

NORTH CAROLINA
ROWAN COUNTY

AGREEMENT

THIS AGREEMENT, made and entered into this 26th day of July, 1983, by and between the City of Salisbury, a municipal corporation of Rowan County, North Carolina, hereinafter referred to as the CITY, party of the first part, and the Town of Landis, a municipal corporation of Rowan County, North Carolina, hereinafter referred to as TOWN, party of the second part.

WITNESSETH:

THAT WHEREAS, the City and the Town are both located on the Grants Creek drainage basin of Rowan County; and

WHEREAS, the Town is possessed of a waterworks system, and through such system supplies water for the use of the Town's inhabitants and industries; and

WHEREAS, the Town is possessed of a sanitary sewer system for the use of the Town's inhabitants and industries; however, the Town presently deems it necessary to either construct improvements to its own sewage treatment plant located on Grants Creek, or to connect its sewer system directly with the City's sewage system in order for its sewage to flow into the City's Grants Creek wastewater treatment plant for treatment before being discharged into the surface waters of Grant Creek; and

WHEREAS, in order to eliminate the cost and necessity of constructing improvements to its sewage treatment plant, the Town has requested and by this agreement does request permission to connect its sanitary sewer system with the City's system; and

WHEREAS, Section 26-87, Article V, Chapter 26, of the Code of the City, as amended, provides the rules and regulations for any municipality desiring to discharge sewage into the City's sewage system.

NOW, THEREFORE, for and in consideration of the premises and mutual covenants herein contained the parties agree as follows:

1. The Town agrees to adopt and implement a Sewer Use Ordinance which conforms to the minimum requirements of all applicable rules, regulations and laws of the United States, the State of North Carolina and the City of Salisbury, a copy of which is attached hereto as Exhibit "A". Town further agrees to consult with City from time to time

on matters of mutual interest which may require amending of the Sewer Use Ordinance.

2. The City agrees to permit the Town to connect its sewage system to the City's sewage system and to discharge its sewage in an amount up to and including a maximum average daily flow of 2.0 million gallons per day into said system for treatment at the City's Grants Creek wastewater treatment plant.

3. The Town agrees to connect its sewage system to the City's sewage system at the point or points designated on the blueprint of the proposed Town interceptor sewer prepared by Peirson & Whitman, Inc., Consulting Engineers, a copy of which is attached hereto as Exhibit "B".

4. The Town agrees to pay the City on a monthly basis for sewer service pursuant to Sections 26-78 and 26-87, Article V, Chapter 26, of the Code of the City, as amended.

5. The City agrees that the rates charged to the Town will be the same as those charged to inside City sewer users; provided, the Town agrees to pay any increase of inside City sewer rates authorized by the City Council while this agreement is in effect.

6. The Town agrees that the sewer service charge shall be determined on a monthly basis by utilizing the sewer rate defined in Articles 4 and 5, above, multiplied by the total volume of raw water pumped to the Town's Water Treatment Plant. In addition, the Town agrees that the sewer service charge herein provided shall apply to all users of the Town's sewer system, regardless of their water source. In order to determine the sewer service charge for those users not obtaining water from the Town's water distribution system, the Town agrees to either:

- a. Require those users to install meters to measure the quantity of water used, or
- b. Estimate the quantity of water used in a manner acceptable to the City.

In those cases in which meters are installed to measure the quantity of water used, the Town agrees to provide meter readings to the City on a monthly basis. However, in the event the Town sells water to user(s) located inside or outside the Town's designated Service Area and those water users are not connected to Town's sewer system, such total

volume of water as these users purchase from Town shall be deducted from the monthly raw water meter readings. In addition, in the event the Town sells water to user(s) located inside or outside the Town's designated Service Area and those water users are connected to Town's sewer system but that portion of Town's sewer system into which the user discharges is not connected to, nor such discharge is made into, City's sewer system, such total volume of water as these users purchase from Town shall be deducted from the monthly raw water meter readings. The City agrees to read those meters for the Town's raw water supply on a monthly basis according to the City's meter reading schedule.

