



Susan Simms Marsh
Deputy General Counsel
800 West Hersheypark Drive
Hershey, PA 17033

P 717-531-3208
F 717-531-3399
E susan.marsh@amwater.com
I www.amwater.com

December 29, 2015

e-File

Ms. Rosemary Chiavetta, Secretary
Commonwealth of Pennsylvania
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Application of the Pennsylvania-American Water Company - Wastewater Division (PAWC-WD) for approval of (1) the transfer, by sale, of substantially all of the wastewater system assets and rights of Fairview Township to PAWC-WD, and (2) the right of PAWC-WD to furnish wastewater service to the public in a portion of Fairview Township, York County, Pennsylvania

Docket No.: A-2015-2486532

Dear Secretary Chiavetta:

Pursuant to Paragraph 7 of the Order entered on December 17, 2015, with respect to the above-referenced Application, Pennsylvania-American Water Company ("PAWC") provides the following response:

A copy of each of the Capacity Fee Agreements listed in Schedule 4.12 is enclosed with this response. Pursuant to and in accordance with the terms and conditions of an Assignment and Assumption Agreement between PAWC and Fairview Township, PAWC assumed the obligations set forth in the Capacity Fee Agreements as of the closing.

If you have any questions, please do not hesitate to contact me. Thank you.

Sincerely,

Susan Simms Marsh

eth

Attachments

cc: P. Diskin, Bureau of Technical Utility Services w/Attachments

COPY

RESERVATION AGREEMENT

THIS RESERVATION AGREEMENT ("Agreement"), made this 27th day of January, 2014, between Christopher McKinney,
a Pennsylvania of ,
Pennsylvania, ("Developer") and **FAIRVIEW TOWNSHIP**, a municipal corporation organized
and existing pursuant to the Pennsylvania Second Class Township Code, as amended and
supplemented, 599 Lewisberry Road, New Cumberland, York County, Pennsylvania, hereinafter
called "Township."

BACKGROUND

- A. The Township is the owner of sewage collection, transportation, treatment and disposal facilities ("Sewer System") serving portions of Fairview Township, York County, Pennsylvania.
- B. Township, pursuant to Resolution No. 2013-15, dated August 26, 2013, imposed a Reservation of Capacity Fee in the amount of Three Hundred and 00/100 (\$300.00) Dollars per year for each approved Equivalent Dwelling Unit ("EDU"), payable, in advance, in the amount of Seventy-Five and 00/100 (\$75.00) Dollars per calendar quarter for each calendar year, effective as of October 1, 2013.
- C. Township is willing to continue to allocate a portion of the existing sewer capacity with the Sewer System by use by persons or entities, including Developer, under the terms and conditions set forth in this Agreement.
- D. Develop is the owner or equitable owner of real estate in Township, described in Exhibit A attached hereto and made part hereof ("Property"), and Developer has determined that Developer desires to reserve a portion of the available sewer capacity in the Sewer System for development or improvement of the Property.

E. Township and Developer desire to enter into this Agreement for purposes of confirming Developer's obligation to pay the Reservation of Capacity Fee in consideration of the reservation of a portion of the available sewer capacity in the Sewer System to be allocated to Developer, Developer's successors and assigns, for the Property, upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, Township and Developer, each intending to be legally bound, covenant and agree as follows:

1. **Background.** The Background set forth above is incorporated herein.

2. **Definitions.** The following words or terms used in this Agreement shall have the following meanings:
 - A. **Approved EDU.** "Approved EDU" means a residential or non-residential structure shown or depicted upon an Approved Plan (hereinafter defined) for which Developer is obligated to provide public sanitary sewer service.

 - B. **Approved Plan.** "Approved Plan" means any approved preliminary subdivision plan, approved preliminary land development plan or approved preliminary subdivision/land development plan, as well as, any approved and recorded final subdivision plan, approved and recorded final land development plan or approved and recorded subdivision/land development plan, approved or recorded on or before October 1, 2006.

 - C. **Equivalent Dwelling Unit (EDU).** "Equivalent Dwelling Unit" ("EDU") means a measure of volume of flow or expected flow of sanitary sewage or industrial waste from an improved property as determined by the Township's consulting engineer, in accordance with sound engineering practices; each such Equivalent Dwelling Unit being deemed equal to 228 gallons per day pursuant to the guidelines set forth in Act 57.

E. **Reservation of Capacity Fee.** "Reservation of Capacity Fee" means the fee imposed by the Township pursuant to Resolution No. 2013-15, dated August 26, 2013, as amended from time to time, which said fee is paid to reserve or allocate sanitary sewer capacity for an Approved EDU in connection with an Approved Plan and said fee is in the amount of Three Hundred and 00/100 (\$300.00) Dollars per year, payable in advance, in the amount of Seventy-Five and 00/100 (\$75.00) Dollars per calendar quarter effective October 1, 2013.

F. **Sewer System.** "Sewer System" means all facilities, as of any particular time, for the collecting, transporting, treatment and disposal of sanitary sewage and industrial waste, including all related and necessary facilities, owned or to be owned by Township or to which Township has the right to utilize such facilities for the purpose of providing public sanitary sewer service pursuant to an agreement.

G. **Township.** Fairview Township, a municipal corporation organized and existing under and pursuant to the provisions of the Pennsylvania Second Class Township, as amended and supplemented.

3. **Developer's Obligations.** Subject to the provisions of Paragraph 6, Developer shall, effective October 1, 2013, pay the Reservation of Capacity Fee to Township for each Approved EDU as shown or depicted upon an Approved Plan, which said fee shall be payable, in advance, on or before the last calendar day of each calendar quarter. If Developer has paid the Reservation of Capacity Fee for an Approved EDU or Approved EDU's during the calendar quarter and, during the same calendar quarter, Developer pays the tapping fee or tapping fees for such Approved EDU or Approved EDU's, the Reservation of Capacity Fee shall not be prorated for the then-current calendar quarter. If Developer pays the tapping fee or approved tapping fee for such Approved EDU or Approved EDU's during on or before the last calendar day of the then-current calendar quarter then Developer is not obligated to pay the Reservation of Capacity Fee for such Approved EDU or Approved EDU's for said calendar quarter.

4. **Allocation of Capacity.** Township shall allocate or reserve for Developer's Property a portion of the sanitary sewer capacity of the Sewer System for each Approved EDU provided (i) Developer is paying the Reservation of Capacity Fee for each Approved EDU or (ii) Developer has paid, in full, the tapping fee for each Approved EDU. If Developer is not or has not paid the Reservation of Capacity Fee for each Approved EDU or Developer has not paid the tapping fee, in full, for an Approved EDU, Township is not obligated to allocate or reserve any portion of the capacity in the Sewer System for Developer's Property.

5. **Applicability/Approved EDUs.** The Reservation of Capacity Fee is payable with respect to all Approved EDUs as shown on Approved Plan for which the tapping fee has not been paid, in full.

6. **Payment of Tapping Fee.** If Developer has paid the tapping fee or tapping fees for one or more Approved EDUs Developer is not obligated to pay the Reservation of Capacity Fee for such Approved EDU or Approved EDUs.

7. **Failure to Pay Reservation of Capacity Fee.** If Developer shall fail to pay the quarterly payment on account of the Reservation of Capacity Fee by the last day of the calendar quarter then, in that event, the following shall be applicable:

A. **Loss of Allocated Capacity.** Developer shall no longer have capacity in the Sewer System allocated or reserved for Developer's Property and Developer will be at risk if Developer shall, in the future, make application for connection of an Approved EDU or Approved EDUs to the Sewer System.

B. **Reallocation of Capacity.** The allocated or reserved capacity for Developer's Property shall revert to the Township and the Township shall have the right to use said allocated or reserved capacity in the Sewer System in any way Township deems appropriate including, but not limited to, reallocating or reserving said reserved capacity in the Sewer System to another user or users.

C. **Future Application.** If Developer has failed to pay the appropriate Reservation of Capacity Fee and Developer desires, in the future, to reserve or have allocated sewer capacity in the Sewer System for Developer's Property, then Developer shall submit a written request to Township to reserve or allocate sewer capacity within the Sewer System for Developer's Property. The Township shall, upon Developer's request, determine if there is capacity then available in the Sewer System. If there is available capacity in the Sewer System, Township may allocate capacity for Developer's Property provided Developer shall, in addition to paying the applicable tapping fee or tapping fees for the remaining Approved EDUs, pay any unpaid Reservation of Capacity Fee (effective from October 1, 2013), together with interest at the rate of six (6%) percent per annum. Developer acknowledges that if the Developer's sewer capacity in the Sewer System reverts to Township, that upon a subsequent application by Developer that there may not be adequate sewer capacity, available to serve the Approved Plan or Plans.

D. **Reimbursement.** No portion of the Reservation of Capacity Fee shall be reimbursed by Township to Developer.

E. In the event of loss of allocation or reallocation of capacity hereunder due to Developer's failure to remit payment of quarterly or annual Reservation of Capacity Fees, Developer hereby acknowledges and consents to the Township notifying the Pennsylvania Department of Environmental Protection ("DEP") of such loss or reallocation of capacity and to Township reporting the loss or reallocating as required in any annual Chapter 94 reports and in any future amendments of the Township Act 537 Plan.

8. **Transferability.** If Developer shall elect to sell all or a portion of Developer's Property, Developer shall provide written notice to Township and Developer shall have the right to transfer to such purchaser or purchasers Developer's rights and duties pursuant to this Agreement, provided, however, said purchaser or purchasers shall be obligated to assume and discharge Developer's obligations pursuant to this Agreement. Further, Developer's purchaser

or purchaser shall enter into this or a similar Agreement in order to reserve capacity in the Sewer System.

