

**CASWELL COUNTY BOARD OF COMMISSIONERS**  
**MEMBERS PRESENT**

**SEPTEMBER 7, 2021**  
**OTHERS PRESENT**

David J. Owen, Chairman  
Jeremiah Jefferies, Vice Chairman  
Nathaniel Hall  
Rick McVey  
Steve Oestreicher

Bryan Miller, County Manager  
Carla R. Smith, Clerk to the Board  
Debra Ferrell, The Caswell Messenger  
Brian Ferrell, County Attorney (Remote)

The Board of Commissioners for the County of Caswell, North Carolina, met in regular session on Monday, September 7, 2021, at 9:00 am in the Historic Courthouse.

**WELCOME:**

Chairman Owen called the meeting to order and asked if everyone would join in a moment of Silent Prayer. Then the Board of Commissioners and all the guests in attendance recited the Pledge of Allegiance.

**PUBLIC COMMENTS:**

The following individuals appeared before the Board to make public comments:

**Tony Hamlett:** 1276 Doll Branch Rd in Milton, NC. Mr. Hamlett asked for assistance in trying to get Doll Branch Road paved. The road hasn't been maintained in a number of years as it should. Areas are washed away. All the residents of Doll Branch Road have signed the right of way to have the road paved. Some of the private homeowners are unreachable. They have tried certified letters and 2 of the homes are under the care of the same person. The road has not been maintained and is now becoming a single lane road. The road floods when there is rain for a period of time. Three quarters of the residents on the road find it difficult if not impossible for some of them to get to their house without assistance. This creates dangerous circumstances, for instance if someone needs medical attention or assistance. Trying to get home after being at work or out and about becomes a difficult task. It puts the residents in that area in a dangerous situation. Most of the residents would have to drive through the flooded areas to reach their homes. Mr. Hamlett is asking the County Commissioners to address this or at least assist in the addressing of it. If the road can't be paved right now, maybe ask the Department of Transportation can we get the millings put down, which is the crushed-up pavement from other projects that they have torn up. This may help hold up the road, so it doesn't wash out so much. That will be a counter measure, but short-term fix. We understand that the long-term fix takes prioritizing and budget movements. Some of the stuff the County or State are not using is just sitting in a scrap yard somewhere, and that can be used to help hold the road. Once you run over it, it will act like pavement. Mr. Hamlett said he didn't want to take up too much of the Commissioners time, but maybe consider it. See what the Commissioners can do to help out the residents of Doll Branch Road.

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**Earnestine Hamlett:** Mrs. Hamlett wants to talk to the Commissioners about 2 topics this morning. One of them being Doll Branch Road. Mrs. Hamlett is here today to ask the Board of Commissioners to approve the Department of Transportation to pave the unfinished Doll Branch Road. Doll Branch is decaying and floods often during heavy rain. The state Department of Transportation has placed sandbags alongside of the road near the bridge to assist with the flooding. However, this is only a temporary solution for the flooding conditions. There is an old barn condemned, and it seems to be in or on the right of way. The barn is slowly falling into the pathway of vehicles traveling in and out of Doll Branch. This barn is dangerous along with flooding conditions and needs to be removed. It is almost impossible for two vehicles going in the opposite direction to pass because this barn is in the road. There are numerous property owners and homeowners, who are taxpaying citizens, who agree with Mrs. Hamlett. All property owners have signed the necessary petition for a right of way, which was provided by Jason Julian, whom Mrs. Hamlett has talked with on numerous occasions. Jason Julian is the District Engineer for the Department of Transportation for Caswell County. Doll Branch needs to be paved for easier access for emergency vehicles such as the Fire Department, First responders, EMS Rescue, as well as school buses. In an emergency every second and every minute counts. There are three property owners who have been notified by certified mail on two occasions and no response. However, this is a highway safety issue that needs to be addressed for the property owners and homeowners' peace of mind. Downtown Milton has paved sidewalks with flashing pedestrian crosswalk lights and with painted yellow pedestrian stripes to protect pedestrians while crossing the street. But note one thing, there are not pedestrians to walk or cross the street, yet it is paved. Therefore, it is our hope that this Board of Commissioners will move forward to take the necessary steps to pave Doll Branch Road.

It was mentioned at the last meeting that a monument of Dr. Martin Luther King and N. L. Dillard be placed along side of the confederate monument. In Mrs. Hamlett's opinion this is insulting. However, she hopes the Commissioners remember why we are having this conversation. On June 26, 2020, there was a Proclamation Declaring a state of emergency for Caswell County and the Town of Yanceyville. According to the protection of monuments, memorials and works of art, the circumstances under which an object of remembrance may be relocated are either of the following: and one being: An object of remembrance for which a building inspector or similar official has determined poses a threat to public safety because of an unsafe or dangerous condition. The unsafe condition happened on June 26, 2020.

**Betty Pettiford:** passed her time to Earnestine Hamlett if it is possible. Mrs. Hamlett returned to finish her comments. The Proclamation declaring a state of emergency read as follows:

Whereas, current social unrest that was brought to our County and Town recently by individuals from outside the County and Town seeking to cause both political and social unrest in our communities. It also said Whereas, as a result of the above-described disaster, I have determined that there is an imminent threat of, or existing conditions have caused or will cause, widespread or severe damage, injury, or loss of life or property, and public safety authorities will be unable to maintain public order or afford adequate protection for lives or property. Under the curfew, there was only certain hours the people were allowed on the square. The town kept the monument protected while unable to keep its citizens protected.

**Charles Blackwell:** Mr. Blackwell resides at 490 Wall Street here in Yanceyville. With regards to the ongoing discussion concerning the relocation of monuments, I am extremely concerned that certain persons have chosen to suggest a compromise that would involve placing a statue of Dr. Martin Luther King, Jr., Mr. N.L. Dillard, or any other prominent African American beside the confederate statue instead of relocating it! Such efforts at compromise suggests “tone deafness” and an insensitivity to the arguments that have been raised during the past year concerning the need for relocation. I find such an attempt at compromise to be extremely insulting and I think that it is offensive to almost all of the African American community and many of our white citizens as well.

For those of you not already in those shoes, I can only hope and pray that you will allow yourself to be placed into the shoes of the sons and daughters of former slaves. It is only then, that you might be able to understand how we feel about the glorification of the Confederacy and white supremacy as symbolized by the statue. Now, stay in those shoes throughout the process of the deliberation.

Now that you’ve done that, with respect to the plan to redesign the square. Don’t you think that it’s time for a New Caswell County to move forward into a brighter future? As noted by one of the opponents to relocation, Caswell was once one of the richest counties in NC but is now one of the poorest. That former wealth was built on the backs of slaves and the County has never been able to move forward from that dark period. The subsequent decline almost looks like the County has been experiencing its day of reckoning ever since the end of the Civil War. As one long-time resident noted to me last week, it’s almost like the County has been cursed. In a related point, Alvin Foster, Mayor of Yanceyville, made the following comment to you in his letter of October 19, 2020, and I quote:

“I believe that our Town and County will at best struggle to move forward in the future with the statue being the focal point of downtown in our county seat.” (Unquote)

Consequently, it is of the utmost importance that you don’t allow non taxpaying individuals from Danville and other communities to threaten and intimidate you in influencing your decisions that will impact our youth and future generations of Caswell County citizens. There is no doubt that we will continue to lobby for this project to redesign the square. Its implication for future economic development and for racial inclusiveness is too important for us to give up on its implementation. If it takes lawsuits that go all the way to the Supreme Court, we will not stop until this mission has been accomplished.

Then Chairman Owen declared Public Comments closed.

**The following individuals emailed the Board public comments:**

My name is **Paula Seamster** and I live at 1113 Bethesda Church Road. It was brought to my attention recently by Lanisse Layne (not sure of the spelling of her name but I do know she is the individual that was hired to design the new Caswell County Government webpage) that she had been hired to reactivate the Caswell County Government Facebook page and that she needed me to give her administrative rights to the page. I informed Ms. Layne that I could not do this because I had already given the user name and password to Ashley Kirby Powell, Administrative Assistant, and David Norris, IT Director when I left employment with the county. Ms. Layne then informed me that she was told that I had tied the Caswell County Government Facebook page to my personal Facebook page. This is an incorrect statement. Yes, I did design and set up

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the original Caswell County Government Facebook page but I did not tie it in any way to my personal Facebook page. The Caswell County Government Facebook page was set up as a government entity Facebook page and was not tied to any other Facebook page.

I left the county's employment on Friday, April 9, 2021, at this time I gave all of my user names and passwords for all of the county's programs that I had access to including the Caswell County Government Facebook page to Ashley and David. What should have occurred before my email account was deactivated was for someone to go into the Caswell County Government Facebook page to change the administrative rights but this evidently did not happen. This Facebook page was a very important source of information to the Caswell County residents and should have been continued without any lapse. I hope this statement clears up any misinformation that is being given out by the county manager and commissioners to the public. If I need to make an in person statement about this matter I can make it during the next regular board of commissioners' meeting.

**Janet P. Hines:** My family and I reside on Doll Branch Road in Milton NC.

I am a citizen, a taxpayer and homeowner. For years we have been trying to get this dirt road paved. We signed petitions, signed papers, and even went to the DOT.

I would like to know as a citizen of Caswell County, what else can we do to get this done, and how fast can it be done.

Several residents have been plagued with respiratory problems. My Daughter has special needs, and she cannot sit in her yard and enjoy the little freedom that her wheelchair gives her without eating dust. The residents of Doll Branch Road are fed up and tired of eating dust.

### **RECOGNITIONS:**

There were no recognitions from the Board.

### **AGENDA:**

#### **APPROVAL OF AGENDA:**

Commissioner Oestreicher asked to add a Public Hearing scheduled for September 27<sup>th</sup> for the Southeast Quadrant Zoning Proposal. Chairman Owen said we will add that as item 12 under Action items.

A **motion** was made by Commissioner Jefferies and seconded by Commissioner McVey and **carried unanimously** to approve the Agenda with the addition of Action item 12.

#### **APPROVAL OF CONSENT AGENDA:**

- a. August 16, 2021 Regular Meeting Minutes

A **motion** was made by Commissioner Jefferies and seconded by Commissioner McVey and **carried unanimously** to approve the Consent Agenda.

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## DISCUSSION ITEMS:

### **COVID-19 UPDATE:**

Jennifer Eastwood, Health Director, said last week we had a meeting with the State that kind of facilitated bringing government officials and public health officials together. Mrs. Eastwood thanked Mr. Owen for being on that call. We been getting a weekly update from the State, and it was very beneficial to have our government officials receive that same update. So, we are still experiencing really high levels of viral transmission within our County. Our weekly totals are continuing to rise. Three weeks ago, we had 73. Two weeks ago, the number had gone up to 81, and this past week, it was 120. We're still seeing the largest rise in the 30 and under population. We had our highest day total, during this Delta Variant, on Friday. We had 37 new cases come in. The difference between now and January, is that none of these cases are in congregate living settings. They are all community cases. So, that's an important distinction to make. According to State epidemiologist, we expect this current trend to last at least through September or probably into October. Our positivity rate right now is 16.7 for the County. Throughout the pandemic, we have looked at that metric as a way to gauge if we were testing the right people. We weren't testing widespread, but we were testing people who were symptomatic or people who were exposed. We are still testing those people. Our testing volume is really high now. For our positivity rate to be that high yet again is an indication we are experiencing a high level of viral spread in the County and in keeping with the rest of the State. Mrs. Eastwood did also want to point out that there is a shortage right now in rapid antigen test kits. That's at the manufacturing level. So, our testing site at OptumServe at the Health Department does not currently have any rapid tests. If you look in CVS, Walgreens, Walmart or places where you could readily buy your own test at home kits, you're not able to find them right now. Our vaccination rate is still hovering around 40%. We did hold a couple of pop-up vaccine clinics out in the community, and they were well attended. Mrs. Eastwood wanted to publicly thank Shady Grove United Methodist Church for letting the Health Department set up there, and Lorrie Wrenn for working with them to help coordinate that. Mrs. Eastwood said they vaccinated around 37 individuals at that site, and they were all first-time vaccines. The individuals who were vaccinated did receive the \$100 cash incentive. Last Tuesday they set up at Southern Caswell Ruritan Club and vaccinated 81 individuals. Mrs. Eastwood said she appreciates that organizations continued partnership with the Health Department as well. Testing was done there back in the beginning. It was nice that they are continuing to work with the Health Department and let them come back for that. Just a word about vaccines because we continue to hear about boosters versus additional doses. Right now, the Health Department is giving out third or additional doses. That is for people who are immunocompromised. Their immune system is not as good as the general public, so they need an additional dose to get them to the level of immunity that the rest of us have with the 2 shots. That is different from a booster. A booster shot means your immunity is waning and you need a little push to get you back up to where you already were. As we continue to move through the vaccination process, the Health Department is offering the third doses to people who are immunocompromised and we will continue to do that. Booster shots have not been approved by the FDA or by the Advisory Committee on Immunization Practices. The Health Department will not give booster doses until we receive approval through those organizations. At that time, we'll make an announcement, open up our schedule, and start providing those booster doses. There is still some back and forth about whether they will be 8 months or 6 months, but either way we will follow whatever the recommendation is and start vaccinating at that time. No

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vaccine provider in the County is making any appointments for booster shots. It is all those third additional doses that those people need to get them to the level of immunity that will protect them the most. Beginning this week, we are opening a fixed vaccine site. We have rented space beside Goodwill in that shopping center. The OptumServe testing site will move up there in the next couple of weeks and today we open a vaccine site that will have hours of operations. We will allow people to make appointments, but it will not be necessary. So hopefully if we have more vaccine available, we will increase our rate of vaccination for the County. The cash cards we have been giving out officially went away August 31<sup>st</sup>. However, we still have cards, and they will allow us to give them out until September the 13<sup>th</sup>. So, the Health Department will continue to incentivize people who come to get their first-time doses and people who transport individuals who come to get their shot thru the 13<sup>th</sup>. Just a reminder we still have Pfizer and Moderna, but there is a shortage of Johnson & Johnson vaccines right now. So, we have not been able to get any of the Johnson & Johnson vaccine, but we are continuing to work with our providers outside of the County to share if they have any available. Regardless of vaccine status, Mrs. Eastwood wanted to make sure that everyone knows we are back where we were in January. Mrs. Eastwood realizes that our baseline is not the same because we have 40% that is vaccinated, and people that have been vaccinated have some immunity because of that. As far as our behavior and practices, we need to be practicing the same things that we did in January. That is a layered approach. The reason that we do that is because one mitigating strategy by itself is not enough. Wearing a mask is not enough. Washing your hands by itself is not enough, but if you layer them like Swiss cheese, you will get more protection. So, make sure everyone continues to practice those 3 W's and be mindful of how you gather in groups with other individuals. The Delta Variant is spreading much faster, and we need to make sure we are doing the things we need to do to protect ourselves and the ones that we love. Chairman Owen asked is there a particular group affected by this Delta Variant. Mrs. Eastwood said it is still the 30 and under group, and that is where we saw more vaccine hesitancy. With colleges and universities returning to school and with our kids going back to school we are starting to see some increases. We have a really good partnership with Caswell County Schools and the school nurses contact Mrs. Eastwood daily. They are closely monitoring every situation in the schools. So far up to this week, they have not been able to epidemiologically link any of the cases in the schools. So, we have had positives in the schools, but we have quickly quarantined students. It does not appear to be spreading at the schools, which is good, because we want to keep the kids in person as much as we can. Chairman Owen then asked if Mrs. Eastwood is seeing cases in those who have had both shots. Mrs. Eastwood said we have seen some vaccine breakthroughs. Hospitalization and serious symptoms are not in those people who are fully vaccinated like they are in those who are unvaccinated. Mrs. Eastwood is concerned with the boosters and waiting for the approval because there has been some breakthrough in that early group of people that we vaccinated. We started vaccinating in January and we are coming up on the 8-month period. The next group we started vaccinating was the 65 and up. The sooner they can make a decision about the boosters, the better off we will be. Commissioner Hall said whether you call it a third dose or a booster, is there a downside to getting it medically. Mrs. Eastwood said if anyone has any questions about getting the third dose, they should talk with their primary care physician about the vaccine. As far as Mrs. Eastwood has read there is no downside to getting a third shot but if you have questions about the third dose, which will bump you up to that level of immunity that you need, you should talk to your primary care physician. Commissioner Hall asked if the folks in Raleigh

