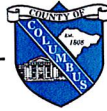


# **COLUMBUS COUNTY BOARD OF COMMISSIONERS**

**127 W. Webster St  
Whiteville, NC 28472**



## **AGENDA**

**Monday, September 15, 2025**

**5:30 P.M. Closed Session**

**6:30 P.M. – Regular Session**

1. **Meeting Called to Order:** Chairman Lavern Coleman

**RECESS REGULAR SESSION and enter into CLOSED SESSION in ACCORDANCE with N.C.G.S. § 143-318.11(A)(3) ATTORNEY-CLIENT PRIVILEGE, N.C.G.S. § 143-318.11(A)(4) ECONOMIC DEVELOPMENT, and N.C.G.S. § 143-318.11(A)(5) REAL ESTATE**

2. **Closed Session in Accordance with N.C.G.S. § 143-318.11(A)(3) Attorney-Client Privilege, N.C.G.S. § 143-318.11(A)(4) Economic Development, and N.C.G.S. § 143-318.11(A)(5) Real Estate**

**RECESS CLOSED SESSION and enter into REGULAR SESSION**

### **GENERAL ACCOUNT:**

**Regular Session Resumes at 6:30 P.M.**

3. **Invocation:** Commissioner Barbara Feathersen
4. **Pledge of Allegiance:** Commissioner Brent Watts

**PUBLIC HEARING - 6:30 PM or as soon as can be heard: Regarding the FY 26/27 Transportation Grants.**

**PUBLIC HEARING - 6:30 PM or as soon as can be heard: Regarding a Text Amendment to the Major Subdivision Ordinance to increase the minimum lot size for properties with public sewer.**

**PUBLIC HEARING - 6:30 PM or as soon as can be heard: Regarding the Amended Code Enforcement Ordinance implementing a 30-day enforcement timeline.**

**5. Approval of Agenda, Tax Refunds & Releases:**

a. 09/15/2025

**Page: 1**

**6. Board Minutes Approval:**

a. August 18, 2025 Regular Session

b. August 25, 2025 Special Called

**Board Minutes Section**

**7. Proclamation – Recognition and Support for the Columbus County Dixie Junior Baseball League 13U Team for Participation and Success in the 2025 World Series.**

**8. Proclamation – Adoption of the Proclamation of Recognition for East Columbus Future Farmers of American (FFA) Parliamentary Procedures Team State Champions.**

**9. Proclamation – Adoption of the Suicide Prevention Month Proclamation:** Columbus County Chamber of Commerce Director Joan McPherson is requesting adoption of the Suicide Prevention Month proclamation.

**10. Proclamation - Adoption of the Proclamation of October as the Nationally recognized Domestic Violence Awareness Month:** Families First Representative Lucy Byrd is requesting adoption of the October Domestic Violence Awareness Month proclamation.

**Pages: 2-3**

**11. Employee Spotlight –** County Manager Eddie Madden will recognize Kim Holmes from the Library as the Employee Spotlight.

**12. Public Input**

**13. Transportation – Approval of the FY27 5311 Administrative & Capital Grants and the FY27 5310 Grant applications:** Transportation Director Joy Jacobs is requesting approval of Transportation's FY 26/27 5311 Admin, Capital, and 5310 grant applications. This agenda item is associated with the previously held public hearing. **(Joy Jacobs will be available for any questions the commissioners may have.)**

**Pages: 4-8**

**14. Planning Department – Approval of the Text Amendment to the Major Subdivision Ordinance:** Planning Director Kelsey Hammond is requesting approval of the text amendment to the Major Subdivision Ordinance to increase the minimum lot size for properties with public sewer. This agenda item is associated with the previously held public hearing. **(Kelsey Hammond will be available for any questions the commissioners may have.)**

**Pages: 9-14**

**15. Planning Department – Approval of the Amended Code Enforcement Ordinance:** Planning Director Kelsey Hammond is requesting approval of the amended Code Enforcement Ordinance. This agenda item is associated with the previously held public hearing. **(Kelsey Hammond will be available for any questions the commissioners may have.)**

**Pages: 15-18**



- 16. Planning Department – Approval to Establish a Workshop for Coleman Tract:**  
Planning Director is requesting approval to establish a workshop for the Coleman Tract on Monday, October 6, 2025, at 4:00 P.M. (Kelsey Hammond will be available for any questions the commissioners may have.) **Page: 19**
- 17. Cooperative Extension - Approval to Participate in the Four-Year Computer Master Lease Agreement between NC State Extension and Apple Inc.:** Cooperative Extension Director Howard Wallace is requesting approval for participation in the four-year computer master lease agreement between NC State Extension and Apple Inc. (Howard Wallace will be available for any questions the commissioners may have.) **Pages: 20-47**
- 18. Emergency Services – Approval to Transfer Fleet Vehicles to Sheriff’s Office:** Deputy Emergency Management Director Teresa Smith is requesting approval to transfer Fleet Vehicles to the Sheriff’s Office. (Teresa Smith will be available for any questions the commissioners may have.) **Pages: 48-51**
- 19. Facility Services – Approval of Change Order #1 for the Sheriff’s Office Project:**  
Facility Services Director Stuart Carroll is requesting approval of change order #1 in the amount of \$123,060 to excavate bad soil, import new soil and proof roll at the new Sheriff project site. Funds available in project budget. (Stuart Carroll will be available for any questions the commissioners may have.) **Pages: 52-64**
- 20. Health Services – Approval of Self-Pay Bad Debt Write-Off and Medicaid/Private Insurance Write-Off:** Health Services Director Daniel Buck is requesting approval of the self-pay bad debt write-off and Medicaid/Private Insurance write-offs. (Daniel Buck will be available for any questions the commissioners may have.) **Pages: 65-66**
- 21. Solid Waste – Approval to Close the Evergreen Convenience Site:** Public Utilities / Solid Waste Director Harold Nobles is requesting approval to close the Evergreen Convenience Site. (Harold Nobles will be available for any questions the commissioners may have.) **Pages: 67-68**
- 22. DSS – Update and Discussion of Medicaid and SNAP Benefits Changes:** DSS Director Dwella Hall will present an update regarding upcoming changes Medicaid and SNAP Benefits. (Dwella Hall will be available for any questions the commissioners may have.) **Pages: 69-72**
- 23. DSS – Monthly Report for August 2025:** DSS Director Dwella Hall will present the DSS monthly report for August 2025. (Dwella Hall will be available for any questions the commissioners may have.) **Pages: 73-81**
- 24. Finance – Approval of the First Reading the Amended Travel Policy:** Finance Director Heather Woody is requesting approval of the first reading of the amended Travel Policy to implement the minimum required miles as 50, a maximum cap of \$250 for room and board, and room sharing. (Heather Woody will be available for any questions the commissioners may have.) **Pages: 82-89**

**25. Finance – Approval of the Budget Amendments and Departmental Requisitions:**

Finance Director Heather Woody is requesting approval of the following budget amendments and departmental requisitions:

- a. Finance – Computers (\$0)
- b. Finance – Temporary Worker (\$0)
- c. Building Inspections – Travel (\$0)
- d. Finance – Spilt EDC & Planning Budget (\$15,051)
- e. Position Control – Spilt EDC & Planning – No change in Employee Count
- f. Departmental Requisitions

**Pages: 90-99**

**26. Appointments/Re-Appointments/Replacements:** Staff is requesting appointments, re-appointments or replacements to the following boards, committees and councils.

**Legend: EB** = Entire Board  
**Listed Zone #** = Individual Commissioner

<b>Zone I:</b>	<b>Barbara Featherson</b>	<b>Zone V:</b>	<b>Brent Watts</b>
<b>Zone II:</b>	<b>Chris Smith</b>	<b>Zone VI:</b>	<b>Ricky Bullard</b>
<b>Zone III:</b>	<b>Giles E. Byrd</b>	<b>Zone VII:</b>	<b>Scott Floyd</b>
<b>Zone IV:</b>	<b>Lavern Coleman</b>		

COMMITTEE	ZONE/ EB	PERSON(S)	EXP. DATE
Aging Advisory Council	I	Sherica Powell	6/30/2025
Aging Advisory Council	I	Evelyn Waddell	6/30/2025
Aging Advisory Council	II	VACANT	
Aging Advisory Council	III	Tracy King	6/30/2025
Aging Advisory Council	III	Hattie Campbell	6/30/2025
Aging Advisory Council	IV	Frances Hill	6/30/2025
Aging Advisory Council	V	Wanda Thompson	6/30/2025
Aging Advisory Council	VI	Mitch Nance	6/30/2025
Aging Advisory Council	VII	Tommy O. Gore	6/30/2025
Aging Advisory Council	VII	Doris Dockery	6/30/2025
Home Care and Community Block Grant	I	Shavonda Collins	6/30/2025
Home Care and Community Block Grant	I	Jackie Davis	6/30/2025
Home Care and Community Block Grant	II	VACANT	
Home Care and Community Block Grant	II	Karen Thurman	06/30/2022
Home Care and Community Block Grant	VII	VACANT	
Home Care and Community Block Grant	VII	VACANT	
Board of Health	IV	H.L. "Drew" Cox (RESIGNED)	12/31/2026



**RECESS REGULAR SESSION and enter into COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V BOARD MEETING**

**27. Water and Sewer Districts I, II, III, IV, and V Combination Minutes:**

a. August 18, 2025 Regular Session

**Board Minutes Section**

**ADJOURN COMBINATION MEETING of COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV AND V BOARD MEETING**

**28. Comments:** Commissioners and County Manager.

**29. Adjournment**

Tax Refunds and Releases

*Refunds*

Andy Stephens

Value: \$0.00 Year: 22-24

Refund user fee. Home burned 2021.

**PROPERTY:** 00000

Account: 09-01319

Amount: \$0.00

Total: \$600.00

Bill#: 99999

*Refunds*

CORELOGIC

Value: \$0.00 Year: 22-24

Refund user fee. Only has 1 can and billed for 2.

**PROPERTY:** 00000

Account: 11-01764

Amount: \$0.00

Total: \$600.00

Bill#: 99999

*Refunds*

Kenny Bass

Value: \$0.00 Year: 2025

Refund value of boat. No longer has. Refund Columbus Rescue District

**PROPERTY:** 00000

Account: 20-00774

Amount: \$32.39

Total: \$36.51

Bill#: 25297

*Refunds*

Ward, Anita Faye

Value: \$0.00 Year: 22-24

Refund user fee. Vacant land.

**PROPERTY:** 00000

Account: 11-02641

Amount: \$0.00

Total: \$600.00

Bill#: 99999



# Request for Board Action/RFB Contract Control Form



Columbus County Clerk to the Board  
127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
jana.nealey@columbusco.org

**Date of Request**

1/8/2025

**Board Meeting Date Requested**

9/15/2025

**Short Title**

Adoption of Nationally recognized Domestic Violence Awareness Month - October

**Background**

Sexual Assault Awareness Month

**Specific Action Requested**

Adoption of Nationally recognized Domestic Violence Awareness Month - October

**Supporting Backup Documents**

Board Request Form DV Awareness Month 25.docx

DV Proclamation 25.docx

**Requested by**

Lucy Byrd

**Department**

Families First, Inc.

**Title**

Domestic Violence Advocate

**Email**

jaeda77@gmail.com

**Clerk Signature****Date Received****Board Chair/County Manager****Approved by Board**

☐ Yes ☐ No ☐ Pending

# **DOMESTIC VIOLENCE AWARENESS MONTH**

## **PROCLAMATION**

**October 2025**

**WHEREAS**, 1 in every 3 teenagers, 1 in every 4 women, and 1 in every 6 men will experience domestic violence during their lifetime.

**WHEREAS**, approximately 15.5 million children are exposed to domestic violence every year.

**WHEREAS**, when a family member is abused, it can have long-term damaging effects on the victim that also leave a mark on family, friends, and the community at large.

**WHEREAS**, the problem of domestic violence is not confined to any group or groups of people, but crosses all economic, racial, gender, educational, religious, and societal barriers, and is sustained by societal indifference.

**WHEREAS**, the crime of domestic violence violates an individual's privacy, dignity, security, and humanity due to the systematic use of physical, emotional, sexual, psychological, and economic control and/or abuse.

**WHEREAS**, survivors should have help to find the compassion, comfort, and healing they need, and domestic abusers should be punished to the full extent of the law.

**WHEREAS**, survivors of violence should have access to medical and legal services, counseling, transitional housing, and other supportive services so that they can escape the cycle of abuse.

**WHEREAS**, we encourage domestic violence survivors and their families to seek assistance from appropriate victims' services organizations and the Families First, Inc. crisis hotline (910-641-0444), it is important to recognize the compassion and dedication of the individuals who provide services to victims of domestic violence and work to increase public understanding of this significant problem.

**WHEREAS**, local programs, state coalitions, national organizations, and other agencies nationwide are committed to increasing public awareness of domestic violence and its prevalence, and to eliminating it through prevention and education.

**WHEREAS**, everyone has the right to a safe and healthy relationship and to be free from abuse.

**NOW, THEREFORE, Columbus County Board of Commissioners**, do hereby proclaim October **2025**, Domestic Violence Awareness Month throughout the county of Columbus and urge our community to work toward ending domestic violence by empowering people to develop healthier relationships, assisting victims in accessing the information and supportive services they need, creating better and more resources for people in need, instituting effective intervention and prevention policies and engaging in discussions with family members and peers to promote awareness and prevention of the quiet epidemic of domestic violence.



# Request for Board Action/RFB Contract Control Form



**Columbus County Clerk to the Board**  
127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
jana.nealey@columbusco.org

## Date of Request

8/25/2025

## Board Meeting Date Requested

9/15/2025

## Short Title

Approval of the FY27 5311 Administrative & Capital Grants and the FY27 5310 Grant applications

## Background

Each year Columbus County Transportation applies for grants to help fund our community transportation system. These funds come through NCDOT and are provided by FTA, the state and a local match portion that the transportation system comes up with through advertising, state surplus sales, and a surcharge from our vendor. This grant will cover administrative costs as well as capital expenses to replace 2 aged out vehicles. We are also applying for the 5310 grant again to help with trips for the Elderly and Disabled population that may not have the means to pay for their trips to medical appointments such as dialysis. This transportation is very important to the citizens of Columbus County. We contract with local organizations such as DSS, Smart Start, Monarch, Whiteville City Schools, and Columbus County Schools to provide trips for their clients and we work with the Health Department, SCC and the Department of Aging as well. We have many people we take to work each day so they can provide for themselves and their families. We also provide trips to medical appointments both local and to the VA in Wilmington, Pembroke, Fayetteville, and Supply. Many would not even be able to get groceries or medicines without this transportation service.

## Specific Action Requested

To approve the FY27 5311 and 5310 grant applications and the signing of all documentation that will be associated with these grants.

## UNIFIED GRANT APPLICATION

## PUBLIC HEARING RECORD

**Important** – A public hearing **MUST** be conducted whether or not requested by the Public.

Section 5311 (including ADTAP), 5310, 5339, 5307 and applicable State funding, or combination thereof.

APPLICANT: Columbus County

DATE: September 15, 2025

PLACE: \_\_\_\_\_

TIME: \_\_\_\_\_

How many BOARD MEMBERS attended the public hearing? \_\_\_\_\_

How many members of the PUBLIC attended the public hearing? \_\_\_\_\_

## Public Attendance Surveys

☐ (Attached)

☐ (Offered at Public Hearing but none completed)

I, the undersigned, representing (*Legal Name of Applicant*) \_\_\_\_\_ do hereby certify to the North Carolina Department of Transportation, that a Public Hearing was held as indicated above and

## During the Public Hearing

☐ (*NO public comments*)

☐ (*Public Comments were made and meeting minutes will be submitted after board approval*)

The estimated date for board approval of meeting minutes is: \_\_\_\_\_

\_\_\_\_\_  
Signature or Clerk to the Board

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

*Affix Seal Here*



## UNIFIED GRANT APPLICATION

### VOLUNTARY TITLE VI PUBLIC INVOLVEMENT

Title VI of the Civil Rights Act of 1964 requires the North Carolina Department of Transportation (NC DOT) to gather statistical data regarding participants and beneficiaries of the agency's federal-aid programs and activities. NC DOT collects information on race, color, national origin and gender of the attendees to this public meeting to ensure the inclusion of all segments of the population impacted by a proposed project.

NCDOT wishes to clarify that this information gathering process **is completely voluntary** and that you are not required to disclose the statistical data requested to participate in this meeting. This form is a public document used to collect data, only.

The completed forms will be held on file at the North Carolina Department of Transportation. For Further information regarding this process please contact the NCDOT Title VI Program at telephone number 919.508.1808 or email at [titlevi@ncdot.gov](mailto:titlevi@ncdot.gov).

Project Name:		Date:
Meeting Location:		
Name (please print)		Gender:  <input type="checkbox"/> Male <input type="checkbox"/> Female
General ethnic identification categories (check one)		
<input type="checkbox"/> Caucasian	<input type="checkbox"/> Hispanic American	<input type="checkbox"/> American Indian/Alaskan Native
<input type="checkbox"/> African American	<input type="checkbox"/> Asian/Pacific Islander	Other: _____
Color:		National Origin:

After completing this form, please fold and place it inside the designated box on the registration table.

Thank you for your cooperation.

## UNIFIED GRANT APPLICATION

### PUBLIC HEARING NOTICE

**Section 5311 (ADTAP), 5310, 5339, 5307 and applicable State funding, or combination thereof.**

This is to inform the public that a public hearing will be held on the proposed Columbus County Transportation Community Transportation Program Application to be submitted to the North Carolina Department of Transportation no later than October 3, 2025. The public hearing will be held on September 15, 2025 at 6:30 pm or as soon as thereafter may be heard before the *(governing board)* Columbus County Commissioners.

Those interested in attending the public hearing and needing either auxiliary aids and services under the Americans with Disabilities Act (ADA) or a language translator should contact Joy Jacobs on or before September 10, 2025, at telephone number 910-641-3929 or via email at [joy.jacobs@columbusco.org](mailto:joy.jacobs@columbusco.org).

The Community Transportation Program provides assistance to coordinate existing transportation programs operating in Columbus County as well as provides transportation options and services for the communities within this service area. These services are currently provided using demand response and subscription service. Services are rendered by Columbus County Transportation.

The total estimated amount requested for the period July 1, 2026 through June 30, 2027.

**NOTE: Local share amount is subject to State funding availability.**

Project	Total Amount	Local Share
5311 Administrative	\$ <u>264,533</u>	\$ <u>39,681</u> (15%)
5311 Operating (No State Match)	\$ _____	\$ _____ (50%)
5310 Operating (No State Match)	\$ <u>50,000</u>	\$ <u>25,000</u> (50%)
Combined Capital	\$ <u>221,020</u>	\$ <u>22,102</u> (10%)
Mobility Management	\$ _____	\$ _____ (10%)
5310 Capital Purchase of Service	\$ _____	\$ _____ (10%)
ConCPT	\$ _____	\$ _____ (50%)
Capital Cost of Contracting	\$ _____	\$ _____ (%)
Travelers' Aid	\$ _____	\$ _____ (50%)
_____	\$ _____	\$ _____ (%)
_____	\$ _____	\$ _____ (%)
_____	\$ _____	\$ _____ (%)

Funding programs covered are 5311, 5310, 5339 Bus and Bus Facilities, 5307 (Small fixed route, regional, and consolidated urban-rural systems)

TOTAL	\$ <u>535,553</u>	\$ <u>86,783</u>
	<b>Total Funding Requests</b>	<b>Total Local Share</b>

This application may be inspected at 290 Legion Dr, Whiteville, NC 28472 from 9:00 am thru 5:00 PM Monday - Friday. Written comments should be directed to Joy Jacobs before September 11, 2025.

*End of Notice*

**Note:** AN ORIGINAL COPY of the published Public Hearing Notice must be attached to a signed Affidavit of Publication. **Both the Public Hearing Notice and the Affidavit of Publication** must be submitted with the grant application.

FY27 PUBLIC HEARING NOTICE

Last Updated: 02/21/2025



## UNIFIED GRANT APPLICATION

### PUBLIC HEARING OUTREACH

**APPLICANT:** Columbus County

Provide a detailed description of public hearing outreach efforts by the applicant to inform the public **ESPECIALLY MINORITY, WOMEN, ELDERLY, DISABLED, LIMITED ENGLISH PROFICIENCY- (LEP) AND LOW INCOME INDIVIDUALS** about the scheduled public hearing and the opportunity to comment on the proposed Community Transportation grant application. Outreach may include efforts such as distribution of information on vehicles, at human service agencies, at local community events, at public events, local organization, etc.

Click on gray box and begin typing the *detailed* description.

The public hearing notice was published in our local newspaper. It was also sent to our TAB board to post in their facilities and share with any others they may come in contact with. The TAB consists of members from the Health Dept, Dept of Social Services, Monarch, the Columbus County Partnership for Children, Columbus County Schools, Southeastern Community College, NC Works, the county Planning Dept, and Emergency Services. The notice was also sent to our local tribal office to share with the native american community as well and our county libraries. It was also posted on our website.

# Request for Board Action/RFB Contract Control Form



## Columbus County Clerk to the Board

127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
jana.nealey@columbusco.org

### Date of Request

8/26/2025

### Board Meeting Date Requested

9/15/2025

### Short Title

Proposed Text Amendment to Amend the Land Use Regulations Ordinance of Columbus County, NC, also known as Chapter 10, Part 3, Article 4, Section 4(B).

Proposed Text Amendment to Amend the Buildings, Addressing, and Abandoned Structures Ordinance of Columbus County, NC, also known as Chapter 5, Part 4– Abandoned Structures, Article 4, Section 3, Item C(3) and Item G.

### Background

Planning Director, Kelsey Hammond is asking the Columbus County Board of Commissioners to consider the Proposed Text Amendment, to amend the Columbus County Land Use Regulations Ordinance of Columbus County, NC also known as Chapter 10, Part 3, Article 4, Section 4(B), from current requirement of 15,000 square feet minimum for lots with public water and public sewer, to 21,780 square feet minimum for lots with public water and public sewer.

Planning Director, Kelsey Hammond is asking the Columbus County Board of Commissioners to consider the Proposed Text Amendment, to amend the Buildings, Addressing, and Abandoned Structures Ordinance of the County and the Code of Ordinances to change the sixty (60) day requirement of compliance for properties to thirty (30) days.

### Specific Action Requested

Request Board approval to amend the Columbus County Land Use Regulations Ordinance of Columbus County NC, from current 15,000 square feet minimum to 21,780 square feet minimum for lots with public water and public sewer.

Request Board approval to amend the Buildings, Addressing, and Abandoned Structures Ordinance of the County and the Code of Ordinances to change the sixty (60) day requirement of compliance for properties to thirty (30) days.



- 1) The lengths, widths, and shapes of blocks shall be determined with due regard to: provision of adequate building sites suitable to the special needs of the type of use contemplated; zoning requirements, if any; needs for vehicular and pedestrian circulation; control and safety of street traffic; limitations and opportunities of topography; and convenient access to water areas.
- 2) Blocks shall not be less than 400 feet or more than 1,800 feet.
- 3) Blocks shall have sufficient width to allow two (2) tiers of lots of minimum depth except where single tier lots are required to separate residential development from a collector street or road, a nonresidential use, adjacent to the subdivision boundary, in nonresidential subdivisions, or where abutting a water area.
- 4) Where deemed necessary by Planning Board, a pedestrian crosswalk at least fifteen (15) feet in width may be required to provide convenient public access to a public area such as a park or school, to a water area, or to areas such as shopping centers, religious or transportation facilities.
- 5) Block numbers shall conform to the County street numbering system.

**B. Lots.**

- 1) If applicable, all lots in new subdivisions shall conform to any zoning requirements of the district in which the subdivision is located. Conformance to zoning requirements means, among other things, that the smallest lot in the subdivision must meet all dimensional requirements of the zoning ordinance.

It is not sufficient merely for the average lot to meet zoning requirements. In un-zoned areas of the County, the following chart provides dimensional requirements.

	<b>PUBLIC WATER PUBLIC SEWER</b>	<b>PUBLIC WATER NO PUBLIC SEWER</b>	<b>NO PUBLIC WATER NO PUBLIC SEWER</b>
Min. Lot Size (Square Feet)	15,000	25,000	43,560 <i>Adopted 9-7-2021</i>
Min. Lot Width (Feet)	50	100	100
Min. Lot Depth (Feet)	200	200	200
Min. Front Setback (Feet)	50	50	50
Min. Side Setback (Feet)	15	15	15
Min. Side Setback (Abutting Street) (Feet)	20	20	20
Min. Rear Setback (Feet)	25	25	25

A TEXT AMENDMENT TO AMEND THE BUILDINGS, ADDRESSING,  
AND ABANDONED STRUCTURES ORDINANCE OF COLUMBUS  
COUNTY, NC, ALSO KNOWN AS CHAPTER 5, PART 4– ABANDONED  
STRUCTURES, ARTICLE 4, SECTION 3, ITEM C(3) AND ITEM G

WHEREAS the Board of Commissioners wishes to amend the Buildings, Addressing, and Abandoned Structures Ordinance of the County and the Code of Ordinances to change the sixty (60) day requirement of compliance for properties to thirty (30) days upon determining that a violation of the ordinance exists; and

WHEREAS the Board of Commissioners wishes to establish a different requirement for number of days for compliance of violating properties; and,

WHEREAS the Board of Commissioners, in a separate motion, reviewed the Comprehensive Land Use Plan and determined that the amendment is consistent with the plan and reasonable; and,

**THEREFORE, CHAPTER 5, PART 4– ABANDONED STRUCTURES, ARTICLE 4, SECTION 3, ITEM C(3) AND ITEM G** is hereby amended from:

*“Advise that the property must comply within sixty (60) days,”*

To:

*“Advise that the property must comply within thirty (30) days,”*

And from:

*“If the property is not removed, abated or remedied within sixty (60) days of the initial notice and an appeal has not been filed, the Planning Director shall issue a second notice.”*

To:

*“If the property is not removed, abated or remedied within thirty (30) days of the initial notice and an appeal has not been filed, the Planning Director shall issue a second notice.”*

This amendment shall become effective upon adoption. Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

---

Lavern Coleman, Chairman

Columbus County Board of Commissioners

Approved as to Form:

---

Amanda B. Prince, Columbus County Attorney

Attest:

---

Jana Nealy, Clerk to the Board

A TEXT AMENDMENT TO AMEND THE LAND USE REGULATIONS  
ORDINANCE OF COLUMBUS COUNTY, NC, ALSO KNOWN AS  
CHAPTER 10, PART 3, ARTICLE 4, SECTION 4(B)

WHEREAS the Board of Commissioners wishes to amend the Land Use Regulations Ordinance of the County and the Code of Ordinances to increase the minimum lot size for lots with public water and public sewer required under the Major Subdivision Ordinance; and,

WHEREAS there is the current requirement of 15,000 square feet for lots with public water and public sewer; and,

WHEREAS the Board of Commissioners, in a separate motion, reviewed the Comprehensive Land Use Plan and determined that the amendment is consistent with the plan and reasonable; and,

THEREFORE, **CHAPTER 10, PART 3, ARTICLE 4, SECTION 4(B)** is hereby amended to from:

*"Min. Lot Size (Square Feet) 15,000 for lots with public water and public sewer"*

To:

*"Min. Lot Size (Square Feet) 21,780 for lots with public water and public sewer."*

This amendment shall become effective upon adoption. Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Lavern Coleman, Chairman

Columbus County Board of Commissioners

Approved as to Form:

\_\_\_\_\_  
Amanda B. Prince, Columbus County Attorney



Attest:

---

Jana Nealy, Clerk to the Board

# Request for Board Action/RFB Contract Control Form



**Columbus County Clerk to the Board**  
127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
jana.nealey@columbusco.org

## Date of Request

8/25/2025

## Board Meeting Date Requested

9/15/2025

## Short Title

Planning Department – Approval of the Amended Code Enforcement Ordinances Implementing a 30-day Enforcement Timeline.

