



THOMAS T. NIESEN  
Direct Dial: 717.255.7641  
tniesen@thomaslonglaw.com

December 1, 2011

**HAND DELIVERY**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
P. O. Box 3265  
Harrisburg, PA 17105-3265

In re: Docket No.

Joint Application of Little Washington Wastewater Company d/b/a Suburban Wastewater Company and Total Environmental Solutions, Inc.

---

Dear Secretary Chiavetta:

Enclosed for filing are an original and three (3) copies of the Joint Application of Little Washington Wastewater Company d/b/a Suburban Wastewater Company (LWWC) and Total Environmental Solutions, Inc. (TESI) concerning LWWC's acquisition of wastewater system assets of TESI in Luzerne County. Our check in the amount of \$350.00 is enclosed in payment of the filing fee. Please contact me if anything further is required in regard to this Joint Application.

Very truly yours,

THOMAS, LONG, NIESEN & KENNARD

By

Thomas T. Niesen

cc: Certificate of Service (w/encl.)  
Keith E. Gabage (w/encl.)  
Thomas J. Sniscak, Esq. (w/encl.)

111201-Chiavetta (Joint Application) wpd

RECEIVED  
2011 DEC - 1 PM 3:53  
PA PUC  
SECRETARY'S BUREAU

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Joint Application of Little Washington Wastewater :  
Company d/b/a Suburban Wastewater Company :  
(hereinafter referred to as "LWWC") and Total :  
Environmental Solutions, Inc (hereinafter referred to as :  
"TESI") for approval of: :

(1) the acquisition by LWWC of the wastewater system : Application Docket  
assets of TESI situated in portions of Butler and : No.  
Dennison Townships, Luzerne County, Pennsylvania; :

(2) the right of LWWC to begin to offer, render, furnish :  
and supply wastewater service to the public in a portion :  
of Butler Township and an additional portion of :  
Dennison Township, Luzerne County, Pennsylvania; and :

(3) the abandonment by TESI of public wastewater : Application Docket  
service and its franchise in portions of Butler, Dennison : No.  
and Foster Townships, Luzerne County, Pennsylvania :

**TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:**

**A. INTRODUCTION**

1. The names and addresses of the Joint Applicants are:

Little Washington Wastewater	Total Environmental Solutions, Inc.
Company d/b/a Suburban	1824 Ryder Drive
Wastewater Company	Baton Rouge, LA 70898
762 W. Lancaster Avenue	
Bryn Mawr, PA 19010	

2. The name, address, telephone and fax numbers of the attorneys for Joint Applicants are:

Thomas T. Niesen, Esq.	Thomas J. Sniscak, Esq.
Thomas, Long, Niesen & Kennard	Hawke, McKeon & Sniscak, LLP
212 Locust Street, Suite 500	100 North Tenth Street
P. O. Box 9500	Harrisburg, PA 17101
Harrisburg, PA 17108	Tel No. (717) 236-1300
Tel. No. (717) 255-7600	Fax No. (717) 236-4841
Fax No. (717) 236-8278	<i>Attorney for Total Environmental</i>
<i>Attorney for Little Washington</i>	<i>Solutions, Inc.</i>
<i>Wastewater Company</i>	

3. Pursuant to Sections 1102 and 1103 of the *Pennsylvania Public Utility Code* (66 Pa. C.S. §§1102 and 1103), the Applicants request the Commission to approve: (1) the transfer from TESI to LWWC of wastewater system assets and rights (“**Assets**”) within the Beech Mountain Lakes Resort Community located within portions of Butler and Dennison Townships, Luzerne County; (2) the right of LWWC to begin providing wastewater service in the territory of TESI in the Beech Mountain Lakes Resort Community within portions of Butler and Dennison Townships, Luzerne County, as shown as the cross hatched area on the map attached hereto as Exhibit A (“**Requested Territory**”). (A detailed description of the Requested Territory is attached hereto as Exhibit B); and (3) TESI’s abandonment of wastewater service and entire certificated service territory (“franchise”) in portions of Butler, Dennison and Foster Townships, Luzerne County, as shown as the shaded area on Exhibit A.

4. TESI and LWWC have reached an agreement regarding the acquisition of the wastewater and water system Assets of TESI within the Beech Mountain Lakes Resort Community, as evidenced by the *Assets Purchase Agreement* attached hereto as Exhibit C (“**Agreement**”). The Applicants hope to complete Closing of the transaction by February 29, 2012, and are submitting this *Joint Application* at this time to enable the Commission to undertake the publication and review process in sufficient time to allow this occurrence.<sup>1</sup> The Joint Applicants respectfully request the Commission to issue an *Order* and a *Certificate of Public Convenience* approving the items requested in this *Joint Application*.

5. LWWC is a regulated public utility company, duly organized and existing under the laws of the Commonwealth of Pennsylvania. LWWC is currently engaged in the wastewater business and furnishes wastewater service to greater than 13,000 customer accounts, as reflected in documents already on file with the Commission. LWWC’s existing service territory covers various counties throughout Pennsylvania, including Luzerne County.

6. TESI is a regulated public utility company that owns a wastewater system providing wastewater service to approximately 1,007 customer accounts in portions of Butler and Dennison Townships, Luzerne County, Pennsylvania.

---

<sup>1</sup> LWWC’s water affiliate, Aqua Pennsylvania, Inc., and TESI are filing a companion *Joint Application* regarding the water system assets within the Beech Mountain Lakes Resort Community.

7. The Joint Applicants incorporate into this *Joint Application* other information on file with the Commission that establishes the fact that LWWC is qualified to provide adequate public wastewater service. LWWC and TESI will supplement this *Joint Application* with all additional information the Commission may require.

**B. ACQUISITION OF THE ASSETS**

8. The Assets to be acquired by LWWC are described in Schedule 1.1 of the Agreement and primarily include a collection system that feeds into and is treated by Butler Township Authority.

9. The purchase price of \$1,500,000 is for the combined water and wastewater system assets of TESI. As explained in the footnote above, a companion *Joint Application* is being filed by Aqua and TESI in regard to the water system assets.

10. TESI and LWWC are not affiliated with each other. The purchase price was based on arms-length negotiations. LWWC will use cash on hand or established lines of credit arrangements to pay the purchase price for the Assets.

**C. THE COMMENCEMENT BY LWWC OF WASTEWATER SERVICE TO THE PUBLIC IN THE REQUESTED SERVICE TERRITORY**

11. As part of LWWC's acquisition of the Assets of TESI, LWWC seeks the right to serve the Requested Territory. The Requested Territory is that part of TESI's existing service area where TESI presently has wastewater system facilities and wastewater customers. The Requested Territory is the presently built-up sections of the Beech Mountain Lakes Resort Community and is part, but not all, of TESI's existing service territory in portions of Butler, Dennison and Foster Townships and part, but not all, of the Beech Mountain Lakes Resort Community footprint in those Townships.

12. After Closing, LWWC will commence charging TESI's current rates as its current base rates within the Beech Mountain Lakes Resort Community. A copy of the current TESI rates, including the ability to adjust the Treatment Charge upon sixty days notice based upon the EDU charged billed by the Butler Township Wastewater Division, which LWWC will adopt, is attached hereto as Exhibit D.

13. Upon Commission approval of this *Joint Application* and completion of the proposed transaction, LWWC will begin to provide wastewater service in its name to the customers in the Requested Territory. LWWC plans to implement its *Rules and Regulations* to govern the provision of wastewater service in the Requested Territory, as those *Rules and Regulations* are in effect from time to time for LWWC.

14. No corporation or entity, except TESI, is now furnishing or has corporate or franchise rights to furnish service in the Requested Territory, and no competitive condition will be created by approval of this *Joint Application*. The proposed transaction will not have an adverse effect on the service provided to existing customers of LWWC.

**D. THE ABANDONMENT OF WASTEWATER SERVICE BY TESI**

15. TESI provides wastewater service to the presently built-up sections of the Beech Mountain Lakes Resort Community within portions of Butler and Dennison Townships, Luzerne County. It also has service authority, but, presently, no customers or facilities, in other portions of Butler and Dennison Townships and in a portion of Foster Township outside the presently built-up sections of the Beech Mountain Lakes Resort Community. TESI seeks as part of this *Joint Application* Commission approval to abandon its Luzerne County wastewater service obligations and franchise in their entirety in Butler, Dennison and Foster Townships. TESI's request to abandon service is made on the condition that the Commission approves the transfer, by sale, of the Assets from TESI to LWWC and approves LWWC's request to begin to furnish wastewater service within portions of Butler and Dennison Townships in lieu of TESI.

**E. REASONS SUPPORTING THE INSTANT JOINT APPLICATION**

16. Approval of this *Joint Application* is necessary or proper and provides affirmative benefits in the public interest for the following reasons:

a. LWWC has the technical, regulatory, financial and legal fitness to operate the Assets of TESI, and to maintain the operations and make improvements to meet continuing and future customer needs;

b. TESI has agreed to sell its Assets. The public interest will be benefitted by allowing the larger and better capitalized LWWC, in lieu of TESI, to provide wastewater service in the Requested Territory and to address future regulatory requirements and capital expenditures; and

c. Expansion of LWWC's service territory, upon completion of the proposed transaction, will further the benefits of regionalization and economies of scale.

**F. CONCLUSION**

**WHEREFORE**, the Joint Applicants request the Commission to approve this *Joint Application* by entering an *Order*:

a. Issuing a *Certificate of Public Convenience* under §1102 of the Pennsylvania Public Utility Code:

(1) Authorizing LWWC to acquire, by purchase, the Assets of TESI in Luzerne County as aforementioned;

(2) Authorizing LWWC to begin to offer, render, furnish and supply wastewater service to the public in the Requested Territory in a portion of

RECEIVED

2011 DEC -1 PM 3:54

PA PUC  
SECRETARY'S BUREAU

Butler Township and an additional portion of Dennison Township, Luzerne County, Pennsylvania, covered by this *Joint Application*; and

(3) Authorizing TESI to abandon its wastewater service obligations and all franchise rights in portions of Butler, Dennison and Foster Townships, Luzerne County, Pennsylvania.

b. Authorizing LWWC to file tariff revisions, effective upon one day's notice, to:

(1) Include within its territory all the Requested Territory covered by this *Joint Application*; and

(2) Adopt and apply within the Requested Territory TESI's current rates as LWWC's base rates as presented in Exhibit D; and

(3) Apply LWWC's *Rules and Regulations* within the Requested Territory.

Respectfully submitted,

**LITTLE WASHINGTON  
WASTEWATER COMPANY d/b/a  
SUBURBAN WASTEWATER  
COMPANY**

By   
Thomas T. Niesen

**TOTAL ENVIRONMENTAL  
SOLUTIONS, INC.**

By   
Thomas J. Sniscak

---

**LIST OF EXHIBITS**

---

<u>DESCRIPTION</u>	<u>EXHIBIT</u>
Map of Requested Territory .....	A
Description of Requested Territory .....	B
Assets Purchase Agreement .....	C
Rates .....	D

