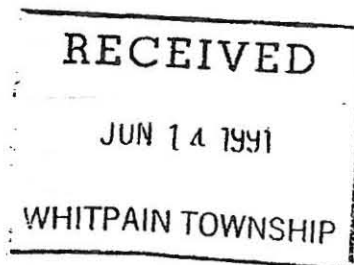
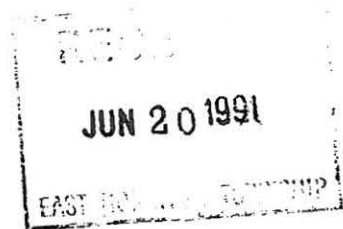

EXHIBIT F6

INTERMUNICIPAL SEWAGE TREATMENT SERVICE
AGREEMENT, DATED AUGUST 14, 1991, BY AND AMONG
THE EAST NORRITON-PLYMOUTH JOINT SEWER AUTHORITY
AND EAST NORRITON TOWNSHIP, PLYMOUTH TOWNSHIP
AND WHITPAIN TOWNSHIP, EAST NORRITON TOWNSHIP
MUNICIPAL AUTHORITY AND PLYMOUTH TOWNSHIP
MUNICIPAL AUTHORITY

INTERMUNICIPAL
SEWAGE TREATMENT SERVICE AGREEMENT

BETWEEN
EAST NORRITON-PLYMOUTH JOINT SEWER AUTHORITY
AND
EAST NORRITON TOWNSHIP
EAST NORRITON TOWNSHIP MUNICIPAL AUTHORITY
PLYMOUTH TOWNSHIP
PLYMOUTH TOWNSHIP MUNICIPAL AUTHORITY
WHITPAIN TOWNSHIP

MAY 1991



INTERMUNICIPAL
SEWAGE TREATMENT SERVICE AGREEMENT

TABLE OF CONTENTS

| <u>DESCRIPTION</u> | <u>PAGE NO.</u> |
|--|-----------------|
| Recitals | 1 |
| Article I - Definitions: | 2 |
| Section 1 - Defined Terms | |
| Article II - Term and Reserved Capacity: | 5 |
| Section 1 - Term | 6 |
| Section 2 - Reserved Capacity | 8 |
| Section 3 - Rerated Capacity | 8 |
| Section 4 - Transfer of Reserved Capacity | |
| Article III - Operations and Enforcement: | 10 |
| Section 1 - Operations | 11 |
| Section 2 - Metering of Wastewater | 13 |
| Section 3 - Flow Measurements | 14 |
| Section 4 - Facilities Insurance | 16 |
| Section 5 - Compliance with Laws | 16 |
| Section 6 - Upgrading of Treatment Plant | 17 |
| Section 7 - Expansion of Treatment Plant | 17 |
| Section 8 - Combined Upgrading and Expansion | 18 |
| Section 9 - Joint Sewer Authority Records | 19 |
| Section 10 - Sewage Collection System Records | 19 |
| Article IV - Maintenance, Hold Harmless Agreement: | 19 |
| Section 1 - Facilities Maintained | 20 |
| Section 2 - Indemnity | 20 |
| Section 3 - Force Majeure | 20 |

| | |
|--|----|
| Article V - Charges and Payments: | |
| Section 1 - User Charges | 21 |
| Section 2 - Capital Improvement Fund | 22 |
| Section 3 - Payment of Capital Cost | 22 |
| Section 4 - Budget | 23 |
| Section 5 - Billing | 24 |
| Section 6 - Payment of Bills | 24 |
| Section 7 - Surcharge | 25 |
| Section 8 - Financial Statement and Records | 25 |
| Article VI - Effluent Restrictions: | |
| Section 1 - Uniform Standards | 25 |
| Section 2 - Compliance with Standards | 26 |
| Section 3 - Sampling Facilities | 26 |
| Section 4 - Treatment of Harmful Wastes | 26 |
| Section 5 - Reimbursement for Damages from Improper Discharge | 27 |
| Section 6 - Discharge Limitations and Remedies | 27 |
| Article VII - Connections to Sewage Collection System: | |
| Section 1 - Periodic Reporting | 29 |
| Section 2 - Capital Contribution Fee | 29 |
| Section 3 - Approval of Permits | 30 |
| Section 4 - Rehabilitation Work | 30 |
| Article VIII - Plymouth-Whitpain Transportation Agreement: | |
| Section 1 - Flow Limitations | 31 |
| Section 2 - Interceptor Surcharge | 33 |
| Article IX - Miscellaneous: | |
| Section 1 - Obligations of Municipalities | 34 |
| Section 2 - Obligations of Joint Sewer Authority | 34 |
| Section 3 - Inspection of Records | 34 |
| Section 4 - Waiver of Rights | 34 |
| Section 5 - Modification | 35 |
| Section 6 - Severability | 35 |
| Section 7 - Headings | 35 |
| Section 8 - Counterparts | 35 |
| Section 9 - Arbitration | 35 |

INTERMUNICIPAL
SEWAGE TREATMENT SERVICE AGREEMENT

This Agreement dated this 14th day of AUGUST, 1991, by and among the East Norriton-Plymouth Joint Sewer Authority (the "Joint Sewer Authority") and East Norriton Township, Plymouth Township, and Whitpain Township (hereinafter sometimes collectively called "Municipalities"), East Norriton Township Municipal Authority and Plymouth Township Municipal Authority (hereinafter sometimes collectively called "Authorities").

RECITALS

WHEREAS, the Joint Sewer Authority owns and operates a wastewater treatment plant (the "Treatment Plant"); and

WHEREAS, the Joint Sewer Authority has entered into an agreement dated October 5, 1959, as amended (said agreement and amendments thereto being hereinafter called the "Joint Treatment Agreement") with East Norriton Township, Plymouth Township, and the Authorities, whereunder the Joint Sewer Authority is treating and disposing of wastewater collected in East Norriton and Plymouth Townships, subject to certain conditions including the payment of certain quarterly service charges, all as set forth in said Joint Treatment Agreement; and

WHEREAS, the Joint Sewer Authority has also entered into an agreement dated October 5, 1959 (the "Whitpain Treatment Agreement") with Whitpain Township and the Whitpain Township Sewer Authority, which Authority no longer exists, whereunder the Joint Sewer Authority is treating and disposing of wastewater collected in certain portions of Whitpain Township, subject to certain conditions including the payment of certain quarterly service charges, all as set forth, or incorporated by reference, in the Whitpain Treatment Agreement; and

WHEREAS, as a result of several issues having arisen among the parties hereto, a Memorandum of Understanding was entered into on April 3, 1989 addressing those issues until such time as a formal detailed agreement could be consummated; and

WHEREAS, it now appears desirable for the Joint Sewer Authority, Municipalities, and Authorities to enter into such a new agreement which would, among other things, modify the existing Joint Treatment Agreement and the Whitpain Treatment Agreement.

NOW, THEREFORE, the parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1. Defined Terms. The terms defined in this Article I, as well as those defined in the preambles, wherever used or referred to in this agreement, shall have the following respective meanings unless a different meaning clearly appears from the context:

"Biochemical Oxygen Demand" (BOD) means the quantity of oxygen expressed in milligrams per liter (mg/l), utilized in the biochemical oxidation of organic matter under standard laboratory procedure for five days at 20 degrees Centigrade. The standard laboratory procedure for this analysis and for any laboratory analyses hereinafter listed shall be that found in the latest edition of "Standard Methods for the Examination of Water and Sewage" published by the American Public Health Association.

"Consulting Engineers" means an engineering firm or professional engineer having a favorable repute for skill and experience in the construction and operation of sewer systems and sewage treatment plants, who is registered in Pennsylvania.

"Domestic Waste" means normal household wastes from kitchens, water closets, lavatories and laundries and shall not exceed the following concentration limits:

| | |
|------------------|----------|
| BOD | 250 mg/l |
| Suspended Solids | 250 mg/l |

"EDU" or "Equivalent Domestic Unit" shall be a parameter used to convert institutional, commercial and industrial connections to an equivalent number of residential household (domestic) connections and shall be the same as the schedule set forth in the "Resolution of the East Norriton-Plymouth Joint Sewer Authority Establishing a Capital Improvement Fee", ratified on February 8, 1989 and attached hereto as Exhibit A. For any connection not addressed in said schedule, an EDU shall be equal to a wastewater contribution of 275 gallons per day, as such contribution may be amended from time to time by the Joint Authority.

"Flow Year" means the latest 12-month period for which sewage flow data, as measured by meters, is available prior to the date when the operating budget, prepared by the Joint Sewer Authority, is furnished to each Municipality.

"Industrial Wastes" means any and all wastes discharged from an industrial establishment, other than sanitary sewage.

"Maximum 3-Month Average Flow" means the average of the highest three consecutive calendar monthly flows, as calculated during a 12-month period and expressed as a daily flow in million gallons per day (MGD).

"Operation and Maintenance Costs" mean the total costs of operating and maintaining those facilities owned by the Joint Sewer Authority, including but not limited to, labor, materials and supplies, equipment and fixtures, electric power, water, fuel, chemicals, as well as administration, auditing, legal and engineering directly attributable to the Treatment Plant, all contract services, including the costs of operating, maintaining and repairing all metering devices located at Points of Connection, less any Federal or State grants, which are specifically designated by the granting agency to be reimbursement for Operation and Maintenance Costs.

"Point" or "Points of Connection" means a point or points at which any party hereto connects collector or interceptor sewers or force mains over which it has exclusive use and control to a collector or interceptor sewer or pump station which is owned by another municipality (or its respective Authority), two or more municipalities (or their respective Authorities) or the Joint Sewer Authority. Points of Connection are identified on Exhibit B, attached hereto.