9. **Termination/Reservation of Capacity Fee.** Except as provided in Paragraph 10, this Agreement shall terminate as of September 30, 2018. Upon the termination of this Agreement, any capacity reserved or allocated to Developer's Property for one or more Approved EDUs, for which Developer has paid the Reservation of Capacity Fee, shall revert to Township and Township shall have the right to use said capacity in the Sewer System in any way Township deems appropriate, including, but not limited to, allocating said reserved capacity in the Sewer System to another user or users. Developer may on or before July 1, 2018, submit a written request to Township to reserve or allocate sewer capacity within the Sewer System for Developer's Property, which said request shall be deemed a new application for capacity. Township shall, upon Developer's written request (new application for sewer capacity), determine if there is sewer capacity available in the Sewer System.

10. **Termination/Paid Tapping Fee.** If Developer has paid the tapping fee or tapping fees for one or more Approved EDUs, the capacity reserved or allocated for Developer's Property for such Approved EDUs shall be and remain in effect until September 30, 2018. If Developer has not utilized the reserved sewer capacity as of September 30, 2018, then, in that event, said reserved sewer capacity shall terminate and shall revert to Township and Township shall have the right to use said reserved capacity in the Sewer System in any way Township deems appropriate including, but not limited, reallocating or reserving said capacity in the Sewer System to another user or users.

11. **Notice.** Any notice or communication required or permitted to be given under this Agreement shall be in writing and served personally, delivered by courier or sent by United States certified mail, postage prepaid with return receipt requested, addressed to the other party:

To Township: Fairview Township
Attention: Donna L. Nissel, Secretary
599 Lewisberry Road
New Cumberland, PA 17070

Copy to: Fairview Township
Attention: Stephen F. Smith, Township Manager
599 Lewisberry Road
New Cumberland, PA 17070

To Developer: Chris McKinney
71 Pine Hill Rd
Enola PA 17025

Developer and Township shall have the right to designate other individuals or address to which notice is to be given, provided that such other individual or address is identified pursuant to notice given to the other party pursuant to the provisions of this Paragraph 12. All such notices shall be effective when received or when receipt is first denied, whichever first occurs.

12. **Recourse.** If for any reason Township is unable to provide all or any portion of the capacity reserved by the Developer pursuant to this Agreement for an indefinite period of time, Township will notify Developer in writing within sixty (60) calendar days of Township's becoming aware of any such circumstances.

13. **No Recourse.** Developer understands, acknowledges and agrees that there is no recourse remedy for Township's inability to provide the sewer capacity allocated and reserved by Developer under this Agreement.

14. **Amendment.** This Agreement shall not be amended, modified or changed, except in writing, signed by Township and Developer.

15. **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of Township and its successor. This Agreement shall be binding upon and shall inure to the benefit of a Developer, Developer's successors and assigns.

16. **Governing Law.** This Agreement shall be governed, enforced and construed in accordance with the laws of the Commonwealth of Pennsylvania. Township and Developer consent to the jurisdiction of the Court of Common Pleas, York County, Pennsylvania, for the resolution of any disputes arising hereunder.

17. **Severability.** If any paragraph, sentence or other part of this Agreement shall be held by a court of competent jurisdiction by final order or decree to be unlawful, unconstitutional, unenforceable or invalid, such holding shall not invalidate the remainder of this Agreement.

18. **Relationship.** The relationship of Township and Developer is that of contractual independent contractors.

19. **Signatory.** Township and Developer each represent and warrant to the other that the signatory on behalf of Township and the signatory on behalf of Developer is authorized to execute this Agreement on behalf of Township and Developer, respectively, and that no additional authority is required by either signatory.

IN WITNESS WHEREOF, Township, by its duly authorized officer, and Developer, intending to be legally bound, have caused this Reservation Agreement to be signed and delivered as of the date first above written.

Attest:

Township:

Fairview Township

By: Donna L. Nisich
Secretary

By: [Signature]
Chairman

Developer:

Attest/Witness:

[Signature]

By: Keith Scott

By: Christine Henry
Name: Christine Henry
Title: Owner

EXHIBIT A

Name of Property:

643 Old York Rd. Ethos PA 17319

Or

Name of Preliminary and/or Final Subdivision Plan/Land Development Plan:

Number of Approved Units/Preliminary Subdivision Plan, Preliminary Land Development Plan
or Preliminary Subdivision/Land Development Plan:

2

Number of Approved EDUs for which tapping fees have been paid: 1

Number of Approved EDUs for which tapping fees have not been paid: 1

COPY

RESERVATION AGREEMENT

THIS RESERVATION AGREEMENT ("Agreement"), made this 27th day of JANUARY, 2014, between PAUL E. SWARER TRUST, a Pennsylvania of _____, Pennsylvania, ("Developer") and FAIRVIEW TOWNSHIP, a municipal corporation organized and existing pursuant to the Pennsylvania Second Class Township Code, as amended and supplemented, 599 Lewisberry Road, New Cumberland, York County, Pennsylvania, hereinafter called "Township."

BACKGROUND

- A. The Township is the owner of sewage collection, transportation, treatment and disposal facilities ("Sewer System") serving portions of Fairview Township, York County, Pennsylvania.
- B. Township, pursuant to Resolution No. 2013-15, dated August 26, 2013, imposed a Reservation of Capacity Fee in the amount of Three Hundred and 00/100 (\$300.00) Dollars per year for each approved Equivalent Dwelling Unit ("EDU"), payable, in advance, in the amount of Seventy-Five and 00/100 (\$75.00) Dollars per calendar quarter for each calendar year, effective as of October 1, 2013.
- C. Township is willing to continue to allocate a portion of the existing sewer capacity with the Sewer System by use by persons or entities, including Developer, under the terms and conditions set forth in this Agreement.
- D. Develop is the owner or equitable owner of real estate in Township, described in Exhibit A attached hereto and made part hereof ("Property"), and Developer has determined that Developer desires to reserve a portion of the available sewer capacity in the Sewer System for development or improvement of the Property.

E. Township and Developer desire to enter into this Agreement for purposes of confirming Developer's obligation to pay the Reservation of Capacity Fee in consideration of the reservation of a portion of the available sewer capacity in the Sewer System to be allocated to Developer, Developer's successors and assigns, for the Property, upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, Township and Developer, each intending to be legally bound, covenant and agree as follows:

1. **Background.** The Background set forth above is incorporated herein.

2. **Definitions.** The following words or terms used in this Agreement shall have the following meanings:

A. **Approved EDU.** "Approved EDU" means a residential or non-residential structure shown or depicted upon an Approved Plan (hereinafter defined) for which Developer is obligated to provide public sanitary sewer service.

B. **Approved Plan.** "Approved Plan" means any approved preliminary subdivision plan, approved preliminary land development plan or approved preliminary subdivision/land development plan, as well as, any approved and recorded final subdivision plan, approved and recorded final land development plan or approved and recorded subdivision/land development plan, approved or recorded on or before October 1, 2006.

C. **Equivalent Dwelling Unit (EDU).** "Equivalent Dwelling Unit" ("EDU") means a measure of volume of flow or expected flow of sanitary sewage or industrial waste from an improved property as determined by the Township's consulting engineer, in accordance with sound engineering practices; each such Equivalent Dwelling Unit being deemed equal to 228 gallons per day pursuant to the guidelines set forth in Act 57.

E. **Reservation of Capacity Fee.** "Reservation of Capacity Fee" means the fee imposed by the Township pursuant to Resolution No. 2013-15, dated August 26, 2013, as amended from time to time, which said fee is paid to reserve or allocate sanitary sewer capacity for an Approved EDU in connection with an Approved Plan and said fee is in the amount of Three Hundred and 00/100 (\$300.00) Dollars per year, payable in advance, in the amount of Seventy-Five and 00/100 (\$75.00) Dollars per calendar quarter effective October 1, 2013.

F. **Sewer System.** "Sewer System" means all facilities, as of any particular time, for the collecting, transporting, treatment and disposal of sanitary sewage and industrial waste, including all related and necessary facilities, owned or to be owned by Township or to which Township has the right to utilize such facilities for the purpose of providing public sanitary sewer service pursuant to an agreement.

G. **Township.** Fairview Township, a municipal corporation organized and existing under and pursuant to the provisions of the Pennsylvania Second Class Township, as amended and supplemented.

3. **Developer's Obligations.** Subject to the provisions of Paragraph 6, Developer shall, effective October 1, 2013, pay the Reservation of Capacity Fee to Township for each Approved EDU as shown or depicted upon an Approved Plan, which said fee shall be payable, in advance, on or before the last calendar day of each calendar quarter. If Developer has paid the Reservation of Capacity Fee for an Approved EDU or Approved EDU's during the calendar quarter and, during the same calendar quarter, Developer pays the tapping fee or tapping fees for such Approved EDU or Approved EDU's, the Reservation of Capacity Fee shall not be prorated for the then-current calendar quarter. If Developer pays the tapping fee or approved tapping fee for such Approved EDU or Approved EDU's during on or before the last calendar day of the then-current calendar quarter then Developer is not obligated to pay the Reservation of Capacity Fee for such Approved EDU or Approved EDU's for said calendar quarter.

4. **Allocation of Capacity.** Township shall allocate or reserve for Developer's Property a portion of the sanitary sewer capacity of the Sewer System for each Approved EDU provided (i) Developer is paying the Reservation of Capacity Fee for each Approved EDU or (ii) Developer has paid, in full, the tapping fee for each Approved EDU. If Developer is not or has not paid the Reservation of Capacity Fee for each Approved EDU or Developer has not paid the tapping fee, in full, for an Approved EDU, Township is not obligated to allocate or reserve any portion of the capacity in the Sewer System for Developer's Property.

5. **Applicability/Approved EDUs.** The Reservation of Capacity Fee is payable with respect to all Approved EDUs as shown on Approved Plan for which the tapping fee has not been paid, in full.

