

NORTH CAROLINA

COUNTY OF NORTHAMPTON

WASTEWATER TREATMENT CONTRACT

THIS CONTRACT for the transmission and treatment of wastewater is entered into as of the 1 day of JUNE, 1999, by and between the TOWN OF RICH SQUARE, a municipal corporation of the State of North Carolina (hereinafter referred to as "the Town"), and NORTHAMPTON / LINCOLN PARK SEWER DISTRICT, (hereinafter referred to as "the District"):

WITNESSETH:

WHEREAS, Northampton County operates a water system providing County water to approximately 125 residential users in the Lincoln Park area adjacent to the Town of Rich Square, and

WHEREAS, these 125 Lincoln Park residents are in need of access to a public wastewater treatment facility, and

WHEREAS, in 1998 Northampton County formed the Northampton / Lincoln Park Sewer District for the purpose of providing wastewater collection and treatment for said Lincoln Park residents, and

WHEREAS, the District intends to construct a wastewater collection and transmission system from the Northampton / Lincoln Park Sewer District to the Town's wastewater treatment facility south of the Town, and

WHEREAS, the Town desires to cooperate with the District in any reasonable manner to the end of the proposed system may be completed, and



WHEREAS, the Town has the existing facilities and capability to treat the wastewater collected in Northampton County's Lincoln Park Sewer District, and is willing to treat this wastewater under the following terms and conditions,

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions contained herein accruing to each of the respective parties hereto, the receipt and sufficiency of which is hereby respectively acknowledged, the Town and the District agree as follows:

**A. THE TOWN AGREES:**

1. Quantity - To accept from the District at the point of delivery hereafter specified, during the term of this contract or any renewal or extension hereof, a maximum of Nine Hundred and Fifty Thousand (950,000) Gallons per month of wastewater from the District, and to transmit and treat the same in accordance with applicable Federal and State Regulations. If the quantity of wastewater exceeds the stated maximum more than twice during any consecutive twelve (12) month period, this contract shall be reviewed and renegotiated within ninety (90) days of the event. In the event the parties are unable to renegotiate the contract within ninety (90) days of the event, the Town shall give the District notice to correct the excess quantity of wastewater within the following six (6) months. After six months, if the excess quantity has not been corrected, the Town shall have the option of terminating this contract.

2. Quality - To accept wastewater from residents within the Lincoln Park Sewer District in accordance with standards defined hereafter.

3. Point of Delivery - To accept from the District wastewater at the Town's wastewater treatment plant site on the southeastern side of Town off US Highway 258 South.

4. Failures - To remedy with dispatch any breaks or failures in the Town's transmission line or treatment facilities, and to restore normal service as quickly as possible



to the Town's facilities in the event of a temporary or partial failure to receive the wastewater pumped by the District.

5. Billing Procedure - Rich Square will bill the District monthly for the treatment of the District's total wastewater use. The District will be responsible for billing their customers, and forwarding records of such billing to Rich Square. The basis for the District's monthly billing shall be the total quantity of water utilized by the District billed customers for the period in question, as represented by readings of the water meters. All wastewater customers shall be on a District water metered connection.

**B. THE DISTRICT AGREES:**

1. Impact Fee - To pay the Town the sum of Ten Thousand (10,000) Dollars as an impact fee for gaining access to the Town's wastewater treatment facilities, this fee is to be paid prior to the Town's acceptance of any wastewater from the District.

2. Rates and Payment Date - To pay the Town, not later than the fifteenth (15th) day of the month following receipt of the Town's itemized statement, for wastewater accepted and treated at a treatment rate of \$1.60 per 1,000 Gallons .

3. Metering Equipment and Readings - To furnish, install, operate and maintain, at its own expense, the necessary metering equipment and the required devices of standard type for properly measuring the quantity of wastewater delivered to the Town by the District, and to calibrate such metering equipment whenever requested by the Town, but not more frequently than once every twelve months. A meter registering not more than two percent (2%) above or below the test result shall be deemed to be accurate. The readings of any meter disclosed by test to be inaccurate shall be corrected for the three months previous to such test in accordance with the percentage of inaccuracy found by such test . If any meter fails to register for any period, the quantity of wastewater treated during such period shall be deemed to be the quantity of wastewater treated in the corresponding period immediately prior to failure, unless the Town and the District shall agree to a different quantity. The metering equipment shall be read by the District by the twenty -



fifth (25th) day of each month and readings shall be furnished immediately to the Town for billing purposes. An appropriate official or representative of the Town shall have access to the master meter at all reasonable times for the purpose of verifying the readings.

The District covenants that it shall not cause or allow to be caused any unmetered wastewater, to enter the Town's wastewater system.

