

STATE OF NORTH CAROLINA
COUNTY OF CUMBERLAND

**FIRST AMENDMENT TO OPERATIONS
AGREEMENT FOR PARKS AND
RECREATION CONSOLIDATION**

THIS FIRST AMENDMENT TO OPERATIONS AGREEMENT (hereinafter “Amendment”) is made and entered into this _____ day of _____, 2024, by and between the CITY OF FAYETTEVILLE, a municipal corporation duly organized and existing under the laws of the State of North Carolina (hereinafter referred to as “CITY”), and the COUNTY OF CUMBERLAND (the “COUNTY”).

WITNESSETH:

WHEREAS, the CITY and the COUNTY entered into an Operations Agreement for Parks and Recreation Consolidation on June 7, 2004, (hereinafter “Operations Agreement”) to provide for the transition of parks and recreation services from the COUNTY to the CITY and for their management and operation by the CITY; and

WHEREAS, the parties desire to amend the Operations Agreement to increase the amount of money that the COUNTY shall pay to the CITY in each fiscal year.

NOW, THEREFORE, in consideration of the above recitals and the terms of the Operations Agreement, the parties agree to this Amendment as follows:

1. Section 1(C), is amended by deleting the same in its entirety and substituting with the following:

(C) The name of the consolidated parks and recreation system shall be the Fayetteville-Cumberland Parks and Recreation Department.

2. Section 2(B) is amended by deleting the same in its entirety and substituting with the following:

(B) Programs and services will be divided between parks and recreation functions.

3. Section 8(A) is amended by deleting the same in its entirety and substituting with the following.

8. (A) The CITY Director shall prepare a proposed budget each year for the consolidated department that identifies parks and recreation expenses for both CITY and Recreation District areas. The budget shall include projected operating expenses, including the operating expenses components supported by County Recreation Tax District revenues (one half of two maintenance personnel positions) as well as County General Fund revenues (one half of two maintenance personnel positions and maintenance). That proposed budget shall be submitted to the CITY and COUNTY Managers no later than March 1 of each year, and thereafter to the governing bodies of the CITY and COUNTY no later than June 1 of each year, for inclusion in the CITY adopted budget, and for inclusion in the COUNTY adopted budget of an appropriation transferring the proceeds of the COUNTY recreation tax to the CITY.

4. Section 8(C) is amended by deleting the same in its entirety.

5. Section 8(D) is amended by deleting the same in its entirety and substituting with the following:

(D) The COUNTY will provide annual cash payments to the CITY, as advances on Recreation District Tax Collections, to facilitate cash flow management through December 2004 based on FY 2003 monthly expenditures (i.e., July 2003 is the basis for the July 2004 payment), adjusted for the estimated reduction due to Phase V annexation. The payments will be made no later than the 15th of each month for that given month through December 2004. In addition, the COUNTY will transfer to CITY, as an undesignated fund balance, 8 percent of the projected FY 05 budget for operation of the consolidated department in the County Recreation Tax District. The CITY will credit interest on the undesignated fund balance allocable to County Recreation District revenues to the benefit of the County Recreation District, on the same basis as it credits interest to its own fund balance. If the CITY is required to advance any payments from its own fund balance to pay County Recreation District expenses, the COUNTY will pay interest on such funds until repaid at the North Carolina Cash Management Trust Fund rate. Commencing January 15, 2005, the COUNTY will remit County Recreation District Tax collections on a monthly basis, based on actual collections for the previous month. However, total COUNTY payments to the CITY as of any June 30, cannot be less than total County Recreation District taxes collected during that fiscal year.

6. Section 12(A) is amended by deleting the same in its entirety and substituting with the following:

12. (A) Parks and recreation facilities shall be provided generally in accordance with a Parks and Recreation Master Plan drafted at least every ten (10) years, to be presented to the Advisory Commission, and adopted by both County Commissioners and City Council.

7. Section 13(A) is amended by deleting the same in its entirety and substituting with the following:

13. (A) The COUNTY will maintain in force and effect the insurance policies that it currently has in effect, including specifically, but without limitation, casualty insurance on J.P. Riddle Stadium and Lake Rim Park, but naming the consolidated department and/or the City of Fayetteville as an additional insured.

8. Section 18 is amended by deleting the same in its entirety and substituting with the following:

18. The COUNTY shall pay Indirect Costs related to the operation of the parks and recreation district to the CITY as determined in the most recent Cost Allocation Plan for the CITY. The CITY shall provide such Indirect Costs information to the COUNTY by March 1 of each fiscal year.

Except as amended herein, all other terms and provisions of that certain Operations Agreement entered into between the parties on June 7, 2004, shall remain in full force and effect.

IN WITNESS WHEREOF, the CITY and the COUNTY have executed this Amendment and caused their seals to be affixed and attested as of the day and year first above written.

ATTEST:

COUNTY OF CUMBERLAND

By: _____
GLENN ADAMS
Chairman of Board of Commissioners

ATTEST:

CITY OF FAYETTEVILLE

PAMELA J. MEGILL, City Clerk

By: _____
MITCH COLVIN, Mayor

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

JODY PICARELLA, Chief Financial Officer