6. **Payment of Tapping Fee.** If Developer has paid the tapping fee or tapping fees for one or more Approved EDUs Developer is not obligated to pay the Reservation of Capacity Fee for such Approved EDU or Approved EDUs.

7. **Failure to Pay Reservation of Capacity Fee.** If Developer shall fail to pay the quarterly payment on account of the Reservation of Capacity Fee by the last day of the calendar quarter then, in that event, the following shall be applicable:

A. **Loss of Allocated Capacity.** Developer shall no longer have capacity in the Sewer System allocated or reserved for Developer's Property and Developer will be at risk if Developer shall, in the future, make application for connection of an Approved EDU or Approved EDUs to the Sewer System.

B. **Reallocation of Capacity.** The allocated or reserved capacity for Developer's Property shall revert to the Township and the Township shall have the right to use said allocated or reserved capacity in the Sewer System in any way Township deems appropriate including, but not limited to, reallocating or reserving said reserved capacity in the Sewer System to another user or users.

C. **Future Application.** If Developer has failed to pay the appropriate Reservation of Capacity Fee and Developer desires, in the future, to reserve or have allocated sewer capacity in the Sewer System for Developer's Property, then Developer shall submit a written request to Township to reserve or allocate sewer capacity within the Sewer System for Developer's Property. The Township shall, upon Developer's request, determine if there is capacity then available in the Sewer System. If there is available capacity in the Sewer System, Township may allocate capacity for Developer's Property provided Developer shall, in addition to paying the applicable tapping fee or tapping fees for the remaining Approved EDUs, pay any unpaid Reservation of Capacity Fee (effective from October 1, 2013), together with interest at the rate of six (6%) percent per annum. Developer acknowledges that if the Developer's sewer capacity in the Sewer System reverts to Township, that upon a subsequent application by Developer that there may not be adequate sewer capacity, available to serve the Approved Plan or Plans.

D. **Reimbursement.** No portion of the Reservation of Capacity Fee shall be reimbursed by Township to Developer.

E. In the event of loss of allocation or reallocation of capacity hereunder due to Developer's failure to remit payment of quarterly or annual Reservation of Capacity Fees, Developer hereby acknowledges and consents to the Township notifying the Pennsylvania Department of Environmental Protection ("DEP") of such loss or reallocation of capacity and to Township reporting the loss or reallocating as required in any annual Chapter 94 reports and in any future amendments of the Township Act 537 Plan.

8. **Transferability.** If Developer shall elect to sell all or a portion of Developer's Property, Developer shall provide written notice to Township and Developer shall have the right to transfer to such purchaser or purchasers Developer's rights and duties pursuant to this Agreement, provided, however, said purchaser or purchasers shall be obligated to assume and discharge Developer's obligations pursuant to this Agreement. Further, Developer's purchaser

or purchaser shall enter into this or a similar Agreement in order to reserve capacity in the Sewer System.

9. **Termination/Reservation of Capacity Fee.** Except as provided in Paragraph 10, this Agreement shall terminate as of September 30, 2018. Upon the termination of this Agreement, any capacity reserved or allocated to Developer's Property for one or more Approved EDUs, for which Developer has paid the Reservation of Capacity Fee, shall revert to Township and Township shall have the right to use said capacity in the Sewer System in any way Township deems appropriate, including, but not limited to, allocating said reserved capacity in the Sewer System to another user or users. Developer may on or before July 1, 2018, submit a written request to Township to reserve or allocate sewer capacity within the Sewer System for Developer's Property, which said request shall be deemed a new application for capacity. Township shall, upon Developer's written request (new application for sewer capacity), determine if there is sewer capacity available in the Sewer System.

10. **Termination/Paid Tapping Fee.** If Developer has paid the tapping fee or tapping fees for one or more Approved EDUs, the capacity reserved or allocated for Developer's Property for such Approved EDUs shall be and remain in effect until September 30, 2018. If Developer has not utilized the reserved sewer capacity as of September 30, 2018, then, in that event, said reserved sewer capacity shall terminate and shall revert to Township and Township shall have the right to use said reserved capacity in the Sewer System in any way Township deems appropriate including, but not limited, reallocating or reserving said capacity in the Sewer System to another user or users.

11. **Notice.** Any notice or communication required or permitted to be given under this Agreement shall be in writing and served personally, delivered by courier or sent by United States certified mail, postage prepaid with return receipt requested, addressed to the other party:

To Township: Fairview Township
Attention: Donna L. Nissel, Secretary
599 Lewisberry Road
New Cumberland, PA 17070

Copy to: Fairview Township
Attention: Stephen F. Smith, Township Manager
599 Lewisberry Road
New Cumberland, PA 17070

To Developer: PAUL E. SHEARER TRUST
10112 DEERCLIFF DR
TAMPA FL 33647

Developer and Township shall have the right to designate other individuals or address to which notice is to be given, provided that such other individual or address is identified pursuant to notice given to the other party pursuant to the provisions of this Paragraph 12. All such notices shall be effective when received or when receipt is first denied, whichever first occurs.

12. **Recourse.** If for any reason Township is unable to provide all or any portion of the capacity reserved by the Developer pursuant to this Agreement for an indefinite period of time, Township will notify Developer in writing within sixty (60) calendar days of Township's becoming aware of any such circumstances.

13. **No Recourse.** Developer understands, acknowledges and agrees that there is no recourse remedy for Township's inability to provide the sewer capacity allocated and reserved by Developer under this Agreement.

14. **Amendment.** This Agreement shall not be amended, modified or changed, except in writing, signed by Township and Developer.

15. **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of Township and its successor. This Agreement shall be binding upon and shall inure to the benefit of a Developer, Developer's successors and assigns.

16. **Governing Law.** This Agreement shall be governed, enforced and construed in accordance with the laws of the Commonwealth of Pennsylvania. Township and Developer consent to the jurisdiction of the Court of Common Pleas, York County, Pennsylvania, for the resolution of any disputes arising hereunder.

17. **Severability.** If any paragraph, sentence or other part of this Agreement shall be held by a court of competent jurisdiction by final order or decree to be unlawful, unconstitutional, unenforceable or invalid, such holding shall not invalidate the remainder of this Agreement.

18. **Relationship.** The relationship of Township and Developer is that of contractual independent contractors.

19. **Signatory.** Township and Developer each represent and warrant to the other that the signatory on behalf of Township and the signatory on behalf of Developer is authorized to execute this Agreement on behalf of Township and Developer, respectively, and that no additional authority is required by either signatory.

IN WITNESS WHEREOF, Township, by its duly authorized officer, and Developer, intending to be legally bound, have caused this Reservation Agreement to be signed and delivered as of the date first above written.

Attest:

Township:

Fairview Township

By: Donna L. Jusil
Secretary

By: [Signature]
Chairman

Developer:

Attest/Witness:

PAUL E. SHEARER TRUST

By: Donna Shearer

By: Paul E Shearer
Name: PAUL E. SHEARER
Title: Trust

EXHIBIT A

Name of Property:

PAUL E. SHEARER TRUST

Or

Name of Preliminary and/or Final Subdivision Plan/Land Development Plan:

COLONIAL WOODS - LOTS 40, 41, 42

Number of Approved Units/Preliminary Subdivision Plan, Preliminary Land Development Plan
or Preliminary Subdivision/Land Development Plan:

Number of Approved EDUs for which tapping fees have been paid: 0

Number of Approved EDUs for which tapping fees have not been paid: 3

COPY

RESERVATION AGREEMENT

THIS RESERVATION AGREEMENT ("Agreement"), made this 27 day of January, 2014 between DJH PENN VALLEY, a Pennsylvania TOWNSHIP of FAIRVIEW, Pennsylvania, ("Developer") and **FAIRVIEW TOWNSHIP**, a municipal corporation organized and existing pursuant to the Pennsylvania Second Class Township Code, as amended and supplemented, 599 Lewisberry Road, New Cumberland, York County, Pennsylvania, hereinafter called "Township."

BACKGROUND

- A. The Township is the owner of sewage collection, transportation, treatment and disposal facilities ("Sewer System") serving portions of Fairview Township, York County, Pennsylvania.
- B. Township, pursuant to Resolution No. 2013-15, dated August 26, 2013, imposed a Reservation of Capacity Fee in the amount of Three Hundred and 00/100 (\$300.00) Dollars per year for each approved Equivalent Dwelling Unit ("EDU"), payable, in advance, in the amount of Seventy-Five and 00/100 (\$75.00) Dollars per calendar quarter for each calendar year, effective as of October 1, 2013.
- C. Township is willing to continue to allocate a portion of the existing sewer capacity with the Sewer System by use by persons or entities, including Developer, under the terms and conditions set forth in this Agreement.
- D. Develop is the owner or equitable owner of real estate in Township, described in Exhibit A attached hereto and made part hereof ("Property"), and Developer has determined that Developer desires to reserve a portion of the available sewer capacity in the Sewer System for development or improvement of the Property.

E. Township and Developer desire to enter into this Agreement for purposes of confirming Developer's obligation to pay the Reservation of Capacity Fee in consideration of the reservation of a portion of the available sewer capacity in the Sewer System to be allocated to Developer, Developer's successors and assigns, for the Property, upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, Township and Developer, each intending to be legally bound, covenant and agree as follows:

1. **Background.** The Background set forth above is incorporated herein.

2. **Definitions.** The following words or terms used in this Agreement shall have the following meanings:

A. **Approved EDU.** "Approved EDU" means a residential or non-residential structure shown or depicted upon an Approved Plan (hereinafter defined) for which Developer is obligated to provide public sanitary sewer service.

B. **Approved Plan.** "Approved Plan" means any approved preliminary subdivision plan, approved preliminary land development plan or approved preliminary subdivision/land development plan, as well as, any approved and recorded final subdivision plan, approved and recorded final land development plan or approved and recorded subdivision/land development plan, approved or recorded on or before October 1, 2006.