4. Emergency Response Personnel - To designate in writing to the Town a listing of responsible persons who are to be contacted, if needed by the Town, in the event of emergencies or problems involving the District's wastewater system.

5. Collection and Transmission System - To construct, own, operate and maintain all wastewater collection and transmission systems required to deliver the District's wastewater to the previously stated point of delivery at the Town's wastewater treatment facility.

#### C. THE TOWN AND THE DISTRICT MUTUALLY AGREE:

1. Term of Contract - This contract shall extend for a term of forty (40) years from the effective date hereof and, thereafter, may be renewed or extended for such term or terms as may be agreed upon by the Town and the District.

2. Modification of Contract - The provisions of this contract pertaining to the schedule of rates to be paid by the District for the transmission and treatment of wastewater are subject to modification at the end of every one (1) year period, effective the 1st day of July of each calendar year. It is agreed that there will be no increase in rates to be paid by the District unless the Town increases its rate to its wastewater consumers inside the city limits of the Town of Rich Square. It is further agreed that any increase in rates to be paid by the District shall not be greater than the percentage of the increase in the rate for comparable consumers within the city limits of the Town of Rich Square.

3. Flow Source Limitation - All wastewater effluent delivered by the District to the Town's system shall come wholly from that generated by residences located in the Sewer District.



4. Cost of Systems - The Town shall not be responsible for any of the costs of constructing, operating, maintaining, or administering the wastewater collection and transmission systems proposed or owned by the District and, except for the payment of the impact fee provided in (B) (1) above, the District shall not be responsible for any of the cost of constructing, operating, maintaining or administering the wastewater collection and treatment system owned by the Town.

5. Regulatory Agencies - The Town and the District will collaborate and cooperate in obtaining such permits, certificates, or the like, as may be required by any Federal, State or local rules, regulation or laws as may be applicable to this contract and the services performed hereunder.

6. The District shall neither obligate Rich Square nor its utility capacities nor make commitments for any non - residential sewer installation other than that specifically provided for this Contract without the approval of Rich Square.

7. Section Captions - The captions in this contract are for convenience only and are not a part of this contract and do not in any way limit or amplify the terms and conditions hereof.

8. Interpretation - The laws of the State of North Carolina shall govern all disputes under this contract, and determine all rights hereunder.

9. Severability - If any provision or clause of this contract or application thereof to any person or circumstances is held invalid by a court of competent jurisdiction, such invalidity shall not affect other provisions or applications of this contract, and to this end the provisions of this contract are declared to be severable.

10. Binding Effect - This instrument embodies the complete contract and agreement between the Town and the District and no oral agreements contrary herewith have been made. The terms and provisions hereof are contractual in nature, and not mere recitals, and the same shall apply to and bind the successors and assigns of the respective parties hereto, and all covenants are to be constructed as conditions of this contract.



IN WITNESS WHEREOF, the TOWN OF RICH SQUARE has caused this contract to be signed in its corporate name by its Mayor, attested by its clerk and its corporate seal hereunto affixed, all by order of its Town Board of Commissioners, and NORTHAMPTON / LINCOLN PARK SEWER DISTRICT has caused this contract to be signed in its name by the Chairman of the Northampton County Board of Commissioners, attested by its Clerk and its corporate seal hereunto affixed, all by order of its Board of Commissioners, in duplicate originals, one of which is retained by each.

TOWN OF RICH SQUARE

By: John E. Pellam  
John E. Pellam, Mayor

ATTEST:

Francis W. Luttrell  
Clerk

NORTHAMPTON / LINCOLN PARK SEWER DISTRICT

By: James C. Bond, Vice  
for R. J. White, Jr., Chairman,  
Northampton County Board of Commissioners

ATTEST:

Jacqueline M. Parker  
Asst. Clerk

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

Francis W. Luttrell  
Finance Officer, Town of Rich Square

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

W. H. Smith  
Finance Officer, Northampton County



TOWN OF RICH SQUARE  
P.O. BOX 336  
RICH SQUARE, NORTH CAROLINA 27869  
—  
539-2315

December 13, 2001

Northampton County  
Public Works Dept.  
P.O. Box 68  
Jackson, N.C. 27845

Dear Mr. Bristow:

On September 3, 1998, in regular session, the Board of Commissioners for the Town of Rich Square did vote unanimously to allow the Northampton-Lincoln Park sewer District to discharge wastewater from the Lincoln Park area into the Town's Wastewater Treatment Facility.

The Town will accept up to 41,040 gallons of untreated wastewater daily for treatment and proper disposal of treated wastewater from the Town's Wastewater Treatment Facility.

The Town of Rich Square's Wastewater Treatment Facility Permit number is NC0025437.

Respectfully,

*Nannie Ellen Branch*

Nannie Ellen Branch  
Mayor

NEB/fwf