"Reserved Capacity" means capacity in the Treatment Plant in the quantities set forth in Article II, Section 2, hereof, allocated to each respective party to this Agreement and reserved for each's exclusive use.

"Sanitary Sewage" means all water-carried domestic waste from residences, offices, hotels, stores, restaurants, commercial establishments, industrial establishments, and similar users.

"Sewage Collection System" means all of the sewage collector facilities constructed or to be constructed by any of the parties to this Agreement for the respective municipality and includes sewers, interceptors, force mains, metering devices, pumping stations and other appurtenances.

"Suspended Solids" means the total suspended matter that either floats on the surface of or is suspended in water, sewage or other liquids, and which is removable by laboratory filtering.

"Treatment Plant" means the existing wastewater treatment plant owned and operated by the Joint Sewer Authority together with any additions, modifications and/or improvements thereto.

"Wastewater" means the liquid and water-carried industrial or domestic wastes from dwellings, commercial buildings, industrial facilities, and institutions, together with any groundwater, surface water, and storm water that may be present, whether treated or untreated which is contributed into or permitted to enter the treatment plant.

ARTICLE II

TERM AND RESERVED CAPACITY

Section 1. Term. This Agreement shall become effective upon its execution and delivery by all of the parties hereto and shall remain in full force and effect until terminated by mutual agreement of all of the parties hereto; provided, however, it shall not be terminated as long as any bonds issued by the Joint Sewer Authority are outstanding, unless provision for the redemption of such bonds has been made or the termination is determined by the Joint Sewer Authority to have no adverse effect on such bonds.

Upon this Agreement becoming effective in the manner provided above, this Agreement will modify the Joint Treatment Agreement and the Whitpain Treatment Agreement with respect to the subject matter contained herein. Any other

agreements or understandings, written or oral, by and between any of the parties hereto, such as the Plymouth-Whitpain Transportation Agreement or the Interjurisdictional Pretreatment Agreement, to the extent that they are not modified or superseded hereby, shall remain in full force and effect, unless amended or terminated pursuant to the terms contained in such agreements or understandings.

Section 2. Reserved Capacity. Subject to the limitations and payment of charges set forth in this Agreement, East Norriton Township/East Norriton Township Municipal Authority, Plymouth Township/Plymouth Township Municipal Authority and Whitpain Township are granted the right during the term of this Agreement to discharge wastewater to the Treatment Plant to the extent of their respective Reserved Capacities, as determined initially and from time to time pursuant to the terms of this Agreement.

For purposes of this Agreement, the initial Reserved Capacities shall be determined in the following manner:

- a. For a period of one year beginning September 1, 1990, the Joint Sewer Authority will meter the wastewater flows from each Municipality, as provided in Article III, Section 3, as well as the total wastewater flows at the Treatment Plant.
- b. The maximum 3-month average flow treated by the Joint Sewer Authority for all three (3) Municipalities will be calculated for the one year metering period based upon readings of the master meter at the Treatment Plant. That number or any adjustment thereto as provided in Section 2(C) infra, will be subtracted from the total, rated, hydraulic capacity of the Treatment Plant, and the difference will be considered the unused plant capacity.

- c. For the corresponding three months utilized in Section 2(b) supra, the maximum 3-month average flow will be calculated for each Municipality for the one year metering period. At that time the Consulting Engineer may review the results of the metering within the context of the amount of rainfall that was experienced during the one year metering period. To the extent that said year was unusually wet or dry with respect to rainfall and to the extent that this adversely impacted the results attributable to one or more Municipalities, the Consulting Engineers may propose an adjustment to said results based upon generally accepted engineering practices and standards. That number, or any adjustment thereto, will be considered the present used capacity of each respective Municipality.
- d. It is agreed by all of the parties to this Agreement that East Norriton Township shall have 50,000 gallons per day added to its present used capacity to compensate for exfiltration currently occurring in its Sewage Collection System.
- e. The sum of the present used capacity of a Municipality plus one-third of the unused plant capacity will be considered the Reserved Capacity of that Municipality.

The aforesaid Reserved Capacity determination notwithstanding, future connections from Whitpain Township shall be limited to properties situated within the geographic area delineated on the map attached hereto as Exhibit C. Those areas of Whitpain Township delineated in Exhibit C which have not been included under prior Whitpain-Plymouth Transportation agreements shall be further limited to land areas which can connect by gravity to the Township Line and Mermaid pump stations and the Walton Road meter and shall not include any areas the connection of which would require the use of pumps or a pumping station.

It being recognized by the parties hereto that flows emanating from Plymouth and Whitpain Townships currently are being treated at other facilities in addition to the Treatment Plant, each Municipality hereby reserves the right to direct all or a portion of its future wastewater flow to a treatment facility other than the Treatment Plant if this should prove to be the most cost-effective approach, provided that no wastewater currently being conveyed to the Treatment Plant is redirected from the Treatment Plant and further provided that no future wastewater flow, which is included in or considered a part of an expansion undertaken by the Joint Sewer Authority pursuant to Article III, Section 7, is redirected from the Treatment Plant.

Section 3. Rerated Capacity. In the event that the rated capacity of the Treatment Plant is increased (or decreased) in the future, then the Reserved Capacity of each Municipality shall be increased (or decreased) on an equal (one-third) basis among the Municipalities. If any such re-rating will require capital expenditures in excess of monies deemed available for that purpose by the sole discretion of the Joint Sewer Authority in its Bond Redemption and Improvement Fund, then each Municipality or Authority shall be required to provide its one-third share of the required capital expenditure. If a dispute arises over whether a proposed increase in capacity is considered a re-rating, as discussed herein, or an expansion, as discussed in Article III, Section 7, then the Joint Sewer Authority will make the final determination in this matter.

Section 4. Transfer of Reserved Capacity. Should any Municipality discharge wastewater, as measured according to Article III, Section 3, during any flow year in a volume less than its then Reserved Capacity, such unused Reserved Capacity shall be deemed to be available for rental by the other Municipalities. Any Municipality discharging wastewater for three (3) or more months in any flow year in excess of its Reserved Capacity shall be deemed to rent from the Municipality with the largest amount of unused Reserved Capacity for the entire calendar year, a portion of such lessor Municipality's Reserved Capacity.

The annual rental payable by the lessee Municipality in connection with the current Treatment Plant shall be determined as follows:

- a. From the total volume of wastewater discharged by the lessee Municipality for the flow year in which the volume of discharge exceeded the lessee Municipality's Reserved Capacity, as measured according to Article III, Section 3, the lessee Municipality's Reserved Capacity will be subtracted. The difference shall equal the total volume by which such lessee Municipality exceeded its Reserved Capacity.
- b. The total debt service owed by the Joint Sewer Authority on existing facilities for the current budget year will be divided by the total volume of wastewater in 1000 gallons treated at the Treatment Plant for the flow year. The quotient shall equal the debt service per 1000 gallons of wastewater discharged into the Treatment Plant (such cost being rounded to the nearest cent).
- c. The total of the excess wastewater discharged in 1000 gallons as determined in Section 4(a) supra, will be multiplied by the debt service cost per 1000 gallons discharged, as determined in Section 4(b) supra. The product will be multiplied by a penalty factor of 1.50 and shall equal the annual rental payable by the lessee Municipality to the lessor Municipality.

In the event the unused Reserved Capacity being rented is from a future expansion, then the annual debt service attendant to the lessor Municipality's share of such expansion shall be used in substitution for the total debt service, referred to above, and the amount of additional capacity purchased by the lessor Municipality in connection with such expansion shall be used in substitution for the total volume of wastewater treated at the Treatment Plant, referred to above.

The Capacity thus rented shall be deemed to be rented for 12 months by such Municipality until either: (1) the lessee Municipality goes one complete flow year without exceeding its Reserved Capacity; or (2) the lessor Municipality determines, in its discretion, that it requires the use of such rented Capacity for its own use, at which time the lessee Municipality shall surrender such Capacity rented by it and shall, at its expense, replace the Capacity rented by it so that the lessor Municipality will receive back its total Reserved Capacity. In no event shall any rental of Capacity be construed to increase the Reserved Capacity of the lessee Municipality. The sale of Reserved Capacity associated with the existing Treatment Plant is not permitted unless approved by the Joint Sewer Authority. However, the sale of Reserved Capacity associated with a future expansion is permitted, subject to the terms and conditions agreed to by the Municipalities involved, provided that said Municipalities are parties to this Sewage Treatment Service Agreement.

The rental fee owed by the lessee Municipality, together with the distribution thereof, shall be billed annually, as provided in Article V, Section 5, and shall be paid to the lessor Municipality within sixty (60) days of the date of delivery of the billing. If any rental due and payable under this Section shall not be made, as herein provided, a penalty shall accrue thereon as provided in Article V, Section 6.

ARTICLE III

OPERATIONS AND ENFORCEMENT

Section 1. Operations. The Municipalities and Authorities hereby agree that the Joint Sewer Authority shall have exclusive control over the manner and means of operating and maintaining those facilities which the Joint Sewer Authority owns, including the Saw Mill Run pump station and force main and the Treatment Plant and any enlargements, additions, improvements and modifications thereto.

The Municipalities and Authorities designate the Joint Sewer Authority to plan, finance, and supervise the acquisition and construction of any project which enlarges, adds to, improves, or modifies those facilities owned by the Joint Sewer Authority and further designates the Joint Sewer Authority to apply for and accept any aid, grants, subsidized loans or other beneficial programs from any federal, state or governmental agency for use in connection therewith.

