

DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
D. RALPH HUFF, III, COMMISSIONER
DAVID W. TREGO, CEO/GENERAL MANAGER



FAYETTEVILLE PUBLIC WORKS COMMISSION
955 OLD WILMINGTON RD
P.O. BOX 1089
FAYETTEVILLE, NORTH CAROLINA 28302-1089
TELEPHONE (910) 483-1401
WWW.FAYPWC.COM

September 28, 2018

Mr. James Rose
VP Sales & Development
Broadwell Land Company
903 Hay Street
Fayetteville NC 28305

Dear James:

I am writing this letter to confirm both PWC and Broadwell Land Company intention to negotiate a participation agreement for the extension of water to the property and sanitary sewer service through the property described in the attached EXHIBIT A.

The attached EXHIBIT B lists the general terms and conditions that we have discussed previously, which are the basis for our proposed participation agreement. Please review Exhibit B to determine if it correctly describes the scope and terms which we have discussed.

If EXHIBIT B correctly describes our previous discussions, please have Mr. Broadwell sign below so that we can develop a formal participation agreement for negotiating the detailed terms and conditions.

If you have any questions or concerns regarding EXHIBIT B, please contact me so that we can jointly revise this Exhibit to correctly document our intentions.

David Trego
CEO and General Manager
Fayetteville Public Works Commission

Dohn Broadwell
Broadwell Land Company

A handwritten signature in dark ink, appearing to read "D. W. Trego", written over a horizontal line.

A handwritten signature in dark ink, appearing to read "Dohn Broadwell", written over a horizontal line.

Sincerely,
PUBLIC WORKS COMMISSION

A handwritten signature in dark ink, appearing to read "Mark Brown", written over a horizontal line.

Mark Brown
Senior Customer Programs Officer

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Beginning at an existing iron pipe in the southeastern corner of Lot 1 as shown on that certain plat entitled "Recombination of Daniel T. Bowman & T. W. Huff" as recorded in Plat Book 110, Page 21 of the Cumberland County Registry and continuing thence North 89 degrees 49 minutes 04 seconds West 209.83 feet to the TRUE POINT AND PLACE OF BEGINNING and continuing thence North 89 degrees 52 minutes 50 seconds West 390.16 feet to a point, thence North 89 degrees 58 minutes 57 seconds West 378.64 feet to a point thence North 00 degrees 08 minutes 15 seconds East 109.89 feet to a point, thence North 89 degrees 53 minutes 12 seconds West 349.73 feet to a point, thence South 00 degrees 07 minutes 40 seconds West 109.81 feet to a point, thence South 89 degrees 57 minutes 40 seconds West 60.12 feet to a point, thence North 89 degrees 49 minutes 32 seconds West 199.97 feet to a point, thence North 89 degrees 46 minutes 52 seconds West 772.36 feet to a point, thence North 89 degrees 32 minutes 42 seconds West 53.56 feet to a point, thence North 89 degrees 50 minutes 05 seconds West 140.28 feet to a point, thence North 89 degrees 53 minutes 00 seconds West 125.46 feet to a point, thence South 06 degrees 29 minutes 52 seconds West 179.82 feet to a point, thence South 28 degrees 28 minutes 48 seconds East 74.63 feet to a point, thence South 08 degrees 47 minutes 01 seconds West 216.27 feet to a point, thence South 63 degrees 27 minutes 20 seconds West 27.46 feet to a point, thence South 63 degrees 46 minutes 53 seconds West 75.39 feet to a point, thence South 63 degrees 22 minutes 49 seconds West 44.56 feet to a point, thence North 87 degrees 56 minutes 48 seconds West 48.95 feet to a point, thence North 88 degrees 51 minutes 18 seconds West 147.98 feet to a point, thence South 40 degrees 02 minutes 17 seconds West 234.77 feet to a point, thence South 00 degrees 24 minutes 34 seconds West 142.10 feet to a point, thence South 00 degrees 27 minutes 42 seconds West 58.73 feet to a point, thence North 88 degrees 58 minutes 27 seconds West 1279.58 feet to a point, thence North 01 degrees 40 minutes 38 seconds West 882.75 feet to a point, thence North 02 degrees 10 minutes 28 seconds West 252.13 feet to a point, thence North 01 degrees 18 minutes 03 seconds West 185.61 feet to a point, thence North 01 degrees 46 minutes 47 seconds West 439.39 feet to a point, thence North 01 degrees 38 minutes 07 seconds West 444.30 feet to a point, thence North 01 degrees 38 minutes 28 seconds West 127.89 feet to a point, thence North 88 degrees 36 minutes 46 seconds East 550.01 feet to a point, thence North 56 degrees 41 minutes 26 seconds East 85.39 feet to a point, thence South 33 degrees 18 minutes 34 seconds East 157.36 feet to a point in a curve to the Left having a radius of 275.00 and an arc length of 278.75 with a chord bearing and distance of North 27 degrees 39 minutes 06 seconds East 266.97 feet to a point, thence North 01 degrees 23 minutes 14 seconds West 32.86 feet and thence with a curve to the Right having a radius of 375.00 and an arc length of 277.67 with a chord bearing and distance of North 19 degrees 49 minutes 30 seconds East 271.37 feet to a point, thence North 04 degrees 56 minutes 47 seconds West 588.61 feet to a point in the southern right of way margin of Elliot Farm Road and continuing thence North 84 degrees 12 minutes 14 seconds East 1580.12 feet to a point in the western margin of Elliot

