

NORTH CAROLINA GENERAL ASSEMBLY
1961 SESSION

CHAPTER 727
SENATE BILL 359

AN ACT RELATING TO A CONTRACT BETWEEN THE TOWN OF ASHEBORO
AND THE NORTH ASHEBORO-CENTRAL FALLS SANITARY DISTRICT
FOR THE JOINT USE OF THE SEWAGE TREATMENT PLANT BEING
CONSTRUCTED BY THE TOWN OF ASHEBORO.

The General Assembly of North Carolina do enact:

Section 1. The Town of Asheboro and the North Asheboro-Central Falls Sanitary District, through their respective governing bodies, are hereby authorized to contract and agree, each with the other, for the joint use by said town and district of the sewage treatment plant of said town now under construction and to execute a contract and agreement to effect such joint use in substantially the following form:

STATE OF NORTH CAROLINA
COUNTY OF RANDOLPH

THIS CONTRACT AND AGREEMENT, Made and entered into this the day of April, 1961, by and between THE TOWN OF ASHEBORO, a Municipal Corporation under the laws of the State of North Carolina, situate in the county and State aforesaid, party of the first part, hereinafter referred to as TOWN, and the NORTH ASHEBORO-CENTRAL FALLS SANITARY DISTRICT, a Corporation, under the laws of the State of North Carolina, situate in the county and State aforesaid, party of the second part, hereinafter referred to as DISTRICT,

WITNESSETH

WHEREAS, Town is now in the process of constructing a sewage treatment plant on its land located in Franklinville Township, Randolph County, North Carolina, and is expecting the construction of said plant to be completed and its facilities ready for use on or about the 1st day of January, 1962; and

WHEREAS, both the Town and District each have its own sewage collection system, and it has been determined by the governing authorities of each of the parties hereto that it would be more feasible and advisable for Town to contract with District to treat the sewage of District at Town's treatment plant now under construction rather than for District to construct a sewage treatment plant for its own use:

NOW, THEREFORE, for and in consideration of mutual agreements herein contained and in further consideration of the monthly payments to be made to Town by District for the treatment of the sewage of District as hereinafter set forth, it is agreed by and between parties hereto as follows:

1. Beginning as of July 1, 1962, Town shall treat the sewage of District thereafter delivered by District through its own sewage collection system to Town's said sewage treatment plant, and will continue to treat the sewage of the District so delivered until and unless this contract and agreement is terminated as provided in paragraph 5 hereinbelow.

2. District agrees to pay to Town for the treatment of District's sewage as hereinabove provided, a base rate monthly payment which shall equal the proportionate costs of the operations of the Town's treatment plant, including Town's debt service on capital costs of Town's sewage treatment plant based upon the proportionate monthly amount of District's sewage treated at Town's treatment plant, and in addition thereto, the sum of five per cent (5%) of the total base rate as a risk and administrative charge. The base rate of the monthly payment shall be computed and paid as follows:

(a) The total annual operations costs and average annual debt service costs are to be divided by the total volume of sewage treated at Town's plant during the year and the result thereof multiplied by 1,000 in order to determine the operations costs per 1,000 gallons treated and the debt service costs per 1,000 gallons treated.

(b) The rate per 1,000 gallons to cover operating costs shall be computed annually to include all operating costs attributable to the operations of the Town's treatment plant, including capital expenditures on the plant made by Town from its annual budget.

(c) The rate per 1,000 gallons to cover debt service costs shall be computed on the basis of average annual debt service costs over the life of Town's bonds. If additions or alterations to the Town's treatment plant are made in the future from funds derived from the sale of additional bonds, the average annual debt service costs necessary to retire such additional bonds shall be included.

(d) If this contract and agreement is still in effect at the end of thirty (30) years, when full debt service costs have been paid, the base rate paid by District shall continue to include a rate based on average debt service over the life of the bonds as a replacement cost.

(e) The costs for one year shall be used as the basis for computing the base rate for the following year and the monthly payment due for each month shall be paid by District to Town within ten (10) days of the billing date by Town.

(f) The cost to District for the first twelve (12) month's period of use by District shall be computed monthly as set out hereinabove except that operations costs for such twelve (12) months' period shall be estimated at forty-five thousand dollars (\$45,000.00), and at the end of such twelve (12) months' period, when the actual operations cost have been determined, adjustment of such charges for the first twelve (12) months' period shall be made between Town and District accordingly.

3. Any sewer use ordinance now in effect or hereafter adopted by the Town, applicable to the treatment of sewage in Town's sewage treatment plant, shall be deemed to be incorporated into the terms of this contract and agreement and all users of District's sewage collection system shall be subject to the terms and provisions of such sewer use ordinance.

4. Town and District agree to the implementation of the necessary legislation for the holding of an election to determine if a merger of District into Town may be effected, such legislation to be placed before the 1961 Session of the General Assembly of North Carolina, and that such legislation shall provide for the holding of such election on the question of merger on the 1st Saturday in March, 1965, unless some earlier date is mutually agreed to by the parties hereto, and further that such proposed merger shall become effective only if approved by separate vote in both Town and District.

5. In the event that merger of Town and District is not effected within the limits of time hereinabove set forth, this contract and agreement will remain in effect until written notice is given by one of the parties hereto to the other that it is to be terminated, whereupon such termination shall not become effective until three (3) years from and after the date of such written notice.

IN WITNESS WHEREOF, the TOWN OF ASHEBORO has caused this instrument to be executed in its name by its Mayor and its corporate seal to be hereto affixed, and attested to by its Town Clerk, all by authority of the Board of Commissioners of the Town of Asheboro duly given, and the said North Asheboro-Central Falls Sanitary District has caused these presents to be signed in its name by its Chairman, and its corporate seal to be hereto affixed, and attested by its Secretary, the day and year first above written.

ATTEST:

.....
Town Clerk

TOWN OF ASHEBORO
By
Mayor of Town of Asheboro

ATTEST: NORTH ASHEBORO-CENTRAL FALLS SANITARY
DISTRICT

.....
Secretary

By
Chairman

Sec. 2. All laws and clauses of laws in conflict with this Act are hereby repealed.

Sec. 3. This Act shall be in full force and effect from and after its ratification.

In the General Assembly read three times and ratified, this the 13th day of June, 1961.