td.com

16.5 Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Contract.

16.6 Entire Contract. This Contract, together with the Exhibits and attachments hereto, constitutes the entire Contract between the parties and this Contract shall not be modified, amended, altered or changed except by written agreement signed by the parties.

16.7 Binding Effect. Subject to the specific provisions of this Contract, this Contract shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

16.8 Time. Time is of the essence of this Contract and each and all of its provisions.

16.9 Execution in Counterparts. This Contract may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

16.10 No Advisory Services. The County acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm's length, commercial transaction between the County and the Bank in which the Bank is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the County; (ii) Bank has not assumed any advisory or fiduciary responsibility to the County with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Bank has provided other services or is currently providing other services to the County on other matters); (iii) the only obligations Bank has to the County with respect to the transaction contemplated hereby expressly are set forth in this Contract; and (iv) the County has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

16.11 Agreement. The Bank is entering into this Agreement as evidence of a privately negotiated loan and in that connection the Agreement shall not be (i) assigned a separate rating by any municipal securities rating agency; (ii) registered with The Depository Trust Company or any other securities depository; (iii) issued pursuant to any type of offering document or official statement, or (iv) assigned a CUSIP number by Standard & Poor's CUSIP Service.

16.12 E-Verify. The Bank understands that "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 Bank 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 Bank will require that any subcontractor that it uses in connection with the transactions contemplated by this Contract certify to such subcontractor's compliance with E-Verify.

16.13 USA Patriot Act Notice. The Bank hereby notifies the County that, pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107 56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies the County, which information includes the name and address of the County and other information that will allow the Bank to identify the County in accordance with the Act.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed as of the day and year first above written.

COUNTY OF ROWAN, NORTH CAROLINA

By: _____
Aaron Church, County Manager

(SEAL)

Attest: _____
Sarah Pack, Clerk

TD Bank, N.A.

By: _____
Mason Hurley, Vice President

**Local Government Commission
Signature page for Installment Financing Contract in the
amount of \$30,100,000 by and between TD Bank, N.A. and
the County of Rowan, North Carolina dated as of February 16, 2023**

This Contract has been approved under the provisions of Article 8, Chapter 159 of the General Statutes of North Carolina.

**By: _____
Sharon Edmundson, Secretary
Local Government Commission**

EXHIBIT A

PAYMENT SCHEDULE

Installment Financing Contract Date: February 16, 2023

County: County of Rowan, North Carolina

Loan Amount: \$28,600,000

Interest Rate/Payment Terms

Fixed Rate is 3.57%

The interest rate is 3.57% per annum fixed. Interest is calculated and imposed on the unpaid balance of the Loan Amount based on the payment schedule described herein. The Loan Amount plus interest shall be repaid by the County to the Bank in Installment Payments as shown on Exhibit A-1. All remaining Installment Payments, including the principal and accrued but unpaid interest components thereof shall be due and payable on February 1, 2038.

An amortization schedule is attached hereto as Exhibit A-1.

COUNTY OF ROWAN, NORTH CAROLINA

By: _____

Name: Aaron Church

Title: County Manager

Date: February 16, 2023

EXHIBIT A-1

AMORTIZATION SCHEDULE

| Date | Principal | Interest | Total Payment |
|-------------|------------------|-----------------|----------------------|
| 08/01/2023 | | \$492,511.25 | \$492,511.25 |
| 02/01/2024 | \$2,007,000.00 | 537,285.00 | 2,544,285.00 |
| 08/01/2024 | | 501,460.05 | 501,460.05 |
| 02/01/2025 | 2,007,000.00 | 501,460.05 | 2,508,460.05 |
| 08/01/2025 | | 465,635.10 | 465,635.10 |
| 02/01/2026 | 2,007,000.00 | 465,635.10 | 2,472,635.10 |
| 08/01/2026 | | 429,810.15 | 429,810.15 |
| 02/01/2027 | 2,007,000.00 | 429,810.15 | 2,436,810.15 |
| 08/01/2027 | | 393,985.20 | 393,985.20 |
| 02/01/2028 | 2,007,000.00 | 393,985.20 | 2,400,985.20 |
| 08/01/2028 | | 358,160.25 | 358,160.25 |
| 02/01/2029 | 2,007,000.00 | 358,160.25 | 2,365,160.25 |
| 08/01/2029 | | 322,335.30 | 322,335.30 |
| 02/01/2030 | 2,007,000.00 | 322,335.30 | 2,329,335.30 |
| 08/01/2030 | | 286,510.35 | 286,510.35 |
| 02/01/2031 | 2,007,000.00 | 286,510.35 | 2,293,510.35 |
| 08/01/2031 | | 250,685.40 | 250,685.40 |
| 02/01/2032 | 2,007,000.00 | 250,685.40 | 2,257,685.40 |
| 08/01/2032 | | 214,860.45 | 214,860.45 |
| 02/01/2033 | 2,006,000.00 | 214,860.45 | 2,221,860.45 |
| 08/01/2033 | | 179,035.50 | 179,035.50 |
| 02/01/2034 | 2,006,000.00 | 179,035.50 | 2,185,035.50 |
| 08/01/2034 | | 143,228.40 | 143,228.40 |
| 02/01/2035 | 2,006,000.00 | 143,228.40 | 2,149,228.40 |
| 08/01/2035 | | 107,421.30 | 107,421.30 |
| 02/01/2036 | 2,006,000.00 | 107,421.30 | 2,113,421.30 |
| 08/01/2036 | | 71,614.20 | 71,614.20 |
| 02/01/2037 | 2,006,000.00 | 71,614.20 | 2,077,614.20 |
| 08/01/2037 | | 35,807.10 | 35,807.10 |
| 02/01/2038 | 2,006,000.00 | 35,807.10 | 2,041,807.10 |