**RECEIVED**  
2011 DEC - 1 PM 3: 54  
PA PUC  
SECRETARY'S BUREAU

---

**EXHIBIT A**

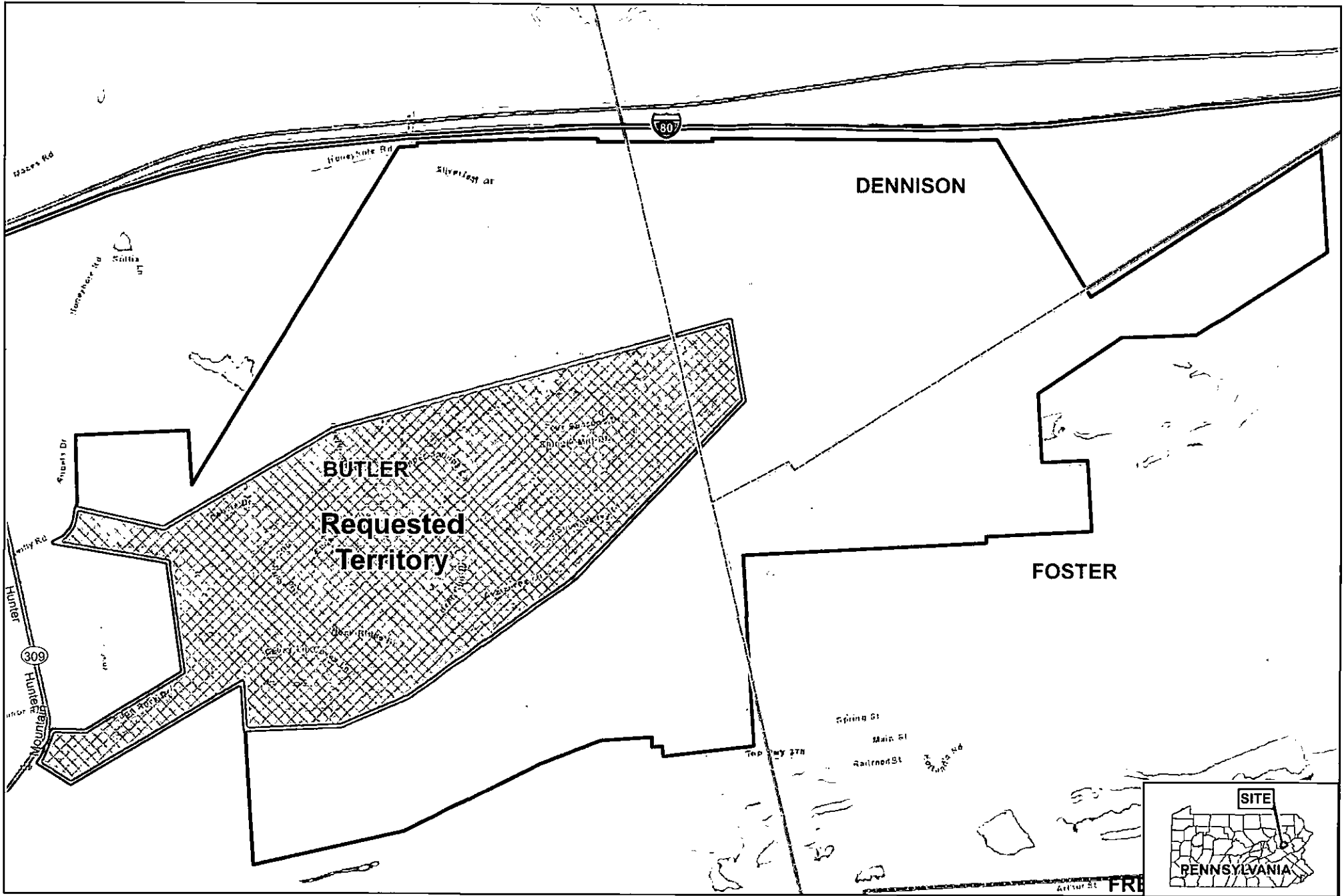
**MAP OF REQUESTED TERRITORY**

---

**RECEIVED**



**2011 DEC - 1 PM 3: 54**

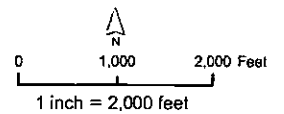
**PA PUC  
SECRETARY'S BUREAU**



**Beech Mountain Lakes Resort Requested Territory  
Butler and Dennison Townships, Luzerne County**

**Legend**

-  Requested Territory
-  TESI's Abandoned Franchise Territory



---

**EXHIBIT B**

**DESCRIPTION OF REQUESTED TERRITORY**

---

RECEIVED

2011 DEC - 1 PM 3: 55

FA PJG  
SECRETARY'S BUREAU

**Beech Mountain Lakes Resort**  
**Description of Requested Territory**

All that certain tract of land located within portions of Butler and Dennison Townships, County of Luzerne, Pennsylvania, bound and described as follows:

1. Beginning at a point located at the intersection of the centerlines of both Edge Rock Drive and State Route 309;
  - a. thence continuing northeasterly along the centerline of State Route 309 a distance of approximately one-hundred seventy (170') feet to a point;
  - b. thence leaving the centerline of State Route 309 and continuing in a easterly direction a distance of approximately six-hundred thirty (630') feet to a point;
  - c. thence continuing in a northeasterly direction a distance of approximately one-thousand eight-hundred fifty (1,850') feet to a point;
  - d. thence continuing in a northerly direction a distance of approximately one-thousand seven-hundred seventy (1,770') feet to a point;
  - e. thence continuing in a northwesterly direction a distance of approximately one-thousand nine-hundred fifty (1,950') feet to a point located along the centerline of County Line Road (LR 40012);
  - f. thence continuing northeasterly-northerly direction along the centerline of County Line Road (LR 40012) a distance of approximately four-hundred (400') feet to a point;
  - g. thence leaving the centerline of County Line Road (LR 40012) and continuing in a southeasterly direction a distance of approximately one-thousand seven-hundred (1,700') feet to a point;
  - h. thence continuing in a northeasterly direction a distance of approximately three-thousand one-hundred (3,100') feet to a point;
  - i. thence continuing in a northeasterly direction a distance of approximately six-thousand five-hundred (6,500') feet to a point;
  - j. thence continuing in a southerly direction a distance of approximately one-thousand three-hundred (1,300') feet to a point;
  - k. thence continuing in a southwesterly direction a distance of approximately three-thousand nine-hundred (3,900') feet to a point;

- l. thence continuing in a southwesterly direction a distance of approximately three-thousand two-hundred (3,200') feet to a point;
  - m. thence continuing in a southwesterly direction a distance of approximately one-thousand one-hundred sixty (1,160') feet to a point;
  - n. thence continuing in a westerly direction a distance of approximately one-thousand five-hundred (1,500') feet to a point;
  - o. thence continuing in a northeasterly direction a distance of approximately seven-hundred fifty (750') feet to a point;
  - p. thence continuing in a southwesterly direction a distance of approximately three-thousand two-hundred (3,200') feet to a point;
  - q. thence continuing in a northwesterly direction a distance of approximately seven-hundred (700') feet to a point located along the centerline of State Route 309;
2. Thence continuing along centerline of State Route 309 in a northeasterly direction a distance of approximately four-hundred (400') feet to the aforementioned point and place of beginning.

The area of the aforementioned Requested Territory is approximately 770 acres and represents only a fraction of TESI's certificated service area which was originally comprised of 2,800 acres (more or less) situated in portions of Butler, Dennison and Foster Townships, Luzerne County. The Requested Territory is identified by the red cross hatched area and the balance of the TESI certificated service area is show in the shaded area.

---

**EXHIBIT C**

**ASSETS PURCHASE AGREEMENT**

---

**RECEIVED**

**2011 DEC - 1 PM 3:55**

**PA PUD  
SECRETARY'S BUREAU**

**ASSETS PURCHASE AGREEMENT**

**between**

**TOTAL ENVIRONMENTAL SOLUTIONS, INC.  
&  
SOUTH LOUISIANA ELECTRIC COOPERATIVE ASSOCIATION**

**and**

**AQUA PENNSYLVANIA, INC.  
&  
LITTLE WASHINGTON WASTEWATER COMPANY  
d/b/a SUBURBAN WASTEWATER COMPANY**

November 15, 2011

RECEIVED

2011 DEC - 1 PM 3:55

PA PUC  
SECRETARY'S BUREAU

## ASSETS PURCHASE AGREEMENT

**THIS ASSETS PURCHASE AGREEMENT** dated November 16, 2011 by and between **Total Environmental Solutions, Inc.**, a body corporate and politic of the State of Louisiana and a wholly owned subsidiary of **South Louisiana Electric Cooperative Association**, a non-profit corporation of the State of Louisiana, both having a business address located at 1824 Ryder Drive, Baton Rouge, Louisiana 70898 (hereinafter collectively referred to as "**Seller**"), and **Aqua Pennsylvania, Inc.**, a Pennsylvania corporation and **Little Washington Wastewater Company d/b/a Suburban Wastewater Company**, a Pennsylvania corporation, both having a business address located at 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010 (hereinafter collectively referred to as "**Aqua**").

### RECITALS

A. Seller is a public utility that owns, maintains and furnishes water and wastewater service to the Beech Mountain Lakes Resort Community located within portions of Butler and Dennison Townships, Luzerne County, Pennsylvania.

B. Aqua is a public utility that furnishes water and wastewater service to the public in various counties throughout Pennsylvania, including Luzerne County.

C. Seller desires to sell, and Aqua desires to purchase, the Seller's System Assets (hereinafter defined as "**Assets**"), all upon the terms and conditions set forth herein.

**NOW, THEREFORE**, in consideration of the recitals and the covenants, warranties, representations, and agreements herein contained, and intending to be legally bound hereby, the parties hereto agree as follows.

#### 1. SALE AND PURCHASE OF THE ASSETS

Subject to the terms and conditions hereinafter set forth, Aqua shall purchase from Seller, and Seller shall sell, assign, transfer, grant, convey and deliver to Aqua at the Closing (hereinafter defined) the Assets.

The Assets are herein defined to be: all of the assets, properties and rights of Seller (whether tangible, real, personal or mixed), which are held and used in connection with the existing water production and distribution system and wastewater collection system within the Beech Mountain Lakes Resort Community located within portions of Butler and Dennison Townships, Luzerne County, Pennsylvania.

The Assets are to be sold free and clear of all mortgages, liens, pledges, security interest, charges, claims, restrictions and encumbrances of any nature whatsoever.

#### 1.1 Assets Further Defined

The Assets shall, without limitation to the definition stated above, include the specific assets, properties and rights set forth in **Schedule 1.1**.

1.2 **Customer Billing**

Unless another arrangement is established prior to Closing, Seller is solely responsible for collection of any cash and receivables due on any customer accounts, and under no circumstances will Aqua be responsible for the collection or payment of any or all corresponding amounts due to Seller.

1.3 **Excluded Assets**

The Assets shall not include any of the following:

- a. any and all customer water service lines (including meter pits or other special devices) and customer sewer laterals (including grinder pumps) that run from the curb stop area (or edge of road) to each of the individual customer's residence;
- b. any and all piping and fixtures (excluding Seller's water meters, if any) internal to each of the individual customer's residence; and
- c. Seller's cash and account receivables up to the date of Closing.

1.4 **Consideration**

The purchase price for the Assets will consist of a lump sum payment of One-Million Five-Hundred Thousand (\$1,500,000.00) dollars to be paid by Aqua to Seller at Closing.

1.5 **Non-Assumption of Liabilities**

All liabilities and obligations of Seller shall remain the sole responsibility of Seller. Aqua shall not assume and shall not be liable for any and all liabilities or obligations of Seller of any nature whatsoever whether express or implied, fixed or contingent, known or unknown at the time of Closing.

2. **CLOSING**

Closing hereunder (the "**Closing**") shall take place by mail or at the offices of Aqua located at 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania, or other mutually agreed upon location, commencing at 10:00 a.m. local time, on or before February 29, 2012, or, pursuant to written notice from Aqua to Seller, on such other date that is sixty (60) days after the last required regulatory approval. The date of the Closing is referred to herein as the "**Closing Date**". The effective time of the Closing shall be 12:01 a.m. on the day following the Closing Date.

2.1 **Items to be Delivered at Closing**

At Closing and subject to the terms and conditions herein contained:

- (a) Seller shall deliver to Aqua all title, assets, properties and rights to the Assets, pursuant to documents prepared by Aqua, including, without limitation, the following:

- (i) A *Deed*, where applicable, for each fee parcel wherein any water production, treatment and storage facilities are situated;
- (ii) A *Deed*, where applicable, for any parcels associated with the distribution of water or the collection of wastewater, including the office site and other sites, if any;
- (iii) A *Bill of Sale and Assignment*, and other instruments and documents of conveyance and transfer, all in form reasonably satisfactory to Aqua and its counsel, as shall be necessary and effective to transfer and assign to, and vest in Aqua good and marketable title to the Assets;
- (iv) *Easements* (via an assignment or grant), in a form reasonably satisfactory to Aqua and its counsel, for any and all water distribution mains and company service lines and any all wastewater collection mains and company sewer laterals located outside of any public right-of-ways, and to provide Aqua with access to and the use of the water production facilities (including appropriate well-head protection easements, where applicable, in accordance with all governing statutes, codes, regulations, etc.) and the entire water distribution and wastewater collection systems;
- (v) Copies of, or the originals as appropriate of, all agreements, contracts, commitments, leases, plans, bids, quotations, proposals, instruments, certificates, permits and other instruments belonging to Seller that are part of or related to the Assets;
- (vi) A complete and accurate list of the names and addresses of all customers of Seller, both in paper form and in electronic form on a diskette or flash drive that can be downloaded to a computer, along with a billing history for each customer;
- (vii) Keys to any and all buildings;

and simultaneously with such delivery, all such steps shall be taken as may be required to put Aqua in actual possession and operating control of the Assets, to include transfer of any existing permits at Closing.

## 2.2 Transfer Taxes on Real Property

Aqua and Seller will each pay one-half (1/2) of the transfer tax on the consideration as recited in paragraph 1.4 of the real property included in the Assets.

## 2.3 Transfer of Utilities

Where applicable, the parties will cooperate to transfer utility service including, but not limited to, telephone and electric, as of the Closing Date. In the event service cannot be transferred in the name of Aqua as of the Closing Date, the bills shall be pro-rated as of the Closing Date.

## 2.4 Taxes and Corporate Clearance Certificate

Prior to Closing, Seller shall, if applicable, notify the Pennsylvania Department of Revenue and the Pennsylvania Department of Labor and Industry of the sale of the Assets and, at

Closing, provide Aqua with clearance certificates from said Departments. If Seller is unable to deliver the foregoing clearance certificates to Aqua at Closing, then Seller, at Closing, shall deliver to Aqua an estimate prepared by Seller's independent public accountant of all taxes, contributions, interest and penalties owed by Seller to the Commonwealth of Pennsylvania and its constituent agencies for business conducted and transactions concluded up to and through Closing, which estimate shall be certified by the preparer as accurate to the best of the preparer's knowledge after due inquiry. Aqua shall withhold from the Purchase Price a sum equal to one and one half (1-1/2) times the preparer's estimate (the "**Tax Clearance Fund**"), which Aqua shall set aside in a separate account, to be released by Aqua to Seller upon Seller's delivery of the clearance certificates to Aqua. Aqua may close the Tax Clearance Fund and keep the withheld monies for its own in the event Seller does not deliver the clearance certificates within fifteen (15) months from the date of Closing.