Section 2. Metering of Wastewater. The Joint Sewer Authority is hereby authorized in its sole and absolute discretion to establish and install in each of the three municipalities a uniform metering system as determined by the Joint Sewer Authority, in order to isolate and measure the sewage flows from each of the Municipalities to the facilities of the Joint Sewer Authority.

To the extent that the Joint Sewer Authority deems it appropriate to replace existing meter(s) at the points of connection it is hereby authorized to do so. The cost of such specific replacement meters or any new meters determined necessary by the Joint Sewer Authority or replacements to meters heretofore installed or hereafter to be installed, as the case may be, shall be at the expense of the Joint Sewer Authority. It is hereby understood by the parties hereto that, at the execution of this Agreement, the meters at Walton Road, Sheffield Drive, and Saw Mill Run pump station, which were installed and paid for by Whitpain Township, will become the property of and the responsibility of the Joint Sewer Authority.

The Joint Sewer Authority shall have the sole responsibility for maintaining, repairing and calibrating those meters required under this Agreement, including a master meter at the Treatment Plant. The costs attendant thereto shall be included in the Operation and Maintenance Costs of the Joint Sewer Authority which costs shall be shared by the Municipalities as provided in Article V.

All metering devices shall be subject to the following conditions:

- a. The device shall be inspected and tested for accuracy at least once every six months, or such shorter time period as deemed appropriate by the Joint Sewer Authority by a person or entity competent in the inspection and testing of such devices. All repairs of meters of any type shall be accomplished within 30 calendar days of receipt of the inspection report attesting to the meter's malfunction.
- b. In the case of missing flow records due to faulty meter registration or otherwise, an estimate of flows will be made, for the purposes of determining volume of sewage discharged during the time which a faulty meter was malfunctioning. This estimate will be based on an evaluation of past flow records as applied to present conditions and as reviewed and approved by the Joint Authority's Consulting Engineers. The decision of the Joint Sewer Authority shall be conclusive.
- c. Meter records, meter installations, and certified reports of meter inspections, as referenced in Section 2(a) supra, shall be made available to any party hereto at any time upon reasonable notice.
- d. The type of metering devices to be installed will be the sole decision of the Joint Sewer Authority.
- e. Any party hereto shall have the right, upon written notice, to a calibration check of any metering device of the Joint Sewer Authority at any time outside the normal scheduled calibration time for the purpose of checking its accuracy. If the results of such non-scheduled calibrations show that the meter(s) was malfunctioning, then all costs of the non-scheduled calibration will be included in the Treatment Plant's Operations and Maintenance Costs. If no malfunction is found, then the requesting party shall pay all costs for the calibration.

- f. Subject to the requirement for estimates described above, the readings set forth at the metering devices of the Joint Sewer Authority shall constitute conclusive evidence of the amount of wastewater discharged at the points of connection.

Section 3. Flow Measurements. The monthly average of the wastewater flow through the recording meters will be made by the Joint Sewer Authority on or before the first day of the second month of each calendar quarter showing the total and daily wastewater flows discharged during the previous calendar quarter.

For purposes of determining wastewater discharged from each of the Municipalities, the following procedure will apply with respect to the current points of connection:

- a. For East Norriton Township usage will be based upon the meter reading of the East Norriton meter at the Saw Mill Run pump station.
- b. For Whitpain Township usage will be based upon the sum of the meter readings at: (1) Sheffield Drive metering station; (2) Walton Road metering station; and (3) Arch Street force main meter situated at the Saw Mill Run pump station.
- c. For Plymouth Township usage will be based upon the sum of two (2) meter readings which will be derived by a subtraction process as follows: (1) the meter reading of the Plymouth-Whitpain meter at the Saw Mill Run pump station will be reduced by the sum of the meter readings at the Sheffield Drive and Walton Road metering stations and (2) meter reading of the master meter at the Treatment Plant will be reduced by the sum of all the meter readings at the Saw Mill Run pump stations.

It will not be the responsibility of the Joint Sewer Authority to adjust metered flows for each Municipality, as determined above, to account for any users in one Municipality who are connected to the Sewage Collection System of another Municipality wherein such users are, in effect, being counted in the flow of the latter Municipality. The Joint Sewer Authority may, if requested by both parties, act as a mediator in resolving this matter.

The results of any adjustment to the metered flows shall be communicated to the Joint Sewer Authority by the parties involved so that the Joint Sewer Authority may have a record of same. However, in the event that a discharge violation occurs, as described in Article VI, Sections 4, 5, and 6, the Joint Sewer Authority will take the appropriate action, as permitted in the aforesaid Sections, against the Municipality whose metered flow is in violation unless it can be shown that the offending Municipality is not the one being metered but the one with users connected to the Sewage Collection System of the Municipality being metered.

If any new meter(s) are installed at future point(s) of connection, the Joint Sewer Authority will decide at its sole discretion the impact of such meter(s) on the above procedure and change said procedure accordingly. The Joint Sewer Authority will notify the Municipalities about any changes in the above procedure, as required.

Section 4. Facilities Insurance.

- a. The Joint Sewer Authority will cause to be insured the Treatment Plant and any other facilities owned by the Joint Sewer Authority, including the Saw Mill Run pump station and force main and the meters at the points of connection, with a responsible company or companies authorized and qualified to do business under the laws of the Commonwealth of Pennsylvania against loss or damage by fire, flood, explosion and such other risk and casualty and at replacement cost or, if not

possible, in such amounts as usually are carried upon, or with respect to, like property in Pennsylvania. All insurance shall be for the benefit of the Joint Sewer Authority, and any benefits paid as the results of any insurance claim shall be used to facilitate repair, replacement or reconstruction of the damaged or destroyed portion of the Treatment Plant. Immediately after any loss or damage to the Treatment Plant, or any part thereof, the Joint Sewer Authority will commence and duly prosecute the repair, replacement or reconstruction of the damaged or destroyed portion thereof according to plans and specifications prepared by its Consulting Engineers.

- b. In the event that it shall become necessary to make any repair, replacement or reconstruction of the Treatment Plant, or any portion thereof, and there are insufficient funds available to the Joint Sewer Authority from insurance proceeds or the Bond Redemption and Improvement Fund to pay the costs and expenses thereof, other than insufficiency caused by a breach of Subsection a. above, each party hereto shall pay the same share of the costs of such repair, replacement or reconstruction as exceed the insurance proceeds as its Reserved Capacity bears to the total design capacity of Treatment Plant. Payment of such share shall be made in accordance with Article V hereof.

- c. The Municipalities and/or Authorities will insure their respective sewage collection systems with a responsible company or companies authorized and qualified to do business under the laws of the Commonwealth of Pennsylvania against loss or damage by fire, flood, explosion and such other risk and casualty and at replacement cost or, if not possible, in such amounts as are usually carried on like property in Pennsylvania. Immediately after any loss or damage to any facilities in either municipality the municipality in which the loss of damage

occurred will commence and duly prosecute the repair, replacement or reconstruction of the damages or destroyed portion of their facilities.

Any Municipality and/or Authority may request the Joint Sewer Authority to secure insurance for its respective sewage collection system in combination with the Joint Sewer Authority's insurance coverage of its own facilities, as required in Section 4(a) supra. The cost of any insurance coverage obtained by the Joint Sewer Authority on behalf of any Municipality and/or Authority will be borne by the respective Municipality and/or Authority.

Section 5. Compliance With Laws. The parties hereto agree to comply with all applicable present and future Pennsylvania or United States laws, rules, regulations, permits, orders and requirements lawfully made by any governmental body having jurisdiction and all applicable grant agreements, unless the same are being contested in good faith by appropriate proceedings.

Section 6. Upgrading of Treatment Plant. If the Pennsylvania Department of Environmental Resources, or any other governmental body having jurisdiction, orders the Joint Sewer Authority to upgrade its treatment, or if the Joint Sewer Authority determines that modifications to the Treatment Plant are necessary in order to maintain current treatment standards, or proper operational procedures, the Joint Sewer Authority agrees to apply for and accept any grants or contributions from any federal, state, or other governmental agency applicable thereto and to construct the facilities necessary to the Treatment Plant. If any such upgrading will result in capital expenditures in excess of monies deemed available for that purpose by the sole discretion of the Joint Sewer Authority in its Bond Redemption and Improvement Fund, then the Joint Sewer Authority will obtain the necessary financing. With respect thereto, each Municipality agrees to pay the same share of the total project costs of such upgrading or modifications as its Reserved Capacity bears to the total capacity of the Treatment Plant. Payment of such share shall be made in accordance with Article V hereof.

Section 7. Expansion of Treatment Plant.

- a. If any Municipality wishes the Joint Sewer Authority to enlarge the Treatment Plant to provide additional treatment capacity, it shall notify the Joint Sewer Authority in writing of the amount of additional capacity it is requesting. Upon receipt of such notification, the Joint Sewer Authority shall notify, in writing, the other Municipalities hereto to determine if they desire additional capacity. Any party hereto who does not respond, in writing, to such notification from the Joint Sewer Authority within sixty (60) days of the date of such notification shall be deemed to have requested no additional capacity.

- b. The Joint Sewer Authority agrees that, after each party hereto has responded or is deemed to have responded, it shall obtain financing, if necessary, and construct the enlargements, additions, improvements or modifications to the Treatment Plant necessary to provide the total additional capacity requested. Such expansion shall be subject to the standards prescribed by the Department of Environmental Resources or any other governmental authority having jurisdiction thereof. Each party requesting additional capacity shall pay its pro-rata share of such enlargement cost determined by dividing its requested additional capacity by the total additional capacity being provided. Payment of such share shall be made in accordance with Article V. In no event shall a party hereto not requesting additional capacity be required to make any payments with respect to any additional capacity provided, except as stipulated in Section 7(c) infra.