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had any thoughts on that and Mrs. Eastwood said none that they have shared with her. Commissioner Jefferies asked if Mrs. Eastwood said we had to wait 8 months before getting the booster shot. Mrs. Eastwood said they are recommending that people get the booster 6 months or 8 months after you were fully vaccinated, but they are on the fence about this. If you were vaccinated in January we would be there and you would be ready to get the booster, but they are not approved yet. Commissioner Oestreicher thanked Jennifer Eastwood for her thorough update. Commissioner Oestreicher said it is his understanding that the Pfizer booster was eminently approved. Mrs. Eastwood said neither are approved for boosters yet. Pfizer vaccines have been approved by the FDA, but that does not include the booster shots. Moderna has not gone through that process yet, but they are the same type of vaccine. Commissioner Oestreicher said as far as the general protocol, if you received the Pfizer, you should receive the Pfizer booster. Mrs. Eastwood said that is correct.

### **AMERICAN RESCUE PLAN SPENDING:**

County Manager Miller said as you all know you passed a project ordinance along with the budget that outlined the spending that was approved for the American Rescue Plan. We have an additional \$500,000 out of the first allocation of money still left after the appropriations made by the Board. There are some additional allowable uses for the American Rescue Plan. Two of the allowable uses of the American Rescue Plan are to incentivize unvaccinated employees to become vaccinated and the second is to provide premium pay to workers performing essential work during the COVID-19 public health emergency. First, Mr. Miller thinks it is important to note the intention of the premium pay, as detailed by the U.S. Treasury: it is to compensate low-wage essential workers for the risks they have taken throughout the pandemic. There is a 150% threshold that helps ensure that funds are used for the purpose. The US Treasury's Interim Final Rule communicates an intention that premium pay should address "the heightened risk to workers who must be physically present at a jobsite and, for many whom, the costs associated with the illness were the hardest to bear financially." This would encompass janitorial and maintenance staff, transit staff, public health and safety staff, and Social Services and human services staff just to name a few positions that would be eligible for premium pay. Premium pay is defined as an amount up to \$13 per hour in addition to wages and should not exceed \$25,000 per eligible worker. Premium pay must be in addition to a worker's regular wages and cannot supplant a worker's normal earnings. Premium pay may be provided retrospectively for work performed at any time since the start of the COVID-19 public health emergency. Funds cannot be used by Local Governments to pay themselves for premium pay that has previously been provided to workers. Employees that worked in a capacity for the County between the dates of May 2020 and now would be eligible to receive up to 100 hours of premium pay for their hours worked. The NC Average Annual Wage is \$51,010. That would make the 150% threshold for Caswell County or for the State \$76,515. Basically, what the State or Federal Government is saying is that you can't provide premium pay to a worker that is past that average annual salary. \$75,515 and below is the annual salary of Caswell County to look at and provide premium pay for eligible workers that are at or below the \$75,515. If the Board approves this and wants to move forward with this, it will cost the Board approximately \$250,000 of the remaining \$500,000 of the American Rescue Plan funds that remain unspent. Now, back to the first allowable use that Mr. Miller spoke about the use of incentive pay for unvaccinated employees to become vaccinated. Recipients may use Coronavirus State and Local Fiscal Recovery Fund to

respond to the COVID-19 public health emergency, including expenses related to COVID-19 vaccination programs. Programs that provide incentives reasonably expected to increase the number of people who choose to get vaccinated, or that motivate people to get vaccinated sooner than they otherwise would have, are an allowable use of funds so long as such costs are reasonably proportional to the expected public health benefit. So, Mr. Miller thinks it's allowed and an allowable use for us to provide these incentives to the unvaccinated employees if they choose to become vaccinated. Mr. Miller said he is happy to answer any questions the Board may have about either one of these topics. As you are aware, the Board has a policy not to approve off budget spending of more than \$10,000 in any one session the first time it is heard. So, it will be back on your next agenda based on the discussions on today if you choose to move forward with either of or both of these programs. Commissioner Oestreicher said as we have heard the boosters are not approved yet but would ARP funding cover booster shots for County employees. The County Manager said no and asked Jennifer Eastwood what the cost of a booster shot was. Jennifer Eastwood said there is no charge for a booster, but the incentive is to have people vaccinated. If we incentivize people to take that step to get vaccinated in a more positive way, then we may have more employees that choose to get vaccinated versus not. Mr. Miller said one thing we have not talked about is the employees that are already vaccinated, those employees that went out and got vaccinated to begin with because that is what they chose to. There are some creative ways to design an incentive program that rewards all vaccinated employees that meet the alternative criteria of being "reasonably expected to increase the number of people vaccinated." One of those creative ways to do that is to create a targeted percentage of vaccinated employees for the local government. At that point in time, say that it is October 30<sup>th</sup>, if the County meets that goal the vaccinated employees would then receive whatever incentive the Board approves. Commissioner Oestreicher said he understands, but it doesn't answer his question. Then Commissioner McVey asked the County Manager to repeat what he said. Bryan Miller said if the Board were to set a target like we would like to see County employees vaccinated at 90% by October 30<sup>th</sup>, then if the County employees were to meet that target, at that point in time, the vaccinated individuals would receive whatever incentive the Board approved. Commissioner McVey said so we are paying them to get vaccinated basically. Mr. McVey said most of the County employees are 21 years old or older and they know right from wrong. If they don't want to get vaccinated, that needs to be their choice. We don't need to be paying them and Mr. McVey said he is ticked off that the government is paying the \$100 to all these people who need to be vaccinated. We don't need to pay employees to take the vaccine. They are 21 years old and know right from wrong. Mr. McVey doesn't feel we should be paying employees to take the vaccine, County employees or not. They should be smart enough to know to take it. Mr. McVey said he would not vote to spend a dime of that money on paying anybody to take the vaccine especially at this time. The County Manager then asked the Health Director currently where we are with the vaccination of County employees. Mr. Miller asked if it was still around 65-68% and Mrs. Eastwood said she thinks so. The County average is about 40%. Chairman Owen asked if Mrs. Eastwood saw an increase in the vaccines with the use of the incentive cards, and Mrs. Eastwood said yes. Chairman Owen said personally he understands what Commissioner McVey is saying, but he looks at it a little different. Not that we are paying them because they still have a choice whether they take the vaccine or not. Mr. Owen looks at it differently because he looks down the road. Mr. Owen figures the more employees we have vaccinated, the safer our other employees are as well as citizens that come in and deal with those employees. Mr. Owen said he understand

what Mr. McVey is saying and kind of agree in some respects. Mr. Owen doesn't look at it as paying them because they don't have to do it. But it is up to the Board. Commissioner McVey said if an individual decides they don't want to get the shot, it's not good for the County, employees, or anybody else involved. Let them go. If you don't want to go along with the protocol and do what's right for everybody, let them go. Mr. McVey said he isn't paying nobody to take the shot. Didn't anybody pay him to take the shot. Commissioner Hall said he had a comment. Mr. Hall disagrees with federal, state, or local governments paying anybody to take the shot during the pandemic. We, Commissioners, are public servants. Our employees are public servants, and we should do what is necessary to serve the public safely. Mr. Hall said he hears a lot of talk about "my rights" but this is not about individual rights. It's about public health. Nobody gets paid to strap on your seatbelt, but it's required. No one is paid to put their child in a car seat, but it's required. Mr. Hall feels paying for shots is not appropriate, but he does believe that those public County employees that put their health on the line is different. Mr. Hall has no problem with premium pay, but there would have to be some provisions for that. Because they are going above and beyond their call of duty during the pandemic. Mr. Hall knows that the Health Department and EMS staff were out there working with citizens and going above the call of duty. Mr. Hall said he will support premium pay, but he will not support any compensation for anybody to take the shot. The shot is already free. What more do you want? Chairman Owen commented on a few things that Mr. Hall mentioned. Mr. Owen said what you have to remember about the two things, wearing a seat belt and restraining your child, is that if you don't do those things there are consequences if you are caught. There are penalties that are enforced, so they are different. Mr. Hall said it is no different. If COVID-19 catches you, there are some consequences. Mr. Owen said they are different because you will get a ticket. Mr. Owen said he agrees and understands. He doesn't want to have to pay people to do what they ought to do, should do for their own health and welfare, or for their family. Mr. Jefferies said sometimes you gone have to pay. Money may make someone take the shot, but how many people can he give this disease to if he doesn't take the shot. Mr. Jefferies said he won't say that he disagrees with paying employees to get vaccinated. Mr. Jefferies took his shot, and it was free. A lot of people know it is free, but they are not taking the shot. There is no law saying we can make them. Mr. Jefferies said he is an old man, and he will not get over it like the younger people. We may need to pay if that will make them get the shot. Commissioner Oestreicher said are there two items up for discussion, premium pay and incentive pay. Mr. Miller said that is correct. Commissioner Oestreicher said as far as premium pay, he agrees with Commissioner Hall. County employees that are dealing with the public and putting their lives at risk certainly make sense. Mr. Oestreicher said he does struggle a bit about ways to get the vaccination rate up. It's kind of like a choice between the devil and the deep blue sea. Mr. Oestreicher said he thinks we need to do everything we can to get the vaccination rate up, but it does go against his gut to pay people to do what they ought to do in the public good. There is an abundance of evidence that shows you are not doing yourself any harm and it's free, so why should we pay people to do the right thing. Chairman Owen said he thinks this gives us a lot to think about and maybe come up with alternate solutions to get more of our employees vaccinated. Just a quick note so everyone understands. CARES Act money specified what individuals hazard pay could go to. In the new plan, it goes beyond that. The Board will decide in the end who gets what if we decide to do any supplemental pay for those people. Chairman Owen asked the Board to think about these things and other ways to incentivize our employees to get them vaccinated. Then Mr. McVey said he is

hearing a lot of things, and he is hearing that about half of EMS services has the virus. Is that true? Jennifer Eastwood said we have several departments that have one or more employees that are out, but that is probably one of the County Managers stories to share regarding which departments they are. Mrs. Eastwood said but we do have a couple of departments that are struggling right now because they have staff out that are positive. Mr. McVey said does those employees have the shots. Mrs. Eastwood said some did, but most did not. Mr. Miller said he would way in and say our Emergency Services personnel were among the first to be eligible to be vaccinated. As you all have heard Mrs. Eastwood say before that they may be a group that need the booster. Mr. McVey said but you have employees that didn't take the shot who are on the front line, and they are the people exposed to it. Mr. McVey said with the education they got; you would think they would know to take the shot. Chairman Owen said there are some Counties that do not require their employees to have shots, but they require that their employees get tested each week. Mr. Miller said there are Counties that are requiring weekly testing for unvaccinated employees. Mrs. Eastwood said that would be a best practice, but as she just mentioned there is a shortage of those antigen test right now. Commissioner Hall said testing does not solve problems. We have three or four mitigating measures, which are masking, washing hands, social distancing, and vaccination. Mr. Hall feels strongly that if we are going to be public servants and we're going to serve the citizens of this community, then vaccinations, free vaccinations, should be a requirement for employees. We have to consider that. We can't just kick the can down the road and talk about peoples' rights. It's not about us individually, it is about the citizens of Caswell County. The citizens of Caswell County are paying if we have employees out sick. Are we not? Somebody is paying in sick leave or whatever it is. We are paying in lost opportunities to serve other citizens because they are not here. Mr. Hall said we are going to have to come to grips with this. The County Manager said there is a blog post written by Diane Juffras with the UNC School of Government about vaccinations in the workplace, local governments specifically. Mr. Miller said he is happy to include a discussion at the next meeting and include her blog post as part of that in the agenda packet. Chairman Owen said he thinks we have a lot to think about and if you have alternatives or issues we need to discuss when we have that discussion that will be the time to bring those items up. Commissioner Oestreicher asked if anything needed to be done this week and the County Manager said it can come back on the next agenda. Mr. Miller said after hearing the discussion he has heard today, what he plans to bring back to the Board is premium pay for employees and a discussion on mandatory vaccinations for County employees with the Blog post from Diane Juffras. Commissioner Oestreicher said he would add premium pay for frontline employees. County Manager Miller said frontline employees are definitely included as part of the employees basically that can receive premium pay. Commissioner Oestreicher asked if that could include only vaccinated employees. Chairman Owen said that can be a discussion before we make the final decision.

#### **RECESS:**

The Board took a brief recess.