3. CONDITIONS PRECEDENT TO AQUA'S OBLIGATIONS

The Closing of the transaction shall be contingent upon the following:

- a. Seller shall comply with its obligations hereunder, and provide a *Bring-Down Certificate* at Closing certifying that the representations herein are true and accurate as of Closing.
- b. Seller shall provide to Aqua, at Closing, an *Opinion Letter* from counsel in the form attached hereto as **Schedule 3 (b)**.
- c. Aqua shall be satisfied, within sixty (60) days of the execution of this Agreement, with the results of its due diligence inspections of the systems that Aqua may elect to perform.
- d. Aqua shall be satisfied with its review of the real estate and the quality of title to be conveyed to Aqua from Seller.
- e. Aqua shall be satisfied with the assumption of the existing contract with the Butler Township Authority ("**BTA**"), including all terms for the provision of service to the Beech Mountain Lakes Resort Community and the current adequacy of capacity at the St. Johns wastewater treatment facility owned and operated by BTA. A complete copy of this agreement has been furnished by Seller and is attached hereto at **Schedule 3 (e)**.
- f. Aqua shall be satisfied with the current status of all matters involving Seller and Silverleaf Resorts, Inc. ("**SRI**"), as well as SRI's predecessors and or successors.
- g. Aqua shall be satisfied that the appropriate existing community associations within the Beech Mountain Lakes Resort Community have been notified of the need for Aqua Pennsylvania, Inc., to implement to charge for fire hydrants within the community pursuant to that which is outlined in Section 6.c. of this Agreement.
- h. Seller and Aqua shall receive all required approvals from regulatory agencies, including the required approvals of the Pennsylvania Public Utility Commission ("**PUC**"), to enable Aqua to assume the ownership and operation of the Assets and to provide water and wastewater service to the public in that portion of the service territory presently being served by Seller, and all reasonable costs relating thereto shall be paid by Aqua.

4. REPRESENTATIONS AND WARRANTIES OF SELLER

In making this instrument, Seller makes the following representations and warranties that

shall survive the date hereof and the Closing:

- a. Seller has good and marketable title to the Assets, free and clear of all liens and encumbrances as of the date of Closing.
- b. Seller has good and valid rights to use, to occupy and to obtain access to the areas where the water mains and other facilities of the Assets are located, and to convey such rights of use, occupancy and access to Aqua.
- c. There are no pending or threatened claims regarding the Assets or Seller's ability to transfer the Assets.
- d. Seller does not know or have reason to know of any events or conditions related to the Assets that would give rise to any liability under any environmental laws.
- e. Seller does not know or have reason to know of any material violation of, or material lack of compliance with, any law, ordinance or government rule or regulation to which the Assets are subject.
- f. Other than the contract with BTA, Seller is not a party to any contract for the purchase of, or payment for supplies, equipment or for services related to the Assets.
- g. Seller does not know or have reason to know of any existing or threatened condition or developments, which would have a material adverse effect on the Assets.
- h. There are no liens, encumbrances or security interests against the Assets that will not be paid off or released by Seller at Closing.
- i. Seller has paid, or will arrange for the full payment of, all taxes owed by Seller on account of the operation of the Assets up to and through Closing. All federal, state and local tax returns, reports and statements (including all income, unemployment compensation, social security, payroll, sales and use, excise, privilege, property, ad valorem, franchise, license, school and other taxes owed or assessed under the laws of the United States or any state or municipal or political subdivision thereof required to be filed by Seller (the "Tax Returns")) have been filed with the appropriate governmental agencies in all jurisdictions in which returns, reports or statements are required to be filed, and all filed returns, reports and statements properly reflect the tax liabilities of Seller for the periods, properties or events covered thereby. All federal, state and local taxes, assessments, interest, penalties, deficiencies, fees and other governmental charges or impositions, including those enumerated above in respect of the Tax Returns, that are called for by the Tax Returns, or claimed to be due by any taxing authority from Seller, or upon or measured by the properties, assets or income of Seller, have been properly paid.

5. INDEMNIFICATION

Seller hereby acknowledges that, following the effective time of Closing, Aqua shall be responsible for the provision of water and wastewater service to the customers of Seller. Other than the future provision of water and wastewater service, Aqua does not and shall not assume or incur any liability or obligation of Seller of any nature whatsoever, express or implied, fixed or contingent, known or unknown. Seller shall indemnify and hold harmless Aqua and its officers, employees and agents from and against all liabilities and obligations of Seller and from and against any and all

claims, actions, judgments and fines arising from: 1) any misrepresentation or breach of warranty by Seller under this Agreement; and/or 2) related to the Seller's Assets to the extent such claims, actions, etc., involve activities or events that occurred or originated prior to the effective time of Closing.

6. COVENANTS AND ACKNOWLEDGMENTS

- a. Unless otherwise noted herein, Aqua and Seller shall be responsible for their respective legal fees and other expenses incurred in connection with this transaction.
- b. After Closing, Aqua Pennsylvania, Inc., will begin charging Seller's current water rates as its base rates within Seller's territory, which the parties agree will ultimately equalize with Aqua Pennsylvania, Inc.'s future Main Division base rates over time.
- c. After Closing, Aqua Pennsylvania, Inc., will begin charging the Community, its Pinecrest Division private fire hydrant designation monthly rate in effect at the time of Closing. Currently this rate is \$24.00 per fire hydrant. If, however, Seller is able to have the municipality pay the fire hydrant rates, Aqua will then charge its Pinecrest Division public hydrant designation monthly rate in effect at the time of Closing. Currently this rate is \$16.20 per fire hydrant. The parties agree further that these rates would eventually equalize to Aqua Pennsylvania, Inc.'s future Main Division rates some time after Closing and only as a result of rate case filings made by Aqua Pennsylvania, Inc. in the future.
- d. After Closing, Little Washington Wastewater Company d/b/a Suburban Wastewater Company, will begin charging Seller's current rates as its base rates within Seller's territory, which the parties agree may increase over time, but subject to the PUC approval.
- e. Immediately upon Closing Aqua Pennsylvania, Inc., and Little Washington Wastewater Company d/b/a Suburban Wastewater Company will apply their respective Rules and Regulations within Seller's territory to those existing and future customers within this territory.
- f. Immediately upon Closing the parties agree and recognize that any and all future extensions of the Assets shall be completed in accordance with Aqua Pennsylvania, Inc., and Little Washington Wastewater Company d/b/a Suburban Wastewater Company's Rules and Regulations, including, but not limited to, their respective New Business Policies, Procedures and Specifications.
- g. The provisions of this Agreement shall survive the effective time of Closing.

7. GENERAL PROVISIONS

7.1 Notices

Any notice, waiver or other communication which is required or permitted hereunder shall be in writing and shall be deemed given only if delivered personally or sent by overnight delivery service or registered or certified mail, postage prepaid, return receipt requested, as follows:

If to AQUA:

Aqua Pennsylvania, Inc.  
Little Washington Wastewater Company  
762 W. Lancaster Avenue  
Bryn Mawr, PA 19010  
Attention: Christopher Luning  
Vice President, Corporate Development

Aqua Pennsylvania, Inc.  
Little Washington Wastewater Company  
762 W. Lancaster Avenue  
Bryn Mawr, PA 19010  
Attention: Frances Orth, Esq.  
Vice President, Managing Senior Counsel

If to SELLER:

Total Environmental Solutions, Inc.  
South Louisiana Electric Cooperative Association  
1824 Ryder Drive  
Baton Rouge, Louisiana 70898  
Attention: William Schoening, CEO

Duval, Funderburk, Sundbery, Lovell & Watkins  
101 Wilson Avenue  
P. O. Box 3017  
Houma, Louisiana 70361  
Attention: James M. Funderburk

or to such other address as the addressee may have specified in a written notice duly given to the sender as provided herein. Such notice, request, demand, waiver, consent, approval or other communication will be deemed to have been given as of the date so delivered, or mailed.

7.2 Governing Law

This instrument shall be governed by and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

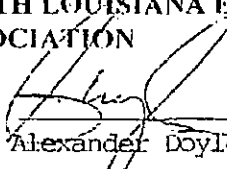
**IN WITNESS WHEREOF**, intending to be legally bound, the parties hereto have duly executed this Agreement on the date first above written.

**TOTAL ENVIRONMENTAL SOLUTIONS, INC.**

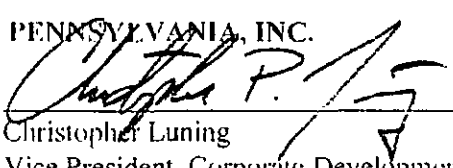
By: 

Brian Rivet . President

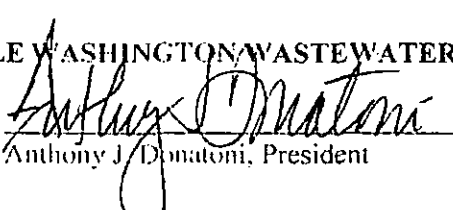
**SOUTH LOUISIANA ELECTRIC COOPERATIVE  
ASSOCIATION**

By:   
Alexander Doyle , President

**AQUA PENNSYLVANIA, INC.**

By:   
Christopher Luning  
Vice President, Corporate Development

**LITTLE WASHINGTON WASTEWATER COMPANY**

By:   
Anthony J. Donatoni, President

## Schedule 1.1

### List of Assets

- I. WATER SYSTEM PRODUCTION FACILITIES
  - A. Two (2) fully permitted and operationally functioning production wells along with treatment facilities and related equipment and appurtenances; and
  - B. One (1) fully permitted and operationally functioning 120,000 gallon In-Ground Concrete Facility.
  
- II. WATER DISTRIBUTION SYSTEM
  - A. All water mains, raw water lines, booster stations and related appurtenances, located within the following public and/or private roadways: Edge Rock Road, Tammy Trail, Mink Springs Court, Buck Ridge Drive, Grouse Ridge Lane, Covey Lane, Bunyon Springs Court, Hells Kitchen Drive, Bear Run Drive, Clear Springs Circle, Honey Stump Circle, Hibernation Hollow, Avalanche Lane, Snow Valley Drive, Snow Valley Court, Snow Springs Circle, Snow Bird Circle, Shingle Mill Drive, Trapper Springs Circle, Bear Run Circle, Trapper Springs Lane, Shingle Mill Circle, Buck Saw Drive, Burke Drive, Four Seasons Drive, Rock Shore Lane, Spinnaker Lane, Whitecap Lane, Spring Creek Lane, Lake Vista Court, Trapper Springs Lane, Lake Spring Circle, Buck Ridge Lane, Beaver Slide Drive, Overview Court, Randy Ridge Court, Debbie Drive, Johns Log, Lisa Lake Court, Quill Court, and Debbie Drive;
  - B. All water mains and related appurtenances that extend beyond the limits of the roads enumerated in "A" above;
  - C. Any and all valves, fittings, blow-offs and other related appurtenances related to those facilities identified in "A" and "B" above;
  - D. A minimum of Forty-One (41) Fire Hydrants;
  - E. A minimum of Nine-Hundred Sixty-Two (962) company service lines from the main to the curb-box and/or stop or edge of road;
  - F. A minimum of Nine-Hundred Sixty-Two (962) meters associated with the company service lines identified in "E" above; and
  - G. A minimum of Nine-Hundred Sixty-Two (962) customer residential/commercial accounts that coincide with the company service lines identified in "E" above.
  
- III. WASTEWATER COLLECTION SYSTEM
  - A. All wastewater collection system mains, manholes and related appurtenances, located within the following public and/or private roadways: Edge Rock Road, Tammy Trail, Mink Springs Court, Buck Ridge Drive, Grouse Ridge Lane, Covey Lane, Bunyon Springs Court, Hells Kitchen Drive, Bear Run Drive, Clear Springs Circle, Honey Stump Circle, Hibernation Hollow, Avalanche Lane, Snow Valley Drive, Snow Valley Court, Snow Springs Circle, Snow Bird Circle, Shingle Mill Drive, Trapper Springs Circle, Bear Run Circle, Trapper Springs Lane, Shingle Mill Circle, Buck Saw Drive, Burke Drive, Four Seasons Drive, Rock Shore Lane, Spinnaker Lane, Whitecap Lane, Spring Creek Lane, Lake Vista Court, Trapper Springs Lane, Lake

- Spring Circle, Buck Ridge Lane, Beaver Slide Drive, Overview Court, Randy Ridge Court, Debbie Drive, Johns Log, Lisa Lake Court, Quill Court, and Debbie Drive;
- B. All wastewater collection system mains and related appurtenances that extend beyond the limits of the roads enumerated in "A" above;
  - C. Any and all valves, fittings, clean-outs, air release valves, manholes and other related appurtenances related to those facilities identified in "A" and "B" above;
  - D. A minimum of One-Thousand Seven (1,007) company service laterals from the main to the curb-line or edge of road; and
  - E. A minimum of One-Thousand Seven (1,007) customer residential/commercial accounts that coincide with the company service laterals identified in "D" above.

IV. REAL ESTATE

- A. All parcels of land, whether in fee or by easement, associated with the Water System Production Facilities identified above, including appropriate well-head protection easements for any well(s);
- B. Any parcels of land, whether in fee or by easement, associated with any Water Distribution or Wastewater Collection System components, if any;
- C. Parcel of land where on the Office ("Shop") is situated; and
- D. Various easements and/or rights of way as required, including permanent and perpetual access (including, but not limited to, pedestrian, vehicular and utilities) to and for the Water System Production Facilities and both the Water Distribution and Wastewater Collection System components.

