

**STATE OF NORTH CAROLINA
COUNTY OF UNION**

AMENDMENT TO AMENDMENT 1 TO WATER AND WASTEWATER AGREEMENT

This Amendment, made and entered into as of the 12th day of August, 2025, by and between UNION COUNTY, a political subdivision of the State of North Carolina, hereinafter referred to as "Union," and the CITY OF MONROE, a municipal corporation of the State of North Carolina, hereinafter referred to as "Monroe," shall modify as indicated that Water and Wastewater Agreement between the parties dated December 5, 2005, and amended by Amendment 1 to Water and Wastewater Agreement on August 8, 2019, hereinafter referred to as the "Agreement."

WITNESSETH:

WHEREAS, Union and Monroe made and entered into an agreement in 2005 for the provision of water supply and wastewater treatment services between the parties; and

WHEREAS; Section 3.8 of said Agreement recognizes that there may be future capital improvements to Monroe's WWTP, conveyance, and disposal facilities not related to increased allocated capacity, the cost for which Union would be responsible to the extent of its proportional share based upon its Allocated Capacity; and

WHEREAS, Section 3.6 of said Agreement provides that Union shall pay on a monthly basis for such improvements needed to maintain allocated capacities to Union (based on its proportional share), but that payments made lump sum by Union to Monroe and shown in Exhibit 3 shall not be included in the monthly fixed charges; and

WHEREAS, Monroe has made and financed such improvements; and

WHEREAS, Union and Monroe desire to update Exhibit 3 attached to the Agreement to reflect such additional improvements, including those improvements which Union will pay its share of such improvement costs through a single, lump sum payment.

NOW, THEREFORE, in consideration of the parties' continuing obligations under the Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do each contract and agree with the other as follows:

1. Delete the Exhibit 3 attached to the Agreement, and replace it with the new Exhibit 3 attached hereto and incorporated herein by reference. Said new Exhibit 3 adds in the category of "Schedule of improvements for which single, lump sum payments are made" Project 4 described as WWTP Improvements, EQ Basin Construction, Engineering, and Miscellaneous for the design, construction and commissioning of the EQ Basin #2 at Monroe's WWTP. Additionally, Exhibit 3 reflects the cost allocation to Union for the lump sum payment by Union of Capital Costs Not Related to Increased Capacity.

IN WITNESS WHEREOF the parties hereto, acting under authority of their respective governing bodies, have caused this amendment to be duly executed in duplicate counterparts, each of which shall constitute an original, this the day and year first above written.

Attest:

CITY OF MONROE

Bridgette H. Robinson

Bridgette H. Robinson, City Clerk

(SEAL)



William M. Watson

William M. Watson, City Manager

Attest:

UNION COUNTY

Lynn G. West, Clerk to the Board

(SEAL)

Brian Matthews, County Manager

Exhibit 3. Monroe Allocated Wastewater Capacity to Union

Schedule of improvements for which monthly payments are made

						Payment Terms		
Project	Date	Item	Percent Allocated to Union	Total Cost	Total Annual Debt	Monthly Fixed		
					Service Cost	Charge	Begin Month	End Month
1	1995	SOC	21.67%	\$0	\$154,427	\$2,789	5/1/1995	4/1/2015
2	1994	Biosolids Facility	21.67%	\$0	\$140,644	\$2,540	3/1/1994	2/1/2019
3	1995	Expansion	30.00%	\$0	\$255,797	\$6,395	5/1/1995	4/1/2015
4	2006	Interim Expansion to 10.4 MGD	50.00%	\$0	\$903,649	\$37,652	7/1/2006	6/1/2007

Schedule of improvements for which single, lump sum payments are made

					Payment Terms		
Project	Date	Item	Percent Allocated to Union	Project Cost Estimate	Estimated Lump Sum Payment	Begin Month	End Month
1	2019	WWTP Improvements					
		Itemized Costs for Project 1					
		Blower Replacement/upgrade	25.48%	\$600,000	\$152,880		
		RAS pump replacements		\$200,000	\$50,960		
		Screen/Auger Conveyor Replacement		\$572,000	\$145,746		
		Screening Building Elec. Code Upgrade		\$428,000	\$109,054		
		Engineering		\$90,370	\$23,026		
		2000 kW Generator replacement		\$1,025,000	\$261,170		
		Chlorine Gas Scrubber		\$1,200,000	\$305,760		
		Influent pump 5&6 replacement		\$425,000	\$108,290		
				<u><u>\$4,540,370</u></u>	<u><u>\$1,156,886</u></u>		
2	2020	WWTP Improvements					
		Itemized Costs for Project 2					
		Replace filter effluent and drain valves	25.48%	\$140,000	\$35,672		
		Replace Filter Blowers (2)		\$150,000	\$38,220		
				<u><u>\$290,000</u></u>	<u><u>\$73,892</u></u>		
3	2021	WWTP Improvements					
		Itemized Costs for Project 3					
		Replace belt press	25.48%	\$350,000	\$89,180		
		Repair Influent Pumping Conduit w/ engineering		\$125,000	\$31,850		
				<u><u>\$475,000</u></u>	<u><u>\$121,030</u></u>		
4	2025	WWTP Improvements					
		EQ Basin Construction	25.48%	\$5,399,543	\$1,375,847		
		Engineering		\$738,184	\$188,095		
		Miscellaneous (DC Controls, Phillip Mungo, Endress & Hauser, Carolina CAT, NCDEQ)		\$119,792	\$30,524		
				<u><u>\$6,257,519</u></u>	<u><u>\$1,594,466</u></u>		

Notes:

- 1, 2, 3 Projects 1, 2, & 3 represent Work-in-Progress; schedule to be adjusted based on final project costs reflected on Monroe's financial statements
- 4 Project 4 represents final cost of completed project.