#### **ACTION ITEMS:**

##### **SOLID WASTE EQUIPMENT AGREEMENT:**

The County Manager said Commissioners, in your agenda packet please find the master lease agreement for the solid waste equipment identified in our last meeting. As you look through the

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agreement, we would ask that the agreement be approved subject to County Attorney approval. You can see as you look through the agreement, the interest rate is 3.564%. The total lease amount is \$237,335, and you will see there is a schedule for payments. It is a 4-year lease. The term is 4 years as directed by the Board in our last meeting. Commissioner McVey asked A.J. Fuqua, Solid Waste Director, if he had had the opportunity to operate one of these pieces of equipment. A.J. Fuqua said yes, last week when they went up to see the equipment in Greensboro. Commissioner McVey asked if Mr. Fuqua felt this is what we need, and Mr. Fuqua said yes. Commissioner McVey then asked if they would be able to get that place cleaned up and how soon he could get the piece of equipment if the Board approves it. A.J. Fuqua said about 6 weeks by the end of October to get it here and get the attachment on it. Mr. McVey suggested that if the Board approves this that A.J. Fuqua call the company to get the equipment here quickly. Mr. McVey said you won't be able to get in down there soon the way things are piled up. Commissioner McVey said we need to push to get the equipment and if Mr. Fuqua needed any help, he could call him. A.J. Fuqua said the equipment is in Greensboro, but we are waiting for the attachment. A.J. Fuqua said the company is going to hold the equipment for Solid Waste if the Board approves. Mr. McVey said tell them to send it out because Solid Waste is getting in a position where they need it now. Chairman Owen said also we need to see if we can get training for all our employees. A.J. Fuqua said yes, that is correct. County Manager Miller said he just wanted to add that the extended warranty is not included in this price, but he would be happy to bring it back at a later date. The main thing that we need today is to know if you plan to approve this. Commissioner McVey said extended warranty is not on this. The County Manager said there is warranty in this, but the extended warranty that the Board asked about at your last meeting is not included in this price. The extended warranty is \$7,000 for 60 months or 7500 hours. Commissioner McVey asked how many hours are on the regular warranty. A.J. Fuqua said 3 years and 3000 hour warranty. Then Commissioner McVey asked how many hours are put on the equipment each year. A.J. Fuqua said about 1500. County Manager Miller said so we are happy to bring the extended warranty back to the Board at your next meeting, but what's important today is knowing which direction the Board is going to go with this specific piece of equipment. Commissioner McVey said he thinks you should run it to the warranty runs out, and since you are leasing it, get another one with warranty.

A **motion** was made by Commissioner Oestreicher, seconded by Commissioner McVey, and **carried unanimously** to lease the equipment for a 4-year period.

#### **COMMERCIAL CARD SOLUTIONS (P-CARD PROGRAM):**

The County Manager said he will refer to the commercial card solutions program as a P-card program. That's the way he has known this program to be named in the past. It is easier to call it P-card program. First, this program is available to the County at no cost to the County. The merchant fees are paid by the recipient, not the user of the card. The County in this case would be the user of the card so we don't pay anything for this program. Currently if a department wishes to make a credit card transaction, they must come to the Finance department and check out the card. There is one card available. So, if multiple units of Caswell County Local Government need to use the card, they're not able to do that. They have to wait for the department to bring back the card, which at times can be an entire day or could be potentially longer than that. A P-card system will allow each department to have a card. At no time will Mr. Miller refer to them as credit cards because these are not credit cards. The funds on the card are

linked to the amounts that have been approved through the budget process by the Board of Commissioners. Transactions can be monitored and restricted. Transactions from P-card purchases flow through from the purchase into a file that is imported into Munis, our new Finance software, and into the department's budget. This reduces the amount of work required by each individual department and the Finance department. Invoices like solid waste hauling and tipping fees, insurance payments, power bills, copier leases, etc. can be set to review by the department and automatically be paid using the P-card system. For the first year, any usage over \$500,000 will become eligible for a 1% cash back payment to the County. Additional years the upper limit will be set by the provider, but it is expected to be \$1,000,000 spent before we get the cash back. We would ask for the Board's approval to move forward with the program. If approved, a policy and procedure resolution for the program will be back before the Board at your next meeting for review and approval. Mr. Miller said he would be happy to answer any questions the Board may have about the program. If the County Manager can't answer those questions, we have the Finance Director and the Deputy Finance Director with us today. The Deputy Finance Director has dealt with these programs in her previous employment. Their jurisdiction was set to receive about \$12,000. The County Manager would estimate Caswell County Local Government's return to be considerably more than \$12,000. If we spend even with the upper limits attached in the neighborhood of \$4,000,000-\$5,000,000, which the County Manager does not think is out of the realm of possibility with the P-card program. Mr. Miller thinks we will be looking at \$40,000 cash back on a yearly basis. So, if you would imagine solid waste tipping fees, which come in close to \$1,000,000 a year, and all the power bills for the County, the cash back is definitely one of the perks to the program. The real operational functionality of the program is what makes this program useful to the County. Chairman Owen said he had a question and thinks he already know the answer, but he wanted to make sure it was understood. Mr. Owen said he will use administration as the example. Let's say the County Manager has a card, would that card be tied to the budget for administration only. The County Manager said that is correct. Mr. Owen said so you can not spend past that amount and with this card can you set daily limits. The County Manager said yes, and you can restrict uses at places like restaurants. Say there was a need to use your card at a restaurant, it's as simple as calling the Finance Department, making the request, and the Finance Department approving the request. It's a very user-friendly system, but it can help us restrict unlimited uses. Commissioner McVey said right now if we have a department using the card and another department needing to use the card, they have to wait until the group returns the card. Mr. Miller said that is correct, and there are no limitations. What we have now is truly a credit card and there are no limitations on what any employee can purchase. Finance would catch up with them in the end through the review process, but those restrictions set through the P-card program would help us do that on the front end. Commissioner Oestreicher asked the County Manager to elaborate on the liability protection aspect of this. How will the spending be checked, monitored, or limited? Mr. Miller said that will come back to you in your next meeting in the processes and procedures resolution. There will be a book associated with that and will explain some of that. What Mr. Miller can tell the Board is that transactions are restricted on the front end. Then when transactions occur if they are allowable uses, they go through, and the Department head will review the transactions and approve them. Then the Finance Department would pay the invoice through the P-card program. The invoices that are generated on a monthly basis, such as solid waste hauling and tipping, can be reviewed by the department and paid automatically. Then Melissa Miller,

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Deputy Finance Director, said the Finance Department can make the program as strict as they want it. Someone can check out the card and go make a purchase and within a minute Melissa Miller can sign on to the system and see where they made the purchase and how much it was. If the card gets declined, Mrs. Miller can instantly go on and see why it declined. Say the department has \$500 on their card and the purchase was \$501, the system will tell you that the transaction was over the limit. Different departments can be set up with different daily rates and purchases can be limited so that departments can't make purchases over \$1,000 without permission. Right now, it a free for all, because employees can check out the card and use it anywhere to buy whatever. Finance can set different restrictions for different departments. Commissioner Oestreicher said you can set limits but is there a plan for setting those limits. The County Manager said that will come back to you in the resolution and procedure manual, but that will be different for each department. Commissioner Oestreicher said they had him okay with this until you highlighted the fact that this integrates with Munis. The County Manager said he thought that's what the Board was striving for. Having everything integrate together. Commissioner Oestreicher said yes, a fully functional Munis system. Commissioner Oestreicher said his concern is that department heads don't know how to work Munis and it is time consuming. The County Manager said the Finance Department has training scheduled for department users later this month. The Deputy Finance Director said September 21<sup>st</sup> and 22<sup>nd</sup> the Finance Department will be training different departments on different topics in Munis. The P-card system will take some of their Munis work away from them because of the import. It will make their Munis life easier. The County Manager said they will not have to go in and scan all the tipping bills and things like that will be a thing of the past.

A **motion** was made by Commissioner Oestreicher, seconded by Commissioner McVey, and **carried unanimously** to approve proceeding with the program.

#### **DEBTBOOK QUOTE AND ORDER FORM:**

GASB Statement 87, for specifically leases, establishes a uniform approach to accounting for reporting leases based on the principle that all leases are, in substance, financings. Lease accounting is no longer based on the arrangement's classification as either capital or operating lease. This is the way we have done it in the past. Under GASB 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activity. The agreement you have in front of you today helps Caswell County Local Government compile all lease data, classify all lease data, and report all lease data timely and accurately. This is a requirement of our audit beginning this year. Many jurisdictions have hired additional staff to work on nothing but the GASB 87. Without the third-party agreement, complying with GASB 87 would be a monumental undertaking for our local government staff. DebtBook will also allow Caswell County Local Government to organize and report our debt in a more organized and timely fashion. This is kind of the way Davenport helps us manage our debt now or at least view our debt. We will be able to do this internally with the assistance of DebtBook. The cost of DebtBook is under \$10,000 for the first year and is \$7,500 every additional year. We would ask that the agreement be approved subject to County Attorney approval. Commissioner Hall asked if the County Manager said GASB 87 was effective this year. The County Manager said yes, effective July 1, 2021. Basically, what they are going to do is take every lease document that we

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have and every debt obligation that we have and review those documents to answer certain questions that are required by GASB 87. They go through and create tables and spreadsheets that we are able to access through the process. Part of the requirements of GASB 87 is not only that we identify these things and go through the list of questions for each lease that we have and being able to prove that we have done that. By utilizing DebtBook, we can go through and show each answer to the questions and show how that lease should appear, whether as a financing or as a lease. Commissioner McVey said so we are leasing more stuff now. The County Manager said yes, we are. Commissioner McVey said a year or so ago, we spent how much on the financial software. Mr. McVey said \$100,000 and now this is going to cost us \$10,000 our first year and \$7,500 after that. The County Manager said yes, that is correct. Mr. McVey said his point is that we spent \$100,000 on the program for finance to bring it up to date and hoped that it would work for a while. Now it won't do this. The County Manager said it is not configured to do this. That is not what our operations software is configured to do, and it never was. This is completely different. Commissioner Oestreicher asked if this is currently being done manually. The County Manager said no it is not being done currently. It is done on the front end and never done again. We have to do this every year to comply with GASB 87. Commissioner Oestreicher then asked if this was an audit finding. Mr. Miller said no. As we moved through the audit, the auditors made them aware of GASB 87, and told them the horror stories other jurisdictions were having trying to implement the process to comply with GASB 87. The auditors were very concerned that we would not be able to comply with that. Through those discussions our Finance Director reached out to some counterparts and found out about DebtBook. Jennifer Hammock and Bryan Miller sat through a presentation on DebtBook. Through the presentation, both Mrs. Hammock and Mr. Miller concluded that this would not only help us meet the obligations we have under GASB 87, but it would also help us manage our debt as a County better. Jennifer Hammock said we did check with our auditors to see if this would be something that they would be able to handle for us, but they said that they do not do that. We would have to outsource it. Mrs. Hammock has been in touch with 3 surrounding counties, and they are using DebtBook. In speaking with our auditors, 20-25 other counties are using DebtBook for this program. That is why Mrs. Hammock felt we should look into it. Chairman Owen said what we have is something that is required for us to do. Our choice is to do it through this software or without a doubt have to hire additional staff to get this done. Our staff can not do this. Mr. Owen thinks \$7,500 a year is cheaper than hiring additional staff members to do this. Commissioner McVey said he will go back to something Mr. Hall has preached for years. We didn't prepare in the beginning when we bought the other software for anything like this. Commissioner Hall said we may not have prepared, but for general information, GASB is a series of accounting requirements that unfolds upon organizations periodically. Over the years, when we had to deal with a GASB situations, either we didn't do it and we got dinged in the audit or the auditors did it and we were charged extra. The auditors and most CPAs are backing off doing your accounting work, and then expressing their recommendations about what they did. Mr. Hall doesn't know the reasoning behind GASB 87, and he has not stayed up on the GASB announcements, but technology is probably the best way to move forward. What will happen if we try to hire staff is it will probably take the first year in education. It will be a big learning curve because you have to understand GASB. There would be a big cost to send people to school to learn about GASB. This is one of those things we will constantly be hit with by the accounting organizations, who makes these announcements. We will have to be flexible in our

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thinking as we try to deal with this. This will probably be our most economical approach. This just became a requirement. The State and Federal government hand down mandates. You can't guess the future. So, these are some things that came up and are required that we do. Chairman Owen said he agrees that the software is best way for us to go.

A **motion** was made by Commissioner McVey, seconded by Commissioner Hall, and **carried unanimously** to proceed with DebtBook.

#### **LEGAL SERVICES AGREEMENT:**

County Manager Miller said Commissioners you will see in your agenda packet the proposed legal services agreement for this fiscal year. The retained hourly rate is the same as the previous fiscal year. We will probably need an increase for both the hourly rate and the monthly retainer in the next year or two due to the increase costs of business and providing legal services. In the future we may want to consider moving to a type of flat fee engagement at that point in time to provide predictability of fees. There is an updated rate for paralegal services and fees. This year to reflect the current rates for corporate and real estate paralegals for Kennon Craver, although that will have minimal impact on us because we do not use the paralegals. Brian Ferrell usually takes care of us. The agreement is updated to reflect the attending of Board meeting via Zoom. The County Manager said he or the County Attorney, who was online via Zoom, would be happy to answer any questions, but they would ask the Board for approval of the legal services agreement.

A **motion** was made by Commissioner McVey, seconded by Commissioner Oestreicher, and **carried unanimously** to approve the legal services agreement.

Chairman Owen thanked Brian Ferrell for the work he does for the County.

#### **SOUTHEAST ZONING PUBLIC HEARING:**

Chairman Owen said we will need to set a date for the hearing. Commissioner Oestreicher said we need to have a Public Hearing on the Southeast quadrant zoning proposal. The time frame is such that we tried to have it by our next Commissioner's meeting, but it could be a little dicey as far as making sure we dotted all the I's and crossed all the T's. Commissioner Oestreicher would like for the Board to hold that meeting on Monday, September 27<sup>th</sup> in the evening to enable our citizens to participate. We have to make sure we do all the preparatory work, notifications, etc. to be fully compliant with all the policy and procedures associated with Public Hearings. The County Manager asked what time Mr. Oestreicher said because our meetings are usually at 6:30 pm. Mr. Oestreicher said 6:30 pm is fine. Brian Ferrell, County Attorney, said he had a question for Mr. Oestreicher. Mr. Ferrell said he knows that Mr. Oestreicher liaisons for the Planning Board, do you plan to have the Planning Boards recommendation by that public hearing date? The County Manager said we do have the recommendation. Commissioner McVey said he would like to have a hard copy of that recommendation today. Mr. Oestreicher said he would like for everyone to get a copy. Commissioner Hall asked if Mr. Oestreicher was suggesting September 27<sup>th</sup> for the hearing even though we meet on September 20<sup>th</sup>. Chairman Hall said we could not meet all the statutory requirements by September 20<sup>th</sup>. County Manager Miller said that is correct. Chairman Owen asked if there were any issues with the Public Hearing being September 27<sup>th</sup> at 6:30 pm? Hearing none the hearing is set for that date and time.

## COUNTY MANAGER'S UPDATES:

County Manager Miller had no updates today.

## COMMISSIONER COMMENTS:

**Commissioner Hall:** Consider the action items on the agenda today. Mr. Hall stopped in Finance last week and tried asking a trick question. Mr. Hall asked one young lady if we were smart enough to do certain things and asked her to go ask the Finance Director. The employee did while Mr. Hall hid behind the door. About 4 or 5 other people in Finance jumped Mr. Hall quickly and let him know they were smart enough to do about anything. Mr. Hall said he can see that from what was presented today. Mr. Hall wanted to commend the Finance Department today for being progressive in handling our finances. Mr. Hall said thank you all very much and all applauded. Chairman Owen said the NCACC does the innovative awards for counties that come up with different programs. Mr. Owen said maybe this is something the Board needs to consider with things that save money, time and paperwork. Maybe the Board can promote that so that other employees will share ideas.