V. MISCELLANEOUS

- A. Office ("Shop") and any and all vehicles, equipment and inventory stored within or outside of the structure;
- B. Billing records, including a list of the names and addresses of all customers at the time of Closing;
- C. Maps and/or Plans of the existing Assets in place at the time of Closing;
- D. Keys to any and all buildings included as components of the Assets;
- E. Agreement between Seller and BTA, also attached at Schedule 3(e);
- F. Copies, of the originals, of all agreements, contracts, commitments, leases, plans, bids, quotations, proposals, instruments, certificates, and other instruments belonging to Seller that are part of or related to the Assets; and
- G. All machinery, equipment and other tangible property, personal property, including tools, supplies, vehicles and heavy equipment, inventories and customer records and contracts, financial records, engineering drawings, vendor contracts, environmental reports and all other records necessary to the continued operation of the Assets.

LAW OFFICES  
**DUVAL, FUNDERBURK, SUNDBERY, LOVELL & WATKINS**  
*(A Professional Law Corporation)*

101 WILSON AVENUE  
P.O. BOX 3017  
HOUMA, LOUISIANA 70361

JAMES M. FUNDERBURK  
SIDNEY C. SUNDBERY  
C. BERWICK DUVAL, II  
CLAYTON E. LOVELL  
STANWOOD R. DUVAL  
KATHRYN W. RICHARD

CLAUDE B. DUVAL  
(1914-1986)

Area Code 985  
Telephone 876-6410  
Fax 851-1490  
www.duvallawfirm.com  
(see website for e-mail addresses)

**Schedule 3(b)**

**November 8, 2011**

OF COUNSEL  
WILLIAM S. WATKINS  
RAVI SANGISETTY

**Aqua Pennsylvania, Inc.  
Little Washington Wastewater Company  
762 West Lancaster Avenue  
Bryn Mawr, Pennsylvania 19010**

**Dear Sirs:**

I have acted as counsel to the Seller in conjunction with the Assets Purchase Agreement dated as of \_\_\_\_\_, 2011, (the "Agreement") between Total Environmental Solutions, Inc. and South Louisiana Electric Cooperative Association (hereinafter collectively referred to as "Seller") and Aqua Pennsylvania, Inc. and Little Washington Wastewater Company (hereinafter collectively referred to as "Aqua"). The Agreement provides for Aqua to acquire from Seller the Seller's water and wastewater system assets situated in Butler and Dennison Townships, Luzerne County, Pennsylvania (collectively herein called the "Assets").

I have examined the Agreement and the certifications, documents and instruments delivered pursuant thereto.

Based upon the foregoing, to the best of my knowledge, I am of the opinion that:

- a) Seller is in good standing under the laws of the Commonwealth of Pennsylvania.
- b) Seller has owned and operated the Assets and the water and wastewater system assets as it has been and is now being conducted.
- c) Neither the execution and delivery of the Agreement by Seller, nor consummation and performance of the transactions contemplated thereby results in a violation of any judgment, order, writ, injunction or decree of any court or of any governmental official, agency or instrumentality which is applicable to Seller.

- d) The execution and delivery of the Agreement and the performance of the transactions contemplated hereby do not violate, conflict with or result in the breach (with or without the giving of notice or laps of time or both) of any term, condition or provision of any instrument, contract, lease, agreement, permit, certificate or other document to which Seller is a party, or is otherwise bound or affected, or by which any of Assets may be bound or affected.
- e) Seller has full power and authority to sell, convey, assign, transfer and deliver the Assets to Aqua as provided in the Agreement.
- f) All proceedings required to be taken by the Seller to carry out the Agreement, and to authorize the Seller to sell, convey, assign, transfer and deliver to Aqua the Assets pursuant to the Agreement have been or will be duly and properly taken.
- g) The Agreement has been duly executed and delivered by Seller and is the legal, valid and binding obligation of Seller enforceable against Seller in accordance with the terms of the Agreement.
- h) The instruments delivered by Seller to transfer the Assets to Aqua have been duly authorized, executed and delivered, are legal, valid and binding in accordance with their terms.

The opinions expressed herein are limited to matters of federal law and the laws of the Commonwealth of Pennsylvania. This opinion is provided to Aqua solely for the purpose of complying with Seller's obligations under the Agreement. This opinion is given for Aqua's use and benefit, and, except as may be otherwise permitted by law, may not be relied upon by any other person without the prior written consent of the undersigned.

Sincerely yours,



JAMES M. FUNDERBURK

JMF/c

**Schedule 3 (e)**

Agreements to be Assumed by Aqua Pennsylvania, Inc. or Little Washington Wastewater Company d/b/a Suburban Wastewater Company

1. *Agreement*, dated December 19, 1996, between Butler Township Authority and Four Seasons Sewer Company, Inc. (predecessor to Seller) – or reasonably similar as some of the provisions of this agreement may no longer be applicable, which Little Washington Wastewater Company reserves the right to contact and discuss this agreement with the Butler Township Authority to refine, but at the sole discretion of Little Washington Wastewater Company

**APPENDIX H**

**AGREEMENT DATED DECEMBER 19, 1995  
BETWEEN THE BUTLER TOWNSHIP AUTHORITY  
AND  
FOUR SEASON SEWER COMPANY, INC.**

AGREEMENT

THIS AGREEMENT Made this 19<sup>th</sup> day of December, 1995 by and between BUTLER TOWNSHIP AUTHORITY, a body politic and corporate organized and existing under the Municipality Authorities Act of 1945, as amended, of the Commonwealth of Pennsylvania, with a principal office and place of business at P.O. Box 150, St. Johns, Butler Township, Luzerne County, Pennsylvania 18247, hereinafter at times referred to as "Authority", and FOUR SEASONS SEWER COMPANY, INC., a Pennsylvania corporation, with a principal office and place of business at 4876 Treasure Lake, Dubois, Clearfield County, Pennsylvania 15801-9180, hereinafter at times referred to as "Four Seasons Sewer".

WHEREAS, Four Seasons Sewer has recently acquired and constructed certain infrastructure improvements, including but not limited to certain sanitary sewer collection and transmission lines and facilities, in and through part of the Beech Mountain Lakes resort or development, hereinafter at times referred to as "Beech Mountain", situate on and about the easterly side of Route 309 and extending generally eastwardly therefrom in Butler Township, Dennison Township and Foster Township, Luzerne County, Pennsylvania, containing 2197.32 acres of land, more or less, and a copy of the precise description of the same is attached hereto as "Exhibit A" and made a part hereof and entitled "BEECH MOUNTAIN LAKES RESORT", such also being the Pennsylvania Public Utility Commission approved service area for Four Seasons Sewer;

BOOK 2550 PAGE 782

WHEREAS, Four Seasons Sewer owns and shall continue to own all said infrastructure improvements and may in the future construct additional sanitary sewer collection and transmission lines and facilities therein Beech Mountain;

WHEREAS, Four Seasons Sewer is desirous of collecting and transmitting all sanitary sewage which will be generated therein Beech Mountain by and through its said present and future sanitary sewer collection and transmission lines and facilities to and then through the sanitary sewerage system of Authority to a sanitary sewage treatment plant of Authority for treatment and disposal thereof, thereat and thereby which Authority is desirous of having done pursuant to the covenants and promises hereof;

WHEREAS, Four Seasons Sewer has the right and authority to enter into this Agreement and to perform all the covenants and promises of Four Seasons Sewer hereunder;

WHEREAS, Authority and Inmid Corporation, a Pennsylvania corporation, by their October 19, 1976 Agreement by and between them provided for the treatment by Authority of sanitary sewage generated within Beech Mountain, and Inmid Corporation was succeeded by Beech Mountain Lakes Corporation which sold, transferred and conveyed the sanitary sewer collection and transmission lines and facilities therein Beech Mountain to Four Seasons Sewer, and a copy of said October 19, 1976 Agreement is attached hereto as "Exhibit B" and made a part hereof; and

WHEREAS, the Property Identification Numbers for said 2197.32 acres of land, more or less, encompassing Beech

BOOK 2550 PAGE 783

-2-

Mountain are P9 Blk A L1A, P9 Blk B L4 and P9 Blk <sup>C</sup> L3A.

WITNESSETH:

NOW THEREFORE, in consideration of the following covenants and promises, the parties hereto intending to be legally bound thereby, it is agreed as follows:

1. Four Seasons Sewer hereby represents and warrants to Authority all that aforesaid and upon which representation and warranty Authority relies in entering into this Agreement.

2. All and only all sanitary sewage which shall be generated on and within Beech Mountain shall be transmitted by Four Seasons Sewer by and through its said present and future sanitary sewer collection and transmission lines and facilities of Four Seasons Sewer to one such line which shall connect or tap-on to a sanitary sewer collection and transmission line of Authority, as designated by Authority, for transmission of the same by Authority through the sanitary sewerage system of Authority to one (1) or more of Authority's sanitary sewage treatment plants for Authority to treat and dispose of the same thereat and thereby, and which Authority shall so treat and dispose of, and the charges of Authority therefor shall be paid by Four Seasons Sewer to Authority as hereinafter stated provided Authority at the time or times of such transmission or transmissions has the capacity to accept and treat the same. At no time shall Four Seasons Sewer or anyone else construct, nor shall Four Seasons Sewer ever allow anyone else to construct, insofar as it has the authority not to so allow, any on-

lot sanitary sewage disposal system on any part of or within Beech Mountain without the express prior written consent of Authority.

3. Four Seasons Sewer hereby represents and warrants to Authority that all of said present and future sanitary sewer collection and transmission lines and facilities are and shall be owned and controlled by Four Seasons Sewer or its authorized successor as hereinafter mentioned and upon which representation and warranty Authority relies in entering into this Agreement, and Four Seasons Sewer shall continue to own, operate, repair, reconstruct and maintain the same and shall promptly repair and/or reconstruct and construct additions to all or any parts of the same whenever necessary, and, further, Four Seasons Sewer shall operate, repair, reconstruct and maintain all or any parts of the same at its own cost and expense and in full compliance with any and all present and future resolutions, rules, regulations and directives of Authority, including but not limited to resolutions, rules, regulations and/or directives prohibiting the introduction of certain effluents or substances and/or storm water infiltration into said sanitary sewer collection and transmission lines and facilities of Four Seasons Sewer and resolutions, rules, regulations and/or directives assessing costs for any and all future repair, reconstruction, construction, expansion and/or other improvements of and to the sanitary sewerage system of Authority inclusive of its sanitary sewage treatment plants.

4. At any and all times Authority by its

-4- BOOK 2550 PAGE 785

representatives, agents, employees and/or designees shall have the right to inspect, including but not limited to the right to test, observe, monitor, measure, sample and read, any and all said present and future sanitary sewer collection and transmission lines and facilities and effluent thereof of Four Seasons Sewer and any and all present and future sanitary sewerage facilities and effluent thereof of and water meters pertinent to any and all generators of sanitary sewage within Beech Mountain and to enter upon any and all parts of the same and the premises of any and all said generators and of Beech Mountain, upon reasonable notice by Authority, to do such in any way, manner and form, whether by excavating, opening up and dye testing the same and/or otherwise. No connection or tap-on shall be made to any of said sanitary sewer collection and transmission lines and facilities within Beech Mountain without a permit having been first acquired by Four Seasons Sewer for the tapping party from Authority and without an inspection fee therefor, equivalent to the tapping fee and inspection fee then required for like generators, being first paid by Four Seasons Sewer, and any such tap-on shall not be used and shall not be covered over unless and until inspected and approved by Authority through its proper representatives, agents, employees and/or designees.

5. Four Seasons Sewer and each and every generator of sanitary sewage within Beech Mountain, its heirs, successors and assigns, shall be subject to all the present and future resolutions, rules, regulations and directives of Authority, including but not limited to those imposing tap-on fees

and charges, collection, transmission, user and treatment fees and charges and other fees and charges and measures enforcing payment of the same, the same as if such generator were tapped on directly to a sanitary sewer collection and transmission line owned by Authority. Each and every generator of sanitary sewage within Beech Mountain shall obtain its water from a central water supply with the amount of water consumption of that generator being metered by one or more accurate water meters. Four Seasons Sewer shall be responsible for or shall make suitable arrangements with any and all third party central water suppliers for the installation, upkeep and maintenance of said water meters, shall provide Authority with periodic readings but no less than quarterly readings of the same and shall maintain an individual billing account or statement with Authority for each generator of sanitary sewage within Beech Mountain, and any and all said generators of sanitary sewage within Beech Mountain shall be charged on an individual basis the same as any other customers of Authority, but Authority's billing for the same shall be by a bulk and/or other billing for the same directed to and made against Four Seasons Sewer or any said successor public utility or proper authority which shall be fully responsible and liable for payment of the same and for collection of payments therefor from each and every such generator of sanitary sewage within Beech Mountain. Authority shall give Four Seasons Sewer or any said successor public utility or proper authority at least one hundred eighty (180) days notice

BOOK 2550 PAGE 787

-6-

of its proposed change of any of its fees and charges hereunder.

6. A. Upon default in payment hereunder by Four Seasons Sewer without the same being cured within thirty (30) days after notice of the same is given by Authority to Four Seasons Sewer, Four Seasons Sewer shall and does hereby empower any attorney of any court of record within the United States or elsewhere to appear for Four Seasons Sewer and after one or more declarations filed confess judgment against Four Seasons Sewer and in favor of Authority as of any term for any and all sums of money then owing by Four Seasons Sewer to Authority with costs of suit and an attorney's commission of ten percent (10%) for collection and release of all errors and without stay of execution and inquisition, and extension upon any levy on real estate is hereby waived and consideration agreed to and the exemption of personal property from levy and sale on any execution hereon is also hereby expressly waived, and no benefit of exemption shall be claimed under and by virtue of any exemption law now in force or which may be hereafter enacted. Judgment hereunder may be confessed one or more times at any time or times by the filing of a copy of this paragraph 6 with any and all such confessions of judgment, and such right shall not be exhausted by any such confession or confessions.

