

**FIRST AMENDMENT TO INTERLOCAL AGREEMENT  
BETWEEN ORANGE COUNTY AND THE TOWN OF  
HILLSBOROUGH FOR CONSTRUCTION AND OPERATION  
OF WATER AND SEWER FACILITIES IN THE  
HILLSBOROUGH AREA ECONOMIC DEVELOPMENT  
DISTRICT OF ORANGE COUNTY**

This is the First Amendment (“First Amendment”) to the “Interlocal Agreement Between Orange County and the Town of Hillsborough for Construction and Operation of Water and Sewer Facilities in the Hillsborough Area Economic Development District of Orange County” (the “Interlocal Agreement”) which Interlocal Agreement is dated, made, and entered into as of the 25<sup>th</sup> day of September, 2017, by the Town of Hillsborough, a North Carolina municipal corporation ("Hillsborough," "Town" or "Town of Hillsborough") and Orange County, a North Carolina political subdivision ("County," "Orange" or "Orange County").

This First Amendment is entered into as of the \_\_ day of September, 2022.

**RECITALS**

WHEREAS the Town and the County entered into the Interlocal Agreement dated September 25, 2017; and

WHEREAS the Interlocal Agreement has a term of five (5) years which will expire on September 25, 2022 unless further extended by mutual agreement of the Town and the County; and

WHEREAS the purposes stated in the Interlocal Agreement have not yet been accomplished, but the Town and the County continue to work toward accomplishing those purposes and, therefore, desire to extend the term of the Interlocal Agreement as set forth herein and to otherwise amend the Interlocal Agreement as set forth in this First Amendment.

NOW, THEREFORE, based on the foregoing premises and the mutual promises stated herein, and for other good and valuable consideration the receipt and sufficiency of which are acknowledged by the Town and the County, it is agreed as follow

1. With respect to paragraph 3 of the Interlocal Agreement, entitled “Construction”, the Town of Hillsborough will pay only its pro-rate share of engineering services for those sections of the water infrastructure lying outside the boundaries of the County’s Economic Development zone, and the County will pay its pro-rate share of engineering services for those sections of the water and/or sewer infrastructure lying within the County’s Economic Development Zone. The County will also pay the full cost of construction and construction engineering and inspection for the water “loop” line proposed to connect the water line serving the County’s Economic Development Zone to the Town’s existing water infrastructure located in or adjacent to New Grady Brown School Road in order to ensure sufficient water pressure and redundancy to accommodate the anticipated intensity of development in the County’s Economic Development Zone.

2. With respect to paragraph 12 of the Interlocal Agreement, the term of the Interlocal Agreement, as amended by this First Amendment, shall be extended until midnight on December 31, 2022, so that the reservation of water capacity and sewer capacity (108,000 gallons per day, each) as set forth in paragraph 4 of the Interlocal Agreement shall remain in effect until midnight on December 31, 2022 unless sooner terminated or further extended by written agreement of the parties. Provided, however, if the Town schedules a public hearing to consider the voluntary annexation of an area within the County Economic Development Zone before December 31, 2022, then the Interlocal Agreement as amended by this First Amendment shall terminate without any further action by the Town of the County.
3. Except as expressly amended by this First Amendment, the terms of the Interlocal Agreement shall remain in full force and effect.

AGREED TO AS OF the \_\_\_ day of September, 2022.

ORANGE COUNTY, a North Carolina County

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

TOWN OF HILLSBOROUGH,  
A North Carolina municipality

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