**Commissioner Jefferies:** Mr. Jefferies said he has not seen any improvement at the house on Jack Pointer Road. The lawn mowers are still out there, and Mr. Jefferies continues to get calls. He wanted to know if anyone had been out to the house with all the lawn mowers in the front of the yard because there had been no improvement. Mr. Jefferies wanted to know if Planning had been out to the address to look at it. The County Manager said honestly, he can't answer that question, but he can find out later today. The County Manager said he would assume if Planning had received a complaint that he has. Mr. Miller said he will check it out and call Mr. Jefferies back today.

Next, Mr. Jefferies said Doll Branch Road is one of the worst roads in Caswell County. Mr. Jefferies said he drove the school bus on that road. The road needs work done to it because there is a young child in a wheelchair on that road. The bus has to be able to get down there. Mr. Jefferies said whatever can be done, please help these people out on Doll Branch Road. The County Manager said he had given his card to the gentleman, Tony Hamlett, that spoke in Public Comments. Mr. Hamlett is going to call Mr. Miller and they will speak with Jason Julian and other parties that need to get involved to make something happen.

## ANNOUNCEMENTS AND UPCOMING EVENTS:

- September 15, 2021 Stories of Stagville Women at Gunn Memorial Library 12 -1 pm
- September 20, 2021 Board of Commissioners Meeting 6:30 pm
- September 25, 2021 19<sup>th</sup> Amendment on Display at Gunn Memorial Library  
9:00 am-3:30 pm

Second Saturday and First Friday has been cancelled. The Bright Leaf Hoedown has also been cancelled. Mr. McVey said he wanted to make it clear that it was not the County Manager or the Health Director that made that decision. The decision was made by the Chamber of Commerce Board.

- Cycle NC is still on schedule for October 5<sup>th</sup>.

## CLOSED SESSION

A **motion** was made by Commissioner Owen, seconded by Commissioner McVey and **carried unanimously** to consult with an attorney employed or retained by the public body in order to

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preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged NCGS 143-318.11(a)(3) and to consider the qualifications, competence, character, or conditions of employment of an employee, which is hereby acknowledged NCGS 143-318.11 (a) (6) with the following individuals permitted to attend: County Manager, Bryan Miller, Clerk to the Board, Carla Smith, and County Attorney, Brian Ferrell remotely.

**RECESS:**

The Board took a brief recess while everyone left the meeting prior to the start of closed session.

A **motion** was made by Commissioner Jefferies, seconded by Commissioner McVey and **carried unanimously** to return to open session at 11:19 am.

**ADJOURNMENT:**

Commissioner McVey made a **motion** at 11:21 am to adjourn, seconded by Commissioner Owen and the motion **carried unanimously**.

# MASTER LEASE PURCHASE AGREEMENT

**Lessee**  
**County of Caswell**  
**144 Court Square**  
**Yanceyville, NC 27379**

**Lessor**  
**Lease Servicing Center, Inc. dba NCL Government Capital**  
**220 22<sup>nd</sup> Ave E., Ste 106**  
**Alexandria, MN 56308**

**Dated as of August 31, 2021**

This Master Lease Purchase Agreement dated as of the date listed above is between Lessor and Lessee listed directly above. Lessor desires from time to time to lease the Equipment described in Equipment Schedules (each a "Schedule") to be attached hereto to Lessee and Lessee desires to lease such Equipment from Lessor subject to the terms and conditions of this Agreement, which are set forth below, and the applicable Schedule.

## **I. Definitions:**

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Master Lease Purchase Agreement.

"Budget Year" means the Lessee's fiscal year.

"Commencement Date" is the date when Lessee's obligation to pay rent begins.

"Equipment" means the items of Equipment listed on Exhibit "A" to each Schedule and all replacements, restorations, modifications and improvements.

"Lease" means this Agreement and an individual Schedule hereto, which shall collectively constitute the terms and conditions applicable to the lease of the Equipment subject thereto.

"Lessee" means the entity listed above as Lessee and which is leasing the Equipment from Lessor under the provisions of this Agreement and a Schedule.

"Lessor" means the entity originally listed above as Lessor or any of its assignees.

"Lease Term" means the Original Term and all Renewal Terms applicable to a Lease.

"Original Term" means the period from the Commencement Date until the end of the Budget Year of Lessee.

"Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Lessee's Budget Year.

"Rental Payments" means the payments Lessee is required to make under this Agreement as set forth on Exhibit "B" to each Schedule made subject thereto.

"Schedule" means a schedule substantially in the form attached hereto and all exhibits thereto pursuant to which Lessor and Lessee agree to the lease of the Equipment described therein and which together with the terms of the Agreement applicable thereto constitutes an individual Lease.

"State" means the state in which Lessee is located.

## **II. Lessee Warranties**

Section 2.01. With respect to each Lease, Lessee represents, warrants and covenants as follows for the benefit of Lessor or its assignees:

- (a) Lessee is the State or a political subdivision of the State within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") or a constituted authority authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of the treasury regulations promulgated under the Code.
- (b) Lessee is authorized under the Constitution and laws of the State to enter into this Agreement and each Schedule, and has used such authority to properly execute and deliver this Agreement and each Schedule. Lessee has followed all proper procedures of its governing body in executing this Agreement and each Schedule. The Officer of Lessee executing this Agreement and each Schedule has the authority to execute and deliver this Agreement and such Schedule. This Agreement and each Schedule constitute a legal, valid, binding and enforceable obligation of the Lessee in accordance with their terms.
- (c) Lessee has complied with all statutory laws and regulations that may be applicable to the execution of this Agreement and each Schedule.
- (d) Lessee shall use the Equipment only for essential, traditional government purposes.
- (e) Should the Lessee cease to be an issuer of tax exempt obligations or if the obligation of Lessee created under any Lease ceases to be a tax exempt obligation for any reason, then Lessee shall be required to pay additional sums to the Lessor or its assignees so as to bring the after tax yield on any Lease to the same level as the Lessor or its assignees would attain if the transaction continued to be tax-exempt.
- (f) Lessee has never non-appropriated funds under an agreement similar to this Agreement.
- (g) Lessee will submit to the Secretary of the Treasury an information reporting statement as required by the Code with respect to each Lease.
- (h) Upon request by Lessor, Lessee will provide Lessor with current financial statements, reports, budgets or other relevant fiscal information.
- (i) Lessee shall retain the Equipment free of any hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et. seq. as amended and supplemented.
- (j) Lessee presently intends to continue each Lease for the Original Term and all Renewal Terms as set forth on Exhibit "B" to the Schedule relating thereto. The official of Lessee responsible for budget preparation will include in the budget request for each Budget Year the Rental Payments to become due in such Budget year, and will use all reasonable and lawful means available to secure the appropriation of money for such Budget Year sufficient to pay the Rental Payments coming due therein. Lessee reasonably believes that moneys can and will lawfully be appropriated and made available for this purpose.

Section 2.02. Escrow Agreement. In the event both Lessor and Lessee mutually agree to utilize an escrow account, then immediately following the execution and delivery of any Schedule, Lessor and Lessee agree to execute and deliver and to cause an escrow agent to execute and deliver an escrow agreement. Such Lease shall take effect only upon execution and delivery of the escrow agreement by the parties thereto. Lessor shall deposit or cause to be deposited with the escrow agent for credit to an equipment acquisition fund the sum specified in such Schedule which shall be held, invested and disbursed in accordance with the escrow agreement.

## **III. Acquisition of Equipment, Rental Payments and the Purchase Option Price**

Section 3.01. Acquisition: Lessee shall advise Lessor of its desire to lease Equipment and of the desired lease terms. Upon agreement by Lessor and Lessee as to the lease of such Equipment and such terms, Lessee shall be solely responsible for the ordering of the Equipment and the delivery and installation thereof. Lessor shall furnish to Lessee a Schedule relating to such Equipment, which shall become effective upon the execution and delivery of such Schedule, all documents contemplated hereby and thereby with respect to such Schedule, and the earlier of Lessee's written acceptance of such Equipment or the deposit into escrow of moneys to pay for such Equipment as provided in Section 2.02. Nothing herein shall obligate Lessor to lease any Equipment to Lessee until Lessor shall have concurred in writing to the lease of such Equipment.

Section 3.02. Rental Payments. Lessee shall promptly pay Rental Payments under each Schedule, from any and all legally available funds, exclusively to Lessor or its assignees, in lawful money of the United States of America. The Rental Payments shall be sent to the location specified by the Lessor or its assignees. The Rental Payments shall constitute a current expense of the Lessee and shall not constitute an indebtedness of the Lessee. Lessor shall have the option to charge interest at the highest lawful rate on any Rental Payment received later than the due date. The Rental Payments will be payable without notice or demand.

Section 3.03. Rental Payments Unconditional. Except as provided under Section 4.01, THE OBLIGATIONS OF LESSEE TO MAKE RENTAL PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE.

Section 3.04. Purchase Option Price. With respect to each Schedule, upon 30 days written notice, Lessee shall have the option to pay, in addition to any

Rental Payment due thereunder, the corresponding Purchase Option Price which is listed on the same line on Exhibit B to such Schedule. If Lessee chooses this option and pays the Purchase Option Price to Lessor then Lessor will transfer any and all of its rights, title and interest in the Equipment subject to such Lease to Lessee.

**Section 3.05. Lease Term.** The Lease Term of each Lease shall be the Original Term and all Renewal Terms thereunder until all the Rental Payments due thereunder are paid as set forth in the applicable Schedule except as provided under Section 4.01 and Section 9.01 below. If, after the end of the budgeting process which occurs at the end of the Original Term or any Renewal Term, Lessee has not terminated a Lease pursuant to Section 4.01 hereof then the Lease Term for such Lease shall be extended into the next Renewal Term and the Lessee shall be obligated to make the Rental Payments that come due during such Renewal Term.

**Section 3.06. Disclaimer of Warranties.** LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, AND FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER WARRANTY WITH RESPECT TO THE EQUIPMENT. LESSOR SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE EQUIPMENT BY LESSEE.

#### **IV. Non-Appropriation**

**Section 4.01. Non-Appropriation.** If insufficient funds are available in Lessee's budget for the next Budget Year to make the Rental Payments for the next Renewal Term under any Lease, then Lessee shall have the option to non-appropriate the funds to pay the Rental Payments for the next Renewal Term with respect to such Lease. Lack of a sufficient appropriation shall be evidenced by the passage of an ordinance or resolution by the governing body of Lessee specifically prohibiting Lessee from performing its obligations under such Lease for a designated Budget Year and all subsequent Budget Years. If Lessee chooses this option, then all obligations of the Lessee under such Lease regarding Rental Payments for all remaining Renewal Terms shall be terminated at the end of the then current Original Term or Renewal Term without penalty or liability to the Lessee of any kind provided that if Lessee has not delivered possession of the Equipment subject to such Lease to Lessor as provided herein and conveyed to Lessor or released its interest in such Equipment by the end of the last Budget Year for which Rental Payments were paid, the termination shall nevertheless be effective but Lessee shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments thereafter coming due under Exhibit "B" to the Schedule for such Lease which are attributable to the number of days after such Budget Year during which Lessee fails to take such actions and for any other loss suffered by Lessor as a result of Lessee's failure to take such actions as required. Lessee shall immediately notify the Lessor as soon as the decision to non-appropriate is made. If such non-appropriation occurs, then Lessee shall deliver the Equipment to Lessor or to a location designated by Lessor at Lessee's expense. Lessee shall be liable for all damage to the Equipment other than normal wear and tear. If Lessee fails to deliver such Equipment to Lessor, then Lessor may enter the premises where such Equipment is located and take possession of the Equipment and charge Lessee for costs incurred.

#### **V. Insurance, Damage, Insufficiency of Proceeds, Lessee Negligence**

**Section 5.01. Insurance.** Lessee shall maintain both casualty insurance and liability insurance at its own expense with respect to the Equipment. Lessee shall be solely responsible for selecting the insurer(s) and for making all premium payments and ensuring that all policies are continuously kept in effect during the term of any Lease. Lessee shall provide Lessor with a Certificate of Insurance, which lists the Lessor and/or assigns as a loss payee and an additional insured on the policies with respect to the Equipment.

- (a) Lessee shall insure the Equipment against any loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the then applicable Purchase Option Price of the Equipment. Alternatively, Lessee may insure the Equipment under a blanket insurance policy or policies.
- (b) The liability insurance shall insure Lessor from liability and property damage in any form and amount satisfactory to Lessor.
- (c) Provided that, with Lessor's prior written consent, Lessee may self-insure against the risks described in (a) and (b) above. Lessee shall furnish Lessor evidence of such self-insurance coverage throughout each Lease Term. Lessee shall not materially modify or cancel such self-insurance coverage without first giving written notice thereof to Lessor at least 10 days in advance of such cancellation or modification.
- (d) All insurance policies issued or affected by this Section shall be so written or endorsed such that the Lessor and its assignees are named additional insured and loss payees and that all losses are payable to Lessee and Lessor or its assignees as their interests may appear. Each policy issued or affected by this Section shall contain a provision that the insurance company shall not cancel or materially modify the policy without first giving thirty 30 days advance notice to Lessor or its assignees. Lessee shall furnish to Lessor certificates evidencing such coverage throughout each Lease Term.

**Section 5.02. Damage to or Destruction of Equipment.** Lessee assumes the risk of loss or damage to the Equipment. If the Equipment or any portion thereof is lost, stolen, damaged, or destroyed by fire or other casualty, Lessee will immediately report all such losses to all possible insurers and take the proper procedures to attain all insurance proceeds. At the option of Lessor, Lessee shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Purchase Option Price. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof.

**Section 5.03. Insufficiency of Net Proceeds.** If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Lessee shall, at the option of Lessor, either complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or apply the Net Proceeds to the Purchase Option Price and pay the deficiency, if any, to the Lessor.

**Section 5.04. Lessee Negligence.** Lessee assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Equipment and for injury to or death of any person or damage to any property whether such injury or death be with respect to agents or employees of Lessee or of third parties, and whether such property damage be to Lessee's property or the property of others including, without limitation, liabilities for loss or damage related to the release or threatened release of hazardous substances under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act or similar or successor law or any state or local equivalent now existing or hereinafter enacted which in any manner arise out of or are incident to any possession, use, operation, condition or storage of any Equipment by Lessee which is proximately caused by the negligent conduct of Lessee, its officers, employees and agents. Lessee hereby assumes responsibility for and agrees to reimburse Lessor for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses including reasonable attorneys' fees of whatsoever kind and nature, imposed on, incurred by or asserted against Lessor that in any way relate to or arise out of a claim, suit or proceeding, based in whole or in part upon the negligent conduct of Lessee, its officers, employees and agents, to the maximum extent permitted by law.

#### **VI. Title and Security Interest**

**Section 6.01. Title.** Title to the Equipment shall vest in Lessee when Lessee acquires and accepts the Equipment. Title to the Equipment subject to a Lease will automatically transfer to the Lessor in the event Lessee non-appropriates under Section 4.01 with respect to such Lease or in the event Lessee defaults under Section 9.01 with respect to such Lease. In either of such events, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title to the Equipment subject to such Lease to Lessor.