- c. If any Municipality is exceeding its then current Reserved Capacity or attendant pollutant loading and has not corrected the situation, as required in Article VI, Section 6(c), and can not lease any capacity, as provided in Article II, Section 4, or if any Municipality is leasing capacity but must surrender such capacity at the request of the lessor Municipality, as permitted in Article II, Section 4, and can not lease any capacity from any other Municipality, then the said offending Municipality must request an expansion of the Treatment Plant, as provided in Section 7(a) supra. If said offending Municipality does not request such an expansion within thirty (30) days after notification by the Joint Sewer Authority, then the Joint Sewer Authority will, at its own discretion, expand the Treatment Plant to accommodate at a minimum the flow or pollutant loading of the offending Municipality in excess of its then current Reserved Capacity or attendant pollutant loading. If the Joint Sewer Authority does not believe that such an expansion is economically feasible, it will construct any holding facilities that it deems appropriate until such time that an expansion is considered economically feasible. In judging economical feasibility, the Joint Authority will investigate, among other things, the cost of treatment being charged by similar facilities. The cost of any such expansion and/or holding facilities will be borne by the offending Municipality in accordance with Section 7(b) supra.

Section 8. Combined Upgrading and Expansion. If concurrently, a project is required to be undertaken pursuant to Sections 6 and 7 supra,

and it becomes impossible to directly relate the costs thereof to either the upgrading requirement or the discretionary expansion, such project costs shall be allocated or equitably apportioned by the Consulting Engineers of the Joint Sewer Authority on the basis of sound and acceptable engineering and/or accounting principles.

Section 9. Joint Sewer Authority Records. The Joint Sewer Authority hereby agrees to make available at all reasonable times to any other party hereto, its agents, servants, employees and representatives, access to all of its records pertaining to operation and/or maintenance of the Treatment Plant.

Section 10. Sewage Collection System Records. Each party hereto agrees to make available at all reasonable times to the Joint Sewer Authority, its agents, servants, employees and representatives access to all records of such party insofar as the same relate to matters covered in this Agreement. Each party hereto also agrees that the Joint Sewer Authority, its agents, servants, employees and representatives shall have access to each party's sewage collection system at reasonable times in order to assure compliance with the terms and provisions of this Agreement.

ARTICLE IV

MAINTENANCE, HOLD HARMLESS AGREEMENT

Section 1. Facilities Maintained. Each party agrees, in connection with its respective sewer facilities, to continuously operate and keep and maintain the same at all times in first-class repair and order and in good and efficient operating condition and to meet the standards prescribed by the Joint Sewer Authority or the Department of Environmental Resources or of any other governmental authority having jurisdiction thereof.

Section 2. Indemnity. Municipalities and Authorities agree to indemnify and hold harmless the Joint Sewer Authority against all losses, costs or damages on account of any injury to persons or property occurring in the performance of this Agreement do to the negligence of any such party's servants, agents or employees, or resulting from the failure of their respective sewage collection systems to properly function due to such negligence.

The Joint Sewer Authority agrees to indemnify and hold harmless Municipalities and Authorities against all losses, costs or damages on account of any injury to persons or property occurring in the performance of this Agreement due to negligence of Joint Sewer Authority's servants, agents or employees or resulting from the failure of the Treatment Plant to properly function due to such negligence.

If the Joint Sewer Authority should contract (or has contracted) or in any way agrees to operate and maintain the sewer facilities of any Municipality and/or Authority, then the Joint Sewer Authority agrees to indemnify and hold harmless that Municipality and/or Authority against all losses, costs or damages on account of any injury to persons or property due to the negligence of Joint Sewer Authority's servants, agents or employees.

Section 3. Force Majeure. Notwithstanding any other provision of this Agreement, no party hereto shall be responsible for damages to any other for any failure to comply with this Agreement resulting from an act of God, or riot, sabotage, public calamity, flood, strike, breakdown of the Treatment Plant, or other event beyond its reasonable control. The party or parties having the responsibility for the facilities so affected, however, shall proceed promptly to remedy the consequences of such event, with costs to be shared to the extent provided elsewhere herein.

ARTICLE V

CHARGES AND PAYMENTS

Section 1. User Charges. The Joint Sewer Authority will charge, and each Municipality will pay a user fee which, to the extent possible, represents each Municipality's proportionate share of the costs of operating those facilities owned by the Joint Sewer Authority, which facilities include the Saw Mill Run pump station and force main and the Treatment Plant.

The user fees imposed on the Municipalities shall be at least such that the total amount to be collected, together with any other revenues available to the Joint Sewer Authority, will be sufficient in each year to pay:

- a. operation and maintenance costs, as referenced in Article I;
- b. annual debt service, including coverage if any, on all outstanding bonds attendant to the existing facilities owned by the Joint Sewer Authority; and
- c. annual debt service, including coverage if any, on all outstanding bonds attendant to any upgrading or expansion of the Treatment Plant, as provided in Article III, Sections 6, 7 and 8, respectively.

The user fees imposed on the Municipalities will have two components. First, the costs associated with Subsections (a) and (b), supra, will be allocated on the basis of wastewater flow from each Municipality. Second, the costs associated with Subsection (c), supra, if any, will be allocated on the basis of Reserved Capacity, as provided in Section 3 of this Article.

It is understood by the parties hereto that there shall be deducted from the operation and maintenance costs prior to the calculation of the user fees: (1) any funds paid under any applicable State or Federal grant or similar payment intended to offset the operation and maintenance costs and (2) any other revenues available to the Joint Sewer Authority for use in connection with the operation of the Treatment Plant as determined by the Joint Sewer Authority in its sole and absolute discretion.

Section 2. Capital Improvement Fund. A Capital Improvement Fund shall be established by the Joint Sewer Authority for the purposes of funding any improvements, modifications, or enlargements to those facilities owned by the Joint Sewer Authority. The Joint Sewer Authority shall deposit into the Capital Improvement Fund all connection fees collected by the Municipalities on behalf of the Joint Sewer Authority pursuant to Article VII, Section 2, and shall segregate the monies in the Fund by Municipality, apart from the Revenue Fund and other Joint Sewer Authority Funds established in conjunction with the 1978 Bond Issue or any additional bonds issued by the Joint Sewer Authority. Interest accruing on the accounts of each Municipality within the Capital Improvement Fund shall be credited to the Municipality's account and be treated as part of that account.

Section 3. Payment of Capital Costs. In the event the Joint Sewer Authority undertakes certain capital improvements to upgrade its treatment or maintain current treatment standards, as provided in Article III, Section 6, or to expand its treatment capacity at the request of one or more Municipalities, as provided in Article III, Section 7, or to both upgrade and expand concurrently, as provided in Article III, Section 8, each Municipality agrees to pay its pro-rata share of the costs of such capital improvements. The basis of determining this pro-rata share is specified in Article III, Sections 6, 7, and 8.

The Joint Sewer Authority agrees to finance the costs of such capital improvements through the issuance of notes or bonds, as appropriate and will reduce the amount of borrowing pertinent to each Municipality's share by the amount of monies available in each Municipality's account within the Capital Improvement Fund. However, each Municipality shall have the right to reserve a portion or all of the monies in its respective account for future projects by so informing the Joint Sewer Authority of its decision, provided such future projects are the same as those stipulated in Section 2 of this Article. With respect to the repayment of the notes or bonds issued by the Joint Sewer Authority, each Municipality shall pay periodically, as provided in Section 1 of this Article, to the Joint Sewer Authority a sum of money determined by applying the percentage, computed by dividing the amount being financed applicable to each Municipality by the total amount being financed, to the annual debt service requirements plus any fixed amount attributable to said notes or bonds required to be transferred in any such year to any fund under the terms of the Trust Indenture executed in connection with the borrowing.

Section 4. Budget. The Joint Sewer Authority shall prepare, subject to the approval of its Consulting Engineers, and furnish to each Municipality by October 1 of each year, a budget for the next fiscal year beginning April 1, or such other date as may be appropriate should the Joint Sewer Authority change its fiscal year setting forth: (1) the operation and maintenance costs for such fiscal year, (2) debt service requirements, if any, and (3) each Municipality's share of such annual costs.

In determining each Municipality's share of the operation and maintenance costs and debt service requirements attendant to the existing facilities in a given budget year, the Joint Authority will divide the actual wastewater flow from each Municipality for the flow year as such flow

is determined by Article III, Section 3, by the total metered flow discharged to the Treatment Plant during that same flow year and multiplying that ratio by the aforesaid costs. In determining each Municipality's share of any other debt service requirements, the provisions in Section 3 of this Article will apply.

If at any time during the budget year, unusual or unanticipated increases occur in the cost of operation and maintenance, then the Joint Sewer Authority will provide each Municipality with an amended budget, approved by the Consulting Engineers, setting forth: (1) the reasons(s) for the increase, (2) the revised total cost of operation and maintenance for the budget year less any federal or state grants applicable thereto, and (3) each Municipality's share of such revised total cost, after taking into consideration any payments made to date during the budget year.

Section 5. Billing. Bills for one-quarter (1/4) of the user fees with respect to the total annual cost due pursuant to Section 4, supra, shall be delivered by the Joint Sewer Authority to each Municipality hereto on the first day of April, July, October, and January. The bill delivered to each Municipality on July 1 of each year, or the second billing of the fiscal year should the Joint Sewer Authority change its fiscal year, shall show as separate items any rental fee owed by a lessee Municipality to a lessor Municipality, as provided in Article II, Section 4.