## Background

Planning Director Kelsey Hammond is requesting approval of the Amended Code Enforcement Ordinances Implementing a 30-day Enforcement Timeline..

## Specific Action Requested

Planning Director Kelsey Hammond is requesting approval of the Amended Code Enforcement Ordinances Implementing a 30-day Enforcement Timeline..

## Supporting Backup Documents

Ordinance and Statute Information(1).docx

## Requested by

Kelsey Hammond

## Department

Planning

## Title

Director

## Email

Kelsey.hammond@columbusco.org

## Clerk Signature

## Date Received

## Board Chair/County Manager

## Approved by Board

☐ Yes ☐ No ☐ Pending

## Ordinance and Statute Information – Code Enforcement

### NCGS 14-4

#### § 14-4. Violation of local ordinances misdemeanor.

- (a) Except as provided in subsection (b) or (c) of this section, if any person shall violate an ordinance of a county, city, town, or metropolitan sewerage district created under Article 5 of Chapter 162A, he shall be guilty of a Class 3 misdemeanor and shall be fined not more than five hundred dollars (\$500.00). No fine shall exceed fifty dollars (\$50.00) unless the ordinance expressly states that the maximum fine is greater than fifty dollars (\$50.00).

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#### Chapter 5 Buildings, Addressing, and Abandoned Structures

Part 4 Abandoned Structures (pg 17). Allows 60 days to bring property into compliance.

(pg 19). Columbus County Planning Department and Columbus County Building Inspections Department are jointly and mutually responsible for the administration and enforcement of this ordinance.

(pg 20). Civil penalty: The County may assess a civil penalty twenty-five and 00/100 (\$25.00) dollars, which amount may be recovered by the county in a civil action in the nature of a debt. Each day in which the violation occurs, or continues, shall constitute a separate offense. No civil penalty shall be assessed prior to notice of violation by citation or letter.

B. Injunction and order of abatement: The provisions of this Ordinance may be enforced by injunction and order of abatement.

C. Criminal penalties: In addition to other remedies cited in this Ordinance, any person violating the provisions of this Ordinance as they relate to G.S. 160D-1119 regarding unsafe buildings subject to fines in accordance with GS 14-4. A fine of not more than one hundred and 00/100 (\$100.00) dollars for the first offense, two hundred and 00/100 (\$200.00) dollars for the second offense, and five hundred and 00/100 (\$500.00) dollars for each subsequent offense, is hereby established. Each day in which the violation occurs, or continues, shall constitute a separate offense.

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#### Chapter 10 Planning and Zoning



**Part 2 Land Use Regulations Ordinance** ARTICLE 3. ADMINISTRATION, ENFORCEMENT AND APPEALS (pg 36-37). Any person, firm or corporation who violates any provision of any article of this ordinance; or who shall violate or fail to comply with any order made hereunder; or who shall continue to work upon any structure after having received written notice from the Ordinance Administrator to cease work, shall, upon conviction, be guilty of a Class 3 misdemeanor for ordinance provisions related to unsafe buildings as provided by N.C.G.S. § 14-4 as may be amended from time to time, and shall be punishable by a fine not to exceed fifty (\$50.00) dollars, or imprisonment not to exceed twenty days. Each day such violation shall be permitted to exist shall constitute a separate offense. Notice of violation shall be sufficient if directed to the owner, the agent of the owner, or the Columbus County North Carolina - Code of Ordinances 37 Chapter 10 – Land Use contractor and left at his known place of residence or place of business. In lieu of or in addition to the criminal penalties outlined above, each person violating this ordinance shall be subject to a civil penalty, under N.C.G.S. 153A-123(c), in the amount of two-hundred (\$200.00) dollars per day.

**Standard B - Resort Vehicle Park/Campground I. ADMINISTRATION (pg 75-76).** The following civil penalties are established for violations under this Section: Warning Citation None, correct within ten (10) days. First Citation \$25.00. Second Citation for Same Offense \$50.00. Third and Sequential Citation for Same Offense \$50.00. These civil penalties are in addition to any other penalties which may be imposed by the court of law or violations of the provisions of this Ordinance.

**Standard C - Manufactured/Mobile Home Park Ordinance SECTION F.6: PENALTIES/FINES (pg 88).** If the Planning Department shall find that any of the provisions of this Ordinance are being violated, it shall notify the Operator of the violation in writing, specifying the nature of the violation and what corrective actions must be taken. The Operator shall take the corrective actions within thirty (30) days of receipt of the notice.

(pg 89). *Criminal:* The Operator who violates any provision of this Ordinance shall be guilty of a misdemeanor and shall be subject to a fine of not more than two hundred dollars (\$200.00) or imprisonment not to exceed thirty (30) days, as provided by NCGS 14-4(a). 2. *Civil:* In lieu of or in addition to the criminal penalties outlined above, the Operator who violates any provision of this Ordinance may be subject to a civil penalty under NCGS 153-A123(c), not to exceed two hundred dollars (\$200.00). Each day such violation shall be permitted to exist shall constitute a separate offense. If the Operator does not pay such penalty within thirty (30) days of notification of its assessment, it may be recovered by the County in a civil action in the nature of a debt. The Operator may contest said penalty in the court of appropriate jurisdiction.



**Standard D - Commercial Outdoor Shooting Range (pg 100).** *Civil penalties.* Any person who violates any of the provisions of the Ordinance shall be subject to a **civil penalty of two hundred dollars (\$200) per violation**. No penalty shall be assessed until the person alleged to be in violation has been notified of the violation. Each day of a continuing violation shall constitute a separated violation. *Criminal penalties.* Any person who knowingly or willfully violates this Ordinance or who knowingly or willfully initiates or continues unapproved actions shall be guilty of a Class 3 misdemeanor punishable by imprisonment not to exceed thirty (30) days, or by a **fine not to exceed fifty dollars (\$50.00)**.

# Request for Board Action/RFB Contract Control Form



Columbus County Clerk to the Board  
127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
jana.nealey@columbusco.org

## Date of Request

9/9/2025

## Board Meeting Date Requested

9/15/2025

## Short Title

Planning Department – Approval to Establish a Workshop for Coleman Tract:

## Background

Planning Director is requesting approval to establish a workshop for the Coleman Tract on Monday, October 6, 2025, at 4:00 P.M.

## Specific Action Requested

Planning Director is requesting approval to establish a workshop for the Coleman Tract on Monday, October 6, 2025, at 4:00 P.M.

## Supporting Backup Documents

WORKSHOP REQUEST.docx

## Requested by

KELSEY HAMMOND

## Department

PLANNING

## Title

DIRECTOR

## Email

kelsey.hammond@columbusco.org

## Clerk Signature

## Date Received

## Board Chair/County Manager

## Approved by Board

☐ Yes ☐ No ☐ Pending

# Request for Board Action/RFB Contract Control Form



**Columbus County Clerk to the Board**  
127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
jana.nealey@columbusco.org

## Date of Request

8/28/2025

## Board Meeting Date Requested

9/15/2025

## Short Title

Approval for participation in the multi-year computer master lease agreement between NC State Extension and Apple Inc.

## Background

NC Cooperative Extension is jointly funded and supported by the county and the state's land-grant universities. As part of this partnership, the university provides internet and networking services for our office and requires the use of their recommended computers to maintain compatibility and security within their system. Our office has participated in this program for nearly 20 years. The cost of the lease is already included in the department's approved budget. This request is being brought before the board for the first time in response to new protocol requested by the county auditors.

## Specific Action Requested

Approval for participation in the multi-year computer master lease agreement between NC State Extension and Apple Inc.

## Supporting Backup Documents

NC State Contract Control Number Mac Lease Doc per DT ED8-7-25.pdf

2026-2029 Ral EIT Col Co Lease-Calculator.pdf

Apple Master Lease Agreement Mac Lease per DTED8-7-25.pdf

## Requested by

Howard Wallace

## Department

Cooperative Extension

## Title

County Extension Director

## Email

howard\_wallace@ncsu.edu

# MASTER LEASE SCHEDULE

# Fair Market Value Purchase Option

Schedule No.  
500-50771406

This Master Lease Schedule No. 500-50771406 ("Lease") is by and between Apple Inc. ("Lessor") and North Carolina State University ("Lessee") and incorporates the terms and conditions of that certain Master Lease Agreement dated as of December 5th, 2022 by and between The University of North Carolina ("Primary Lessee") and Lessor, as may have been amended or modified from time-to-time ("Master Lease"), and with Lessee under this Lease having the rights and obligations of Lessee under the Master Lease. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the following described items of the Equipment (as defined in the Master Lease) for the Lease Term and on terms and conditions set forth herein. The Lease shall become effective as against Lessor upon Lessor's execution hereof or its funding of such transaction. Lessee hereby represents and warrants that Lessee is an Authorized Entity as defined in the Master Lease, that it is expressly authorized by Primary Lessee to enter this Lease, and that it has received a copy of, and reviewed, the Master Lease and agreed to the terms and conditions of the Master Lease.

1. **SYSTEM:** (see Attachment A)

System Location	City	State	Zip	Phone
Billing Address	City	State	Zip	Phone
<b>CAMPUS BOX 7204</b>	<b>RALEIGH</b>	<b>NC</b>	<b>27695</b>	<b>9195152011</b>

2. **LEASE TERM:**

The Lease shall commence on the day that Lessee executes a Delivery and Acceptance Certificate with respect to the System ("Commencement Date"). The Base Lease Term of the Lease shall be for the term indicated below and shall commence on either the first or fifteenth day of the month following the Commencement Date, according to Lessor's standard procedures ("Base Term Commencement Date").

(a) Base Lease Term (in months): 48

3. **LEASE PAYMENTS:**

(a) Interim Rent is due and payable in full on the date specified in Lessor's invoice(s) therefore and shall be computed by dividing one payment of Base Term Rent by thirty (30) and multiplying the result by the number of days from and including the Commencement Date to the day preceding the Base Term Commencement Date.

(b) Base Term Rent consists of:

Number of Payments	Amount	Taxes	Total
8	119718.50	TBD	
Frequency of Base Term Rent: <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input checked="" type="checkbox"/> Other <u>SEMI ANNUAL</u>			

The first installment of Base Term Rent shall be due and payable upon the earlier of (i) the date specified in Lessor's invoice therefore, or (ii) Base Term Commencement Date.

4. **SPECIAL PAYMENTS:**

The following Special Payment(s) shall be due and payable on the date Lessee executes this Lease.

Security Deposit	(PLUS)	Advance Payment	(PLUS)	Other	(EQUALS)	Total
	+	119718.50	+		=	119718.5

5. **DOCUMENT FEE:** 0,0,0,0,

6. **STIPULATED LOSS VALUES:** (None)

7. **STANDARDS FOR USE AND MAINTENANCE:** (see Master Lease)

8. **STANDARDS FOR RETURN CONDITION:** (see Master Lease)

9. **LEASE END OPTION:**

Provided no Event of Default shall have occurred and remain uncured, Lessee may upon the expiration of the Lease Term exercise any one of the following options with respect to not less than all items of the System leased hereunder, (i) terminate the Lease and return the System to Lessor, (ii) extend the Lease Term at the then fair rental value ("Fair Rental Value") for an extension term the length of which shall be determined by agreement between Lessee and Lessor or (iii) purchase the System for cash at the System's then fair market value ("Fair Market Value"). Lessee agrees to provide Lessor with written notice of Lessee's decision not less than 180 days prior to the expiration of the Lease Term. If Lessee fails to give Lessor 180 days prior written notice or the parties do not agree on the length of an extension term, the Lease shall automatically be extended without notice to Lessee upon the same terms and conditions for an additional 180 days and may be terminated thereafter upon 180 days prior written notice to Lessor. Upon receipt of Lessee's notice of termination and prior to the return of the System, Lessor shall be entitled to expose the System for resale or lease at the Lessee's premises during reasonable business hours (so long as such exposure does not unreasonably interfere with Lessee's business operations). If by proper notice Lessee elects to purchase the System and upon receipt by Lessor for the Fair Market Value and all other sums due hereunder, Lessor shall convey title to the System to Lessee free of liens and encumbrances created by Lessor on an AS-IS, WHERE-IS basis and without warranty.

Fair Market Value and Fair Rental Value shall mean an amount which would obtain in a transaction between an informed and willing buyer/lessee (other than a dealer) and an informed and willing seller/lessor (assuming for this purpose that the System shall have been maintained in accordance with this Lease and taking into consideration the in-place value of the System to Lessee) and will be determined by agreement between Lessor and Lessee.

10. **ADDITIONAL PROVISIONS:** (None)

11. **MODIFICATIONS AND WAIVERS, EXECUTION IN COUNTERPARTS:**

To the extent any of the terms and conditions set forth in this Lease conflict with or are inconsistent with the Master Lease, this Lease shall govern and control. No amendment, modification or waiver of this Lease will be effective unless evidenced by a written document signed by both parties. This Lease may be executed in counterparts, all of which when taken together shall constitute one and the same instrument. YOU AGREE THAT A FACSIMILE COPY OR OTHER ELECTRONIC TRANSMISSION OF THIS DOCUMENT WITH FACSIMILE AND/OR ELECTRONIC SIGNATURES MAY BE TREATED AS AN ORIGINAL AND WILL BE ADMISSIBLE AS EVIDENCE IN A COURT OF LAW.

IN WITNESS WHEREOF, the parties hereto have caused this Master Lease Schedule to be executed and delivered by their duly authorized representatives as of the dates set forth below.

LESSEE: North Carolina State University

LESSOR: APPLE INC.

Signature: Charles Maimone Date: 7/25/2025  
Print Name: Charles Maimone

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Title: VCFA

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

Lessee Number
Commencement Date

Customer Number
Base Term Commencement Date

FOR OFFICE  
USE ONLY

22APP331V1



# ATTACHMENT / SCHEDULE A

# EQUIPMENT / SYSTEM DESCRIPTION

Attachment/Schedule A forming part of MASTER LEASE AGREEMENT by and between APPLE INC ("Company") and North Carolina State University ("Customer").

Reference Number (if applicable): 500-50771406

Equipment/System Description (where applicable, indicate new/used, quantity, make, model, year, serial number, and description):

1 24-inch iMac with Retina 4.5K display: Apple M4 Chip - Silver Part Number: Z1E2	9
2 4-Year AppleCare+ for Schools - iMac Part Number: S7735LL/A	9
3 24-inch iMac with Retina 4.5K display: Apple M4 Chip - Silver Part Number: Z1E2	2
4 4-Year AppleCare+ for Schools - iMac Part Number: S7735LL/A	2
5 15-inch MacBook Air: Apple M4 chip with 10-core CPU and 10-core GPU, 16GB, 512GB SSD - Silver Part Number: MW1H3LL/A	253
6 4-Year AppleCare+ for Schools 15-inch MacBook Air (M3/M4) (no service fees) Part Number: SGXD2LL/A	253
7 15-inch MacBook Air: Apple M4 chip - Silver Part Number: Z1DC	113
8 4-Year AppleCare+ for Schools 15-inch MacBook Air (M3/M4) (no service fees) Part Number: SGXD2LL/A	113
9 14-inch MacBook Pro: Apple M4 Pro chip with 12-core CPU and 16-core GPU, 24GB, 512GB SSD - Silver Part Number: MX2E3LL/A	80
10 4-Year AppleCare+ for Schools - 14-inch MacBook Pro (no service fees) Part Number: SD6P2LL/A	80

Page 1 of 3

YOU AGREE THAT A FACSIMILE COPY OR OTHER ELECTRONIC TRANSMISSION OF THIS DOCUMENT WITH FACSIMILE AND/OR ELECTRONIC SIGNATURES MAY BE TREATED AS AN ORIGINAL AND WILL BE ADMISSIBLE AS EVIDENCE IN A COURT OF LAW.

CUSTOMER SIGNATURE	Signature X <u>Charles Maimone</u>
	Print Name <u>Charles Maimone</u>
	Date <u>7/25/2025</u>
	For <u>North Carolina State University</u>
COMPANY ACCEPTANCE	Signature X _____
	Print Name _____
	Date _____
	For <u>APPLE INC</u>

17ANC002\_1

# ATTACHMENT / SCHEDULE A

# EQUIPMENT / SYSTEM DESCRIPTION

Attachment/Schedule A forming part of MASTER LEASE AGREEMENT by and between APPLE INC ("Company") and North Carolina State University ("Customer").

Reference Number (if applicable): 500-50771406

Equipment/System Description (where applicable, indicate new/used, quantity, make, model, year, serial number, and description):

11 14-inch MacBook Pro: Silver	11
Part Number: Z1FB	
12 4-Year AppleCare+ for Schools - 14-inch MacBook Pro (no service fees)	11
Part Number: SD6P2LL/A	
13 16-inch MacBook Pro: Apple M4 Pro chip with 14-core CPU and 20-core GPU, 24GB, 512GB SSD - Silver	22
Part Number: MX2T3LL/A	
14 4-Year AppleCare+ for Schools - 16-inch MacBook Pro Apple Silicon (no service fees)	22
Part Number: SD6Y2LL/A	
15 16-inch MacBook Pro: Silver	31
Part Number: Z1FP	
16 4-Year AppleCare+ for Schools - 16-inch MacBook Pro Apple Silicon (no service fees)	31
Part Number: SD6Y2LL/A	
17 Mac mini: Apple M4 chip with 10-core CPU and 10-core GPU, 16GB, 512GB SSD	32
Part Number: MU9E3LL/A	
18 4-Year AppleCare+ for Schools - Mac mini	32
Part Number: S7736LL/A	
19 Mac mini: Apple M4 chip	16
Part Number: Z1CG	
20 4-Year AppleCare+ for Schools - Mac mini	16
Part Number: S7736LL/A	
21 14-inch MacBook Pro: Silver	1
Part Number: Z1FB	
22 4-Year AppleCare+ for Schools - 14-inch MacBook Pro (no service fees)	1
Part Number: SD6P2LL/A	

Page 2 of 3

YOU AGREE THAT A FACSIMILE COPY OR OTHER ELECTRONIC TRANSMISSION OF THIS DOCUMENT WITH FACSIMILE AND/OR ELECTRONIC SIGNATURES MAY BE TREATED AS AN ORIGINAL AND WILL BE ADMISSIBLE AS EVIDENCE IN A COURT OF LAW.

CUSTOMER SIGNATURE	Signature X <u>Charles Maimone</u>
	Print Name <u>Charles Maimone</u>
	Date <u>7/25/2025</u>
	For <u>North Carolina State University</u>
COMPANY ACCEPTANCE	Signature X _____
	Print Name _____
	Date _____
	For <u>APPLE INC</u>

17ANC002\_2

# ATTACHMENT / SCHEDULE A

# EQUIPMENT / SYSTEM DESCRIPTION

Attachment/Schedule A forming part of MASTER LEASE AGREEMENT by and between APPLE INC ("Company")  
and North Carolina State University ("Customer").

Reference Number (if applicable): 500-50771406

Equipment/System Description (where applicable, indicate new/used, quantity, make, model, year, serial number, and description):

23 14-inch MacBook Pro: Silver	3
Part Number: Z1FC	
24 4-Year AppleCare+ for Schools - 14-inch	3
MacBook Pro (no service fees)	
Part Number: SD6P2LL/A	
25 15-inch MacBook Air: Apple M4 chip - Silver	1
Part Number: Z1H0	
26 4-Year AppleCare+ for Schools 15-inch MacBook	1
Air (M3/M4) (no service fees)	
Part Number: SGXD2LL/A	
27 15-inch MacBook Air: Apple M4 chip - Silver	2
Part Number: Z1H0	
28 4-Year AppleCare+ for Schools 15-inch MacBook	2
Air (M3/M4) (no service fees)	
Part Number: SGXD2LL/A	
29 13-inch MacBook Air: Apple M4 chip - Silver	1
Part Number: Z1CU	
30 4-Year AppleCare+ for Schools 13-inch MacBook	1
Air (M3/M4) (no service fees)	
Part Number: SLTH2LL/A	
31 Magic Mouse - White Multi-Touch Surface	100
Part Number: MXK53AM/A	
32 USB-C Digital AV Multiport Adapter	30
Part Number: MW5M3AM/A	
33 Magic Keyboard with Numeric Keypad - US	110
English - Silver	
Part Number: MXCJ3LL/A	

Page 3 of 3

YOU AGREE THAT A FACSIMILE COPY OR OTHER ELECTRONIC TRANSMISSION OF THIS DOCUMENT WITH FACSIMILE AND/OR ELECTRONIC SIGNATURES MAY BE TREATED AS AN ORIGINAL AND WILL BE ADMISSIBLE AS EVIDENCE IN A COURT OF LAW.

CUSTOMER SIGNATURE	Signature X <u>Charles Maimone</u> <small>3115912361M144P</small>
	Print Name <u>Charles Maimone</u>
	Date <u>7/25/2025</u>
	For <u>North Carolina State University</u>
COMPANY ACCEPTANCE	Signature X _____
	Print Name _____
	Date _____
	For <u>APPLE INC</u>

17ANC002\_3

# FISCAL FUNDING ADDENDUM

<b>CUSTOMER</b>	Full Legal Name <u>North Carolina State University</u>	DBA Name (if Any) _____
	Billing Address <u>CAMPUS BOX 7204</u>	Phone Number <u>9195152011</u>
	City <u>RALEIGH</u> County _____ State <u>NC</u> Zip Code <u>27695</u>	
	Agreement Number _____	Agreement Date _____

Customer warrants that it has funds available to pay all rents (the "Payments") payable under the above identified Agreement until the end of Customer's current appropriation period. If Customer's legislative body or other funding authority does not appropriate funds for Payments for any subsequent appropriation period and Customer does not otherwise have funds available to lawfully pay the Payments (a "Non-Appropriation Event"), Customer may, subject to the conditions herein and upon prior written notice to Company (the "Non-Appropriation Notice"), effective sixty (60) days after the later of Company's receipt of same or the end of the Customer's current appropriation period (the "Non-Appropriation Date"), terminate the Agreement and be released of its obligation to make all Payments due Company coming due after the Non-Appropriation Date. As a condition to exercising its rights under this Addendum, Customer shall (1) provide in the Non-Appropriation Notice a certification of a responsible official that a Non-Appropriation Event has occurred, (2) deliver to Company an opinion of Customer's counsel (addressed to Company) verifying that the Non-Appropriation Event as set forth in the Non-Appropriation Notice has occurred, (3) return the equipment/system subject to the Agreement (the "Equipment/System") on or before the Non-Appropriation Date to Company or a location designated by Company, in the condition required by, and in accordance with the return provisions of the Agreement and at Customer's expense, and (4) pay Company all sums payable to Company under the Agreement up to the Non-Appropriation Date.

In the event of any Non-Appropriation Event, Company shall retain all sums paid hereunder or under the Agreement by Customer, including the Security Deposit (if any) specified in the Agreement.

Customer further represents, warrants and covenants for the benefit of Company that:

- (a) Customer is a municipal corporation and political subdivision duly organized and existing under the constitution and laws of the State.
- (b) Customer is authorized under the constitution and laws of the State, and has been duly authorized to enter into the Agreement and the transaction contemplated hereby and to perform all of its obligations thereunder.
- (c) The Agreement constitutes the legal, valid and binding obligation of Customer enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.
- (d) Customer has complied with such public bidding requirements as may be applicable to the Agreement.
- (e) The Equipment/System described in the Agreement is essential to the function of Customer or to the service Customer provides to its citizens. Customer has an immediate need for, and expects to make immediate use of, substantially all the Equipment/System, which need is not temporary or expected to diminish in the foreseeable future.
- (f) Customer has never failed to appropriate or otherwise make available funds sufficient to pay rental or other payments coming due under any lease, lease purchase, installment sale or other similar agreement.

CUSTOMER AGREES THAT A FACSIMILE COPY OR OTHER ELECTRONIC TRANSMISSION OF THIS DOCUMENT WITH FACSIMILE AND/OR ELECTRONIC SIGNATURES MAY BE TREATED AS AN ORIGINAL AND WILL BE ADMISSIBLE AS EVIDENCE IN A COURT OF LAW.

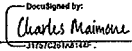
<b>CUSTOMER SIGNATURE</b>	Signature X <u>Charles Maimone</u> <small>(MUST BE SIGNED BY AUTHORIZED REPRESENTATIVE OR OFFICER OF GOVERNMENT ENTITY)</small>
	Print Name <u>Charles Maimone</u>
	Title <u>VCFA</u> Date <u>7/25/2025</u>
	Name of Government Entity <u>NCSU</u>

<b>ACCEPTED BY COMPANY</b>	Signature X _____
	Print Name _____
	Title _____ Date _____
	Name of Corporation or Partnership <u>APPLE INC</u>

# CERTIFICATE OF INCUMBENCY AND AUTHORITY

The undersigned, Secretary or Assistant Secretary of North Carolina State University ("Company"), does hereby certify that:

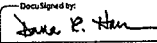
1. He or she is the duly elected, qualified and acting Secretary or Assistant Secretary of the Company, and that he or she has custody of the corporate records of the Company and its company seal.
2. Set forth below are the names and true signatures of individuals ("Officers") who hold the office of the Company set forth opposite their respective names.
3. Each of the Officers set forth below have the requisite power and authority pursuant to the Company's by-laws and/or resolutions to enter into any and all agreements with APPLE INC ("Lessor") on behalf of the Company.

NAME	TITLE	SIGNATURE
Charles Maimone	VCFA	 <small>DocuSigned by: Charles Maimone 31167C8182110F</small>

IN WITNESS WHEREOF, the undersigned has hereunto set his or her hand this \_\_\_\_\_ day of 7/25/2025, 20\_\_\_\_.

YOU AGREE THAT A FACSIMILE COPY OR OTHER ELECTRONIC TRANSMISSION OF THIS DOCUMENT WITH FACSIMILE AND/OR ELECTRONIC SIGNATURES MAY BE TREATED AS AN ORIGINAL AND WILL BE ADMISSIBLE AS EVIDENCE IN A COURT OF LAW.

(COMPANY SEAL)

SIGNATURE	Signature X 
	Print Name <u>Dana R. Harris</u>
	Title <u>Associate VC for Finance and University Treasurer</u>

10TFDOC070v1



## NCSU/CES Administration Blanket Lease Information for NC CES Offices

Apple Inc.