**Section 6.02. Security Interest.** To secure the payment of all Lessee's obligations under each Lease, Lessee hereby grants to Lessor a security interest under the Uniform Commercial Code constituting a first lien on the Equipment described more fully on Exhibit "A" to each Schedule. The security interest established by this section includes not only all additions, attachments, repairs and replacements to the Equipment but also all proceeds therefrom. Lessee agrees that Lessor or its assignee may execute such additional documents including financing statements, affidavits, notices, and similar instruments, for and on behalf of Lessee which Lessor deems necessary or appropriate to protect Lessor's interest in the Equipment and in this Agreement and each Lease. Lessee authorizes Lessor to record such documentation as necessary for Lessor to perfect its security interest.

**Section 6.03. Personal Property.** The Equipment is and shall at all times be and remain personal property notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner affixed or attached to or embedded in or permanently rested upon real property or any building thereon or attached in any manner to what is permanent by means of cement, plaster, nails, bolts, screws or otherwise.

## **VII. Assignment**

**Section 7.01. Assignment by Lessor.** All of Lessor's rights, title and/or interest in and to each Lease may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees (including a registered owner for lease participation certificates) by Lessor at any time without the consent of Lessee. No such assignment shall be effective as against Lessee until the assignor shall have filed with Lessee written notice of assignment identifying the assignee. Lessee shall pay all Rental Payments due under each Lease to or at the direction of Lessor or the assignee named in the notice of assignment. Lessee shall keep a complete and accurate record of all such assignments.

**Section 7.02. Assignment by Lessee.** None of Lessee's right, title and interest under this Agreement, each Lease and in the Equipment may be assigned by Lessee unless Lessor approves of such assignment in writing before such assignment occurs and only after Lessee first obtains an opinion from nationally recognized counsel stating that such assignment will not jeopardize the tax-exempt status of the obligation.

## **VIII. Maintenance of Equipment**

**Section 8.01.** Lessee shall keep the Equipment in good repair and working order. Lessor shall have no obligation to inspect, test, service, maintain, repair or make improvements or additions to the Equipment under any circumstances. Lessee will be liable for all damage to the Equipment, other than normal wear and tear, caused by Lessee, its employees or its agents. Lessee shall pay for and obtain all permits, licenses and taxes necessary for the installation, operation, possession, storage or use of the Equipment. If the Equipment includes any titled vehicles, then Lessee is responsible for obtaining such titles from the State and also for ensuring that Lessor is listed as first lien holder on all of the titles. Lessee shall not use the Equipment to haul, convey or transport hazardous waste as defined in the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et. seq. Lessee shall not during the term of this Agreement create, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment except those created by this Agreement. The Equipment is and shall at all times be and remain personal property. Lessee shall allow Lessor to examine and inspect the Equipment at all reasonable times.

## **IX. Default**

**Section 9.01. Events of Default defined.** The following events shall constitute an "Event of Default" with respect to a Lease:

- (a) Failure by Lessee to pay any Rental Payment listed on Exhibit "B" to the Schedule for fifteen 15 days after such payment is due according to the Payment Date listed on Exhibit "B".
- (b) Failure to pay any other payment required to be paid under this Agreement and the Schedule at the time specified herein and therein and a continuation of said failure for a period of fifteen 15 days after written notice by Lessor that such payment must be made. If Lessee continues to fail to pay any payment after such period, then Lessor may, but will not be obligated to, make such payments and charge Lessee for all costs incurred plus interest at the highest lawful rate.
- (c) Failure by Lessee to observe and perform any warranty, covenant, condition, promise or duty under this Agreement or the Schedule for a period of thirty 30 days after written notice specifying such failure is given to Lessee by Lessor, unless Lessor agrees in writing to an extension of time. Lessor will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Lessee. Subsection (c) does not apply to Rental Payments and other payments discussed above.
- (d) Any statement, material omission, representation or warranty made by Lessee in or pursuant to this Agreement or the Schedule which proves to be false, incorrect or misleading on the date when made regardless of Lessee's intent and which materially adversely affects the rights or security of Lessor under this Agreement or the applicable Schedule.
- (e) Any provision of this Agreement or the Schedule which ceases to be valid for whatever reason and the loss of such provision, would materially adversely affect the rights or security of Lessor.
- (f) Lessee admits in writing its inability to pay its obligations. Lessee defaults on one or more of its other obligations. Lessee applies or consents to the appointment of a receiver or a custodian to manage its affairs. Lessee makes a general assignment for the benefit of creditors.

**Section 9.02. Remedies on Default.** Whenever any Event of Default exists with respect to any Lease, Lessor shall have the right to take one or any combination of the following remedial steps:

- (a) With or without terminating the Lease, Lessor may declare all Rental Payments and other amounts payable by Lessee thereunder to the end of the then current Budget Year to be immediately due and payable.
- (b) With or without terminating the Lease, Lessor may require Lessee at Lessee's expense to redeliver any or all of the Equipment subject thereto to Lessor to a location specified by Lessor. Such delivery shall take place within 15 days after the event of default occurs. If Lessee fails to deliver such Equipment, Lessor may enter the premises where such Equipment is located and take possession of such Equipment and charge Lessee for cost incurred. Notwithstanding that Lessor has taken possession of such Equipment, Lessee shall still be obligated to pay the remaining Rental Payments under the Lease due up until the end of the then current Original Term or Renewal Term. Lessee will be liable for any damage to such Equipment caused by Lessee or its employees or agents.
- (c) Lessor may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights.

**Section 9.03. No Remedy Exclusive.** No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Lease 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 shall be construed to be a waiver thereof,

## **X. Miscellaneous**

**Section 10.01. Notices.** All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing.

**Section 10.02. Binding Effect.** This Agreement and each Schedule shall inure to the benefit of and shall be binding upon Lessee and Lessor and their respective successors and assigns.

**Section 10.03. Severability.** In the event any provision of this Agreement or any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 10.04. Amendments, Addenda, Changes or Modifications.** This Agreement and each Lease may be amended, added to, changed or modified by written agreement duly executed by Lessor and Lessee.

**Section 10.05. Execution in Counterparts.** This Agreement and each Lease 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.

**Section 10.06. Captions.** The captions or headings in this Agreement do not define, limit or describe the scope or intent of any provisions or sections of this Agreement.

**Section 10.07. Entire Writing.** This Agreement and all Schedules executed hereunder constitute the entire writing between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement or any Lease shall bind either party unless in writing and signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations, conditions, or warranties, express or implied, which are not specified herein regarding this Agreement or any Lease or the Equipment leased thereunder. Any terms and conditions of any purchase order or other documents submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement or any Lease will not be binding on Lessor and will not apply to this Agreement or any Lease.

Section 10.08. Jurisdiction and Venue. Lessee irrevocably submits to the nonexclusive jurisdiction of any Federal or state court sitting in New York, over any suit, action or proceeding arising out of or relating to this Agreement. Lessee irrevocably waives, to the fullest extent it may effectively do so under applicable law, any objection it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that the same has been brought in an inconvenient forum. Lessee hereby consents to any and all process which may be served in any such suit, action or proceeding, (i) by mailing a copy thereof by registered and certified mail, postage prepaid, return receipt requested, to the Lessee's address shown in this Agreement or as notified to the Lessor and (ii) by serving the same upon the Lessee in any other manner otherwise permitted by law, and agrees that such service shall in every respect be deemed effective service upon Lessee.

Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives listed below.

**Lessee: County of Caswell**

**Lessor: Lease Servicing Center, Inc. dba  
NCL Government Capital**

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Typed:** Bryan Miller

**Print:** \_\_\_\_\_

**Title:** County Manager

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

EXHIBIT A

DESCRIPTION OF EQUIPMENT OF LEASE AGREEMENT

RE: Master Lease Purchase Agreement dated as of 8/31/2021 between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and County of Caswell (Lessee) and Schedule No. 001 thereto dated as of August 31, 2021.

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

Quantity	VIN #/Serial Number	Type, Make, Model
1		New Case CX210D LC w/GR20 Sorting Grapple

**EQUIPMENT LOCATION** Complete only if equipment will not be located at Lessee's address

BILLING ADDRESS: 144 Court Square  
Yanceyville, NC 27379

GARAGING ADDRESS: 144 Court Square  
Yanceyville, NC 27379

**Lessee authorizes Lessor or its assigns to insert or modify, if needed, the Vehicle Identification Number ("VIN"), or Serial Number, in the above description of the Equipment to correspond to the final delivered and accepted Equipment as shown on the respective invoice or other supporting documents.**

**Lessee: County of Caswell**

**Lessor: Lease Servicing Center, Inc. dba  
NCL Government Capital**

By: \_\_\_\_\_

By: \_\_\_\_\_

Typed: **Bryan Miller**

Print: \_\_\_\_\_

Title: **County Manager**

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT B**

**SCHEDULE OF PAYMENTS**

Interest Rate = 3.564%

Amount Financed = \$237,335.00

Start Date = 9/15/2021

<u>Number</u>	<u>Date</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Purchase Option*</u>
1	9/15/2022	\$64,713.07	\$8,458.85	\$56,254.22	N/A
2	9/15/2023	\$64,713.07	\$6,453.89	\$58,259.18	\$128,930.75
3	9/15/2024	\$64,713.07	\$4,377.48	\$60,335.59	\$64,694.06
4	9/15/2025	\$64,713.07	\$2,227.06	\$62,486.01	\$0.00

\*Assumes that all rental payments and other amounts due on and prior to that date have been paid.

**Lessee: County of Caswell**

**BY:** \_\_\_\_\_

**TYPED:** Bryan Miller

**TITLE:** County Manager

**DATE:** \_\_\_\_\_

EXHIBIT E

LESSEE RESOLUTION

Re: Master Lease Purchase Agreement dated as of 8/31/2021, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and County of Caswell (Lessee) and Schedule No. 001 thereto dated as of August 31, 2021.

At a duly called meeting of the Governing Body of the Lessee (as defined in the Agreement) held on [redacted], 20 [redacted] the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Lessee as follows:

- 1. **Determination of Need.** The Governing Body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of Schedule No. 001 to the Master Lease Purchase Agreement dated as of 8/31/2021, between **County of Caswell** (Lessee) and **Lease Servicing Center, Inc. dba NCL Government Capital** (Lessor).
- 2. **Approval and Authorization.** The Governing Body of Lessee has determined that the Agreement and Schedule, substantially in the form presented to this meeting, are in the best interests of the Lessee for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Agreement and Schedule by the Lessee and hereby designates and authorizes the following person(s) to execute and deliver the Agreement and Schedule on Lessee's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Agreement and Schedule. The County of Caswell is authorized to enter into the lease/purchase financing with Lease Servicing Center, Inc. dba NCL Government Capital to finance their New Case CX210D LC w/GR20 Sorting Grapple from Hills Machinery in the amount of \$237,335.00 with 4 annual payments of \$64,713.07.

Authorized Individual(s): **Bryan Miller - County Manager**  
(Printed or Typed Name and Title of individual(s) authorized to execute the Agreement)

- 3. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Lessee evidence the adoption by the Governing Body of this Resolution.

By: [redacted]  
(Signature of Secretary, Board Chairman or other member of the Governing Body)

Print Name: [redacted] Title: [redacted]  
(Print name of individual who signed directly above) (Title of individual who signed directly above)

Attested By: [redacted]  
(Signature of one additional person who can witness the passage of this Resolution)

Print Name: [redacted] Title: [redacted]  
(Print name of individual who signed directly above) (Title of individual who signed directly above)

EXHIBIT F

BANK QUALIFIED CERTIFICATE

Re: Master Lease Purchase Agreement dated as of 8/31/2021, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and County of Caswell (Lessee) and Schedule No. 001 thereto dated as of August 31, 2021.

Whereas, Lessee hereby represents that it is a "Bank Qualified" Issuer for the calendar year in which this Agreement and Schedule are executed by making the following designations with respect to Section 265 of the Internal Revenue Code. (A "Bank Qualified Issuer" is an issuer that issues less than ten million (\$10,000,000) dollars of tax-exempt obligations during the calendar year).

Now, therefore, Lessee hereby designates this Agreement and Schedule as follows:

1. **Designation as Qualified Tax-Exempt Obligation.** Pursuant to Section 265(b)(3)(B)(ii) of the Internal Revenue Code of 1986 as amended (the "Code"), the Lessee hereby specifically designates the Agreement and this Schedule as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Lessee hereby represents that the Lessee will not designate more than \$10,000,000 of obligations issued by the Lessee in the calendar year during which the Agreement is executed and delivered as such "qualified tax-exempt obligations".
2. **Issuance Limitation.** In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Lessee hereby represents that the Lessee (including all subordinate entities of the Lessee within the meaning of Section 265(b)(3)(E) of the Code) reasonable anticipates not to issue in the calendar year during which the Agreement and Supplement are executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code) in an amount greater than \$10,000,000.

By: \_\_\_\_\_  
(Signature of individual authorized to execute this Exhibit)

Typed Name: Bryan Miller  
(Typed name of individual who signed directly above)

**EXHIBIT G**

**AGREEMENT TO PROVIDE INSURANCE**

Lessee: County of Caswell

Lessor: Lease Servicing Center, Inc. dba  
NCL Government Capital AOIA

Address: 144 Court Square  
Yanceyville, NC 27379

Address: 220 22<sup>nd</sup> Ave E., Ste 106  
Alexandria, MN 56308

Phone: (336) 514-0504

Phone: (320) 763-7600

Description of Equipment:

Quantity	VIN #/Serial Number	Type, Make, Model
1		New Case CX210D LC w/GR20 Sorting Grapple Value: \$237,335.00

I understand that to provide protection from serious financial loss, should an accident or loss occur, my lease contract requires the equipment to be continuously covered with insurance against the risks of fire and theft, and that failure to provide such insurance gives the Lessor the right to declare the entire unpaid balance immediately due and payable. Accordingly, I have arranged for the required insurance through the insurance company shown below and have requested my agent to note Lessor's interest in the equipment and name Lessor as additional insured.

NAME OF AGENT

INSURANCE COMPANY

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Policy #: \_\_\_\_\_

Phone: \_\_\_\_\_

**Lessee: County of Caswell**

**BY:** \_\_\_\_\_

**TYPED:** Bryan Miller

**TITLE:** County Manager

**DATE:** \_\_\_\_\_

**EXHIBIT H**

**LESSEE CERTIFICATE**

RE: Master Lease Purchase Agreement dated as of 8/31/2021 between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and County of Caswell (Lessee) and Schedule No. 001 thereto dated as of August 31, 2021.