Section 6. Payment of Bills. Bills shall be payable at the office of the Joint Sewer Authority within sixty (60) days of the date of delivery of the bill. There shall be added interest at the rate of twelve (12) percent per annum, which interest rate can be changed from time to time by the Joint Sewer Authority, to bills remaining unpaid after sixty (60) days of the date of delivery of the bills. Said interest shall be chargeable from the due date thereof until payment is received by the Joint Sewer Authority.

Section 7. Surcharge. Any recognizable increase in the operation and Maintenance costs arising out of the quality of effluent discharged by a particular Municipality or Municipalities may be reflected in a surcharge imposed by the Joint Sewer Authority hereunder, payable by such Municipality or Municipalities to equitably reflect the additional costs necessary to treat and/or dispose of such effluent. The amount of such surcharge shall be determined by the Consulting Engineers in accordance with sound engineering principles and be payable to the Joint Sewer Authority.

Section 8. Financial Statement and Records. To the end that the costs upon which the charges imposed under Section 1 of this article may be readily ascertained, the Joint Sewer Authority covenants to keep accounting records indicating the basis for these charges. The Joint Sewer Authority also covenants to deliver to each Municipality a copy of its annual financial statement within thirty (30) days of the receipt thereof from the Joint Sewer Authority's accountant.

ARTICLE VI

EFFLUENT RESTRICTIONS

Section 1. Uniform Standards. The Joint Sewer Authority has adopted uniform wastewater effluent quality standards which will comply with the requirements of all regulatory authorities. Municipalities and Authorities agree not to discharge or permit the discharge of wastewater from their respective sewage collection systems that would violate any of such standards. The Joint Sewer Authority will make no changes in said standards except upon sixty (60) days prior notice to the Municipalities and Authorities.

Section 2. Compliance with Standards. Municipalities and Authorities have enacted appropriate ordinances and/or regulations, and will amend same from time to time as needed, which, among other things, prohibit, and provide adequate penalties for the discharge into their respective sewage collection systems of anything violating the effluent quality restrictions of the Joint Sewer Authority, and hereby covenant to enforce, and request the enforcement of, as applicable, the provisions thereof when brought to its attention. Such ordinances and/or regulations shall also prohibit and/or regulate the discharge into the respective sewage collection system by any person of industrial waste, as defined in the applicable regulations of the Joint Sewer Authority. No Municipality will permit any discharge into its respective sewage collection system except in the manner and in accordance with the provisions of said ordinance and/or regulations as applicable.

Section 3. Sampling Facilities. When deemed necessary, the Joint Sewer Authority will install, maintain and operate, at the expense of the applicable Municipality, sampling equipment or facilities at or near the point(s) of connection. Each Municipality shall install, maintain and operate additional sampling, equipment or facilities at such points of discharge into each Municipality's sewage collection system from a user thereof whose discharge of wastewater, in the opinion of the Joint Sewer Authority, may be detrimental to the operation of the Treatment Plant.

Section 4. Treatment of Harmful Wastes. If any wastewater discharged by any Municipality is in violation of the Joint Sewer Authority's standards, as determined by this Article, and requires special treatment or would be harmful to the Treatment Plant, then that Municipality will pay the entire cost of any special treatment as a separate charge, and the Municipality, on written notice of violation from the Joint Sewer Authority, shall immediately act to enforce or obtain the enforcement of those quality standard ordinances and/or regulations by connection ban or

by providing or requiring pretreatment of such waste in such manner as is provided by said ordinances or compel disconnection from its respective sewage collection system of the property from which harmful waste is being discharged. Failure by a Municipality to enforce or obtain the enforcement of those quality standard ordinances and/or regulations will be dealt with according to the provisions of the Interjurisdictional Pretreatment Agreement, entered into by the parties hereto and dated February 13, 1985. The aforesaid notwithstanding the Joint Authority shall be entitled to recover from said Municipality the costs of any upgrading, enhancements or other remedial action that it deems necessary as a result of such discharge.

Section 5. Reimbursement for Damages from Improper Discharge. The responsible Municipality will pay the cost of any damage to the Treatment Plant and/or any fines or penalties resulting from the discharge of improper waste from its sewage collection system in violation of the above-mentioned quality standards and restrictions, within thirty (30) days after notice by the Joint Sewer Authority and shall indemnify and hold harmless the Joint Sewer Authority with respect thereto.

Section 6. Discharge Limitations and Remedies.

- a. Each Municipality agrees that the wastewater it discharges will not exceed certain maximum allowable discharge limits, expressed in pounds per day, which will be based upon the concentration limits attributable to domestic waste, as referenced in Article I, and the hydraulic capacity reserved for it, as determined in Article II.
- b. Joint Sewer Authority shall issue a warning to a Municipality when its maximum 3-month average flow or attendant loading of either of the pollutants referenced

above approaches 85 percent of its respective maximum limit. The maximum 3-month average flow criteria is based on current federal and state standards and may be changed from time to time to reflect the federal and state standards in effect at any time. Within thirty (30) days after the warning, the Municipality shall initiate and within ninety (90) days thereafter complete and submit to the Joint Authority an engineering report, which at a minimum addresses the estimated time frame in which the Municipality will completely utilize its hydraulic or pollutant loading capacity.

- c. When the maximum 3-month flow or attendant loading of either of the pollutants referenced above approaches 90 percent of a Municipality's maximum limit, the Joint Sewer Authority will determine how much unused capacity is available for such Municipality and will by dividing said unused capacity by 275 gallons per day, as such amount may be amended from time to time by the Joint Sewer Authority, determine how many EDUs are available to be connected by said Municipality. This determination will be valid as of the date of the calculation and may be recalculated each year. The Municipality will not be permitted to connect any EDUs in excess of the number determined by the Joint Sewer Authority.
- d. In the event that a Municipality shall exceed any of the limits and restrictions on flow or pollutant loadings, as set forth herein, for a period of thirty (30) consecutive days, such Municipality shall take immediate steps to reduce such overloading to the satisfaction of the Joint Sewer Authority and shall not make any connections until such

overloading has been reduced to 85 percent of the Municipality's maximum limit. Furthermore, the Municipality in addition to other payments herein provided for and in addition to any other remedies legally available to the Joint Sewer Authority, shall indemnify and hold harmless the Joint Sewer Authority from any costs, fees, expenses, damages, fines, penalties, including legal, engineering or other fees and expenses, suffered or incurred as a result thereof, except such as are caused by negligence in operation of the Treatment Plant.

ARTICLE VII

CONNECTIONS TO SEWAGE COLLECTION SYSTEM

Section 1. Periodic Reporting. Each Municipality agrees to provide to the Joint Sewer Authority on a quarterly basis a copy of all local sewer connection permits approved by same for a property or properties which will connect to its respective sewage collection system. If requested by the Joint Sewer Authority, each Municipality also agrees to provide to the Joint Sewer Authority, in addition to the aforesaid, a copy of the permit application and attendant modules submitted on behalf of a subdivision to the Pennsylvania Department of Environmental Resources for approval to construct sanitary sewers within such subdivision for connection to the sewage collection system. The Joint Sewer Authority, for its part, agrees to provide to each Municipality on a quarterly basis a copy of the flow data recorded by the meters installed at the points of connection and the Treatment Plant in accordance with Article III, Sections 2 and 3.

Section 2. Capital Contribution Fee. Each Municipality and/or Authority covenants that it has enacted an ordinance or resolution, as appropriate, or will amend an existing ordinance or resolution, as

appropriate, requiring all owners of improved property which can connect to its respective sewage collection system to pay a tapping fee of \$1,000 per EDU, as such term is defined in Article I. This fee is to be collected at the time an application for a sewer connection permit is submitted to the Municipality and is to be paid to the Joint Sewer Authority on a quarterly basis, as appropriate. This fee, which may be changed or modified from time to time by the Joint Sewer Authority, is in addition to any local connection fee, tapping fee, or other charge imposed by the Municipality in regards to the connection of an improved property to its respective sewage collection system. Each Municipality agrees that it will not approve any sewer connection permit unless such Joint Sewer Authority fee has been paid.

Section 3. Approval of Permits. In the event of the failure of a Municipality to report its sewer connections, as required in Section 1 of this Article, or in the event of the imposition of sanctions upon a municipality by the Joint Sewer Authority, as provided in Article VI, Section 6, then the said Municipality shall be required to submit copies of all sewer connection permits intended to be issued by the Municipality for approval by the Joint Sewer Authority prior to the issuance of those permits.

Section 4. Rehabilitation Work. Each Municipality covenants that it will report to the Joint Sewer Authority, whenever practical thirty (30) days prior to initiation of same or as soon as possible thereafter but in no event no later than thirty (30) days after completion of same, any rehabilitation and/or repair work performed on its respective sewage collection system, as well as any studies conducted to determine, isolate, or quantify inflow and infiltration in its respective sewage collection system.

ARTICLE VIII

PLYMOUTH-WHITPAIN TRANSPORTATION AGREEMENT

Section 1. Flow Limitations. The existing Plymouth-Whitpain Transportation Agreement, as amended, shall be further modified and amended to limit and control future flows emanating from Whitpain Township draining into the Saw Mill Run interceptor through the Sheffield Drive and Walton Road metering stations to the geographic areas indicated on the map attached hereto as Exhibit "C", so that Plymouth Township will be assured that, in the future, the Saw Mill Run Interceptor shall not become surcharged at any time as the result of flows entering the system from Whitpain Township as follows:

a. Sheffield Drive Metering Station:

- (i) Whitpain agrees that it will not design, install or operate that portion of this collection system draining into the Saw Mill Run Interceptor with the capability of discharging sewage flows in excess of 2840 gallons per minute at peak flow.
- (ii) In the event that peak flow rates exceed 3100 gallons per minute for two (2) hours during any two (2) twenty-four (24) hour periods within a span of thirty (30) days, then Whitpain shall immediately commence work on corrective action required to reduce that flow so that it will not exceed 2,840 gallons per minute at peak flow.