B. Four Seasons Sewer acknowledges and agrees that under the above provisions Authority may enter judgment by confession against Four Seasons Sewer without Four Seasons Sewer's prior knowledge or consent and that

BOOK 2550 PAGE 788

-7-

in the event such judgment is entered Four Seasons Sewer will be unable to challenge the same except by proceeding to open or strike the judgment and that such a proceeding will require payment of attorney's fees and costs by Four Seasons Sewer. Being fully aware of its rights to prior notice and a prior hearing or other prior judicial proceeding on the validity of any judgment or other claims that may be asserted against it by Authority hereunder and of its rights to raise any defense, setoff, counterclaim or other claim it may have and before judgment is entered, Four Seasons Sewer hereby freely, knowingly and intelligently waives these rights and expressly agrees and consents to Authority's entering judgment against it by confession pursuant to the terms thereof.

C. Four Seasons Sewer also acknowledges and agrees that under the above provisions Authority may, after entry of judgment and without a prior notice and a prior hearing or other prior judicial proceeding, foreclose upon, attach, levy or otherwise seize and garnish property, bank accounts and other assets of Four Seasons Sewer in full or partial payment of the judgment and that a judgment entered against Four Seasons Sewer will constitute a lien upon any real property of Four Seasons Sewer located in the county in which judgment is entered. Being fully aware of its rights after judgment is entered (including the right to move to open or strike the judgment) Four Seasons Sewer hereby freely, knowingly and intelligently waives these rights and expressly agrees and consents to Authority's

-8- BOOK 2550 PAGE 789

taking such actions as may be permitted under the applicable state and federal laws without prior notice to Four Seasons Sewer. Four Seasons Sewer hereby represents, warrants and certifies to Authority that Four Seasons Sewer's annual income exceeds Ten thousand and 00/100 dollars (\$10,000.00).

7. Four Seasons Sewer shall at all times keep in effect a bond with it and Riviera Utilities, Inc., a Pennsylvania corporation, with a principal office and place of business at P.O. Box 14056, Baton Rouge, Louisiana 70898, or any other financially responsible party in place of Riviera Utilities, Inc., as obligors therein payable to Authority as obligee therein in an amount of no less than Two hundred thousand and 00/100 dollars (\$200,000.00) to be paid to Authority upon any default hereunder without such default being cured within thirty (30) days after notice of such default is given by Authority to Four Seasons Sewer and upon demand by Authority for payment thereunder. Said bond shall be forthwith delivered by Four Seasons Sewer to Authority.

8. In the event of any default hereunder by Four Seasons Sewer without such default being cured within thirty (30) days after notice of the same is given by Authority to Four Seasons Sewer, Authority shall have the right to discontinue for the period of said default any and all sanitary sewerage services to be provided hereunder by it to Four Seasons Sewer, Beech Mountain, and/or any and all generators of sanitary sewage therein Beech Mountain. Four Seasons Sewer shall indemnify and hold harmless Authority

BOOK 2550 PAGE 790

of, for and from any and all actions, lawsuits, claims, debts, demands, obligations, accounts and reckonings and fines and penalties of any and all third parties against Authority for or on account of any such discontinuance of sanitary sewerage service by Authority, including paying Authority the reasonable cost of a defense to the same when such becomes due and owing.

9. Authority shall be excused from any and all of its covenants and promises hereunder in the event it is not able to fulfill the same due to circumstances beyond its control, including but not limited to Authority's not having capacity for any sanitary sewage which will be generated within Beech Mountain whereupon Authority shall not be required to receive and treat the same and regardless of anything stated herein to the contrary.

10. In the event Authority at any time hereafter is required to make any rate, tariff or other filings with any governmental entity and/or to engage in any administrative or judicial proceeding with a third party because of anything herein, Four Seasons Sewer shall pay for all costs incurred by Authority for the same when such become due and payable.

11. This Agreement is the entire agreement between the parties hereto concerning the subject matter hereof except for said October 19, 1976 Agreement between Inmid Corporation and Authority, and Four Seasons Sewer is hereby substituted in place of Beech Mountain Lakes Corporation therein, and Beech Mountain Lakes Corporation shall accordingly have no further obligations thereunder; however, anything

herein contrary to or in conflict with said October 19, 1976 Agreement shall supersede and nullify that in said October 19, 1976 Agreement. This Agreement may be altered, changed or otherwise amended only in writing executed by the parties hereto.

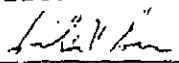
12. Either party hereto shall give any and all notices hereunder to the other party hereto in writing mailed by ordinary and certified mail, return receipt requested, to the other party at its above stated address or at any other address of the other party notice in writing of such by such mail has been given previously by the other party to the notifying party.

13. Four Seasons Sewer shall have no right to transfer its ownership and control of its present and future sanitary sewer collection and transmission lines and facilities therein Beech Mountain except to transfer all of such ownership and control to a public utility company or a proper governmental entity which then as its successor hereunder shall be subject to all the covenants and promises hereof, the same as Four Seasons Sewer.

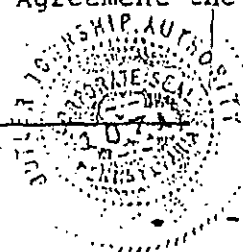
14. This Agreement shall be legally binding upon and shall enure to the benefit of the parties hereto, their successors and assigns, and shall be enforceable in law and in equity.

IN WITNESS WHEREOF, the parties hereto have executed and sealed this Agreement the date first above written.

Attest:


  
Peter D. Gross  
Secretary

Corporate Seal:



BUTLER TOWNSHIP AUTHORITY

By:

  
Carl Miller  
Chairman

-11-

BOOK 2550 PAGE 792

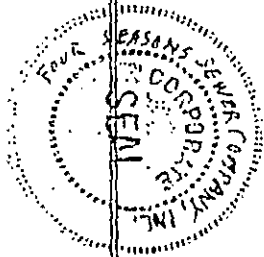
Attest:

Thelma Brown  
Thelma Brown, Secretary

FOUR SEASONS SEWER COMPANY,  
INC.

By: Montell T. Watkins  
Montell T. Watkins, President

Corporate Seal:



I hereby certify that the precise residence and complete post office address of the aforementioned Butler Township Authority is P.O. Box 150, St. Johns, Pennsylvania 18247.

Pasco L. Schiavo  
Pasco L. Schiavo, Esquire  
Attorney for Butler  
Township Authority  
306 Northeastern Building  
8 West Broad Street  
Hazleton, Pennsylvania  
18201-6486  
(717) 454-3583

BOOK 2550 PAGE 7

BEECH MOUNTAIN LAKES RESORT

ALL THAT CERTAIN piece, parcel or tract of land situate in parts of Butler, Dennison and Foster Townships, Luzerne County, Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a point marking the northeast corner of lands now or formerly of Angela Park, Inc., said point having coordinate values of North sixteen thousand eight hundred four and forty-one one-hundredths (N 16,804.41) and East five thousand four hundred nineteen and seventy-nine one-hundredths (E 5,419.79) and being located on the westerly line of Beech Mountain Lakes Resort;

THENCE North sixty-seven degrees, eighteen minutes, fifteen seconds West (N67°18'15"W) one thousand eight hundred forty-five and sixty-seven one-hundredths (1845.67') feet to a point in Legislative Route 40012;

THENCE along said Legislative Route 40012 the following five (5) courses and distances:

- (1) North seventy-six degrees, ten minutes, forty seconds East (N76°10'40"E) two hundred (200.00') feet to a point;
- (2) North fifty-three degrees, two minutes, thirty-four seconds East (N53°02'34"E) one hundred seventy-six and sixty-four one-hundredths (176.64') feet to a point;
- (3) North twenty-nine degrees, thirty minutes, twenty-five seconds East (N29°30'25"E) one hundred twenty-four and seventy-three one-hundredths (124.73') feet to a point;
- (4) North twenty-two degrees, twenty-six minutes, eighteen seconds East (N22°26'18"E) two hundred eighty-one and thirty-seven one-hundredths (281.37') feet to a point;
- (5) North eleven degrees, thirty-four minutes, fifty-two seconds East (N11°34'52"E) one thousand sixty-three and ninety-nine one-hundredths (1063.99') feet to a point;

THENCE South eighty degrees, seven minutes, twenty-two seconds East (S80°07'22"E) one thousand eight hundred and thirty-one one-hundredths (1800.31') feet to a point;

THENCE South nine degrees, fifty-one minutes, thirty-three seconds West (S09°51'33"W) eight hundred seventy-four and fifty-three one-hundredths (874.53') feet to a point;

BOOK 2550 PAGE 794

Exhibit A

William J. Schumacher Jr., Professional Engineer

BEECH MOUNTAIN LAKES RESORT  
UNDEVELOPED LAND  
PAGE 2

THENCE North forty-four degrees, twenty-four minutes, forty-two seconds East (N44°24'42"E) six thousand two hundred sixty-six and seventy-two one-hundredths (6266.72') feet to a point on the southerly right-of-way line of Interstate 80;

THENCE along said southerly right-of-way the following ten (10) courses and distances;

- (1) South eighty-two degrees, twenty-nine minutes, twelve seconds East (S82°29'12"E) three hundred ten and eighty-seven one-hundredths (310.87') feet to a point;
- (2) North seven degrees, thirty minutes, forty-eight seconds East (N07°30'48"E) thirty (30.00') feet to a point;
- (3) South eighty-two degrees, twenty-nine minutes, twelve seconds East (S82°29'12"E) three hundred fifty-three and five one-hundredths (353.05') feet to a point;
- (4) South eighty degrees, six minutes, forty-three seconds East (S80°06'43"E) one thousand eight hundred eighty-six and forty-two one-hundredths (1886.42') feet to a point;
- (5) South seventy-seven degrees, forty-four minutes, fifteen seconds East (S77°44'15"E) six hundred forty-five and six one-hundredths (645.06') feet to a point;
- (6) South twelve degrees, fifteen minutes, forty-five seconds West (S12°15'45"W) forty (40.00') feet to a point;
- (7) South seventy-seven degrees, forty-four minutes, fifteen seconds East (S77°44'15"E) one thousand eight hundred six (1806.00') feet to a point;
- (8) North twelve degrees, fifteen minutes, forty-five seconds East (N12°15'45"E) forty (40.00') feet to a point;
- (9) South seventy-seven degrees, forty-four minutes, fifteen seconds East (S77°44'15"E) four thousand twenty-seven and sixty one-hundredths (4027.60') feet to a point;
- (10) South seventy-eight degrees, fifty-nine minutes, thirty-seven seconds East (S78°59'37"E) five hundred eleven and forty-eight one-hundredths (511.48') feet to a point;

THENCE South twenty degrees, forty-six minutes, forty-five seconds East (S20°46'45"E) two thousand nine hundred twenty-one and nineteen one-hundredths (2921.19') feet to a point;

BOOK 2550 PAGE 795

BEECH MOUNTAIN LAKES RESORT  
UNDEVELOPED LAND  
PAGE 3

THENCE North sixty-nine degrees, fourteen minutes, fifty-five seconds East (N69°14'55"E) four thousand two hundred twenty-five and eighty-five one-hundredths (4225.85') feet to a point;

THENCE South nine degrees, eighteen minutes, twenty-two seconds West (S09°18'22"W) one thousand six hundred nineteen and sixty-eight one-hundredths (1619.68') feet to a point;

THENCE South sixty-nine degrees, seventeen minutes, forty seconds West (S69°17'40"W) two thousand four hundred fifteen and twelve one-hundredths (2415.12') feet to a point;

THENCE North seventy-nine degrees, forty-four minutes, twenty seconds West (N79°44'20"W) one thousand one hundred sixty-five and seventy one-hundredths (1165.70') feet to a point;

THENCE South sixty-nine degrees, sixteen minutes, forty-one seconds West (S69°16'41"W) one thousand six hundred forty and fourteen one-hundredths (1640.14') feet to a point;

THENCE South nine degrees, sixteen minutes, sixteen seconds West (S09°16'16"W) one thousand ninety-four and one one-hundredths (1094.01') feet to a point;

THENCE South eighty degrees, forty-three minutes, thirty-six seconds East (S80°43'36"E) seven hundred thirty-three and four one-hundredths (733.04') feet to a point;

THENCE South nine degrees, twenty-five minutes, fifty-nine seconds West (S09°25'59"W) one thousand one hundred twenty-nine and sixty-one one-hundredths (1129.61') feet to a point;

THENCE North eighty degrees, forty-three minutes, forty-four seconds West (N80°43'44"W) one thousand six hundred seventy-nine and twenty-one one-hundredths (1679.21') feet to a point;

THENCE South nine degrees, fourteen minutes, fifty seconds West (S09°14'50"W) ninety-nine and ninety-eight one-hundredths (99.98') feet to a point;

THENCE North eighty degrees, forty-four minutes, thirty seconds West (N80°44'30"W) three thousand eight hundred ninety-four and eleven one-hundredths (3894.11') feet to a point;

THENCE South nine degrees, fourteen minutes, thirty-four seconds West (S09°14'34"W) three thousand seven and fifty-five one-hundredths (3007.55') feet to a point;

BOOK 2550 PAGE 796

BEECH MOUNTAIN LAKES RESORT  
UNDEVELOPED LAND  
PAGE 4

THENCE North eighty-four degrees, twenty-six minutes, two seconds West (N84°26'02"W) one thousand four hundred eighty-four and thirty-four one-hundredths (1484.34') feet to a point;