I, the undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the Governing Body of Lessee to sign this Certificate of Acceptance with respect to the above referenced Master Lease Purchase Agreement (the "Lease"). I hereby certify that:

1. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Lease during the current Budget Year of Lessee, and such moneys will be applied in payment of all Rental Payments due and payable during such current Budget Year.
2. The governing body of Lessee has approved the authorization, execution and delivery of the Lease on its behalf by the authorized representative of Lessee who signed the Lease.
3. During the term of the Lease, the Equipment will be used for essential governmental functions. Such functions are:

\_\_\_\_\_  
\_\_\_\_\_

4. The source of funds (fund Item in budget) for the Rental Payments that come due under Exhibit B of this Lease is as follows:

\_\_\_\_\_  
\_\_\_\_\_

5. Lessee reasonably expects and anticipates that adequate funds will be available for all future Rental Payments that will come due under Exhibit B because:

\_\_\_\_\_  
\_\_\_\_\_

**Lessee: County of Caswell**

**BY:** \_\_\_\_\_

**TYPED:** Bryan Miller

**TITLE:** County Manager

**DATE:** \_\_\_\_\_

**NOTICE OF ASSIGNMENT  
AND  
LETTER OF DIRECTION**

Lease Servicing Center, Inc. dba NCL Government Capital ("Lessor") hereby gives notice to County of Caswell ("Lessee") that it has assigned all of its rights to receive payments under the Master Lease Purchase Agreement dated August 31, 2021, Schedule No. 001 as set out in Section 7.01, and in any of the Equipment now or hereafter leased thereunder, including without limitation all amounts of rent, insurance, and condemnation proceeds, indemnity or other payment proceeds due to become due as a result of the sale, lease or other disposition of the Equipment, all rights to receive notices and give consents and to exercise the rights of the Lessor under the Lease, and all rights, claims and causes of action which Assignor may have against the manufacturer or seller of the Equipment in respect of any defects therein.

This Master Lease Purchase Agreement requires 4 annual payments of \$64,713.07. As of the date of assignment, 4 annual payments of \$64,713.07 remain on the contract and should be forwarded to the assignee at the following address:

"ASSIGNEE"

Santander Bank, N.A.  
P. O. Box 847387  
Boston, MA 02284-7387  
1-800-238-4009

FEIN: 23-1237295

\* Please list the following as lien holder on vehicle titles:

Santander Bank, N.A.  
3 Huntington Quadrangle, #101N  
Melville, NY 11747

Any assigned payments received by Lessor are received in trust for assignee and will be immediately delivered to Assignee.

**LEASE SERVICING CENTER, INC. DBA  
NCL GOVERNMENT CAPITAL**  
(Lessor/Assignor)

**COUNTY OF CASWELL**  
(Lessee)

BY: \_\_\_\_\_

BY: \_\_\_\_\_

PRINT: \_\_\_\_\_

TYPED: Bryan Miller

TITLE: \_\_\_\_\_

TITLE: County Manager

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

**Internal Escrow Letter**

8/31/2021

Santander Bank, N.A.  
3 Huntington Quadrangle, Suite 101N  
Melville, NY 11747

RE: Schedule No. 001 dated August 31, 2021 to Master Lease Purchase Agreement dated as of 8/31/2021 (the "Lease"), between County of Caswell (Lessee) and Lease Servicing Center Inc. dba NCL Government Capital (Lessor), concurrently assigned to Santander Bank, N.A. ("Assignee").

Ladies and Gentlemen:

We have entered into the above referenced Lease for the purpose of financing the equipment listed in Attachment #1 (the "Equipment") in the amount of \$237,335.00 (the "Financed Amount"). Lessee hereby requests that Lessor retain \$237,335.00 (the "Retained Amount"). Lessee further requests that Lessor hold the Retained Amount in an internal escrow pending Lessor's receipt of confirmation from Lessee that the Equipment has been delivered, inspected and accepted for all purposes by the Lessee and that payment can be remitted to the vendor of such Equipment. There will be no separate escrow fee charged to Lessee for internally escrowing the Retained Amount.

Lessee understands and agrees that interest shall accrue on the entire Financed Amount as of the date hereof, and further understands and agrees that any interest earned on the Retained Amount shall be paid to Lessor in consideration of managing the internal escrow account.

Lessee acknowledges that Lessor may commingle the Retained Amount held by Lessor for the benefit of Lessee with other funds held by Lessor for its own account, so long as Lessor maintains segregation of such amounts on the books and records of Lessor.

Sincerely,

**Lessee: County of Caswell**

BY: 

TYPED: Bryan Miller

TITLE: County Manager

DATE: 

**Internal Escrow Letter**

**Attachment #1**

<b>Quantity</b>	<b>Year</b>	<b>Make</b>	<b>Type/Style/Model</b>	<b>VIN/Serial Number</b>	<b>Price</b>
1		Case	CX210D LC w/GR20 sorting grapple		\$237,335.00
				<b>Total Cost:</b>	<b>\$237,335.00</b>
				<b>Down Payment</b>	<b>\$0</b>
				<b>Total Amount Financed</b>	<b>\$237,335.00</b>

**LEASE PAYMENT INSTRUCTIONS**

Lessee: \_\_\_\_\_

Tax ID#: \_\_\_\_\_

Invoice Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

Mail invoices to the attention of: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Approval of Invoices required by: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Accounts Payable Contact: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Processing time for Invoices: \_\_\_\_\_ Approval: \_\_\_\_\_ Checks: \_\_\_\_\_

Do you have a Purchase Order Number that you would like included on the invoice? No \_\_\_ Yes \_\_\_

PO# \_\_\_\_\_

Description needed for Lease Payment Invoices (up to 54 characters including a PO#) : \_\_\_\_\_

\_\_\_\_\_

Does your PO# change annually? No \_\_\_ Yes \_\_\_

Processing time for new purchase orders: \_\_\_\_\_

EXHIBIT C-1

PAYMENT REQUEST AND PARTIAL ACCEPTANCE CERTIFICATE

RE: Master Lease Purchase Agreement dated as of August 31, 2021, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and County of Caswell (Lessee) and Schedule No. 001 thereto.

I, the undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the Governing Body of Lessee to sign this Certificate of Acceptance with respect to the above referenced Master Lease Purchase Agreement and Schedule No. 001 (the "Lease"). I hereby certify that:

1. The Equipment described below (comprising part of the Equipment described on Lease Exhibit A) has been delivered and installed in accordance with Lessee's specifications and Lessee hereby requests and authorizes Lessor to disburse, or direct the escrow agent to disburse, to Lessee or the vendor described below net proceeds of the Lease in the amount specified by wire transfer or by check. Such amount has not formed the basis for a previous request for payment.
2. Lessee has conducted such inspection and/or testing of such Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts such Equipment for all purposes.
3. Rental Payments are due and owing as set forth in Exhibit B to the Lease.
4. Lessee has obtained insurance coverage as required under the Lease.
5. Lessee is exempt from all personal property taxes and is also exempt from sales and/or use taxes with respect to the Equipment and the Rental Payments.
6. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.

Quantity	Year	Make	Type/Style/Model	VIN/Serial Number	Price
1		Case	CX210D LC w/GR20 sorting grapple		\$237,335.00
				<b>Total Cost:</b>	<b>\$237,335.00</b>
				<b>Down Payment</b>	<b>\$0</b>
				<b>Total Amount Financed</b>	<b>\$237,335.00</b>

Vendor Name and Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Vendor Federal ID Number: \_\_\_\_\_

Lessee: **County of Caswell**

BY: \_\_\_\_\_

TYPED: Bryan Miller

TITLE: County Manager

DATE: \_\_\_\_\_

**EXHIBIT C-2**

**FINAL ACCEPTANCE**

**Re: Master Lease Purchase Agreement dated as of 8/31/2021, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and County of Caswell (Lessee) and Schedule No. 001 thereto.**

I, the undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the Governing Body of Lessee to sign this Final Acceptance Certificate with respect to the above referenced Master Lease Purchase Agreement and Schedule No. 001 (the "Lease"). I hereby certify that:

1. All Equipment described on Exhibit A has been delivered and installed in accordance with Lessee's specifications and Lessee hereby requests and authorizes Lessor to direct the escrow agent to apply the remaining net proceeds of the Lease to Lessee's next Rental Payment due.
2. Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
3. Rental Payments with respect to such Equipment are due and owing as set forth in Exhibit B to the Lease.
4. Lessee has obtained insurance coverage as required under the Lease.
5. Lessee is exempt from all personal property taxes and is also exempt from sales and/or use taxes with respect to the Equipment and the Rental Payments.
6. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.

**Lessee: County of Caswell**

**BY:** \_\_\_\_\_

**TYPED:** Bryan Miller

**TITLE:** County Manager

**DATE:** \_\_\_\_\_



# Caswell County, NC

Caswell County, NC  
PO Box 98, 144 Court Square  
Yanceyville, NC 27379  
US

Jennifer Hammock  
CFO  
jhammock@caswellcountync.gov  
13366944193

Reference: **20210831-105047814**

Quote created: August 31, 2021

Quote expires: October 30, 2021

Quote created by: Alex Hutchins

Regional Sales Director

alex.hutchins@debtbook.com

+1 (865) 924-0443

## Bryan Miller

County Manager

bmill@caswellcountync.gov

(336) 694-4193 ext:1

## Products & Services

Item & Description	Quantity	Unit Price	Total
<b>Subscription Charge: Tier 2</b> This represents the annual subscription charge your organization pays for access to the DebtBook platform. There are no additional charges - this covers unlimited users, external sharing, support and training.	1	\$7,500.00 / year	\$7,500.00 / year for 1 year
<b>Implementation Charge: Tier 2</b> This covers the cost of our full-service implementation process for your organization.	1	\$2,250.00	\$2,250.00

## Subtotals

Annual subtotal			\$7,500.00
One-time subtotal			\$2,250.00
		<b>Total</b>	<b>\$9,750.00</b>

Questions? Contact me



Alex Hutchins  
Regional Sales Director  
alex.hutchins@debtbook.com  
+1 (865) 924-0443

DebtBook  
300 West Summit Ave, Suite 110  
Charlotte, NC 28203  
United States

## ORDER FORM

Fifth Asset, Inc., d/b/a DebtBook ("DebtBook") is pleased to provide Caswell County, NC ("Customer") with the Services subject to the terms established in this Order Form. This Order Form may be modified or replaced from time to time by a subsequent Order Form duly executed and delivered by each party in connection with any Renewal Term.

The Services are subject to DebtBook's General Terms & Conditions (the "Terms & Conditions"), which have been provided to Customer, and the Incorporated Documents referenced in the Terms & Conditions. Each capitalized term used but not defined in this Order Form has the meaning given in the Terms & Conditions.

### Order Details

Effective Date: 9/15/2021

Initial Term End Date: 9/15/2022

Initial Pricing Tier: Tier 2

Billing Frequency: Annually

Payment Terms: Net 30

Services. Subject to the terms described in this Order Form, DebtBook will grant Customer access to the Application Services during the Initial Term described above and, if applicable, each subsequent Renewal Term. As part of the initial implementation and onboarding process, DebtBook will provide Customer with the Implementation Services. DebtBook will also provide Customer with the Support Services throughout the Term.

Fees. DebtBook will charge Customer (1) a one-time Implementation Fee for its initial Implementation Services and (2) a recurring Subscription Fee for Customer's ongoing access to the Application Services and Support Services.

Generally, DebtBook sets Fees using its standard pricing schedule for the Services based on the Customer's applicable Pricing Tier, which is based on the total number and amount of debt and lease obligations outstanding at the time of determination. The Initial Pricing Tier indicated above is based on Customer's good faith estimate of its total number and amount of debt and lease obligations currently outstanding and will not change during the Initial Term, regardless of (1) the actual number or amount of the Customer's debt and lease obligations implemented as part of the Implementation Services or (2) any changes during the Initial Term to Customer's debt and lease obligations.

Billing. Unless otherwise provided in the Customer Documents, all Fees will be due and payable in advance on the terms indicated above, and each invoice will be emailed to the Customer's billing contact indicated below.

Renewal Term. The Initial Term is subject to renewal on the terms set forth in the Terms & Conditions. The pricing tier applicable for each Renewal Term will be determined based on the aggregate number and amount of the Customer's debt and lease obligations outstanding at the time of renewal.

Termination. The Agreement is subject to early termination on the terms set forth in the Terms & Conditions.

Entire Agreement. By executing this Order Form, each party agrees to be bound by (1) this Order Form, (2) the Terms & Conditions, (3) the Incorporated Documents, and (4) any Customer Documents executed and delivered by the parties.

This Order Form, the Customer Documents, the Terms & Conditions, and the Incorporated Documents constitute the complete "Agreement" between the parties and supersede any prior

discussion or representations regarding the Customer's purchase and use of the Services. To the extent any conflict exists between the terms of the Agreement, the documents will govern in the order listed in the preceding sentence. This Order Form, the Customer Documents, the Terms & Conditions, and the Incorporated Documents constitute the complete "Agreement" between the parties and supersede any prior discussion or representations regarding the Customer's purchase and use of the Services.

Intellectual Property. Except for the limited rights and licenses expressly granted to Customer under this Order Form and the Terms & Conditions, nothing in the Agreement grants to Customer or any third party any intellectual property rights or other right, title, or interest in or to the DebtBook IP.

Important Disclaimers & Limitations. EXCEPT FOR THE LIMITED WARRANTIES EXPRESSLY PROVIDED IN THE TERMS & CONDITIONS, DEBTBOOK IP IS PROVIDED "AS IS," AND DEBTBOOK DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. IN ADDITION, TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES' LIABILITIES UNDER THE AGREEMENT ARE LIMITED AS SET FORTH IN THE TERMS & CONDITIONS.

Notices. Any Notice delivered under the Agreement will be delivered to the address below each party's signature below.

Authority: Execution. Each of the undersigned represents that they are authorized to (1) execute and deliver this Order Form on behalf of their respective party and (2) bind their respective party to the terms of the Agreement. This Order Form and any other documents executed and delivered in connection with the Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. To the extent permitted by applicable law, electronic signatures may be used for the purpose of executing the Order Form by email or other electronic means. Any document delivered electronically and accepted is deemed to be "in writing" to the same extent and with the same effect as if the document had been signed manually.

FIFTH ASSET, INC., D/B/A DEBTBOOK

Caswell County, NC

By: Tyler Traudt  
Name: Tyler Traudt  
Title: CEO

By: Bryan S. Miller  
Name: Bryan S. Miller  
Title: County Manager

Notice Address

300 W Summit Ave, Suite 110  
Charlotte, NC 28203  
Attention: Chief Executive Officer  
tyler.traudt@debtbook.com

Notice Address

144 Court Square  
Yanceyville, NC 27379  
Jennifer Hammock  
[jhammock@caswellcountync.gov](mailto:jhammock@caswellcountync.gov)

"This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Jennifer Hammock  
(Signature of finance officer)"

Billing Contact

144 Court Square  
Yanceyville, NC 27379  
Jennifer Hammock  
[jhammock@caswellcountync.gov](mailto:jhammock@caswellcountync.gov)

## DEBTBOOK'S GENERAL TERMS & CONDITIONS

Please carefully read these General Terms and Conditions (these "Terms & Conditions"), which govern the Customer's access and use of the Services described in the Order Form.

By executing the Order Form and using any of the Services, the Customer agrees to be bound by these Terms.

