AGREEMENT

This Agreement entered into as of the 1st day of April, 1966, by and between GEORGIA UTILITIES COMPANY (hereinafter called "Utilities"), and FAYETTE COUNTY, GEORGIA (hereinafter called "County");

WITNESSETH:

WHEREAS, Utilities owns certain property within the corporate limits of Peachtree City, Georgia, upon which is located a portion of a lake of approximately 250 acres impounded upon Flat Creek and known as Lake Peachtree; and

WHEREAS, references in this Agreement to "Lake" shall mean only that portion of Lake Peachtree lying south of Georgia Highway 54; and

WHEREAS, County proposes to acquire and construct a water and sewerage system to be operated within said County and within the corporate limits of Peachtree City and to finance the cost of the acquisition of said system by the issuance of its water and sewerage revenue bonds; and

WHEREAS, County must have access to a supply of water in order to operate such system;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, Utilities and County agree as follows:

1. Utilities hereby grants to County the exclusive right for the period of thirty five (35) years from the date hereof to use the outlet structure and raw water pumping pipe column which are now installed and existing in and in connection with said Lake; such right to include the right to install and operate in such pipe column a water pump with capacity to deliver not in excess of 2,000,000 gallons per 24-hour day. To whatever extent it has the right and authority to do so, Utilities also grants to County the exclusive right for the same thirty five (35) year period to withdraw water from said Lake, in an amount not to exceed 2,000,000 gallons per 24-hour day; provided, however,
that such grant shall in no way prohibit or limit the withdrawal by Utilities or others of water in any quantities from Lake Peachtree or Flat Creek at any point north of said Highway 54 and provided further that Utilities in no way represents or warrants that water shall be available in the Lake sufficient to allow County to exercise said grant.

2: County covenants and agrees that for the term of this Agreement it will maintain the dam, spillway and bottom and immediate land area abutting the water line of said Lake, and the outlet structure and raw water piping column referred to in paragraph 1 above, in substantially the same condition as same are in as of the date hereof, and further covenants and agrees that it will indemnify Utilities and hold it harmless from any loss, liability, claim or cause of action of any kind resulting from County's failure to perform such maintenance. If at any time County shall fail to so maintain said dam, spillway and bottom and immediate land area abutting the water line of said Lake, Utilities may, but shall not be obligated to, perform such maintenance, and in such event County shall reimburse Utilities for all reasonable costs and expenses incurred by Utilities in performing such maintenance. County covenants and agrees that as additional consideration for the grants made by Utilities in paragraph 1 hereof, it will pay a rental in an amount equal to any ad valorem taxes which may hereafter be levied by County upon the real property upon which said Lake is located.

3. It is recognized and agreed by the parties hereto that all obligations herein imposed on the County shall be performable by it solely from the revenues to be derived from the water and sewerage system to be acquired, constructed and equipped and as thereafter added to, extended and improved. The County shall not be obligated in any manner to levy or pledge any form of taxation whatever in order to meet or perform any obligations imposed hereunder.

4. Utilities covenants and agrees that for the term of this Agreement it will defend its title to the real property upon which said Lake is located; provided, however, that this covenant and agreement shall not be construed as
a warranty by Utilities of its title to such real property and that Utilities shall not be liable to County in the event of failure of such title; and Utilities further covenants and agrees that for the term of this Agreement it shall not convey or lease said real property and it shall not impair its title to said real property if such conveyance or lease would in any manner interfere with the exercise by County of the rights granted to it in paragraph 1, above, or would in any other manner adversely affect the rights and interests of the County hereunder.

5. Utilities hereby grants to County, its agents and employees, for the purpose of allowing County to exercise its rights and perform its duties hereunder, the right in common with Utilities to use the easements granted to Utilities by Bessemer Properties, Incorporated pursuant to that certain deed dated June 6, 1966 between Bessemer Properties, Incorporated, as Grantor, and Utilities, as Grantee, by which deed said Grantor conveyed the Lake to Utilities as a water source.

6. It is expressly covenanted and agreed that the County shall have the right hereafter to acquire from time to time additional sources of water supply, and nothing contained herein shall be construed as prohibiting the County from making such acquisition. Utilities covenants and agrees that the County at its option shall have the right at any time to terminate this Agreement upon thirty (30) days' written notice to Utilities.

7. Nothing in this Agreement shall be construed to limit or infringe upon the rights to the use of said Lake for recreational purposes which rights are hereby excepted herefrom and which rights may be granted to one or more persons from time to time; and nothing in this Agreement shall be construed to grant to County, its agents, employees or citizens, any right to any recreational use of said Lake.

8. In case by reason of force majeure either party hereto shall be rendered unable, wholly or in part, to carry out its obligations under this Agreement, then if such party shall give notice and full particulars of such force majeure in writing to the other party within a reasonable time after
occurrence of the event or cause relied on, the obligation of the party giving such notice, so far as it is affected by such force majeure, shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "force majeure" as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of a public enemy, orders of any kind of the Government of the United States or the State of Georgia, or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipe lines, partial or entire failure of water supply, and on account of any other causes not reasonably within the control of the party claiming such inability.