## Master Lease Agreement

PHONE: (866) 355-5767

FAX: (866) 355-5770

LESSEE	Full Legal Name <b>THE UNIVERSITY OF NORTH CAROLINA</b>				Phone Number <b>(919) 962-1000</b>
	Carrying on Business as (If Any)				Fax Number
	Billing Address <b>140 FRIDAY CENTER DRIVE</b>	City <b>CHAPEL HILL</b>	State <b>NC</b>	Zip <b>27517</b>	Send Invoice to Attention of:

## TERMS AND CONDITIONS

This MASTER LEASE AGREEMENT ("Agreement") is dated as of **DECEMBER 5, 2022**, and by and between Apple Inc., the "Lessor", with offices located at 1111 Old Eagle School Road, Wayne, Pennsylvania, 19087-1453, its successors and assigns ("Lessor") and the above referenced lessee ("Lessee"). The parties hereto for good and valuable consideration and intending to be legally bound hereby agree as follows:

1. **LEASE OF SYSTEM:** This Agreement establishes the general terms and conditions under which Lessor may, from time to time, lease Systems (as hereinafter defined) to Lessee. The terms hereof shall be deemed to form a part of each Master Lease Schedule ("Lease") executed by the parties which references this Agreement. "Software", "System" and "Maintenance" shall mean all items of software, system and maintenance set out in any Lease and shall be collectively referred to as a "System." Lessee hereby requests Lessor to purchase the System from the supplier(s) thereof (hereinafter called "Vendor and/or Manufacturer", as applicable) and to lease the System to Lessee on the terms and conditions contained herein. Each Lease shall constitute a separate lease agreement incorporating all the terms hereof. In the event of a conflict between the provisions of any Lease and the provisions hereof, the provisions of the Lease shall prevail.

The amount of the Lease Payments on each Lease ("Lease Payments") are based upon the estimated total cost of the System on the applicable Schedule. The Lease Payments shall be adjusted proportionately upward or downward if the actual total cost of the System on the applicable Lease exceeds or is less than the estimate and Lessee authorizes Lessor to adjust the Lease Payments by up to fifteen percent (15%) in that event.

Unless Lessor has provided Lessee with a written commitment to the contrary, Lessee authorizes Lessor to adjust the Lease Payment on each Lease to increase or decrease the implicit rate of the Lease Payment to the Lessor in an amount equal to any increase or decrease in the rate of Treasury Notes with a comparable term to the term of the Lease from the date the Lessor quoted the Lease Rate to the date Lessor accepts the Lease.

The Lease Payments are based on the like term SWAP interest rates as published in the ICE Report Center daily update referencing USD Rates 1100 (<https://www.theice.com/markdata/reports/180>). Unless Lessor has provided Lessee with a written commitment to the contrary, Lessee hereby authorizes Lessor to adjust the Lease Payments, on or before the date on which Lessor accepts the Lease, in accordance with any change in the like term SWAP rate, to preserve Lessor's implicit finance rate as of the date Lessor quoted the Lease Payment or finance rate, as applicable.

2. **TERM AND RENT:** This Agreement shall become effective upon acceptance and execution by Lessor at its corporate offices, as specified above, and shall remain effective at least until the expiration of the term of the last Lease hereunder. Each Lease shall become effective upon acceptance and execution by Lessor and shall be for the term provided therein. The term of each Lease shall commence on the Commencement Date, as defined in the Lease with an Interim Term and Base Term Commencement Date as set forth therein and shall thereafter continue until all obligations of the Lessee under the Lease shall have been fully performed ("Lease Term"). Interim Rent and Base Term Rent shall be due and payable as set forth in the Lease. All payments made by or on behalf of Lessee hereunder shall be non-refundable. LESSEE'S OBLIGATION TO PAY SUCH LEASE PAYMENTS SHALL BE ABSOLUTE AND UNCONDITIONAL, AND IS NOT SUBJECT TO ANY ABATEMENT, SET-OFF, DEFENSE OR COUNTER-CLAIM FOR ANY REASON WHATSOEVER. All payments hereunder shall be made to Lessor at its address specified above (or such other place as Lessor, in writing, directs) without notice or demand therefor. If the term of a Lease is extended, "Lease Term" shall be deemed to refer to all extensions thereof. All provisions of this Agreement shall apply during any extended term except as may be otherwise specifically provided in this Agreement. In a Lease, or in any subsequent written agreement of the parties.

3. **DELIVERY AND ACCEPTANCE:** Delivery and installation arrangements and costs, unless included in the cost of the System to Lessor and upon which the Lease Payments were computed, are the sole responsibility of Lessee. Lessee agrees to accept the System when delivered, installed and operating to Manufacturer's specifications and to execute the Delivery and Acceptance Certificate supplied by Lessor as evidence thereof. Lessee agrees to hold Lessor harmless from specific performance of this Agreement and from damages, if for any reason, the Vendor fails to deliver, or delays in delivery of, the System so ordered or if the System is unsatisfactory for any reason whatsoever. Lessee agrees that any delay in delivery of the System shall not affect the validity of this Agreement, any Lease or the obligation to make Lease Payments thereunder. Lessee's execution of the Delivery and Acceptance Certificate shall conclusively establish that the System covered thereby is acceptable to Lessee for all purposes of the Lease related thereto.

The Lessee agrees to provide a suitable installation environment for the System as specified in the applicable Manufacturer's manual, if any, and except as otherwise specified by Manufacturer, to furnish all labor required for unpacking and placing each item of System in the desired location. Without limiting the generality of the foregoing, the foundation or floor on which the System is to be installed, shall be in accordance with the builder's specifications, and the power for the System shall be in accordance with the builder's specifications and the local electrical code.

If Lessee has entered into any purchase, licensing or maintenance agreements with the Vendor and/or the Manufacturer ("Acquisition Agreement") covering the System or any portion thereof, Lessee transfers and assigns to Lessor all of Lessee's rights, but none of its obligations (except for Lessee's obligation to pay for the System upon Lessor's acceptance of the Lease) in and to the Acquisition Agreement, including without limitation the right to take title to the System.

If Lessee cancels or terminates a Lease prior to delivery of the System or if Lessee fails or refuses to sign the Delivery and Acceptance Certificate within a reasonable time, not to exceed five (5) business days, after the System has been delivered, installed and is operating to Manufacturer's specifications, Lessor shall have the option of treating the Lease as cancelled by Lessee and Lessee shall automatically assume all of Lessor's rights and obligations as purchaser of the System, whether under an Acquisition Agreement or otherwise.

IT IS HEREBY AGREED THAT LESSOR IS NOT RESPONSIBLE FOR THE PERFORMANCE, MAINTENANCE OR SERVICING OF THE SYSTEM AND LEASES SAME "AS-IS."

4. **SELECTION OF SYSTEM AND DISCLAIMER OF WARRANTY:** Lessee has selected both the System and the Vendor and/or Manufacturer from whom Lessor covenants to purchase the System at Lessee's request. LESSEE ACKNOWLEDGES THAT LESSOR HAS NO EXPERTISE OR SPECIAL FAMILIARITY ABOUT OR WITH RESPECT TO THE SYSTEM. LESSEE AGREES THAT THE SYSTEM LEASED HEREUNDER IS LEASED "AS-IS" AND IS OF A SIZE, DESIGN AND CAPACITY SELECTED BY LESSEE AND THAT LESSEE IS SATISFIED THAT THE SAME IS SUITABLE FOR LESSEE'S PURPOSES, AND THAT LESSOR HAS MADE NO REPRESENTATION OR WARRANTY WITH RESPECT TO THE SUITABILITY OR DURABILITY OF SAID SYSTEM FOR THE PURPOSES AND USES OF LESSEE, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT THERETO, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. LESSOR FURTHER DISCLAIMS ANY LIABILITY FOR LOSS, DAMAGE OR INJURY TO LESSEE OR THIRD PARTIES AS A RESULT OF ANY DEFECTS, LATENT OR OTHERWISE, IN THE SYSTEM WHETHER ARISING FROM THE APPLICATION OF THE LAWS OF STRICT LIABILITY OR OTHERWISE. If the System is not properly installed, does not operate as represented or warranted by the Vendor and/or Manufacturer, or is unsatisfactory for any reason, Lessee shall make any claim on account thereof solely against the Vendor and/or Manufacturer and shall, nevertheless, pay Lessor all Lease Payments under the Lease and shall not set up against Lessee's obligations any such claims as a defense, counterclaim, set-off or otherwise. So long as Lessee is not in breach or default of this Agreement or any Lease hereunder, Lessor hereby assigns to Lessee, solely for the purpose of making and prosecuting any such claim, any rights which Lessor may have against the Vendor and/or Manufacturer for breach of warranty or other representation respecting any item of the System. All proceeds of any warranty recovery by Lessee from the Vendor and/or Manufacturer of any item of the System shall first be used to repair or replace the affected item.

LESSEE ACKNOWLEDGES THAT NEITHER THE VENDOR NOR ANY SALESPERSON, EMPLOYEE, REPRESENTATIVE OR AGENT OF THE VENDOR AND/OR MANUFACTURER IS AN AGENT OR REPRESENTATIVE OF LESSOR, AND THAT NONE OF THE ABOVE IS AUTHORIZED TO WAIVE OR ALTER ANY TERM, PROVISION OR CONDITION OF THIS AGREEMENT OR ANY LEASE HEREUNDER, OR MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THIS AGREEMENT, ANY LEASE HEREUNDER OR THE SYSTEM LEASED HEREUNDER. Lessee further acknowledges and agrees that Lessee, in executing this Agreement and each Lease hereunder, has relied solely upon the terms, provisions and conditions contained herein and therein, and any other statements, warranties, or representations, if any, by the Vendor and/or Manufacturer, or any salesperson, employee, representative or agent of the Vendor and/or Manufacturer, have not been relied upon, and shall not in any way affect Lessee's obligation to make the Lease Payments and otherwise perform as set forth in this Agreement and each Lease.

REGARDLESS OF CAUSE, LESSEE WILL NOT ASSERT ANY CLAIM WHATSOEVER AGAINST LESSOR FOR LOSS OF ANTICIPATORY PROFITS OR ANY OTHER INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, NOR SHALL LESSOR BE RESPONSIBLE FOR ANY DAMAGES OR COSTS WHICH MAY BE ASSESSED AGAINST LESSEE IN ANY ACTION FOR INFRINGEMENT OF ANY UNITED STATES LETTERS PATENT OR COPYRIGHT. LESSOR MAKES NO WARRANTY AS TO THE TREATMENT OF THIS AGREEMENT OR ANY LEASE HEREUNDER FOR TAX OR ACCOUNTING PURPOSES.

NOTWITHSTANDING ANY PROVISION CONTAINED HEREIN TO THE CONTRARY, LESSEE DOES NOT WAIVE ANY RIGHTS OR REMEDIES IT MAY HAVE AGAINST THE VENDOR AND/OR MANUFACTURER OF THE SYSTEM.

5. **TITLE, PERSONAL PROPERTY AND LOCATION:** Except for leases with a \$1.00 purchase option or in which Lessee is required to purchase the System at the end of the Lease Term, the System is, and shall at all times be and remain the sole and exclusive property of Lessor, and Lessee, notwithstanding any trade-in or down payment made by Lessee or on its behalf with respect to the System, shall have no right, title or interest therein or thereto, except as to the use thereof subject to the terms and conditions of this Agreement and the related Lease hereunder. To the extent that the License for the Software ("License") allows title to Software to pass to Lessee, such title shall vest and remain in Lessor. To the extent such vesting requires a specific written conveyance, Lessee hereby conveys to Lessor any title it has or may hereafter acquire in the Software and relinquishes any subsequent claim of title in the Software, including any rights to purchase the Software and to retain rights to use the same beyond the Lease Term. If any provision of this paragraph requires for its effectiveness Lessor's prior written consent because the License limits transfers, encumbrance or assignment of the Software, then Lessee shall assist Lessor, if so requested, in obtaining such consent.

Lessee will not directly or indirectly create, incur, assume or suffer to exist any lien on or with respect to the System or Lessor's title thereto, except such liens as may arise through the independent acts or omissions of the Lessor. Lessee, at its own expense, will promptly pay, satisfy or otherwise take such actions as may be necessary to keep the System free and clear of any and all such liens. The System is, and at all times shall remain, personal property notwithstanding that the System or any item thereof may now be, or hereafter become, in any manner affixed or attached to, or imbedded in, or permanently resting upon real property or any improvement thereof or attached in any manner to what is permanent. If requested by Lessor prior to or at any time during the Lease Term, Lessee will obtain and deliver to Lessor waivers of interest or liens in recordable form, satisfactory to Lessor, from all persons claiming any interest in the real property on which an item of the System is installed or located.

The System shall be kept at the address designated in each Lease and shall not be removed therefrom without the prior written consent of the Lessor, which consent shall not be unreasonably withheld. Lessor may require plates or markings to be affixed to or placed on the System indicating the Lessor's ownership of the System.

6. **USE AND MAINTENANCE:** Lessee shall use the System solely in the conduct of its business and in a careful and proper manner consistent with the requirements of all applicable insurance policies; shall only permit qualified personnel to operate the System and shall not discontinue the use of the System during the Lease Term. Lessee will not modify the System in any way without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Lessee shall not attach or incorporate the System to or in any other item of system or software in such a manner that the System becomes or may be deemed to have become an accession to or a part of such other item of system or software.

At its own expense, Lessee will cause the System to be kept, used and maintained as recommended by the Manufacturer and Manufacturer's maintenance manuals and plans by competent and duly qualified personnel only approved by the Manufacturer, in accordance with applicable governmental regulations, if any, and for business purposes only and in as good operating condition as when delivered to Lessee hereunder; ordinary wear and tear resulting from proper use alone excepted, and will provide all maintenance and service and make all repairs or replacements reasonably necessary for such purpose. Lessee shall record in a log book all maintenance and repair performed on the System and deliver the same to Lessor from time to time as requested by Lessor and upon termination of the Lease.

If any parts or accessories forming part of the System become worn out, lost, destroyed, damaged beyond repair or otherwise permanently rendered unfit for use, Lessee, at its own expense, shall within a reasonable time cause such parts or accessories to be replaced by replacement parts or accessories which are free and clear of all liens, encumbrances or rights of others and have a utility at least equal to the parts or accessories replaced. All system, software accessories, upgrades, parts and replacements for or which are added to or become attached to the System, which are essential to the operation of the System or which cannot be detached from the System without materially interfering with the operation of the System or adversely affecting the value and utility which the System would have had without the addition thereof, shall immediately become the property of Lessor, and shall be deemed incorporated in the System and subject to the terms of this Agreement and the related Lease as if originally leased hereunder. Lessee shall not make any material alterations to the System without the prior written consent of Lessor, which consent shall not be unreasonably withheld.

Upon reasonable advance notice, Lessor shall have the right to inspect the System, log book and all other maintenance records with respect thereto, if any, at any reasonable time during normal business hours.

In the event the Lease Payments include the cost of maintenance and/or service being provided by Vendor and/or Manufacturer, Lessee acknowledges that Lessor is not responsible for providing any required maintenance and/or service for the System. Lessee shall make all claims for service and/or maintenance solely to the Vendor and/or Manufacturer and Lessee's obligation to make all required Lease Payments shall remain unconditional.

7. **ASSIGNMENT:** LESSEE MAY NOT ASSIGN THIS AGREEMENT, ANY LEASE OR THE RIGHTS HEREUNDER, NOR SHALL THE LESSEE SUBLEASE OR LEND THE SYSTEM OR SUBMIT IT TO BE USED BY ANYONE OTHER THAN LESSEE'S EMPLOYEES WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR, WHICH CONSENT SHALL NOT BE UNREASONABLY WITHHELD. Lessor may at any time assign all or part of any interest in this Agreement or any Lease and in each item of the System and monies to become due to Lessor hereunder, and Lessor may grant security interests in the System, subject to the Lessee's rights therein. In such events, all the provisions of this Agreement or any Lease hereunder for the benefit of Lessor shall inure to the benefit of and be exercised by or on behalf of such assignee, but the assignee shall not be liable for or be required to perform any of Lessor's obligations to Lessee. The Lessor may direct that all Lease Payments due and to become due under this Agreement or any Lease hereunder and assigned by Lessor shall be paid directly to assignee, upon notice of such assignment to Lessee. The right of the assignee to the payment of the assigned Lease Payments, the performance of all Lessee's obligations and to exercise any other of Lessor's rights hereunder shall not be subject to any defense, counterclaim or set-off which the Lessee may have or assert against the Lessor, and the Lessee hereby agrees that it will not assert any such defenses, set-offs, counterclaims and claims against the assignee. No such assignment by Lessor shall relieve Lessor of its obligations or limit or otherwise affect Lessee's rights and/or obligations hereunder.

8. **RETURN OF SYSTEM, STORAGE:** The Lessee shall, at its sole expense, surrender each item of the System then subject to any Lease hereunder at the expiration or earlier termination of the Lease Term by deliver-



ing the item to the Lessor at a location accessible by common carrier and designated by the Lessor within the Continental United States or, if specified by the Lessor, into the custody of a carrier designated by the Lessor. In the case of Software, Lessee shall destroy all intangible items constituting such Software and shall deliver to Lessor all tangible items constituting such Software. At Lessor's request, Lessee shall also certify in a form acceptable to Lessor that: (i) Lessee has complied with the above Software return provisions, (ii) Lessee will not use the Software after the expiration or earlier termination of the Lease Term; and (iii) Lessee shall permit Lessor and/or the Vendor of the Software to inspect Lessee's locations to verify compliance with the terms hereof.

If the item of the System is delivered into the custody of a carrier, the Lessee shall arrange for the shipping of the item and its insurance in transit in accordance with the Lessor's instructions and at the Lessee's sole expense. The Lessee, at its sole expense, shall completely sever and disconnect the System from the Lessee's property, all without liability of the Lessor to the Lessee, or to any person claiming through or under the Lessee, for damage or loss caused by such severance and disconnection. The Lessee, at its sole expense, shall pack or crate the System or its component parts carefully and in accordance with any recommendations of the Manufacturer with respect to similar new software or system before surrendering the System to the Lessor. The Lessee shall deliver to the Lessor the plans, specifications, operation manuals and other warranties and documents furnished by the Manufacturer or Vendor of the System and such other documents in the Lessee's possession relating to the maintenance and methods of operation of such System.

When an item of Software or System is surrendered to the Lessor it shall be in the condition and repair required to be maintained under this Agreement. It will also be free of all evidence of advertising or insignia placed on it by the Lessee and meet all legal and regulatory conditions necessary for the Lessor to sell or lease it to a third party and be free of all liens. If Lessor reasonably determines that an item of Software or System, once it is returned, is not in the condition required hereby, Lessor may cause the repair, service, upgrade, modification or overhaul of the item of Software or System to achieve such condition and upon demand, Lessee shall promptly reimburse Lessor for all amounts reasonably expended in connection with the foregoing.

Should Lessee not return the System at the end of the Lease Term, Lessee shall continue to make Lease Payments to Lessor in the sum equal to the last Lease Payment and at the same intervals as set out in the Lease as a month-to-month lease term (or other term as designated by Lessor) until returned by Lessee or until returned upon demand therefor by Lessor. The acceptance of said Lease Payments by Lessor shall not waive Lessor's right to have the System promptly returned to Lessor pursuant to the provisions hereof, nor shall the acceptance of said Lease Payments be deemed to be an extension of the Lease Term.

Upon written request of the Lessor, the Lessee shall provide free storage for any item of System for a period not to exceed 60 days after expiration of its Lease Term before returning it to the Lessor. The Lessee shall arrange for the insurance described to continue in full force and effect with respect to such item during its storage period and the Lessor shall reimburse the Lessee on demand for the incremental premium cost of providing such insurance.

**9. LOSS OR DAMAGE:** Lessee hereby assumes and shall bear the entire risk of loss (including theft, requisition of use, seizure or inoperability) or destruction of or damage to the System from any and every cause whatsoever, whether or not insured, until the System is returned to Lessor. No such loss or damage shall relieve Lessee from any obligation under this Agreement or any Lease hereunder, which shall continue in full force and effect. In the event of damage to or loss or destruction of the System (or any item thereof), Lessee shall promptly notify Lessor in writing of such fact and shall, at the option of Lessor, (a) place the same in good repair, condition and working order, (b) replace the Software and/or System with like Software and/or System in good repair, condition and working order, acceptable to Lessor and transfer clear title to or a right to use, as appropriate, such Software and/or replacement System to Lessor, whereupon such Software and/or System shall be subject to the Lease and be deemed the System for purposes hereof, or (c) on the due date for the next Lease Payment or upon the expiration of the Lease, whichever first occurs, pay to Lessor: (i) the Stipulated Loss Value therefor as may be specified in the Lease plus all Lease Payments then due, or if the Lease does not provide for Stipulated Loss Values, (ii) the present value of the total of all unpaid Lease Payments for the entire Lease Term plus the estimated fair market value of the System at the end of the originally scheduled Lease Term or the agreed upon purchase option price, if any, all of which shall be discounted to the date of payment by Lessee at an annual rate equal to the lesser of (A) a per annum interest rate equivalent to that of a U.S. Treasury constant maturity obligation (as reported by the U.S. Treasury Department) that would have a repayment term equal to the remaining Lease term, all as reasonably determined by Lessor, or (B) 3% per annum (each the "Present Value Rate"), whereupon the Lease shall terminate with respect thereto. All proceeds of insurance received by Lessor as a result of such loss or damage shall, where applicable, be applied toward the replacement or repair of the System or the payment of the obligations of Lessee hereunder.

**10. INSURANCE:** Prior to the Lease Commencement Date, Lessee shall obtain, maintain and keep the System insured against all risks of loss or damage from every cause whatsoever including, without limitation, loss by fire, theft, "mysterious disappearance", collision, earthquake, flood and such other risks of loss as are customarily insured against on the type of System leased hereunder by businesses of the type in which Lessee is engaged, in an amount not less than the replacement cost or Stipulated Loss Value of the System, whichever is greater, without deductible and without co-insurance. Lessee shall maintain such insurance coverage for the entire Lease Term. Lessee shall also obtain and maintain for the entire Lease Term, comprehensive public liability insurance covering liability for bodily injury, including death, and property damage resulting from the purchase, ownership, leasing, maintenance, use, operation or return of the System with a combined single limit of not less than Two Million Dollars (\$2,000,000.00) per occurrence. If Lessee is a doctor, hospital or other health care provider, Lessee shall furnish Lessee with evidence of sufficient professional liability insurance. All said insurance shall be in a form and an amount and with companies reasonably satisfactory to Lessor. Lessor, its successors or assigns, shall be the sole named loss payee with respect to insurance for damage to or loss of the System and shall be named as an additional insured on the public liability insurance. Lessee shall pay all premiums for such insurance and shall deliver to Lessor the original policy or policies of insurance, certificates of insurance, or other evidence satisfactory to Lessor evidencing the insurance required thereby, along with proof, satisfactory to Lessor, of the payment of the premiums for such insurance policies. All insurance shall provide for at least sixty (60) days advance written notice to Lessor before any cancellation, expiration or material modification thereof and also provide that no act or default of any person other than Lessor, its agents or those claiming under Lessor, shall affect Lessor's right to recover under such policy or policies in case of loss. Lessee hereby irrevocably appoints Lessor as Lessee's attorney-in-fact (which power shall be deemed coupled with an interest) to make claim for, receive payment of, and execute and endorse all documents, checks or drafts received in payment for loss or damage under any such insurance policy. Unless Lessee is in default, Lessee may with the prior written approval of Lessor, settle and adjust all such claims. Lessee agrees if Lessee shall fail to procure, maintain, and pay for such insurance, Lessor shall have the right, but not the obligation, to obtain such insurance on behalf of and at the expense of Lessee, and add an insurance fee to the amount due from the Lessee, on which the Lessor makes a profit.

**11. WAIVER AND INDEMNITY:** Lessee assumes and agrees to indemnify, defend and keep harmless Lessor, its agents and employees, from and against any and all losses, damages, injuries, claims, demands and expenses, including legal, consulting and expert expenses (other than such as may directly and proximately result from the gross negligence or willful misconduct of Lessor, its agents or employees), arising on account of the ordering (whether by Acquisition Agreement or otherwise), acquisition, delivery, installation or rejection of the System, the possession, maintenance, use, condition (including without limitation, latent and other defects and whether or not discoverable by Lessor or Lessee, any claim in tort for strict liability, and any claim for patent, trademark or copyright infringement) or operation of any item of the System, and by whomsoever used or operated, during the Lease Term with respect to that item of the System, the loss, damage, destruction, environmental impact, removal, return, surrender, sale or other disposition of the System, or any item thereof. Lessor shall give Lessee prompt notice of any claim or liability hereby indemnified against. Lessee shall be entitled to control the defense thereof, so long as Lessee is not in Default hereunder; provided, however, that Lessor shall have the right to approve defense counsel selected by Lessee. The obligations contained in this paragraph continue beyond the termination of this Agreement and the Leases.

**12. TAX TREATMENT AND INDEMNIFICATION:** (a) Unless otherwise provided for in a specific Lease, it is acknowledged and agreed by the parties that they are entering into this Agreement and each Lease on the following income tax assumptions: (i) that Lessor and the consolidated group of which Lessor is a member (all references to Lessor in this Section include such consolidated group) will be treated for all federal income tax purposes (and to the extent allowable, for state and local tax purposes) as the owner of all System leased pursuant to this Agreement and each Lease; (ii) that, for federal and state income tax purposes, each Lease will be treated as a "true lease" of the Equipment; (iii) that Lessor will be entitled to take (x) accelerated depreciation deductions under applicable state law ("Depreciation Deductions"), (y) accelerated cost recovery deductions ("Recovery Deductions") under Section 167(a) and Section 168(b)(1) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code"), and (z) the special depreciation allowance ("Bonus Deduction") under Code Section 168(k); and (iv) that Lessor will have the maximum federal and state income tax rate applicable to corporations in effect as of the date of Lessor's Lease execution ("Determination Date") during each applicable Lease term (which maximum federal and state income tax rate shall remain constant during such term).

(b) The Lessee acknowledges and agrees that each Lease has been executed by Lessor based upon the following representations and warranties of Lessee: (i) Lessor will not, under the Code, be required to include in its

gross income, for federal income tax purposes, any amount with respect to any improvement, modification or addition made, or permitted to be made, by Lessee to any item of Equipment; (ii) at the time the Lessee accepts each item of System under each Lease, each such item of System shall have been placed in service within the meaning of Code Section 167 and Code Section 168, but not prior thereto, and the "original use" (as the term is used under the Code) of such item shall commence with Lessor; (iii) Lessor shall be entitled to (x) the maximum available Depreciation Deductions applicable to corporations (determined as of the Determination Date) based on the cost of each item of System as specified in the applicable Lease ("Cost"), (y) Recovery Deductions based upon each item of System Cost over the recovery period, and in the percentages of the Equipment's unadjusted basis (deduced under any Code requirements) for the years, indicated in the applicable Lease, by using (A) the 200% declining balance method permitted under Code Section 168, changing to straight line at such time as will maximize the recovery deductions, (B) the half year convention and (C) no salvage value, unless otherwise required by operation of Code Section 168 (d) (3) (A), and (2) the Bonus Deduction based upon the applicable System Cost for the year and percentage indicated in the applicable Lease; (iv) for purposes of determining the amount of the Recovery Deductions, Lessor's basis for the System will be at least equal Lessor's System Cost; (v) no item of System is limited use property within the meaning of Rev. Proc. 78-30; (vi) for federal income tax purposes, all amounts included in the gross income of Lessor with respect to each item of System will be treated as derived from or allocable to sources within the United States; and (vii) all System information furnished by Lessee in writing to Lessor or Lessor's agents was accurate at the time given.

