



100 Mill Supply Road
P.O. Box 3333
Crossett, AR 71635
(870) 567-8000
www.gp.com

July 22, 2005

NPDES Enforcement Section
Water Division
Arkansas Department of Environmental Quality
8001 National Drive
P.O. Box 8913
Little Rock, AR 72219-8913

Re: Permit number: AR0001210, Page 25 of Part III, Condition 9 (Permit Conditions for Accepting City of Crossett Wastewater)

To whom it may concern:

Please find attached a copy of the Agreement entered into by Georgia-Pacific and the City of Crossett addressing the discharge of the City's treated effluent into G-P's wastewater treatment system. The agreement states the City will have a Pretreatment Program meeting applicable parts of 40 CFR 403, establishes standards for BOD₅ and TSS for the City's treated effluent, outlines notification requirements to G-P and the ADEQ, and establishes record retention requirements.

In summary, G-P believes the attached Agreement satisfies the requirements of Part III, Condition 9 of NPDES Permit number AR0001210. If you have any questions regarding this agreement, please feel free to contact me at 870-567-8144.

Sincerely,

James W. Cutbirth
Supt. - Environmental Services
Georgia-Pacific Crossett Paper Operations

cc: Scott McCormick, Mayor
201 Main Street
Crossett, Arkansas 71635

COMPLIANCE FILES
NPDES # 1210
DMR'S
NCR
CORRESPONDENCE
 GRAS

AGREEMENT

THIS AGREEMENT made as of this 15 day of July, 2005 by and between GEORGIA-PACIFIC CORPORATION, a Georgia corporation, having a place of business in Crossett, Arkansas ("GP") and The City of Crossett, Arkansas ("City") a municipal corporation.

In consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

1. G-P agrees to accept and dispose of certain wastewaters ("Wastes") from City in accordance with the terms of this Agreement and the Scope of Services attached hereto as Exhibit "A".

2. G-P's disposal of the Wastes shall be performed by G-P in accordance with all applicable Federal, state and local laws, regulations and ordinances.

3. The term of this Agreement shall be for a period of five (5) years commencing on the effective date first set forth in this Agreement and shall be automatically renewing, provided, however, that either party may, after the first 12 month term, at any time terminate this Agreement, without cause, without penalty, upon five (5) years prior written notice to the other party. Either party may terminate this Agreement for "cause" by providing written notice of such cause to the other party, and the other party does not make reasonable attempts to cure the cause within a 30 day period from the date of the original written notice. Cause shall include, but not be limited to, the failure of either party to abide by the terms and conditions of this Agreement and the Scope of Services; an order of a state, local or federal agency to G-P to cease discharging wastewater, a change in City's Wastes or processes that causes G-P to be unable to continue to handle the Waste or a material disruption in G-P's wastewater treatment process due to City's Wastes or the violation or potential violation of G-P's NPDES permit due to City's Wastes. An order to G-P by a state, local, or federal agency to G-P to cease discharging wastewater shall likewise subject the City to the same discharge restrictions and time requirements as stated in the order. Further should there be a change in the City's Wastes or processes that causes G-P to be unable to continue to handle the Waste, a material disruption in G-P's wastewater treatment process due to City's Wastes or the violation or potential violation of G-P's NPDES permit due to City's Wastes, G-P may, instead of providing the termination notice above, require the City to cease discharge of the Wastes to G-P, or provide additional treatment of the pollutants(s) in question, or eliminate the discharger(s) or other source to the City's collection and treatment system causing the problem until the issues can be resolved by the City and G-P.

4. City represents to G-P that the description of the Wastes set forth in Exhibit A. Part 1.a of this Agreement is, to the best of the City's knowledge, characteristic of the typical wastewater delivered to G-P; that City has informed G-P of any special hazards or risks known to City to be incident to the handling or disposal of the Wastes described in Exhibit A Part 1.a. and further, that in the event City learns of any new or additional special hazards or risks which were not previously known to City, City shall promptly communicate such additional information to G-P. The active inclusion of a G-P selected employee qualified in wastewater treatment on the Crossett Sewer Committee will also serve to fulfill this communication requirement. City shall notify G-P if the description of the Wastes changes in any material respect. City represents and warrants that it is in compliance with all laws governing the generators of such Waste including all applicable parts of 40 CFR 403.

5. G-P reserves the right to inspect, during normal business hours, any records of City (including any licenses or permits) relating to the Wastes, and the right to inspect any location at which the Wastes are generated, handled, treated or stored through coordination with the City, and in accordance with Section 7 of the City's Pretreatment Ordinance.

6. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective directors, officers, employees, agents, successors, subsidiaries, affiliates, and assigns; provided, however, that G-P shall not assign or subcontract this Agreement or any portion thereof without the prior written consent of City.

7. The performance of this Agreement may be suspended by either party in the event the delivery of Wastes by City, or disposal of Wastes by G-P is prevented by a cause or causes beyond the reasonable control of such party and not reasonably foreseeable. Such causes shall include, but not be limited to, acts of God, acts of war, or sabotage; compliance with governmental laws, regulations, requests or orders; national defense requirements; injunctions or restraining orders; labor strike, lock-out or injunction (provided that neither party shall be required to settle a labor dispute against its own best judgment) revocation or modification of permits or other required licenses or approvals, power failures or adverse weather conditions.