9. That if any disagreement shall arise with reference to any of the terms and conditions of this franchise, or with reference to any matter connected with same, such disagreement or dispute shall be immediately submitted to and decided by arbitrators. Utilities will appoint one arbitrator and the County one arbitrator, and the two so appointed shall select a third arbitrator, and two of the three so chosen shall control, and their decision in the matter shall be binding on both of the parties hereto, without recourse; provided that if the two arbitrators first chosen cannot agree on a third, such third arbitrator shall be appointed by the Judge of the Superior Court of Fayette County upon application by either of the parties hereto.

10. That while this contract is between the parties hereto, it is agreed that the holders of the revenue bonds of the County will have an interest herein and the parties hereto covenant that this contract cannot be modified or amended in any particular which would in any respect adversely affect the rights of any such holders.

11. Should any phrase, clause, sentence or paragraph of this Agreement be held invalid or unconstitutional by any court of competent jurisdiction of this
State or of the United States in any manner or respect whatsoever, it shall in
nowise effect any or all of the remaining provisions, all of which shall remain
in full force and effect.

IN WITNESS WHEREOF, Utilities, pursuant to proper corporate pro-
cedings duly taken, has caused this Agreement to be executed in its behalf
by its President and its corporate seal to be affixed hereto and attested by its
Secretary, and County, pursuant to a resolution of its Board of Commissioners
of Roads and Revenues, has caused this Agreement to be executed on its behalf
by the Chairman of its Board of Commissioners of Roads and Revenues and has
caused its seal to be hereunto affixed as of the day and year above first written

GEORGIA UTILITIES COMPANY

(Seal)

By: [Signature]
President

Attest:
[Signature]
Secretary

FAYETTE COUNTY, GEORGIA

(Seal)

By: [Signature]
CHAIRMAN, Board of Commissioners
of Roads and Revenues for Fayette
County, Georgia

Attest:
[Signature]
Clerk
STATE OF GEORGIA
COUNTY OF FAYETTE

LAKE PEACHTREE WATER WITHDRAWAL AGREEMENT

WHEREAS, the County of Fayette, hereinafter the "County", acting by and through its Board of Commissioners, and the City of Peachtree City, hereinafter the "City", acting by and through its Mayor and Council, do enter into an Agreement, hereinafter the "Agreement"; and

WHEREAS, on April 1, 1966 Fayette County did enter into an Agreement with Georgia Utilities Company whereby Georgia Utilities granted unto the County exclusive right for thirty-five (35) years to withdraw water from Lake Peachtree in an amount not to exceed two million (2,000,000) gallons per twenty-four (24) hour day; and

WHEREAS, by Quit Claim Deed said Agreement was transferred by Georgia Utilities Company to Garden Cities Corporation pursuant to that certain Quit Claim Deed dated December 29, 1976, and recorded in Deed Book 157, Page 616 of the Fayette County Records; and

WHEREAS, by Security Deed said Agreement was transferred by Garden Cities Corporation to Equitable Life Assurance Society of the United States pursuant to that certain Warranty Deed dated December 29, 1976, and recorded in Deed Book 157, page 619, Fayette County Records; and

WHEREAS, said certain Agreement was transferred by Equitable Life Assurance Society of the United States to the City of Peachtree City pursuant to that certain Quit Claim Deed dated November 5, 1981, and recorded in Deed Book 248, Page 18, Fayette County Records; and

WHEREAS, the City granted the County in said Agreement the exclusive right and privilege to use the outlet structure and raw water pumping pipe column connected to Lake Peachtree and to construct a water pump with capacity to deliver not in excess of 2,000,000 gallons of water per 24-hour day; and
WHEREAS, said grant and agreement was dated April 1, 1966, and the term thereof a period of thirty-five (35) years from said date; and

WHEREAS, the County is presently developing a tract of land in the City, along Flat Creek, as a reservoir, to be used for the purpose of improving the existing water system; and

WHEREAS, the County desires to issue bonds to provide for said improvement to its existing water system; and

WHEREAS, said bonds must be based on the production of revenue by the existing water system; and

WHEREAS, the County and the City desire to modify the Agreement to extend the grant and franchise for the life of said bonds; and

WHEREAS, the City and County desire to modify the grant and agreement to require the County to maintain Lake Peachtree;

WHEREAS, the present Agreement allows the County to install and operate a water pumping pipe column with a capacity to deliver not in excess of two million (2,000,000) gallons per twenty-four (24) hour day; and

WHEREAS, the County needs to increase its capacity to four million (4,000,000) gallons per twenty-four (24) hour day;

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth, the City, acting by and through its Mayor and Council, and the County, acting by and through its Board of Commissioners, do hereby agree as follows:

1. Condition 1 of the Agreement which is found on page 1 thereof, shall be modified to provide that the County has the right to install and operate a raw water pumping pipe column and to install therein a water pump with capacity to deliver not in excess of four million (4,000,000) gallons
per twenty-four (24) hour day, provided that the level of Lake Peachtree is maintained at its current mean level. Lake Peachtree may only be drawn down from its current mean level at such time as the upper reservoir has been drawn down to its silt pool level and the County Commission has declared a water emergency. The water emergency must be renewed and redeclared by the County Commission every thirty (30) days. Upon the need to expand said water pump capacity based upon the growth of the present Fayette County Water System, the County shall have the right to withdraw additional reasonable amounts of water as permitted by the Environmental Protection Division of the Department of Natural Resources of the State of Georgia so long as the current mean water level of Lake Peachtree is always maintained.