C. **Equivalent Dwelling Unit (EDU).** "Equivalent Dwelling Unit" ("EDU") means a measure of volume of flow or expected flow of sanitary sewage or industrial waste from an improved property as determined by the Township's consulting engineer, in accordance with sound engineering practices; each such Equivalent Dwelling Unit being deemed equal to 228 gallons per day pursuant to the guidelines set forth in Act 57.

E. Reservation of Capacity Fee. "Reservation of Capacity Fee" means the fee imposed by the Township pursuant to Resolution No. 2013-15, dated August 26, 2013, as amended from time to time, which said fee is paid to reserve or allocate sanitary sewer capacity for an Approved EDU in connection with an Approved Plan and said fee is in the amount of Three Hundred and 00/100 (\$300.00) Dollars per year, payable in advance, in the amount of Seventy-Five and 00/100 (\$75.00) Dollars per calendar quarter effective October 1, 2013.

F. Sewer System. "Sewer System" means all facilities, as of any particular time, for the collecting, transporting, treatment and disposal of sanitary sewage and industrial waste, including all related and necessary facilities, owned or to be owned by Township or to which Township has the right to utilize such facilities for the purpose of providing public sanitary sewer service pursuant to an agreement.

G. Township. Fairview Township, a municipal corporation organized and existing under and pursuant to the provisions of the Pennsylvania Second Class Township, as amended and supplemented.

3. Developer's Obligations. Subject to the provisions of Paragraph 6, Developer shall, effective October 1, 2013, pay the Reservation of Capacity Fee to Township for each Approved EDU as shown or depicted upon an Approved Plan, which said fee shall be payable, in advance, on or before the last calendar day of each calendar quarter. If Developer has paid the Reservation of Capacity Fee for an Approved EDU or Approved EDU's during the calendar quarter and, during the same calendar quarter, Developer pays the tapping fee or tapping fees for such Approved EDU or Approved EDU's, the Reservation of Capacity Fee shall not be prorated for the then-current calendar quarter. If Developer pays the tapping fee or approved tapping fee for such Approved EDU or Approved EDU's during on or before the last calendar day of the then-current calendar quarter then Developer is not obligated to pay the Reservation of Capacity Fee for such Approved EDU or Approved EDU's for said calendar quarter.

4. **Allocation of Capacity.** Township shall allocate or reserve for Developer's Property a portion of the sanitary sewer capacity of the Sewer System for each Approved EDU provided (i) Developer is paying the Reservation of Capacity Fee for each Approved EDU or (ii) Developer has paid, in full, the tapping fee for each Approved EDU. If Developer is not or has not paid the Reservation of Capacity Fee for each Approved EDU or Developer has not paid the tapping fee, in full, for an Approved EDU, Township is not obligated to allocate or reserve any portion of the capacity in the Sewer System for Developer's Property.

5. **Applicability/Approved EDUs.** The Reservation of Capacity Fee is payable with respect to all Approved EDUs as shown on Approved Plan for which the tapping fee has not been paid, in full.

6. **Payment of Tapping Fee.** If Developer has paid the tapping fee or tapping fees for one or more Approved EDUs Developer is not obligated to pay the Reservation of Capacity Fee for such Approved EDU or Approved EDUs.

7. **Failure to Pay Reservation of Capacity Fee.** If Developer shall fail to pay the quarterly payment on account of the Reservation of Capacity Fee by the last day of the calendar quarter then, in that event, the following shall be applicable:

A. **Loss of Allocated Capacity.** Developer shall no longer have capacity in the Sewer System allocated or reserved for Developer's Property and Developer will be at risk if Developer shall, in the future, make application for connection of an Approved EDU or Approved EDUs to the Sewer System.

B. **Reallocation of Capacity.** The allocated or reserved capacity for Developer's Property shall revert to the Township and the Township shall have the right to use said allocated or reserved capacity in the Sewer System in any way Township deems appropriate including, but not limited to, reallocating or reserving said reserved capacity in the Sewer System to another user or users.

C. Future Application. If Developer has failed to pay the appropriate Reservation of Capacity Fee and Developer desires, in the future, to reserve or have allocated sewer capacity in the Sewer System for Developer's Property, then Developer shall submit a written request to Township to reserve or allocate sewer capacity within the Sewer System for Developer's Property. The Township shall, upon Developer's request, determine if there is capacity then available in the Sewer System. If there is available capacity in the Sewer System, Township may allocate capacity for Developer's Property provided Developer shall, in addition to paying the applicable tapping fee or tapping fees for the remaining Approved EDUs, pay any unpaid Reservation of Capacity Fee (effective from October 1, 2013), together with interest at the rate of six (6%) percent per annum. Developer acknowledges that if the Developer's sewer capacity in the Sewer System reverts to Township, that upon a subsequent application by Developer that there may not be adequate sewer capacity, available to serve the Approved Plan or Plans.

D. Reimbursement. No portion of the Reservation of Capacity Fee shall be reimbursed by Township to Developer.

E. In the event of loss of allocation or reallocation of capacity hereunder due to Developer's failure to remit payment of quarterly or annual Reservation of Capacity Fees, Developer hereby acknowledges and consents to the Township notifying the Pennsylvania Department of Environmental Protection ("DEP") of such loss or reallocation of capacity and to Township reporting the loss or reallocating as required in any annual Chapter 94 reports and in any future amendments of the Township Act 537 Plan.

8. Transferability. If Developer shall elect to sell all or a portion of Developer's Property, Developer shall provide written notice to Township and Developer shall have the right to transfer to such purchaser or purchasers Developer's rights and duties pursuant to this Agreement, provided, however, said purchaser or purchasers shall be obligated to assume and discharge Developer's obligations pursuant to this Agreement. Further, Developer's purchaser

or purchaser shall enter into this or a similar Agreement in order to reserve capacity in the Sewer System.

9. **Termination/Reservation of Capacity Fee.** Except as provided in Paragraph 10, this Agreement shall terminate as of September 30, 2018. Upon the termination of this Agreement, any capacity reserved or allocated to Developer's Property for one or more Approved EDUs, for which Developer has paid the Reservation of Capacity Fee, shall revert to Township and Township shall have the right to use said capacity in the Sewer System in any way Township deems appropriate, including, but not limited to, allocating said reserved capacity in the Sewer System to another user or users. Developer may on or before July 1, 2018, submit a written request to Township to reserve or allocate sewer capacity within the Sewer System for Developer's Property, which said request shall be deemed a new application for capacity. Township shall, upon Developer's written request (new application for sewer capacity), determine if there is sewer capacity available in the Sewer System.

10. **Termination/Paid Tapping Fee.** If Developer has paid the tapping fee or tapping fees for one or more Approved EDUs, the capacity reserved or allocated for Developer's Property for such Approved EDUs shall be and remain in effect until September 30, 2018. If Developer has not utilized the reserved sewer capacity as of September 30, 2018, then, in that event, said reserved sewer capacity shall terminate and shall revert to Township and Township shall have the right to use said reserved capacity in the Sewer System in any way Township deems appropriate including, but not limited, reallocating or reserving said capacity in the Sewer System to another user or users.

11. **Notice.** Any notice or communication required or permitted to be given under this Agreement shall be in writing and served personally, delivered by courier or sent by United States certified mail, postage prepaid with return receipt requested, addressed to the other party:

To Township: Fairview Township
Attention: Donna L. Nissel, Secretary
599 Lewisberry Road
New Cumberland, PA 17070

Copy to: Fairview Township
Attention: Stephen F. Smith, Township Manager
599 Lewisberry Road
New Cumberland, PA 17070

To Developer: DWH PENN VALLEY
2151 LINGESTOWN RD.
SUITE 800
HARRISBURG, PA 17050

Developer and Township shall have the right to designate other individuals or address to which notice is to be given, provided that such other individual or address is identified pursuant to notice given to the other party pursuant to the provisions of this Paragraph 12. All such notices shall be effective when received or when receipt is first denied, whichever first occurs.

12. **Recourse.** If for any reason Township is unable to provide all or any portion of the capacity reserved by the Developer pursuant to this Agreement for an indefinite period of time, Township will notify Developer in writing within sixty (60) calendar days of Township's becoming aware of any such circumstances.

13. **No Recourse.** Developer understands, acknowledges and agrees that there is no recourse remedy for Township's inability to provide the sewer capacity allocated and reserved by Developer under this Agreement.

14. **Amendment.** This Agreement shall not be amended, modified or changed, except in writing, signed by Township and Developer.

15. **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of Township and its successor. This Agreement shall be binding upon and shall inure to the benefit of a Developer, Developer's successors and assigns.

16. **Governing Law.** This Agreement shall be governed, enforced and construed in accordance with the laws of the Commonwealth of Pennsylvania. Township and Developer consent to the jurisdiction of the Court of Common Pleas, York County, Pennsylvania, for the resolution of any disputes arising hereunder.

17. **Severability.** If any paragraph, sentence or other part of this Agreement shall be held by a court of competent jurisdiction by final order or decree to be unlawful, unconstitutional, unenforceable or invalid, such holding shall not invalidate the remainder of this Agreement.

18. **Relationship.** The relationship of Township and Developer is that of contractual independent contractors.

19. **Signatory.** Township and Developer each represent and warrant to the other that the signatory on behalf of Township and the signatory on behalf of Developer is authorized to execute this Agreement on behalf of Township and Developer, respectively, and that no additional authority is required by either signatory.

IN WITNESS WHEREOF, Township, by its duly authorized officer, and Developer, intending to be legally bound, have caused this Reservation Agreement to be signed and delivered as of the date first above written.