(iii) In the event that any single overflow shall occur, determined by the Joint Sewer Authority engineer to be caused by excessive flow from the Sheffield Drive metering station, then a moratorium on future connections from areas discharging through that metering station shall automatically be imposed and Whitpain Township shall thereupon take such immediate action as is required to prevent future surcharges from occurring. Any future connections during the moratorium period would thereafter be permitted only upon the joint consent of the Joint Sewer Authority, Plymouth Township and Plymouth Municipal Authority. At such time as acceptable corrective action has been take, the moratorium shall be lifted.

b. Walton Road Metering Station:

- (i) In the event that the flow exceeds 360 gallons per minute for three (3) hours in five (5) twenty-four (24) hour periods within a span of thirty (30) days, then Whitpain shall promptly cause plans to be prepared for such corrective action as is required to reduce that flow to not more than 440 gallons per minute;
- (ii) In the event that the flow exceeds 400 gallons per minute for three (3) hours in five (5) twenty-four (24) hour periods within a span of thirty (30) days, then Whitpain shall immediately commence actual work on corrective action required to reduce that flow to not more than 440 gallons per minute;

(iii) In the event that the flow exceeds 440 gallons per minute for one (1) hour on any single occasion; then a moratorium on future connections from the areas discharging through the Walton Road metering station shall automatically be imposed and Whitpain Township shall thereupon take such other actions as may be required to prevent surcharges from occurring. Any future connections during the moratorium period would thereafter be permitted only upon the joint consent of the Joint Sewer Authority, Plymouth Township and Plymouth Township Municipal Authority. At such time as acceptable corrective action has been take, the moratorium shall be lifted.

Section 2. Interceptor Surcharge. In the event that a surcharge shall occur in the Saw Mill Run Interceptor as the result of Whitpain exceeding flow restrictions from either the Sheffield Drive or the Walton Road metering stations, a moratorium on future connections from the areas discharging into the Saw Mill Run Interceptor shall automatically be imposed and the Whitpain Township shall immediately take such actions as may be necessary to prevent a future surcharge from occurring. Any future connections during the moratorium period would thereafter be permitted only upon the joint consent of the Joint Sewer Authority, Plymouth Township and Plymouth Township Municipal Authority. At such time as acceptable corrective action has been taken, the moratorium shall be lifted.

ARTICLE IX

MISCELLANEOUS

Section 1. Obligations of Municipalities. All bonds, notes or other obligations of the Municipalities and/or Authorities issued, or to be issued, shall for all purposes of this Agreement be the sole obligations of such Municipalities and/or Authorities and shall not in any way directly, or indirectly be deemed a debt or liability of the Joint Sewer Authority.

Section 2. Obligations of Joint Sewer Authority. All bonds, notes or other obligations of the Joint Sewer Authority issued, or to be issued, shall for all purposes of this Agreement be the sole obligation of the Joint Sewer Authority and shall not in any way, directly or indirectly, be deemed a debt or liability of the Municipalities and/or Authorities.

Section 3. Inspection of Records. After written notice, each party to this Agreement shall have the right at any time during business hours to inspect the books and records of the others in order to ascertain the correctness of any figures used in computing the liability of any party to this Agreement to another.

Section 4. Joint Sewer Authority Membership. Whitpain Township shall become a full member of the Joint Sewer Authority with representation equal to the representation of each Municipality on the Joint Sewer Authority, effective at the first meeting of the Joint Sewer Authority following the resolution of all procedural legal matters and the execution of this Agreement by all parties. Each Municipality shall be entitled to appoint an equal number of representatives to the Joint Sewer Authority in accordance with the applicable provisions of the Pennsylvania Municipality Authorities Act.

Section 5. Joint Sewer Authority Engineer. The Joint Sewer Authority will not engage or retain any Consulting Engineer engaged or retained by a contributing Municipality or Authority in connection with sewer matters relating to the Joint Sewer Authority.

Section 6. Waiver of Rights. The failure of any party hereto to insist upon strict performance of this Agreement or any of the terms or conditions thereof shall not be construed as a waiver of any of its rights hereunder; provided, however, that each party shall use its best efforts to protect each of the other parties from incurring any substantial additional or unnecessary liability or expense as a result of reliance by such other party upon the previous non-enforcement of any term or condition of this Agreement.

Section 7. Modification. This writing constitutes the entire Agreement between the parties, and there are no representations or agreements, verbal or written, other than those contained herein. This Agreement may be amended, modified, or supplemented by the written agreement of all parties.

Section 8. Severability. Should any provision hereof for any reason be held illegal or invalid, no other provision of this Agreement shall be affected, and this Agreement shall then be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 9. Headings. The headings in this Agreement are solely for convenience and shall have no effect in the legal interpretation of any provision hereof.

Section 10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be properly executed by the Municipalities, Authorities and Joint Sewer Authority, and all of which shall be regarded for all purposes as one original and all of which shall constitute and be but one and the same.

Section 11. Arbitration. Any disputes arising out of this Agreement, except in cases where a decision is left to the sole discretion of the Joint Sewer Authority, shall be submitted to binding arbitration conducted in accordance with the rules and selection process of the American Arbitration Association. The expenses of arbitration shall be assessed by the arbitrator.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers and their respective seals to be hereunto affixed, all as of the day and year first above written.

ATTEST:

Charles W. White
Assistant Secretary



ATTEST:

W. Hill
Secretary

ATTEST:

[Signature]
Secretary

ATTEST:

[Signature]
Secretary

ATTEST:

[Signature]
Secretary

EAST NORRITON-PLYMOUTH JOINT
SEWER AUTHORITY

BY: [Signature]
Chairman

EAST NORRITON TOWNSHIP

BY: [Signature]
Chairman

WHITPAIN TOWNSHIP

BY: [Signature]
Chairman

PLYMOUTH TOWNSHIP

BY: [Signature]
Chairman

PLYMOUTH TOWNSHIP MUNICIPAL AUTHORITY

BY: [Signature]
Chairman

EAST NORRITON TOWNSHIP MUNICIPAL AUTHORITY

BY: [Signature]
Via Chairman

RESOLUTION OF THE EAST NORRITON-PLYMOUTH JOINT
SEWER AUTHORITY ESTABLISHING A CAPITAL IMPROVEMENT FEE
JULY 13, 1988

Upon motion made, seconded and unanimously passed, the East Norriton-Plymouth Joint Sewer Authority hereby ratifies and reaffirms the resolution of the Authority passed on March 9, 1988 and April 13, 1988 establishing a capital improvement fee as hereinafter set forth.

WHEREAS, The intent of the resolution is to establish a capital improvement fee for all new connections for commercial, industrial and residential properties and for residential property conversions occurring on or after July 13, 1988; to provide funding for the future capital expansion of the East Norriton-Plymouth Wastewater Treatment Plant and its sewage transportation system consistent with past and future anticipated capital expenditures as projected by the consulting engineers of the Authority; and

BE IT RESOLVED, That a capital improvement fee shall be imposed upon each of the contributing municipalities to the East Norriton-Plymouth Joint Sewer Authority based upon a cost of One Thousand Dollars (\$1,000.00) for each EDU allocated to the subject property pursuant to the formula set forth in this resolution; an EDU means an equivalent dwelling unit with a water usage of 275 GPD. All EDU's calculated for this resolution shall be rounded to the next higher number.

BE IT FURTHER RESOLVED, That the following schedule shall be applicable for determining the number of EDU's allocated to each use of property.

A. Single Family Dwellings

Single Family Dwellings shall have a sewer connection fee based on one (1) EDU.

B. Multiple Family Dwellings

Duplexes, apartment buildings, garden apartments and other multiple dwelling properties shall require sewer connection fees of one (1) EDU per dwelling unit.

C. Conversions

Any single family dwelling which is converted to two or more dwelling units shall require a sewer connection fee of one (1) EDU for each additional dwelling unit.

Any duplex, apartment building, garden apartment or other multiple dwelling property which is expanded and/or enlarged to provide for additional dwelling units shall require a sewer connection fee of one (1) EDU for each additional dwelling unit.

D. Commercial and Industrial Uses

Sewer connection fees for commercial and industrial uses shall be calculated as follows:

| <u>SPACE CALCULATION</u> | | |
|--|------------------|---------------------|
| <u>Use</u> | <u>Area</u> | <u>No. of EDU's</u> |
| Warehouse | 10,000 ft. | 1.0 |
| Light Industrial (Sanitary waste only) | 2,000 ft. | 1.0 |
| Retail Store | 2,000 ft. | 1.0 |
| Commercial and/or Office | 1,570 ft. | 1.0 |
| Motel/Hotel Room | 1 Unit | 0.5 |
| Auto Service Station | 1 Pumping Island | 2.5 |
| Residence, Apartment, Condo, One-half Twin, etc. | 1 Unit | 1.0 |
| Nursing Home Room | 1 Unit | 0.75 |
| Hospital Room | 1 Unit | 1.0 |

| <u>VOLUME CALCULATION</u> (1.0 EDU equals 275 GPD) | | |
|--|---------------------------|---------------------|
| <u>Use</u> | <u>Area</u> | <u>No. of EDU's</u> |
| Restaurant-Regular | 30 GPD/seat | .109 |
| Restaurant-Fast Food | 30 GPD/seat | .109 |
| Bar/Cocktail Area (add'l) | 10 GPD/seat | .036 |
| Hairdressers | 57 GPD/chair | .207 |
| Self-Service Laundries | 500 GPD/washer | 1.81 |
| Movie Theaters (no food) | 5 GPD/seat | .018 |
| Doctor's Office | 200 GPD/examining room | .727 |
| Dentist's Office | 200 GPD/chair | .727 |
| Bowling Alley | 200 GPD/alley | .727 |
| Public/Private Schools | 30 GPD/person | .109 |
| Day Care Schools | 22.5 GPD/person | .082 |
| Funeral Home | 200 GPD/viewing room | .727 |

AND BE IT FURTHER RESOLVED, That said capital improvement fee shall be collected by each of the contributing municipalities to the East Norriton-Plymouth Wastewater Treatment Plant at the time of their issuance of a sewer connection permit for each type property and shall be remitted to the Joint Sewer Authority on a periodic basis in accordance with administrative regulations established from time to time by the Joint Authority to effectuate the terms of this resolution.