EXHIBIT B

INCUMBENCY AND AUTHORIZATION CERTIFICATE

In connection with the execution and delivery by the County of Rowan, North Carolina (the "County") of an Installment Financing Contract dated as of February 1, 2023 (the "Contract") with TD Bank, N.A. , the undersigned officers of the County hereby certify as follows:

(1) As of the date of this certificate, they are duly elected or appointed, as applicable, qualified and acting incumbents of their respective offices of the County and as such are familiar with its books and corporate records.

(2) Aaron Church is presently the duly appointed County Manager. Anna Bumgarner is presently the duly appointed County Finance Director. Sarah Pack is presently the duly appointed Clerk to the County Board of Commissioners. Such appointments are in full force and effect on the date hereof.

(3) The persons named below were on the date or dates of the execution of the Contract and are on the date hereof the duly elected or appointed, as applicable, and qualified incumbents of the offices of the County appearing at the left of their respective names and the signatures appearing at the right of their respective names are their genuine signatures:

| <u>Title</u> | <u>Name</u> | <u>Signature</u> |
|--|----------------|------------------|
| County Manager | Aaron Church | _____ |
| Finance Director | Anna Bumgarner | _____ |
| Clerk to the Board of Commissioners | Sarah Pack | _____ |

(4) The persons named above were authorized by a resolution of the governing body of the County passed in a regular meeting held on January 23, 2023, to execute and deliver on behalf of the County the Contract to evidence the obligation of the County in connection with the financing of the Project, together with the Deed of Trust, and all other documents and instruments required and contemplated by the Contract (collectively, and together with the Contract, the "County Documents"), and to carry out the terms of all of the foregoing, all under and pursuant to the provisions of Section 160A-20 of the General Statutes of North Carolina, as amended. Such resolution was adopted at a meeting duly called and held on such date, at which meeting a quorum was present and acting throughout. Such resolution has not been amended, rescinded, terminated or otherwise revoked and is in full force and effect.

(5) No litigation of any kind is now pending or, to the best of my information, knowledge and belief, threatened to restrain or enjoin the execution or delivery of the County Documents, or in any manner questioning the proceedings and authority under which the County Documents have been executed and delivered, or affecting the validity of such documents.

(6) The County has obtained the proper authorization to execute and deliver the County Documents and all related documents necessary to complete the transaction contemplated thereby.

(7) Each of the County Documents has been duly authorized, executed and delivered by the County. Assuming the due authorization, execution and delivery of each of such agreements by the Bank, as applicable, each such agreement constitutes a legal, valid and binding agreement of the County enforceable against the County in accordance with its terms. Such obligation does not constitute a pledge of the faith and credit of the State of North Carolina or of any county, city or other political subdivision of the State, including the County. The rights and enforceability of the obligations of the County under such agreements may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally and (b) principles of equity, whether considered at law or in equity.

(8) There has been no material adverse change in the financial condition of the County since the date of the last annual financial statements of the County provided to the Bank.

IN WITNESS WHEREOF, we have duly executed this certificate and have affixed to it the seal of the County of Rowan, North Carolina on this 16th day of February, 2023.

