

FIRST ADDENDUM

This FIRST ADDENDUM (this “*First Addendum*”) is entered into this ____ day of ____ 2023 (the “*First Addendum Effective Date*”) by and between the CITY OF HARTSVILLE, SOUTH CAROLINA (the “*City*”) and ALLIGATOR RURAL WATER AND SEWER COMPANY, INC. (the “*Company*”), in order to add terms to that certain AGREEMENT BY AND BETWEEN THE CITY OF HARTSVILLE, SOUTH CAROLINA AND ALLIGATOR RURAL WATER AND SEWER COMPANY, INC., SUPPLANTING THE WHOLESALE WASTEWATER TREATMENT CONTRACT BETWEEN SUCH PARTIES DATED MARCH 14, 1997, CONCERNING WASTEWATER TREATMENT AND DISPOSAL SERVICES, dated as of October 21, 2014 (the “*Agreement*”). Each of the City and the Company may be referred to herein as a “*Party*” and together as the “*Parties*.” Capitalized terms used in this First Addendum and not otherwise defined shall have the meaning given to such term in the Agreement.

RECITALS

The City owns and operates a wastewater collection and treatment system and has been delegated the authority pursuant to the applicable provisions of 40 CFR Part 403 and the Federal Pollution Control Act, as amended by the Clean Water Act of 1977 (collectively, the “*Clean Water Act*”) and the applicable regulations of the South Carolina Department of Health and Environmental Control (“*DHEC*”) to establish a pretreatment program to permit and accept industrial wastewater discharges from contributors to the Treatment Plant.

The Treatment Plant is a POTW, as such term is defined in the Clean Water Act, and the City constitutes a “Control Authority” pursuant to the terms of the Clean Water Act, with respect to the Treatment Plant.

The City is empowered pursuant to Section 5-31-890 of the Code of Laws of South Carolina 1976, as amended, to enter into agreements that provide for the “controlling or furnishing the use” of the City’s Treatment Plant.

The Parties have previously entered into the Agreement, under which the City accepts and treats certain wastewater from the Company. Pursuant to the terms of the Agreement, the Company has agreed to comply with the provisions of the City’s Industrial Pretreatment Program, codified at Section 82.66 *et seq.* of the City’s Code of Ordinances (the “*Pretreatment Regulations*”), and to require certain applicable new industrial and other non-domestic users to submit information with respect to the City’s Pretreatment Regulations. Accordingly, certain industrial customers of the Company contribute wastewater to the Treatment Plant, and the Parties anticipate that new industrial customers of the Company may contribute wastewater to the Treatment Plant in the future.

In spite of these requirements, the City has been notified by the South Carolina Department of Health and Environmental Protection (“*DHEC*”), by letter dated May 1, 2023, that the City has received a rating of “unsatisfactory” with respect to a Pretreatment Compliance Inspection because the City has failed to meet the regulatory requirements of interjurisdictional agreements; specifically, the Agreement does not allow the City to serve as the entity for the enforcement of the Pretreatment Regulations with respect to those industrial customers, users, and facilities connected to the Company’s wastewater system of the Company that contribute to the Treatment Plant (the “*Industrial Users*”).

In order to continue to provide services to the Company, the City must ensure that wastewater contributed Industrial Users meet or exceed the standards and requirements prescribed in the Pretreatment

Regulations, and that the City has the power to enforce its Pretreatment Regulations with respect to Industrial Users.

The Parties desire to supplement the Agreement to add provisions that are responsive to DHEC's requirements.

NOW THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties do hereby enter into this First Addendum:

Section 1 Applicability of Pretreatment Regulations. The Company acknowledges that the City has enacted the Pretreatment Regulations, and that such Pretreatment Regulations apply to the Industrial Users existing as of the First Addendum Effective Date and any Industrial Users that may connect to the Company's wastewater system after the First Addendum Effective Date. The Company further acknowledges that the City may enforce the Pretreatment Regulations with respect to the Industrial Users.

Section 2 Sampling. The Company shall assist the City as may be necessary to conduct monitoring and sample collection as may be necessary for the City to administer and enforce the Pretreatment Regulations.

Section 3 Inspections. The City may, after having provided reasonable notice to the Company and to the applicable Industrial User, enter onto the premises of such Industrial User to conduct inspections and samplings of such Industrial User's discharged wastewater in order to implement the provisions of the Pretreatment Regulations. In the event that the City becomes aware of violations of the Pretreatment Regulations, the City shall have the authority take any action authorized under the Pretreatment Regulations with respect to such violation; provided, however, before taking such action, the City shall provide the Company with notice thereof in the same manner, and within the same time periods, as may be required with respect to the applicable Industrial User under the Pretreatment Regulations.

Section 4 Enforcement of Pretreatment Regulations. The City is hereby authorized to take any and all such action as may be reasonably necessary to enforce the Pretreatment Regulations with respect to Industrial Users, and the Company shall take such action and provide any and all assistance to the City as the City may reasonably request to enforce the Pretreatment Regulations with respect to the Industrial Users. Where authorized under the enforcement provisions of the Pretreatment Regulations, the Company shall comply with a request of the City to assist in the enforcement of any compliance order or cease and desist order, or any order requiring the suspension of service, severance of a sewer connection, or revocation of an Industrial User's permit.

Section 5 Emergency Action. The City may take emergency action, whenever reasonably necessary, to stop or prevent any discharge, which presents, or may present, in the discretion of the City, an imminent danger to the health or welfare of humans, which reasonably appears to threaten the environment, or which threatens to cause interference, pass through, or sludge contamination. The City will provide notice to the Industrial User and the Company of its intent to take such emergency action as soon as is reasonably possible given the particular circumstances.

Section 6 Affect on Agreement. The provisions of this First Addendum shall be supplemental to the terms of the Agreement, and all terms of the Agreement shall continue to have their full force and effect. Where the provisions of the Agreement and this First Addendum conflict, the terms of this First Addendum shall control.

Section 7 Notice. Notice is duly given hereunder: (a) if by transmission by hand delivery, when delivered; (b) if mailed via the official governmental mail system, three business days after the post mark, provided said notice is sent first class, postage pre-paid, via certified or registered mail, with a return receipt requested; (c) if mailed by an internationally recognized overnight express mail service such as Federal Express, UPS, DHL Worldwide or a similar organization, one Business Day after deposit therewith prepaid; or (d) by e-mail upon delivery with receipt confirmed. Notices shall be transmitted to the principal addresses of the Parties addressed in accordance with the directions provided below:

If to the City:

City of Hartsville
Attn: Public Services Director
402 S. Leesburg St.
Hartsville, SC 29550

If to the Company:

Alligator Water and Sewer Company, Inc.
Attn: [**]
378 West Pine Ave.
McBee, SC 29101

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[Signature Pages Follow]

IN WITNESS WHEREOF, the City, acting under authority of its governing body, has caused this Agreement to be duly executed.

CITY OF HARTSVILLE, SOUTH CAROLINA

(SEAL)

Casey Hancock, Mayor

Attest:

Andrea D. Crenshaw, CMC, City Clerk

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IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by the undersigned duly authorized officer thereof.

ALLIGATOR WATER AND SEWER COMPANY
INC.

By: _____

Title: _____

Attest:

Secretary

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