Ratified and reaffirmed on this 8th day of February, 1989.

PLYMOUTH SANITARY SEWER CONNECTIONS
FLOWS GOING TO EAST NORRITON

ARCH ROAD

3004
3006
3008
3010
3012
3014
3016
3018
3020
3022

TOWNSHIP LINE ROAD

322
324
326

OAKWOOD DRIVE

3019
3021

EXHIBIT "B"

ARCH ROAD SEWER AGREEMENT

| <u>STREET #</u> | <u>STREET</u> |
|-----------------|----------------|
| 400 | SAW MILL COURT |
| 401 | SAW MILL COURT |
| 402 | SAW MILL COURT |
| 403 | SAW MILL COURT |
| 404 | SAW MILL COURT |
| 405 | SAW MILL COURT |
| 406 | SAW MILL COURT |
| 407 | SAW MILL COURT |
| 408 | SAW MILL COURT |
| 409 | SAW MILL COURT |
| 410 | SAW MILL COURT |
| 411 | SAW MILL COURT |
| 412 | SAW MILL COURT |
| 413 | SAW MILL COURT |
| 414 | SAW MILL COURT |
| 415 | SAW MILL COURT |
| 416 | SAW MILL COURT |
| 417 | SAW MILL COURT |
| 418 | SAW MILL COURT |
| 419 | SAW MILL COURT |
| 420 | SAW MILL COURT |
| 421 | SAW MILL COURT |
| 422 | SAW MILL COURT |
| 423 | SAW MILL COURT |
| 424 | SAW MILL COURT |
| 425 | SAW MILL COURT |
| 426 | SAW MILL COURT |
| 427 | SAW MILL COURT |
| 428 | SAW MILL COURT |
| 429 | SAW MILL COURT |
| 430 | SAW MILL COURT |
| 431 | SAW MILL COURT |
| 432 | SAW MILL COURT |
| 434 | SAW MILL COURT |
| 436 | SAW MILL COURT |
| 438 | SAW MILL COURT |
| 440 | SAW MILL COURT |
| 442 | SAW MILL COURT |
| 444 | SAW MILL COURT |
| 446 | SAW MILL COURT |
| 448 | SAW MILL COURT |
| 450 | SAW MILL COURT |

| <u>STREET #</u> | <u>STREET</u> | |
|-----------------|-----------------|---------------|
| 2007 | NEW HOPE STREET | |
| 2101 | NEW HOPE STREET | SENIOR SUITES |
| 2211 | NEW HOPE STREET | |
| 2213 | NEW HOPE STREET | |
| 2215 | NEW HOPE STREET | |
| 2217 | NEW HOPE STREET | |
| 2219 | NEW HOPE STREET | |
| 2221 | NEW HOPE STREET | |
| 2223 | NEW HOPE STREET | |
| 2225 | NEW HOPE STREET | |
| 2319 | NEW HOPE STREET | |
| 2321 | NEW HOPE STREET | |
| 2323 | NEW HOPE STREET | |
| 2325 | NEW HOPE STREET | |
| 2327 | NEW HOPE STREET | |
| 2329 | NEW HOPE STREET | |
| 2331 | NEW HOPE STREET | |

| <u>STREET #</u> | <u>STREET</u> |
|-----------------|---------------|
| 2004 | ARCH STREET |
| 2421 | ARCH STREET |
| 2425 | ARCH STREET |
| 2953 | ARCH STREET |
| 2955 | ARCH STREET |
| 2961 | ARCH STREET |
| 3011 | ARCH STREET |
| 3015 | ARCH STREET |
| 3019 | ARCH STREET |
| 3021 | ARCH STREET |
| 3025 | ARCH STREET |
| 3029 | ARCH STREET |
| 3033 | ARCH STREET |
| 3037 | ARCH STREET |

| <u>STREET #</u> | <u>STREET</u> | |
|-----------------|-------------------|--------|
| 101 | SUSAN CONSTANT CT | |
| 102 | SUSAN CONSTANT CT | |
| 103 | SUSAN CONSTANT CT | |
| 104 | SUSAN CONSTANT CT | |
| 105 | SUSAN CONSTANT CT | |
| 106 | SUSAN CONSTANT CT | |
| 107 | SUSAN CONSTANT CT | (SMPL) |
| 108 | SUSAN CONSTANT CT | " " |
| 109 | SUSAN CONSTANT CT | " " |
| 110 | SUSAN CONSTANT CT | |
| 111 | SUSAN CONSTANT CT | |
| 112 | SUSAN CONSTANT CT | |
| 113 | SUSAN CONSTANT CT | |

| <u>STREET #</u> | <u>STREET</u> |
|-----------------|-------------------|
| 114 | SUSAN CONSTANT CT |
| 115 | SUSAN CONSTANT CT |
| 116 | SUSAN CONSTANT CT |
| 117 | SUSAN CONSTANT CT |
| 118 | SUSAN CONSTANT CT |
| 119 | SUSAN CONSTANT CT |
| 120 | SUSAN CONSTANT CT |

| <u>STREET #</u> | <u>STREET</u> |
|-----------------|---------------|
| 121 | DISCOVERY CT |
| 122 | DISCOVERY CT |
| 123 | DISCOVERY CT |
| 124 | DISCOVERY CT |
| 125 | DISCOVERY CT |
| 126 | DISCOVERY CT |
| 127 | DISCOVERY CT |
| 128 | DISCOVERY CT |
| 129 | DISCOVERY CT |
| 130 | DISCOVERY CT |
| 131 | DISCOVERY CT |
| 132 | DISCOVERY CT |
| 133 | DISCOVERY CT |
| 134 | DISCOVERY CT |
| 135 | DISCOVERY CT |
| 136 | DISCOVERY CT |
| 137 | DISCOVERY CT |
| 138 | DISCOVERY CT |
| 139 | DISCOVERY CT |
| 140 | DISCOVERY CT |
| 141 | DISCOVERY CT |
| 142 | DISCOVERY CT |

| <u>STREET#</u> | <u>STREET</u> |
|----------------|---------------|
| 143 | JEFFERSON CT |
| 144 | JEFFERSON CT |
| 145 | JEFFERSON CT |
| 146 | JEFFERSON CT |
| 147 | JEFFERSON CT |
| 148 | JEFFERSON CT |
| 149 | JEFFERSON CT |
| 150 | JEFFERSON CT |
| 151 | JEFFERSON CT |
| 152 | JEFFERSON CT |
| 153 | JEFFERSON CT |
| 154 | JEFFERSON CT |
| 156 | JEFFERSON CT |

| <u>STREET #</u> | <u>STREET</u> |
|-----------------|---------------|
| 157 | JEFFERSON CT |
| 158 | JEFFERSON CT |
| 159 | JEFFERSON CT |
| 160 | JEFFERSON CT |
| 161 | JEFFERSON CT |
| 162 | JEFFERSON CT |

| <u>STREET #</u> | <u>STREET</u> |
|-----------------|---------------|
| 163 | PERCY CT |
| 164 | PERCY CT |
| 165 | PERCY CT |
| 166 | PERCY CT |
| 167 | PERCY CT |
| 168 | PERCY CT |
| 169 | PERCY CT |
| 170 | PERCY CT |
| 171 | PERCY CT |
| 172 | PERCY CT |

| <u>STREET #</u> | <u>STREET</u> |
|-----------------|---------------|
| 2102 | CAROL LANE |
| 2103 | CAROL LANE |
| 2104 | CAROL LANE |
| 2105 | CAROL LANE |
| 2106 | CAROL LANE |
| 2107 | CAROL LANE |
| 2109 | CAROL LANE |
| 2110 | CAROL LANE |
| 2111 | CAROL LANE |
| 2112 | CAROL LANE |
| 2113 | CAROL LANE |
| 2115 | CAROL LANE |
| 2116 | CAROL LANE |
| 2117 | CAROL LANE |
| 2118 | CAROL LANE |
| 2119 | CAROL LANE |
| 2120 | CAROL LANE |
| 2121 | CAROL LANE |
| 2123 | CAROL LANE |
| 2124 | CAROL LANE |
| 2125 | CAROL LANE |

| <u>STREET #</u> | <u>STREET</u> |
|-----------------|---------------|
| 2132 | CAROL LANE |
| 2202 | CAROL LANE ✓ |
| 2204 | CAROL LANE ✓ |
| 2206 | CAROL LANE ✓ |
| 2208 | CAROL LANE ✓ |
| 2210 | CAROL LANE ✓ |
| 2212 | CAROL LANE ✓ |
| 2318 | CAROL LANE ✓ |
| 2320 | CAROL LANE ✓ |
| 2322 | CAROL LANE ✓ |

| <u>STREET #</u> | <u>STREET</u> |
|-----------------|------------------|
| 1902 | TEARDROP TERRACE |
| 1904 | TEARDROP TERRACE |
| 1906 | TEARDROP TERRACE |
| 1907 | TEARDROP TERRACE |
| 1909 | TEARDROP TERRACE |
| 1911 | TEARDROP TERRACE |

| <u>STREET#</u> | <u>STREET</u> |
|----------------|----------------|
| 173 | GODSPEED COURT |
| 174 | GODSPEED COURT |
| 175 | GODSPEED COURT |
| 176 | GODSPEED COURT |
| 177 | GODSPEED COURT |
| 155 | GODSPEED COURT |

| <u>STREET#</u> | <u>STREET</u> |
|----------------|---------------|
|----------------|---------------|

