

ADMINISTRATIVE SERVICE AGREEMENT

AGREEMENT made this ____ day of _____, 2025, by and between **ONSLow WATER AND SEWER AUTHORITY** (the "Authority") a body politic and corporate of the State of North Carolina, and the **TOWN of Swansboro** (the "TOWN"), a municipal corporation of the State of North Carolina;

WITNESSETH:

WHEREAS, the County of Onslow (the "County") the City of Jacksonville, and the Towns of Swansboro, Richlands, North Topsail Beach and Holly Ridge, acting through their respective governing bodies, pursuant to the provisions of Article 1, Chapter 162A of the General Statutes of North Carolina, organized and incorporated the Authority as a vehicle to assist in providing a satisfactory supply of potable water and sewer collection/treatment for citizens of the member governments of the Authority; and,

WHEREAS, in furtherance of the purposes for which the Authority was created, the County and above referenced municipalities, with the exception of Jacksonville, leased to the Authority their water and sewer systems pursuant to long term Capital Lease Agreements and the Authority pursuant to Water and Sewer Service Agreements having terms concurrent with the Capital Lease Agreements, agreed with each such member government to meet the water and sewer needs of their citizens within the limitations of available supply; and

WHEREAS, the Authority's main offices are on Georgetown Road in the City of Jacksonville; and

WHEREAS, for the convenience of customers of the Authority located in or in the general vicinity of the Town, it was provided in the Water and Sewer Service Agreement with the Town that the Authority shall maintain facilities in the Town for the purpose of the bill payment and telephone communication from customers; and

WHEREAS, pursuant to N.C. Gen. Stat. § 162A-6 the Authority is authorized to enter into agreements with units of government relating to the operation of the Authority's utility systems; and

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

1. The Town shall, at its sole cost and expense, perform certain duties on behalf of the Authority, such as collecting payment for services provided by the Authority. The exact functions to be performed by the Town are described on **EXHIBIT A** attached hereto and made a part hereof. The Town shall prominently display ONWASA's name on office doors and in other suitable locations on the exterior of the Town Hall premises as is reasonably necessary to advise the public that Authority administrative services are available at the Town Hall. The Authority shall be responsible for providing the Town with such computer, internet, technical support and supplies as necessary at the discretion of the Authority for the Town to perform its duties under this Agreement.
2. The Authority shall pay to the Town for services performed pursuant to this Agreement the sum of \$2,916.67 per month, payable on or before the 10th day of each month; provided, however the Authority may deduct from any monthly payment an amount equal to \$16.83 (35,000/2,080) for each hour in the previous month worked by Authority personnel in

performing any administrative services which the Town was obligated to perform pursuant to this Agreement.

3. In lieu of providing the services to the Authority set forth in paragraph 1 above, the Town may at time during the term of this Agreement request the Authority to set up a kiosk in the Town to provide services to the citizens. Should this request be made, the Authority shall, as soon as practicable, establish a kiosk in the Town to provide services. Beginning at the end of the month in which a kiosk is established in the Town, all payments provided in paragraph 2 above shall cease, and the Town shall have no further obligation to provide those services set forth in paragraph 1 above.
4. This Agreement shall continue in effect through June 2026. Either party may terminate this Agreement as of the end of any month by giving the other party at least 60 days notice in advance of the termination date. If a Town is providing services as set forth in paragraph 1 above, a decision to reduce operating hours would be at the discretion of the Authority's Member Governments hosting these satellite offices if Town Facilities are being utilized.
5. The Authority agrees on behalf of the Town to bill to any Authority customers any solid waste fees which such customers may also owe the Town. The Authority will collect such fees in the routine course and remit all payments to the Town. The Authority shall not be responsible for bringing any legal action or taking any extraordinary steps to collect amounts due the Town, other than billing for such charges and remitting any collections to the Town. All claims on account of the Authority billing for and collecting sewer and solid waste fees on behalf of the Town shall be made against the Town, and shall be the sole liability of the Town.
6. The Town and the Authority, in the performance of this Agreement, will be acting in an individual capacity and not as the employee, partner, joint venture, agent or associate of one another, except as may be expressly otherwise provided herein.
7. This Agreement may be modified only by a written agreement executed by both parties hereto.
8. This Agreement is not assignable by either party, by operation of law or otherwise.
9. This Agreement sets forth the entire agreement between the Authority and the Town and supersedes any and all other agreements on this subject between the parties.
10. In the event of any noncompliance of any term or terms of this Agreement by the Town, the Authority may, at its sole option, declare the Town in default and immediately terminate this Agreement.
11. The laws of the State of North Carolina shall control and govern this Agreement.
12. Any claims, disputes, or other controversies arising out of, and between parties to this Agreement which may ensue shall be subject to and decided by the appropriate division of the General Court of Justice in Onslow County, North Carolina.

IN WITNESS WHEREOF, the parties hereto, acting by and through their duly authorized representatives pursuant to the resolutions of their respective governing bodies, have caused this instrument to be executed as of the day and year first above written.

ONSLOW WATER & SEWER AUTHORITY

By: _____
(PRINT NAME/TITLE)

(SIGNATURE)

ATTEST:

ONWASA Clerk to the Board

TOWN OF SWANSBORO

By: _____
(PRINT NAME/TITLE)

(SIGNATURE)

ATTEST:

Town Clerk

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

Chief Financial Officer

Exhibit A

DUTIES

- Collection of payments from customers
- Post payments to customers' accounts
- Process payments received in drop box
- Balance cash and make bank deposit daily
- Process applications for service at existing properties which includes collecting deposit and associated fees
- Process payments for reconnection of service terminated for non-payment and generate adjustment journal
- Generate service orders for termination of service requested by customer