

SECOND AMENDMENT TO THE
INTER-LOCAL AGREEMENT FOR WATER SUPPLY
NEUSE REGIONAL WATER AND SEWER AUTHORITY

THIS SECOND AMENDMENT TO THE INTER-LOCAL AGREEMENT FOR WATER SUPPLY (hereinafter referred to as the "Amendment") is made and entered into as of the 23 day of Aug., 2004, by and between the NEUSE REGIONAL WATER AND SEWER AUTHORITY, a body corporate and politic ("Authority") and the following entities:

City of Kinston ("Kinston")
Town of La Grange ("La Grange")
Town of Pink Hill ("Pink Hill")
North Lenoir Water Corporation ("North Lenoir")
Deep Run Water Corp. ("Deep Run")
Bell Arthur Water Corporation ("BAWC")
Town of Ayden ("Ayden"), and
Town of Grifton ("Grifton")
(hereinafter collectively "the Member Entities")

WITNESSETH:

WHEREAS the Member Entities heretofore entered into the Inter-Local Agreement for Water Supply ("Agreement"), reference to the Agreement hereby is made, the Agreement specifically is incorporated herein by this reference, and, except as otherwise defined herein, the defined terms used in the Agreement shall have the same meaning herein; and,

WHEREAS, the Member Entities wish to document certain changes in the Agreement as set forth below.

NOW, THEREFORE, the Agreement is amended as follows:

1. Add "Town of La Grange ("La Grange")" to the list of entities in Paragraph 1.

2. Exhibit A reads as rewritten:

"Exhibit A

Full Water Requirement and Minimum Water Purchase

Member Entity	Full Water Requirement (MGD) ¹	Minimum Water Purchase (per month) MG ²
City of Kinston	4.094	93.394
Town of La Grange	0.351	8.007
Town of Pink Hill	0.087	1.985
North Lenoir Water Corporation	1.194	27.238
Deep Run Water Corp.	0.992	22.630
Bell Arthur Water Corporation	0.722	16.471
Town of Ayden	0.515	11.748
Town of Grifton	0.193	4.403

¹ Full Water Requirements based on 2002 consumption in millions of gallons per day (MGD).

²Based on 75 percent of the Full Water Requirements over a one month period."

3. Except as herein expressly modified and amended, the terms and provisions of the Agreement hereby are ratified and confirmed.

IN TESTIMONY WHEREOF, each Member Entity has caused this Amendment to be executed in its corporate name by its Mayor or President and its seal to be hereunto affixed and attested by its City Clerk or Secretary; and the Authority has caused this Amendment to be executed in its corporate name by its Chairman and its seal to be hereunto affixed and attested by its Secretary, all as of the date first above written.

NEUSE REGIONAL WATER AND SEWER
AUTHORITY

By: Wayne D. Malone
Chairman

[SEAL]

J. Allen Parry
Secretary

CITY OF KINSTON

By: _____
Mayor

[SEAL]

City Clerk

TOWN OF LA GRANGE

By: _____
Mayor

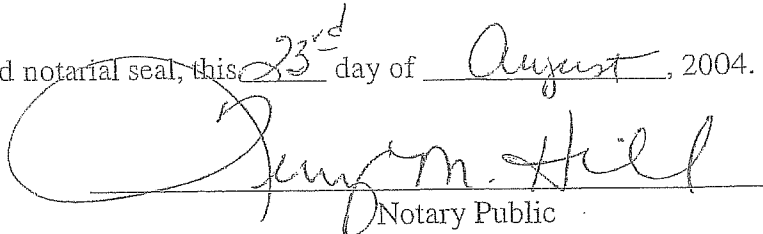
[SEAL]

