

5/2/94

STATE OF NORTH CAROLINA
COUNTY OF DURHAM
COUNTY OF ORANGE

AGREEMENT FOR COLLECTION AND TREATMENT
OF WASTEWATER FROM THE PINEY MOUNTAIN SUBDIVISION,
ORANGE COUNTY, BY THE CITY OF DURHAM

THIS AGREEMENT is made and entered into by and between the CITY OF DURHAM, a North Carolina municipal corporation, (herein referred to as "City"), and ORANGE WATER AND SEWER AUTHORITY, a public body, politic and corporate organization and operating pursuant to Chapter 162A of the North Carolina General Statutes, (herein referred to as "OWASA"), and shall be effective from and after the date of its execution by both of the parties.

WHEREAS a consent judgment entered by the court on November 6, 1986 in the Town of Chapel Hill vs. City of Durham, established an annexation boundary line between the Town of Chapel Hill and the City (hereinafter "Annexation Boundary Line"); and

WHEREAS in 1993, the AGREEMENT DEFINING SERVICE AREA BOUNDARIES AND PROVIDING FOR SALE AND PURCHASE OF WATER was renewed for a five (5) year term ending on August 26, 1998; and

WHEREAS the Piney Mountain Subdivision lies on OWASA's side of the annexation boundary line, approximately one mile west of the City's wastewater collection facilities on Kerley Road and Mount Sinai Road; and

WHEREAS as of the date of this AGREEMENT there are no existing OWASA sewer facilities near the Piney Mountain Subdivision which could be extended to serve the subdivision in a manner that is economically feasible; and

WHEREAS it has been determined that the Piney Mountain Subdivision's on-site wastewater treatment system has failed and the sole remedy is a force main to the nearest public wastewater collections system.

NOW, THEREFORE, the City and OWASA for and in consideration of the matters hereinafter set forth, do hereby agree as follows:

1. PURPOSE

The purpose of this Agreement is to permit the City to receive wastewater from OWASA that is generated from the Piney Mountain Subdivision until such time as OWASA's utilities are extended to the subdivision as hereinafter defined.

2. **DEFINITION OF AREA**

- A. The service area which is the subject of this agreement is a subdivision of approximately 120 acres located within Chapel Hill Township approximately one mile west of the Orange/Durham County line on the north side of Mount Sinai Road (SR 1718). It encompasses fifty-nine platted residential single family lots described as Piney Mountain subdivision Phase I, Lots 1-24 and Phase 2, Lots 25-59, as recorded in Plat Book 49, Pages 85 & 86, Plat Book 52, Page 183, and Plat Book 58, Pages 129 & 130.
- B. The service area may not be expanded beyond the existing 59 lots.

3. **OWNERSHIP, MAINTENANCE AND INSPECTION**

- A. The wastewater collection system serving the Piney Mountain Subdivision, including the pump station and force main that convey wastewater from the subdivision to the City's wastewater collection system, shall be owned, operated and maintained by OWASA. The installation shall be done under the direction of OWASA at no charge to the City.
- B. OWASA agrees to allow the City to inspect any portion of the system that is located on the City side of the service area boundary line.

4. **MEASUREMENT OF WASTEWATER FLOWS**

- A. The City agrees to receive from OWASA, at one collection point, domestic wastewater which is generated by the Piney Mountain Subdivision.
- B. A meter shall be installed as directed by the City to measure the amount of wastewater discharged to the City system. After installation and acceptance of the meter, it will be owned by the City.
- C. The City shall read this meter monthly and bill OWASA for sewer usage based on 100% of the City's prevailing "outside" rate schedule.
- D. OWASA shall pay to the City, on a monthly basis, the City's current charges for the sewer usage, based on the meter readings described in 4B above.

5. **CAPITAL FACILITY FEES**

- A. OWASA shall pay to the City the sum of \$25,901.00 in capital facility fees prior to connecting to the City's wastewater system. If service under this agreement is terminated before one (1) year after the execution date, the City will refund to OWASA the aforementioned capital facility fee.

