

RESIDENTIAL WASTEWATER TREATMENT SERVICES CONTRACT

STATE OF GEORGIA,
JACKSON COUNTY

This Contract made and entered into by the Jackson County Water and Sewerage Authority, hereinafter referred to as the "Authority" and _____, hereinafter referred to as "Developer".

1.

Developer is the owner of a tract of land located in Jackson County, hereinafter referred to as the "Tract" as more particularly described on Exhibit "A" attached hereto and incorporated herein as a part of this Contract by reference.

2.

The Authority intends to provide wastewater services to the Tract from the wastewater treatment facility known as the "Middle Oconee Wastewater Treatment Plant" located on State Highway 11 in the City of Jefferson, Jackson County, Georgia. Said wastewater services shall be in the form of "residential wastewater taps," with each residential wastewater tap consisting of the provision of wastewater treatment capacity sufficient to service one (1) residence, as determined by the Authority's standards and specifications. The purchase price for each residential wastewater tap shall be referred to herein as the "Tap Fee." One residential wastewater tap must be purchased for each residential lot approved for development on the Tract. All residential wastewater taps are sold by the Authority on a "first come, first served" basis.

3.

The Developer shall be required to prepay all Tap Fees to the Authority. The Tap Fees paid by the Developer shall be utilized by the Authority to develop the wastewater treatment infrastructure and capacity required to serve the Tract and to maintain said infrastructure and capacity until such time as said capacity is utilized by the Developer on the Tract. The Tap Fees represent the sunk costs incurred by the Authority in developing the necessary sewer infrastructure and capacity and are therefore non-refundable. This Agreement shall be executed and the Tap Fees shall be paid at the time of the Authority mandated pre-construction meeting. The construction plans for the Tract shall not be approved by the Authority without full payment of the Tap Fees.

4.

The residential wastewater taps purchased in this contract may only be utilized on the Tract described in Exhibit "A." Said residential wastewater taps may not be reallocated to any

other property without the approval of the Authority Board. With the written approval of the Authority, residential wastewater taps may be allocated to subdivided portions of the Tract, but shall not be reallocated to other adjoining properties of the Developer. In the event that a third party purchases or otherwise acquires the Tract, the wastewater taps shall be conveyed with the Tract of land, and shall not be separated from said Tract. In no case shall the Authority authorize the conveyance or brokering of the residential wastewater taps described herein to a third party for service on a property other than the Tract.

5.

The Authority has approved the purchase of _____ residential wastewater taps for the Tract, the terms of said purchase being described below. Requests for non-residential sewer taps shall be considered at the time the request is made and subject to availability and cost of service capacity. The Authority guarantees it will make available for Developer's use sufficient wastewater treatment capacity to service the conveyed residential wastewater taps on or before _____, at the volume represented by residential wastewater taps paid for hereunder. The site plan, when approved by the local governing authority, will become an exhibit to this Contract and shall be made a part and incorporated herein by reference.

6.

(Paragraph 6(A) shall apply where the number of approved taps is less than 20 taps.)

A. The Authority's Manager has approved the Developer's pre-purchase of _____ taps, at the cost of _____ Dollars (\$ _____) per tap. The total cost of _____ Dollars (\$ _____) is to be to be paid simultaneously with the execution of this Contract, which amount is to be considered as consideration for the Authority's execution of this Contract and for the taps purchased.

(Paragraph 6(B) shall apply where the number of approved taps is 20 or more.)

B. The Authority's governing board has approved the Developer's pre-purchase of _____ taps, at the cost of _____ Dollars (\$ _____) per tap. The total cost of _____ Dollars (\$ _____) is to be to be paid simultaneously with the execution of this Contract. Said amount is to be considered as consideration for the Authority's execution of this Contract and for the taps purchased.

7.

If applicable, the cost of residential wastewater taps for the other parcels within the Tract shall be the cost in effect at the time a tap-on request is made and paid for in full.

8.

The parties understand and agree that the Authority's obligation to furnish wastewater treatment infrastructure to the Tract should be at the closest connection of Authority's system as shown on Exhibit _____. The Developer has sole responsibility to construct all wastewater treatment infrastructures inside and outside the boundary of its Tract in strict accordance with Authority's standards of construction. Additionally, the Developer has sole responsibility for all costs (to include, though not limited to, construction costs, land acquisition costs, inspection costs and regulatory costs) which may be incurred in reaching the Authority's sewer system connection if said connection is not within the Developer's tract. Any such off-Tract easements, equipment, and infrastructure shall be dedicated and conveyed to the Authority in the same manner as such easements, infrastructure and equipment located on the Tract. Such wastewater treatment infrastructures must receive approval of the Environmental Protection Division of the Georgia Department of Natural Resources if required.

9.

The terms and conditions of this Contract are binding on, and shall inure to the benefit of the successors and permitted assigns of the parties.

10.

Neither party may assign its rights, duties, obligations or interests under and in this Contract without the non-assigning party's prior written consent. Any purported assignment without such consent shall be null and void.

11.

The Authority shall operate the wastewater system in a reasonable and customary manner; however, the parties acknowledge that interruptions of service may occur, in which event the Authority shall take all reasonable means to restore the wastewater system to operation as soon as possible in accordance with good engineering practice.

12.