JOHNSON HIGHWAY ST PAUL'S SCHOOL

| <u>STREET#</u> | <u>STREET</u> |
|----------------|----------------|
| 306 | CENTRAL STREET |
| 2316 | CENTRAL STREET |

| <u>STREET#</u> | <u>STREET</u> |
|----------------|---------------|
|----------------|---------------|

| | | |
|---|------------------|---------------|
| 7 | BRISTOL STREET ✓ | |
| | BRISTOL STREET | HERBERT JONES |

| <u>STREET#</u> | <u>STREET</u> |
|----------------|---------------|
|----------------|---------------|

| | |
|------|-----------------|
| 303 | CONNOR AVENUE ✓ |
| 305 | CONNOR AVENUE ✓ |
| 306 | CONNOR AVENUE ✓ |
| 311 | CONNOR AVENUE ✓ |
| 312 | CONNOR AVENUE ✓ |
| 1718 | CONNOR AVENUE ✓ |

| <u>STREET#</u> | <u>STREET</u> |
|----------------|-----------------|
| 304 | HAZELTON STREET |
| 306 | HAZELTON STREET |
| 309 | HAZELTON STREET |
| 311 | HAZELTON STREET |
| 313 | HAZELTON STREET |

| <u>STREET#</u> | <u>STREET</u> |
|----------------|---------------|
| 306 | WARSAW STREET |

| <u>STREET#</u> | <u>STREET</u> |
|----------------|-----------------|
| 1904 | RAHWAY AVENUE ✓ |
| 1905 | RAHWAY AVENUE ✓ |
| 1906 | RAHWAY AVENUE ✓ |
| 1907 | RAHWAY AVENUE ✓ |
| 1908 | RAHWAY AVENUE ✓ |
| 1909 | RAHWAY AVENUE ✓ |
| 1910 | RAHWAY AVENUE ✓ |
| 2004 | RAHWAY AVENUE ✓ |
| 2006 | RAHWAY AVENUE ✓ |
| 2009 | RAHWAY AVENUE ✓ |
| 2011 | RAHWAY AVENUE ✓ |
| 2012 | RAHWAY AVENUE ✓ |
| 2107 | RAHWAY AVENUE ✓ |
| 2108 | RAHWAY AVENUE ✓ |
| 2110 | RAHWAY AVENUE ✓ |
| 2111 | RAHWAY AVENUE ✓ |
| 2112 | RAHWAY AVENUE ✓ |
| <hr/> | |
| 2200 | RAHWAY AVENUE ✓ |
| 2201 | RAHWAY AVENUE |
| 2202 | RAHWAY AVENUE |
| 2203 | RAHWAY AVENUE |
| 2208 | RAHWAY AVENUE |
| 2301 | RAHWAY AVENUE |
| 2302 | RAHWAY AVENUE |
| 2303 | RAHWAY AVENUE |
| 2305 | RAHWAY AVENUE |
| 2315 | RAHWAY AVENUE |
| 2324 | RAHWAY AVENUE |
| 2325 | RAHWAY AVENUE |
| 2326 | RAHWAY AVENUE |
| 2450 | RAHWAY AVENUE |

EAST NORRITON TOWNSHIP CONNECTIONS TO ARCH ROAD LINE

| | | |
|---------------------------------|------------|-----------|
| Saw Mill Court | 42 | |
| New Hope Street | 16 | |
| Arch Street | 14 | |
| Susan Constant Ct. (Jamestowne) | 20 | |
| Discovery Ct. (Jamestowne) | 22 | |
| Jefferson Ct. (Jamestowne) | 19 | |
| Percy Ct. (Jamestowne) | 10 | |
| Godspeed Ct. (Jamestowne) | 6 | |
| Carol Lane | 31 | |
| Teardrop Terrace | 6 | |
| Johnson Highway (St. Paul's) | 8 | (EDUs) |
| Central Street | 2 | |
| Bristol Street | 2 | -2 |
| Connor Avenue | 6 | -6 |
| Hazelton Street | 5 | |
| Warsaw Street | 1 | |
| Rahway Avenue | 31 | -17 |
| Senior Suites | 26 | (EDUs) |
| Subtotal | <u>267</u> | -26 = 242 |

PLYMOUTH CONNECTIONS TO ARCH ROAD LINE

| | | |
|-----------------|-----------|--|
| New Hope Street | 14 | |
| Arch Road | 26 | |
| Renel Road | 1 | |
| Oxford Road | 6 | |
| Germantown Pike | 1 | |
| Henley Road | 26 | |
| Subtotal | <u>74</u> | |

PLYMOUTH FLOWS GOING TO EAST NORRITON

| | | |
|--------------------|-----------|--|
| Old Arch Street | 10 | |
| Township Line Road | 3 | |
| Oakwood Drive | 2 | |
| Subtotal | <u>15</u> | |

Total Connections in Question - 356 - 26 = 331
 (267 East Norriton; 89 Plymouth)

Allocation of Arch Road Line Maintenance Costs (Per Agreement)

| | | | | | |
|---------------|---|------------------------|---|-----|----------------------------|
| East Norriton | - | ²²⁴ 267/356 | = | 75% | 202/331 = 50 73 |
| Plymouth | - | 89/356 | = | 25% | 89/331 = 27 |

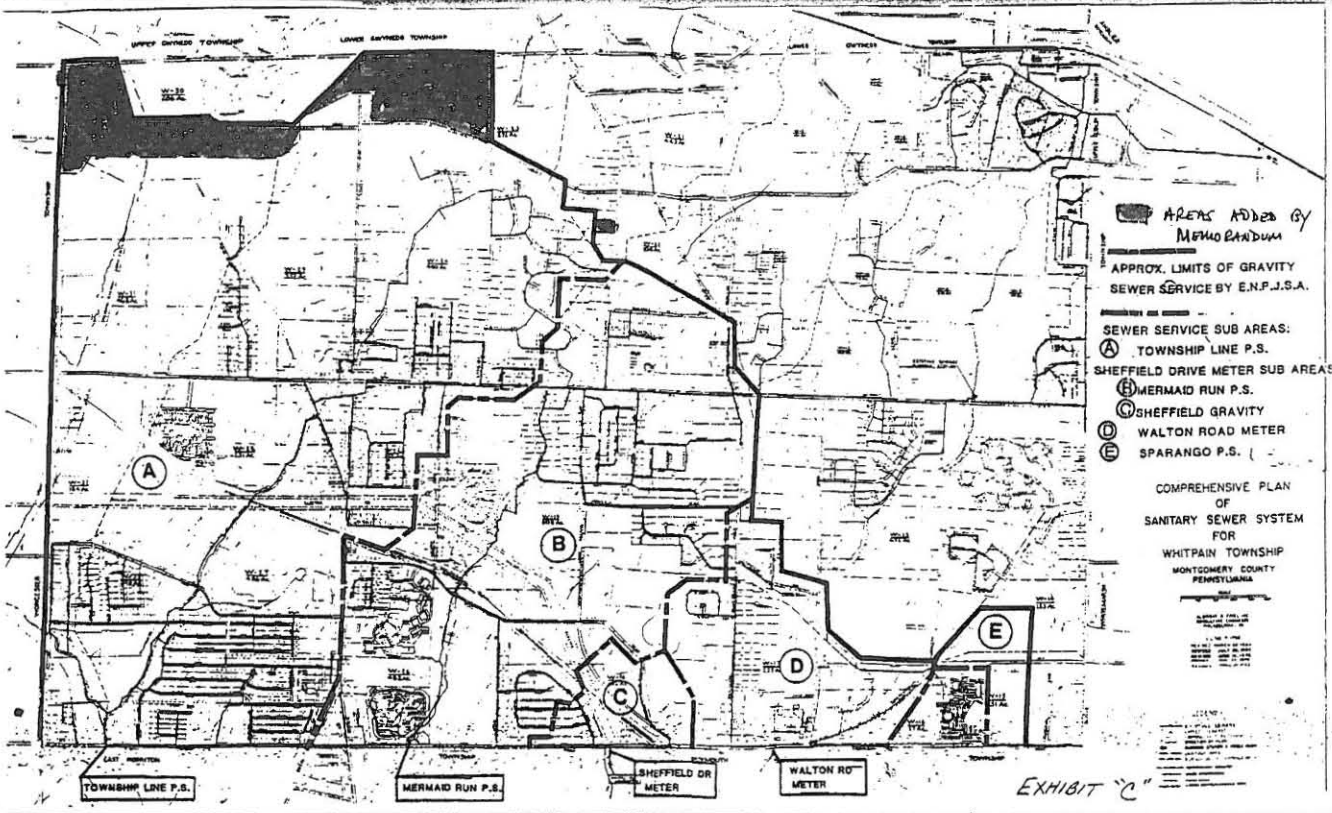


EXHIBIT "C"