Town Clerk

STATE OF NORTH CAROLINA
COUNTY OF Lenoir

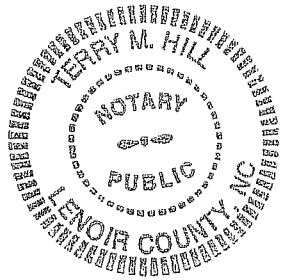
I, Terry M. Hill, a notary public in and for said county and state, do hereby certify that on the 23rd day of August, 2004 before me personally appeared Wayne D. Malone, who, being by me duly sworn, says that he is the Chairman of the NEUSE REGIONAL WATER AND SEWER the Authority, a political subdivision of the State, and that J. Allen Parrott is the Secretary of the NEUSE REGIONAL WATER AND SEWER AUTHORITY, the body politic described in and which executed the foregoing instrument; that he knows its common seal; that the seal affixed to the foregoing instrument is said common seal; that the name of said body politic was subscribed thereto by the said Secretary; that the said common seal was affixed, all by order of its and that the said instrument is its act and deed.

WITNESS my hand and notarial seal, this 23rd day of August, 2004.


Notary Public

My Commission Expires:

2/26/05



Notary seal or stamp must appear within above box.

3. Except as herein expressly modified and amended, the terms and provisions of the Agreement hereby are ratified and confirmed.

IN TESTIMONY WHEREOF, each Member Entity has caused this Amendment to be executed in its corporate name by its Mayor or President and its seal to be hereunto affixed and attested by its City Clerk or Secretary; and the Authority has caused this Amendment to be executed in its corporate name by its Chairman and its seal to be hereunto affixed and attested by its Secretary, all as of the date first above written.

NEUSE REGIONAL WATER AND SEWER
AUTHORITY

By: _____
Chairman

[SEAL]

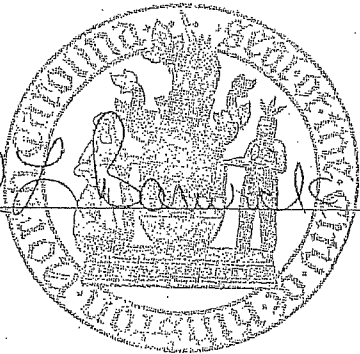
Secretary

CITY OF KINSTON

By: Johnnie Moolay
Mayor

[SEAL]

Paul H. Samuel
City Clerk



TOWN OF LA GRANGE

By: _____
Mayor

[SEAL]

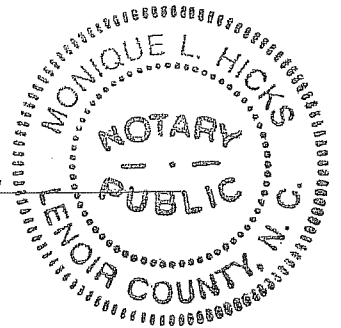
Town Clerk

STATE OF NORTH CAROLINA
COUNTY OF LENOIR

I, MONIQUE L. HICKS, a Notary Public in and for said County and State, do hereby certify that on the 1st day of October, 2004, before me personally appeared Johanic Mosley with whom I am personally acquainted, who, being by me duly sworn, says that he is Mayor and that Carol L. Borewick is Town Clerk of the CITY OF KINSTON, the municipal corporation described in and which executed the foregoing instrument; that he knows the common seal of said municipal corporation; that the seal affixed to the foregoing instrument is said common seal; that the name of the municipal corporation was subscribed thereto by the said Mayor; that the said Mayor and Town Clerk subscribed their names thereto and the said common seal was affixed, all by authority of the governing body of said municipal corporation; and that the said instrument is the act and deed of said municipal corporation.

WITNESS my hand and notarial seal, this the 1st day of October, 2004.

Monique L. Hicks
Notary Public



My Commission Expires:

July 4, 2006

Notary seal or stamp must appear within above box.

3. Except as herein expressly modified and amended, the terms and provisions of the Agreement hereby are ratified and confirmed.

IN TESTIMONY WHEREOF, each Member Entity has caused this Amendment to be executed in its corporate name by its Mayor or President and its seal to be hereunto affixed and attested by its City Clerk or Secretary; and the Authority has caused this Amendment to be executed in its corporate name by its Chairman and its seal to be hereunto affixed and attested by its Secretary, all as of the date first above written.

