
EXHIBIT F91

MEMORANDUM OF UNDERSTANDING,
DATED JUNE 16, 2009, BY AND AMONG
MIDDLETOWN TOWNSHIP SEWER AUTHORITY AND
DELCORA

MEMORANDUM OF UNDERSTANDING

This memorandum of understanding is made as of the 16th day of JUNE 2009 by and between Middletown Township Sewer Authority ("MTSA") and the Delaware County Regional Water Quality Control Authority ("DELCORA").

WHEREAS, MTSA is a municipal authority formed to oversee collection, conveyance and treatment of wastewater for Middletown Township;

WHEREAS, DELCORA owns and operates a wastewater collection system and treatment facility servicing various areas of Delaware County;

WHEREAS, MTSA currently conveys wastewater to Southwest Delaware County Municipal Authority's ("Southwest's") Baldwin Run treatment plant;

WHEREAS, MTSA desires to cease to be a customer of Southwest, and instead to contract directly with DELCORA for conveyance and treatment of its wastewater;

WHEREAS, to memorialize their intentions, the parties are making this non-binding memorandum of understanding.

IN RECOGNITION OF THE ABOVE, the parties mutually express their present understanding of their future relationship as follows:

1. Relationship. MTSA intends to contract with DELCORA to treat wastewater conveyed from a pump station to be constructed at a location mutually acceptable to MTSA and DELCORA, via a force main to be constructed, designed, owned and operated by DELCORA, to the WRTP.

2. Metered Flows. DELCORA will bill MTSA for treatment based on metered flows in a manner consistent with that in which DELCORA bills its other similarly classified customers.

3. New Infrastructure. DELCORA will design, construct and own such "New Infrastructure" (i.e. the pump station and the force main) as may be necessary to convey MTSA's wastewater to the WRTP. DELCORA will acquire debt to build such infrastructure, and will pass the costs of such debt on to MTSA based upon MTSA's proportion of the total flow sent through such infrastructure. MTSA reserves the right to pay its share of the New Infrastructure cost in advance. MTSA will continue to own and operate its current collection system.

4. Operation and Maintenance Cost of New Infrastructure. DELCORA will also bill MTSA a portion of DELCORA's costs of operating its New Infrastructure, determined by the proportion which the flows from MTSA bear to the total flows conveyed to the WRTP through the New Infrastructure.

5. Tapping Fees. DELCORA will not charge a tapping fee in connection with its diversion of MTSA's wastewater to W RTP ("the diversion"). None of MTSA's existing customers at the time of the diversion will be subject to a tapping fee. After the diversion, DELCORA may institute a tapping fee applicable to MTSA's new customers.

6. Indemnity. The agreement will provide that MTSA will indemnify, defend and hold DELCORA harmless from and against any suit, liability, action or cause of action in any way related to the operation of MTSA's system, or the collection of any fees in any way related to such system, prior to the time that its flows are diverted to the W RTP, or in any claim of successor liability for MTSA's debt, or any claim related to MTSA's facilities or the conveyance of wastewater there through.

The agreement will provide that DELCORA will indemnify, defend and hold MTSA harmless from and against any suit, liability, action or cause of action in any way related to the operation of DELCORA's system, or the collection of any fees in any way related to such system, prior to the time that its flows are diverted to the W RTP.

7. Timing. Flows will be diverted from MTSA as soon as practical after execution of a final agreement. Any agreement between DELCORA and MTSA shall not be conditioned upon a separate agreement between DELCORA and Southwest.

8. Billing. Subject to the parameters set forth above, DELCORA will have sole discretion in determining the amount it will bill MTSA; provided, however, that MTSA will have the opportunity to review DELCORA's costs. DELCORA will bill MTSA in a manner and amount consistent with that in which it bills its other similarly classified wholesale customers.

9. Contingencies. Any agreement will be contingent upon DEP approval of any necessary amendments to either party's, or such party's member municipalities', amendment to their respective Act 537 plan. Any agreement will also be contingent upon Middletown Township adopting DELCORA's Standards, Rules and Regulations. Any agreement will also be conditioned upon DELCORA acquiring such easements as may be necessary or convenient to the construction of any new infrastructure.

10. Future Development. Prior to making any final agreement, DELCORA shall have the opportunity to meet with Middletown Township to discuss and attempt to define areas of potential future development, and develop a strategy for wastewater treatment in such areas. MTSA acknowledges that capacity at the W RTP is provided to DELCORA customers on a first come, first served basis, and that DELCORA does not reserve capacity for any customer. DELCORA acknowledges that capacity will be provided for all existing MTSA customers at the time of the diversion as well as all potential customers identified in MTSA's amended Act 537 plan as referenced in paragraph 8 above.

11. Flow Through Customers. MTSA shall not allow any customers to pass through its system for the purpose of conveying their flow to DELCORA unless such customers have contracted with DELCORA for treatment.

12. Pretreatment. DELCORA will operate a pretreatment program for MTSA customers, and pass any costs thereof on to MTSA.

13. Debt. Should MTSA divert its flow to any other facility while any debt, or the refinancing of any debt, for the new infrastructure remains outstanding, MTSA will remain liable for its share of such debt. The permissibility of any such diversion shall be subject to the terms of any such financing or refinancing, as the case may be.

THE ABOVE expresses the Parties understanding as of the date set forth in the opening paragraph hereof.

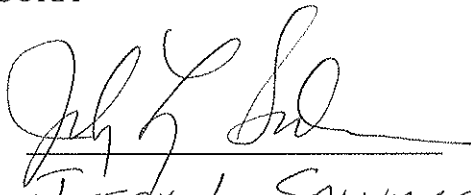
DELCORA

By:

Name:

Title:

Date:



JOSEPH L. SALVUCCI

EXECUTIVE DIRECTOR

6-25-2009

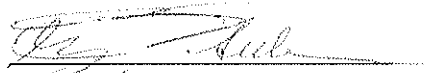
MTSA

By:

Name:

Title:

Date:



Timothy F. Sullivan

Chairman

6-16-09