8. Failure by any party to this Agreement to insist upon strict compliance with any of the terms of this Agreement shall not be considered to be a waiver of any such terms, nor shall it affect the right of either party to insist upon strict compliance herewith at any time thereafter in connection with any term, provision, right, interest, duty or obligation under this Agreement.

9. This Agreement together with the attached Exhibits constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof, and no statements, representations, writings, understandings or agreements by either party, or any representative of either party, either in negotiations leading to this Agreement, during the term of this Agreement or at any other time, which are not expressly included in this Agreement, shall be binding upon the parties. All changes in, additions to or modifications or amendments of this Agreement shall be binding only if in writing and signed by an authorized officer, agent or representative of each party to this Agreement.

10. This Agreement, its validity, its interpretation and the rights and duties of the parties thereto shall be governed by and construed in accordance with the law of the State of Arkansas. The invalidity or unenforceability for any reason whatsoever of any provision, term, condition or obligation set forth in this Agreement shall in no way affect the validity or enforceability of any other provision, term, condition or obligation set forth in this Agreement.

11. All notices, requests, demands, advises and other communications required or permitted to be given under this Agreement shall, unless otherwise provided elsewhere in this Agreement, be in writing and shall be deemed to have been duly given if delivered personally, or actually received by prepaid telegram or first-class registered or certified mail, postage prepaid, addressed to the other party as follows:

If to G-P:

G-P Corporation

Georgia-Pacific Corporation
Crossett Paper Operations
100 Mill Supply road
Crossett, Arkansas 71635

Attn: Charles E. Hodges

If to City:

Mr. Scott McCormick
Mayor, City of Crossett
201 Main Street
Crossett, Arkansas 71635

Attn: Scott McCormick

or to such other address as may be given by either party pursuant to written notice to the other party at any time during the term of this Agreement in the manner set forth above.

12. G-P represents that it is entering this Agreement as an independent contractor and not an employee, agent or representative of City.

13. City agrees to pay G-P the sum of one (1) dollar per year for the acceptance and disposal of the City's wastewater.

IN WITNESS WHEREOF, the parties have caused their authorized representatives to execute this Agreement on the date set forth above.

G-P CORPORATION

By: down to hand / CEH

Title: Senior Vice-President

City of Crossett

By: Marshall S. M. Jones

Title: Mayor, City of Crossett

EXHIBIT A

SCOPE OF SERVICES

THIS EXHIBIT is hereby made a part of the Agreement entered into between the parties hereto on the 15 day of July, 2005 and hereby becomes subject to all of its terms and conditions, except to the extent that those terms and conditions are expressly modified by this Exhibit.

1. CITY'S WASTE MATERIAL

a. Description/specifications

A wastewater stream consisting of domestic, commercial and other wastewaters as allowed and in accordance with the City's Pretreatment Ordinance, and delivered by pipeline from City to G-P. The composition of the wastewater stream will be further described in a priority pollutant test, which . City agrees initially provide for its treated wastewater effluent by December 31, 2008, and once every 5 years thereafter for priority pollutants, as described in 40 CFR 122.21, which are reasonably expected to be present in the Waste and to provide such results to G-P.

b. Estimated Volume

The estimated daily average flow rate of wastewater from City is approximately 1 million gallons per day (MGD). The City will monitor flow and maintain flow monitoring records of its treated wastewater effluent (as a monthly average in MGD) that will be available to G-P upon request within a reasonable time period.

c. Method of Delivery

Wastes will be shipped directly into G-P's facility through a pipeline paid for and maintained by City. This pipeline will attach to G-P's existing wastewater treatment facility located at G-P's adjacent manufacturing facilities.

d. Samples

City shall collect all samples desired from City's outfall 001.

e. New Dischargers

City shall notify G-P in writing 30 days in advance of new or increased wastewater dischargers into City's wastewater facility that can reasonably be expected to enter into GP's wastewater treatment facility. G-P reserves the right to disapprove any new or increased discharge into the City's wastewater treatment facility.

2. TREATMENT STANDARDS

City agrees that its discharge to GP of BOD and TSS will meet the following treatment standards:

BOD₅ 45 mg/L (monthly average)

TSS 90 mg/L (monthly average)

City will conduct monthly sampling of its treated discharge to GP to confirm that it meets the above limits. The samples will consist of grab samples. The City will maintain all test results for BOD, TSS and flow for at least three years.

3. SUSPENSION OF SERVICES

City acknowledges that G-P may from time to time need to suspend accepting and treating City's wastes due to events including but not limited to routine and non-routine, maintenance, mill outages, equipment repair or business interruption. To the extent possible G-P shall provide City with advance notice of such events. City agrees that in such events G-P is not responsible for any losses, damages or costs incurred by City as a result of the suspension of the treatment and disposal services covered by this Agreement.