NEUSE REGIONAL WATER AND SEWER
AUTHORITY

By: _____
Chairman

[SEAL]

Secretary

CITY OF KINSTON

By: _____
Mayor

[SEAL]

City Clerk

TOWN OF LA GRANGE

By: Woodard H. Buckley
Mayor

[SEAL]

Phyllis J. Harrison
Town Clerk

STATE OF NORTH CAROLINA
COUNTY OF LENOIR

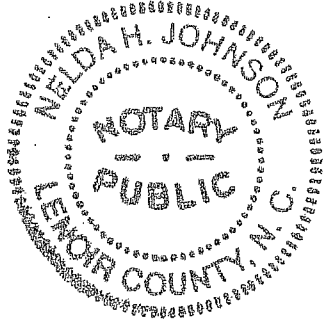
I, Nelda H. Johnson, a Notary Public in and for said County and State, do hereby certify that on the 23 day of August, 2004, before me personally appeared Woodard H. Gurley with whom I am personally acquainted, who, being by me duly sworn, says that he is Mayor and that Phyllis T. Harrison is Town Clerk of the TOWN OF LA GRANGE, the municipal corporation described in and which executed the foregoing instrument; that he knows the common seal of said municipal corporation; that the seal affixed to the foregoing instrument is said common seal; that the name of the municipal corporation was subscribed thereto by the said Mayor; that the said Mayor and Town Clerk subscribed their names thereto and the said common seal was affixed, all by authority of the governing body of said municipal corporation; and that the said instrument is the act and deed of said municipal corporation.

WITNESS my hand and notarial seal, this the 23 day of August, 2004.

Nelda H. Johnson
Notary Public

My Commission Expires:

October 5, 2007



Notary seal or stamp must appear within above box.

BELL ARTHUR WATER CORPORATION

By: Glenn Stinebaugh
President

ATTEST:

V. E. De
Secretary

[CORPORATE SEAL]

TOWN OF AYDEN

By: _____
Mayor

[SEAL]

Town Clerk

TOWN OF GRIFTON

By: _____
Mayor

[SEAL]

Town Clerk

STATE OF NORTH CAROLINA
COUNTY OF Pitt

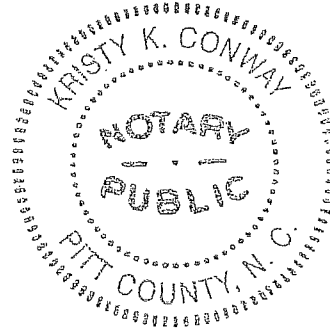
I, Kristy K. Conway, a Notary Public in and for said County and State, do hereby certify that on the 26th day of July, 2004, before me personally appeared Glenn Stockland with whom I am personally acquainted, who, being by me duly sworn, says that he is the President and that Virgil O'Neal is the Secretary of BELL ARTHUR WATER CORPORATION, the corporation described in and which executed the foregoing instrument; that he knows the common seal of said corporation; that the seal affixed to the foregoing instrument is said common seal; that the name of the corporation was subscribed thereto by the said Stockland President; that the said Stockland President and the Secretary subscribed their names thereto and the said common seal was affixed, all by authority of the Board of Directors of said corporation; and that the said instrument is the act and deed of said corporation.

WITNESS my hand and notarial seal, this the 26th day of July, 2004.

K. K. Conway
Notary Public

My Commission Expires:

5/6/08



Notary seal or stamp must appear within above box.

BELL ARTHUR WATER CORPORATION

By: _____
President

ATTEST:

Secretary

[CORPORATE SEAL]

TOWN OF AYDEN

By: Steph W. Long
Mayor

[SEAL]

Donna C. Bridges
Town Clerk

TOWN OF GRIFTON

By: _____
Mayor

[SEAL]

