
EXHIBIT F101

AGREEMENT, DATED OCTOBER 12, 1960, BY AND AMONG
BOROUGH OF ROSE VALLEY AND
TOWNSHIP OF NETHER PROVIDENCE

THIS AGREEMENT, made this 12th day of October, 1960, between the BOROUGH OF ROSE VALLEY, Delaware County, Pennsylvania, hereinafter called "BOROUGH", and the TOWNSHIP OF NETHER PROVIDENCE, Delaware County, Pennsylvania, hereinafter called "TOWNSHIP", Witnesseth:

WHEREAS, Borough operates and maintains a sanitary sewer collection system and also a sewage disposal plant which is located along Ridley Creek at Longpoint in said Borough; and

WHEREAS, Township is about to construct a sanitary sewer collection system in an area of the Township tributary to the Borough's sewage disposal plant and described more fully in Exhibit "A" which is attached hereto and made part hereof; and

WHEREAS, Township and Borough will construct a sanitary sewer collection system for their joint use along the area described in Exhibit "B" which is attached hereto and made part hereof; and

WHEREAS, Township desires to connect both sanitary sewer collection systems with the existing sanitary sewer collection system of Borough and to have sewage from said systems drain into Borough's said sewer system and be treated and disposed of by Borough at Borough's sewage disposal plant.

NOW THEREFORE, in consideration of the mutual promises herein contained and intending to be legally bound hereby, Township and Borough covenant and agree as follows:

1. (a). Borough agrees to expand the capacity of its sewage disposal plant so that said plant will be able to

receive and dispose of sewage emanating from the Nether Providence Township areas described in Exhibit "A" and/or "B", which areas will contain approximately 125 Township dwelling units. A dwelling unit is the maximum of four (4) persons per unit and in no event shall the total number of units serviced contain more than Five Hundred (500) persons.

(b). It is understood and agreed by the Borough and Township that neither surface water nor water emanating from swimming pools shall be emptied into the sanitary sewer system referred to herein.

2. Township agrees to pay the entire cost of construction, including engineering fees, attributable to the expansion of the Borough's plant to treat and dispose of sewage from said Township units.

3. Township shall construct a sanitary sewer collection system to service the area described in Exhibit "A" and shall assume payment of all costs incident thereto.

4. (a). Township and Borough shall construct a sanitary sewer collection system for their joint use along the areas described in Exhibit "B" and the cost of constructing said joint sewer lines shall be proportionately divided between the Borough and the Township according to the number of units serviced.

(b). Borough will pay for construction of lines servicing its own unit as indicated in Exhibit "C".

5. Township and Borough agree that a single contract shall be negotiated for construction of the sanitary sewer collection systems referred to in paragraphs 3 and 4(a), supra, and

further, paragraph 4(b) may or may not be included at Borough option.

6. Upon completion of the construction of said sanitary sewer collection systems, and upon completion of the expansion of Borough's sewage disposal plant, said sewer collection systems shall be connected with Borough's existing sanitary sewer collection system and Township shall then have the right, throughout the term of this agreement, to discharge by gravity sewage from said sewer systems into and through Borough's sanitary sewer system and thence into Borough's sewage disposal plant to be treated and disposed of in said plant,

7. Borough agrees that it will for and during the term of this agreement operate and maintain said sewage disposal plant and the joint sewer collection system referred to in paragraph 4(a), supra, and that it will keep the same in good order and repair, except where prevented from doing so by Act of God, war, riot, rebellion, sabotage, act of the public enemy, public calamity, or condition beyond the control of the Borough, in which event the Borough may suspend operation of the plant until the cause of such suspension shall no longer exist.

8. (a). For the duration of the contract, Township agrees to pay Borough out of current revenue or sewer rentals or both, as a charge for the rights granted hereunder by Borough, a sum which shall be computed by Borough annually on the basis of 175% of the 1960 average Borough sewer rental per unit times the number of units connected in the Township except as provided in paragraphs 8(c) and 8(f) below and at no time during the life of the contract will the annual payment by Township to Borough be based on less than 125 units.

(b). For the duration of the contract, Township's

share of costs shall be computed by the Borough annually on the basis of 175% of the 1960 average Borough sewer rental per unit times the number of units connected in the Township, except as provided in Sections 8(e) and 8(f); however, at no time during the life of the contract will the annual payment by Township be based on less than 125 units. It is mutually agreed by Borough and Township that the figure of 175% consists of two factors, (1) and (2). They are:

- (1) being 100% of the present Rose Valley Unit Rental Average;
- (2) representing 75% of the make-up from Borough's General Fund to meet remainder of total cost for maintenance, operation and other charges connected with safe, efficient and satisfactory processing at the Rose Valley Sewage Disposal Plant.