(c) If by reason of (1) the breach or inaccuracy in law or in fact of any of the representations or warranties set forth in Subsection (b) of this Section, (2) the inaccuracy of any statement or information in any letter or document furnished to Lessor by or on behalf of Lessee in connection with the transactions contemplated under this Agreement or any Lease ("Related Documents"), (3) the Lessee, an Affiliate (defined below), assignee or sublessee of Lessee or any user or person or entity in possession of any System(s) committing any act, irrespective of whether such act is required or permitted by this Agreement or any Lease (including but not limited to any improvement, modification, addition, alteration, substitution, replacement or relocation of any item of Equipment), or (y) failing or omitting to take any action required under this Agreement, or any Lease or Related Document or otherwise or (4) any change in the Code requiring after the date hereof, Lessor will (i) lose the right to claim, will not have the right to claim or shall not claim as the result of its good faith determination that such claim is not properly allowable, or shall suffer a disallowance or deferral of, or shall be required to recapture all or any portion of the Recovery Deductions, Depreciation Deductions and/or Bonus Deduction as to any item of the Equipment, (ii) be required to include in its gross income any amount in respect to (x) any alteration, modification or addition, any item, other than an alteration, modification or addition which is permitted without adverse tax consequences to Lessor under Rev. Procs. 75-21, 78-30 or 79-48 or (y) any transaction contemplated by this Agreement or any Lease (other than rent paid by the Lessee), or (iii) suffer a decrease in Lessor's net return over the then remaining portion of the Lease Term (any such occurrence referred to hereinafter as "Loss"), then at Lessor's option either (x) the rent will, on and after the next succeeding date for the payment thereof upon notice to Lessee by Lessor that a Loss has occurred, and describing the amount as to which Lessor intends to claim indemnification and the reason for such adjustment in reasonable detail, be increased by such amount, which will cause Lessor's net return over the then remaining portion of the Lease Term (taking into account the tax effect from deferred utilization of tax basis resulting from changes in the method of calculating Recovery Deductions, Depreciation Deductions and Bonus Deduction) to equal the net return that would have been available if such loss had not occurred, or (Y) in lieu of a rent increase, Lessee shall pay to Lessor on such next succeeding date for the payment of rent such sum as will cause Lessor's net return over the term of the Lease in respect of the System to equal to the net return that would have been available if such Loss had not occurred (all such net return computations to be as determined by Lessor). If such Loss occurs after the expiration or termination of a Lease, Lessor will notify Lessee of such Loss and Lessee will, within sixty (60) days after such notice, pay to Lessor such sum as required by the preceding clause (y). Lessee will forthwith pay on demand to Lessor an amount on an after-tax basis which will be equal to the amount of any interest and/or penalties which may be assessed by the United States or any state against Lessor as a result of the Loss.

(d) Lessee agrees that neither it nor any person controlled by it, in control of it, or under common control with it, directly or indirectly (an "Affiliate"), will at any time file any Federal, state or local income tax return in the United States that is inconsistent with the assumptions set forth in Subsection (a) of this Section or with the representations and warranties set forth in Subsection (b) of this Section or file any other document in a manner that causes a Loss. Lessee and each Affiliate will file such returns, execute such documents and take such actions as may be reasonable and necessary to facilitate accomplishment of the intent hereof. Lessee will maintain sufficient records to enable the Lessor to determine and verify its federal and state income tax liability with respect to the transactions contemplated by each Lease and to determine and verify its potential tax liability with respect to each other taxing jurisdiction. In addition, within 30 days after notice Lessee shall provide such information as Lessor may reasonably request to enable Lessor to fulfill its tax return filing obligation, to respond to requests for information, to verify information in connection with any income tax audit and to participate effectively in any tax contest.

(e) For purposes of this Section, a Loss will occur upon the earliest of (1) the happening of any event which may cause such Loss, (2) the payment by Lessor to the Internal Revenue Service of the tax increase resulting from such Loss, or (3) the adjustment of the tax return of Lessor to reflect such Loss. Lessor will be responsible for, and will not be entitled to a payment under this Section on account of any Loss due solely to one or more of the following events: (i) the failure of Lessor to have sufficient taxable income to benefit from the Recovery Deductions, Depreciation Deductions and/or Bonus Deduction; (ii) any disposition of the System by Lessor prior to an Event of Default which has occurred and is continuing under the Lease; or (iii) the failure of Lessor to timely or properly claim the Recovery Deductions, Depreciation Deductions and/or Bonus Deduction on its tax returns, unless Lessor shall have previously determined, based upon a written opinion of tax counsel to Lessor, that substantial authority does not exist in favor of making such claim or such failure is due to Lessee not timely providing Lessor with information required by Subsection (d).

(f) The indemnities and assumptions of liability provided herein and all Lessor's rights and privileges herein will inure to the benefit of Lessor's successors and assigns and will continue in full force and effect notwithstanding the expiration or termination of the Lease.

### 13. EVENTS OF DEFAULT: The term "Event of Default" shall mean any one or more of the following:

- Lessee shall fail to make any Lease Payment, or any other payment, as it becomes due and such failure is not cured within 10 days; or
- Lessee shall fail to perform or observe any of the covenants set forth in Paragraph 10; or
- Lessee shall fail to perform or observe any other covenant, condition or agreement to be performed or observed by it hereunder or in any Lease and such failure is not cured within 30 days after the date of notice thereof by Lessor to Lessee; or
- Lessee shall enter into any transaction of merger or consolidation in which it is not the surviving entity or sell, transfer or otherwise dispose of all or substantially all of its assets ("Assets") unless the surviving entity or the entity acquiring such Assets assumes all the duties and obligations of Lessee hereunder and which merger, consolidation, sale or transfer must be approved in writing by Lessor; or
- (i) Lessee or any guarantor of Lessee's obligations hereunder ("Guarantor") shall commence any action (A) for relief under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, or (B) seeking appointment of a receiver, custodian or other similar official for it or for its Assets or making a general assignment for the benefit of its creditors; or (ii) there shall be commenced against Lessee any action (A) of a nature referred to in clause (i) which results in the entry of an order for relief or any such other relief and remains undismissed or undischarged for a period of 30 days, or (B) seeking attachment, execution or similar process against its assets which results in the entry of an order for any such relief which shall not be vacated or discharged within 30 days from the entry thereof; or (iii) Lessee shall generally not, or be unable to, pay its debts as they come due; or
- Lessee or any Guarantor shall die or (if an entity) liquidate or dissolve itself or be liquidated or terminated; or
- Any representation or warranty made by Lessee herein or otherwise furnished Lessor in connection with this Agreement or any Lease hereunder shall prove at any time to have been untrue or misleading in any material respect; or
- Lessee or any Guarantor defaults on any indebtedness for borrowed money, lease, or installment sale obligation, in each case when any applicable grace period for such obligation has expired and the lender, lessor or creditor has commenced to exercise any remedy, but only if the indebtedness or other obligation is in an amount equal to or in excess of \$50,000; or
- Lessor shall reasonably deem itself insecure as a result of a material adverse change in Lessee's financial condition or operations;
- Lessee shall default in its obligations under a License.

**14. REMEDIES:** Upon the occurrence of any Event of Default, Lessor may declare this Agreement or any Lease hereunder to be in default and exercise any one or more of the following remedies:

- Declare the entire unpaid balance of Lease Payments for the unexpired term of the Lease hereunder immediate;



daily due and payable and similarly accelerate the balances due under any other Leases between Lessor and Lessee without notice or demand, (b) Sue for and recover all Lease Payments and other monies due and to become due under the Lease hereunder, plus the estimated fair market value of the System at the end of the originally scheduled Lease Term or any agreed upon Purchase Option, all of which shall be discounted to the date of default at the Present Value Rate (defined in Section 9 hereof), but only to the extent permitted by law, (c) Charge Lessee interest on all monies due Lessor at the rate of eighteen percent (18%) per annum from the date of default until paid but in no event more than the maximum rate permitted by law, (d) Charge Lessee a returned-check or non-sufficient funds charge ("NSF Charge") to reimburse Lessor for the time and expense incurred with respect to each check that is returned for any reason including non-sufficient or uncollected funds, such NSF Charge is stipulated and liquidated at \$25.00; (e) Require Lessee to assemble all System and Software at Lessee's expense, at a place reasonably designated by Lessor, (f) Remove any physical obstructions for removal of the System from the place where the System is located and take possession of any or all items of System, without demand or notice, wherever same may be located, disconnecting and separating all such items of the System from any other property, with or without any court order or pre-taking hearing or other process of law, it being understood that facility of repossession in the event of default is a basis for the financial accommodation reflected by this Agreement or any Lease hereunder. Lessee hereby waives any and all damages occasioned by such re-taking except such damages as may be caused by Lessor's gross negligence or willful misconduct. Lessor may, at its option, use, ship, store or repair any or all items of the System so removed and shall sell, lease or otherwise dispose of any such System at a private or public sale. Lessor may expose the System and resell or lease the System at Lessee's premises at reasonable business hours without being required to remove the System. In the event Lessor disposes of the System, Lessor shall give Lessee credit for any sums received by Lessor from the sale or lease of the System after deduction of the expenses of sale or lease. The credit for any sums to be received by Lessor from such lease during the remaining portion of the Lease Term shall be discounted to the commencement date of such lease at an annual rate equal to the implicit rate of interest of such lease. Lessee shall also be liable for and shall pay to Lessor (i) all expenses incurred by Lessor in connection with the enforcement of any of Lessor's remedies, including all expenses of repossessing, storing, shipping, repairing and selling the System, and (ii) Lessor's reasonable attorney's fees. Lessor and Lessee acknowledge the difficulty in establishing a value for the unexpired Lease Term and owing to such difficulty agree that the provisions of this paragraph represent an agreed measure of damages and are not to be deemed a forfeiture or penalty.

In the case of Software, it is acknowledged and agreed that the unauthorized use, disclosure or transfer of the Software could cause Lessor incalculable and irreparable harm. Therefore, if Lessee is found to be using (in whatever manner) any portion of the Software after the applicable Lease Term or after an Event of Default and Lessor's written demand for Lessee to return the Software or if the licensor of the Software terminates a License or Lessee's right to use the Software thereunder, then liquidated damages shall immediately be payable to Lessor in an amount equal to two (2) times the license fees paid or payable with respect to the Software being used.

Whenever any payment is not made by Lessee when due hereunder, Lessee agrees to pay to Lessor, within one month, a late charge of five percent (5%) of the amount of the payment, with a minimum charge of \$10.00, but only to the extent permitted by law. Such amount shall be payable in addition to all amounts payable by Lessee as a result of the exercise of any of the remedies herein provided.

All remedies of Lessor hereunder are cumulative, are in addition to any other remedies provided for by law, and may, to the extent permitted by law, be exercised concurrently or separately. The exercise of any one remedy shall not be deemed to be an election of such remedy or to preclude the exercise of any other remedy. No failure on the part of the Lessor to exercise and no delay in exercising any right or remedy shall operate as a waiver thereof or modify the terms of this Agreement or any Lease hereunder. A waiver of default shall not be a waiver of any other or subsequent default. Lessor's recovery hereunder shall in no event exceed the maximum recovery permitted by law.

**15. LAWS, REGULATIONS AND TAXES:** Lessee shall comply with all laws, regulations and orders relating or pertaining to the System, this Agreement or any Lease hereunder and Lessee shall be responsible for, as and when due, and shall indemnify and hold Lessor harmless from and against all present and future taxes and other governmental charges, or any increases therein (including, without limitation, sales, use, leasing and stamp taxes and license and registration fees) and amounts in lieu of such taxes and charges and any penalties or interest on any of the foregoing, imposed, levied upon, in connection with, or as a result of the purchase, ownership, delivery, leasing, possession or use of the System, or based upon or measured by the Lease Payments or receipt with respect to this Agreement or any Lease hereunder. Lessee shall not, however, be obligated to pay any taxes on or measured by Lessor's net income. Lessee authorizes Lessor to add to the amount of each Lease Payment any sales, use or leasing tax that may be imposed on or measured by such Lease Payment. Lessee shall pay Lessor on demand, as additional rent, the amount of the personal property tax required to be paid by Lessor as owner of the System, plus a fee for Lessor collecting and administering any taxes, assessments or fees and remitting them to the appropriate authorities and interest thereon at the highest legal rate allowed, from the date due until fully paid. In the event Lessee does not pay all sums specified above, Lessor has the right, but not the obligation, to pay the same. If Lessor shall so pay any of the aforementioned, then the Lessee shall remit such amount with the next Lease Payment plus a fee for Lessor collecting and administering any taxes, assessments or fees and remitting them to the appropriate authorities.

**16. UCC FILINGS AND FINANCIAL STATEMENTS:** Lessee authorizes Lessor to file a financing statement with respect to the System signed only by the Lessor where permitted by the Uniform Commercial Code or other applicable law. Lessee hereby appoints Lessor as Lessee's attorney-in-fact to execute such financing statement on Lessee's behalf and to do all acts or things which Lessor may deem necessary to protect Lessor's title and interest hereunder. Lessor and Lessee further agree that a carbon, photographic or other reproduction of this Agreement or any Lease hereunder may be filed as a financing statement and shall be sufficient as a financing statement under the Uniform Commercial Code or other applicable law. It is the intent of the parties that this is a true lease, and the filing of a financing statement under the Uniform Commercial Code or other applicable law shall not be construed as evidence that any security interest was intended to be created, but only to give public notice of Lessor's ownership of the System. If any Lease hereunder has a \$1.00 purchase option or the Lessee is required to purchase the System at the end of the Lease term or this Agreement or any Lease hereunder is otherwise deemed at any time to be one intended as security, then Lessee grants Lessor a security interest in the System and the proceeds from the sale, lease or other disposition of the System. Lessee agrees to pay Lessor a fee to reimburse Lessor's expenses for the preparation and filing of all such financing statements, for Lessor's other documentation costs and for all ongoing administration costs during each Lease term.

Lessee agrees to submit financial statements or tax returns if its financial statements are unaudited within 90 days from the end of its fiscal year and Lessee warrants to Lessor that all financial statements furnished and to be furnished have been and will be prepared in accordance with generally accepted accounting principles, are an accurate reflection of Lessee's financial condition and that there has been no material adverse change in the financial condition of Lessee or any guarantor of Lessee's obligations since the dates of preparation and submission of the financial statements submitted to Lessor. Lessee agrees to deliver to Lessor at any time or times hereafter such information or documents, including, without limitation, certified resolutions, financial statements and legal opinions, as Lessor may request.

**17. SECURITY DEPOSIT:** Lessor shall retain any security deposit set forth on each Lease as security for the performance by Lessee of its obligations hereunder. Any security deposit so taken shall be non-interest bearing. Lessor may, but shall not be obligated to, apply any security deposit to cure any Event of Default hereunder, in which event Lessee shall promptly restore any amount so applied. If Lessee is not in default in any of Lessee's obligations hereunder, any security deposit will be returned to Lessee at the termination of the Lease related thereto. Lessee hereby grants to Lessor a security interest in the cash comprising the security deposit from time to time together with the proceeds thereof to secure the prompt performance as and when due of all obligations of Lessee hereunder.

**18. WARRANTY OF BUSINESS PURPOSE:** Lessee hereby warrants and represents that the System will be used for business purposes, and not for personal, family or household purposes. Lessee acknowledges that Lessor has relied upon this representation in entering into this Agreement and each Lease hereunder.

**19. LESSEE REPRESENTATIONS AND WARRANTIES:** Lessee hereby represents, warrants and covenants to Lessor the following with respect to each Lease as of the date Lessee executes the Delivery and Acceptance Receipt related thereto: (a) Lessee is organized and validly existing under the laws of the state of its organization, with adequate power and capacity to enter into the Lease, all documents related to the purchase of the System and any other documents required to be delivered in connection with the Lease or the System (hereinafter "Documents") and is duly qualified to do business wherever necessary to carry on its present business, including all states where the System is to be located; (b) the Documents have been duly authorized, executed and delivered by Lessee and constitute valid, legal and binding agreements, enforceable in accordance with their terms, except to the extent that the enforcement of remedies therein provided may be limited under applicable bankruptcy and insolvency laws; (c) no approval, consent or withholding of objections is required from any federal, state or local governmental authority or instrumentality with respect to the entry into or performance by Lessee of its obligations, except such as have already been obtained; (d) the entry into and performance by Lessee of its obligations

under the Documents will not (i) violate any judgment, order, law or regulation applicable to Lessee or (ii) result in any breach of, constitute a default under or result in the creation of any lien, charge, security interest or other encumbrance upon any item of the System pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument (other than the Lease or any purchase money security interest retained by any supplier) to which Lessee is a party; (e) there are no suits or proceedings pending or threatened in court or before any regulatory commission, board or other administrative governmental agency against or affecting Lessee, which will have a material adverse effect on the ability of Lessee to fulfill its obligations under the Lease; (f) the balance sheet and statement of income of Lessee, or of any consolidated group of which Lessee is a member, heretofore delivered to Lessor have been prepared in accordance with generally accepted accounting principles and fairly present the financial position of Lessee or the consolidated group of companies of which Lessee is a member on and as of the date thereof and the results of its or their operations for the period or periods covered thereby. Since the date of such balance sheet and statement of income there has been no material adverse change in the financial or operating condition of Lessee or of its consolidated group.

**20. MISCELLANEOUS:** All obligations of the Lessee, if more than one, shall be joint and several. All paragraph headings are inserted for reference purposes only and shall not affect the interpretation or meaning of this Agreement or any Lease hereunder. Lessee agrees to execute or obtain and deliver to Lessor at Lessor's request such additional documents as Lessor may reasonably deem necessary to protect Lessor's interest in the System, this Agreement and any Lease.

**21. NOTICE:** Written notices to be given hereunder shall be deemed to have been given when delivered personally or deposited in the United States mails, postage prepaid, addressed to such party at its address set forth above or at such other address as such party may have subsequently provided in writing.

**22. SUPPLIER'S CONTRACT:** Lessor and Lessee agree that each Lease is a Finance Lease as that term is defined in Article 2A of the Uniform Commercial Code. Lessee acknowledges that Lessor has apprised Lessee of the identity of the System supplier. Lessor hereby notifies Lessee that Lessee may have rights pursuant to the contract with the supplier and the Lessee may contact the supplier for a description of any rights or warranties that Lessee may have under this contract.

**23. LESSEE'S WAIVERS:** Lessee hereby waives any and all rights and remedies granted Lessee by Sections 508 through 522 of Article 2A of the Uniform Commercial Code including, by way of example only and not as a limitation, the right to repudiate any Lease and reject the System; the right to cancel any Lease; the right to revoke acceptance of the System; the right to grant a security interest in the System in Lessee's possession and control for any reason; the right to recover damages thereunder for any breach of warranty or for any other reason deduct all or any part of the claimed damages resulting from Lessor's default, if any, under any Lease; the right to accept partial delivery of the System; the right to "cover" by making any purchase or leases of or contract to purchase or lease System in substitution for those due from Lessor; the right to recover any general, special, incidental or consequential damages, for any reason whatsoever; and the right to specific performance, replevin, detinue, sequestration, claim and delivery and the like for the System. The waivers contained herein shall not constitute a waiver by Lessee of any of its rights or remedies against the Vendor and/or Manufacturer of the System.

**24. APPLE CARE:** In the event of any cancellation or early termination of AppleCare financed under this Agreement, if any, Lessee agrees that Lessor shall be entitled to any refunds from Apple Inc. and Lessor may contact Apple Inc. on Lessee's behalf to receive such refund directly. If and to the extent that Lessee receives such refund, Lessee shall forward the refund to Lessor unless Lessor agrees in writing to allow Lessee to retain it. Lessee grants Lessor a security interest in the refund. Lessor shall, at its option, either (i) permit Lessee to retain the refund (in which case there shall be no adjustment to the Lease Payments) or (ii) retain the refund and apply it as a partial prepayment of Lessee's payment obligations under this Agreement.

**25. CHOICE OF LAW:** This Agreement and each Lease hereunder shall be binding and effective when accepted by Lessor at its corporate office in Wayne, Pennsylvania, shall be deemed to have been made in Wayne, Pennsylvania and, except for local filing requirements and laws relating to conflict of laws, shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania. Lessee hereby consents and agrees that non-exclusive jurisdiction, personal or otherwise, over Lessee and the System shall be with the courts of the Commonwealth of Pennsylvania or the Federal District Court for the Eastern District of Pennsylvania, solely at Lessor's option, with respect to any provision of this Agreement or any Lease hereunder. Lessee agrees that service of process in any action or proceeding may be duly effected upon Lessee by mailing such process via certified mail, return receipt requested. Lessee also agrees to waive its right to a trial by jury.

**26. ENTIRE AGREEMENT, NON-WAIVER AND SEVERABILITY:** This Agreement and each Lease hereunder contain the entire agreement and understanding between Lessee and Lessor relating to the subject matter of each Lease. No agreements or understandings shall be binding on the parties hereto unless set forth in writing and signed by the parties. Time is of the essence in this Agreement and each Lease hereunder. No waiver by Lessor of any breach or default shall constitute a waiver of any additional or subsequent breach or default by Lessor nor shall it be a waiver of any of Lessor's rights. Any provision of this Agreement or any Lease hereunder which for any reason may be held unenforceable in any one jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions of this Agreement or any Lease hereunder, and any such unenforceability in any one jurisdiction shall not render such provision unenforceable in any other jurisdiction.

**27. FACSIMILE AND/OR ELECTRONICALLY SIGNED DOCUMENTATION:** This Agreement and each Schedule may be executed in counterparts and any facsimile, photographic or other electronic transmission and/or electronic signing of this Lease and/or any Schedule or other documents by Lessee, when manually countersigned by Lessor or attached to Lessor's original signature counterpart and/or in Lessor's possession, shall constitute the sole original chattel paper as defined in the UCC for all purposes and will be admissible as legal evidence.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their authorized representatives as of the date first above written.

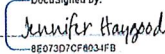
LESSEE SIGNATURE	You agree to all of the Terms and Conditions contained in this Agreement, and in any attachments to same (all of which are included by reference) and become part of this Agreement. You acknowledge to have read and agreed to all the Terms and Conditions and understand that the Leases are non-cancelable for the full term shown therein. This Agreement shall not be binding upon Lessor or become effective unless and until Lessor executes the Agreement. The Equipment subject to this Agreement and the Leases is not for home or personal use.	
	Signature	DocuSigned by: Jennifer Haygood
	Date	3/23/2023
	Print Name	Jennifer Haygood
LESSOR	Title	Chief Financial Officer
	Legal Name of Corporation or Partnership	THE UNIVERSITY OF NORTH CAROLINA
	Lessor Signature	[Signature]
	Print Name	Lyne Zhong
LESSOR	Title	Manager
	For	APPLE INC.
	Lease Number	
Vendor ID Number		



# CERTIFICATE OF INCUMBENCY AND AUTHORITY

The undersigned, Secretary or Assistant Secretary of THE UNIVERSITY OF NORTH CAROLINA ("Company"), does hereby certify that:

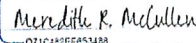
1. He or she is the duly elected, qualified and acting Secretary or Assistant Secretary of the Company, and that he or she has custody of the corporate records of the Company and its company seal.
2. Set forth below are the names and true signatures of individuals ("Officers") who hold the office of the Company set forth opposite their respective names.
3. Each of the Officers set forth below have the requisite power and authority pursuant to the Company's by-laws and/or resolutions to enter into any and all agreements with APPLE INC. ("Lessor") on behalf of the Company.

NAME	TITLE	SIGNATURE
Jennifer Haygood	Chief Financial Officer	 <small>DocuSigned by: Jennifer Haygood 8E073D7CF8034FB</small>

IN WITNESS WHEREOF, the undersigned has hereunto set his or her hand this 23 day of March, 2023.

YOU AGREE THAT A FACSIMILE COPY OR OTHER ELECTRONIC TRANSMISSION OF THIS DOCUMENT WITH FACSIMILE AND/OR ELECTRONIC SIGNATURES MAY BE TREATED AS AN ORIGINAL AND WILL BE ADMISSIBLE AS EVIDENCE IN A COURT OF LAW.

(COMPANY SEAL)

SIGNATURE	Signature X	
	Print Name	Meredith R. McCullen
	Title	Secretary of the University

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## AMENDMENT AND ADDENDUM

This Addendum dated December 5th, 2022 ("Addendum") is by and between Apple, Inc. ("Lessor") and The University of North Carolina ("Lessee"). Lessor is a corporation with offices in Wayne, Pennsylvania, USA. Lessee is a North Carolina government entity with offices in Chapel Hill, North Carolina, USA. Lessor and Lessee are the "Parties" to this Addendum, and each, individually, is a "Party."

The Parties agree that this Addendum is an essential part of the APPLE MASTER LEASE AGREEMENT ("Agreement"), together, the Agreement and this Addendum constitute the entirety of the lease agreement between the Parties.

The primary purpose of this Addendum is to modify and supplement the Agreement, including any terms, conditions, agreements, addenda, policies, and other documents or material incorporated by reference, by hyperlink, or otherwise, as necessary to comport with the laws and policies applicable to the University of North Carolina and the State of North Carolina. In the event of any conflict between this Addendum and any other part of the Agreement, this Addendum shall govern and control

Notwithstanding anything to the contrary elsewhere in the Agreement or in any related agreement between the Parties, the Parties understand and agree to the following amendments:

### Section 1. Lease of System shall be amended as follows:

- "by up to fifteen percent" shall be stricken and replaced by "after reasonable prior, written notice to Lessee unless Lessee timely objects to such notice of adjustment."

### Section 2. Term and Rent shall be amended as follows:

- The following shall be added to the first sentence: provided, however, that this Agreement shall expire ten (10) years from the date hereof. Notwithstanding anything to the contrary elsewhere in this Agreement, any Lease entered into prior to such expiration or termination of this Agreement shall continue for the term specified therein, and such Lease and any renewals thereof shall continue to include the terms and conditions of this Agreement."
- Sentences 5 and 6 shall be amended as follows: "Except upon the non-appropriation of funds in accordance with Section 31 hereof, all payments made by or on behalf of Lessee hereunder after Lessee has duly executed the applicable Delivery and Acceptance Certificate shall be non-refundable. EXCEPT UPON THE NON-APPROPRIATION OF FUNDS IN ACCORDANCE WITH SECTION 31 HEREOF, LESSEE'S OBLIGATION TO PAY SUCH LEASE PAYMENTS SHALL BE ABSOLUTE AND UNCONDITIONAL AND IS NOT SUBJECT TO ANY ABATEMENT, SET-OFF, DEFENSE OR COUNTER-CLAIM FOR ANY REASON WHATSOEVER."

