

STATE OF GEORGIA

This Memorandum of Agreement (hereinafter referred to as "MOA" or "Agreement") with respect to the Northern Sewer Trunk Line project (hereinafter called "NTSL" or "Project") is entered into by and between the CITY OF LAVONIA, a municipal corporation chartered under the laws of the State of Georgia, as party of the first part (hereinafter called "City") and HART COUNTY, GA a political subdivision of the State of Georgia, as party of the second part (hereinafter called "County");

WITNESSETH:

WHEREAS, the City and Hart County are jointly applying for a grant in the amount of \$694,864.50 from the United States Economic Development Administration (hereinafter called "EDA") for financial assistance needed to engineer, design, acquire and construct the NTSL;

WHEREAS, the City and County intend to jointly apply for a Community Development Block Grant Employment Incentive Program (hereinafter called "EIP") grant in the amount of \$500,000.00 from the Georgia Department of Community Affairs (hereinafter called "DCA") for financial assistance needed to engineer, design, acquire and construct the NTSL;

WHEREAS, the City and County recognize that if both grants are not obtained in the fully-requested amounts that proceeding with the NTSL may not be financially feasible for the County;

WHEREAS, the County will commit to \$694,864.50 in local matching funds for the EDA grant if it is approved in the requested amount, it being understood and agreed that the anticipated EIP grant of \$500,000.00 will be applied as a part of the \$694,864.50 in local matching funds;

WHEREAS, the County will commit to \$209,864.50 in local matching funds for the EIP grant if it is subsequently approved in the requested amount or \$500,000.00;

WHEREAS, the City and County understand and agree that the entirety of the EIP grant will be exclusively applied toward the matching funds required by the terms of the EDA;

NOW, THEREFORE, in consideration of the mutual promises of the parties hereto and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. WITHDRAWAL OF COUNTY COMMITMENT. Should either or both grants not be awarded in the fully-requested amounts, and/or the total estimated project cost at any time exceed \$1,450,000.00, the County has the right to withdraw at any time its commitment to provide the matching funds upon written notice to the City, and the City shall formally withdraw its grant application requests and/or notify EDA and/or DCA as appropriate that it will not accept the grant(s). Should the project be terminated for this reason, the County shall have no further obligation financial or otherwise, but shall not be entitled to recoupment of project funds previously spent.
2. FAILURE TO PERFORM. No failure or delay in performance of this contract by either party shall be deemed a breach hereof when such failure or delay is occasioned by or due to any act of God, strikes, lockouts, wars, riots, epidemics, explosions, sabotage, breakage, or accident to machinery or lines of pipe.
3. EFFECTIVE DATE/DURATION. This agreement is effective upon execution by both parties and will remain in effect until completion of the NTSL Project, or until the referenced grants are not obtained or are otherwise made conditionally, or obtained in amounts less than the amounts applied for.
4. AUTHORITY FOR AGREEMENT. This agreement is entered into pursuant to the provision of Article IX, Section III, Paragraph 1 of the Constitution of the State of Georgia.
5. JURISDICTION. It is agreed and understood that this agreement is being executed in duplicate originals. The City of Lavonia is executing the agreement in Franklin County, Georgia and the Authority is executing the agreement in Hart County, Georgia. In the event of any dispute arising out of this contract which results in litigation, the Superior Court of Hart County shall have jurisdiction in the event that the City is a plaintiff and the Authority is a defendant in such litigation, provided, however, that the Superior Court of Franklin County shall have jurisdiction in the event that the Authority is a plaintiff and the City is a defendant in any such litigation.

6. ARBITRATION. The parties recognize that the Northern Judicial Circuit has mandated an arbitration/mediation program for civil disputes. In the event of any dispute which might arise out of or in connection with this contract, either party may submit said dispute to mediation or arbitration for resolution as provided by Georgia Law.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in duplicate originals, each of which shall constitute an original.

Executed by the City this 3rd day of March, 2015.

CITY OF LAVONIA

By: Ralph Owens
Title: Ralph Owens, Mayor

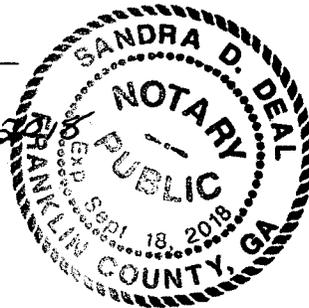
Attest: Gary Fesperman
Title: Gary Fesperman, City Manager

Signed, sealed and delivered in the presence of:

Amy S. Ketchum
WITNESS

Sandra D. Deal
NOTARY PUBLIC

My Commission expires: Sept. 18, 2018



Executed by the County this 24th day of February, 2015.

HART COUNTY, GA

By: *Jimmy Carey*
Title: Jimmy Carey, Chairman

Attest: *Betty Floyd*
Title: Lawana Kahn, County Clerk
Deputy

Signed, sealed and delivered in the presence of:

J. Cai
WITNESS

[Signature]
NOTARY PUBLIC

My commission expires: 3/9/15



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