COUNTY OF ROWAN, NORTH CAROLINA

By: _____
County Manager

By: _____
Finance Director

By: _____
Clerk of the Board of Commissioners

BOND DEBT SERVICE

Rowan County, North Carolina
 2023 Installment Financing Agreement (West End Plaza)
 Base Case

Dated Date 02/16/2023
 Delivery Date 02/16/2023

| <i>Period Ending</i> | <i>Principal</i> | <i>Coupon</i> | <i>Interest</i> | <i>Debt Service</i> | <i>Annual Debt Service</i> |
|--------------------------|------------------|---------------|-----------------|---------------------|--------------------------------|
| 08/01/2023 | | | 487,987.50 | 487,987.50 | |
| 02/01/2024 | 1,907,000 | 3.570% | 510,510.00 | 2,417,510.00 | |
| 06/30/2024 | | | | | 2,885,477.50 |
| 08/01/2024 | | | 476,470.05 | 476,470.05 | |
| 02/01/2025 | 1,907,000 | 3.570% | 476,470.05 | 2,383,470.05 | |
| 06/30/2025 | | | | | 2,859,940.10 |
| 08/01/2025 | | | 442,430.10 | 442,430.10 | |
| 02/01/2026 | 1,907,000 | 3.570% | 442,430.10 | 2,349,430.10 | |
| 06/30/2026 | | | | | 2,791,860.20 |
| 08/01/2026 | | | 408,390.15 | 408,390.15 | |
| 02/01/2027 | 1,907,000 | 3.570% | 408,390.15 | 2,315,390.15 | |
| 06/30/2027 | | | | | 2,723,780.30 |
| 08/01/2027 | | | 374,350.20 | 374,350.20 | |
| 02/01/2028 | 1,907,000 | 3.570% | 374,350.20 | 2,281,350.20 | |
| 06/30/2028 | | | | | 2,655,700.40 |
| 08/01/2028 | | | 340,310.25 | 340,310.25 | |
| 02/01/2029 | 1,907,000 | 3.570% | 340,310.25 | 2,247,310.25 | |
| 06/30/2029 | | | | | 2,587,620.50 |
| 08/01/2029 | | | 306,270.30 | 306,270.30 | |
| 02/01/2030 | 1,907,000 | 3.570% | 306,270.30 | 2,213,270.30 | |
| 06/30/2030 | | | | | 2,519,540.80 |
| 08/01/2030 | | | 272,230.35 | 272,230.35 | |
| 02/01/2031 | 1,907,000 | 3.570% | 272,230.35 | 2,179,230.35 | |
| 06/30/2031 | | | | | 2,451,460.70 |
| 08/01/2031 | | | 238,190.40 | 238,190.40 | |
| 02/01/2032 | 1,907,000 | 3.570% | 238,190.40 | 2,145,190.40 | |
| 06/30/2032 | | | | | 2,383,380.80 |
| 08/01/2032 | | | 204,150.45 | 204,150.45 | |
| 02/01/2033 | 1,907,000 | 3.570% | 204,150.45 | 2,111,150.45 | |
| 06/30/2033 | | | | | 2,315,300.90 |
| 08/01/2033 | | | 170,110.50 | 170,110.50 | |
| 02/01/2034 | 1,906,000 | 3.570% | 170,110.50 | 2,076,110.50 | |
| 06/30/2034 | | | | | 2,246,221.00 |
| 08/01/2034 | | | 136,088.40 | 136,088.40 | |
| 02/01/2035 | 1,906,000 | 3.570% | 136,088.40 | 2,042,088.40 | |
| 06/30/2035 | | | | | 2,178,178.80 |
| 08/01/2035 | | | 102,066.30 | 102,066.30 | |
| 02/01/2036 | 1,906,000 | 3.570% | 102,066.30 | 2,008,066.30 | |
| 06/30/2036 | | | | | 2,110,132.60 |
| 08/01/2036 | | | 68,044.20 | 68,044.20 | |
| 02/01/2037 | 1,906,000 | 3.570% | 68,044.20 | 1,974,044.20 | |
| 06/30/2037 | | | | | 2,042,088.40 |
| 08/01/2037 | | | 34,022.10 | 34,022.10 | |
| 02/01/2038 | 1,906,000 | 3.570% | 34,022.10 | 1,940,022.10 | |
| 06/30/2038 | | | | | 1,974,044.20 |
| | 28,600,000 | | 8,124,725.00 | 36,724,725.00 | 36,724,725.00 |

BOARD OF COMMISSIONERS
OF THE
COUNTY OF ROWAN, NORTH CAROLINA

Excerpt of Minutes
of Meeting of
January 23, 2023

Present: Chairman Edds presiding, and Commissioners _____

Absent: _____

* * * * *

Commissioner _____ introduced the following resolution, the title of which was read:

RESOLUTION AUTHORIZING THE EXECUTION AND
DELIVERY OF AN INSTALLMENT FINANCING CONTRACT
TO FINANCE THE RENOVATION OF A PORTION OF THE
WEST END PLAZA MALL OWNED BY THE COUNTY

WHEREAS, the Board of Commissioners (the "Board") of the County of Rowan, North Carolina (the "County") desires to finance the cost of the renovation of a portion of the West End Plaza Mall owned by the County for the purpose of creating a 1,000-person meeting room and associated conference rooms, storage and warming kitchen, and converting space to agricultural center offices, as well as certain exterior improvements (the "Project"); and