Attest:

Township:

Fairview Township

By: Anna L. Jasek
Secretary

By: Robert P. Staley
Chairman

Developer:

Attest/Witness:

DJH PENN VALLEY

By: Sw Madala

By: Stuart Fickler Bocker
Name: STUART FICKLER BOCKER
Title: VICE PRESIDENT

EXHIBIT A

Name of Property:

FAIRVIEW RIDGE

Or

Name of Preliminary and/or Final Subdivision Plan/Land Development Plan:

Number of Approved Units/Preliminary Subdivision Plan, Preliminary Land Development Plan
or Preliminary Subdivision/Land Development Plan:

44

Number of Approved EDUs for which tapping fees have been paid: 25

Number of Approved EDUs for which tapping fees have not been paid: 19

RESERVATION AGREEMENT

COPY

THIS RESERVATION AGREEMENT ("Agreement"), made this 27th day of JANUARY, 2014, between Eastern Development + Planning Inc., a Pennsylvania Corporation of 7300 Perry St., Hls #11, 17111 Pennsylvania, ("Developer") and FAIRVIEW TOWNSHIP, a municipal corporation organized and existing pursuant to the Pennsylvania Second Class Township Code, as amended and supplemented, 599 Lewisberry Road, New Cumberland, York County, Pennsylvania, hereinafter called "Township."

BACKGROUND

- A. The Township is the owner of sewage collection, transportation, treatment and disposal facilities ("Sewer System") serving portions of Fairview Township, York County, Pennsylvania.
- B. Township, pursuant to Resolution No. 2013-15, dated August 26, 2013, imposed a Reservation of Capacity Fee in the amount of Three Hundred and 00/100 (\$300.00) Dollars per year for each approved Equivalent Dwelling Unit ("EDU"), payable, in advance, in the amount of Seventy-Five and 00/100 (\$75.00) Dollars per calendar quarter for each calendar year, effective as of October 1, 2013.
- C. Township is willing to continue to allocate a portion of the existing sewer capacity with the Sewer System by use by persons or entities, including Developer, under the terms and conditions set forth in this Agreement.
- D. Develop is the owner or equitable owner of real estate in Township, described in Exhibit A attached hereto and made part hereof ("Property"), and Developer has determined that Developer desires to reserve a portion of the available sewer capacity in the Sewer System for development or improvement of the Property.

E. Township and Developer desire to enter into this Agreement for purposes of confirming Developer's obligation to pay the Reservation of Capacity Fee in consideration of the reservation of a portion of the available sewer capacity in the Sewer System to be allocated to Developer, Developer's successors and assigns, for the Property, upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, Township and Developer, each intending to be legally bound, covenant and agree as follows:

1. **Background.** The Background set forth above is incorporated herein.

2. **Definitions.** The following words or terms used in this Agreement shall have the following meanings:
 - A. **Approved EDU.** "Approved EDU" means a residential or non-residential structure shown or depicted upon an Approved Plan (hereinafter defined) for which Developer is obligated to provide public sanitary sewer service.

 - B. **Approved Plan.** "Approved Plan" means any approved preliminary subdivision plan, approved preliminary land development plan or approved preliminary subdivision/land development plan, as well as, any approved and recorded final subdivision plan, approved and recorded final land development plan or approved and recorded subdivision/land development plan, approved or recorded on or before October 1, 2006.

 - C. **Equivalent Dwelling Unit (EDU).** "Equivalent Dwelling Unit" ("EDU") means a measure of volume of flow or expected flow of sanitary sewage or industrial waste from an improved property as determined by the Township's consulting engineer, in accordance with sound engineering practices; each such Equivalent Dwelling Unit being deemed equal to 228 gallons per day pursuant to the guidelines set forth in Act 57.

E. **Reservation of Capacity Fee.** "Reservation of Capacity Fee" means the fee imposed by the Township pursuant to Resolution No. 2013-15, dated August 26, 2013, as amended from time to time, which said fee is paid to reserve or allocate sanitary sewer capacity for an Approved EDU in connection with an Approved Plan and said fee is in the amount of Three Hundred and 00/100 (\$300.00) Dollars per year, payable in advance, in the amount of Seventy-Five and 00/100 (\$75.00) Dollars per calendar quarter effective October 1, 2013.

F. **Sewer System.** "Sewer System" means all facilities, as of any particular time, for the collecting, transporting, treatment and disposal of sanitary sewage and industrial waste, including all related and necessary facilities, owned or to be owned by Township or to which Township has the right to utilize such facilities for the purpose of providing public sanitary sewer service pursuant to an agreement.

G. **Township.** Fairview Township, a municipal corporation organized and existing under and pursuant to the provisions of the Pennsylvania Second Class Township, as amended and supplemented.

3. **Developer's Obligations.** Subject to the provisions of Paragraph 6, Developer shall, effective October 1, 2013, pay the Reservation of Capacity Fee to Township for each Approved EDU as shown or depicted upon an Approved Plan, which said fee shall be payable, in advance, on or before the last calendar day of each calendar quarter. If Developer has paid the Reservation of Capacity Fee for an Approved EDU or Approved EDU's during the calendar quarter and, during the same calendar quarter, Developer pays the tapping fee or tapping fees for such Approved EDU or Approved EDU's, the Reservation of Capacity Fee shall not be prorated for the then-current calendar quarter. If Developer pays the tapping fee or approved tapping fee for such Approved EDU or Approved EDU's during on or before the last calendar day of the then-current calendar quarter then Developer is not obligated to pay the Reservation of Capacity Fee for such Approved EDU or Approved EDU's for said calendar quarter.

4. **Allocation of Capacity.** Township shall allocate or reserve for Developer's Property a portion of the sanitary sewer capacity of the Sewer System for each Approved EDU provided (i) Developer is paying the Reservation of Capacity Fee for each Approved EDU or (ii) Developer has paid, in full, the tapping fee for each Approved EDU. If Developer is not or has not paid the Reservation of Capacity Fee for each Approved EDU or Developer has not paid the tapping fee, in full, for an Approved EDU, Township is not obligated to allocate or reserve any portion of the capacity in the Sewer System for Developer's Property. .

5. **Applicability/Approved EDUs.** The Reservation of Capacity Fee is payable with respect to all Approved EDUs as shown on Approved Plan for which the tapping fee has not been paid, in full.

6. **Payment of Tapping Fee.** If Developer has paid the tapping fee or tapping fees for one or more Approved EDUs Developer is not obligated to pay the Reservation of Capacity Fee for such Approved EDU or Approved EDUs.

7. **Failure to Pay Reservation of Capacity Fee.** If Developer shall fail to pay the quarterly payment on account of the Reservation of Capacity Fee by the last day of the calendar quarter then, in that event, the following shall be applicable:

A. **Loss of Allocated Capacity.** Developer shall no longer have capacity in the Sewer System allocated or reserved for Developer's Property and Developer will be at risk if Developer shall, in the future, make application for connection of an Approved EDU or Approved EDUs to the Sewer System.

B. **Reallocation of Capacity.** The allocated or reserved capacity for Developer's Property shall revert to the Township and the Township shall have the right to use said allocated or reserved capacity in the Sewer System in any way Township deems appropriate including, but not limited to, reallocating or reserving said reserved capacity in the Sewer System to another user or users.

C. **Future Application.** If Developer has failed to pay the appropriate Reservation of Capacity Fee and Developer desires, in the future, to reserve or have allocated sewer capacity in the Sewer System for Developer's Property, then Developer shall submit a written request to Township to reserve or allocate sewer capacity within the Sewer System for Developer's Property. The Township shall, upon Developer's request, determine if there is capacity then available in the Sewer System. If there is available capacity in the Sewer System, Township may allocate capacity for Developer's Property provided Developer shall, in addition to paying the applicable tapping fee or tapping fees for the remaining Approved EDUs, pay any unpaid Reservation of Capacity Fee (effective from October 1, 2013), together with interest at the rate of six (6%) percent per annum. Developer acknowledges that if the Developer's sewer capacity in the Sewer System reverts to Township, that upon a subsequent application by Developer that there may not be adequate sewer capacity, available to serve the Approved Plan or Plans.

D. **Reimbursement.** No portion of the Reservation of Capacity Fee shall be reimbursed by Township to Developer.

E. In the event of loss of allocation or reallocation of capacity hereunder due to Developer's failure to remit payment of quarterly or annual Reservation of Capacity Fees, Developer hereby acknowledges and consents to the Township notifying the Pennsylvania Department of Environmental Protection ("DEP") of such loss or reallocation of capacity and to Township reporting the loss or reallocating as required in any annual Chapter 94 reports and in any future amendments of the Township Act 537 Plan.

8. **Transferability.** If Developer shall elect to sell all or a portion of Developer's Property, Developer shall provide written notice to Township and Developer shall have the right to transfer to such purchaser or purchasers Developer's rights and duties pursuant to this Agreement, provided, however, said purchaser or purchasers shall be obligated to assume and discharge Developer's obligations pursuant to this Agreement. Further, Developer's purchaser

or purchaser shall enter into this or a similar Agreement in order to reserve capacity in the Sewer System.

9. **Termination/Reservation of Capacity Fee.** Except as provided in Paragraph 10, this Agreement shall terminate as of September 30, 2018. Upon the termination of this Agreement, any capacity reserved or allocated to Developer's Property for one or more Approved EDUs, for which Developer has paid the Reservation of Capacity Fee, shall revert to Township and Township shall have the right to use said capacity in the Sewer System in any way Township deems appropriate, including, but not limited to, allocating said reserved capacity in the Sewer System to another user or users. Developer may on or before July 1, 2018, submit a written request to Township to reserve or allocate sewer capacity within the Sewer System for Developer's Property, which said request shall be deemed a new application for capacity. Township shall, upon Developer's written request (new application for sewer capacity), determine if there is sewer capacity available in the Sewer System.

