

STATE OF NORTH CAROLINA :  
COUNTY OF NEW HANOVER :

AGREEMENT

APR 19 3 46 PM '89

THIS AGREEMENT, made and entered into this the 22<sup>nd</sup> day of Feb., 1988, by and between SEAGATE VOLUNTEER FIRE DEPARTMENT, with its principal office and place of business located in Wilmington, New Hanover County, North Carolina, (hereinafter referred to as "SEAGATE"), Party of the First Part, and CAPE FEAR UTILITIES, INC., a North Carolina Corporation, with its principal office and place of business located in Wrightsville Beach, New Hanover County, North Carolina, (hereinafter referred to as "CAPE FEAR"), Party of the Second Part.

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WITNESSETH :

WHEREAS, SEAGATE is desirous of obtaining from CAPE FEAR water service to the Seagate Volunteer Fire Department Building, and, in addition, installation by CAPE FEAR of certain fire hydrants at locations to be specifically designated by SEAGATE; and

WHEREAS, CAPE FEAR has agreed to furnish water and install the hydrants for SEAGATE according to the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual promises and conditions hereinafter set forth, and the further consideration of ONE DOLLAR (\$1.00), paid by each of the parties to the other, the receipt of which is hereby acknowledged, the parties do hereby agree as follows:

1. CAPE FEAR shall extend an 8" main from and along Greenville Loop Road, along Oleander Drive, to the Seagate Volunteer Fire Department Building. For and in consideration of this extension, SEAGATE shall pay to CAPE FEAR the sum of TEN THOUSAND DOLLARS (\$10,000.00). In addition, for the sums herein specified, CAPE FEAR shall install for, and on behalf of SEAGATE, six (6) fire hydrants at locations to be specifically designated by SEAGATE. In addition, CAPE FEAR shall install one (1) 3/4" potable water tap at the Volunteer Fire Department Building.

2. After completion of the extension of the water service to SEAGATE, CAPE FEAR does agree, for itself, its successors and assigns, to maintain said system in good condition and provide water services to SEAGATE, in accordance with the standards set forth and approved by the North Carolina Department of Human

RETURNED TO

*M. Ballant*

SHIPMAN & LEA

615 PRINCESS STREET • WILMINGTON, NORTH CAROLINA 28402

1453 0795

Resources (Division of Health Services) and the North Carolina Utilities Commission.

3. CAPE FEAR further agrees to furnish water to SEAGATE, or such other parties or entities in lawful possession of the property, which is the subject matter of this Agreement, at the rates and charges established or approved, from time to time, by the North Carolina Utilities Commission.

4. SEAGATE hereby agrees to grant, bargain, sell and convey, and by this instrument does hereby grant, bargain, sell and convey to CAPE FEAR, its successors and assigns, the exclusive right and franchise to sell water, install pipes along and under the property owned by SEAGATE, to install pumps, meters, valves, hydrants, and make other necessary installations in order to distribute and sell water to SEAGATE, their successors and interest or assigns, or any other person, parties or entities in lawful possession of the property which is the subject matter of this Agreement. SEAGATE agrees not to extend any water line beyond the location where the same is installed by CAPE FEAR without its express written consent.

5. That upon completion of the installation in connection of the water main/system by CAPE FEAR, then any well or pump now supplying water to the property owned by SEAGATE will be disconnected. There shall be no cross connections with any unapproved wells or pumps to supply water to the property.

6. SEAGATE, for and in consideration of the terms and conditions herein set forth, does hereby grant and convey to CAPE FEAR a permanent right-of-way and easement in, over and upon the property owned by SEAGATE, said easement to be executed by SEAGATE upon request, in a separate document, for the installation of proper water connections into and on the property of SEAGATE, and for the installation and maintenance thereof, and for other purposes made necessary for the proper operation of said water system.

7. CAPE FEAR agrees to maintain the water system herein referred to in an orderly matter and not to allow the same to become a public nuisance.

8. CAPE FEAR agrees to hold SEAGATE harmless of and from any and all liability to any person, firm or corporation for injury to persons or damage to property arising out of the installation and operation of said water system.

9. SEAGATE agrees to hold CAPE FEAR harmless of and from any and all liability to any person, firm or corporation for injury to persons or damage to any property arising out of the installation and operation of any system not installed or owned by CAPE FEAR and by the use of the water beyond CAPE FEAR'S control or beyond the point of metering.

IN WITNESS WHEREOF, the Party of the First Part and Party of the Second Part have caused this Agreement to be executed by its proper officers, as of the day and year first above written.

SEAGATE VOLUNTEER FIRE DEPARTMENT

By: Chief Harry S. [Signature]

CAPE FEAR UTILITIES, INC.

By: R. R. [Signature]

ATTEST:

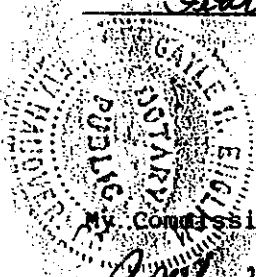
[Signature]  
Secretary  
(CORPORATE SEAL)

1453 0797

STATE OF NORTH CAROLINA :  
COUNTY OF NEW HANOVER :

I, GAYLE H. ENGLISH, a Notary Public in  
and for the State and County aforesaid, do hereby certify that  
CHIEF HARRY T. BENNETT  
personally appeared before me this day and  
acknowledged the due execution of the foregoing instrument for the  
purposes therein expressed.

WITNESS my hand and seal, this 22 day of  
February, 1988.



Gayle H. English  
Notary Public

My Commission expires:  
April 22, 1991

STATE OF NORTH CAROLINA :  
COUNTY OF NEW HANOVER :

I, GAYLE H. ENGLISH, a Notary Public in  
and for the State and County aforesaid, do hereby certify that  
G.W. Dobo personally appeared before me this day and acknowledged  
that he is Secretary of CAPE FEAR UTILITIES, INC., a North  
Carolina corporation, and that by authority duly given, and as the  
act of the corporation, the foregoing instrument was signed in its  
name by its President, sealed with its corporate seal and attested  
by himself as its Secretary.

WITNESS my hand and seal, this 22 day of  
February, 1988.



Gayle H. English  
Notary Public

My Commission expires:  
April 22, 1991

STATE OF NORTH CAROLINA  
New Hanover County  
The Foregoing/Annexed Certificate of

Gayle H. English  
Notary(Notaries) Public is/are certified  
to be correct.  
This the 19 day of April, 1989

Rebecca P. Tucker, Register of Deeds

By [Signature]  
Deputy [Signature]