WHEREAS, the County desires to finance the Project by executing and delivering an installment financing contract, as authorized under Section 160A-20 of the General Statutes of North Carolina; and

WHEREAS, the County sent out a request for proposals to a number of banks relating to the financing on December 19, 2022; and

WHEREAS, TD Bank, N.A. (the "Bank") submitted a proposal to the County dated January 10, 2022 (the "Proposal"), pursuant to which the Bank shall enter into an installment financing contract with the County in the amount of up to \$28,600,000 (the "Agreement") to finance the Project, and to pay certain costs associated with the financing, to be secured by a deed of trust, assignment of rents and leases, security agreement and financing statement that creates a lien on the Project for the benefit of the Bank (the "Deed of Trust"); and

WHEREAS, on January 3, 2023, the Board held a public hearing regarding financing the Project through the execution and delivery of an installment financing contract;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County (the "Board of Commissioners"), as follows:

1. The Board of Commissioners hereby accepts the Proposal, and authorizes and directs the Chairman, the County Manager, the Finance Director and the Clerk, or any of them, to execute, acknowledge and deliver the Agreement and the Deed of Trust on behalf of the County, with such changes and modifications as the person executing and delivering such instruments on behalf of the County shall find acceptable. The Clerk is hereby authorized to affix the official seal of the County to the Agreement and the Deed of Trust and to attest the same.

2. Each of the County Manager and other appropriate officers of the County is hereby authorized and directed to execute and deliver any and all papers, instruments, agreements, tax certificates, 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, the Agreement and the Deed of Trust, and the acquisition, construction, and financing of the Project.

3. All other acts of the Board of Commissioners and the officers of the County, which are in conformity with the purposes and intent of this resolution and in furtherance of the financing of the Project, are hereby ratified, approved and confirmed.

4. This resolution shall take effect immediately.

Commissioner _____ moved the passage of the foregoing resolution and
Commissioner _____ seconded the motion, and the resolution was passed by the
following vote:

Ayes: Commissioners _____

Nays: Commissioners _____

Not voting: Commissioners _____

* * * * *

I, Sarah Pack, Clerk for the Board of Commissioners of County of Rowan, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and complete copy of so much of the proceedings of the Board of Commissioners for the County at a special meeting duly called and held in accordance with G.S. § 153A-40 on January 23, 2023, as it relates in any way to the resolutions hereinabove referenced and that such proceedings are recorded in the minutes of the Board.

WITNESS my hand and the official seal of the County this 23rd day of January, 2023.

Sarah Pack, Clerk
Board of Commissioners
County of Rowan, North Carolina

(SEAL)

Bid Tabulation Form - General Construction - Single Prime

Project: Rowan County - Agricultural Center Renovations
Location: Rowan County Administration Building, Admin Conference, Room 101
Date/Time: January 18, 2023, 2:00 pm (base bid) / 3:00 pm (alternates)
Rowan County #2023-011

| COMPANY | NORTH CAROLINA CONTRACTOR LICENSE NO. | BID BOND (Y/N) | AFFIDAVIT A (Y/N) | AFFIDAVIT B (Y/N) | ADDENDUM #1 (Y/N) | ADDENDUM #2 (Y/N) | ADDENDUM #3 (Y/N) | BASE BID | 1 | 1A | 2 | 3 |
|--|---|----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------|---|--|---|--|
| | | | | | | | | | Exterior alterations, new entries/canopies at Belk Bldg. | Removal/replacem ent of sidewalk north+ northwest of Belk Bldg. | Parking lot/site alterations around Belk Bldg. Pavilion/classroom, landscaping, green space. | Exterior/parking lot alterations between Belk and anchor store box (JCP) on the mall north side. |
| Edison Foard | 1685 | y | y | n | y | y | y | \$14,677,000 | \$3,598,000.00 | \$150,000.00 | \$2,149,000.00 | \$2,536,000.00 |
| | | Total Bid With Alternates= | | | | | | \$25,663,000 | | | | |
| Wharton-Smith, Inc. Construction Group | 38755 | y | y | n | y | y | y | \$14,611,000 | \$2,900,000.00 | \$106,000.00 | \$2,525,000.00 | \$2,255,000.00 |
| | | Total Bid With Alternates= | | | | | | \$25,630,800 | | | | |

ADW Architects, pa
Six Coliseum Centre
2815 Coliseum Centre Drive, Suite 500
Charlotte, North Carolina 28217
PH: 704-379-1919
F: 704-379-1920

This document shall serve as certification that the submitted bids shown
are true and accurate as received this bid opening.

ADW Architects, pa
Phillip Steele, Managing Principal



ALTERNATES

[illegible]

adwarchitects
environmentsforlife
architecture planning interiors