EXHIBIT A (Continued)

Bridge Road and continuing with said right of way margin South 61 degrees 48 minutes 08 seconds East 2424.31 feet to a an existing iron pipe and continuing thence South 25 degrees 24 minutes 51 seconds East 105.69 feet to a point in the western right of way margin of Ramsey Street and continuing along said margin of Ramsey Street with a curve to the left having a radius of 7800 with an arc length of 486.90 with a chord bearing and distance of South 08 degrees 14 minutes 08 seconds West 486.82 feet to a point, thence South 02 degrees 05 minutes 23 seconds West 438.94 feet to a point, thence South 01 degrees 15 minutes 39 seconds West 79.98 feet to a point, thence South 01 degrees 24 minutes 51 seconds West 203.37 feet to a point and continuing thence leaving said Ramsey Street western right of way margin South 88 degrees 27 minutes 29 seconds West 210.19 feet to a point, thence South 01 degrees 21 minutes 26 seconds West 209.83 feet to the TRUE POINT AND PLACE OF BEGINNING, and containing approximately 253.51 acres more or less.

EXHIBIT B
GENERAL TERMS AND CONDITIONS

1. PWC will extend water to the property and sanitary sewer through the property owned by Broadwell Land Company (BLC) described in EXHIBIT A.
2. The Sanitary Sewer construction will be completed in summer of 2019.
3. The water construction will be completed in three parts:
 - a. The water main extension will be completed by the end of the summer of 2019.
 - b. The booster pump will be completed in 2020. PWC will need the booster pump in order to maintain sufficient operating pressures, particularly in the "1A" area (12 lots), which is the higher elevation region near Elliott Bridge Road.
 - c. The elevated storage tank installation will be completed in 2020. PWC can serve BLC Phase 1 Area without the elevated tank. However, the booster pump without the elevated tank PWC's system can only deliver 500 gpm @ 20 psi to the BLC development.
 - d. The elevated storage tank will not be operational until there is the required system demand to ensure the sufficient turnover of the water in the new tank. The threshold for sufficient turnover is 100,000 gallons/day system demand. The 100,000 gallons / day demand represents roughly 420 residences. There are presently 85 existing residential connections already served with PWC water located within the tank's pressure zone. Therefore, approximately 335 new residential connections are required for the tank to become operational. Once the elevated tank is operational, PWC will upgrade the booster pump to provide greater than 1,000 gpm @ 20 psi.
 - f. PWC will share construction plans with BLC engineer, CDM Smith (CDM) in order to finalize BLC utility plans and reconcile any conflicts.
4. PWC will be the water and sanitary sewer provider for the entire multi-use project consisting of single family, multi-family and commercial buildings.
5. In order to minimize any redesign of BLC Phase 1 utility plans, PWC agrees to accept BLC permit application for Phase 1 with the revisions shown below:
 - a. The water line shall be AWWA Standard C900 PVC.
 - b. PWC shall accept the installation of the water mains outside the street pavement.
 - c. Sewer mains shall be AWWA Standard SDR 26 PVC.
 - d. PWC shall accept 3 feet as the depth of the water mains.
 - e. The water and sewer mains shall be 8 inches in diameter.
 - f. PWC shall accept a 1% slope on the 4 inch sewer laterals.
 - g. PWC shall require the water laterals to be 1 inch in diameter. PWC shall not require the use of a 2 inch diameter conduit under the streets.
 - h. PWC shall not require that water meters and sewer cleanouts be located at the center of the lots.

6. All other phases shall be designed in accordance with PWC design standards as they exist at the time of the permit application(s).
7. BLC shall participate in the cost of the utility extension at \$500,000
8. BLC shall not receive any FIF credits for their participation.
9. BLC will submit a voluntary annexation petition to City Council.
10. This agreement is only valid, if the Fayetteville City Council either accepts BLC annexation petition or the Fayetteville City Council waives their annexation requirement for this project.
11. BLC will provide all required easements for PWC water and sanitary sewer lines at no cost to PWC.