

**NORTH CAROLINA
ORANGE COUNTY**

**INTERLOCAL AGREEMENT
RELATING TO OWASA'S ASSISTANCE TO ORANGE COUNTY IN PLANNING FOR
EXTENSION OF WASTEWATER SYSTEM IMPROVEMENTS TO SERVE THE
ROGERS ROAD AREA**

This Interlocal Agreement for the preliminary engineering for a wastewater system project in the Rogers Road Area is dated as of June 3, 2014, and is entered into by and between Orange Water and Sewer Authority (hereinafter OWASA), an authority organized under Chapter 162A, North Carolina General Statutes, and the County of Orange (hereinafter County), organized under Chapter 153A of the North Carolina General Statutes.

WHEREAS, the County desires at its expense to begin planning for the provision of wastewater system lines and facilities to serve residents located in the Rogers Road area of southern Orange County, herein the "Project," which will be connected to lines in areas already served by OWASA's existing public wastewater collection lines and facilities; and,

WHEREAS, the County is to determine the scope of the Project; and

WHEREAS, the County desires to obtain OWASA's assistance to obtain preliminary engineering work necessary to determine the scope and predict the costs of this Project, to the end that the Project improvements will be constructed and extended in accordance with OWASA's collection system standards, into which the Project lines will flow; and

WHEREAS, OWASA desires and is willing to assist the County with the successful completion of this Project work;

NOW, THEREFORE, the parties agree as follows:

1. Purpose. The purpose of this Agreement is to establish the financial and other responsibilities of the parties for certain preliminary engineering necessary to determine the

scope of the Project, as will be described in Exhibit A, as the same may be revised from time to time by the parties.

2. Preliminary Engineering Activities.

a. OWASA shall undertake to prepare or have prepared preliminary engineering work to assist the County in determining the scope, location, design, and course of work that will be necessary to complete the Project. To the extent known and available at the time this Agreement is executed, the nature and extent of the Project shall be as described in Exhibit A, to be attached. If not available at the time this Agreement is executed, Exhibit A may be hereafter provided, or amended from time to time, by the parties, at the County's direction.

b. OWASA shall employ engineers and consultants as necessary to assist in this work. OWASA's staff may also assist in this work. OWASA shall be solely responsible for costs incurred by its own staff work. Orange County shall reimburse OWASA for the costs of work by outside engineers and consultants engaged by OWASA, with the County's concurrence, for this work.

c. Design plans for the Project shall be consistent with OWASA's usual standards and specifications, and shall be executed in accordance with OWASA's usual procedures, as well as with the County's directions as to scope of the Project facilities. OWASA shall develop the draft scope for this preliminary engineering work; provided, both the County and OWASA shall approve the final scope of work for the preliminary engineering work for the Project.

d. The costs of the preliminary engineering for the Project shall initially be paid for by OWASA. Upon receipt of OWASA's invoices to recover the costs for this work, the County shall reimburse OWASA for all costs associated with the preliminary engineering work

for the Project. OWASA shall be solely responsible for the costs of its own staff's work in coordinating the preliminary engineering work for the Project.

e. In order to ensure proper and effective project management, the engineering consultant and any sub-consultants shall report to OWASA staff who shall work closely with County staff to ensure the County's requirements for the Project are met. In the event of any apparent conflicts between the County's and OWASA's requirements, the parties shall work together to find reasonable compromise and accommodations for the Project, consistent with OWASA's service standards.

f. In close coordination with OWASA and consistent with the need for effective project management, the County Staff will have full access to the engineering consultant(s) and all relevant sub-contractors, who, at the County's request, shall meet with the County representatives or otherwise provide any information needed by the County on any aspect of the Project. OWASA will authorize the engineering and consultant(s) and subcontractors to meet with County representatives and to provide any information needed by the County on any aspect of the Project.

g. The County shall be responsible for contracting with and coordinating community outreach partnering with organizations such as the Jackson Center and Rogers Eubanks Neighborhood Association to identify action steps to provide information and assistance concerning the Project to the Rogers Road neighborhood.

h. Costs for the Project shall not exceed one hundred thirty thousand dollars (\$130,000.00). Should the parties anticipate costs will exceed this amount the parties shall consider an amendment to this Interlocal Agreement to address the cost increase.

3. Ownership Interests of the Parties; Duration of Agreement; Funding; Miscellaneous.

a. Upon satisfactory completion of the Project, OWASA shall retain title to products and deliverables obtained pursuant to this Agreement, and shall share such deliverables with the County as the County may request.

b. The preliminary engineering responsibilities and obligations of the parties shall continue until this phase of Project planning is completed.

c. The County shall allocate sufficient funds to pay for all the expenses actually incurred, and for which it is responsible under the scope of this agreement.

d. Both parties agree that it may be necessary to change the scope of work for the engineering consultant(s) required for the Project, and that any such changes must be approved by both parties. However, OWASA shall keep the County fully advised with respect to all change orders necessary for completion of the Project.

e. Payment of the engineering consultant(s) will be administered and made by OWASA. The County will be invoiced monthly and will reimburse OWASA in full within 30 days for all expenses related to this Project.

f. Each party will designate a single point of contact for the day-to-day administration for all aspects of this agreement for the express purpose of efficient project management. It will be the responsibility of this contact person to disseminate information to their respective organizations.

g. Both parties recognize the importance of timely reviews and approvals. Each party will use their best efforts to provide and complete responses to issues dealing with plan reviews, proposed change orders, payment, and project acceptance.

4. Amendments.

All amendments to this agreement shall be approved by both parties and must be in writing. No amendments not in writing and executed with the formalities of this Agreement shall be valid.

5. Trust and Support; Cooperative Effort.

Both parties agree that there are many issues and details relating to the successful completion of this project which are not specifically covered in this agreement. Both parties further agree to observe as a guiding principle, "trust and support," with respect to successfully resolving any issues which may arise during the duration of this agreement.

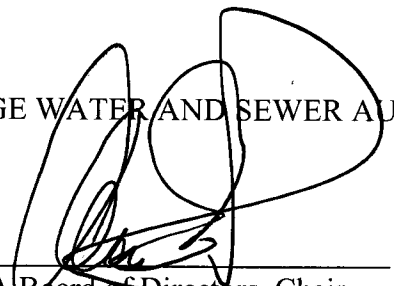
IN WITNESS WHEREOF, the parties have entered into and caused to be executed in their names this Interlocal Agreement, to be effective from and after this 10 day of June, 2014.

ORANGE COUNTY



Orange County Commissioners, Chair

ORANGE WATER AND SEWER AUTHORITY



OWASA Board of Directors, Chair

Pre-audit Certification by
County Finance Officer:



Clara A. Lane

Pre-audit Certification by
OWASA Finance Officer:

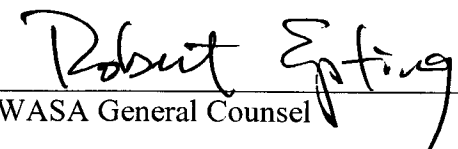


6/11/14

Approved as to form and legality:



Orange County Attorney



OWASA General Counsel



Historic Rogers Road
Exhibit A