THENCE North nine degrees, fifteen minutes, one second East (N09°15'01"E) one hundred fifty-nine (159.00') feet to a point;

THENCE North eighty degrees, forty-five minutes, twenty-two seconds West (N80°45'22"W) one hundred fifty-five and twelve one-hundredths (155.12') feet to a point;

THENCE North nine degrees, fifteen minutes, one second East (N09°15'01"E) one hundred forty and ninety-five one-hundredths (140.95') feet to a point;

THENCE North eighty degrees, forty-five minutes, twenty-three seconds West (N80°45'23"W) eight hundred nine and seventy-nine one-hundredths (809.79') feet to a point;

THENCE South eighty-one degrees, four minutes, three seconds West (S81°04'03"W) one thousand twenty-nine and forty one-hundredths (1029.40') feet to a point;

THENCE South seventy-six degrees, thirty-seven minutes, fifty-one seconds West (S76°37'51"W) two thousand four hundred seventy-two and eighty-three one-hundredths (2472.83') feet to a point;

THENCE North eighty-nine degrees, fifty-five minutes, seventeen seconds West (N89°55'17"W) two thousand four hundred sixty-four and thirty-four one-hundredths (2464.34') feet to a point;

THENCE North nine degrees, thirty-six minutes, fifty seconds East (N09°36'50"E) <sup>three</sup> ~~two~~ thousand <sup>and</sup> ~~one~~ hundred <sup>and</sup> ~~eighty~~ <sup>and</sup> ~~four~~ and three one-hundredths (~~2111.03~~) feet to a point;

<sup>3661.03</sup>  
THENCE South seventy-nine degrees, fifty-two minutes, fifty seconds East (S79°52'50"E) one thousand one hundred ninety-one and eighty-one one-hundredths (1191.81') feet to a point;

THENCE South seventy-nine degrees, forty-two minutes, thirty-six seconds East (S79°42'36"E) three hundred eighty and eighty-four one-hundredths (380.84') feet to a point;

THENCE North seventy-nine degrees, five minutes, seven seconds East (N79°05'07"E) one thousand one hundred eighty-one and two one-hundredths (1181.02') feet to a point;

BOOK 2550 PAGE 797

BEECH MOUNTAIN LAKES RESORT  
UNDEVELOPED LAND  
PAGE 5

THENCE North sixty-six degrees, forty-six minutes, fifty-six seconds East (N66°46'56"E) two thousand eight hundred seven and sixty-four one-hundredths (2807.64') feet to a point;

THENCE North sixty-seven degrees, fifty minutes, fourteen seconds East (N67°50'14"E) four hundred thirty and twenty one-hundredths (430.20') feet to a point;

THENCE North thirty-three degrees, twenty-four minutes, six seconds East (N33°24'06"E) two thousand four hundred four and ninety-two one-hundredths (2404.92') feet to a point;

THENCE North thirty-two degrees, fifty-nine minutes, thirty-four seconds East (N32°59'34"E) six hundred seventy-one and thirty-four one-hundredths (671.34') feet to a point;

THENCE North five degrees, fifty-two minutes, fifty-seven seconds East (N05°52'57"E) two hundred thirty-five and sixteen one-hundredths (235.16') feet to a point;

THENCE North seventy-nine degrees, sixteen minutes, forty-nine seconds West (N79°16'49"W) one thousand two hundred sixty and twelve one-hundredths (1260.12') feet to a point;

THENCE North eighty-eight degrees, fifty-three minutes, seven seconds West (N88°53'07"W) three thousand seventy-seven and sixty-one one-hundredths (3077.61') feet to a point;

THENCE South sixty degrees, thirty-five minutes, nineteen seconds West (S60°35'19"W) eighty-three and seventy-nine one-hundredths (83.79') feet to a point;

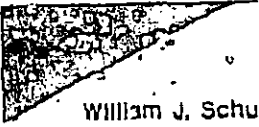
THENCE South eighty-one degrees, thirty-seven minutes, eleven seconds West (S81°37'11"W) four hundred forty-nine and sixty-four one-hundredths (449.64') feet to a point;

THENCE North fifty-one degrees, thirty-eight minutes, thirty seconds West (N51°38'30"W) one hundred ninety-one and seventy-seven one-hundredths (191.77') feet to a point;

THENCE South seventy-one degrees, three minutes, forty-six seconds West (S71°03'46"W) one hundred ninety-one and seventy-seven one-hundredths (191.77') feet to a point;

THENCE South seventy-two degrees, ten minutes, thirty seconds West (S72°10'30"W) two thousand nine hundred forty-five and twenty-three one-hundredths (2945.23') feet to a point;

BOOK 2550 PAGE 798



William J. Schumacher Jr., Professional Engineer

BEECH MOUNTAIN LAKES RESORT  
UNDEVELOPED LAND  
PAGE 6

THENCE South four degrees, forty-four minutes, fifty-three seconds  
West (S04°44'53"W) five hundred (500.00') feet to a point, the PLACE OF  
BEGINNING.

CONTAINING: 2197.32 Acres Less Exceptions.

REFERENCE: Schumacher Engineering, Inc. Drawing No. 90-147.

BOOK 2550 PAGE 799

WHEREAS, the costs relative to the sewer system and sewage treatment works serving the Development are to be assessed and charged upon said District pursuant to a certain Ordinance of Butler Township dated May 11, 1971; and

COPY

WHEREAS, Owner is the successor in interest to all rights of Eastern and has assumed the obligations of Eastern herein set forth; and

WHEREAS, certain funds heretofore have been provided by Eastern and Owner to Authority for engineering expenses related to the proposed Nescopeck Interceptor Sewer and St. Johns treatment plant;

NOW, THEREFORE, it is hereby acknowledged and agreed by and between the parties as follows:

1. Owner shall pay \$231,606 in full payment for the increased cost of construction, engineering and all other related costs for the joint interceptor and treatment plant which are to be increased in size to accommodate the anticipated flows from District No. 1 as hereinafter set forth and those portions of Owner's lands which are situated in Foster and Dennison Townships. Owner and Authority acknowledge that Authority's engineer has certified such sum to be necessary, and Authority agrees that same shall be sufficient to pay for such costs, except as hereinafter provided. Authority heretofore has received \$35,000 from Owner and Eastern to pay certain engineering costs included within the \$231,606 increased cost as defined above, resulting in a balance due of \$196,606. The \$196,606 balance due shall be placed in escrow within seven (7) days of the date hereof.

Said funds shall be deposited at First Eastern Bank N.A. Butler Valley Office in an interest bearing account from the date of deposit until the date of closing by the Authority of the financing required for the construction of the proposed joint interceptor sewer and treatment plant. At the time of closing of said financing, interest earned from the date of deposit shall be payable to Owner, and the principal amount of \$196,606 shall be payable to the Authority.

2. In consideration of said payment of \$231,606, Authority shall perform or cause to be performed the construction of the proposed Nescopeck Interceptor sewer and St. John's treatment plant serving District No. 1, as bid on June 15, 1976. Should the project be terminated or should Authority fail to award contracts for its construction by May 1, 1977, then the \$196,606 deposited herewith shall be refunded to Owner and this agreement will be null and void. It is understood that the \$35,000 previously paid by Owner to the Authority has been expended for engineering fees and is not refundable. Authority warrants that the above funds shall be applied solely to the costs of said joint interceptor and treatment plant, and agrees to complete same within thirty (30) months after contractors are given notice to proceed by Authority. In the event that such construction is delayed for any period of time not greater than twelve (12) months and such delay is due to circumstances beyond the control of Authority, and provided that for the full construction period, including any such delay, the Owner is permitted to continue operation of the managed holding tank system as set forth in that certain agreement between Owner and Authority of even date herewith regarding such system, then such period of delay shall be added to the thirty (30) month period provided

BOOK 2550 PAGE 802

herein for completion of the construction by the Authority. However, in the event that the Authority has not completed those portions of the project serving District No. 1 within said thirty (30) month period with additions, if any, all as provided for herein, then Authority shall refund the \$196,606 to Owner, less the proportionate amount expended for construction completed at that time, as documented by the Authority.

3. It is understood that Authority is currently seeking additional Federal Grant Funds (including, but not limited to E.D.A. Grants), for construction of the proposed system, and the process of applying for said funds may require re-bidding certain contracts in the event successful bidders at the June 15, 1976 bid opening are unwilling to extend current bids for the duration of said application period. In the event all or part of the project must be re-bid for this reason, it is understood that Owner's total cost will be recomputed based upon the pre-established "Increased Cost" formula, and that said total cost may vary from the \$231,606 established herein from June 15, 1976 bid prices. It is further understood that Owner shall participate proportionately in any such additional Federal Grant Funds under the same formula by which it currently participates in grants as determined by Authority's engineer and that the \$231,606 contribution made by Owner shall be reduced by the proportionate amount of any such additional Federal Grant funds by a cash refund to Owner within thirty (30) days of full receipt by Authority of such additional Federal Grant funds. In the event the re-bidding of contracts contemplated herein results in a total cost to Owner greater than

BOOK 2550 PAGE 803

COPY

\$231,606, then Owner shall, at its sole discretion, within thirty (30) days of receipt of written notice of same from Authority either (1) deposit into the aforementioned interest bearing account at First Eastern Bank N.A., a sum equal to the difference between said recomputed total cost and the \$231,606 established hereunder -- or (2) provide written notice of withdrawal from the project entitling Owner to refund of the \$196,606 deposited herewith, at which time this agreement shall become null and void.

4. Owner at its cost shall provide

(a) an easement twenty (20) feet in width for the joint interceptor and appurtenances, through the Development and a right of access to same as required. Alignment and routing of said easement and joint interceptor shall be determined by the Authority. In the event such routing results in greater engineering and construction costs than currently proposed routing through the Development, Owner shall pay such additional costs; Owner shall receive a refund for same if such costs are lower than for the currently proposed routing;

BOOK 2550 PAGE 804

-5-

days. In the event District No. 1 requires additional treatment capacity in the future, it is agreed that the cost of such increased capacity shall be allocated to District No. 1, after deducting District's proportionate share based upon capacity, of any State and Federal Grants and any capital contributions from Municipal or other governmental agencies. Said additional capacity and the cost of same shall be established by Authority's engineer.

6. Authority hereby confirms its responsibility for installation of the sewage collection system to service Butler Township Sewer District No. 1 at the appropriate time as specified in that certain letter dated October 15, 1976 from Gannett Fleming Corddry and Carpenter, Inc. to Mr. Walter J. Gilbert of the Department of Environmental Resources, a copy of which is annexed hereto as Exhibit A, and to extend District No. 1 to service other portions of the Development situated in the Townships of Dennison and Foster, subject to appropriate agreements with those townships. Authority shall be required to sewer only those portions of the Development in the Townships of Dennison and Foster where the respective townships, by ordinance, grant to the Authority the right to assess the property and to place liens or to otherwise insure receipt of monies expended by the Authority for said purpose. Owner will incorporate into its agreements of sale and deeds of conveyance

-7-

BOOK 2550 PAGE 806

covenants allowing Authority to assess said conveyed properties for the purpose of installing an on-site sewage collection system. Owner's property will be assessed on the same basis as the lots conveyed. Owner shall inform all purchasers of property within the Development of the intended Sewage System prior to sale. Owner shall obtain the necessary written consents and permits permitting the Authority to install, replace and/or repair sewer lines, interceptors, force mains, service liens and other parts of a sewage disposal system in, along or across existing or future Township roads which are within District No. 1 in accordance with the standards of the Authority relating to such facilities and to road repair and to assess the property for the cost thereof.

7. Authority agrees that the base rates to be paid within Sewer District No. 1 for utilization of the joint interceptor and treatment plant shall be equal to those charged throughout the system for a period of at least twenty (20) years from the date hereof, provided however that differential utilization charges in addition to said equalized base rates may be charged within District No. 1 only to amortize the capital cost of the collection system within said District, and to pay for its maintenance and operation.

PLANNED PROGRESS DEVELOPMENT AUTHORITY

BOOK 2550 PAGE 807

89 A -81A SA

89 B

Date 1/4/96

*[Signature]*  
 Assistant Clerk

Date 1/4/96

*[Signature]*  
 Assistant Clerk

COPY

8. This agreement shall benefit the successors and assigns of the parties hereto. It is acknowledged that this agreement is intended to replace a certain prior agreement dated March 27, 1973 entered into with Eastern; that Owner shall be entitled to the benefits of all consents, approvals, licenses, etc., if any, previously granted for the Development; and that this agreement sets forth all of the obligations of Owner respecting the sewer system and treatment plants.

IN WITNESS WHEREOF, the parties intending to be legally bound hereby have hereunto set their hands and seals.

