

PURCHASE AND SALE AGREEMENT

WHEREAS, KDHWWTWP, LLC, (“KDHWWTWP” or “Seller”) is the owner and franchised operator of a wastewater treatment plant located in Kill Devil Hills, N.C.; and

WHEREAS, in its treatment plant, KDHWWTWP has unused and available wastewater treatment capacity which is available for sale to existing and future customers; and

WHEREAS, The County of Dare or assignees, hereafter referred to as “Purchaser,” is the owner of a property whose physical address is 1630 N. Croatan Highway, Kill Devil Hills, Dare County, NC 27948, Legal Description, Parcel 002741002 and PIN 988410460072 as recorded in Bk: 2575, Pg: 0224, Dare County, NC, desires to purchase a portion of the unused and available treatment capacity belonging to KDHWWTWP and, therefore.

WITNESSETH:

1. Purchase and Sale. Purchaser hereby agrees to purchase, and Seller agrees to sell, capacity in the KDHWWTWP treatment plant, such purchase to consist of the right to use 2635 gallons per day (“gpd”) of the plant’s treatment capacity.

2. Purchase Price. The purchase price for this purchase of capacity is \$12.98 per gpd for a total purchase price of \$34,202.30.

3. Down Payment. A down payment of 50% of the Capacity Purchase Price, which equals \$17,101.15 shall be paid upon execution of this agreement.

4. Retention of Capacity. The purchased capacity will be held by KDHWWTWP on Purchaser’s account with the Public Utility. Purchaser must connect to the Public Utilities facilities within two years from the date of the approval of the addition of the subject property to the Public Utilities Service area by the NCUC. Should the addition of the property, which is the subject of this agreement and described above, be denied by the North Carolina Utilities Commission, the Seller shall refund to the Buyer, within 30 days, the \$17,101.15 referenced in Article 3 above as the Down Payment.

5. Completion of Payment of Purchase Price. The remaining balance of \$17,101.15 of the total Capacity Purchase Price shall be paid within 30 days after the addition of the property to the Public Utility’s Service Area by the North Carolina Utilities Commission and shall be paid before the final connection to the Public Utilities System is made and service to the customer begins.

6. Conditions Precedent to Finalization of Agreement. This Agreement will not become final until it is submitted to, and acknowledged by, the North Carolina Utilities Commission (“NCUC”). Seller will be responsible for submitting the Agreement, and any necessary request for expansion of the NCUC-franchised service territory to the NCUC. Purchaser will cooperate with Seller by providing any required data, information or documents requested of Purchaser by the NCUC or the Public Staff and the full completion of Article 8 of this agreement.

7. Late Payment. If Purchaser is late in paying the final total purchase price payment, Seller may, at its option, cancel this Agreement and refund any sums theretofore paid by the Purchaser. If Seller does not exercise this option, interest on any late payment amount will accrue at the rate of one and one-half percent (1.5%) per month or eighteen percent (18%) annually. If this interest rate is determined, for any reason, to be unlawful, then interest will accrue and the highest legal rate of interest.

8. Connection to System; Succession. It shall be Purchaser's responsibility to construct the necessary collection pipes and associated equipment, including any required lift stations and standby generators if required, which are required to connect Purchaser's premises with Seller's existing plant facilities, the location of which must be approved by the Public Utility. Such construction shall meet standards prescribed by the North Carolina Department of Environmental Resources, Division of Environmental Quality and the Public Utility. Upon completion and upon request of the Seller all such pipes, lift stations, other equipment, easements and rights-of-way associated with the sewer lines and facilities, and any facility plans and specifications including as-built surveys shall be conveyed at no cost by the Purchaser to the Seller, or to any successor-in-interest of the Seller. Purchaser and Seller may convey their rights and obligations hereunder to third parties upon giving written notice to the other party. Purchaser must connect to the KDHWTP facilities within one year of approval by the NCUC. Purchaser further agrees to pay all associated costs, including but not limited to, attorney fees, engineering fees, survey fees permit fees and all construction costs required to add the Purchaser's property to the Public Utilities Service Area.

9. Paragraph Headings. The underlined paragraph headings are for the convenience of the parties and are not part of the substance of this Agreement.

10. Interpretation. This Agreement shall be construed pursuant to the laws of the State of North Carolina.

11. Entire Agreement. This Agreement represents the entire Agreement between the Purchaser and Seller regarding the subject matter of this Agreement. All prior discussions and negotiations are merged in this Agreement.

12. Dispute Resolution. In the event of disagreement or dispute concerning any of the terms of this Agreement, the Purchaser and Seller shall first attempt to negotiate a resolution themselves. If that fails, the parties will petition the North Carolina Utilities Commission for a resolution of the dispute. No lawsuits shall be filed by either party.

13. Amendment. This Agreement may be amended, in writing, with such written Amendment to be signed by both Purchaser and Seller or their respective successor(s) in interest.

14. Date of Agreement. This Agreement is executed on or as of the _____ day of _____, 2022.

SELLER

PURCHASER

KDHWTP, LLC

By: _____
George E. Goodrich
Manager

By: _____ ()
Robert L. Outten, Manager
County of Dare, North Carolina