10. **Termination/Paid Tapping Fee.** If Developer has paid the tapping fee or tapping fees for one or more Approved EDUs, the capacity reserved or allocated for Developer's Property for such Approved EDUs shall be and remain in effect until September 30, 2018. If Developer has not utilized the reserved sewer capacity as of September 30, 2018, then, in that event, said reserved sewer capacity shall terminate and shall revert to Township and Township shall have the right to use said reserved capacity in the Sewer System in any way Township deems appropriate including, but not limited, reallocating or reserving said capacity in the Sewer System to another user or users.

11. **Notice.** Any notice or communication required or permitted to be given under this Agreement shall be in writing and served personally, delivered by courier or sent by United States certified mail, postage prepaid with return receipt requested, addressed to the other party:

To Township: Fairview Township
Attention: Donna L. Nissel, Secretary
599 Lewisberry Road
New Cumberland, PA 17070

Copy to: Fairview Township
Attention: Stephen F. Smith, Township Manager
599 Lewisberry Road
New Cumberland, PA 17070

To Developer: Eastern Development + Planning, Inc
7300 Derry Street
Harrisburg PA 17111
Attn: John Kerschner

Developer and Township shall have the right to designate other individuals or address to which notice is to be given, provided that such other individual or address is identified pursuant to notice given to the other party pursuant to the provisions of this Paragraph 12. All such notices shall be effective when received or when receipt is first denied, whichever first occurs.

12. **Recourse.** If for any reason Township is unable to provide all or any portion of the capacity reserved by the Developer pursuant to this Agreement for an indefinite period of time, Township will notify Developer in writing within sixty (60) calendar days of Township's becoming aware of any such circumstances.

13. **No Recourse.** Developer understands, acknowledges and agrees that there is no recourse remedy for Township's inability to provide the sewer capacity allocated and reserved by Developer under this Agreement.

14. **Amendment.** This Agreement shall not be amended, modified or changed, except in writing, signed by Township and Developer.

15. **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of Township and its successor. This Agreement shall be binding upon and shall inure to the benefit of a Developer, Developer's successors and assigns.

16. **Governing Law.** This Agreement shall be governed, enforced and construed in accordance with the laws of the Commonwealth of Pennsylvania. Township and Developer consent to the jurisdiction of the Court of Common Pleas, York County, Pennsylvania, for the resolution of any disputes arising hereunder.

17. **Severability.** If any paragraph, sentence or other part of this Agreement shall be held by a court of competent jurisdiction by final order or decree to be unlawful, unconstitutional, unenforceable or invalid, such holding shall not invalidate the remainder of this Agreement.

18. **Relationship.** The relationship of Township and Developer is that of contractual independent contractors.

19. **Signatory.** Township and Developer each represent and warrant to the other that the signatory on behalf of Township and the signatory on behalf of Developer is authorized to execute this Agreement on behalf of Township and Developer, respectively, and that no additional authority is required by either signatory.

IN WITNESS WHEREOF, Township, by its duly authorized officer, and Developer, intending to be legally bound, have caused this Reservation Agreement to be signed and delivered as of the date first above written.

Attest:

Township:

Fairview Township

By: Donna L. Nissel
Secretary

By: [Signature]
Chairman

Developer:

Attest/Witness:

Eastern Development & Planning, Inc

By: [Signature]

By: [Signature] J.A.
Name: John A. Kerckhove
Title: Vice President

EXHIBIT A

Name of Property:

Pleasant View PRD

Or

Name of Preliminary and/or Final Subdivision Plan/Land Development Plan:

Number of Approved Units/Preliminary Subdivision Plan, Preliminary Land Development Plan
or Preliminary Subdivision/Land Development Plan:

Number of Approved EDUs for which tapping fees have been paid: 0

Number of Approved EDUs for which tapping fees have not been paid: 157

COPY

RESERVATION AGREEMENT

THIS RESERVATION AGREEMENT ("Agreement"), made this 27th day of January, 2014, between Old York Developer, LLC a Pennsylvania Limited liability company of 1224 Mill St., Oldg.D., Ste. 103, East Berlin, CT 06023 Pennsylvania, ("Developer") and **FAIRVIEW TOWNSHIP**, a municipal corporation organized and existing pursuant to the Pennsylvania Second Class Township Code, as amended and supplemented, 599 Lewisberry Road, New Cumberland, York County, Pennsylvania, hereinafter called "Township."

BACKGROUND

- A. The Township is the owner of sewage collection, transportation, treatment and disposal facilities ("Sewer System") serving portions of Fairview Township, York County, Pennsylvania.
- B. Township, pursuant to Resolution No. 2013-15, dated August 26, 2013, imposed a Reservation of Capacity Fee in the amount of Three Hundred and 00/100 (\$300.00) Dollars per year for each approved Equivalent Dwelling Unit ("EDU"), payable, in advance, in the amount of Seventy-Five and 00/100 (\$75.00) Dollars per calendar quarter for each calendar year, effective as of October 1, 2013.
- C. Township is willing to continue to allocate a portion of the existing sewer capacity with the Sewer System by use by persons or entities, including Developer, under the terms and conditions set forth in this Agreement.
- D. Developer is the owner or equitable owner of real estate in Township, described in Exhibit A attached hereto and made part hereof ("Property"), and Developer has determined that Developer desires to reserve a portion of the available sewer capacity in the Sewer System for development or improvement of the Property.

E. Township and Developer desire to enter into this Agreement for purposes of confirming Developer's obligation to pay the Reservation of Capacity Fee in consideration of the reservation of a portion of the available sewer capacity in the Sewer System to be allocated to Developer, Developer's successors and assigns, for the Property, upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, Township and Developer, each intending to be legally bound, covenant and agree as follows:

1. **Background.** The Background set forth above is incorporated herein.
2. **Definitions.** The following words or terms used in this Agreement shall have the following meanings:
 - A. **Approved EDU.** "Approved EDU" means a residential or non-residential structure shown or depicted upon an Approved Plan (hereinafter defined) for which Developer is obligated to provide public sanitary sewer service.
 - B. **Approved Plan.** "Approved Plan" means any approved preliminary subdivision plan, approved preliminary land development plan or approved preliminary subdivision/land development plan, as well as, any approved and recorded final subdivision plan, approved and recorded final land development plan or approved and recorded subdivision/land development plan, approved or recorded on or before October 1, 2006.
 - C. **Equivalent Dwelling Unit (EDU).** "Equivalent Dwelling Unit" ("EDU") means a measure of volume of flow or expected flow of sanitary sewage or industrial waste from an improved property as determined by the Township's consulting engineer, in accordance with sound engineering practices; each such Equivalent Dwelling Unit being deemed equal to 228 gallons per day pursuant to the guidelines set forth in Act 57.

E. **Reservation of Capacity Fee.** "Reservation of Capacity Fee" means the fee imposed by the Township pursuant to Resolution No. 2013-15, dated August 26, 2013, as amended from time to time, which said fee is paid to reserve or allocate sanitary sewer capacity for an Approved EDU in connection with an Approved Plan and said fee is in the amount of Three Hundred and 00/100 (\$300.00) Dollars per year, payable in advance, in the amount of Seventy-Five and 00/100 (\$75.00) Dollars per calendar quarter effective October 1, 2013.

F. **Sewer System.** "Sewer System" means all facilities, as of any particular time, for the collecting, transporting, treatment and disposal of sanitary sewage and industrial waste, including all related and necessary facilities, owned or to be owned by Township or to which Township has the right to utilize such facilities for the purpose of providing public sanitary sewer service pursuant to an agreement.

G. **Township.** Fairview Township, a municipal corporation organized and existing under and pursuant to the provisions of the Pennsylvania Second Class Township, as amended and supplemented.

3. **Developer's Obligations.** Subject to the provisions of Paragraph 6, Developer shall, effective October 1, 2013, pay the Reservation of Capacity Fee to Township for each Approved EDU as shown or depicted upon an Approved Plan, which said fee shall be payable, in advance, on or before the last calendar day of each calendar quarter. If Developer has paid the Reservation of Capacity Fee for an Approved EDU or Approved EDU's during the calendar quarter and, during the same calendar quarter, Developer pays the tapping fee or tapping fees for such Approved EDU or Approved EDU's, the Reservation of Capacity Fee shall not be prorated for the then-current calendar quarter. If Developer pays the tapping fee or approved tapping fee for such Approved EDU or Approved EDU's during on or before the last calendar day of the then-current calendar quarter then Developer is not obligated to pay the Reservation of Capacity Fee for such Approved EDU or Approved EDU's for said calendar quarter.

4. **Allocation of Capacity.** Township shall allocate or reserve for Developer's Property a portion of the sanitary sewer capacity of the Sewer System for each Approved EDU provided (i) Developer is paying the Reservation of Capacity Fee for each Approved EDU or (ii) Developer has paid, in full, the tapping fee for each Approved EDU. If Developer is not or has not paid the Reservation of Capacity Fee for each Approved EDU or Developer has not paid the tapping fee, in full, for an Approved EDU, Township is not obligated to allocate or reserve any portion of the capacity in the Sewer System for Developer's Property.

5. **Applicability/Approved EDUs.** The Reservation of Capacity Fee is payable with respect to all Approved EDUs as shown on Approved Plan for which the tapping fee has not been paid, in full.

6. **Payment of Tapping Fee.** If Developer has paid the tapping fee or tapping fees for one or more Approved EDUs Developer is not obligated to pay the Reservation of Capacity Fee for such Approved EDU or Approved EDUs.

7. **Failure to Pay Reservation of Capacity Fee.** If Developer shall fail to pay the quarterly payment on account of the Reservation of Capacity Fee by the last day of the calendar quarter then, in that event, the following shall be applicable:

A. **Loss of Allocated Capacity.** Developer shall no longer have capacity in the Sewer System allocated or reserved for Developer's Property and Developer will be at risk if Developer shall, in the future, make application for connection of an Approved EDU or Approved EDUs to the Sewer System.