Town Clerk

STATE OF NORTH CAROLINA
COUNTY OF PITT

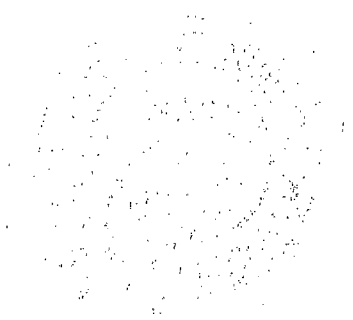
I, Cynthia W. Dunn, a Notary Public in and for said County and State, do hereby certify that on the 13th day of September, 2004, 2004, before me personally appeared Stephen W. Tripp with whom I am personally acquainted, who, being by me duly sworn, says that he is Mayor and that Dorothy C. Bridges is Town Clerk of the TOWN OF AYDEN, the municipal corporation described in and which executed the foregoing instrument; that he knows the common seal of said municipal corporation; that the seal affixed to the foregoing instrument is said common seal; that the name of the municipal corporation was subscribed thereto by the said Mayor; that the said Mayor and Town Clerk subscribed their names thereto and the said common seal was affixed, all by authority of the governing body of said municipal corporation; and that the said instrument is the act and deed of said municipal corporation.

WITNESS my hand and notarial seal, this the 13th day of September, 2004.

Cynthia W. Dunn
Notary Public

My Commission Expires:

March 19, 2008



Notary seal or stamp must appear within above box.

BELL ARTHUR WATER CORPORATION

By: _____
President

ATTEST:

Secretary

[CORPORATE SEAL]

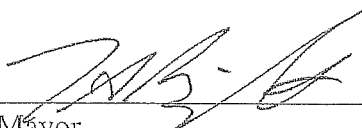
TOWN OF AYDEN

By: _____
Mayor

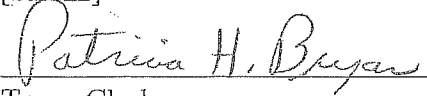
[SEAL]

Town Clerk

TOWN OF GRIFTON

By: 
Mayor

[SEAL]


Town Clerk

STATE OF NORTH CAROLINA
COUNTY OF PITT

CERTIFICATION OF THE TOWN CLERK

I hereby certify that I am the duly appointed and acting Town Clerk of the Town/County of Grifton, North Carolina, and as such I am the legal custodian of the record of the Official Minutes and Records of the Town/County of Grifton, North Carolina. I further attest and certify that the attached photo static reproduction is a copy of the original Resolution adopted by the Town/County Council/Board of the Town/County of Grifton on September 14, 2004, after a public hearing regarding the same, and after notice of such public hearing was published, at least once and at least 10 days prior to the public hearing, in a newspaper having a general circulation in the Town/County of Grifton, as the same appears in the Official Records in the office of the Town/County of Grifton, North Carolina.

IN WITNESS WHEREOF, I have hereunto set my hand and hereunto set the official seal of the Town/County of Grifton, this the 15th day of September, 2004.



Patricia H. Bryan
Patricia H Bryan, Town/County Clerk
Town/County of Grifton, North Carolina

TOWN OF PINK HILL

By: Cathy Mitchell
Mayor

[SEAL]

Debra Castella
Town Clerk

NORTH LENOIR WATER CORPORATION

By: _____

President

ATTEST:

Secretary

[CORPORATE SEAL]

DEEP RUN WATER CORP.

By: _____

President

ATTEST:

Secretary

[CORPORATE SEAL]

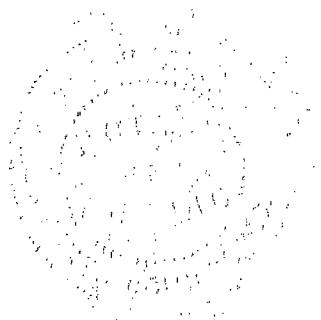
STATE OF NORTH CAROLINA
COUNTY OF LENOIR

I, Pat Whaley, a Notary Public in and for said County and State, do hereby certify that on the _____ day of _____, 2004, before me personally appeared ANTHONY MITCHELL with whom I am personally acquainted, who, being by me duly sworn, says that he is Mayor and that DEVORA CASTELLANO is Town Clerk of the TOWN OF PINK HILL, the municipal corporation described in and which executed the foregoing instrument; that he knows the common seal of said municipal corporation; that the seal affixed to the foregoing instrument is said common seal; that the name of the municipal corporation was subscribed thereto by the said Mayor; that the said Mayor and Town Clerk subscribed their names thereto and the said common seal was affixed, all by authority of the governing body of said municipal corporation; and that the said instrument is the act and deed of said municipal corporation.

