

THIS ADDENDUM made and entered into this the 3 day of June, 2002, by and between Henderson County, a body politic and corporate, hereinafter "County," the Mud Creek Water and Sewer District, a body politic and corporate, hereinafter "District," and the City of Hendersonville, a municipal corporation, hereinafter "City,"

WITNESSETH:

WHEREAS, the County, the District, and the City entered into a CONTRACT OF PURCHASE AND INTERLOCAL COOPERATION AND SETTLEMENT AGREEMENT dated December 20, 2000 (hereinafter "Mud Creek Agreement"), and

WHEREAS, the Mud Creek Agreement provided for, among other things, the following: the transfer of certain assets from the County and the District; the creation of the Mud Creek District Advisory Council; the definition of a generalized boundary of an area called the Mud Creek Service Area, encompassing the majority of the Mud Creek Drainage Basin attached thereto as Exhibit F; the process for extending sewer lines by the City, County, and District; the responsibility for operation and maintenance of sewer lines; the provision of sewerage treatment services for the Mud Creek Service Area; and the granting of an option to the County to purchase certain property; and

WHEREAS, Section 4.02 of the Mud Creek Agreement provides that when the generalized boundaries of the Mud Creek Service Area are made more specific and given a legal description through the work of the Mud Creek District Advisory Council, the new, more specific boundary shall be reclassified as the Amended Mud Creek District; and

WHEREAS, the Mud Creek District Advisory Council approved for recommendation to the County, the District and the City, more specific boundaries for the Mud Creek Service Area on October 23, 2001; and

WHEREAS, the County, the District, and the City have approved the more specific boundaries for the Mud Creek Service Area and are desirous of incorporating them into the Mud Creek Agreement as the Amended Mud Creek District;

NOW, THEREFORE, THIS ADDENDUM, that for and in consideration of the mutual promises and covenants contained hereinbelow, the parties agree as follows:

The Amended Mud Creek District is hereby established, having an effective date of July 1, 2002. The boundaries for the Amended Mud Creek District shall be those shown on the attached Exhibit A and described in Exhibit B, said Exhibits A and B being incorporated by reference as if fully set forth herein. Any reference to Mud Creek Service Area in the Mud Creek Agreement shall be deemed to refer to the Amended Mud Creek District as established herein.

All other terms and conditions of the Mud Creek Agreement shall remain in full force and effect, and all parties agree to be bound thereby.

Done in Henderson County, North Carolina this 3 day of June, 2002.

THE CITY OF HENDERSONVILLE

By: Fred Niehoff (SEAL)
Fred Niehoff, Mayor

HENDERSON COUNTY

By: William L. Moyer (SEAL)
William L. Moyer, Chairman

ATTEST: (City Seal)

Tammie K. Drake
Tammie Drake
City Clerk

ATTEST: (County Seal)

Elizabeth W. Corn
Elizabeth W. Corn
Clerk to the Board

31125 P 678

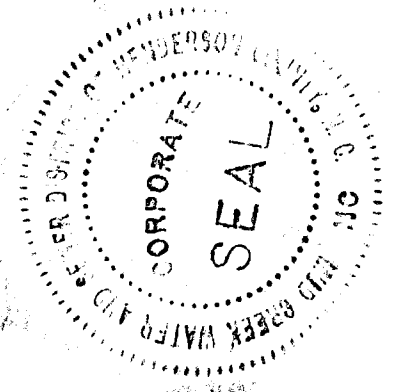
MUD CREEK WATER AND SEWER DISTRICT

31125

P 678

By: William L. Moyer (SEAL)
William L. Moyer, Chairman

ATTEST:
Elizabeth W. Corn
Elizabeth W. Corn
Clerk to the District



STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

I, Terese J. Beal, Notary Public for said County and State, certify that Tammie Drake personally came before me this day and acknowledged that she is Clerk to the City of Hendersonville, a municipal corporation and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Mayor, sealed with its corporate seal, and attested by herself as its Clerk.

Witness my hand and official seal, this the 3 day of June, 2002.

