

North Carolina Department of Environment and Natural Resources Division of Water Quality

Beverly Eaves Perdue Governor Division of Water Quality Charles Wakild, P.E. Director

Dee Freeman Secretary

July 26, 2012

Mike Laws, Managing Partner Harkers Island Sewer Company, LLC. Post Office Box 370 Harkers Island, North Carolina 28531-0370

Subject: Permit No. WQ0024023

West Bay WWTF

High-Rate Infiltration System

Carteret County

Dear Mr. Laws:

In accordance with your permit major modification request received December 30, 2011, and subsequent additional information received May 2, 2012 and June 28, 2012 we are forwarding herewith Permit No. WQ0024023 dated July 26, 2012, to Harkers Island Sewer Company, LLC. for the construction and operation of the subject wastewater treatment and high-rate infiltration facilities.

The modifications to the subject permit which are to be implemented in phases are the expansion of the West Bay WWTF from 10,080 gallons per day (GPD) to 20,160 GPD to serve 29 lots at West Bay subdivision and 22 lots from the James Creek subdivision (Permit WQ0034190) via force main.

The following permit description, permit expiration date, and permit conditions, have been modified since the last permit issuance:

- ▶ Permit Description The permit description has been modified to state that the wastewater treatment plant and infiltration system are for continued operation, and that the Phases I, II and III wastewater treatment and infiltration system are for construction and operation. In addition, the permit description has been amended to clearly state that the wastewater treatment plant is presently rated for the permit limiting 10,080 GPD, and that Phase II will have a flow limit of 20,160 GPD.
- ➤ Permit Expiration Date The expiration date has been extended from August 31, 2010 to August 31, 2013 due to Session Law 2009-406 An Act to Extend Certain Government Approvals Affecting the Development of Real Property within the State. For more information, please visit: http://portal.ncdenr.org/web/wg/aps/lau#Extension.

Exhibit (11.5)

North Carolina

Naturallu