### Section 3. Delivery and Acceptance shall be amended as follows:

- The third sentence is amended to read as follows: "To the extent not prohibited by law, Lessee agrees to hold Lessor harmless from specific performance of this Agreement and from damages, if for any reason, the Vendor fails to deliver, or delays in delivery of, the System so ordered or if the System is unsatisfactory for any reason whatsoever. Notwithstanding the foregoing, Lessee shall have no obligation under any Lease, unless and until it executes a Delivery and Acceptance Certificate."
- Sentences 4 and 5 shall be amended as follows: "Lessee agrees that any delay in delivery of the System shall not affect the validity of this Agreement, or any existing (and

previously accepted) Lease or the obligation to make Lease Payments thereunder. Lessee's execution of the Delivery and Acceptance Certificate shall conclusively establish that the System covered thereby is acceptable to Lessee for all purposes of the Lease related thereto."

- Sentences 9, 10 and 11 shall be amended as follows: "If Lessee has entered into any purchase, licensing or maintenance agreements with the Vendor and/or the Manufacturer ("Acquisition Agreement") covering the System or any portion thereof, Lessee transfers and assigns to Lessor all of Lessee's rights, but none of its obligations (except for Lessee's obligation to pay for the System upon Lessor's acceptance of the Lease) in and to the Acquisition Agreement, including without limitation the right to take title to the System. If Lessee cancels or terminates a Lease prior to delivery of the System or if Lessee fails or refuses to sign the Delivery and Acceptance Certificate within a reasonable time, not to exceed ten (10) business days, after the System has been delivered, installed and is operating to Manufacturer's specifications, Lessor shall have the option of treating the Lease as cancelled by Lessee and Lessee shall automatically assume all of Lessor's rights and obligations as purchaser of the System, whether under an Acquisition Agreement or otherwise. IT IS HEREBY AGREED THAT LESSOR IS NOT RESPONSIBLE FOR THE PERFORMANCE, MAINTENANCE OR SERVICING OF THE SYSTEM AND LEASES SAME "AS-IS" UNDER THIS AGREEMENT EXCEPT FOR ANY WARRANTIES OR SERVICE PLANS PROVIDED BY THE MANUFACTURER. NOTWITHSTANDING ANY PROVISION CONTAINED HEREIN THAT MAY APPEAR TO THE CONTRARY, LESSEE DOES NOT WAIVE ANY RIGHTS OR REMEDIES IT MAY HAVE AGAINST THE VENDOR AND/OR MANUFACTURER OF THE SYSTEM."

Section 5. Title, Personal Property and Location shall be deleted and replaced with the following:

- "Except for leases with a \$1.00 purchase option or in which Lessee is required to purchase the System at the end of the Lease Term, the System is, and shall at all times be and remain the sole and exclusive property of Lessor, and Lessee, notwithstanding any trade-in or down payment made by Lessee or on its behalf with respect to the System, shall have no right, title or interest therein or thereto, except as to the use thereof subject to the terms and conditions of this Agreement and the related Lease hereunder. To the extent that the license for the Software ("License") allows title to Software to pass to Lessee, such title shall vest and remain in Lessor. To the extent such vesting requires a specific written conveyance, Lessee hereby conveys to Lessor any title it has or may hereafter acquire in the Software and relinquishes any subsequent claim of title in the Software, including any rights to purchase the Software and to retain rights to use the same beyond the Lease Term. If any provision of this paragraph requires for its effectiveness Licensor's prior written consent because the License limits transfers, encumbrance or assignment of the Software, then Lessee shall assist Lessor, if so requested, in obtaining such consent. Lessee will not directly or indirectly create, incur, assume or suffer to exist any lien on or with respect to the System or Lessor's title thereto, except such liens as may arise through the independent acts or omissions of the Lessor. Lessee, at its own expense, will promptly pay, satisfy or otherwise take such actions as may be necessary to keep the System free and clear of any and all liens that may arise through the acts or omissions of Lessee. Subject to applicable laws, the System is, and at all times shall remain, personal property notwithstanding that the System or any item thereof may now be, or hereafter become, in any manner affixed or attached to, or imbedded in, or permanently resting upon real property or any

improvement thereof or attached in any manner to what is permanent. If requested by Lessor prior to or at any time during the Lease Term, Lessee will use commercially reasonable efforts, subject to applicable laws, to obtain and deliver to Lessor waivers of interest or liens in recordable form, satisfactory to Lessor, from all persons claiming any interest in the real property on which an item of the System is installed or located. The System shall be kept at the address designated in each Lease and shall not be removed therefrom without the prior written consent of the Lessor, which consent shall not be unreasonably withheld. Lessor may require plates or markings to be affixed to or placed on the System indicating the Lessor's ownership of the System.

Section 6. Use and Maintenance shall be deleted and replaced with the following:

- Lessee shall use the System solely in the conduct of its business (which, for the avoidance of doubt, includes all activities pertinent to Lessee's mission) and in a reasonably careful and proper manner; shall only permit qualified personnel to operate the System and shall not discontinue the use of the System during the Lease Term. Lessee will not modify the System in any way without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Lessee shall not attach or incorporate the System to or in any other item of system or software in such a manner that the System becomes or may be deemed to have become an accession to or a part of such other item of system or software. At its own expense, Lessee will cause the System to be kept, used and maintained as recommended by the Manufacturer and Manufacturer's maintenance manuals and plans by competent and duly qualified personnel only approved by the Manufacturer, in accordance with applicable governmental regulations, if any, and for business purposes only and in as good operating condition as when delivered to Lessee hereunder, ordinary wear and tear resulting from proper use alone excepted, and will provide all maintenance and service and make all repairs or replacements reasonably necessary for such purpose. If any parts or accessories forming part of the System become worn out, lost, destroyed, damaged beyond repair or otherwise permanently rendered unfit for use, Lessee, at its own expense, shall within a reasonable time cause such parts or accessories to be replaced by replacement parts or accessories which are free and clear of all liens, encumbrances or rights of others and have a utility at least equal to the parts or accessories replaced. All system, software accessories, upgrades, parts and replacements for or which are added to or become attached to the System, which are essential to the operation of the System or which cannot be detached from the System without materially interfering with the operation of the System or adversely affecting the value and utility which the System would have had without the addition thereof, shall immediately become the property of Lessor, and shall be deemed incorporated in the System and subject to the terms of this Agreement and the related Lease as if originally leased hereunder. Lessee shall not make any material alterations to the System without the prior written consent of Lessor, which consent shall not be unreasonably withheld. In the event the Lease Payments include the cost of maintenance and/or service being provided by Vendor and/or Manufacturer, Lessee acknowledges that Lessor is not responsible for providing any required maintenance and/or service for the System. Lessee shall make all claims for service and/or maintenance solely to the Vendor and/or Manufacturer pursuant to the maintenance and/or service agreement with the Vendor and/or Manufacturer and Lessee's obligation to make all required Lease Payments shall remain unconditional.

Section 7. Assignment shall be deleted and replaced with the following:

- "LESSEE MAY NOT ASSIGN THIS AGREEMENT, ANY LEASE OR THE RIGHTS HEREUNDER, NOR SHALL THE LESSEE SUBLEASE OR LEND THE SYSTEM OR SUBMIT IT TO BE USED BY ANYONE OTHER THAN LESSEE'S EMPLOYEES, CONTRACTORS, STUDENTS, OR OTHER AFFILIATED INDIVIDUALS WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR, WHICH CONSENT SHALL NOT BE UNREASONABLY WITHHELD OR DELAYED. Lessor may at any time assign all or part of any interest in this Agreement or any Lease and in each item of the System and monies to become due to Lessor hereunder, and Lessor may grant security interests in the System, subject to the Lessee's rights therein. In such events, all the provisions of this Agreement or any Lease hereunder for the benefit of Lessor shall inure to the benefit of and be exercised by or on behalf of such assignee, but the assignee shall not be liable for or be required to perform any of Lessor's obligations to Lessee. The Lessor may direct that all Lease Payments due and to become due under this Agreement or any Lease hereunder and assigned by Lessor shall be paid directly to assignee, upon notice of such assignment to Lessee. The right of the assignee to the payment of the assigned Lease Payments, the performance all Lessee's obligations and to exercise any other of Lessor's rights hereunder shall not be subject to any defense, counterclaim or set-off which the Lessee may have or assert against the Lessor, and the Lessee hereby agrees that it will not assert any such defenses, set-offs, counterclaims and claims against the assignee. No such assignment by Lessor shall relieve Lessor of its obligations or limit or otherwise affect Lessee's rights and/or obligations hereunder."

Section 8. Return of System, Storage shall be deleted and replaced with the following:

- The Lessee shall, at its sole expense, surrender each item of the System then subject to any Lease hereunder at the expiration or earlier termination of the Lease Term by delivering the item to the Lessor at a location accessible by common carrier and designated by the Lessor within the Continental United States or, if specified by the Lessor, into the custody of a carrier designated by the Lessor. In the case of Software, Lessee shall destroy all intangible items constituting such Software and shall deliver to Lessor all tangible items constituting such Software. At Lessor's request, Lessee shall also certify in a form acceptable to Lessor that: (i) Lessee has complied with the above Software return provisions, (ii) Lessee will not use the Software after the expiration or earlier termination of the Lease Term; and (iii) Lessee shall permit Lessor and/or the Vendor of the Software to inspect Lessee's locations to verify compliance with the terms hereof, with reasonable prior notice and at times mutually acceptable to both Parties. If the item of the System is delivered into the custody of a carrier, the Lessee shall arrange for the shipping of the item and its insurance (through self-insurance or otherwise) in transit in accordance with the Lessor's instructions and at the Lessee's sole expense. The Lessee, at its sole expense, shall completely sever and disconnect the System from the Lessee's property, all without liability of the Lessor to the Lessee, or to any person claiming through or under the Lessee, for damage or loss caused by such severance and disconnection. The Lessee, at its sole expense, shall pack or crate the System or its component parts carefully and in accordance with any recommendations of the Manufacturer with respect to similar new software or system before surrendering the System to the Lessor. When an item of Software or System is surrendered to the Lessor it shall be in the condition and repair required to be maintained under this Agreement. It will also be free of all evidence of advertising or insignia placed on it by the Lessee and



be free of all liens. If Lessor reasonably determines that an item of Software or System, once it is returned, is not in the condition required hereby, Lessor may cause the repair, service, upgrade, modification or overhaul of the item of Software or System to achieve such condition and upon demand, Lessee shall promptly reimburse Lessor for all amounts reasonably expended in connection with the foregoing promptly after Lessor provides an invoice for the same as well as documentation reasonably requested by the Lessee. Should Lessee not return the System at the end of the Lease Term, Lessee shall continue to make Lease Payments to Lessor in the sum equal to the last Lease Payment and at the same intervals as set out in the Lease as a month-to-month lease term (or other mutually agreeable term) until returned by Lessee or until returned upon demand therefor by Lessor. The acceptance of said Lease Payments by Lessor shall not waive Lessor's right to have the System promptly returned to Lessor pursuant to the provisions hereof, nor shall the acceptance of said Lease Payments be deemed to be an extension of the Lease Term (any such return while the Lease is in renewal will not be required until the end of the period Lessee has paid through). Upon written request of the Lessor and consent of the Lessee, which consent shall not be unreasonably withheld, the Lessee shall provide free storage for any item of System for a period not to exceed 30 days after expiration of its Lease Term before returning it to the Lessor. The Lessee shall arrange for the insurance described to continue in full force and effect with respect to such item during its storage period and the Lessor shall reimburse the Lessee on demand for the incremental cost of providing such insurance."

**Section 9. Loss or Damage shall be deleted and replaced with the following:**

- Following acceptance, Lessee hereby assumes and shall bear the entire risk of loss (including theft, requisition of use, erasure or inoperability) or destruction of or damage to the System from any and every cause whatsoever, whether or not insured, until the System is returned to Lessor. No such loss or damage shall relieve Lessee from any obligation under this Agreement or any Lease hereunder, which shall continue in full force and effect. In the event of damage to or loss or destruction of the System (or any item thereof), Lessee shall promptly notify Lessor in writing of such fact and shall, at the option of Lessor, (a) place the same in good repair, condition and working order, or (b) replace the Software and/or System with like Software and/or System in good repair, condition and working order, acceptable to Lessor and transfer clear title to or a right to use, as appropriate, such Software and/or replacement System to Lessor, whereupon such Software and/or System shall be subject to the Lease and be deemed the System for purposes hereof, or (c) on the due date for the next Lease Payment or upon the expiration of the Lease, whichever first occurs, pay to Lessor: (i) the Stipulated Loss Value therefor as may be specified in the Lease plus all Lease Payments then due, or if the Lease does not provide for Stipulated Loss Values, (ii) the present value of the total of all unpaid Lease Payments for the entire Lease Term plus the estimated fair market value of the System at the end of the originally scheduled Lease Term or the agreed upon purchase option price, if any, all of which shall be discounted to the date of payment by Lessee at an annual rate equal to the lesser of (A) a per annum interest rate equivalent to that of a U.S. Treasury constant maturity obligation (as reported by the U.S. Treasury Department) that would have a repayment term equal to the remaining Lease term, all as reasonably determined by Lessor; or (B) 3% per annum (each the "Present Value Rate"), whereupon the Lease shall terminate with respect thereto. To the extent permitted by law, all proceeds of insurance, if any, received by Lessor as a

result of such loss or damage shall, where applicable, be applied toward the replacement or repair of the System or the payment of the obligations of Lessee hereunder.

Section 10. Insurance shall be deleted in its entirety and replaced with the following:

- Prior to the Lease Commencement Date, Lessee shall obtain, maintain and keep, through self-insurance or otherwise as approved by Lessor, the System insured against all risks of loss or damage from every cause whatsoever including, without limitation, loss by fire, theft, "mysterious disappearance", collision, earthquake, flood and such other risks of loss as are customarily insured against on the type of System leased hereunder by businesses of the type in which Lessee is engaged, in an amount not less than the replacement cost or Stipulated Loss Value of the System, whichever is greater, without deductible and without co-insurance. Lessee shall maintain such insurance coverage for the entire Lease Term. Lessee shall also obtain and maintain for the entire Lease Term, comprehensive public liability insurance covering liability for bodily injury, including death, and property damage resulting from the purchase, ownership, leasing, maintenance, use, operation or return of the System with a combined single limit of not less than Two Million Dollars (\$2,000,000.00) per occurrence. If Lessee is a doctor, hospital or other health care provider, Lessee shall furnish Lessor with evidence of sufficient professional liability insurance. All said insurance shall be in a form and an amount and with companies, if applicable, reasonably satisfactory to Lessor. Lessor, its successors or assigns, shall be a loss payee with respect to insurance for damage to or loss of the System and shall be included as an additional insured on the public liability insurance. Lessee shall pay all premiums, if any, for such insurance and shall deliver to Lessor the original policy or policies of insurance, certificates of insurance, or other evidence satisfactory to Lessor evidencing the insurance required thereby, along with proof, satisfactory to Lessor, of the payment of the premiums for such insurance policies. All insurance, other than self insurance, shall provide for at least thirty (30) days advance written notice to Lessor before any cancellation, expiration or material modification thereof and also provide that no act or default of any person other than Lessor, its agents or those claiming under Lessor, will affect Lessor's right to recover under such policy or policies in case of loss. Unless Lessee is in default, Lessee may with the prior written approval of Lessor, settle and adjust all such claims. Lessee agrees that if Lessee shall fail to procure, maintain, and pay for such insurance, Lessor shall have the right, but not the obligation, to obtain such insurance on behalf of and at the expense of Lessee, and add an insurance fee to the amount due from the Lessee. Any required insurance under this Agreement may be provided by self-insurance or otherwise. To the extent self-insurance is chosen, the nature and extent of Lessee's insurance coverage shall be described on a Certificate of Coverage from the North Carolina Department of Insurance, Risk Management Division. Notwithstanding the preceding, Lessee shall be entitled to self-insure with respect to any of its insurance obligations hereunder provided that (i) such self-insurance is maintained in a manner and fashion typical of institutions of Lessee's size and nature (ii) no Event of Default has occurred and remains outstanding and (iii) Lessee shall promptly deliver certifications or other reasonable proof of its self-insured amounts upon Lessor's written request, including without limitation, financial statements related thereto. The obligations to name Lessor as sole loss payee shall not apply if Lessee is self-insured as set forth herein."

Section 11. Waiver and Indemnity shall be deleted in its entirety and replaced with the following:

- "Subject to applicable law, Lessee assumes and agrees to indemnify, defend and keep harmless Lessor, its agents and employees, from and against any and all losses, damages, injuries, claims, demands and expenses, including legal, consulting and expert expenses (other than such as may directly and proximately result from the negligence or willful misconduct of Lessor, its agents or employees), arising on account of the ordering (whether by Acquisition Agreement or otherwise), acquisition, delivery, installation or rejection of the System, the possession, maintenance, use, condition (including without limitation, latent and other defects and whether or not discoverable by Lessor or Lessee, any claim in tort for strict liability, and any claim for patent, trademark or copyright infringement) or operation of any item of the System, and by whomsoever used or operated, during the Lease Term with respect to that item of the System, the loss, damage, destruction, environmental impact, removal, return, surrender, sale or other disposition of the System, or any item thereof. Lessor shall give Lessee prompt notice of any claim or liability hereby indemnified against. Lessee shall be entitled to control the defense thereof, so long as Lessee is not in Default hereunder. The obligations contained in this paragraph continue beyond the termination of this Agreement and the Leases. Notwithstanding the foregoing, each Party shall be responsible for its own negligence in accordance with the North Carolina Tort Claims Act."

Section 12. Tax Treatment and Indemnification shall be deleted and replaced with the following:

- "Unless you have a \$1.00 purchase option or as otherwise provided, the following provisions shall apply: any Lease is entered into on the assumption that Lessor is the owner of the Equipment for income tax purposes and is entitled to certain federal and state tax benefits including without limitation, tax depreciation, ("Tax Benefits"), available under the Internal Revenue Code of 1986, as amended, and the Regulations promulgated thereunder (the "Code"). Lessee represents, warrants, and covenants to Lessor that (a) unless Lessee is a governmental entity or has provided Lessor with a 501(c)(3) letter or similar documentation indicating that Lessee is tax exempt, then Lessee is not a "tax-exempt entity" (as defined in Section 168(h) of the Code) and (b) Lessee will use all Equipment primarily within the United States and that the primary "home" of all Equipment will be in the United States. If, because of any act or omission by Lessee or any party acting through Lessee, Lessor reasonably determines that Lessor cannot claim, is not allowed to claim, will lose, or must recapture any or all of the Tax Benefits otherwise available with respect to the Equipment (a "Tax Loss"), then Lessee will, promptly upon demand, pay to Lessor an amount sufficient to provide Lessor the same after-tax rate of return and aggregate after-tax cash flow through the end of the Lease term as Lessor would have realized but for such Tax Loss. The indemnities and assumptions of liability provided in this section and all Lessor's rights and privileges herein will inure to the benefit of Lessor's successors and assigns and will continue in full force and effect notwithstanding the expiration or termination of the Lease, provided however any such indemnification required under this Section 12 will only be applicable to the extent it is not otherwise prohibited by law.
- Lessee shall be responsible for, as and when due, and shall indemnify and hold Lessor harmless from and against all present and future taxes and other governmental charges, or any increases therein (including, without limitation, sales, use, leasing and stamp

taxes and license and registration fees) and amounts in lieu of such taxes and charges and any penalties or interest on any of the foregoing, imposed, levied upon, in connection with, or as a result of the purchase, ownership, delivery, leasing, possession or use of the System, or based upon or measured by the Lease Payments or receipt with respect to this Agreement or any Lease hereunder. Lessee shall not, however, be obligated to pay any taxes on or measured by Lessor's net income. Lessee authorizes Lessor to add to the amount of each Lease Payment any sales, use or leasing tax that may be imposed on or measured by such Lease Payment. Lessee shall pay Lessor on demand, as additional rent, the amount of the personal property tax required to be paid by Lessor as owner of the System, plus a fee for Lessor collecting and administering any taxes, assessments or fees and remitting them to the appropriate authorities and interest thereon at the highest legal rate allowed, from the date due until fully paid. In the event Lessee does not pay all sums specified above, Lessor has the right, but not the obligation, to pay the same. If Lessor shall so pay any of the aforementioned, then the Lessee shall remit such amount with the next Lease Payment plus a fee for Lessor collecting and administering any taxes, assessments or fees and remitting them to the appropriate authorities."

Section 13. Events of Default shall be deleted in its entirety and replaced with the following:

- **"13 EVENTS OF DEFAULT; REMEDIES:** The term "Event of Default" shall mean any one or more of the following: (a) Lessee shall fail to make any Lease Payment, or any other payment, as it becomes due and such failure is not cured within 10 business days; or (b) Lessee shall fail to perform or observe any of the covenants set forth in Paragraph 10; or (c) Lessee shall fail to perform or observe any other covenant, condition or agreement to be performed or observed by it hereunder or in any Lease and such failure is not cured within 30 days after the date of notice thereof by Lessor to Lessee; or (d) Lessee shall enter into any transaction of merger or consolidation in which it is not the surviving entity or sell, transfer or otherwise dispose of all or substantially all of its assets ("Assets") unless the surviving entity or the entity acquiring such Assets assumes all the duties and obligations of Lessee hereunder and which merger, consolidation, sale or transfer must be approved in writing by Lessor; or (e) (i) Lessee or any guarantor of Lessee's obligations hereunder ("Guarantor") shall commence any action (A) for relief under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, or (B) seeking appointment of a receiver, custodian or other similar official for it or for its Assets or making a general assignment for the benefit of its creditors; or (ii) there shall be commenced against Lessee any action (A) of a nature referred to in clause (i) which results in the entry of an order for relief or any such other relief and remains undismissed or undischarged for a period of 30 days, or (B) seeking attachment, execution or similar process against its assets which results in the entry of an order for any such relief which shall not be vacated or discharged within 30 days from the entry thereof; or (iii) Lessee shall generally not, or be unable to, pay its debts as they come due; or (f) Lessee or any Guarantor shall die or (if an entity) liquidate or dissolve itself or be liquidated or terminated; or (g) Any representation or warranty made by Lessee herein or otherwise furnished Lessor in connection with this Agreement or any Lease hereunder shall prove at any time to have been untrue or misleading in any material respect and such failure is not cured within 10 days after the date of notice thereof by Lessor to Lessee; or (h) Lessee or any Guarantor defaults on any indebtedness for borrowed money, lease, or



installment sale obligation, in each case when any applicable grace period for such obligation has expired and the lender, lessor or creditor has commenced to exercise any remedy, but only if the indebtedness or other obligation is in an amount equal to or in excess of \$100,000; or (i) Lessor shall reasonably deem itself insecure as a result of a material adverse change in Lessee's financial condition or operations; (j) Lessee shall default in its obligations under a License. (i) Notwithstanding the foregoing or anything else that may appear to the contrary elsewhere in this Agreement, an Event of Default involving a UNC System entity shall affect only the defaulting UNC System entity. By way of example and not of limitation, if one constituent institution of the UNC System defaults, only the defaulting constituent institution shall be deemed in default and shall bear the consequences of such default. No other constituent institution shall be deemed in default or be subjected to the consequences of a default.

**Section 14. Remedies shall be deleted in its entirety and replaced with the following:**

- Upon the occurrence of any Event of Default, Lessor may declare this Agreement or any such Lease hereunder to be in default and exercise any one or more of the following remedies: (a) Declare the entire unpaid balance of Lease Payments for the unexpired term of the Lease hereunder immediately due and payable and similarly accelerate the balances due under any other Leases between Lessor and Lessee without notice or demand, (b) Sue for and recover all Lease Payments and other monies due and to become due under the Lease hereunder, plus the estimated fair market value of the System at the end of the originally scheduled Lease Term or any agreed upon Purchase Option, all of which shall be discounted to the date of default at the Present Value Rate (defined in Section 9 hereof), but only to the extent permitted by law, (c) Charge Lessee interest on all monies due Lessor at the rate of eighteen percent (18%) per annum from the date of default until paid but in no event more than the maximum rate permitted by law, (d) Charge Lessee a returned-check or non-sufficient funds charge ("NSF Charge") to reimburse Lessor for the time and expense incurred with respect to each check that is returned for any reason including non-sufficient or uncollected funds, such NSF Charge is stipulated and liquidated at \$25.00; (e) Require Lessee to assemble all System and Software at Lessee's expense, at a place reasonably designated by Lessor, (f) Remove any physical obstructions for removal of the System from the place where the System is located and take possession of any or all items of System, wherever same may be located, disconnecting and separating all such items of the System from any other property, with or without any court order or pre-taking hearing or other process of law, it being understood that facility of repossession in the event of default is a basis for the financial accommodation reflected by this Agreement or any Lease hereunder. Lessee hereby waives any and all damages occasioned by such retaking except such damages as may be caused by Lessor's negligence or willful misconduct. Lessor may, at its option, use, ship, store or repair any or all items of the System so removed and shall sell, lease or otherwise dispose of any such System at a private or public sale. In the event Lessor disposes of the System, Lessor shall give Lessee credit for any sums received by Lessor from the sale or lease of the System after deduction of the expenses of sale or lease. The credit for any sums to be received by Lessor from such lease during the remaining portion of the Lease Term shall be discounted to the commencement date of such lease at an annual rate equal to the implicit rate of interest of such lease. Lessee shall also be liable for and shall pay to Lessor (i) all expenses incurred by Lessor in connection with the enforcement of any of Lessor's remedies, including all expenses of repossessing,

storing, shipping, repairing and selling the System, and (ii) Lessor's reasonable attorney's fees, each to the extent permitted by applicable law. Lessor and Lessee acknowledge the difficulty in establishing a value for the unexpired Lease Term and owing to such difficulty agree that the provisions of this paragraph represent an agreed measure of damages and are not to be deemed a forfeiture or penalty. In the case of Software, it is acknowledged and agreed that the unauthorized use, disclosure or transfer of the Software could cause Lessor incalculable and irreparable harm. Therefore, if Lessee is found to be using (in whatever manner) any portion of the Software after the applicable Lease Term or after an Event of Default and Lessor's written demand for Lessee to return the Software or if the licensor of the Software terminates a License or Lessee's right to use the Software thereunder, then liquidated damages shall immediately be payable to Lessor in an amount equal to two (2) times the license fees paid or payable with respect to the Software being used or such maximum amount permitted by law. Whenever any payment is not made by Lessee when due hereunder, Lessee agrees to pay to Lessor, within one month, a late charge of five percent (5%) of the amount of the payment, with a minimum charge of \$10.00, but only to the extent permitted by law. Such amount shall be payable in addition to all amounts payable by Lessee as a result of the exercise of any of the remedies herein provided. All remedies of Lessor hereunder are cumulative, are in addition to any other remedies provided for by law, and may, to the extent permitted by law, be exercised concurrently or separately. In no event shall Lessor be entitled to receive an amount in excess of what it would have received but for the default plus its permitted fees and expenses. The exercise of any one remedy shall not be deemed to be an election of such remedy or to preclude the exercise of any other remedy. No failure on the part of the Lessor to exercise and no delay in exercising any right or remedy shall operate as a waiver thereof or modify the terms of this Agreement or any Lease hereunder. A waiver of default shall not be a waiver of any other or subsequent default. Lessor's recovery hereunder shall in no event exceed the maximum recovery permitted by law. Lessor acknowledges that its remedy, as it applies only to the acceleration of amounts due under the Agreement in an Event of Default, is limited in that Lessor may declare to be immediately due and payable all unpaid Payments or other amounts due and to be due under the Agreement only for the fiscal year for which appropriations have been made.