WITNESS my hand and notarial seal, this the 12 day of August, 2004.

Pat Whaley
Notary Public

My Commission Expires:
2-2-09



Notary seal or stamp must appear within above box.

TOWN OF PINK HILL

By: _____
Mayor

[SEAL]

Town Clerk

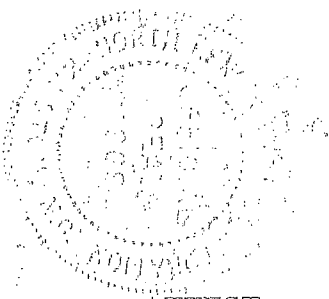
NORTH LENOIR WATER CORPORATION

By: John W. Pope
President

ATTEST:

W. Rash Taylor
Secretary

[CORPORATE SEAL]



ATTEST:

Secretary

[CORPORATE SEAL]

DEEP RUN WATER CORP.

By: _____
President

STATE OF NORTH CAROLINA
COUNTY OF LENOIR

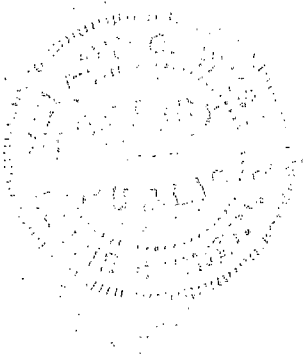
I, Melany C. West, a Notary Public in and for said County and State, do hereby certify that on the 15th day of October, 2004, before me personally appeared John W. Pope with whom I am personally acquainted, who, being by me duly sworn, says that he is _____ President and that N. Ralph Taylor is _____ Secretary of NORTH LENOIR WATER CORPORATION, the corporation described in and which executed the foregoing instrument; that he knows the common seal of said corporation; that the seal affixed to the foregoing instrument is said common seal; that the name of the corporation was subscribed thereto by the said _____ President; that the said _____ President and _____ Secretary subscribed their names thereto and the said common seal was affixed, all by authority of the Board of Directors of said corporation; and that the said instrument is the act and deed of said corporation.

WITNESS my hand and notarial seal, this the 15th day of October, 2004.

Melany C. West
Notary Public

My Commission Expires:

9-1-2009



Notary seal or stamp must appear within above box.

TOWN OF PINK HILL

By: _____
Mayor

[SEAL]

Town Clerk

NORTH LENOIR WATER CORPORATION

By: _____

President

ATTEST:

Secretary

[CORPORATE SEAL]

DEEP RUN WATER CORP.

By: *Sam R. Stead*

President

ATTEST:

Gay F. King

Secretary

[CORPORATE SEAL]

STATE OF NORTH CAROLINA
COUNTY OF Lenoir

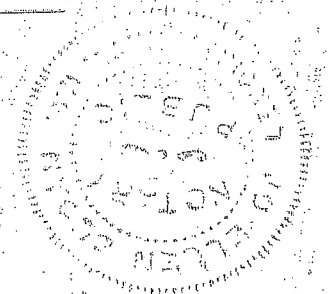
I, Opella Sloan, a Notary Public in and for said County and State, do hereby certify that on the 9 day of July, 2004, before me personally appeared Larry Okraud with whom I am personally acquainted, who, being by me duly sworn, says that he is the President and that Gay Kennedy is the Secretary of DEEP RUN WATER CORP., the corporation described in and which executed the foregoing instrument; that he knows the common seal of said corporation; that the seal affixed to the foregoing instrument is said common seal; that the name of the corporation was subscribed thereto by the said the President; that the said the President and the Secretary subscribed their names thereto and the said common seal was affixed, all by authority of the Board of Directors of said corporation; and that the said instrument is the act and deed of said corporation.

WITNESS my hand and notarial seal, this the 9th day of July, 2004.

Opella Sloan
Notary Public

My Commission Expires:

July 9, 2007



Notary seal or stamp must appear within above box.