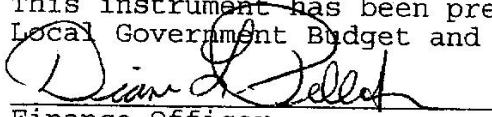
6. **TERMS OF AGREEMENT**

- A. This Agreement shall become effective upon signing by both parties, and remain in effect until one of the following conditions is met:
- (1) OWASA's sewer system is extended to the Piney Mountain Subdivision; or
 - (2) The Annexation Boundary Line is altered in such a way as to bring the Piney Mountain Subdivision into the City's service area.
- B. This Agreement may be amended or terminated, by mutual agreement of both parties.
- C. Nothing in this Agreement is intended to alter either:
- (1) The Annexation Boundary Line; or
 - (2) The Agreement defining service area boundaries and providing for sale and purchase of water, entered into by the City and OWASA in August, 1988 and renewed in 1993.
- D. This Agreement shall be administered by the City's City Manager and by OWASA's Executive Director, or their designees.
- E. Any litigation arising out of this Agreement shall be determined in Durham County District or Superior Court.
- F. **NONDISCRIMINATION POLICY.** The City of Durham opposes discrimination on the basis of race and sex and urges all of its contractors to provide a fair opportunity for minorities and women to participate in their work force and as subcontractors and vendors under City contracts.

IN WITNESS WHEREOF, the parties have authorized this Agreement to be executed and attested by their undersigned officers, to be effective from and after the date executed by the latter party.

[End of Text]

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

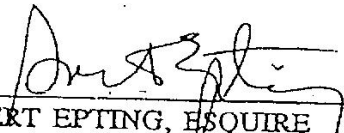

Finance Officer

4-29-94
Date

ORANGE WATER AND SEWER AUTHORITY

APPROVED AS TO FORM AND LEGALITY:

5-2-94
DATE


ROBERT EPTING, ESQUIRE
COUNSEL TO THE AUTHORITY

THIS INSTRUMENT HAS BEEN PREAUDITED IN THE MANNER REQUIRED BY THE
LOCAL GOVERNMENT AND FISCAL CONTROL ACT:

4-29-94
DATE


DIANE L. JELLAT
FINANCE OFFICER

ATTEST

Margaret M. Bowers
City Clerk

CITY OF DURHAM

John R. Rouse
City Manager

ATTEST

Joni Gilgoe
Assistant Secretary



ORANGE WATER AND SEWER AUTHORITY

W.E. Billingsley
Executive Director

STATE OF NORTH CAROLINA

COUNTY OF _____

I, Harold P. Betts, a notary public for said County and State, certify that Margaret M. Bowers personally appeared before me this day, and acknowledged that she is _____ City Clerk of the **CITY OF DURHAM**, a municipal corporation, and that by authority duly given and as the act of the City, the foregoing contract was signed in its corporate name by its _____ City Manager, sealed with its corporate seal, and attested by herself as its said City Clerk or Deputy City Clerk. This the 20th day of May, 1994.



Harold P. Betts
Notary Public

My commission expires: 4-27-97

STATE OF NORTH CAROLINA

COUNTY OF ORANGE

I, Linda F. Vaughn, a notary public for said County and State, certify that Joni Gilgoe personally appeared before me this day, and acknowledged that ~~he or~~ she is Assistant Secretary of **ORANGE WATER AND SEWER AUTHORITY**, a public body, politic and corporate organization and operating pursuant to Chapter 162A of the North Carolina General Statutes, (herein referred to as "OWASA"), and that by authority duly given and as the act of the corporation, the foregoing contract with the City of Durham was signed in its name by its Executive Director, whose name is W.E. Billingsley, sealed with its corporate seal, and attested by him/herself as its said Assistant Secretary. This the 2nd day of MAY, 1994.

Linda F. Vaughn
Notary Public

My commission expires:

OCTOBER 22, 1994

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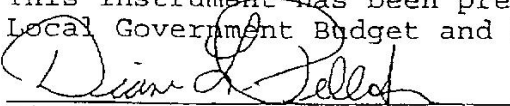
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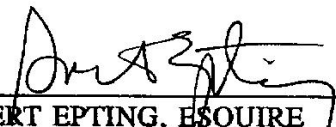

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