Section 15. Laws, Regulations and Taxes shall be deleted in its entirety and replaced with the following:

- **"15. COMPLIANCE WITH LAWS AND REGULATIONS:** The Parties shall comply with all applicable federal, state, and municipal laws, rules, and regulations applicable to the performance of this Agreement. In the event that Lessee receives any complaints or concerns regarding the accessibility of the System provided by Lessor, Lessee shall address such complaint with the Vendor and/or Manufacturer."

Section 16. UCC Filings and Financial Statements shall be deleted in its entirety and replaced with the following:

- **"16. UCC FILINGS AND FINANCIAL STATEMENTS** Lessee authorizes Lessor to file a financing statement with respect to the System signed only by the Lessor where permitted by the Uniform Commercial Code or other applicable law. Lessee hereby permits Lessor to do all acts or things which Lessor may deem necessary to protect Lessor's title and interest hereunder; provided, however, that the foregoing shall not be

construed to permit Lessor to act as an agent of Lessee, to obligate or bind Lessee in any manner without Lessee's express written permission in each instance, or otherwise to act or make any representation on Lessee's behalf. Lessor and Lessee further agree that a carbon, photographic or other reproduction of this Agreement or any Lease hereunder may be filed as a financing statement and shall be sufficient as a financing statement under the Uniform Commercial Code or other applicable law. It is the intent of the parties that this is a true lease, and the filing of a financing statement under the Uniform Commercial Code or other applicable law shall not be construed as evidence that any security interest was intended to be created, but only to give public notice of Lessor's ownership of the System. If any Lease hereunder has a \$1.00 purchase option or the Lessee is required to purchase the System at the end of the Lease term or this Agreement or any Lease hereunder is otherwise deemed at any time to be one intended as security, then Lessee grants Lessor a security interest in the System and the proceeds from the sale, lease or other disposition of the System. Unless otherwise publicly available, Lessee agrees to submit financial statements or tax returns if its financial statements are unaudited within 90 days from the end of its fiscal year and Lessee warrants to Lessor that all financial statements furnished and to be furnished have been and will be prepared in accordance with generally accepted accounting principles, are an accurate reflection of Lessee's financial condition and that there has been no material adverse change in the financial condition of Lessee or any guarantor of Lessee's obligations since the dates of preparation and submission of the financial statements submitted to Lessor. Lessee agrees to deliver to Lessor at any time or times hereafter such information or documents, including, without limitation, certified resolutions, financial statements and legal opinions, as Lessor may reasonably request.

Section 17. Security Deposit shall be deleted in its entirety and replaced with the following:

- **"17. INTENTIONALLY OMITTED."**

Section 19. Lessee Representations and Warranties shall be deleted and replaced with the following:

- **19. LESSEE REPRESENTATIONS AND WARRANTIES:** Lessee hereby represents, warrants and covenants to Lessor the following with respect to each Lease as of the date Lessee executes the Delivery and Acceptance Receipt related thereto: (a) Lessee is organized and validly existing under the laws of the state of its organization, with adequate power and capacity to enter into the Lease, all documents related to the purchase of the System and any other documents required to be delivered in connection with the Lease or the System (hereinafter "Documents") and is duly qualified to do business wherever necessary to carry on its present business, including all states where the System is to be located; (b) the Documents have been duly authorized, executed and delivered by Lessee and constitute valid, legal and binding agreements, enforceable in accordance with their terms, except to the extent that the enforcement of remedies therein provided may be limited under applicable bankruptcy and insolvency laws; (c) no approval, consent or withholding of objections is required from any federal, state or local governmental authority or instrumentality with respect to the entry into or performance by Lessee of the Documents, except such as have already been obtained; (d) the entry into and performance by Lessee of its material obligations under the Documents will not (i) materially violate any judgment, order, law or regulation applicable to Lessee or (ii) result in any material breach of, constitute a default under or result in the creation of any lien,

charge, security interest or other encumbrance upon any item of the System pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument (other than the Lease or any purchase money security interest retained by any supplier) to which Lessee is a party; (e) there are no suits or proceedings pending or threatened in court or before any regulatory commission, board or other administrative governmental agency against or affecting Lessee, which will have a material adverse effect on the ability of Lessee to fulfill its obligations under the Lease; (f) the balance sheet and statement of income of Lessee, heretofore delivered to Lessor or made publicly available have been prepared in accordance with generally accepted accounting principles and fairly present the financial position of Lessee and the results of its or their operations for the period or periods covered thereby. Since the date of such balance sheet and statement of income there has been no material adverse change in the financial or operating condition of Lessee.

Section 20. Miscellaneous shall be deleted in its entirety and replaced with the following:

- **"20. MISCELLANEOUS:** All paragraph headings are inserted for reference purposes only and shall not affect the interpretation or meaning of this Agreement or any Lease hereunder. Lessee agrees to execute or obtain and deliver to Lessor at Lessor's request such additional documents as Lessor may reasonably deem necessary to protect Lessor's interest in the System, this Agreement and any Lease."

Section 23. Lessee Waivers shall be deleted in its entirety and replaced with the following:

- **"23. LESSEE WAIVERS:** Lessee hereby waives against any assignee hereunder, not including any Vendor and/or Manufacturer of the System, any and all rights and remedies granted Lessee by Sections 508 through 522 of Article 2A of the Uniform Commercial Code including, by way of example only and not as a limitation, the right to repudiate any Lease and reject the System; the right to cancel any Lease; the right to revoke acceptance of the System; the right to grant a security interest in the System in Lessee's possession and control for any reason; the right to recover damages thereunder for any breach of warranty or for any other reason deduct all or any part of the claimed damages resulting from Lessor's default, if any, under any Lease; the right to accept partial delivery of the System; the right to "cover" by making any purchase or leases of or contract to purchase or lease System in substitution for those due from Lessor; and the right to specific performance, replevin, detinue, sequestration, claim and delivery and the like for the System. The waivers contained herein shall not constitute a waiver by Lessee of any of its rights or remedies against the Vendor and/or Manufacturer of the System. Lessee hereby waives the right to recover any special, incidental or consequential damages."

Section 25. Choice of Law shall be deleted in its entirety and replaced with the following:

- **"25. CHOICE OF LAW:** With respect to the Lessee this Agreement and each Lease hereunder shall be binding upon Lessee when accepted by Lessee at its offices. With respect to Lessor, this Agreement and each Lease hereunder shall be binding and effective when accepted by Lessor at its corporate office in Wayne, Pennsylvania, or for any Lease, when Lessor signs such lease or activates such Lease on its books and records for the Equipment specified therein. This Agreement and each Lease hereunder, except for local filing requirements and laws relating to conflict of laws, shall be governed by and construed in accordance with the laws of the State of North Carolina. Lessor and

Lessee hereby consent and agree that exclusive jurisdiction, personal or otherwise, over Lessor and the System shall be with the courts (federal and state) located in the State of North Carolina, with respect to any provision of this Agreement or any Lease hereunder. Each party agrees that service of process in any action or proceeding may be duly effected upon the other party in accordance with applicable law. For the avoidance of doubt, the parties acknowledge that any attempt to subject Lessee to the jurisdiction of the courts of a state other than North Carolina is null and void as a matter of applicable law.

Section 26 Entire Agreement, Non-Waiver, and Severability be deleted and replaced with the following:

- **26. ENTIRE AGREEMENT, NON-WAIVER AND SEVERABILITY:** This Agreement and each Lease hereunder contain the entire agreement and understanding between Lessee and Lessor relating to the subject matter of each Lease. No agreements or understandings shall be binding on the parties hereto unless set forth in writing and signed by the parties. Time is of the essence in this Agreement and each Lease hereunder. No waiver of any breach or default shall constitute a waiver of any additional or subsequent breach or default nor shall it be a waiver of any of rights. Any provision of this Agreement or any Lease hereunder which for any reason may be held unenforceable in any one jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions of this Agreement or any Lease hereunder, and any such unenforceability in any one jurisdiction shall not render such provision unenforceable in any other jurisdiction.

The following Sections shall be added to the Agreement:

- **28. USE OF NAMES AND MARKS:** Neither party shall use the existence of this Agreement or the name, logo, images, or trademarks of the other party as part of any marketing or commercial advertising without the prior, written consent of such party in each instance.
- **29. ACCESS TO PERSONS AND RECORDS:** The North Carolina State Auditor and Lessee's internal auditor shall have access to persons and records as a result of all contracts or grants entered into by Lessee in accordance with N.C. Gen. Stat. § 147-64.7 and § 143-49 (i.e., the State Auditors and Lessee's internal auditor may audit the records of Vendor during the term of the Agreement to verify accounts and data affecting fees or performance pertaining solely to this Lease). Any such access or review shall be limited solely to those records pertaining to the Lease necessary to verify accounts and data under the Lease. In the event the lease is assigned, any rights under this section shall be as to the assignee and not the original lessor. Lessee must provide written notice at least five (5) days prior to the requested audit, and such audit will be conducted during Lessor or its assignees normal business hours and in a manner not to interfere with Lessor or assignees business operations. Lessee shall not have access to any information related to any other customer of the Lessor during any such audit and will comply with the security and other procedures required for access.
- **30. ADDITIONAL TERMS:** Nothing shall act to limit the statutory rights, responsibilities, or obligations of the Governor or the Attorney General of the State of North Carolina, including exclusive rights regarding representation and settlement of claims, and nothing shall act to impose obligations on Lessee for jurisdiction or venue outside the State of



North Carolina, as a waiver of Lessee's right to a jury trial, as acceptance of terms pertaining to injunctive relief, or as an obligation for costs and attorneys' fees unless ordered by a court of competent jurisdiction or otherwise permitted by law. Except as may be expressly stated herein, nothing shall act to limit the applicable obligations or liabilities of Lessor, whether in contract or in tort, when contracting with a State of North Carolina entity, nor shall anything in this Agreement be construed as a waiver of any statutory, contractual, or tort defense, remedy, exclusion, or limitation on liability, including a defense of sovereign immunity, to which Lessee would otherwise be entitled.

- **Section 31, Provisions Addressing Lessee as Governmental Entity and Fiscal Funding Agreement:** Lessee warrants that it has funds available to pay all Lease Payments payable under a specific Lease until the end of such Lessee's current appropriation period for each Lease originated for such Lessee hereunder. Lessee is obligated to pay Lease Payments under each Lease for each fiscal period as may lawfully be made from funds budgeted and appropriated for that purpose for such fiscal period.

Lessee will make commercially reasonable efforts to obtain funding as necessary to fulfill its obligations under each Lease to which it is a party. Lessee reasonably believes that it can obtain funds sufficient to pay all Lease Payments when due. Lessee represents and warrants that it is not subject to the Local Government Budget and Fiscal Control Act.

Notwithstanding the foregoing, Lessor acknowledges that the decision whether or not to budget and appropriate funds or to extend the term of a Lease for any period beyond the original or any additional fiscal period is within the discretion of the state legislative body responsible for appropriation of funds to Lessee. If Lessee's legislative body does not appropriate funds for Lease Payments for any subsequent appropriation period (a "Non-Appropriation Event"), Lessee may, subject to the conditions herein and upon prior written notice to Lessor (the "Non-Appropriation Notice"), effective sixty (60) days after the later of Lessor's receipt of same or the end of the Lessee's current appropriation period (the "Non-Appropriation Date"), terminate the applicable Lease and be released of its obligation to make all Lease Payments due to the Lessor coming due after the Non-Appropriation Date. As a condition to exercising its rights under this Section, Lessee shall return the Equipment subject to such Lease on or before the Non-Appropriation Date to Lessor or a location designated by Lessor, in the condition required by, and in accordance with the return provisions of the Agreement and at Lessee's expense, and pay Lessor all sums payable to Lessor under the Agreement up to the Non-Appropriation Date.

Lessee further represents, warrants and covenants for the benefit of Lessor that for each Lease hereunder:

- Lessee is an agency of the State of North Carolina duly organized and existing under the constitution and laws of the State of North Carolina (the "State").
- Lessee is authorized under the laws of the State, and has been duly authorized to enter into the Agreement and the transaction contemplated hereby and each applicable Lease and to perform all of its obligations thereunder.

- The Agreement and applicable Lease constitutes the legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable laws.
- Lessee has complied with such public bidding requirements as may be applicable to the Agreement.
- The Equipment described in the Lease is essential to the function of Lessee or to the service Lessee provides to its citizens. Lessee has an immediate need for, and expects to make immediate use of, substantially all the Equipment, which need is not temporary or expected to diminish in the foreseeable future.
- In the preceding 10 years, Lessee has never failed to make available funds sufficient to pay rental or other payments coming due under or defaulted on any material lease, lease purchase, installment sale or other similar agreement.

This Section is not intended to permit Lessee to terminate the Agreement or any Lease (1) at will or for convenience or (2) in order to acquire any other equipment or obtain funds directly or indirectly to perform essentially the same application for which the Equipment is intended.

**32. UNC SYSTEM ENTITIES.** Attached hereto as **EXHIBIT A** is a list of UNC System entities (each an "Authorized Entity") that may participate in this Agreement. For purposes of this section The University of North Carolina shall be considered the "Primary Lessee". Upon written notice to Lessor, Lessee may amend **EXHIBIT A** as necessary to reflect changes in the composition, structure, legal name, or other pertinent characteristics of the University of North Carolina or any office, constituent institution, or affiliate thereof. Each Authorized Entity must be separately credit and compliance approved by Lessor, in its sole and absolute discretion.

Each Authorized Entity may sign Leases (the Authorized Entity's name shall be listed on such Lease as the 'Lessee' and may be listed as 'Lessee' on other Transaction Documents) pursuant to this Agreement without notice to or consent from Primary Lessee. All of the terms and conditions of the Agreement and all of the terms of the Lease shall apply to the Authorized Entity with respect to that Lease. Lessor may file UCC financing statements with respect to the Equipment against such Authorized Entity, in Lessor's sole discretion. Once an Authorized Entity signs a Lease, Lessor will deal exclusively with such Authorized Entity for all matters pertaining to that Lease, including, without limitation, the signing of any extensions or other amendments to the Lease which may be agreed to by the Authorized Entity and Lessor. Additionally, the Primary Lessee and each Authorized Entity agrees that: (i) Lessor shall be free to exercise its remedies under the Agreement or any Lease thereto in any manner permitted by the Agreement, the Schedule, or the Lease, as applicable; and (ii) Lessor may release one or more Authorized Entities from its obligations and liabilities under the Agreement and/or any Lease thereto, or modify the obligations of any Authorized Entity or Authorized Entities thereunder, without modifying any other Authorized Entities or the Primary Lessee's obligations or liabilities and without notice to any Authorized Entity or the Primary Lessee.

As used in this Section, "Transaction Documents" mean this Agreement, the applicable Schedule or Lease, any guaranty, and all other documents requested by and delivered to Lessor, that relate or refer to the applicable Lease, Schedule, or Equipment and are not otherwise merged into this Agreement, which, as applicable, shall include but not be limited to a bill of sale, the Equipment invoice, riders, exhibits, addendums, amendments, and/or financing statements."

IN WITNESS WHEREOF, the Parties hereto have executed this Addendum as follows:

APPLE INC.

By:

Date:

THE UNIVERSITY OF NORTH CAROLINA

By:

Date:

DocuSigned by:

Jennifer Haygood

8E073D7CF6034FB...

3/23/2023

**EXHIBIT A**

**UNIVERSITY OF NORTH CAROLINA SYSTEM ENTITIES**

**Constituent Institutions**

Appalachian State University  
East Carolina University  
Elizabeth City State University  
Fayetteville State University  
North Carolina A&T State University  
North Carolina Central University  
North Carolina School of Science and Mathematics  
North Carolina State University  
UNC Asheville  
UNC-Chapel Hill  
UNC Charlotte  
UNC Greensboro  
UNC Pembroke  
UNC School of the Arts  
UNC System Office  
UNC Wilmington  
Western Carolina University  
Winston-Salem State University

**Affiliates**

PBS North Carolina  
The North Carolina Arboretum  
The North Carolina State Approving Agency  
The North Carolina State Education Assistance Authority  
The University of North Carolina Press  
UNC Health

# Request for Board Action/RFB Contract Control Form



Columbus County Clerk to the Board  
127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
jana.nealey@columbusco.org

## Date of Request

9/10/2025

## Board Meeting Date Requested

9/15/2025

## Short Title

Approval to Transfer Fleet Vehicles to the Sheriff's Office.

## Background

There are (5) vehicles that will be transferred to the Sheriff's Office.

## Specific Action Requested

Approval to transfer fleet vehicles to Sheriff's Office.

## Supporting Backup Documents

Transferred vehicles\_9.10.2025.xlsx

## Requested by

Teresa Smith

## Department

Emergency Services

## Title

Deputy Director

## Email

teresa.smith@columbuscountync.gov

## Clerk Signature

## Date Received

## Board Chair/County Manager

## Approved by Board

☐ Yes ☐ No ☐ Pending



REASSIGNED VEHICLES  
TO SHERIFF'S OFFICE

Ford	Explorer	2015	1FM5K8AR5FGB40990	MIS	64584-W	Yes	608	Yes
Dodge	Journey	2019	3C4PDCAB0KT858109	Fleet	28097-W	Yes	615	Yes
Ford	E350	2006	1FBSS31L86DA42726	Fleet	83926-T	Yes	251	Yes
Ford	F-150	2022	1FTMF1CBXNKD25849	DSS		Yes	22-657	Yes
Dodge	Journey	2015	3C4PDCAB4FT530228	ES	79525-V	yes	853	Yes

REASSIGNED VEHICLES  
TO SHERIFF'S OFFICE[illegible]

REASSIGNED VEHICLES  
TO SHERIFF'S OFFICE

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# Request for Board Action/RFB Contract Control Form



Columbus County Clerk to the Board  
127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
jana.nealey@columbusco.org

## Date of Request

9/5/2025

## Board Meeting Date Requested

9/15/2025

## Short Title

Approval of change order to excavate bad soil, import new soil and proof roll at the new Sheriff project site.

## Background

While on-site, ECS Southeast (GeoTech/Environmental Engineer) observed and tested for saturated soil, which was confirmed. ECS recommended undercut 4 feet and replace with clean dry fill. The total of change order is \$123,060.

## Specific Action Requested

To approve the presented change order to excavate bad soil, import new soil, and proof roll in the sum of \$123,060.

## Supporting Backup Documents

Change order 1.pdf

change order 1 backup information.pdf

## Requested by

Stuart Carroll

## Department

Facility Services

## Title

Director

## Email

scarroll@columbusco.org

## Clerk Signature

## Date Received

**Board Chair/County Manager**

**Approved by Board**

☐ Yes ☐ No ☐ Pending





# AIA® Document G701® – 2017

## Change Order

**PROJECT:** (Name and address)  
Columbus County Sheriff's Offices  
805 Washington Street Whiteville NC

**CONTRACT INFORMATION:**  
Contract For: Single Prime  
Date: 09-02-2025

**CHANGE ORDER INFORMATION:**  
Change Order Number: 001  
Date: 09-02-2025

**OWNER:** (Name and address)  
Columbus County  
127 W. Webster Street

**ARCHITECT:** (Name and address)  
Coastal Architecture pllc  
4206 Bridges Street, Suite C, Morehead  
City, NC

**CONTRACTOR:** (Name and address)  
Waters Cotracting Company  
5367 Hwy 24, Bogue, NC 28570

### THE CONTRACT IS CHANGED AS FOLLOWS:

(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)

Removal and replacement of unsuitable soils as per attached change order request

The original Contract Sum was  
The net change by previously authorized Change Orders  
The Contract Sum prior to this Change Order was  
The Contract Sum will be increased by this Change Order in the amount of  
The new Contract Sum including this Change Order will be

\$	4,440,500.00
\$	0.00
\$	4,440,500.00
\$	123,060.00
\$	4,563,560.00

The Contract Time will be increased by Seven (7) days.  
The new date of Substantial Completion will be 08-17-2026

**NOTE:** This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

**NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.**

ARCHITECT (Signature)

BY: Lee Dixon AIA President Coastal  
Architecture pllc

(Printed name, title, and license  
number if required)

9/2/2025

Date

CONTRACTOR (Signature)

BISHOP WILLIAMS VP of OPERATIONS  
(Printed name and title)

Date

OWNER (Signature)

(Printed name and title)

Date



5367 Hwy 24  
Bogue, NC 28570  
(252) 764-2105  
Fax (252) 764-9089

## CHANGE ORDER REQUEST

To: County of Columbus  
127 West Webster Street  
Whiteville, NC

Number: 3  
Date: 8/29/2025  
Project: Columbus County Sheriff's Office  
25548

Description: Soils Report - Building Pad - Option #3

SUBJECT: Soils Report - Building Pad - Option #3      TIME IMPACT: 1 Week

Cost of labor & materials for:

Excavate bad soil, import in new soil, place soil - unsuitable soil to remain onsite in provided location      \$117,200

### LINE ITEM BREAKDOWN

Description	Labor	Material	Subcontract	Equipment	Other	Total
Sitework			117,200.00			117,200.00
<b>SUB-TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>117,200.00</b>	<b>0.00</b>	<b>0.00</b>	<b>117,200.00</b>

Description	Price Base	Price Percent	Price
Subtotal	117,200.00	0.00	117,200.00
Labor Burden	0.00	35.00	0.00
Sales Tax	0.00	6.75	0.00
Mark-Up on GC's Work	0.00	10.00	0.00
Mark-Up on Subcontracted Work	117,200.00	5.00	5,860.00
<b>COR TOTAL</b>			<b>123,060.00</b>

If you have any questions please contact me AT (919) 279-7265

Submitted by: Bishop Williams

Approved by: [see AIA G701 Change order form for signatures](#)

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

# Estimate

## Waccamaw Excavating and Grading, LLC

3804 Waccamaw Shores Rd  
Lake Waccamaw, NC, 28450  
910-918-5866

**DATE:** August 28, 2025  
**Customer:** Waters Construction  
**JOB:** Columbus County SO

DESCRIPTION	AMOUNT
<b>Option 2 Cut and Replace 14,124 Sqft</b>	
4ft depth	
Cut est. 2,105 cuyrd	\$ 21,050.00
Export 2,736 cuyrd (33% swell)	\$ 27,360.00
Onsite Export Pricing on following page	\$20,900
Import and Place 2,750 cuyrd	\$ 74,250.00
Additional proof roll if needed	\$ 1,000.00
<b>Total</b>	<del>\$ 123,660.00</del>
	\$117,200

# Estimate

## Waccamaw Excavating and Grading, LLC

3804 Waccamaw Shores Rd  
Lake Waccamaw, NC, 28450  
910-918-5866

**DATE:** August 29, 2025  
**Customer:** Waters Contractors  
**JOB:** CCSO- Stockpile Onsite

### DESCRIPTION

Item #1, Excavator- 40 hrs @\$200

Item #2, 2 Dump Trucks @ 80 hrs

Item #3, Dozer - 20 hrs @\$185

Item #4,

Item #5,

Item #6,

Item #7,

Item #8,

Item #9,

Item #10,

### AMOUNT

\$ 8,000.00

\$ 9,200.00

\$ 3,700.00

**Total** \$ 20,900.00

Specifics/Explanations:



**ECS Southeast, LLC**  
 6151 Raeford Road, Suite A  
 Fayetteville, NC 28304  
 T 910.401.3288  
 F 910.323.0539

## LETTER OF TRANSMITTAL

August 27, 2025  
 Waters Contracting Company

Bogue, NC 28570  
 ATTN: Cindy Taylor

RE: **Columbus County Sheriff Department**  
 ECS Job # **33:7488**

Permits:  
 Location: **817 Washington Street**  
**Whiteville, NC 28472**

☒ Field Reports ☒ For your use ☒ As requested

CC: Waters Contracting Company - Bishop Williams Waters Contracting Company - Thomas Howard

ENCL: Field Report # 1 8/26/2025

Jack Cowsert, P.E.  
 Office Manager

Robert T. Harrigan  
 Team Leader

**Disclaimer**

1. This report (and any attachments) shall not be reproduced except in full without prior written approval of ECS.
2. The information in this report relates only to the activities performed on the report date.
3. Where appropriate, this report includes statements as to compliance with applicable project drawings, and specifications for the activities, performed on this report date.
4. Incomplete or non-conforming work will be reported for future resolution.
5. The results of samples and/or specimens obtained or prepared for subsequent laboratory testing will be presented in separate reports/documents.



**ECS Southeast, LLC**

6151 Raeford Road, Suite A

Fayetteville, NC 28304

T 910.401.3288

F 910.323.0539

**FIELD REPORT**

Project **Columbus County Sheriff Department**  
 Location **Whiteville, NC**  
 Client **Waters Contracting Company**  
 Contractor **Waters Contracting Company**

Project No. **33:7488**  
 Report No. **1**  
 Day & Date **Tuesday 8/26/2025**  
 Weather **72 °/ Clear**  
 On-Site Time **2.00**  
 Lab Time **0.00**  
 Travel Time\* **0.00**  
 Total **2.00**  
 Re Obs Time **0.00**

Remarks					
Trip Charges*	Tolls/Parking*	Mileage*	Time of Arrival	Departure	
Chargeable Items			<b>6:30A</b>	<b>8:30A</b>	

\* Travel time and mileage will be billed in accordance with the contract.

Summary of Services Performed (field test data, locations, elevations &amp; depths are estimates) &amp; Individuals Contacted.

ECS arrived on site, as requested, to observe proof rolling of the subgrade for the building pad. Please see sketch for details.

Using a loaded tri-axle dump truck, the identified area was proof rolled and visible signs of pumping and rutting was observed on the SW portion of the building pad. This area was pointed out to the contractor. Using a smooth tip steel probe rod, the area was checked, and soft and saturated soils were observed due to moisture from inclement weather.

ECS observed the contractor dig one test pit to verify the depth of the saturated soils. ECS recommends a 3' undercut, creating a stock pile and letting material dry, while also allowing the subgrade to dry and compacting, then backfilling in 1' lifts, compacting each lift. Alternatively, undercut 4' and replace and compact with clean dry fill.

ECS also obtained one soil sample of on-site fill and one sample of the imported fill for a standard proctor.

ECS will return, as requested, for additional services.