ATTEST:

INMID CORPORATION

By \_\_\_\_\_

By John K Spear  
John K. Spear  
Assistant Secretary

ATTEST:

BUTLER TOWNSHIP AUTHORITY

By Pat Dific

By Arthur D. Sweeney  
Arthur D. Sweeney,  
Chairman

*Lillian Marsh*

LILIAN MARSH  
NOTARY PUBLIC, STATE OF NEW YORK  
No. 4322-06  
Qualified in Luzerne County  
Commission Expires March 31, 1977

Recorded in the office for Recording of Deeds,  
& c. in and for Luzerne County, Pennsylvania.

in Deed  
Book No. 2550 Page 782

Witness my hand and seal of office, this 7th  
day of Jan, A.D. 19 76

Frank C. Castellan Recorder

BOOK 2550 PAGE 808

COMMONWEALTH OF PENNSYLVANIA )  
 ) SS:  
COUNTY OF LUZERNE )

On this, the 11<sup>th</sup> day of ~~December~~, 1995, before me, the undersigned officer, personally appeared the abovenamed Carl Miller, who acknowledged himself to be the Chairman of Butler Township Authority, a body politic and corporate organized and existing under the Municipality Authorities Act of 1945, as amended, of the Commonwealth of Pennsylvania, and that he, as such Chairman, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the said corporation by himself as Chairman.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the date aforesaid.

*Kathy J. Miller*  
NOTARIAL SEAL  
KATHY J. MILLER, Notary Public  
Butler Twp., Luzerne Co., PA.  
My Commission Expires April 15, 1999

COMMONWEALTH OF PENNSYLVANIA )  
 ) SS:  
COUNTY OF LUZERNE )

On this, the            day of            , 1995, before me, the undersigned officer, personally appeared the abovenamed Montell T. Watkins, who acknowledged herself to be the President of Four Seasons Sewer Company, Inc., a Pennsylvania corporation, and that she, as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the said corporation by herself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the date aforesaid.

BOOK 2550 PAGE 809

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

On this, the 19th. day of December, 1995, before me, the undersigned officer, personally appeared the above named Montell T. Watkins, who acknowledged herself to be the President of Four Seasons Sewer Company, Inc., a Pennsylvania corporation, and that she, as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the said corporation by herself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the date aforesaid.

*Jeana Dail*



STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

On this, the 19th. day of December, 1995, before me, the undersigned officer, personally appeared the above named Thelma Brown, who acknowledged herself to be the Secretary of Four Seasons Sewer Company, Inc., a Pennsylvania corporation, and that she, as such Secretary, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the said corporation by herself as Secretary.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the date aforesaid.

*Jeana Dail*



RECORDERS OFFICE  
LUZERNE COUNTY, PA

INSTRUMENT NUMBER

5096302

RECORDED ON

Jan 04, 1996  
10:03:40 AM

PA WRIT TAX \$ 0.50  
LUZERNE COUNTY RECORDING FEE \$ 50.50  
TOTAL 151.00

BOOK 2550 PAGE 810

**APPENDIX G**

**AGREEMENT DATED OCTOBER 19, 1976  
BETWEEN INMID CORPORATION  
AND  
THE BUTLER TOWNSHIP AUTHORITY**

BUTLER TOWNSHIP SEWER DISTRICT  
NO. 1 PERMANENT SEWER AGREEMENT

COPY

Appendix G

THIS AGREEMENT, made this 19th day of October, 1976, by and between INMID CORPORATION, a Pennsylvania corporation, having its principal office at Drums, Luzerne County Pennsylvania (hereinafter referred to as "Owner"), and the BUTLER TOWNSHIP AUTHORITY, a municipal authority located in Luzerne County, Pennsylvania (hereinafter referred to as "Authority").

WHEREAS, EASTERN PENNSYLVANIA MARINE PROPERTIES, INC. ("Eastern") is the predecessor in interest of Owner, and undertook the development of approximately 2,800 acres located principally in the Township of Butler and partially in the Township of Foster and Dennison; and

WHEREAS, such development commonly known as Lake of the Four Seasons (the "Development") has been constituted and established by the Butler Township Supervisors as Butler Township Sewer District No. 1; and

WHEREAS, Authority has been created to provide a sewer system and sewage treatment works for Butler Township Sewer District No. 1 and other areas of the Township, and intends within 120 days to begin construction of the Nescopeck Interceptor Sewer and St. Johns treatment plant for this purpose; and

BOOK 2550 PAGE 800

Exhibit B

WHEREAS, the costs relative to the sewer system and sewage treatment works serving the Development are to be assessed and charged upon said District pursuant to a certain Ordinance of Butler Township dated May 11, 1971; and

COPY

WHEREAS, Owner is the successor in interest to all rights of Eastern and has assumed the obligations of Eastern herein set forth; and

WHEREAS, certain funds heretofore have been provided by Eastern and Owner to Authority for engineering expenses related to the proposed Nescopeck Interceptor Sewer and St. Johns treatment plant;

NOW, THEREFORE, it is hereby acknowledged and agreed by and between the parties as follows:

1. Owner shall pay \$231,606 in full payment for the increased cost of construction, engineering and all other related costs for the joint interceptor and treatment plant which are to be increased in size to accommodate the anticipated flows from District No. 1 as hereinafter set forth and those portions of Owner's lands which are situated in Foster and Dennison Townships. Owner and Authority acknowledge that Authority's engineer has certified such sum to be necessary, and Authority agrees that same shall be sufficient to pay for such costs, except as hereinafter provided. Authority heretofore has received \$35,000 from Owner and Eastern to pay certain engineering costs included within the \$231,606 increased cost as defined above, resulting in a balance due of \$196,606. The \$196,606 balance due shall be placed in escrow within seven (7) days of the date hereof.

said funds shall be deposited at First Eastern Bank N.A. Butler Valley Office in an interest bearing account from the date of deposit until the date of closing by the Authority of the financing required for the construction of the proposed joint interceptor sewer and treatment plant. At the time of closing of said financing, interest earned from the date of deposit shall be payable to Owner, and the principal amount of \$196,606 shall be payable to the Authority.

2. In consideration of said payment of \$231,606, Authority shall perform or cause to be performed the construction of the proposed Nescopeck Interceptor sewer and St. John's treatment plant serving District No. 1, as bid on June 15, 1976. Should the project be terminated or should Authority fail to award contracts for its construction by May 1, 1977, then the \$196,606 deposited herewith shall be refunded to Owner and this agreement will be null and void. It is understood that the \$35,000 previously paid by Owner to the Authority has been expended for engineering fees and is not refundable. Authority warrants that the above funds shall be applied solely to the costs of said joint interceptor and treatment plant, and agrees to complete same within thirty (30) months after contractors are given notice to proceed by Authority. In the event that such construction is delayed for any period of time not greater than twelve (12) months and such delay is due to circumstances beyond the control of Authority, and provided that for the full construction period, including any such delay, the Owner is permitted to continue operation of the managed holding tank system as set forth in that certain agreement between Owner and Authority of even date herewith regarding such system, then such period of delay shall be added to the thirty (30) month period provided

BOOK 2550 PAGE 802

herein for completion of the construction by the Authority. However, in the event that the Authority has not completed those portions of the project serving District No. 1 within said thirty (30) month period with additions, if any, all as provided for herein, then Authority shall refund the \$196,606 to Owner, less the proportionate amount expended for construction completed at that time, as documented by the Authority.

3. It is understood that Authority is currently seeking additional Federal Grant Funds (including, but not limited to E.D.A. Grants) for construction of the proposed system, and the process of applying for said funds may require re-bidding certain contracts in the event successful bidders at the June 15, 1976 bid opening are unwilling to extend current bids for the duration of said application period. In the event all or part of the project must be re-bid for this reason, it is understood that Owner's total cost will be recomputed based upon the pre-established "Increased Cost" formula, and that said total cost may vary from the \$231,606 established herein from June 15, 1976 bid prices. It is further understood that Owner shall participate proportionately in any such additional Federal Grant Funds under the same formula by which it currently participates in grants as determined by Authority's engineer and that the \$231,606 contribution made by Owner shall be reduced by the proportionate amount of any such additional Federal Grant funds by a cash refund to Owner within thirty (30) days of full receipt by Authority of such additional Federal Grant funds. In the event the re-bidding of contracts contemplated herein results in a total cost to Owner greater than

BOOK 2550 PAGE 803

COPY

\$231,606, then Owner shall, at its sole discretion, within thirty (30) days of receipt of written notice of same from Authority either (1) deposit into the aforementioned interest bearing account at First Eastern Bank N.A., a sum equal to the difference between said recomputed total cost and the \$231,606 established hereunder -- or (2) provide written notice of withdrawal from the project entitling Owner to refund of the \$196,606 deposited herewith, at which time this agreement shall become null and void.

4. Owner at its cost shall provide

(a) an easement twenty (20) feet in width for the joint interceptor and appurtenances, through the Development and a right of access to same as required. Alignment and routing of said easement and joint interceptor shall be determined by the Authority. In the event such routing results in greater engineering and construction costs than currently proposed routing through the Development, Owner shall pay such additional costs; Owner shall receive a refund for same if such costs are lower than for the currently proposed routing;

BOOK 2550 PAGE 804

-5-

COPY

(b) a temporary construction easement thirty (30) feet in width, excluding the aforesaid permanent easement, and right of access to the Development for construction purposes, said temporary easement and right of access to expire upon issuance of a final completion certificate for the joint interceptor and treatment plant;

(c) all necessary roadway, utility and subdivision plat maps or drawings, and as-built drawings of all underground utilities (if any), excepting water service lines. Any damage to water service lines or other underground utilities for which as-built drawings are not provided will be Owner's responsibility.

5. Owner and Authority agree that the capacity reserved for District No. 1 in the joint interceptor and treatment plant shall be as follows:

(a) Capacity reserved for District No. 1 in the joint interception below manhole 2088 shall be 3,125,000 gallons per day peak flow. District No. 1 shall not have any right to discharge into the interceptor above manhole 2088, except by written agreement with Authority and the Commonwealth of Pennsylvania.

(b) Capacity reserved for District No. 1 in the St. John's treatment plant shall be 250,000 gallons per day averaged over 7 consecutive

BOOK 2550 PAGE 805

days. In the event District No. 1 requires additional treatment capacity in the future, it is agreed that the cost of such increased capacity shall be allocated to District No. 1, after deducting District's proportionate share based upon capacity, of any State and Federal Grants and any capital contributions from Municipal or other governmental agencies. Said additional capacity and the cost of same shall be established by Authority's engineer.

COPY

6. Authority hereby confirms its responsibility for installation of the sewage collection system to service Butler Township Sewer District No. 1 at the appropriate time as specified in that certain letter dated October 15, 1976 from Gannett Fleming Corddry and Carpenter, Inc. to Mr. Walter J. Gilbert of the Department of Environmental Resources, a copy of which is annexed hereto as Exhibit A, and to extend District No. 1 to service other portions of the Development situated in the Townships of Dennison and Foster, subject to appropriate agreements with those townships. Authority shall be required to sewer only those portions of the Development in the Townships of Dennison and Foster where the respective townships, by ordinance, grant to the Authority the right to assess the property and to place liens or to otherwise insure receipt of monies expended by the Authority for said purpose. Owner will incorporate into its agreements of sale and deeds of conveyance

COPI

covenants allowing Authority to assess said conveyed properties for the purpose of installing an on-site sewage collection system. Owner's property will be assessed on the same basis as the lots conveyed. Owner shall inform all purchasers of property within the Development of the intended Sewage System prior to sale. Owner shall obtain the necessary written consents and permits permitting the Authority to install, replace and/or repair sewer lines, interceptors, force mains, service liens and other parts of a sewage disposal system in, along or across existing or future Township roads which are within District No. 1 in accordance with the standards of the Authority relating to such facilities and to road repair and to assess the property for the cost thereof.

7. Authority agrees that the base rates to be paid within Sewer District No. 1 for utilization of the joint interceptor and treatment plant shall be equal to those charged throughout the system for a period of at least twenty (20) years from the date hereof, provided however that differential utilization charges in addition to said equalized base rates may be charged within District No. 1 only to amortize the capital cost of the collection system within said District, and to pay for its maintenance and operation.

PROPERTY IDENTIFICATION

BOOK 2550 PAGE 807

Q4 A -8-1A  
3A

Q4 B

Date 1/4/96

*[Signature]*  
Manning Clerk

Date 1/4/96

*[Signature]*  
Manning Clerk

COMMONWEALTH OF PENNSYLVANIA )  
 ) SS:  
COUNTY OF LUZERNE )

On this, the 11<sup>th</sup> day of ~~December~~, 1995, before me, the undersigned officer, personally appeared the abovenamed Carl Miller, who acknowledged himself to be the Chairman of Butler Township Authority, a body politic and corporate organized and existing under the Municipality Authorities Act of 1945, as amended, of the Commonwealth of Pennsylvania, and that he, as such Chairman, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the said corporation by himself as Chairman.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the date aforesaid.

COMMONWEALTH OF PENNSYLVANIA )  
 ) SS:  
COUNTY OF LUZERNE )

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 1995, before me, the undersigned officer, personally appeared the abovenamed Montell T. Watkins, who acknowledged herself to be the President of Four Seasons Sewer Company, Inc., a Pennsylvania corporation, and that she, as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the said corporation by herself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the date aforesaid.

BOOK 2550 PAGE 809

**APPENDIX F**

**AGREEMENT DATED MARCH 27, 1973  
BETWEEN EASTERN PENNSYLVANIA MARINE PROPERTIES, INC.  
AND  
THE BUTLER TOWNSHIP AUTHORITY**

EXHIBIT D-1

AGREEMENT

THIS AGREEMENT, made this 27th day of March, 1973 by and between EASTERN PENNSYLVANIA MARINE PROPERTIES, INC., a Pennsylvania Corporation, having its principal office at 104 West High Street, Milford, Pennsylvania, (hereinafter referred to as "EASTERN"), and the BUTLER TOWNSHIP AUTHORITY, a municipal authority located in Luzerne County, Pennsylvania (hereinafter referred to as "AUTHORITY").