(Official Seal)

My commission expires: 8/2/2003

Terese J. Beal
Notary Public

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

I, Kellie B. Lambert, Notary Public for said County and State, certify that Elizabeth W. Corn personally came before me this day and acknowledged that she is Clerk to the Board of Commissioners of Henderson County, a body politic and corporate and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Chairman of the Board of Commissioner, sealed with its corporate seal, and attested by herself as its Clerk.

Witness my hand and official seal, this the 3 day of June, 2002.

(Official Seal)

My commission expires:

Kellie B. Lambert
Notary Public

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

I, Kellie B. Lambert, Notary Public for said County and State, certify that Elizabeth W. Corn personally came before me this day and acknowledged that she is Clerk to the Mud Creek Water and Sewer District, a body politic and corporate, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Chairman, sealed with its corporate seal, and attested by herself as its Clerk.

Witness my hand and official seal, this the 3 day of June, 2002.

(Official Seal)

My commission expires: 7-15-06

Kellie B. Lambert
Notary Public

EXHIBIT B

Legal Description for the Amended Mud Creek District

Beginning at NCGS Grid Monument Bearwallow Fire Tower said point being located under and in the center of Bearwallow Fire Tower, thence from said beginning point S 67-55-10 E 12,613.40 feet to NCGS Grid Monument Barnwell, thence S 26-06-27 W 14, 288.70 feet to NCGS Grid Monument St. Paul, thence S 7-18-17 E 8,104.04 feet to NCGS Grid Monument Moriah, thence S 26-28-31 W 13,609.80 feet to NCGS Grid Monument Piney, thence S-28-46-45 W 13,936.41 feet to NCGS Grid Monument Lane, thence S 4-43-55 W 4,561.37 feet to NCGS Grid Monument Dwarf, thence S 31-59-24 W 5,297.83 feet to NCGS Grid Monument Jackson, thence S 44-58-38 W 7,547.26 feet to NCGS Grid Monument Connector, thence S 11-18-27 W 3,802.74 feet to NCGS Grid Monument Oak Grove, thence S 24-23-36 W 2,568.45 feet to NCGS Grid Monument Five Points, thence S 8-56-59 W 2,079.92 feet to NCGS Grid Monument Jordan, thence S 31-57-01 W 2,105.20 feet to NCGS Grid Monument Butt, thence S 14-04-59 W 3,706.15 feet to NCGS Grid Monument Zirconia, thence S 82-37-58 W 18,870.40 feet to NCGS Grid Monument Oliuet, thence S 86-10-23 W 21,089.47 feet to NCGS Grid Monument The Pinnacle, thence N 4-12-02 E 6,157.69 feet to NCGS Grid Monument Dornstauder, thence N 7-17-55 W 13,919.31 feet to a point, thence N 9-29-10 W 6,876.33 feet to NCGS Grid Monument Beulahm, thence N 69-25-28 E 9,324.76 feet to NCGS Grid Monument Jumpoff, thence N 25-29-17 E 5,659.55 feet to NCGS Grid Monument Turley, thence N 1-18-18 E 7,787.27 feet to a point, thence N 73-49-14 E 4,950.99 feet to NCGS Grid Monument Sedge, thence S 16-28-08 E 2,055.96 feet to NCGS Grid Monument Scott, thence S 43-40-11 E 2,162.01 feet to NCGS Grid Monument Roe, thence N 36-04-56 E 5,104.83 feet to NCGS Grid Monument Stoney, thence S 67-31-57 E 4,074.39 feet to NCGS Grid Monument Berkley, thence N 37-49-38 E 9,733.11 feet to a point on Bryson Mountain, thence N 48-42-17 E 6,835.26 feet to a point on Rocky Mountain, thence N 12-34-21 E 11,957.81 feet to a point on Hightop Mountain, thence N 57-21-35 E 26,880.30 feet back to the point and place of Beginning being Bearwallow Fire Tower with a NCGS Coordinate value of, 639,518.101 and a Easting value of 1,000,437.695.

North Carolina, Henderson County The foregoing certificate(s) of
Kellie B Lambert, Teresa J Beal
 Notary Public (Notaries Public) is/are certified to be correct, this
 instrument presented for registration and recorded in this office
 this 16 day of Jan, 2003
 at 2:30 in book 1125, page 678
 p.m.

Debra W. Moles By Patsy B. Higgins
 Register of Deeds (Assistant Deputy)

