

**STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE**

MODIFICATION AGREEMENT

This Modification Agreement made and entered into effective as of the ____ day of _____, 2018 by and between County of Buncombe, a political subdivision of the State of North Carolina (hereinafter sometimes "County") and City of Asheville, a North Carolina Municipal Corporation (hereinafter sometimes referred to as "City").

Witnesseth:

Whereas, the County and the City have power pursuant to General Statutes §153A-445 and Article 20 of Chapter 160A of the North Carolina General Statutes to jointly exercise any function which they have been granted the power to exercise alone and to enter into contracts or agreements to specify the details of these joint undertakings;

Whereas, on or about June 28, 2005 County and City did enter into and execute an Agreement ("Agreement") for County to bill and collect taxes for both the County and City; and

Whereas, County and City mutually desire to enter into this Modification Agreement.

Now Therefore, County and City, for valuable consideration each to the other paid, the receipt and sufficiency of which is hereby acknowledged, do hereby acknowledge and agree as follows:

A. That Paragraph 3 of said Agreement is deleted and replaced with the following:

"That for its services in billing and collecting City taxes for Fiscal Year 2019, the City will pay the County a flat fee of \$795,000 payable in four quarterly payments of \$198,750 beginning July 1, 2018."

B. That Paragraph 4 of said Agreement is deleted and replaced with the following:

"That from November 1, 2018 through January 15, 2019 the portion of tax collections to which the City is entitled shall be paid to the City by electronic transfer into the City's North Carolina Capital Management Trust Account (herein "NCCMT") on a daily basis. For purposes of this Agreement "daily basis" shall mean that all tax collections presented to the County Finance Department and belonging to the City shall be deposited in the City's NCCMT by 2:00pm. of the next business working day. During the remainder of the term of Fiscal Year 2019 tax collection payments to which the City is entitled shall be paid in like manner by weekly electronic transfer on Mondays for the preceding

week's receipts. Further, should any payment not be received within the time frame specified in this paragraph 4., the City shall be entitled to receive interest lost for late payments into the City's NCCMT from the County calculated as to the date and rate they would have received from the City's NCCMT. It is agreed that upon request in writing by the County Finance Director, the City Finance Director shall have the ability to waive the lost interest from late payments if the County has a reasonable explanation for the late payment. The waiver of the City Finance Director shall not be unreasonably withheld."

- C. The term of this Modification Agreement shall be limited to Fiscal Year 2019 running from July 1, 2018 through and including June 30, 2019. The parties hereto anticipate negotiating and entering into a new collections agreement prior to the end of this term.

That each and every other of the terms and conditions of the said Agreement dated June 28, 2005 remain in full force and effect except as modified herein.

In Witness Whereof, the parties have caused the due execution of the foregoing instrument as of the date and year first written above.

[Signature Pages Follow]

BUNCOMBE COUNTY

By: _____
Mandy Stone, County Manager

ATTEST:

Kathy Hughes, Clerk to the Board

By: _____
Buncombe County Tax Collector

CITY OF ASHEVILLE

By: _____
Cathy Ball, Interim City Manager

ATTEST:

Magdalen Burleson, City Clerk

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

I, _____, a Notary Public in and for the aforesaid County and State, do hereby certify that Kathy Hughes, COUNTY CLERK, personally came before me this day and duly acknowledged that she is the duly appointed CLERK TO THE BOARD OF COMMISSIONERS of the COUNTY OF BUNCOMBE; that _____, personally appeared before me this day and duly acknowledged that he is the duly appointed TAX COLLECTOR of the COUNTY OF BUNCOMBE; and that Mandy Stone is the COUNTY MANAGER of the COUNTY OF BUNCOMBE and that this Modification Agreement, along with the original Agreement executed on June 28, 2005, constitute the full extent of the contract and/or agreement duly adopted and recorded upon the official minutes; that the foregoing instrument was duly signed in the name of the COUNTY OF BUNCOMBE by said COUNTY MANAGER, sealed with its corporate seal, and attested by herself as its CLERK, as the act and deed of the COUNTY OF BUNCOMBE, all by authority duly given by its governing body.

WITNESS my hand and Notarial Seal, this the ____ day of _____, 2018.

Notary Public

My Commission Expires: _____

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

I, _____, a Notary Public in and for the aforesaid County and State, do hereby certify that Magdalen Burleson, CITY CLERK, personally came before me this day and duly acknowledged that she is the duly appointed CITY CLERK of the CITY OF ASHEVILLE, and that this Modification Agreement, along with the the original Agreement executed on June 28, 2005, constitute the full extent of the contract and/or agreement duly adopted and recorded upon the official minutes; that the foregoing instrument was duly signed in the name of the CITY OF ASHEVILLE by its CITY MANAGER, Cathy Ball, sealed with its corporate seal, and attested by herself as its CITY CLERK, as the act and deed of the CITY OF ASHEVILLE, all by authority duly given by its governing body.

WITNESS my hand and Notarial Seal, this the ____ day of _____, 2018.

Notary Public

My Commission Expires: _____

By: _____
Cathy Ball, Interim City Manager

ATTEST:

Magdalen Burleson, City Clerk