



February 19, 2020

SUPPLEMENT TO SETTLEMENT PROPOSAL

VIA EMAIL, HAND DELIVERY and

FIRST CLASS U.S. MAIL

The Honorable Brenda Bozeman  
Mayor, Town of Leland  
102 Town Hall Drive  
Leland, NC 28451  
([bbozeman@townofleland.com](mailto:bbozeman@townofleland.com))

The Honorable Pat Batleman  
Mayor Pro-Tem, Town of Leland  
102 Town Hall Drive  
Leland, NC 28451  
([pbatleman@townofleland.com](mailto:pbatleman@townofleland.com))

RE: H2GO Litigation

Dear Mayors Bozeman and Mayor Pro-Tem Batleman,

This supplements and clarifies the Settlement Proposal that was sent to you by letter dated January 24, 2020. To the extent that there is any confusion, we want to be clear that the settlement proposed by H2GO does not include any interlocal agreement. The objectives of the Settlement Proposal are to avoid further unnecessary cost by bringing the pending litigation to an immediate end, and to facilitate and expedite construction of the permitted RO Plant so that H2GO can provide clean water to its customers as soon as possible. These objectives can be achieved without an interlocal agreement. Furthermore, the parties spent several months last year attempting to negotiate a mutually acceptable interlocal agreement. The attempt was unsuccessful because the parties' interests on fundamental issues are irreconcilably and materially different. The most recent proposal presented by Leland is unacceptable to H2GO. H2GO may be willing in the future to explore the possibility of working together with Leland through some mutually acceptable arrangement. However, H2GO will not do so as part of the proposed settlement. Because of the urgency of the need to supply clean water to its customers, H2GO is unwilling to further delay construction of the RO Plant to engage in protracted negotiations over an agreement that has already failed.

P.O. Box 2230  
Leland, NC 28451

[www.H2GOonline.com](http://www.H2GOonline.com)

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We remain hopeful that Leland will accept the Settlement Proposal, thereby bringing the litigation and acrimony to an end and facilitating the construction of the RO Plant by H2GO.

Unless withdrawn before then, this proposal will remain open until February 21, 2020. If it is not accepted by then, it will be withdrawn without further action by or notice from H2GO.

Thank you again for your attention to this letter and proposal. We will await your reply.

Respectfully,

A handwritten signature in black ink, appearing to read "Ron Jenkins", with a large, sweeping flourish extending from the end of the signature.

Ron Jenkins  
Chairman, H2GO

cc: The Honorable Mike Allen  
Bob Walker, Executive Director H2GO ([bwalker@h2goonhne.com](mailto:bwalker@h2goonhne.com))  
Joseph S. Dowdy, Esq. ([jdowdy@kilpatricktownsend.com](mailto:jdowdy@kilpatricktownsend.com))  
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