By Harvey Lamar Sangster

1800



## Attachments



1

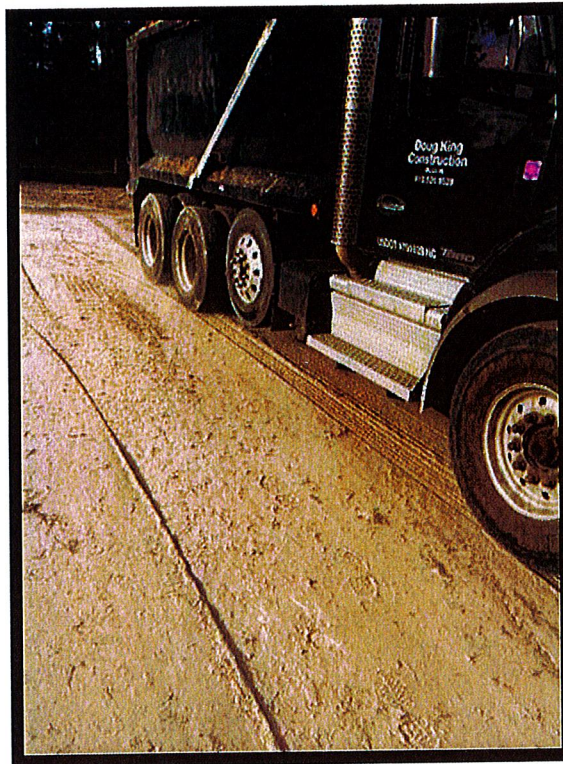
Figure 1



2

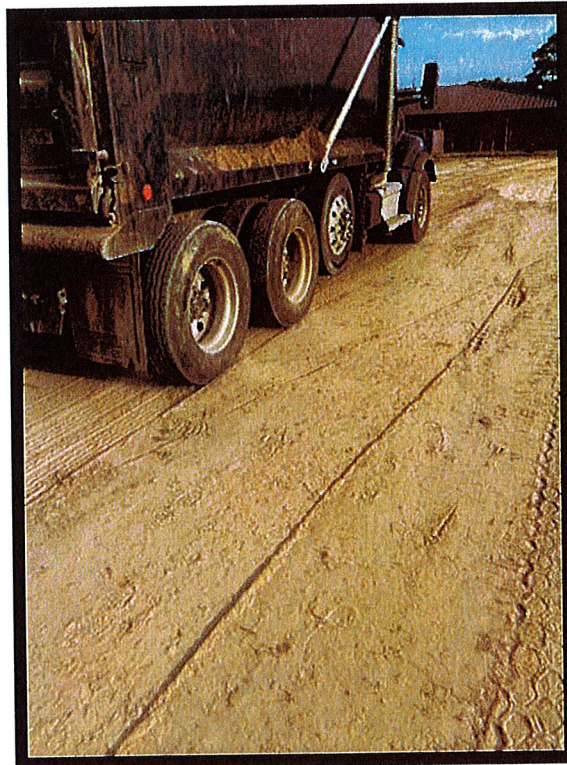
Figure 2

## Attachments



3

Figure 3

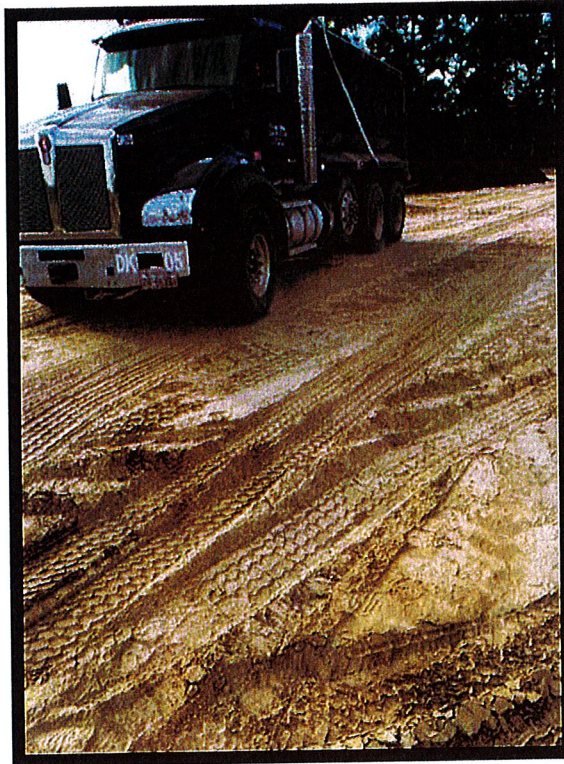


4

Figure 4

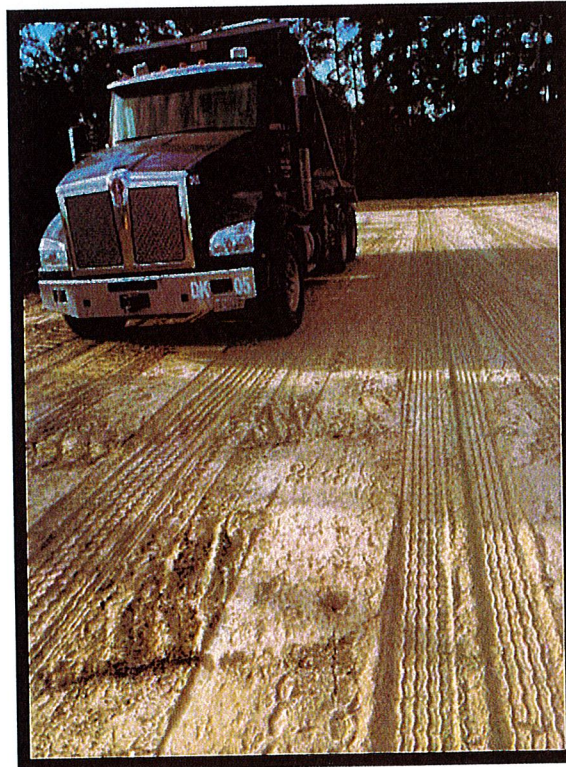


## Attachments



5

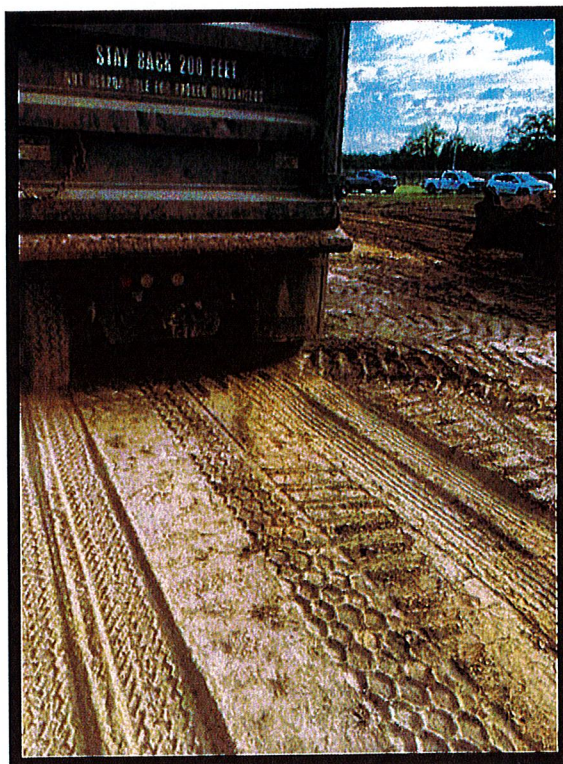
Figure 5



6

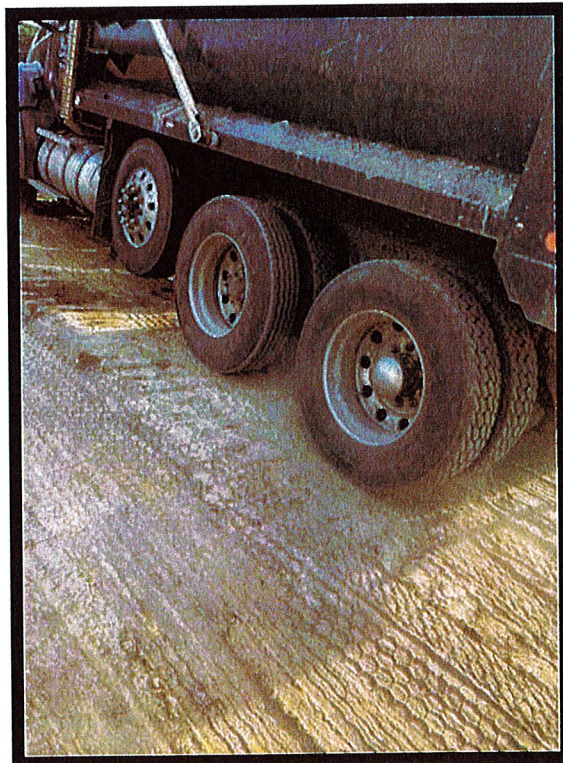
Figure 6

## Attachments



7

Figure 7

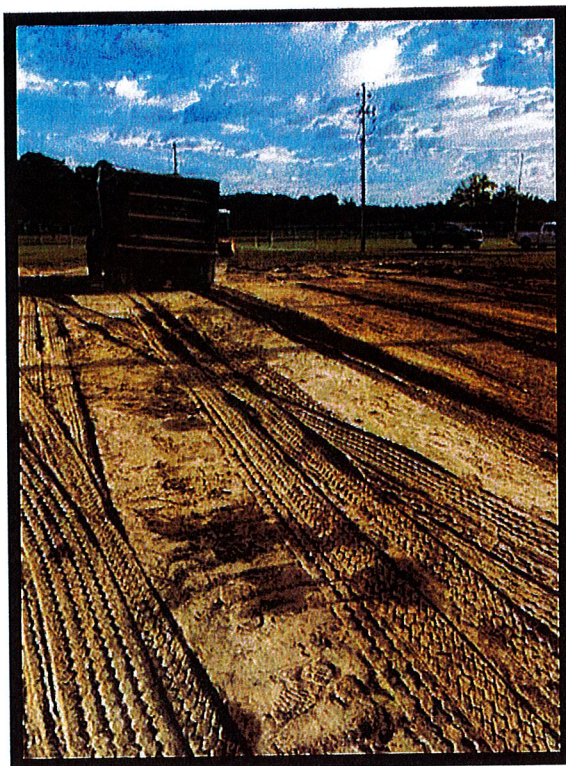


8

Figure 8



## Attachments



9

Figure 9

# Request for Board Action/RFB Contract Control Form



Columbus County Clerk to the Board  
127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
jana.nealey@columbusco.org

## Date of Request

9/9/2025

## Board Meeting Date Requested

9/15/2025

## Short Title

Approval of Bad Debt Write-off/Debt Set-Off

## Background

Approval of Self-Pay Bad Debt Write-Off and Medicaid/Private Insurance Write-Offs. Already approved by Board of Health on 8/27/25. These individuals are not eligible to be sent to debt set-off to recoup funds. These individuals are only eligible because their balance is less than \$50, they have no social security number, or they have not received health department services within the last year.

## Specific Action Requested

Approval of Self-Pay Bad Debt Write-Off and Medicaid/Private Insurance Write-Offs

## Supporting Backup Documents

CCHD Bad Debt Writeoff Debt Setoff July 2024-June 2025.pdf

## Requested by

Daniel Buck

## Department

Public Health

## Title

Public Health Director

## Email

daniel.buck@columbusco.org

## Clerk Signature

## Date Received

## Board Chair/County Manager

## Approved by Board

☐ Yes ☐ No ☐ Pending

Bad Debt Write-Off  
Debt Set-Off

PROGRAM	July 2012 June 2013	July 2013 June 2014	July 2014 June 2015	July 2015 June 2016	July 2016 June 2017	July 2017 June 2018	July 2018 June 2019	July 2019 June 2020	July 2020 June 2021
Bad Debt Write-Off	5015.88	9956.14	4922.97	4001.76	3954.12	1714.85	1681.74	3620.53	1,803.82
Debt Set-Off	2106.10	4725.57	2282.17	3274.05	3258.25	2320.99	3141.66	4265.72	2,448.34

PROGRAM	July 2021 June 2022	July 2022 June 2023	July 2023 June 2024	July 2024 June 2025					
Bad Debt Write-Off Self-Pay	2804.66	4693.54	3824.38	6847.13					
Debt Set-Off (Recoupment)	2407.20	3878.18	4222.21	4577.24					
Bad Debt Write-Off Medicaid, Private Insurance	12,954.38	31,208.30	54,160.33						

# Request for Board Action/RFB Contract Control Form



Columbus County Clerk to the Board  
127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
jana.nealey@columbusco.org

## Date of Request

9/9/2025

## Board Meeting Date Requested

9/15/2025

## Short Title

Columbus County Solid Waste  
Closure of Evergreen Recycling Center

## Background

The Evergreen Recycling Center has experienced a steady decline in public usage. After conducting a thorough assessment, including operational data, it has been determined that continued operation is no longer sustainable or necessary. Closing the site will allow for more efficient allocation of resources and improved service delivery at other locations. Adequate alternative disposal and recycling facilities are available within a reasonable distance for impacted residents.

## Specific Action Requested

Approval of the permanent closure of the Evergreen Recycling Center, effective September 30, 2025, so that staff can proceed with all necessary notifications, signage, and logistical measures to ensure a smooth transition.

## Supporting Backup Documents

Annual Tonnages for Recycling Centers 9-8-25.pdf

## Requested by

Harold Nobles

## Department

Columbus County Solid Waste

## Title

Solid Waste Director

## Email

hnobles@columbusco.org

## Clerk Signature

## Date Received



Columbus County Solid Waste  
Annual Tonnages for Recycling Centers  
Monday, September 8, 2025

August	September	October	November	December	January	February	March	April	May	June	July	Annual Totals
26.78	21.83	20.85	21.20	18.47	17.90	23.26	39.14	31.70	28.31	26.16	22.80	298.40
19.00	9.78	9.14	12.87	11.27	9.63	18.49	17.99	16.62	16.56	11.43	21.76	174.54
11.38	13.94	11.84	9.46	14.03	15.79	11.90	16.50	11.86	13.80	13.97	11.06	155.53
8.07	9.40	4.57	7.06	6.79	7.40	7.28	11.76	6.95	7.56	6.92	7.76	91.52
12.48	6.31	7.48	9.23	2.02	3.85	7.97	9.62	9.02	5.68	6.60	8.05	88.31
3.75	4.51	2.67	5.76	8.05	3.87	5.99	10.18	7.82	9.58	10.36	3.80	76.34
2.08	0.00	1.36	1.33	2.23	1.89	1.88	3.76	3.14	2.01	2.11	1.70	23.49

*North Whiteville Recycling Center*

*Byrdville Recycling Center*

*Mollie Recycling Center*

*Nakina Recycling Center*

*China Grove Recycling Center*

*Cerro Gordo Recycling Center*

*Evergreen Recycling Center*

**Entry #:** 161 - 9/15/2025      **Status:** Submitted      **Submitted:** 9/10/2025 1:52 PM

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**Columbus County Clerk to the Board**  
127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
[jana.nealey@columbusco.org](mailto:jana.nealey@columbusco.org)

**Board Meeting Date**

9/15/2025

**Report Month**

August

**Upload Report Here**



[Monthly Administrative Updat1 9-10-25.docx](#)  
12.8 KB



**Department**

Social Services

## **Monthly Administrative Update**

**For August 2025**

**September 15, 2025 Meeting**

**NC Medicaid & SNAP Program Changes**

**Prepared by: Darlene Jenkins-Parks Economic Program Manager**

### **NC Medicaid Program Changes**

**Federal funding cuts:** Proposed federal budget cuts could reduce NC Medicaid funding by billions of dollars over the next decade. In response, the NCDHHS has mandated cuts to provider reimbursement rates, effective October 1, 2025, which may impact access to services.

**Work Requirements:** A proposed federal reconciliation bill would introduce work requirement for many Medicaid expansion enrollees aged 19 to 64. This would require participants to work or engage in approved activities for over 80 hours per month. Estimates suggest this could cause as many as 255,000 North Carolinians to lose coverage.

**Shorter eligibility determinations:** Under the proposed federal bill, states would be required to verify Medicaid eligibility every six months, rather than the current annual check. This could increase administrative burden on local DSS offices and lead to more people losing coverage due to paperwork delays. Many DSS offices are already struggling to keep up with the programs demands. The proposed work requirements would cause a strain on NC county social services offices and a significant need for increased positions and funding.

**End of Healthy Opportunities Pilots:** Due to lack of state funding, the HOP program (Healthy Opportunities Pilot) stopped all new services authorizations and existing service delivery as of July 1, 2025. Services provided under the HOP program are no longer available.

## **NC SNAP (Simplified Nutritional Assistance Program) Program Changes**

**Shift in funding:** Beginning October 1, 2027, the start of fiscal year 2028; North Carolina will be required to pay a portion of SNAP food benefit costs for the first time in the programs' history. Until now, the federal government covered 100% of these benefits.

**Expansion of work requirements:** Starting in state fiscal year 2028, the age limits for able-bodied adults without dependents (ABAWDs) who must meet work requirements will be extended. The requirement to work at least 20 hours per week will apply to individuals up to age 64, expanding from the current age 54.

### **The bill will leave North Carolina with three options:**

Find the funding to cover the amount being shifted from the federal government to the state, which would be up to \$700 million annually. Reduce enrollment to lower costs. The state's complete withdrawal from the SNAP program.

### **In Conclusion**

The federal funding and work requirements change from the "Big Beautiful Bill" have been a major source of concern for state officials and assistance programs. A significant impact on beneficiaries and state budgets. NCDHHS is evaluating the full impact of the federal legislation. Multiple factors, including potential federal legislation and state-policy changes, are impacting NC Medicaid and SNAP programs in 2025. Proposed federal cuts and stricter work requirements could lead to loss of coverage and benefits for many residents. SNAP benefits have been 100% federally funded since the programs' creation 50 years ago. Federal changes shift benefit cost to the state for SNAP programs. These shifts would make the state responsible for an extra \$420 million (based on error rates) a year. If the state cannot pay that, we will not meet federal rules and that could cause us to lose the entire SNAP program. In addition, to the loss of benefits, NCDHHS officials said NC would lose \$2.8 billion in annual federal funds, which generate \$4.2 billion in economic impact. Rural grocery stores that depend on SNAP for revenue would be at risk of closure, and over 7,000 jobs created by the program across the state would be eliminated.



While decisions are still being made on the Federal level, we are unaware of what the direct cost will be for the county. I will continue to keep you updated as we receive updates.

***Respectfully Submitted,***

***Dwella M. Hall***

***Director***

**August 2025**

**Entry #:** 158 - 9/15/2025      **Status:** Submitted      **Submitted:** 9/8/2025 2:33 PM

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**Columbus County Clerk to the Board**

127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
[jana.nealey@columbusco.org](mailto:jana.nealey@columbusco.org)

**Board Meeting Date**

9/15/2025

**Report Month**

August

**Upload Report Here**



[Commissioners Report August 2025.docx](#)

23.3 KB



[Economic Services Board Narrative August 2025.docx](#)

14.6 KB



[Human Services Narrative August 2025.doc](#)

35 KB



**Department**

Social Services

## **Monthly Administrative Update**

**For August 2025**

**September 15<sup>h</sup>, 2025 Meeting**

### **Community Services**

The Salvation Army of Wilmington continues to collaborate with our agency to assist the community with rental and utility assistance. They are here every Monday and Tuesday. You may call ahead to schedule appointments.

On August 8, I participated in the Health Department Back to School Drive. We represented DSS and gave out information on various programs that our agency offers. Children received school supplies while parents and caregivers received valuable information from all local agencies. Overall, the event was successful and I was glad to be a part of it.

### **Energy Programs Update:**

On August 14, the county received a second allocation of \$176,115.06 in CIP funds to assist citizens of the county that are experiencing an energy crisis. Our staff is available daily to take applications.

### **Child Support Shout Out**

Congratulations to Child Support Establishment agent Jennell Graham in being one of the top 20 Recognized Outstanding Collections for July 2025. She collected \$10,047.80 arrears with payment in full.

**August Collections**

Child Support \$ 393,259

Program Integrity \$ \$9,225.63

***Respectfully Submitted,***

***Dwella M. Hall***

***Director***



## **Human Services**

### **Adult Services (APS)**

APS Reports Accepted: 6  
County Wards: 31  
Number of Payee Cases: 7  
Adults Served APS: 0

### **Children's Protective Services (CPS)**

Reports Accepted: 59  
Reports Screened out: 86  
Families Receiving In-Home Services: 8  
Children Served: 20  
Contacts with Families Monthly: 93  
Assessments: 18

### **Foster Care**

Foster Children in Foster Homes: 75  
Children Placed Outside County: 30  
Agency Adoptions: 0  
Pending Adoptions: 0  
Total Foster Homes Licensed: 6  
Total Children in Foster Care: 75

### **Work First Employment (TANF)**

Applications Taken: 28  
Applications Approved: 3  
Individuals Receiving Benefits: 108  
Entered Employments: 0  
Number in Non-Paid Work Experience: 0

**August 2025 Human Services (continued)**

### **Program Integrity**

Collections for Fraud: \$9,225.63

New Referrals: 3

Cases Established: 1

### **Day Care**

Children Receiving Day Care Assistance: Not Available

Children on the Waiting List: 191

Amount Spent on Day Care Services: \$238,716.00

**August 2025**  
**Economic Services**

### **Food & Nutrition**

Applications Taken: 265  
Applications Approved: 258  
Active Cases: 5,721  
Benefits Issued: \$1,902,874.00  
Participants Served: 11,301

### **Adult Medicaid**

Applications Taken: 140  
Redeterminations: 144  
Applications Processed: 133  
Total Medicaid Cases: 16,928  
Total Individuals Receiving: 16,928

### **Medicaid Transportation (NEMT)**

Number of Medicaid Transportation Trips: 1,078  
Amount Requested for Reimbursement: \$30,341.25

### **Family & Children's Medicaid**

Applications Taken: 205  
Applications Processed: 324  
Redeterminations: 645

### **Child Support**

Absent Parents Located: 65  
Orders Enforced: 1,040  
Active Cases: 2,996  
Collections: \$393,259.00

**Economic Services Board Report**  
**Darlene Jenkins-Parks, Income Maintenance Administrator**  
**Updates/News/Vacancies for August 2025**

**Congratulations to Child Support Establishment agent Jennell Graham** in being one of the top 20 Recognized Outstanding Collections for July 2025. She collected \$10,047.80 arrears with payment in full.

**Energy Programs Update:** On August 14<sup>th</sup> the county received a second allocation of \$176,115.06 in CIP funds to assist citizens of the county that are experiencing an energy crisis.

**Attached NC Medicaid and SNAP Program Changes** in reference to federal funding.

**Program Vacancy Update:**

All Income Maintenance Caseworker II Positions have been posted with closing 3/3/2025.  
(2) Adult Medicaid Intake, (1) Adult Medicaid Review, (1) FNS Intake, (1) FNS Review

**Food & Nutrition Services:**

**Intake team** (5) IMC II's (1) IMC II vacancy; the IMC III lead position filled August 21<sup>st</sup> from within unit staff. They intake and process all FNS applications.

**Recertification team** (6) IMC II's; (1) IMC II vacancy. Unit supervisor remains out on FMLA. They handle monthly re-certifications, address all changes and work reports timely, assisting clients daily with multiple calls and face to face contact.

**Family & Children Medicaid:**

**Intake team** (6) IMC II's. They intake and process all F&C Medicaid and Energy programs applications.

**Recertification team** (7) IMC II's. They handle monthly re-certifications, address all changes and work reports timely, assisting clients daily with multiple calls and face to face contact.

**Adult Medicaid:**

**Intake team** (4) IMC II's; (2) vacant IMC II's due to internal promotions to IMC III. They intake and process all Adult Medicaid applications and back-up to energy program if needed.

**Adult Medicaid Recertification team** (5) IMC II's; (1) vacant IMC II position. Unit supervisor remains out on FMLA. They handle monthly re-certifications, address all changes and work reports timely, assisting clients daily with multiple calls and face to face contact.

**Long Term Care/Community Alternative Program/Special Assistance:**

**LTC/CAP/SA team** (3) IMC III's is now fully staffed (internal promotions). They handle all programs the intake/processing/re-certifications process.

**Non-Emergency Transportation:**

**NEMT team** (1) Processing Assistant and (1) Office Assistant fully staffed. They handle all NEMT eligibility and billing procedures.

**Child Support:**

**Establishment team** (3) CSA II's; (1) is internal promotion. This unit handles all establishment caseloads.

**Enforcement team** (4) CSA II's. This unit handles all enforcement of child support once case has been established. Both teams continue to increase number of cases placed on court calendar.



**HUMAN SERVICES BOARD REPORT**  
**Marcee Swindell-Thompson**  
**Vacancies/Updates/News for August 2025**

**Intake/Investigation/Assessment:**

The CPS unit is fully staffed for the investigative/assessment department while the two after-hours positions remain vacant. The department continues to receive referrals related to substance use, physical abuse, sexual abuse, and mental health issues. There are currently no after-hour workers and The Team (CPS, In-Home, Foster Care, APS and Transitional Unit) has held the responsibility of covering after-hours. The Team also covers intake as backup for the intake worker, which has been a challenge for all workers. As a team, we are becoming more acclimated with the new Path NC system. Workers and Supervisors are working together to help assist with any questions and concerns.

**In-Home Services:**

The In Home Services unit is operating with one Social Worker vacancy. The unit currently has eight open In-Home cases. Staff continued to provide cross unit support in Foster Care and CPS contributing to case initiation required visits. In August, the unit served twenty children and held five Child and Family Team meetings. There was one court involvement and no referrals for services. Ninety-three contacts recorded during the month. There were no case closures and no family Support Services cases opened. The unit facilitated two kinship/safety placements and filed one petition/non-secure custody action. This unit continues to focus on collaboration and agency wide support continues to strengthen services delivery and maintain continuity of care for families.

**Foster Care/Permanency Planning:**

At this time, we currently have 74 children in Foster Care being cared for by relatives or foster parents. We continue to have monthly meetings with our assigned RCWC to review updated data policy and agency professionalism, we have monthly staff meetings to ensure we are in compliance with meeting the needs of the families we serve. We will continue to strive to protect and serve all the children in Foster Care also known as Permanency Planning.

**Transitional Unit:**

The Transitional Unit's Links & 18 to 21 position is vacant. This unit continues to work caseloads while assisting the other Child Welfare Units as needed, particularly in the areas of courtesy requests (home studies and monitoring cases) from other counties, assisting with supervising visits and transporting children in custody as needed. This Unit continues to assist particularly in the area of making monthly contacts with the children in foster care and assisting in finding placement when disruption occurs and when children come into custody. Foster Home Licensing continues to work on completing more licensures to help increase the number of foster homes within the county. We should have at least two or three more homes licensed by the end of September. In addition, we plan to promote foster to adopt at the Columbus County Fair in October.

**Adult Services:**

The Adult Services Unit continues to be fully staffed with the exception of the frozen Guardianship position. This unit continues to serve ages 18 and above, with protective services, guardianship, and special assistance in-home case management as well as many inquiries/outreach situations and completing complaint investigations on Adult Care Homes. Guardianship cases continue to increase with currently three cases waiting to go to court. CCDSS is the guardian of 30 adults placed throughout the state.