7. It is agreed that this agreement may be terminated and the City may disconnect service, upon the Town's breach of or failure to perform any of the terms of this agreement. If not terminated sooner, this agreement shall extend for a period of forty (40) years commencing on the date the Town awards the contract for the construction of its proposed interceptor sewer line. The City agrees to give the Town twelve (12) months' notice in writing of termination for any cause, including the following causes:

a. Any growth in the Town's population or any other reason which would cause the Town's average daily sewage flow to exceed 2.0 million gallons per day or otherwise overload the City's presently designed Grants Creek wastewater treatment plant, except as provided in Paragraph 12 herein.

b. The Town's failure to pay the monthly service charge provided for and due under this agreement.

c. The Town's violation of any of the terms of this agreement.

8. The Town agrees that its waste, as delivered to the City's interceptor for treatment, shall not contain excessive amounts of storm water or surface drainage, as determined by the City. The Town further agrees to adopt and implement a program to exclude such storm waters and surface drainage from its sanitary sewers, and such program shall be subject to the City's approval on an annual basis.

9. It is expressly understood and agreed that the City, by this agreement, undertakes and obligates itself to treat only that sewage originating within the Town's designated Service Area, as shown on

Exhibit "B" attached hereto. The Town agrees that it will not, without the prior consent of the City, deliver to the City's sewer system any sewage or waste originating outside of the Town's designated Service Area.

10. It is expressly understood and agreed by both parties that the designated Service Areas for City and Town will be contiguous at the Interceptor Sewer and that each will own, operate, maintain, and otherwise keep the Interceptor Sewer in a serviceable condition within each parties designated Service Area. The expense of such operation incurred by each party in its designated Service Area shall be borne solely by that party.

11. It is expressly understood and agreed by both parties that if the Town of China Grove makes application to the City for sewer service that said City will require China Grove to pay a one-time tap fee of One Hundred Thousand Dollars (\$100,000.00) prior to connection to its system. City shall, immediately upon receipt of this tap-fee, refund 75% to Town of Landis. The acceptance of this tap-fee refund by Town of Landis shall release City to negotiate a sewer use contract with China Grove exclusive of the interests of Town of Landis.

12. It is agreed that none of the provisions of this agreement shall be construed to mean that the Town shall have any control over the operation of the City's Grants Creek wastewater treatment plant or any proprietary interest therein.

13. The Town agrees to indemnify and hold harmless the City from and against any and all claims, actions, causes of action, demands, damages, losses, costs, expenses and compensation of whatsoever kind or nature, which may hereafter accrue on account of or in any way growing out of any and all known or unknown, foreseen and unforeseen bodily and personal injuries and property damage and the consequences thereof which might result from any occurrence in connection with those services set out in this agreement by the City to the Town.

14. It is agreed that this agreement may be amended by mutual consent.

* * * * *

IN WITNESS WHEREOF, the Town of Landis has caused this instrument to be signed in its name by its Mayor and attested to by its Town Clerk and has caused its official seal to be hereunto affixed this the date first above written, all by authority of a resolution adopted by its Board of Aldermen on the 16th day of July, 1983, and the City of Salisbury has caused this instrument to be signed in its name by its Mayor and attested to by its City Clerk and has caused its official seal to be hereunto affixed this the date first above written, all by authority of a resolution adopted by its City Council on the 19th day of July, 1983.

CITY OF SALISBURY

BY: Wiley Lash

Wiley Lash, Mayor

ATTEST:

Frances C. Beaver

Frances C. Beaver, City Clerk

TOWN OF LANDIS

BY: Rudy M. Wise

Rudy M. Wise, Mayor

ATTEST:

Phyllis C. Cobb

Phyllis C. Cobb, Town Clerk

Mayor Rudy M. Wise called to order a special meeting of the Town of Landis Board of Aldermen on Wednesday, December 18, 1985 at 5:30 PM in the Landis Municipal Building. Present with Mayor Wise was Alderman H. A. McCreary, Alderman A. K. Patten and Alderman Ray P. Flowers, Jr. Alderman C. Kenneth Barnes was absent. Also present was Director of Public Works, Gary E. Miller and Town Attorney, Larry G. Ford.