In the event that the sum of (1) plus (2) rises because of increases in the cost of materials, labor, services or other reasons incident to the safe, efficient and satisfactory servicing of sewage disposal, Township agrees its average unit charge shall be adjusted to share the increases with Borough. It is expressly agreed by Borough that if item (1) is increased by Borough to Borough residents to bring rentals more closely in line with actual expense, yet the total of (1) and (2) is unchanged, there will be no increase in the average rental charge made to Township for the Borough service in processing Township sewage at the Rose Valley Disposal Plant. Borough's intention is that Township is expected to pay the equivalent, on the average unit basis, to the average Borough cost.

(c). Township and Borough agree that the charge to the Township for the first two years of operation under this agreement shall be and is \$5,853.00 per annum for each of said years; the first payment of which shall be due and payable upon commencement of the term of this agreement and the second payment shall be due and payable on or before the beginning of the second year of operation under this agreement.

(d). Inasmuch as the sum of \$5,853.00 referred to in paragraph 8(c) above includes a 20% contingency charge; at the end of the first two years of the contract the Borough and Township will renegotiate the contingency percentage.

(e). At least 60 days before commencement of the third year of operation under this agreement Borough and Township shall re-adjust the charge to Township in accordance with the provisions of paragraphs 8(a), 8(b) and 8(d), supra.

(f). Township shall make payment to Borough of the sum so negotiated on or before the commencement of the ensuing year of operation, except that all individual items of repairs or replacements costing more than \$500.00 shall be shared by the Borough and the Township on a proportionate unit basis with payment being made to the Borough within 60 days from date of demand by Borough. If a contingency percentage is maintained after the first two years of the contract, Township will receive credit against whatever percentage might be agreed upon toward its share of repair or replacement cost noted above.

9. Township will, at its own cost and expense, operate and maintain the sanitary sewer collection system which it will construct as provided in paragraph 3, supra.

10. During the term of this agreement, Borough shall insure or cause to be insured the sewage system, its structures and equipment to the full insurable value against loss or damage by fire or other casualty, including war risk insurance, if and when the same shall become available from the United States Government or its appropriate subordinate agencies, such insurance to be of the kind usually carried for like buildings, structures and equipment, and to be placed with one or more responsible stock insurance companies authorized and qualified to do business in the Commonwealth of Pennsylvania.

11. Should the plant, pumping station, or said sewer collection system, or any part thereof, be damaged or destroyed through any cause whatsoever during the term of this agreement, Borough shall repair and reconstruct the same at its own cost and expense, the proceeds of any insurance covering such damage or destruction being applied to the extent necessary to such repair and reconstruction. Township agrees to pay Borough its proportionate share of all costs and expenses reasonably incurred by Borough in connection with the repair and reconstruction of said plant, pumping station and sewer collection system in excess of such insurance proceeds.

12. This agreement shall be in effect upon its execution and shall continue for a term of ten years commencing upon the connection of the sanitary sewer collection systems to be constructed hereunder with the Borough's sanitary sewer collection system and sewage disposal plant as provided in paragraph 6, and thereafter the term of this agreement shall be as provided below. It

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is understood and agreed that if Township desires to extend this agreement beyond the ten year term herein provided, Township will notify Borough, in writing, one year before the end of said term at which time negotiations shall be initiated for an extension of the contract. In the event said negotiations are not completed during the term of this contract it is agreed by Township that the contract remains in full force and effect with present provisions of Section 8(b) being put aside and with Borough given right to establish the amount of annual Township payment for each successive year until a new contract is executed but in no event shall Township be required to pay more than its proportionate share of the actual cost of operation.

13. It is agreed that the plans and specifications for construction of said sewer collection systems and the expansion of Borough's sewage disposal plant shall be subject to the approval of the Sanitary Water Board of the Pennsylvania Department of Health.

14. All sums agreed to be paid by Township under the terms of this agreement for the enlargement of Borough's sewage disposal plant and for its maintenance and operation as well as the use of Borough's collection system as in Exhibit "B" shall not be considered as capital investment but shall be considered as a connection fee or rent. No title to said sewage disposal plant shall vest in or pass to Township by virtue of any such payments.

15. In the event that Township shall fail or refuse

~~to pay any sums due from it under this agreement within sixty (60)~~

16. If any one or more of the provisions of this agreement shall be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this agreement; and this agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

IN WITNESS WHEREOF, the said Township and the said Borough have caused these presents to be duly executed and attested by their proper officers the day and year first written above.



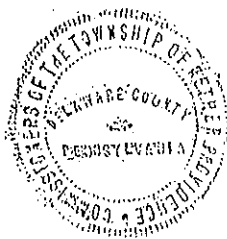
BOROUGH OF ROSE VALLEY

By

William F. ...
President

Attest

J. Victor Haworth
Secretary



TOWNSHIP OF NETHER PROVIDENCE

By

William F. ...
President

Attest

Paul ...
Secretary