2.

Condition 1 of the Agreement, which is found on page 1 thereof, shall be modified and provide that the term of the grant and franchise shall be for a period of fifty (50) years from the date of this modification, such that such condition shall provide as follows: This grant and franchise shall be dated as of October 11, 1984, and the term hereof shall be for a period of fifty (50) years from such date.

3.

Condition 2 of the Agreement, as found on page 2 thereof, shall be modified to read as follows:

2. County specifically covenants, agrees and warrants that it will during the term of this Agreement maintain the dam, spillway and immediate land area abutting the water line of said Lake, and the outlet structure and raw water piping column referred to in Paragraph 1 above, in substantially the same condition as the same are in as of the date of this Agreement (were in as of April 1, 1966).

County also acknowledges that certain areas of the Lake are prone to buildups of silt deposits, and County therefore
specifically covenants, agrees and warrants that it will reasonably maintain those areas of the Lake (stream and drainage inlets and appurtenant areas as shown on Exhibit "A" attached hereto and made a part hereof), in such a manner that excess silt deposits shall be removed and streams and drainage inlets shall be kept clear and open. County has previously agreed to dredge excess silt from these areas to the depth existing in 1966 concurrently with the construction of a dam for a lake to be constructed north of Lake Peachtree on Flat Creek. The lake bottom established in the above referenced areas by that dredging shall form the standard depth for all future dredging and removal of silt as contemplated by this Agreement. In each successive eight (8) year period after the above referenced dredging is completed, Peachtree City and the County shall jointly inspect and test the condition of those areas set out previously in this paragraph to determine the amount of dredging required, if any, to re-establish the lake bottom in conformance with the above stated standard. Any dredging necessary to reach that standard shall be accomplished within six (6) months of said eight (8) year period.

Notwithstanding anything stated above, the County shall have the obligation to remove silt from said Lake bottom to the standard established above at any time, in any of said areas if the level of silt or any vegetation in any of the said areas protrudes above the surface of said Lake at normal pool elevation.

County further covenants and agrees that it will indemnify Peachtree City and hold it harmless from any loss, liability, claim or cause of action of any kind resulting from County's failure to perform such maintenance. If at any time County shall fail to so maintain said dam, spillway, stream and drainage inlets, and immediate land area abutting the water line of said Lake, Peachtree City may, but shall not be obligated to, perform such maintenance, and in such event
County shall reimburse Peachtree City for all reasonable costs and expenses incurred by the City in performing such maintenance. County convenants and agrees that as additional consideration for the grants made by Peachtree City, or its predecessor in title, in paragraph 1 hereof, it will pay a rental in an amount equal to any ad valorem taxes which may hereafter be levied by County upon the real property upon which said Lake is located.

3.

The City and County hereby agree that all other portions of the Agreement shall remain intact and in force as first written.

IN WITNESS WHEREOF, the City, pursuant to an ordinance duly adopted by its Mayor and Council, and the County, pursuant to an ordinance duly adopted by its Board of Commissioners, have caused this Modification to be signed by the Mayor and Chairman, respectively, and their seals to be affixed hereto on this 29th day of March, 1985.

MAYOR AND COUNCIL OF
THE CITY OF PEACHTREE CITY

By: [Signature]
Frederick Brown, Jr., Mayor

ATTEST:

[Signature]
Frances Meaders, City Clerk

BOARD OF COMMISSIONERS OF
FAYETTE COUNTY

By: [Signature]
Dennis Herkelbaugh, Chairman

ATTEST:

[Signature]
Margaret Malone, Clerk
STATE OF GEORGIA
COUNTY OF FAYETTE

CERTIFICATION OF CLERK

I, Margaret Malone, hereby certify that I am the duly appointed and acting Clerk of the Board of Commissioners of Fayette County, Georgia; and that as such Clerk I am custodian of the books, records, and minutes of said Board. I further certify that the attached typewritten matter is a true and correct copy of "Modification of Franchise Agreement" duly passed by the Board of Commissioners of Fayette County, Georgia, at an official meeting held on April 2, 1985, in the Fayette County Courthouse, Fayetteville, Georgia, just as said "Modification of Franchise Agreement" appears in the official records of this Board in my custody.

IN WITNESS WHEREOF, I have set my hand and caused the Seal of Fayette County, Georgia, to be affixed this 2nd day of April, 1985.

[Signature]
Margaret Malone, Clerk
Board of Commissioners
Fayette County, Georgia

(SEAL)