

**NORTH CAROLINA
GUILFORD COUNTY**

THIS AGREEMENT, made and entered into this the _____ day of _____, 2018, by and between the CITY OF GREENSBORO, a municipal corporation under the laws of the State of North Carolina, situated in the County of Guilford, State of North Carolina, hereinafter referred to as Greensboro, and the CITY OF BURLINGTON, a municipal corporation under the laws of the State of North Carolina, situated in the Counties of Alamance and Guilford, State of North Carolina, hereinafter referred to as Burlington,

W I T N E S S E T H :

THAT WHEREAS, Greensboro and Burlington have established an annexation line of agreement in eastern Guilford County which is described in a separate document entitled "Greensboro - Burlington Annexation Agreement", and

WHEREAS, Greensboro and Burlington both realize the benefits of establishing and maintaining an interconnection between their respective water distribution systems for the purpose of the sale of finished water or for assistance during emergencies, and

WHEREAS, Greensboro has determined that it may be beneficial to access additional water supply for drought protection, and

WHEREAS, Greensboro is currently providing sewer service to certain properties on the east side of the annexation line of agreement hereinbefore mentioned above, and

WHEREAS, Greensboro has determined that it has a finite long-term supply of wastewater treatment and is limited by the capacity of receiving streams to assimilate discharge volume; and

WHEREAS, Greensboro and Burlington entered into an original agreement for this purpose on May 29, 2002 and the agreement was subsequently revised and extended July 1, 2013;

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, it is agreed by and between the parties hereto as follows:

1) That Greensboro hereby agrees to purchase from Burlington via the current connection and/or others that may be installed in the future, not less than one and one-half (1.5) million gallons nor more than five (5) million gallons of finished water per day. This water shall be drawn in a uniform manner so as to minimize surges or other adverse impacts within Burlington's water system. Greensboro shall have flexibility within each quarter of each fiscal year to make daily

adjustments to the amount drawn such that the average daily flow for each quarter is not less than one and one-half (1.5) million gallons per day.

2) That the sale of water pursuant to this contract shall begin on July 1, 2018. The sale of water shall continue under the provisions of this agreement until July 1, 2028.

3) That Burlington shall bill Greensboro monthly for all water drawn, or as otherwise mutually agreed upon, at the prevailing inside corporate limit rate that Burlington charges other municipal customers. The current water rates as of the date of execution of this agreement are:

\$3.96 per 1000 gallons for 0 - 25,000,000 gallons per month.

\$1.98 per 1000 gallons for all above 25,000,000 gallons per month.

These rates are subject to revision by the City of Burlington. Total quarterly compensation to the City of Burlington shall include payment for no less than the minimum amount of water outlined in 1) above regardless of whether or not Greensboro actually draws this amount each day during each respective quarter of each year during the life of this agreement.

4) That Burlington shall be responsible for the finished water treated leaving its Water Treatment Facilities meeting the North Carolina Safe Drinking Water Act standards and any amendments thereto. Greensboro shall be responsible for any and all other treatment of water it deems necessary or desirable.

4) That Greensboro and Burlington hereby agree to negotiate in good faith at some future time regarding the minimum amount of water to be purchased by Greensboro following July 1, 2028.

5) All new public water and/or sewer lines that are installed on the east side of the annexation line of agreement shall become the property of Burlington. All customers served by these lines shall be Burlington's customers. All new public water and/or sewer lines that are installed on the west side of the annexation line of agreement shall become the property of Greensboro. All customers served by these lines shall be Greensboro's customers.

6) That until such time as Burlington determines that connections to Greensboro's sewer systems are no longer needed, acceptable metering or measuring methods shall be implemented to assure proper billing for the continued provision of wastewater services from existing or future customers served by Burlington. Also, Greensboro hereby agrees to reserve no less than nine hundred thousand gallons per day of permitted wastewater capacity within its wastewater system for the acceptance of wastewater flow from Burlington's side of the annexation line of agreement. Burlington shall access this allocation by submittal of a copy of the development flow permit application and overall utility site plan to Greensboro. Greensboro shall issue a flow acceptance letter to Burlington upon sufficient review under Greensboro's Flow Tracking System Evaluation Program. This capacity limit may be enforced by Greensboro

following a determination that the average daily wastewater flow measured during any quarter of the fiscal year exceeds nine hundred thousand gallons per day.

7) That during the period of time in which Greensboro accepts wastewater from Burlington customers, Greensboro shall be compensated by Burlington quarterly based on Greensboro's outside rates. Greensboro's outside rates are subject to revision by the City of Greensboro.

8) That following not less than three years advance written notice, Greensboro may require that some or all of the wastewater flow generated by customers on the east side of the line of agreement and being directed to Greensboro's treatment works, be transferred to Burlington's treatment works. Burlington shall be responsible for the costs of infrastructure modifications associated with this transfer. The intention of this arrangement is to minimize the impact of Burlington's additional wastewater flow on Greensboro's treatment works capacity. Thereafter, all wastewater flows that are transferred from Greensboro's system to Burlington's system shall be appropriately deducted on a volume for volume basis from the collective flows that are utilized along with the provisions of 6) above in the calculation of billing reimbursement to Greensboro.

9) That upon notice that emergency water conditions exist in Burlington, Greensboro hereby permits Burlington to draw water from Greensboro's system on a temporary basis. Inasmuch as no metering device will be available to measure such flows to Burlington, billing shall be based upon the best available volume estimates utilizing Burlington's prevailing municipal customer rate.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed and attested, the day and year first above written.

(The remainder of this page is intentionally left blank)

THE CITY OF GREENSBORO

By: _____
Nancy B. Vaughan
Mayor

ATTEST:

City Clerk

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

By: _____
Deputy Finance Officer

Approved as to form by:

By: _____
City Attorney

THE CITY OF BURLINGTON

By: _____
Ian Baltutis
Mayor

ATTEST:

City Clerk

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

By: _____
Finance Officer

Approved as to form by:

By: _____
City Attorney