

MEMORANDUM OF UNDERSTANDING BETWEEN
CARROL POULTRY, LLC, AND THE TOWN OF BLADENBORO

WHEREAS, representatives of Carrol Poultry, LLC, appeared before the Town of Bladenboro Board of Commissioners on December 11, 2018, at 7:00 p.m., at the Bladenboro Town Hall, to discuss the status of the wastewater discharge permit of Carrol Poultry, LLC.

WHEREAS, Carrol Poultry, LLC presented the following to the Board at said hearing:

1. To date, Carrol Poultry, LLC, has invested over \$5 million in its chicken processing plant located in the Bladenboro Industrial Park, and still owes around \$1 million in remaining debt.
2. They are about 5 years into a 10-year lease, and at the conclusion of the lease, they will own the building.
3. On June 30, 2017, Pretreatment Permit IUP #1 was Issued to Carrol Poultry. It was a five-year permit, good through 2022.
4. Thereafter, to May, 2018, Carrol Poultry, LLC, processed chickens in its aforementioned chicken processing plant.
5. Unfortunately, it appeared the chicken processing operations produced an abundant amount of wastewater, which was in excess of the maximum amount allowed under the aforementioned permit.
6. As a result, the Town of Bladenboro has levied fines against Carrol Poultry, LLC.
7. Carrol Poultry, LLC, stopped processing chickens in May, 2018, and began searching for a solution to the excess wastewater problem.
8. In spite of the lack of income from the non-operational plant, Carrol Poultry, LLC, has attempted to make some payments on the fines, and recognizes there are additional amounts still owed.
9. Engineer Sam Nobles has a plan to allow the plant to function without exceeding the limits of the wastewater permit, which he presented to the Board. The plan is reasonable, and will allow the plant to kill chickens two days a week, with the remaining days spent on other operations related to chicken processing.
10. If the wastewater permit from the Town of Bladenboro is revoked Carrol Poultry will suffer extensive monetary damages.

WHEREAS, the Town of Bladenboro Board of Commissioners did not agree or disagree with the above referenced assertions made by Carrol Poultry, LLC at said hearing.

WHEREFORE, based on the foregoing:

1. Carrol Poultry, LLC, will proceed with its plan to invest additional money to fund Mr. Nobles' solution to the wastewater discharge problem, which will allow the plant to function without exceeding the limits of the wastewater permit by reducing the frequency which the plant kills chickens to two days a week, with the remaining days spent on other operations related to chicken processing.
2. Prior to restarting operations, Carrol Poultry, LLC, shall have paid all fines in full, with the exception of any fine or fines which have been financed by the agreement of the Board, and as to those such financed fines, Carrol Poultry, LLC, shall be current on its payments.
3. Ten (10) days prior to restarting operations, Carrol Poultry, LLC, will contact Blake Proctor, Town Administrator, and give him notice of the projected start date. This will give Mr. Proctor time to perform such testing as is necessary before the wastewater discharge begins.
4. The wastewater discharge permit of Carrol Poultry, LLC, will not be revoked as long as the above three items are completed or are in the process of being completed, and Carrol Poultry, LLC, is in compliance with all aspects of the permit prior to restarting operations, and thereafter.