B. **Reallocation of Capacity.** The allocated or reserved capacity for Developer's Property shall revert to the Township and the Township shall have the right to use said allocated or reserved capacity in the Sewer System in any way Township deems appropriate including, but not limited to, reallocating or reserving said reserved capacity in the Sewer System to another user or users.

C. **Future Application.** If Developer has failed to pay the appropriate Reservation of Capacity Fee and Developer desires, in the future, to reserve or have allocated sewer capacity in the Sewer System for Developer's Property, then Developer shall submit a written request to Township to reserve or allocate sewer capacity within the Sewer System for Developer's Property. The Township shall, upon Developer's request, determine if there is capacity then available in the Sewer System. If there is available capacity in the Sewer System, Township may allocate capacity for Developer's Property provided Developer shall, in addition to paying the applicable tapping fee or tapping fees for the remaining Approved EDUs, pay any unpaid Reservation of Capacity Fee (effective from October 1, 2013), together with interest at the rate of six (6%) percent per annum. Developer acknowledges that if the Developer's sewer capacity in the Sewer System reverts to Township, that upon a subsequent application by Developer that there may not be adequate sewer capacity, available to serve the Approved Plan or Plans.

D. **Reimbursement.** No portion of the Reservation of Capacity Fee shall be reimbursed by Township to Developer.

E. In the event of loss of allocation or reallocation of capacity hereunder due to Developer's failure to remit payment of quarterly or annual Reservation of Capacity Fees, Developer hereby acknowledges and consents to the Township notifying the Pennsylvania Department of Environmental Protection ("DEP") of such loss or reallocation of capacity and to Township reporting the loss or reallocating as required in any annual Chapter 94 reports and in any future amendments of the Township Act 537 Plan.

8. **Transferability.** If Developer shall elect to sell all or a portion of Developer's Property, Developer shall provide written notice to Township and Developer shall have the right to transfer to such purchaser or purchasers Developer's rights and duties pursuant to this Agreement, provided, however, said purchaser or purchasers shall be obligated to assume and discharge Developer's obligations pursuant to this Agreement. Further, Developer's purchaser

or purchaser shall enter into this or a similar Agreement in order to reserve capacity in the Sewer System.

9. **Termination/Reservation of Capacity Fee.** Except as provided in Paragraph 10, this Agreement shall terminate as of September 30, 2018. Upon the termination of this Agreement, any capacity reserved or allocated to Developer's Property for one or more Approved EDUs, for which Developer has paid the Reservation of Capacity Fee, shall revert to Township and Township shall have the right to use said capacity in the Sewer System in any way Township deems appropriate, including, but not limited to, allocating said reserved capacity in the Sewer System to another user or users. Developer may on or before July 1, 2018, submit a written request to Township to reserve or allocate sewer capacity within the Sewer System for Developer's Property, which said request shall be deemed a new application for capacity. Township shall, upon Developer's written request (new application for sewer capacity), determine if there is sewer capacity available in the Sewer System.

10. **Termination/Paid Tapping Fee.** If Developer has paid the tapping fee or tapping fees for one or more Approved EDUs, the capacity reserved or allocated for Developer's Property for such Approved EDUs shall be and remain in effect until September 30, 2018. If Developer has not utilized the reserved sewer capacity as of September 30, 2018, then, in that event, said reserved sewer capacity shall terminate and shall revert to Township and Township shall have the right to use said reserved capacity in the Sewer System in any way Township deems appropriate including, but not limited, reallocating or reserving said capacity in the Sewer System to another user or users.

11. **Notice.** Any notice or communication required or permitted to be given under this Agreement shall be in writing and served personally, delivered by courier or sent by United States certified mail, postage prepaid with return receipt requested, addressed to the other party:

To Township: Fairview Township
Attention: Donna L. Nissel, Secretary
599 Lewisberry Road
New Cumberland, PA 17070

Copy to: Fairview Township
Attention: Stephen F. Smith, Township Manager
599 Lewisberry Road
New Cumberland, PA 17070

To Developer: Old York Developers, LLC
c/o Developers Realty Corp.
1224 Mill St., Bldg D, Ste 103
East Berlin, CT 06023
Attn: General Counsel

Developer and Township shall have the right to designate other individuals or address to which notice is to be given, provided that such other individual or address is identified pursuant to notice given to the other party pursuant to the provisions of this Paragraph 12. All such notices shall be effective when received or when receipt is first denied, whichever first occurs.

12. **Recourse.** If for any reason Township is unable to provide all or any portion of the capacity reserved by the Developer pursuant to this Agreement for an indefinite period of time, Township will notify Developer in writing within sixty (60) calendar days of Township's becoming aware of any such circumstances.

13. **No Recourse.** Developer understands, acknowledges and agrees that there is no recourse remedy for Township's inability to provide the sewer capacity allocated and reserved by Developer under this Agreement.

14. **Amendment.** This Agreement shall not be amended, modified or changed, except in writing, signed by Township and Developer.

15. **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of Township and its successor. This Agreement shall be binding upon and shall inure to the benefit of a Developer, Developer's successors and assigns.

16. **Governing Law.** This Agreement shall be governed, enforced and construed in accordance with the laws of the Commonwealth of Pennsylvania. Township and Developer consent to the jurisdiction of the Court of Common Pleas, York County, Pennsylvania, for the resolution of any disputes arising hereunder.

17. **Severability.** If any paragraph, sentence or other part of this Agreement shall be held by a court of competent jurisdiction by final order or decree to be unlawful, unconstitutional, unenforceable or invalid, such holding shall not invalidate the remainder of this Agreement.

18. **Relationship.** The relationship of Township and Developer is that of contractual independent contractors.

19. **Signatory.** Township and Developer each represent and warrant to the other that the signatory on behalf of Township and the signatory on behalf of Developer is authorized to execute this Agreement on behalf of Township and Developer, respectively, and that no additional authority is required by either signatory.

IN WITNESS WHEREOF, Township, by its duly authorized officer, and Developer, intending to be legally bound, have caused this Reservation Agreement to be signed and delivered as of the date first above written.

Attest:

Township:

Fairview Township

By: Donna L. Nissel
Secretary

By: [Signature]
Chairman

Developer:

Attest/Witness:

Old York Develop, LLC

By: [Signature]
Cathy E. Carter

By: [Signature]
Name: Wayne Eisenbaum
Title: Manager

EXHIBIT A

Name of Property:

Shops at Old York

Or

Name of Preliminary and/or Final Subdivision Plan/Land Development Plan:

Number of Approved Units/Preliminary Subdivision Plan, Preliminary Land Development Plan
or Preliminary Subdivision/Land Development Plan:

30

Number of Approved EDUs for which tapping fees have been paid: 4

Number of Approved EDUs for which tapping fees have not been paid: 26

COPY

RESERVATION AGREEMENT

THIS RESERVATION AGREEMENT ("Agreement"), made this 29th day of JANUARY 2014 between Gemcraft Home Forest Hill, LLC, a ~~Pennsylvania~~ Maryland LLC of Forest Hill, MD ~~Pennsylvania~~, ("Developer") and FAIRVIEW TOWNSHIP, a municipal corporation organized and existing pursuant to the Pennsylvania Second Class Township Code, as amended and supplemented, 599 Lewisberry Road, New Cumberland, York County, Pennsylvania, hereinafter called "Township."

BACKGROUND

- A. The Township is the owner of sewage collection, transportation, treatment and disposal facilities ("Sewer System") serving portions of Fairview Township, York County, Pennsylvania.
- B. Township, pursuant to Resolution No. 2013-15, dated August 26, 2013, imposed a Reservation of Capacity Fee in the amount of Three Hundred and 00/100 (\$300.00) Dollars per year for each approved Equivalent Dwelling Unit ("EDU"), payable, in advance, in the amount of Seventy-Five and 00/100 (\$75.00) Dollars per calendar quarter for each calendar year, effective as of October 1, 2013.
- C. Township is willing to continue to allocate a portion of the existing sewer capacity with the Sewer System by use by persons or entities, including Developer, under the terms and conditions set forth in this Agreement.
- D. Develop is the owner or equitable owner of real estate in Township, described in Exhibit A attached hereto and made part hereof ("Property"), and Developer has determined that Developer desires to reserve a portion of the available sewer capacity in the Sewer System for development or improvement of the Property.

E. Township and Developer desire to enter into this Agreement for purposes of confirming Developer's obligation to pay the Reservation of Capacity Fee in consideration of the reservation of a portion of the available sewer capacity in the Sewer System to be allocated to Developer, Developer's successors and assigns, for the Property, upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, Township and Developer, each intending to be legally bound, covenant and agree as follows:

1. **Background.** The Background set forth above is incorporated herein.

2. **Definitions.** The following words or terms used in this Agreement shall have the following meanings:

A. **Approved EDU.** "Approved EDU" means a residential or non-residential structure shown or depicted upon an Approved Plan (hereinafter defined) for which Developer is obligated to provide public sanitary sewer service.

B. **Approved Plan.** "Approved Plan" means any approved preliminary subdivision plan, approved preliminary land development plan or approved preliminary subdivision/land development plan, as well as, any approved and recorded final subdivision plan, approved and recorded final land development plan or approved and recorded subdivision/land development plan, approved or recorded on or before October 1, 2006.

C. **Equivalent Dwelling Unit (EDU).** "Equivalent Dwelling Unit" ("EDU") means a measure of volume of flow or expected flow of sanitary sewage or industrial waste from an improved property as determined by the Township's consulting engineer, in accordance with sound engineering practices; each such Equivalent Dwelling Unit being deemed equal to 228 gallons per day pursuant to the guidelines set forth in Act 57.