### 1. Definitions.

"Aggregated Statistics" means data and information related to Customer's use of the Services that is used by DebtBook in an aggregate and anonymized manner, including statistical and performance information related to the Services.

"Agreement" means, collectively and to the extent applicable, the Order Form, any Customer Documents, these Terms & Conditions, and the Incorporated Documents, in each case as may be amended from time to time in accordance with their terms.

"Application Services" means DebtBook's debt and lease management software-as-a-service application.

"Appropriate Security Measures" means, collectively, commercially reasonable technical and physical controls and other measures intended to (1) protect Customer Data against destruction, loss, unauthorized disclosure, or unauthorized access by employees or contractors employed by DebtBook and (2) maintain all Customer Data accurately.

"Authorized User" means any of Customer's employees, consultants, contractors, or agents who are authorized by Customer to access and use any of the Services.

"Customer" means the person or entity purchasing the Services as identified in the Order Form.

"Customer Data" means, other than Aggregated Statistics, information, data, and other content, in any form or medium, that is transmitted by or on behalf of Customer or an Authorized User through the Services.

"Customer Document" means, to the extent expressly referenced and incorporated into the terms of the Order Form, any terms and conditions applicable to all Customer vendors or any other agreement between Customer and DebtBook applicable to the Services.

"Data Policy" means, collectively, DebtBook's data policy, privacy policy, and any similar policy generally applicable to all users of the Application Services, in each case as posted to DebtBook's website and as updated from time to time following notice to Customer.

"DebtBook" means Fifth Asset, Inc., d/b/a DebtBook, a Delaware corporation, and its permitted successor and assigns.

"Documentation" means DebtBook's end user documentation and content, regardless of media, relating to the Services made available from time to time on DebtBook's website at <https://support.debtbook.com>.

"DebtBook IP" means the Services, Documentation, any Feedback, and any intellectual property provided to Customer or any Authorized User in connection with the foregoing except any information that constitutes Customer Data.

"Feedback" means any comments, questions, suggestions, or similar feedback transmitted in any manner to DebtBook, including suggestions for new features, functionality, or changes to the DebtBook IP.

"Governing State" means, if Customer is a governmental entity, the state in which Customer is located. Otherwise, "Governing State" means the State of North Carolina.

"Implementation Services" means onboarding and implementation services, including entry of relevant data, as necessary to make the Application Services available to the Customer during the Initial Term.

"Incorporated Documents" means, collectively, the Data Policy, the Documentation, the SLA, and the Usage Policy, as each may be updated from time to time, which are, as amended, incorporated into these Terms & Conditions by this reference. Current versions of the Incorporated Documents are available at <https://debtbook.com/>.

“Initial Term” means the Initial Term of the Services beginning on the Effective Date and ending on the Initial Term End Date, as established in the Order Form.

“Order Form” means the order form in effect from time to time for the Initial Term or any subsequent Renewal Term, including any Order Form Supplement.

“Order Form Supplement” means any supplemental terms specific to Customer referenced and incorporated into any Order Form.

“Renewal Term” means any renewal term established in accordance with the terms of the Agreement.

“Services” means, collectively, the Application Services, the Implementation Services, and the Support Services.

“SLA” means the Service Level Addendum generally applicable to all users of the Application Services, as posted to DebtBook’s website and as updated from time to time following notice to Customer.

“Term” means, collectively, the Initial Term and, if applicable, each successive Renewal Term.

“Usage Policy” means, collectively, DebtBook’s acceptable usage policy, any end user licensing agreement, or any similar policy generally applicable to all end users accessing the Application Services, in each case as posted to DebtBook’s website and as updated from time to time following notice to Customer.

## 2. Access and Use.

(a) Provision of Access. Subject to the terms and conditions of the Agreement, DebtBook grants Customer a non-exclusive, non-transferable (except as permitted by these Terms) right to access and use the Services during the Term, solely for Customer’s internal use and for the Authorized Users’ use in accordance with the Agreement. DebtBook will provide to Customer the necessary passwords and network links or connections to allow Customer to access the Application Services.

(b) Documentation License. Subject to the terms and conditions of the Agreement, DebtBook grants to Customer a non-exclusive, non-sublicensable, non-transferable (except as permitted by these Terms) license to use the Documentation during the Term solely for Customer’s internal business purposes in connection with its use of the Services.

(c) Customer Responsibilities. Customer is responsible and liable for its Authorized Users’ access and use of the Services and Documentation, regardless of whether such use is permitted by the Agreement. Customer must use reasonable efforts to make all Authorized Users aware of the provisions applicable to their use of the Services, including the Incorporated Documents.

(d) Use Restrictions. Customer may not at any time, directly or indirectly through any Authorized User, access or use the Services in violation of the Usage Policies, including any attempt to (1) copy, modify, or create derivative works of the Services or Documentation, in whole or in part; (2) sell, license, or otherwise transfer or make available the Services or Documentation except as expressly permitted by the Agreement; or (3) reverse engineer, disassemble, decompile, decode, or otherwise attempt to derive or gain access to any software component of the Services, in whole or in part. Customer will make commercially reasonable efforts to avoid transmitting any personally identifiable information to DebtBook or any other third-party through the Services.

(e) Suspension. Notwithstanding anything to the contrary in the Agreement, DebtBook may temporarily suspend Customer’s and any Authorized User’s access to any or all of the Services if: (1) Customer is more than 45 days late in making any payment due under, and in accordance with, the terms of the Agreement; (2) DebtBook reasonably determines that (A) there is a threat or attack on any of the DebtBook IP; (B) Customer’s or any Authorized User’s use of the DebtBook IP disrupts or poses a security risk to the DebtBook IP or to any other customer or vendor of DebtBook; (C) Customer, or any Authorized User, is using the DebtBook IP for fraudulent or illegal activities; or (D) DebtBook’s provision of the Services to Customer or any Authorized User is prohibited by applicable law; or (3) any vendor of DebtBook has suspended or terminated DebtBook’s access to or use of any third-party services or products required to enable Customer to access the Services (any such suspension, a “Service Suspension”). DebtBook will use commercially reasonable efforts to (i) provide written notice of any Service Suspension to Customer, (ii) provide updates regarding resumption of access to

the Services, and (iii) resume providing access to the Services as soon as reasonably possible after the event giving rise to the Service Suspension is cured. DebtBook is not be liable for any damage, losses, or any other consequences that Customer or any Authorized User may incur as a result of a Service Suspension.

(f) Aggregated Statistics. Notwithstanding anything to the contrary in the Agreement, DebtBook may monitor Customer's use of the Services and collect and compile Aggregated Statistics. As between DebtBook and Customer, all right, title, and interest in Aggregated Statistics, and all intellectual property rights therein, belong to and are retained solely by DebtBook. DebtBook may compile Aggregated Statistics based on Customer Data input into the Services. DebtBook may (1) make Aggregated Statistics publicly available in compliance with applicable law, and (2) use Aggregated Statistics as permitted under applicable law so long as, in each case, DebtBook's use of any Aggregated Statistics does not identify the Customer or disclose Customer's Confidential Information.

3. Service Levels and Support. Subject to the terms and conditions of the Agreement, DebtBook will use commercially reasonable efforts to make the Application Services available in accordance with the SLA. The access rights granted under the Agreement entitle Customer throughout the Term to the Support Services.

4. Fees and Payment.

(a) Fees. Customer will pay DebtBook the fees ("Fees") set forth in the Order Form. DebtBook will invoice Customer for all Fees in accordance with the invoicing schedule and requirements set forth in the Order Form. Customer must pay all Fees in in US dollars, and all Fees are fully-earned once paid. To the extent permitted by applicable law, if Customer fails to make any payment when due, DebtBook may, without limiting any of its other rights, charge interest on the past due amount at the lowest of (1) the rate of 1.5% per month, (2) the rate established in any Customer Document, or (3) the maximum rate permitted under applicable law.

(b) Taxes. All Fees and other amounts payable by Customer under the Agreement are exclusive of taxes and similar assessments. Unless Customer is exempt from making any such payment under applicable law or regulation, Customer is responsible for all applicable sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any federal, state, or local governmental or regulatory authority on any amounts payable by Customer under the Agreement, other than any taxes imposed on DebtBook's income.

5. Confidential Information.

(a) From time to time during the Term, either party (the "Disclosing Party") may disclose or make available to the other party (the "Receiving Party") information about the Disclosing Party's business affairs, products, confidential intellectual property, trade secrets, third-party confidential information, and other sensitive or proprietary information, whether in written, electronic, or other form or media, that is marked, designated, or otherwise identified as "confidential" (collectively, "Confidential Information"). As used in the Agreement, "Confidential Information" expressly excludes any information that, at the time of disclosure is (1) in the public domain; (2) known to the receiving party at the time of disclosure; (3) rightfully obtained by the Receiving Party on a non-confidential basis from a third party; or (4) independently developed by the Receiving Party.

(b) The Receiving Party may not disclose the Disclosing Party's Confidential Information to any person or entity, except to the Receiving Party's employees who have a need to know the Confidential Information for the Receiving Party to exercise its rights or perform its obligations under the Agreement. Notwithstanding the foregoing, each party may disclose Confidential Information to the limited extent required (1) in order to comply with the order of a court or other governmental body, or as otherwise necessary to comply with applicable law, provided that the party making the disclosure pursuant to the order must first give written notice to the other party and make a reasonable effort to obtain a protective order; or (2) to establish a party's rights under the Agreement, including to make required court filings.

(c) On the expiration or termination of the Agreement, the Receiving Party must promptly return to the Disclosing Party all copies of the Disclosing Party's Confidential Information, or destroy all such copies and certify in writing to the Disclosing Party that such Confidential Information has been destroyed.

(d) Each party's obligations under this Section are effective as of the Effective Date and will expire three years from the date first disclosed to the Receiving Party; provided, however, with respect to any Confidential Information that constitutes a trade secret (as determined under applicable law), such obligations of non-disclosure will survive the termination or expiration of the Agreement for as long as such Confidential Information remains subject to trade secret protection under applicable law.

6. Intellectual Property.

(a) DebtBook IP. As between Customer and DebtBook, DebtBook owns all right, title, and interest, including all intellectual property rights, in and to the DebtBook IP.

(b) Customer Data. As between Customer and DebtBook, Customer owns all right, title, and interest, including all intellectual property rights, in and to the Customer Data. Customer hereby grants to DebtBook a non-exclusive, royalty-free, worldwide license to reproduce, distribute, and otherwise use and display the Customer Data and perform all acts with respect to the Customer Data as may be necessary or appropriate for DebtBook to provide the Services to Customer.

(c) Effect of Termination. Without limiting either party's obligations under Section 5, on written request by Customer made within 30 days after the effective date of termination of the Agreement, DebtBook, at no further charge to Customer, will (1) provide Customer with temporary access to the Application Services to permit Customer to retrieve its Customer Data in a commercially transferrable format and (2) use commercially reasonable efforts to assist Customer, at Customer's request, with such retrieval.

7. Limited Warranties.

(a) Functionality & Service Levels. During the Term, the Application Services will operate in a manner consistent with general industry standards reasonably applicable to the provision of the Application Services and will conform in all material respects to the service levels set forth in the SLA when accessed and used in accordance with the Documentation. Except as expressly stated in the SLA, DebtBook does not make any representation or guarantee regarding availability of the Application Services, and the remedies set forth in the SLA are Customer's sole remedies and DebtBook's sole liability under the limited warranty set forth in this paragraph.

(b) Security. DebtBook has implemented Appropriate Security Measures and has made commercially reasonable efforts to ensure its licensors and hosting providers, as the case may be, have implemented Appropriate Security Measures.

(c) EXCEPT FOR THE WARRANTIES SET FORTH IN THIS SECTION, DEBTBOOK IP IS PROVIDED "AS IS," AND DEBTBOOK HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. DEBTBOOK SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN THIS SECTION, DEBTBOOK MAKES NO WARRANTY OF ANY KIND THAT THE DEBTBOOK IP, OR ANY PRODUCTS OR RESULTS OF THE USE THEREOF, WILL MEET CUSTOMER'S OR ANY OTHER PERSON'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEM, OR OTHER SERVICES, OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR FREE.

8. Indemnification.

(a) DebtBook Indemnification.

(i) DebtBook will indemnify, defend, and hold harmless Customer from and against any and all losses, damages, liabilities, costs (including reasonable attorneys' fees) (collectively, "Losses") incurred by Customer resulting from any third-party claim, suit, action, or proceeding ("Third-Party Claim") that the Application Services, or any use of the Application Services in accordance with the Agreement, infringes or misappropriates such third party's US patents, copyrights, or trade secrets,

provided that Customer promptly notifies DebtBook in writing of the claim, reasonably cooperates with DebtBook, and allows DebtBook sole authority to control the defense and settlement of such claim.

(ii) If such a claim is made or appears possible, Customer agrees to permit DebtBook, at DebtBook's sole expense and discretion, to (A) modify or replace the DebtBook IP, or component or part of the DebtBook IP, to make it non-infringing, or (B) obtain the right for Customer to continue use. If DebtBook determines that neither alternative is reasonably available, DebtBook may terminate the Agreement in its entirety or with respect to the affected component or part, effective immediately on written notice to Customer, so long as, in each case, DebtBook promptly refunds or credits to Customer all amounts Customer paid with respect to the DebtBook IP that Customer cannot reasonably use as intended under the Agreement.

(iii) DebtBook's indemnification obligation under this Section will not apply to the extent that the alleged infringement arises from Customer's use of the Application Services in combination with data, software, hardware, equipment, or technology not provided or authorized in writing by DebtBook or modifications to the Application Services not made by DebtBook.

(b) Customer Indemnification. To the extent permitted by law and without waiving any defenses of sovereign or governmental immunity, Customer will indemnify, hold harmless, and, at DebtBook's option, defend DebtBook from and against any Losses resulting from any Third-Party Claim that the Customer Data, or any use of the Customer Data in accordance with the Agreement, infringes or misappropriates such third party's intellectual property rights and any Third-Party Claims based on Customer's or any Authorized User's negligence or willful misconduct or use of the Services in a manner not authorized by the Agreement.

(c) Sole Remedy. THIS SECTION SETS FORTH CUSTOMER'S SOLE REMEDIES AND DEBTBOOK'S SOLE LIABILITY FOR ANY ACTUAL, THREATENED, OR ALLEGED CLAIMS THAT THE SERVICES INFRINGE, MISAPPROPRIATE, OR OTHERWISE VIOLATE ANY THIRD PARTY'S INTELLECTUAL PROPERTY RIGHTS.

9. Limitations of Liability. EXCEPT AS EXPRESSLY OTHERWISE PROVIDED IN THIS SECTION, IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER OR IN CONNECTION WITH THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, ENHANCED, OR PUNITIVE DAMAGES, REGARDLESS OF WHETHER EITHER PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES OR SUCH LOSSES OR DAMAGES WERE OTHERWISE FORESEEABLE. EXCEPT AS EXPRESSLY OTHERWISE PROVIDED IN THIS SECTION, IN NO EVENT WILL THE AGGREGATE LIABILITY OF EITHER PARTY ARISING OUT OF OR RELATED TO THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE EXCEED THE TOTAL AMOUNTS PAID TO DEBTBOOK UNDER THIS AGREEMENT IN THE 12-MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM. The exclusions and limitations in this Section do not apply to claims pursuant to Section 8.

