

THIRD WATER WITHDRAWAL AGREEMENT

This Third Water Withdrawal Agreement (the "Agreement") is made this 19th day of August, 2019 by and between Old Chatham Golf Club ("Old Chatham") and the County of Chatham, North Carolina (the "County").

WHEREAS, the County, pursuant to an agreement with the North Carolina Division of Water Resources, is entitled to withdraw a certain number of gallons of water per day from the B. Everett Jordan Dam and Lake Project (the "Project").

WHEREAS, the County currently is not using all of its allocated capacity from the Project.

WHEREAS, the County previously entered into a Water Withdrawal Agreement dated July 19, 2000, which Agreement was performed and has expired.

WHEREAS, the County previously entered in a Second Water Withdrawal Agreement dated June 17, 2002, which Agreement was performed and has expired.

WHEREAS, Old Chatham again desires to purchase water for irrigation purposes from the County, and the County has agreed to allow Old Chatham to so withdraw said irrigation water, on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual agreements and promises herein contained, the parties hereto, intending to be legally bound, agree as follows:

1. Grant.

The County grants Old Chatham the right to withdraw up to 650,000 gallons of water per day (the "Water") from the Project for irrigation purposes during the term of this Agreement. Specifically, the Water will be drawn directly from the waterfowl impoundment located on or adjacent to O'Kelly Chapel Road.

2. Withdrawal of Water.

Old Chatham agrees to furnish all necessary labor, equipment and fuel involved with pumping the Water from the Project to an already constructed reservoir on property owned by Old Chatham.

3. Consideration.

Old Chatham agrees to pay to the County a fee of \$10,500.00 for the use of the Water from the Project for irrigation purposes. The fee will be due and payable within forty-eight (48) hours of the initial water withdrawal.

4. Term.

The term of this Agreement shall be forty-five (45) days from the date Water withdrawal is first initiated (the "Commencement Date"). Within forty-eight (48) hours of the initial water withdrawal, Old Chatham shall notify the County Manager in writing of the date upon which withdrawal commenced. This Agreement will be void if Old Chatham does not commence withdrawal prior to October 1, 2019.

5. Termination.

At any time during the term of this Agreement, the County may, in its discretion, terminate or temporarily suspend this Agreement. The County Manager must give notice of such a termination or suspension in writing.

6. Indemnification.

Old Chatham agrees to protect, defend, indemnify and hold the County of Chatham and its officers, employees and agents free and harmless from and against any and all losses, penalties, damages, settlements, recoveries, costs, charges, professional fees or other expenses or liabilities of every kind and character arising out of or relating to any and all claims, liens, demands, obligations, actions, proceedings or causes of action of every kind and character asserted by parties other than the parties hereto in connection with or arising directly or indirectly out of this Agreement and/or the performance hereof. This indemnification specifically does not release Old Chatham or the County from any claims against one another based on performance under this Agreement.

IN WITNESS WHEREOF, the undersigned have each caused this Agreement to be duly executed as of the day and year first above written.

OLD CHATHAM GOLF CLUB

By: _____
_____ President

COUNTY OF CHATHAM

By: _____
_____, County Manager