

STATE OF NORTH CAROLINA
COUNTY OF CHATHAM

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (this "Agreement") is made and entered into this the 3rd day of November, 2014 by and between Chatham County (the "County") and Chatham County Board of Education (the "Board").

WITNESSETH:

WHEREAS, in May of 2001, the County appropriated approximately \$1,224,500 of Chatham County School Impact Fee funds ("School Impact Fee Funds") to the Board to be used for the purchase of real estate on Jack Bennett Road (NC SR 1717) to be held by the Board as the site for a future Chatham County high school; and

WHEREAS, in August of 2001, the Board, using the School Impact Fee Funds, purchased three (3) tracts of real estate on Jack Bennett Road containing 94.18 acres, more or less, together with construction and utility easements, the same being shown as Tracts 1, 2, and 3 on plat entitled "Subdivision for Chatham County Schools North Carolina", prepared by J. Lee Gragg Civil Engineering & Land Surveying, dated July 18, 2001, and recorded at Plat Slide 2001-295, Chatham County Registry (the "Site"); and

WHEREAS, as of the date of this Agreement the Site has a tax value of \$1,302,250 according to the records of the Chatham County Tax Department; and

WHEREAS, the Board and County agree that the Site is not currently the best site for a new high school given the cost to grade and prepare the Site; and

WHEREAS, the Board has declared the site surplus and unnecessary for public school purposes; and

WHEREAS, the Board desires to convey the Site to the County in fee simple in exchange for the County's agreement to sell the Site and to provide the sales proceeds to the Board to be used only for Approved Capital Cost (as hereinafter defined); and

WHEREAS, the Board and the County acknowledge and agree that, pursuant to Article IX, Section 7(a) of the North Carolina Constitution, the Board is required to receive fair market value for any real property it conveys, and the Board and the County agree that the County's agreement as set forth in this Agreement fulfills that constitutional obligation; and

WHEREAS, the Board and the County have authority to enter into this Agreement pursuant to N.C. Gen. Stat. §115C-518 and N.C. Gen. Stat. §160A-274.

NOW, THEREFORE, in consideration of the mutual goals and promises contained herein, and the mutual benefits to result therefrom, the receipt and adequacy of which is hereby expressly acknowledged, the parties agree as follows:

1. The Board has declared the Site as surplus property not needed for public school purposes.
2. The Board has agreed to execute a Special Warranty Deed transferring fee simple title in the Site to the County. The closing for transfer of title to the Site shall take place on a date, and at a time and place, not later than thirty (30) days following the execution of this Agreement by the parties.
3. The County agrees to use all reasonable efforts to sell the Site, and if it is successful in its efforts, the net proceeds of the sale after deducting all costs, fees, commissions, and other reasonable expenses incident to such sale ("Sales Proceeds") shall be paid to the Board. The County agrees to put forth a good faith effort to obtain the best and highest price for the Site. The Sales Proceeds shall be provided to the Board within ninety (90) days of the County's receipt of such proceeds. The Board agrees that the Sales Proceeds shall only be used for future capital cost (as defined in the Chatham County Educational Facilities Impact Fee Ordinance) associated with the purchase of a new public school site or the construction of

new public school space, including new buildings or additions to existing buildings or otherwise converting existing building into new public school space where the expansion is related to new residential growth ("Approved Capital Cost") and that such Sales Proceeds will not be spent until after receipt of written approval from the County for the specific expenditure.

4. The County and the Board acknowledge Boothe Mountain, Inc.'s rights to cut and remove timber from the Site as set forth in the General Warranty Deed by and between Booth Mountain, Inc. and the Board dated August 6, 2001, and recorded on August 13, 2001 at Book 885, page 624, and agree that the County shall be solely responsible for resolving that issue so long as title to the Site is vested in the County. The Board acknowledges that the cost to resolve that issue will likely reduce the funds that the County receives for the Site and therefore the Sales Proceeds available to the Board under this Agreement.
5. This Agreement shall be effective upon its execution.
6. This Agreement may be terminated by (i) either party at any time prior to execution and delivery, and recordation of the Special Warranty Deed by delivering written notice to the other party of such termination and (ii) following the recordation of the Special Warranty Deed, by the County as provided in paragraph 7 below, and by the Board as provided in paragraph 8 below.
7. Upon thirty (30) days prior written notice to the Board, the County may terminate this Agreement and satisfy all of its obligations hereunder by delivering a Special Warranty Deed to the Board, re-conveying such title to the Site as it received, to the Board and thereupon this Agreement shall terminate.
8. The Board may terminate this Agreement after the Site has been transferred to the County upon thirty (30) days prior written notice to the County so long as the County has not sold or entered into a contract to sell the Site. In the event the Board terminates this Agreement