10. Term and Termination.

(a) Term. Except as the parties may otherwise agree in the Order Form, or unless terminated earlier in accordance with the Agreement:

(i) the Initial Term of the Agreement will begin on the Effective Date and end on the Initial Term End Date;

(ii) the Agreement will automatically renew for successive 12-month Renewal Terms unless either party gives the other party written notice of non-renewal at least 30 days before the expiration of the then-current term; and

(iii) each Renewal Term will be subject to the same terms and conditions established under the Agreement, with any Fees determined in accordance with DebtBook's then-current pricing schedule published on DebtBook's website and generally applicable to all users of the Services, as provided to Customer at least 60 days before the expiration of the then-current term.

(b) Termination. In addition to any other express termination right set forth in the Agreement or

granted under the Order Form then in effect:

(i) DebtBook may terminate the Agreement immediately if Customer breaches any of its obligations under Section 2(c) or Section 6;

(ii) either party may terminate the Agreement, effective on written notice to the other party, if the other party materially breaches the Agreement, and such breach: (A) is incapable of cure; or (B) being capable of cure, remains uncured 45 days after the non-breaching party provides the breaching party with written notice of such breach; or

(iii) if (1) Customer is a governmental entity and (2) sufficient funds are not appropriated to pay for the Application Services, then Customer may terminate the Agreement at any time without penalty following 30 days prior written notice to DebtBook.

(iv) either party may, to the extent permitted by law, terminate the Agreement, effective immediately on written notice to the other party, if the other party becomes insolvent or is generally unable to pay, or fails to pay, its debts as they become due or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law.

(c) Survival. Only this Section and Sections 1 (Definitions), 4 (Fees), 5 (Confidential Information), 6 (Intellectual Property), 7(c) (Disclaimer of Warranties), 8 (Indemnification), 9 (Limitations), and 11 (Miscellaneous) will survive any termination or expiration of the Agreement.

11. Miscellaneous.

(a) Governing Law; Submission to Jurisdiction. If the Customer is a state or local government entity, then the Agreement will be governed by and construed in accordance with the internal laws of the Governing State, without regard to any choice or conflict of law provisions, and any claim arising out of the Agreement may be brought in the state or federal courts located in the Governing State. Each party irrevocably submits to the jurisdiction of such courts in any such suit, action, or proceeding

(b) Entire Agreement; Order of Precedence. The Order Form, the Customer Documents, the Terms & Conditions, and the Incorporated Documents constitute the complete Agreement between the parties and supersede any prior discussion or representations regarding the Customer's purchase and use of the Services.

To the extent any conflict exists between the terms of the Agreement, the documents will govern in the following order or precedence: (1) the Order Form, including any Order Form Supplement, (2) the Customer Documents, (3) the Terms & Conditions, and (4) the Incorporated Documents. No other purchasing order or similar instrument issued by either party in connection with the Services will have any effect on the Agreement or bind the other party in any way.

(c) Amendment; Waiver. No amendment to the Order Form, the Terms & Conditions, or the Customer Documents will be effective unless it is in writing and signed by an authorized representative of each party. DebtBook may update the Incorporated Documents from time to time following notice to Customer so long as such updates are generally applicable to all users of the Services. No waiver by any party of any of the provisions of the Agreement will be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in the Agreement, no failure to exercise, delay in exercising, or any partial exercise of any rights, remedy, power, or privilege arising from the Agreement will in any way waive or otherwise limit the future exercise of any right, remedy, power, or privilege available under this Agreement.

(d) Notices. All notices, requests, consents, claims, demands, waivers, and other communications under the Agreement (each, a "Notice") must be in writing and addressed to the parties at the addresses and recipients set forth on the Order Form (or to such other address that may be designated by the party giving Notice from time to time in accordance with this Section). All Notices must be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile or email (with confirmation of transmission), or certified or registered mail (in each case, return receipt requested, postage pre-paid).

(e) Force Majeure. In no event will either party be liable to the other party, or be deemed to have breached the Agreement, for any failure or delay in performing its obligations under the Agreement (except for any obligations to make payments), if and to the extent such failure or delay is caused by any circumstances beyond such party's reasonable control, including but not limited to acts of God, flood, fire, earthquake, explosion, war, terrorism, invasion, riot or other civil unrest, strikes, labor stoppages or slowdowns or other

industrial disturbances, or passage of law or any action taken by a governmental or public authority, including imposing an embargo.

(f) Severability. If any provision of the Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of the Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

(g) Assignment. Either party may assign its rights or delegate its obligations, in whole or in part, on 30 days prior written notice to the other party, to an affiliate or an entity that acquires all or substantially all of the business or assets of such party, whether by merger, reorganization, acquisition, sale, or otherwise. Except as stated in this paragraph, neither party may assign any of its rights or delegate any of its obligations under the Agreement without the prior written consent of the other party, which consent may not be unreasonably withheld, conditioned, or delayed. The Agreement is binding on and inures to the benefit of the parties and their permitted successors and assigns.

(h) Marketing. Neither party may issue press releases related to the Agreement without the other party's prior written consent. Either party may include the name and logo of the other party in lists of customers or vendors.

(i) Execution. Any document executed and delivered in connection with the Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. To the extent permitted by applicable law, electronic signatures may be used for the purpose of executing the Order Form by email or other electronic means. Any document delivered electronically and accepted is deemed to be "in writing" to the same extent and with the same effect as if the document had been signed manually.

NORTH CAROLINA

CASWELL COUNTY

**CONTRACT FOR LEGAL SERVICES**

This contract for legal services (the “Agreement”) is effective as of July 1, 2021 (the “Effective Date”), by and between Caswell County, North Carolina, a political subdivision of the State of North Carolina (hereinafter “County”) and Kennon Craver, PLLC (hereinafter referred to as “Firm”. County and Firm are collectively referred to herein as the “Parties”.

**RECITALS**

1. County desires Firm to represent the County on various legal matters and to designate Firm attorney Brian M. Ferrell to serve as County Attorney representing the Caswell County Board of County Commissioners (hereinafter the “Board”) subject to the terms of this Agreement.
2. The Firm desires to represent the County on various legal matters and to designate Firm attorney Brian M. Ferrell to serve as County Attorney subject to the terms of this Agreement.
3. The parties desire to memorialize their agreement as to the provision of legal services as hereinafter set forth.

NOW, THEREFORE, for and in consideration of the mutual covenants expressed herein it is agreed as follows:

**1. Term of Agreement:** The Initial Term of this Agreement will begin on July 1, 2021 and will continue until July 31, 2022 unless terminated pursuant to this Section 1. It is the agreement and understanding of the parties that the County Attorney position is an appointed position and may be terminated at will by the County at any time. Firm may likewise terminate this agreement at will consistent with the standards of professional conduct governing lawyers in North Carolina.

**2. Services:** By entering into this Agreement, the Board appoints Firm attorney Brian M. Ferrell to serve as County Attorney, and Brian M. Ferrell accepts such appointment. Following such

appointment, Firm, acting as an independent contractor, shall provide the following legal services to the County:

- A. Advising the Board and Manager as requested, including but not limited to, attending Board meetings remotely, and providing guidance on legal issues and meeting procedures.
- B. Advising County Department Heads on legal matters.
- C. Preparing, drafting and reviewing County contracts and consulting with County officials on the same.
- D. Preparing, drafting and reviewing County ordinances and resolutions.
- E. Advising the Board as to the necessity and advisability of engaging outside counsel on legal matters and consulting and coordinating with such outside counsel on behalf of the County.
- F. Advising county boards where no conflicts exist and when not otherwise specifically excluded under the terms of this Agreement.
- F. Providing such other legal advice as desired by the Board and/or the Manager and agreed to by the Firm.

It is expressly understood by the Parties that the scope of legal services provided for in this Agreement does not include the Firm or its attorneys providing the following services except as specified in Section 2.E. above or as otherwise specifically consented to by Firm: litigation services; real property title searches and closings; tax foreclosure or collections matters; services to the Social Services Department in programmatic areas, custody matters, child support enforcement matters, etc.; Bond Counsel; or services to the Sheriff's office with regard to the investigation and/or prosecution of criminal matters.

County understands the work performed by Firm under this agreement may be provided by various attorney's working for the Firm as either associates, members, partners or of-counsel positions, paralegals and legal assistants unless County Attorney is specifically required to perform a particular service as outlined herein. The billing rate for all Firm attorneys shall be \$185 per hour as specified herein. The

billing rate for Firm paralegals range from \$125-\$160 per hour. Firm and County understand and agree that due to conflicts or other circumstances the representation of County from time to time may require the services of attorneys or other consulting professionals not associated with the Firm. It is agreed that when such an event arises, the Firm may refer cases requiring legal services to other lawyers and consulting professionals. Such referrals shall be with the consent and approval of the County Manager. The County agrees to compensate such lawyers and other professionals to which matters are referred pursuant to this paragraph at prevailing rates in the marketplace which are likely to be higher than the discounted rate charged to the County by the Firm hereunder. The lawyers and professionals to whom the cases are referred shall submit bills directly to the County for payment by the County.

**3. Independent Contractor Status:** Firm offers its services as an independent contractor and, unless required by law, County has no liability for payment of any benefits or withholding that would normally accrue to its employees by virtue of their employment with the County. No party to this Agreement intends or desires to establish an employee-employer relationship. Firm is exclusively responsible for providing any and all equipment, computers, office space and other items whatsoever related to the performance of the services called for hereunder. Neither County Attorney nor Firm shall maintain an office on County property. Except as otherwise specifically agreed to herein, the Firm, using its professional judgment, has complete discretion as to how and when it delivers the legal services contemplated hereby.

**4. Compensation:**

A. Definitions:

1. Hourly Rate – the \$185 per hour rate charged by for Firm attorneys legal services provided in excess of those covered by the minimum fee general retainer described in Paragraph B.1 of this Section 4.
2. Travel Time –whenever travel is required for which Firm has at least ten (10) days advance notice, travel time and mileage costs shall be computed to and from the Firm’s primary office in Durham, NC to the meeting

location. For any travel required for which Firm has less than ten (10) days advance notice travel time shall be computed to and from the Firm attorney's then current location to the meeting location if Firm attorney's then current location is a greater distance than the distance in the preceding sentence.

B. Firm shall be compensated as follows:

1. As a condition of the employment of Firm, County agrees to pay a minimum fee general retainer in the amount of \$3,500 to Firm each month beginning on July 1, 2021 and continuing on the first date of each month thereafter for the duration of this Agreement. This money is a minimum fee general retainer paid by County to ensure that the Firm is available to County in the event that legal services are needed now or in the future and to ensure that the Firm will not represent anyone else relative to County's legal matters without consent; and for legal work to be performed for the County.
2. County understands and specifically agrees that: (1) the minimum fee general retainer will be earned by the Firm immediately upon payment and will be deposited in the Firm's business account rather than a client trust account; (2) the Firm will provide legal services to the County on an hourly basis for up to sixteen hours in exchange for the minimum fee general retainer; thereafter, the County will be billed for the legal work performed by the Firm on an hourly basis at the rate of \$185.00 per hour for attorney's and \$125-\$160 per hour for paralegals; and (3) when this representation ends, the County will not be entitled to a refund of any portion of the minimum fee general retainer, even if the representation ends before the Firm has provided legal services equivalent in value to the

minimum fee general retainer, unless it can be demonstrated that the minimum fee is clearly excessive fee under the circumstances.

3. Brian M. Ferrell shall typically attend the Board meetings remotely via the County's Zoom feed. Another Firm attorney may attend on Board meetings when necessary due to scheduling or other conflicts.
4. A Travel Time hour shall be treated and compensated as one-half of a service hour.

C. Payment: Expenses incurred by Firm on behalf of County, including, but not limited to mileage costs, filing fees, copy fees, court costs advanced, and other miscellaneous fees, as well as fees for services rendered in excess of 16 hours per month, shall be paid monthly. Firm shall submit to County a statement of services rendered and expenses incurred through the last day of each month. Amounts due pursuant to each statement shall be paid to Firm by County no later than 15 days following County's receipt of an invoice from Firm.

**5. Miscellaneous provisions:**

- A. Firm shall provide, in its sole discretion and at its own expense, legal malpractice insurance.
- B. All expenses and costs incurred as a result of Firm's representation of County shall be paid by County. Any expenses and costs advanced by Firm on behalf of County shall be reimbursed by County. Firm's travel expense shall be reimbursed at a rate that is no less than that allowed by the U.S. Internal Revenue Service.
- C. Telephone access will be provided by Firm's general office phone number with a Durham number and area code. Each party shall be responsible for its own long distance calls incurred during the term of this Agreement.

D. Firm may freely assign this Agreement to any other law practice Brian Ferrell becomes associated with.

6. **Expectations:** Firm recognizes the need of County for accessibility and prompt service. To this end, it shall be the obligation of Firm's attorneys to diligently return phone calls, be reasonably available upon request, and otherwise meet reasonable deadlines imposed by the County.

7. **Organization and Access to Services:** Firm and the County Attorney represent the County and not its individual Board members, employees, administration or departments. However, the Firm shall be assigned legal tasks by the Manager pursuant to instructions from the Board and unless requested to the contrary, shall report to the Manager as to the progress and status of legal matters. The Firm will also directly respond to inquiries from County Department Heads. Except in emergency situations, Firm shall not initiate any legal action, or maintain any position on behalf of the County, without the permission of the Manager and/or Board.

8. **Iran Divestment Certification:** Firm certifies that, as of execution, it is not on the Final Divestment List as created by the State Treasurer pursuant to N.C.G.S. § 147-86.58. In compliance with the requirements of the Iran Divestment Act, Firm shall not utilize in the performance of this Agreement any subcontractor that is identified on the Final Divestment List.

9. **E-Verify:** Pursuant to the terms of the North Carolina General Statutes no county may enter into a contract unless the contractor and its subcontractors comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Where applicable, failure to maintain compliance with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes constitutes Sellers' breach of this Agreement. By executing this Agreement, Firm affirms it is in compliance with Article 2 of Chapter 64 of the North Carolina General Statutes.

[This Space Intentionally Left Blank-Signature Page to Follow]

IN WITNESS WHEREOF, County and Firm have caused this Agreement to be executed effective on the Effective Date by their respective duly authorized officers.

**CASWELL COUNTY**

By: David Owen  
David Owen, Board Chair

ATTEST:

Carla R. Smith  
Carla Smith, Clerk to the Board

**Kennon Craver, PLLC**  
By: Brian Ferrell  
7CB9B86275A942C...  
Brian M. Ferrell, Member

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Jennifer D. Hammock  
Caswell County Finance Officer