For purposes of this Contract, the term "force majeure" means any event or circumstance which (i) is beyond the reasonable control of the Party affected (Affected Party), (ii) occurs or exists without fault or negligence on the part of the Affected Party, and (iii) prevents, wholly or in part, the Affected Party from performing its duties and obligations under this Contract (other than obligations of the Affected Party to pay or expend monies for or in connection with its performance under this Contract). Force majeure includes, but is not limited to, act of God, fires, floods, droughts, earthquakes, windstorms, hurricanes, strikes, lockouts, explosions, riots, insurrections, acts of a public enemy, wars, acts of sabotage, actions or orders of governmental authorities (civil or military), and breakage of or damage to pipelines, machinery, or equipment. Force majeure also includes any delay by the Environmental Protection Division of the Georgia

Department of Natural Resources to issue required permits and to approve any plans submitted by Authority for the expansion of the Middle Oconee Wastewater Treatment Plant and the wastewater infrastructure in order to provide waste water treatment services to Developer's property described in Exhibit A to this Contract.

13.

Notwithstanding any other provision of this Contract, a delay or failure on the part of the Affected Party in performing its duties and obligations under this Contract shall be excused if, and to the extent, such delay or failure in performance is caused by force majeure but only during the continuance of such force majeure; provided, however, that written notice of such force majeure and the reason(s) therefore shall be promptly given by the Affected Party to the other Party; and provided further that the Affected Party shall act diligently in attempting to remove or eliminate such force majeure. In such event, neither Party shall be liable to the other Party for any loss or damage caused by such force majeure.

14.

If this project is outside the Authority's service district, Developer shall provide a written commitment from the local government designated to serve such district which allows the Authority to provide sewer service within such district prior to Developer receiving sewer service hereunder.

15.

The Developer and its assigns agree to be bound by all rules and regulations promulgated by the Authority from time to time for use of the treatment facilities and wastewater infrastructure.

16.

The Developer and its assigns agree to be bound by all rules and regulations promulgated by the Environmental Protection Division of the Georgia Department of Natural Resources from time to time for use of the treatment facilities and wastewater infrastructure.

17.

This Contract shall be construed and performed in accordance with the laws of the State of Georgia. Any action to protect or enforce rights under the provisions of this contract shall be brought in the Superior Court of Jackson County, Georgia.

18.

This Contract supersedes all prior contracts, negotiations and representations of the parties and no term or condition not set forth herein shall be binding on the party.

19.

During the pendency of this Contract, developer shall indemnify the Authority against any claims, losses, or costs incurred by the Authority arising out of those easements, equipment, and infrastructure conveyed to the Authority. If a wastewater line is installed on property for which no easement has been obtained, the Developer shall indemnify the Authority for all costs associated with remedying said encroachment, to include any court costs, attorney's fees, etc.

20.

Upon execution of this Agreement, the Developer shall simultaneously open a billing account with the Authority. Any fees or costs associated with the Tract shall be billed to the Developer on this account. The opening of this account shall have no effect on the due date for payment of Tap Fees as provided in Paragraph 6.

21.

The purchase of each Residential Wastewater Tap includes a reservation of sufficient wastewater treatment capacity to serve a single residential home.. The duration of this reservation shall be based on the number of Residential Wastewater Taps purchased by the Developer, as more particularly shown on that Wastewater Tap Schedule attached hereto as Exhibit "B". In the event that any of the purchased Residential Wastewater Taps are not utilized within the construction completion window prescribed in Exhibit "B," the Developer shall be required to pay a Capacity Renewal Fee in an amount representing fifty percent (50%) of the original Tap Fee for each unused Residential Wastewater Tap. Upon payment of the Capacity Renewal Fee, the said Capacity Renewal Fee shall be utilized by the Authority for the maintenance of that infrastructure and capacity. The Payment of the Capacity Renewal Fee will extend the Developer's time to utilize the purchased capacity by a period equivalent to the Developer's original construction completion window. The Capacity Renewal Fee may only be utilized one time. If the Capacity Renewal Fee is not paid within 60 days of the termination of the construction completion window, any unused Residential Wastewater Taps will be terminated. After termination, any unused or new taps purchased by the Developer shall be at the wastewater tap fee in effect at the time the request is made.

A Residential Wastewater Tap shall be considered to be utilized if a certificate of occupancy has been issued for a home located on the Tract. For each Residential Wastewater Tap purchased, one such certificate of occupancy will need to be issued (i.e. if twenty taps are purchased, twenty residential certificates of occupancy will need to be entered for the Tract).

22.

SPECIAL STIPULATIONS (if required)

IN WITNESS WHEREOF, the parties have executed this Contract by its duly authorized officers under hand and seal this _____ day of _____, 20____.

Signed, sealed and delivered
in the presence of:

JACKSON COUNTY WATER AND
SEWERAGE AUTHORITY

Witness

By: _____
Eric Klerk
Authority Manager

Notary Public

Signed, sealed and delivered
in the presence of:

DEVELOPER/OWNER

Witness

Notary Public

EXHIBIT "B"

Wastewater Tap Schedule

0 thru 20 Residential Wastewater Taps	Two (2) year home construction completion window
21 thru 50 Residential Wastewater Taps	Three (3) year home construction completion window
50 thru 100 Residential Wastewater Taps	Five (5) year home construction completion window
>100 Residential Wastewater Taps	Any developments greater than 100 residential homes, including phased developments, will be required to execute a new wastewater contract with the Authority after five (5) years and pre-pay for the purchase of wastewater taps at the going rate of such taps at that time.