WHEREAS, EASTERN is about to undertake the development of approximately 2,800 acres located principally in the Township of Butler and partially in the Township of Foster and Dennison; and

WHEREAS, EASTERN has been constituted and established by the Butler Township Supervisors as Butler Township Sewer District Number 1; and

WHEREAS, AUTHORITY has been created to provide a sewer system and sewage treatment works for Butler Township Sewer District Number 1. The costs relative to the sewer system and sewage treatment works are to be assessed and charged upon said District; and

WHEREAS, certain funds will be provided by EASTERN to AUTHORITY for engineering expenses prior to the commencement of assessment procedures.

NOW, THEREFORE, it is agreed by and between the parties as follows:

1. EASTERN shall advance and pay to AUTHORITY the following installments to provide a fund for engineering design of a sewage collection and treatment system, relative to Butler Township Sewer District Number 1, prior to the receipt of proceeds of notes or bonds to be issued in anticipation of the levy and collection of special assessments:

- (A) Twenty-Five Thousand Dollars (\$25,000.00) upon receipt by EASTERN of all requisite final township approvals relative to the EASTERN Development Project.
- (B) One Hundred Dollars (\$100.00) for each lot commencing with the 251st lot sold and ending with the 500th lot sold.

2. AUTHORITY shall be required to sewer only those portions of EASTERN'S development in Dennison and Foster Townships where the respective Townships, by ordinance, grant to the AUTHORITY the right to assess the property and to place liens or to otherwise insure receipt of monies expended by the AUTHORITY.

3. EASTERN shall obtain the necessary written consents and permits permitting the AUTHORITY to install, replace and/or repair sewer lines;

interceptors, force mains, service lines and other parts of a Liquid Waste Disposal System in, along or across existing or future Township roads which are within the area to be sewerred by the AUTHORITY in accordance with the standards of the AUTHORITY relating to such facilities and to road repair.

4. EASTERN shall pay the increased construction, engineering, legal and other related costs for any Liquid Waste facilities which are increased in size to accommodate the anticipated flows from District Number 1 (EASTERN'S Development) and those portions of the EASTERN lands which are situate in Foster and Dennison Township. Costs shall be computed after deducting State and Federal grants and capital contributions from other Municipal or Governmental agencies. Flows and cost shall be established and substantiated by the AUTHORITY'S engineer. Should interceptors be required to handle solely the flows of EASTERN, all costs, after grants, shall be borne by EASTERN or District Number 1. One-half of said payment to be made by EASTERN to the AUTHORITY within two (2) weeks following receipt of bids and the balance within three (3) months of award of contract.

Increased construction costs are herewith defined as follows: For the joint interceptor and other joint lines and appurtenances the increased cost shall be computed in the following manner: The portion the developer shall pay is the complete construction cost of all items less manholes which were not changed in type as the result of increased pipe size times a factor which shall be delivered by the AUTHORITY'S engineer in the following manner: The denominator of the factor shall be the cost of supplying and installing the size line indicated on the plans or actually installed, plus excavating and backfilling said line at the grade shown on the plan. The numerator shall be the difference between the number designated in the denominator and the cost of supplying and installing a line of adequate capacity without the developer or District Number 1 contributing or using the joint line, plus excavation and backfilling for such line at the grade shown on the plan. The purpose of such factor is to distribute between the parties all construction costs excluding the type manholes mentioned previously, and including, but not limited to, mobilization, clearing, grubbing, seeding, pipe work, concrete work, sheeting, shoring and bracing, dewatering, stream crossings, stone bedding, stone backfilling and highway restoration.

However, should interceptors or portion of interceptors be required to handle solely the flows of the developer all costs after grants, shall be borne by the developer.

For the treatment plant, including comminutor, screwlift, appurtenances and site work, the increased costs which the developer shall pay shall be the complete construction cost times a factor which shall be computed by the AUTHORITY'S engineer as the initial reserve capacity of District Number 1 in the plant hereby established at 250,000 gallons per day divided by the initial reserve capacity of all parties hereby tentatively established at 600,000 gallons per day.

In addition to the construction cost the developer shall pay an engineering fee computed at 6.32% of the construction cost attributable to the developer.

Each party shall be entitled to share in the benefits of any grants in the same proportion as each party shares in the total cost.

The method used for interpreting this Agreement relative to the assigning or estimating of costs rests solely with AUTHORITY'S engineer. In no event shall the cost to the AUTHORITY and/or the Department of Environmental Resources exceed the cost which such parties would pay in the event that developer for District Number 1 was not part of the project. Likewise, in no event shall the cost to the developer exceed proportional cost as defined in the preceding paragraphs.

At the time the collection system or portion thereof is awarded for bid in District Number 1, District Number 1 shall pay the AUTHORITY the difference between proportionate costs and increased costs as paid by the developer. Payment under proportionate costs are defined as follows: District Number 1 shall contribute as proportionate costs to the costs of joint interceptor or line such percentage of said cost as shall be fixed and determined by dividing the capacity in said joint interceptor or lines served by District Number 1, said capacity reserve by District Number 1 being 3,125,000 gallons per day per peak flow by the said figure 3,125,000 gallons per day, plus the peak flow capacity reserved by the other parties, including District Number 1 in said joint interceptor and lines at various points along the joint interceptor and lines. Cost shall include construction costs, engineering fees, survey costs, rights of way, subsurface investigation, legal fees, financing costs, inspection costs and other related costs.

District Number 1 shall contribute at the same time to the cost of the treatment plant, including comminutor, screwlift, appurtenances and related site work, the difference between proportionate costs and increased costs as paid by the developer. Payment under proportionate costs are defined as follows: District Number 1 shall contribute an amount equal to all costs times the factor equal to the capacity reserved for District Number 1 in the treatment plant divided by the capacity reserve by all parties in the treatment plant. Total costs shall include construction costs, engineering fees, survey costs, right of way, subsurface investigation, legal fees, financing costs, inspection costs and other related costs.

It is understood and agreed between the parties hereto that in consideration of the capital contribution made by the developer hereunder that District Number 1 shall not be assessed for bond counsel fees, bond discount, bond or indenture printing costs which were not used to finance the portion of the joint interceptor or treatment plant attributable to District Number 1. Also, District Number 1 shall be credited with the increased cost as payment by the developer.

Joint facilities shall mean the lines, plants, forcemains, lift stations and appurtenances of the AUTHORITY through which sewage originated in District Number 1 shall be carried to the treatment plant and then discharged to the creek.

5. EASTERN at its cost shall provide:

- (a) A suitable and accurate topographic survey for the Preliminary Design.
- (b) An easement with a minimum 18 ft. width for all sewer lines and appurtenances within their proposed development.
- (c) Necessary road plan and subdivision plans, and as built drawings of all underground utilities.

6. When the collection system or a portion thereof is constructed in District Number 1 or in the portion of EASTERN situate in Foster and Dennison Townships, a capital contribution shall be made by District Number 1 to AUTHORITY based upon the proportionate costs of previously constructed joint interceptor less payments from EASTERN under Item 4. Proportionate costs shall be calculated as follows: (Construction & Engineering & Surveying & Inspection & Subsurface investigation & Right-of-Way & Legal Costs) x (Design flow of District Number 1 & Foster & Dennison) divided by Total design flow. Costs shall be established and substantiated by the AUTHORITY'S engineer.

7. AUTHORITY shall earmark the above funds and they shall be used by the said AUTHORITY for the payment of engineering services in the design and construction of the aforementioned sewerage collection treatment system.

8. AUTHORITY shall assume responsibility for installation at the appropriate time, of the sewer system and sewerage treatment works to service Butler Township Sewer District Number 1 and to other portions of EASTERN'S development adjoining said District in the Townships of Dennison and Foster, subject to appropriate agreements with these townships. EASTERN agrees to incorporate into its agreements of sale and deeds of conveyance covenants allowing AUTHORITY to assess said properties.

9. All Agreements are predicated on the approval by the Department of Environmental Resources of the Feasibility Study of Liquid Wastes Disposal dated February 1972.

10. EASTERN shall inform all purchasers of property within its development of the intended Liquid Wastes Disposal System prior to sale.

IN WITNESS WHEREOF, the parties intending to be legally bound hereby have hereunto set their hands and seals.

EASTERN PENNSYLVANIA MARINE  
PROPERTIES, INC.

By /s/ Steven K. Fair  
President.

Attest:

/s/ Sidney L. Krawitz  
Secretary

BUTLER TOWNSHIP AUTHORITY

By /s/ Arthur D. Sweeney

Attest:

/s/ Pat DiFeo  
Secretary

GUARANTEE BY U. S. PROPERTIES, INC.

For value received, and intending to be legally bound herewith, U. S. Properties, Inc. does hereby guarantee, promise and agree to and with Butler Township Authority that Eastern Pennsylvania Marine Properties, Inc. will well and faithfully perform and fulfill the above Agreement on its part to be performed and fulfilled at the times and in the manner above provided, and U. S. Properties, Inc. does hereby expressly waive and dispense with any demand notice of any non-performance on the part of Eastern Pennsylvania Marine Properties, Inc.

U. S. PROPERTIES, INC.

By /s/ Steven K. Fair  
President

Attest:

/s/ Sidney L. Krawitz  
Secretary

---

**EXHIBIT D**

**RATES**

---

**RECEIVED**

**2011 DEC - 1 PM 3:55**

**HA FID  
SECRETARY'S BUREAU**

**TESI's Current Wastewater Rates**

Residential Usage Service shall be billed \$8.37 per month, in addition to the treatment charge, for each residential customer that receives usage service.

Commercial Usage Service shall be billed as follows:

A monthly charge of \$21.42, per equivalent dwelling unit as calculated by Butler Township Wastewater Division.

Treatment Charge shall be billed each Residential and Commercial usage customer monthly for each Equivalent Dwelling Unit (EDU) as calculated by Butler Township Wastewater Division for the cost of sewage treatment by Butler Township Wastewater Division. The treatment charge shall be revised upward or downward, upon sixty (60) days notice to the Commission, based upon the per EDU charge billed by Butler Township Wastewater Division. The Company will file with the Commission official notification of any change to the treatment charge rate as approved by Butler Township Wastewater Division. The current EDU charge is \$135.00 per quarter, or \$45.00 per month.

RECEIVED  
2011 DEC - 1 PM 3:55  
PA HUD  
SECRETARY'S BUREAU

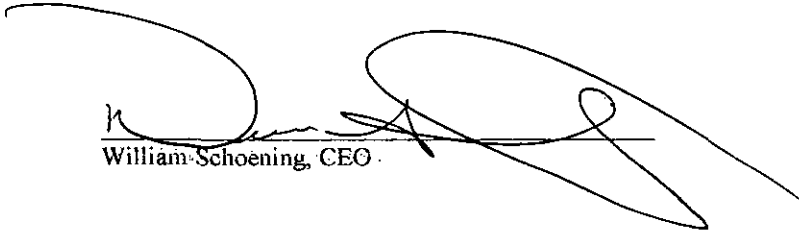
**VERIFICATION**

I, **Keith E. Gabage**, Director of Corporate Development at Aqua Pennsylvania, Inc., hereby state that the facts set forth in the foregoing *Joint Application* are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. §4904 (relating to unsworn falsification to authorities).

  
\_\_\_\_\_  
Keith E. Gabage  
Director of Corporate Development

**VERIFICATION**

I, **William Schoening**, CEO for Total Environmental Solutions, Inc. and authorized representative for South Louisiana Electric Cooperative Association hereby state that the facts set forth in the foregoing *Joint Application* are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. §4904 (relating to unsworn falsification to authorities).



William Schoening, CEO

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Joint Application of Little Washington Wastewater :  
Company d/b/a Suburban Wastewater Company :  
(hereinafter referred to as "LWWC") and Total :  
Environmental Solutions, Inc (hereinafter referred to as :  
"TESI") for approval of: :

(1) the acquisition by LWWC of the wastewater system : Application Docket  
assets of TESI situated in portions of Butler and : No.  
Dennison Townships, Luzerne County, Pennsylvania; :

(2) the right of LWWC to begin to offer, render, furnish :  
and supply wastewater service to the public in a portion :  
of Butler Township and an additional portion of :  
Dennison Township, Luzerne County, Pennsylvania; and :

(3) the abandonment by TESI of public wastewater : Application Docket  
service and its franchise in portions of Butler, Dennison : No.  
and Foster Townships, Luzerne County, Pennsylvania :

**CERTIFICATE OF SERVICE**

I hereby certify that I have this 1<sup>st</sup> day of December, 2011, served a true and correct  
copy of the foregoing *Application*, upon the persons and in the manner set forth below:

**FIRST CLASS MAIL, POSTAGE PREPAID**

Bureau of Investigation & Enforcement  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
P.O. Box 3265  
Harrisburg, PA 17105-3265

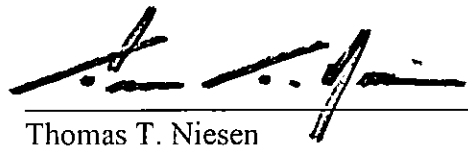
Office of Consumer Advocate  
555 Walnut Street  
Forum Place, 5<sup>th</sup> Floor  
Harrisburg, PA 17101-1923

Office of Small Business Advocate  
Suite 1102, Commerce Building  
300 North Second Street  
Harrisburg, PA 17101

PA PUC  
SECRETARY'S BUREAU

2011 DEC - 1 PM 3:55

RECEIVED



Thomas T. Niesen  
PA Attorney ID No. 31379