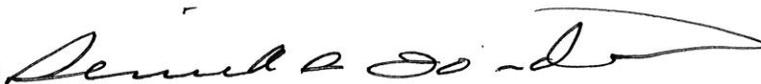
pursuant to this section, the County shall, upon receipt from the Board of reimbursement for the County funds expended incident to its efforts to sell the Site, execute and deliver a Special Warranty Deed, prepared by the Board and reasonably acceptable to the County, to the Board transferring such title to the Site as it received from the Board at no additional cost to the Board within thirty (30) days of the receipt of the termination notice. The County's obligation to transfer ownership of the Site to the Board pursuant to this section shall survive the termination of this Agreement but all obligations of the County hereunder shall terminate upon the County's delivery of the deed to the Board.

9. This Agreement constitutes the entire agreement and understanding between the parties and supersedes all prior and contemporaneous discussions, promises, representations, agreements and understandings relative to the subject matter of this Agreement.
10. This Agreement may be amended only in writing by duly authorized representatives of the County and the Board.

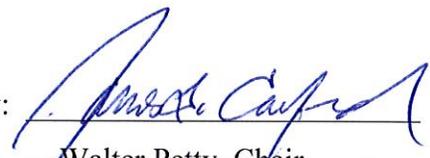
IN WITNESS WHEREOF, the Chatham County Board of Education and Chatham County Board of County Commissioners have caused their authorized representatives to execute this Agreement as of the date listed on the first page of this Agreement.

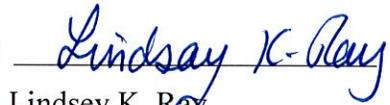
CHATHAM COUNTY BOARD OF EDUCATION

By: 
Karen Howard, Chair

Attest: 
Derrick Jordan, Superintendent

COUNTY OF CHATHAM

By: 
Walter Petty, Chair
~~JAMES G. CRAWFORD~~

Attest: 
Lindsey K. Roy
Clerk to the Board of Commissioners

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

 12-16-14
Vicki McConnell (date)
Finance Officer, Chatham County

This instrument has been pre-audited in the manner required by the School Budget and Fiscal Control Act.

 11/13/12
Tony Messer (date)
Finance Officer, Chatham County Schools

CHATHAM COUNTY BOARD OF EDUCATION
RESOLUTION AUTHORIZING CONVEYANCE OF REAL PROPERTY

WHEREAS, the Chatham County Board of Education (the "Board") owns real property on the Jack Bennett Road site in Chatham County, North Carolina; and

WHEREAS, said real property (hereinafter, the "Site"), is not being used for public school purposes; and

WHEREAS, the Board finds as a fact that the Site will not be needed for public school purposes; and

WHEREAS, the Board and Chatham County (the "County") have entered into an interlocal agreement pursuant to N.C. Gen. Stat. 160A-274 under which the Board has agreed to convey the Site to the County in fee simple for good and valuable consideration as negotiated between the parties (the "Interlocal Agreement"); and

WHEREAS, the Board finds that the best interests of the Chatham County Schools would be served by the conveyance described in the Interlocal Agreement; and

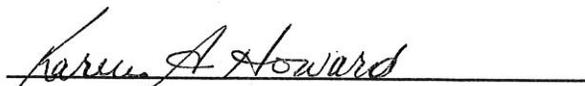
WHEREAS, N.C. Gen. Stat. § 115C-518 and Article 12 of Chapter 160A of the North Carolina General Statutes authorize the Board to deed the Site to the County as described in the Interlocal Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Chatham County Board of Education that:

The Chatham County Board of Education declares the Site as surplus and unnecessary

for public school and authorizes conveyance of the Site to the County under the terms of the Interlocal Agreement.

ADOPTED this 3rd day of November 2014.

A handwritten signature in cursive script, reading "Karen A. Howard", is written over a solid horizontal line.

Karen Howard, Chair

ATTEST:

A handwritten signature in cursive script, reading "Derrick Jordan", is written over a solid horizontal line.

Dr. Derrick Jordan, Superintendent/Secretary