#### **Work First Employment:**

This Unit continues to be fully staffed. The unit is open for in-person applications, telephone interviews continue for Work First applications, recertification's, short-term services and benefits. Certain necessary application documentation can be mailed to individuals that wish to apply and when received back the worker can conduct telephone interviews to complete that application. Workers are able to conduct home visits to complete the interview process when necessary. Some application information is also being provided for pick-up in the foyer area of the agency. Workers are encouraged to make telephone contacts with clients at least every two weeks to offer support and resources to clients and to encourage program participation. The workers still continue helping the foster care unit with transporting and monitoring foster care visits. The agency continues to have monthly meetings with the state reps by conference calls.

#### **Child Day Care:**

The Child Day Care Unit continues to be fully staffed. The agency has continued to have a waiting list due to funding. As of today there are about 191 children on the waiting list. A waiting list pull was completed on August 15, 2025.

The unit is open for in-person applications and telephone interviews, and staff continue to complete Day Care applications and recertification's. Day Care Unit will continue to be monitored by Supervisor to ensure workers are completing cases correctly and documenting appropriately.

#### **Program Integrity:**

Program Integrity continues to be fully staffed. Repayments are being collected. Staff continue to work towards cleaning up the backlog, establishing cases and repayment agreements.

# Request for Board Action/RFB Contract Control Form



Columbus County Clerk to the Board  
127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
jana.nealey@columbusco.org

## Date of Request

9/9/2025

## Board Meeting Date Requested

9/15/2025

## Short Title

Finance – Approval of the First Reading the Amended Travel Policy:

## Background

Finance Director Heather Woody is requesting approval of the first reading of the amended Travel Policy to implement the minimum required miles as 50, a maximum cap of \$250 for room and board, and room sharing.

## Specific Action Requested

Finance Director Heather Woody is requesting approval of the first reading of the amended Travel Policy to implement the minimum required miles as 50, a maximum cap of \$250 for room and board, and room sharing.

## Supporting Backup Documents

travel policy revision.pdf

## Requested by

Heather Woody

## Department

Finance

## Title

Director

## Email

hwoody@columbusco.org

## Clerk Signature

## Date Received

## Board Chair/County Manager

## Approved by Board

☐ Yes ☐ No ☐ Pending

## Chapter 9: Travel and Meals Policy

### §9.1 Travel and Meals Policy

This policy establishes procedures for authorization of travel, related allowances, and other expenses for the purpose of conducting County business; and to encourage and promote responsible, efficient, and legal utilization of funds.

This policy applies to all regular full and part-time employees, elected and appointed officials and all contract employees. This policy determines circumstances under which employees may incur travel and training expenses and procedures for obtaining advances and reimbursements. This policy applies to all travel, regardless of the funding source.

### §9.2 Definitions and General Information

- ◆ **Appropriation** – The amount needed for annual travel must be included in the annual budget request for each department. (Estimated travel costs of anticipated training and conference trips and the estimated costs of routine travel)
- ◆ **Authorization** – Travel on official county business, both within State and out of State for conferences and educational purposes must be authorized in advance by the Department Head, Finance Director, and the County Manager or designees. When deemed necessary by the County Manager, the Governing Board may be asked to authorize travel.
  - The Finance Office will receive and verify all **Requests for Travel** and is responsible for determining that there is budget available, sufficient funds to cover the estimated cost requested for travel remaining in the appropriate expenditure line item.
- ◆ **Employee's Duty Station** – "Duty Station" is defined as the job location at which the employee spends the majority of his/her working hours. For an employee in travel status, the duty station should be the point where traveling begins the majority of the time (home or office). The designation of an employee's home as the duty station requires prior approval by the department head and shall only be approved when leaving from one's residence would reduce travel costs.
- ◆ **Subsistence (Lodging & Meals)** – Subsistence is an allowance related to lodging and meal costs, including gratuities.



- **Lodging** – In general, most lodging will be arranged in advance, using a prior credit card authorization form related to the lodging location. It is best to confirm receipt of this form with hotel prior to check-in to avoid any hassle. Use fax machine to send credit card authorization, where possible. Where practical, county credit cards will be issued to administrative County Department Heads and Board of County Commissioners. Once the stay is completed and the credit card is charged, the detailed documentation, including itemized receipts are required to be returned to the Finance Office with proper supporting documentation immediately upon return. Inappropriate, unauthorized or unreported use of County credit cards will be grounds for disciplinary action. When traveling with family, if there is a difference between single and double occupancy rate, the County will only reimburse the employee or County official for the single rate.

Overnight lodging may only be authorized and paid to support business needs and final travel destinations that equal or exceed 50 miles (one way), calculated from the employee's home or duty station, whichever is less, to the final travel destination.

If more than one employee is attending the training or conference, if of the same gender, they must share a double room.

In order to reduce costs, employees must use discounts provided for the event or a government discount. Rooms are to be kept under \$250.00 per night maximum, excluding sales tax and fees. Travel authorizations may not be approved and returned to the department to find other lodging that meets the per night maximum.

- **Meals** – Employees are entitled to the Standard Daily Meal per diem, regardless of the actual amount incurred for meals. The meal per diem rate allowed will follow the breakdown per the local (Columbus County, NC) destination listed on the [www.gsa.gov](http://www.gsa.gov) website. Tax and tips for meals are included in the per diem rate.

Meals are not allowed to be charged to the county credit card.

#### ◆ Travel/Transportation

- **Personal Vehicle** – A requesting party may use his/her personal vehicle for travel and be reimbursed for mileage if a County vehicle\* is unavailable or if carpooling is not available or practical. If a county vehicle is available and the employee chooses to drive his/her personal vehicle, he/she will be reimbursed at one-half of the current IRS rate of reimbursement. \*County vehicles can be secured through the County Central Garage or through employee's department and employees must have a valid driver's license to use County vehicles. Verification is required if a vehicle is not available (email stating no vehicle available, etc.)
- **Mileage** – The allowable IRS rate per mile will be paid to an employee or County official who uses his/her personal vehicle except when there is a county vehicle available and the employee chooses to use their personal vehicle. (See Personal Vehicle above). Mileage reimbursement calculations must involve the starting address of the employee's regularly assigned duty station or home, whichever is less, to the final destination. No reimbursement shall be made for the use of a personal vehicle in commuting from an employee's home to his/her duty station.
- **Rental Vehicle** – A receipt is necessary for reimbursement. Rental vehicles are to be used as a last resort. Use of a rental vehicle must be approved in advance by the Department Head and County Manager.
- **Other** – Other means of transportation (i.e., airplane, train, bus) require receipts. Employees must secure Department Head and County Manager approval and travel should be planned well in advance to enable the County to pay the appropriate vendor directly for this service.

## Chapter 10: Travel Authorization

### §10.1 Travel Authorization

The County is committed to minimizing travel cost. Excess costs are not acceptable under this standard. Employee and Board members will be responsible for unauthorized costs and any additional expenses incurred for personal preference or convenience.

The purpose of the Administrative Procedure is to outline regulations to assure the most economical accountability for travel allowance and reimbursement is adhered to by all departments uniformly. The same procedure for approval and reporting of travel expenditures apply to both in-County and out-of-County travel.

### §10.2 Request for Travel

A Request for Travel Form should be completed, submitted, signed by the employee and approved by the Department Manager, and submitted to the County Finance Office at least fifteen (15) business days prior to the scheduled travel date. All documentation required for estimates of the cost of travel should be included in the submission, including but not limited to:

- ◆ A copy of the registration estimate
- ◆ A detailed agenda of the conference or workshop
- ◆ Lodging estimates
- ◆ And other expenses related to travel that can be reasonably estimated.

**No travel should be reserved or booked prior to receiving authorization from all parties on the Request for Travel Form.**

### §10.3 Travel Advances

Travel advances represent a payment of public funds to an employee or official for travel costs, which have not yet been incurred. Requests for a travel advance must be properly documented on the fully executed Request for Travel Form and submitted to the County Finance Office at least fifteen (15 days) prior to the scheduled travel date.

N.C.G.S. § 14-247 states that it is illegal for a publicly owned vehicle to be used for a private purpose. In accordance with this Statute, vehicles owned by the County shall not be used for personal purposes.

N.C.G.S. § 159-181(a) states that any officer or employee of a local government or public authority who submits a written claim or approves a claim for funds that he/she knows to be false is guilty of a misdemeanor.

Violations of the County's travel policy may result in disciplinary action up to and including dismissal from County employment.

If a trip is canceled or an employee is terminated, any outstanding advance must be returned to the Finance Office immediately. Departments must ensure that employees separating have resolved all outstanding travel advances prior to their last day of work.

Delinquent travel settlements or other noncompliance with the travel policy may result in the withdrawal of the travel advance privilege or no travel.

#### **§10.4 Forms and Documentation**

All requests must be submitted through a Purchase Requisition using the Travel Request Form with all required supporting documentation attached, to include, but not limited to, a conference brochure, agenda, or registration information and Supervisor approvals. The documentation enables Finance to match requested reimbursements with the conference or business schedule and location. A Google Maps screenshot from the trip starting address to the conference or training address should also be included.

If a department wishes for an employee to receive funds prior to travel, the Travel Request Form must be submitted at least fifteen (15) business days prior to the week of travel dates. Once the travel documentation has been reviewed and approved by the appropriate parties, it will be processed into a purchase order. At this time, the Department Director or their designee will be able to submit a pay request for registrations and meal allowance. The lodging can be processed by credit card. An approved request will be processed in the regularly scheduled AP Automation distribution. If the meal allowance request is not submitted as required, the employee will be responsible for any expenses incurred, but can may the request upon their return to their duty station.

If an employee wishes to receive funds upon return, the Travel Request Form must be submitted for approval BEFORE traveling in order to have a Purchase Order issued. Once a Purchase Order has been issued, the employee will submit all necessary documentation and receipts upon return from travel within ten (10) business days to receive reimbursement funds.

*If an employee violates the Travel and Meals policy, the employee may be subject to disciplinary action up to and including termination.*

#### **§10.5 Meals**

Employees are entitled to the Standard Daily Meal per diem, regardless of the actual amount incurred for meals. The meal per diem rate allowed will follow the breakdown per the local (Columbus County, NC) destination listed on the [www.gsa.gov](http://www.gsa.gov) website. Tax and tips for meals are included in the per diem rate.

*Meals included as part of a conference or registration fee will not be included in the meal per diem. Also, hot breakfast provided at the hotel will not be included in the meal per diem.*



Below is how it is determined if you qualify for a per diem rate:

- **Breakfast** – Depart duty station prior to 6:00 am.
- **Lunch** – Depart duty station prior to 10 am or return to duty station after 2 pm. If stopping for lunch would cause the employee to return after 2 pm, when he/she would otherwise have returned before 2 pm, lunch per diem will not be allowed.
- **Dinner** – Return to duty station at 8 pm. If stopping for dinner would cause the employee to return after 8 pm, when he/she would otherwise have returned before 8 pm, dinner per diem will not be allowed.

**The County credit card should not be used for meals related to travel, unless otherwise authorized by the County Manager.**

- **Miscellaneous** – The County does not reimburse for alcoholic beverages, in-room movies, room service or tips associated with room service (i.e., bellhop, maid, etc.).

**The County will not reimburse for Day Trips. The IRS states if no overnight stay is necessary for a trip, then untaxed meal reimbursements are not allowed.**

#### §10.6 Lodging

In general, most lodging will be arranged in advance, using a prior credit card authorization form related to the lodging location. It is best to confirm receipt of this form with hotel prior to check-in to avoid any hassle. Use fax machine to send credit card authorization, where possible. Where practical, county credit cards will be issued to administrative County Department Heads and Board of County Commissioners. Once the stay is completed and the credit card is charged, the detailed documentation, including itemized receipts are required to be returned to the Finance Office with proper supporting documentation immediately upon return. Inappropriate, unauthorized or unreported use of County credit cards will be grounds for disciplinary action. When traveling with family, if there is a difference between single and double occupancy rate, the County will only reimburse the employee or County official for the single rate.

Overnight lodging may only be authorized and paid to support business needs and final travel destinations that equal or exceed **50** miles (one way), calculated from the employee's home or duty station, whichever is less, to the final travel destination.

**If more than one employee is attending the training or conference, if of the same gender, they must share a double room.**

In order to reduce costs, employees must use discounts provided for the event or a government discount. Rooms are to be kept under \$250.00 per night maximum, excluding sales tax and fees. Travel authorizations may not be approved and returned to the department to find other lodging that meets the per night maximum.

#### **§10.7 Steps for Travel Reimbursement (Upon Return)**

Upon completion of any travel or reimbursable expenditure, each employee shall complete and submit the reimbursement column on the Request for Travel Form within ten (10) business days of expenditure. Also, the form must include any advance payment received in the "advance" column and any usage of the county credit card in the credit card column.

No reimbursement will be paid without a fully executed Request for Travel Form. All required documentation (verification of the event) and itemized receipts for the cost of lodging and related travel expenses must be attached for reimbursement and notated in the reimbursement column of the approved form.

- a. Lodging, hotel guarantees, or any other expenses charged to the County credit card should be noted on the Request for Travel Form in the Advanced Column. These amounts will be paid directly to the Card Company and not reimbursed to the employee or County official.
- b. Travel reimbursements are to be submitted to the Finance Office for review of all travel related transactions and advise the County Manager or Department Head of any apparent deviations from these procedures.
- c. The Finance Office will issue payment for balances due to the employee.
- d. In the event of a disallowed or excess expense claim, the Finance Office will return a copy of the reimbursement request and the employee must reimburse the County immediately.
- e. Thru the requisition process Finance Office will maintain a file of all Requests for Travel to ensure timely processing.

# Request for Board Action/RFB Contract Control Form



Columbus County Clerk to the Board  
127 W. Webster St.  
Whiteville, NC 28472  
Phone# 910-640-6640  
jana.nealey@columbusco.org

## Date of Request

9/9/2025

## Board Meeting Date Requested

9/15/2025

## Short Title

Finance – Approval of the Budget Amendments and Departmental Requisitions:

## Background

Finance Director Heather Woody is requesting approval of the following budget amendments and departmental requisitions:

- a. Finance – Computers (\$0)
- b. Finance – Temporary Worker (\$0)
- c. Building Inspections – Travel (\$0)
- d. Finance – Spilt EDC & Planning Budget (\$15,051)
- e. Position Control – Spilt EDC & Planning – No change in Employee Count
- f. Departmental Requisitions

## Specific Action Requested

Finance Director Heather Woody is requesting approval of the following budget amendments and departmental requisitions:

- a. Finance – Computers (\$0)
- b. Finance – Temporary Worker (\$0)
- c. Building Inspections – Travel (\$0)
- d. Finance – Spilt EDC & Planning Budget (\$15,051)
- e. Position Control – Spilt EDC & Planning – No change in Employee Count
- f. Departmental Requisitions

**Supporting Backup Documents**

Requisition 2600994.pdf

R2600851.pdf

R2600826.pdf

employee count-09102025150620.pdf

budget amendments 9.15.pdf

**Requested by**

Heather Woody

**Department**

Finance

**Title**

Director

**Email**

hwoody@columbusco.org

**Clerk Signature**

**Date Received**

**Board Chair/County Manager**

**Approved by Board**

☐ Yes ☐ No ☐ Pending



## DEPARTMENTAL BUDGET REALLOCATION

FY 25/26

Name of Department: FINANCE

Agency Head Signature:

Date Prepared: September 9, 2025

Date Received in Finance:

Budget Code			EXPENDITURES	Requested
Fund	Dept	Category	Classification	Increase or (Decrease)
010	4140	518100	FICA	(\$523)
010	4140	518300	INSURANCE CONTRIBUTION	(\$92)
010	4140	518200	RETIREMENT CONTRIBUTION	(\$981)
010	4140	526001	DEPARTMENTAL SUPPLIES	\$1,596
060	7111	518100	FICA	(\$52)
060	7111	518300	INSURANCE CONTRIBUTION	(\$13)
060	7111	518200	RETIREMENT CONTRIBUTION	(\$98)
060	7111	526001	DEPARTMENTAL SUPPLIES	\$163
061	7112	518100	FICA	(\$52)
061	7112	518300	INSURANCE CONTRIBUTION	(\$13)
061	7112	518200	RETIREMENT CONTRIBUTION	(\$98)
061	7112	526001	DEPARTMENTAL SUPPLIES	\$163
062	7113	518100	FICA	(\$52)
062	7113	518300	INSURANCE CONTRIBUTION	(\$13)
062	7113	518200	RETIREMENT CONTRIBUTION	(\$98)
062	7113	526001	DEPARTMENTAL SUPPLIES	\$163
063	7114	518100	FICA	(\$52)
063	7114	518300	INSURANCE CONTRIBUTION	(\$13)
063	7114	518200	RETIREMENT CONTRIBUTION	(\$98)
063	7114	526001	DEPARTMENTAL SUPPLIES	\$163
064	7115	518100	FICA	(\$52)
064	7115	518300	INSURANCE CONTRIBUTION	(\$13)
064	7115	518200	RETIREMENT CONTRIBUTION	(\$98)
064	7115	526001	DEPARTMENTAL SUPPLIES	\$163
			Total Net Expense	\$0

## Explanation of Increase or Decrease:

REALLOCATING UNUSED BENEFITS FOR COLLECTIONS EMPLOYEE TO PURCHASE TWO DESKTOP COMPUTERS

☒ This budget revision has been reviewed by the Columbus County Finance Officer.

Heather M. Woody

Signature

9/9/25

Date

☒ This budget revision has been reviewed by the Columbus County Budget Manager/County Manager:

Zhu Lin

Signature

9-10-25

Date

Notes:

This budget revision has been approved by the Board of Columbus County Commissioners on:



## DEPARTMENTAL BUDGET REALLOCATION

FY 25/26

Name of Department: FINANCE

Agency Head Signature:

Date Prepared: September 8, 2025

Date Received in Finance:

Budget Code			EXPENDITURES	Requested
Fund	Dept	Category	Classification	Increase or (Decrease)
010	4140	512100	SALARIES & WAGES - REGULAR	(\$3,418)
010	4140	519001	CONTRACTED SERVICES	\$3,418
060	7111	512100	SALARIES & WAGES - REGULAR	(\$684)
060	7111	519001	CONTRACTED SERVICES	\$684
061	7112	512100	SALARIES & WAGES - REGULAR	(\$684)
061	7112	519001	CONTRACTED SERVICES	\$684
062	7113	512100	SALARIES & WAGES - REGULAR	(\$684)
062	7113	519001	CONTRACTED SERVICES	\$684
063	7114	512100	SALARIES & WAGES - REGULAR	(\$684)
063	7114	519001	CONTRACTED SERVICES	\$684
064	7115	512100	SALARIES & WAGES - REGULAR	(\$684)
064	7115	519001	CONTRACTED SERVICES	\$684
			Total Net Expense	\$0

## Explanation of Increase or Decrease:

REALLOCATE SALARIES & WAGES TO CONTRACTED SERVICES FOR TEMPORARY WORKER FROM 9/5/25 TO 11/21/25 AS NEEDED IN FINANCE FOR ADDITIONAL HELP IN COLLECTION CENTER AND WITH AUDIT.

☒ This budget revision has been reviewed by the Columbus County Finance Officer.

Signature: *Heather M. Woody* Date: 9/8/25

☒ This budget revision has been reviewed by the Columbus County Budget Manager/County Manager:

Signature: *James H. Williams Jr.* Date: 9-9-25

Notes:

This budget revision has been approved by the Board of Columbus County Commissioners on:



## DEPARTMENTAL BUDGET REALLOCATION

FY 25/26

Name of Department: **BUILDING INSPECTIONS**

Agency Head Signature:

Date Prepared: September 9, 2025

Date Received in Finance:

[illegible]

**Explanation of Increase or Decrease:**

TRAVEL EXPENSES FOR CLASSES FOR STANDARDS

☒ This budget revision has been reviewed by the Columbus County Finance Officer.

Signature Heather M. Woodley

9-10-25  
Date

Date \_\_\_\_\_

This budget revision has been reviewed by the Columbus County Budget Manager/County Manager:

Signature

9-10-25  
Date

Date \_\_\_\_\_

Notes:

This budget revision has been approved by the Board of Columbus County Commissioners on:



## BUDGET AMENDMENT

FY 25/26

Name of Department: FINANCE / EDC &amp; PLANNING

Agency Head Signature: \_\_\_\_\_

Date Prepared: September 9, 2028

Date Received in Finance: \_\_\_\_\_

Budget Code			EXPENDITURES	Requested
Fund	Dept	Category	Classification	Increase or (Decrease)
010	4920	512100	SALARIES & WAGES - REGULAR	(\$94,643)
010	4910	512100	SALARIES & WAGES - REGULAR	\$109,894
010	4920	512700	SALARIES & WAGES - LONGEVITY	(\$699)
010	4910	512700	SALARIES & WAGES - LONGEVITY	\$499
010	4920	518100	FICA	(\$8,454)
010	4910	518100	FICA	\$8,454
010	4920	518200	RETIREMENT CONTRIBUTION	(\$15,859)
010	4910	518200	RETIREMENT CONTRIBUTION	\$15,859
010	4920	518300	INSURANCE CONTRIBUTION	(\$17,646)
010	4910	518300	INSURANCE CONTRIBUTION	\$17,646
010	4920	518910	CHRISTMAS BONUS	(\$120)
010	4910	518910	CHRISTMAS BONUS	\$120
010	4920	519003	OTHER PROFESSIONAL SERVICES	(\$48,000)
010	4910	519003	OTHER PROFESSIONAL SERVICES	\$48,000
010	4920	525105	GAS	(\$1,000)
010	4910	525105	GAS	\$1,000
010	4920	526000	OFFICE SUPPLIES	(\$400)
010	4920	526001	DEPARTMENTAL SUPPLIES	(\$1,600)
010	4910	526001	DEPARTMENTAL SUPPLIES	\$2,000
010	4920	531100	TRAVEL	(\$950)
010	4910	531100	TRAVEL	\$1,550
010	4920	532100	TELEPHONE	(\$3,180)
010	4910	532100	TELEPHONE	\$1,020
010	4210	526002	INTERNET SERV FOR COUNTY	\$2,160
010	4920	532101	POSTAGE	(\$300)
010	4910	532101	POSTAGE	\$300
010	4920	537000	ADVERTISING	(\$828)
010	4910	537000	ADVERTISING	\$828
010	4920	549100	DUES & SUBSCRIPTIONS	(\$60)
010	4910	549100	DUES & SUBSCRIPTIONS	\$60
010	4920	551000	CAPITAL OUTLAY - OFFICE EQUIP	(\$600)
			Total Net Expense	\$15,051

Budget Code			REVENUES	Requested
Fund	Dept	Category	Classification	Increase or (Decrease)
010	3485	44102	PLANNING FEES	(\$37,300)
010	3491	44102	PLANNING FEES	\$52,351
			Total Net Revenue	\$15,051

## Explanation of Increase or Decrease:

REALLOCATING THE BUDGET FOR ECONOMIC DEVELOPMENT TO SEPARATE PLANNING INTO ITS OWN DEPARTMENT

☒ This budget revision has been reviewed by the Columbus County Finance Officer.

 Signature: *Heather M. Woody*

Date: 9/10/25

☐ This budget revision has been reviewed by the Columbus County Budget Manager/County Manager:

 Signature: *[Signature]*

Date: 9.10.25

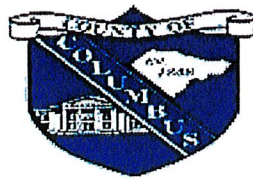
Notes:

This budget revision has been approved by the Board of Columbus County Commissioners on:

Signature: \_\_\_\_\_

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





# APPENDIX A

Department Name	Full Time Budgeted Postions	Part Time Budgeted Postions
Governing Body	1	7
Administration	3	0
Personnel	2	0
Finance/Collections Center	13	0
Tax Administration	17	0
Attorney	5	0
Board of Elections*	3	3
Register of Deeds	5	0
MIS	6	0
Facility Services	19	0
Sheriff's Office & GHSP	95	3
Detention Center	56	7
Animal Protective Services	8	0
Emergency Services	5	0
Fire Marshal	2	0
911 Operations	17	0
Airport	1	1
Building Inspections	5	0
EDC	1	0
Planning	2	0
Cooperative Extension	11	0
Soil Conservation	4	0
Health Dept	52	1
Social Services	128	0
Veterans	2	0
Library	20	3
Recreation	6	0
Aging	36	18
Opioid Settlement/Drug Court	1	0
HUD	4	0
Transportation	1	0
Public Utilites**	13	0
Solid Waste	6	13
Teen Court***	0	2
Total Postions	550	58

\*PT positions in Elections may vary based on election timeline for poll workers.

\*\*Public Utilities has 3 employees that are used in Solid Waste also.

\*\*\*Employees funded by the State JCPC Program

Version Updated 9.15.25

Columbus County  
 127 W. Webster Street  
 Whiteville, NC 28472  
 TEL (910)640-6611

REQUISITION	
NO.	R2600994

S H I P  T O	Sheriff 817 Washington St., 1st Floor Whiteville, NC 28472
V E N D O R	VENDOR #: PRIDG005 PRIDGEN BROTHERS CONTRACTORS I PO BOX 39 720 DAVIS AVE WHITEVILLE, NC 28472

ORDER DATE: 09/11/25  
 DELIVERY DATE:  
 STATE CONTRACT:  
 F.O.B. TERMS: Destination

QTY/UNIT	DESCRIPTION	ACCOUNT NO.	UNIT PRICE	TOTAL COST
1.00	HVAC Repair - Jail	095-4379-550000	28,302.0000	28,302.00
			TOTAL	28,302.00

REQUESTING DEPARTMENT

DATE

# Columbus County

127 W. Webster Street  
Whiteville, NC 28472  
TEL (910)640-6611

## REQUISITION

NO.

R2600851

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VENDOR #: JOHNS027

JOHNSON CONTROLS INC  
PO BOX 730068  
DALLAS, TX 75373-0068

ORDER DATE: 08/22/25  
DELIVERY DATE:  
STATE CONTRACT:  
F.O.B. TERMS: Destination

QTY/UNIT	DESCRIPTION	ACCOUNT NO.	UNIT PRICE	TOTAL COST
1.00	Total job price per contract	020-5927-550045	353,241.8200	353,241.82
			TOTAL	353,241.82

**APPROVED**

BY: 

REQUESTING DEPARTMENT

DATE

Columbus County  
127 W. Webster Street  
Whiteville, NC 28472  
TEL (910)640-6611

REQUISITION	
NO.	R2600826

SHIP TO	290 Legion Dr Whiteville, NC 28472
VENDOR	VENDOR #: INTER037
	INTERSTATE TRANSPORTATION SALE 1321 WEST FAIRFIELD RD SUITE 1 HIGH POINT, NC 27263

ORDER DATE: 08/19/25  
DELIVERY DATE:  
STATE CONTRACT:  
F.O.B. TERMS: Destination

QTY/UNIT	DESCRIPTION	ACCOUNT NO.	UNIT PRICE	TOTAL COST
1.00	Replacement Vehicles	068-4520-550000	250,000.0000	250,000.00
			TOTAL	250,000.00

**APPROVED**

BY: 

REQUESTING DEPARTMENT

DATE