E. **Reservation of Capacity Fee.** "Reservation of Capacity Fee" means the fee imposed by the Township pursuant to Resolution No. 2013-15, dated August 26, 2013, as amended from time to time, which said fee is paid to reserve or allocate sanitary sewer capacity for an Approved EDU in connection with an Approved Plan and said fee is in the amount of Three Hundred and 00/100 (\$300.00) Dollars per year, payable in advance, in the amount of Seventy-Five and 00/100 (\$75.00) Dollars per calendar quarter effective October 1, 2013.

F. **Sewer System.** "Sewer System" means all facilities, as of any particular time, for the collecting, transporting, treatment and disposal of sanitary sewage and industrial waste, including all related and necessary facilities, owned or to be owned by Township or to which Township has the right to utilize such facilities for the purpose of providing public sanitary sewer service pursuant to an agreement.

G. **Township.** Fairview Township, a municipal corporation organized and existing under and pursuant to the provisions of the Pennsylvania Second Class Township, as amended and supplemented.

3. **Developer's Obligations.** Subject to the provisions of Paragraph 6, Developer shall, effective October 1, 2013, pay the Reservation of Capacity Fee to Township for each Approved EDU as shown or depicted upon an Approved Plan, which said fee shall be payable, in advance, on or before the last calendar day of each calendar quarter. If Developer has paid the Reservation of Capacity Fee for an Approved EDU or Approved EDU's during the calendar quarter and, during the same calendar quarter, Developer pays the tapping fee or tapping fees for such Approved EDU or Approved EDU's, the Reservation of Capacity Fee shall not be prorated for the then-current calendar quarter. If Developer pays the tapping fee or approved tapping fee for such Approved EDU or Approved EDU's during on or before the last calendar day of the then-current calendar quarter then Developer is not obligated to pay the Reservation of Capacity Fee for such Approved EDU or Approved EDU's for said calendar quarter.

4. **Allocation of Capacity.** Township shall allocate or reserve for Developer's Property a portion of the sanitary sewer capacity of the Sewer System for each Approved EDU provided (i) Developer is paying the Reservation of Capacity Fee for each Approved EDU or (ii) Developer has paid, in full, the tapping fee for each Approved EDU. If Developer is not or has not paid the Reservation of Capacity Fee for each Approved EDU or Developer has not paid the tapping fee, in full, for an Approved EDU, Township is not obligated to allocate or reserve any portion of the capacity in the Sewer System for Developer's Property.

5. **Applicability/Approved EDUs.** The Reservation of Capacity Fee is payable with respect to all Approved EDUs as shown on Approved Plan for which the tapping fee has not been paid, in full.

6. **Payment of Tapping Fee.** If Developer has paid the tapping fee or tapping fees for one or more Approved EDUs Developer is not obligated to pay the Reservation of Capacity Fee for such Approved EDU or Approved EDUs.

7. **Failure to Pay Reservation of Capacity Fee.** If Developer shall fail to pay the quarterly payment on account of the Reservation of Capacity Fee by the last day of the calendar quarter then, in that event, the following shall be applicable:

A. **Loss of Allocated Capacity.** Developer shall no longer have capacity in the Sewer System allocated or reserved for Developer's Property and Developer will be at risk if Developer shall, in the future, make application for connection of an Approved EDU or Approved EDUs to the Sewer System.

B. **Reallocation of Capacity.** The allocated or reserved capacity for Developer's Property shall revert to the Township and the Township shall have the right to use said allocated or reserved capacity in the Sewer System in any way Township deems appropriate including, but not limited to, reallocating or reserving said reserved capacity in the Sewer System to another user or users.

C. **Future Application.** If Developer has failed to pay the appropriate Reservation of Capacity Fee and Developer desires, in the future, to reserve or have allocated sewer capacity in the Sewer System for Developer's Property, then Developer shall submit a written request to Township to reserve or allocate sewer capacity within the Sewer System for Developer's Property. The Township shall, upon Developer's request, determine if there is capacity then available in the Sewer System. If there is available capacity in the Sewer System, Township may allocate capacity for Developer's Property provided Developer shall, in addition to paying the applicable tapping fee or tapping fees for the remaining Approved EDUs, pay any unpaid Reservation of Capacity Fee (effective from October 1, 2013), together with interest at the rate of six (6%) percent per annum. Developer acknowledges that if the Developer's sewer capacity in the Sewer System reverts to Township, that upon a subsequent application by Developer that there may not be adequate sewer capacity, available to serve the Approved Plan or Plans.

D. **Reimbursement.** No portion of the Reservation of Capacity Fee shall be reimbursed by Township to Developer.

E. In the event of loss of allocation or reallocation of capacity hereunder due to Developer's failure to remit payment of quarterly or annual Reservation of Capacity Fees, Developer hereby acknowledges and consents to the Township notifying the Pennsylvania Department of Environmental Protection ("DEP") of such loss or reallocation of capacity and to Township reporting the loss or reallocating as required in any annual Chapter 94 reports and in any future amendments of the Township Act 537 Plan.

8. **Transferability.** If Developer shall elect to sell all or a portion of Developer's Property, Developer shall provide written notice to Township and Developer shall have the right to transfer to such purchaser or purchasers Developer's rights and duties pursuant to this Agreement, provided, however, said purchaser or purchasers shall be obligated to assume and discharge Developer's obligations pursuant to this Agreement. Further, Developer's purchaser

or purchaser shall enter into this or a similar Agreement in order to reserve capacity in the Sewer System.

9. **Termination/Reservation of Capacity Fee.** Except as provided in Paragraph 10, this Agreement shall terminate as of September 30, 2018. Upon the termination of this Agreement, any capacity reserved or allocated to Developer's Property for one or more Approved EDUs, for which Developer has paid the Reservation of Capacity Fee, shall revert to Township and Township shall have the right to use said capacity in the Sewer System in any way Township deems appropriate, including, but not limited to, allocating said reserved capacity in the Sewer System to another user or users. Developer may on or before July 1, 2018, submit a written request to Township to reserve or allocate sewer capacity within the Sewer System for Developer's Property, which said request shall be deemed a new application for capacity. Township shall, upon Developer's written request (new application for sewer capacity), determine if there is sewer capacity available in the Sewer System.

10. **Termination/Paid Tapping Fee.** If Developer has paid the tapping fee or tapping fees for one or more Approved EDUs, the capacity reserved or allocated for Developer's Property for such Approved EDUs shall be and remain in effect until September 30, 2018. If Developer has not utilized the reserved sewer capacity as of September 30, 2018, then, in that event, said reserved sewer capacity shall terminate and shall revert to Township and Township shall have the right to use said reserved capacity in the Sewer System in any way Township deems appropriate including, but not limited, reallocating or reserving said capacity in the Sewer System to another user or users.

11. **Notice.** Any notice or communication required or permitted to be given under this Agreement shall be in writing and served personally, delivered by courier or sent by United States certified mail, postage prepaid with return receipt requested, addressed to the other party:

To Township: Fairview Township
Attention: Donna L. Nissel, Secretary
599 Lewisberry Road
New Cumberland, PA 17070

Copy to: Fairview Township
Attention: Stephen F. Smith, Township Manager
599 Lewisberry Road
New Cumberland, PA 17070

To Developer: GEMCRAFT HOMES OF FOREST HILL
ATTN: DALE HEVESY
2505 COMMERCE ROAD
FOREST HILL MD 21050

Developer and Township shall have the right to designate other individuals or address to which notice is to be given, provided that such other individual or address is identified pursuant to notice given to the other party pursuant to the provisions of this Paragraph 12. All such notices shall be effective when received or when receipt is first denied, whichever first occurs.

12. **Recourse.** If for any reason Township is unable to provide all or any portion of the capacity reserved by the Developer pursuant to this Agreement for an indefinite period of time, Township will notify Developer in writing within sixty (60) calendar days of Township's becoming aware of any such circumstances.

13. **No Recourse.** Developer understands, acknowledges and agrees that there is no recourse remedy for Township's inability to provide the sewer capacity allocated and reserved by Developer under this Agreement.

14. **Amendment.** This Agreement shall not be amended, modified or changed, except in writing, signed by Township and Developer.

15. **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of Township and its successor. This Agreement shall be binding upon and shall inure to the benefit of a Developer, Developer's successors and assigns.

16. **Governing Law.** This Agreement shall be governed, enforced and construed in accordance with the laws of the Commonwealth of Pennsylvania. Township and Developer consent to the jurisdiction of the Court of Common Pleas, York County, Pennsylvania, for the resolution of any disputes arising hereunder.

17. **Severability.** If any paragraph, sentence or other part of this Agreement shall be held by a court of competent jurisdiction by final order or decree to be unlawful, unconstitutional, unenforceable or invalid, such holding shall not invalidate the remainder of this Agreement.

18. **Relationship.** The relationship of Township and Developer is that of contractual independent contractors.

19. **Signatory.** Township and Developer each represent and warrant to the other that the signatory on behalf of Township and the signatory on behalf of Developer is authorized to execute this Agreement on behalf of Township and Developer, respectively, and that no additional authority is required by either signatory.

IN WITNESS WHEREOF, Township, by its duly authorized officer, and Developer, intending to be legally bound, have caused this Reservation Agreement to be signed and delivered as of the date first above written.

Attest:

Township:

Fairview Township

By: Donna L. Nessel
Secretary

By: [Signature]
Chairman

Developer:

Attest/Witness:

[Signature]
GENERAL MANAGER OF FOREST HILL

By: Ticki Thacker

By: Dak Hayes
Name: Dak Hayes
Title: Vice president
Manager

EXHIBIT A

Name of Property:

Brentcliff Phase 3

Or

Name of Preliminary and/or Final Subdivision Plan/Land Development Plan:

Number of Approved Units/Preliminary Subdivision Plan, Preliminary Land Development Plan
or Preliminary Subdivision/Land Development Plan:

39

Number of Approved EDUs for which tapping fees have been paid: 0

Number of Approved EDUs for which tapping fees have not been paid: 39