The purpose of this special meeting was to review and consider bids received on December 11, 1985 for the construction of the Grants Creek Inteceptor Sewer. Bids received are as follow:

Myrick Const. Inc. P.O. Box 728 Biscoe, NC 27209	\$1,527,641.00
Yates Const.Co.,Inc. Rt.2, Box 254 Stokesdale NC 27357	\$1,546,751.00
Sanders Brothers, Inc. 6801 Belhaven Blvd. Charlotte NC 28216	\$1,600,036.83
Ramey, Inc. P.O. Box 2818 Winston-Salem,NC 27102	\$1,854,806.50
Dellinger, Inc. P.O. Box 929 Monroe, NC 28111	\$1,861,064.00
Bryant Elec.Co.,Inc. P.O.Box 1430 High Point NC 27261	\$1,932,588.00
Roanoke Const.Co.,Inc. P.O. Box 820 Roanoke Rapids NC 27870	\$2,052,300.00
State Utility Contractors, Inc. P.O. Box 5019 Monroe NC 28110	\$2,188,155.00

After discussion, motion was made by Alderman Patten to adopt the following Resolution making a tentative award for the construction of the Grants Creek Inteceptor Sewer.

WHEREAS, the Board of Aldermen of the Town of Landis advertised for bids for the construction of the Grants Creek Inteceptor Sewer, known as Division A-1, General Construction, pursuant to to the General Statues of North Carolina, and

WHEREAS, said bids were opened on December 11, 1985, and

WHEREAS, there were eight bids received for the construction of the Grants Creek Inteceptor Sewer, known as Division A-1, General Construction.

NOW, THEREFORE, BE IT RESOLVED that the Board of Aldermen for the Town of Landis, hereby makes a tentative award of the construction contract to the low bidder, Myrick Construction Inc., P.O. Box 728, Biscoe, North Carolina 27209, in the amount

of \$1,527,641.00, for Division A-1, General Construction, Parts I, II, and III, Items 1 through 20, subject to the approval by the N. C. Division of Environmental Management, and the U.S. Environmental Protection Agency.

Adopted this the 18th day of December, 1985.

s/ Rudy M. Wise, Mayor
Town of Landis

ATTEST:
s/ Phyllis C. Cobb
Town Clerk

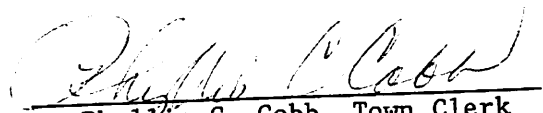
Motion seconded by Alderman Flowers. All voted aye.

Attorney Ford explained to the Board that the 1985 General Assembly passed a law in Chapter 785, Senate Bill 168, which goes into effect on January 1, 1986 and is entitled "Underground Damage Preventive Act". This new law places certain duties on owners of underground utilities to provide information as to the location of all underground utilities. Each utility owner must record a notarized document with the Register of Deeds in every county in which the owner has underground utilities giving the name, address, telephone number of a representative designated to receive notice from excavators of intent to dig in an area, and to file this same information with the county or municipal inspection department having jurisdiction over the area where the utilities are located.

Motion was made by Alderman Flowers authorizing Mayor Wise to execute a document to be recorded with the Rowan County Register of Deeds and stating that Gary Miller, Director of Public Works be the official representative for the Town of Landis. Motion seconded by Alderman Patten. All voted aye.

Having no further business, motion was made by Alderman Flowers to adjourn. Motion seconded by Alderman Patten. All voted aye.

Meeting adjourned.


Phyllis C. Cobb, Town Clerk