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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

AGREEMENT

THIS AGREEMENT, dated as of the 23rd day of January

1988, by and between

DANVILLE MUNICIPAL AUTHORITY (the "Authority"), a municipality authority existing under the Pennsylvania Laws, and the BOROUGH OF DANVILLE, Montour County, Pennsylvania (the "Borough"), a municipal corporation existing under Pennsylvania Laws, parties of the first part,

- AND -

MAHONING TOWNSHIP AUTHORITY (the "Mahoning"), a municipality authority existing under the Pennsylvania Laws, party of the second part.

WITNESSETH: WHEREAS, the Authority heretofore acquired from the Borough the existing sewage collection system situate within the limits of the Borough and financed and constructed a sewage treatment plant and appurtenant facilities, which sewage collection system and sewage treatment plant, including all additions, extensions, improvements, renewals and replacements thereto constructed or acquired by the Authority, from time to time, are hereinafter sometimes called the "Sewer System"; and,

WHEREAS, the Authority heretofore leased the sewer system to the Borough for operation and use under a lease, dated as of February 1, 1952, as supplemented by First Supplemental Lease dated June 1, 1964 (the "Lease"); and,

WHEREAS, Borough and Mahoning entered into an agreement dated June 1, 1951, which provided inter alia for the Borough to furnish sewage disposal service for Mahoning by permitting Mahoning to attach sewer lines to the Borough sewer lines at the Borough - Township boundary line; and,

WHEREAS, Mahoning has determined to construct certain additions, alterations and improvements and to make other connections to the Authority

sewer system; and

WHEREAS, the parties herein deem it to their mutual advantage that in accordance with the terms hereof, the sanitary sewage collected from the properties located in Mahoning be discharged into the sewer system and to be treated and disposed of by Authority through the facilities provided by the sewer system; and

WHEREAS, the Authority and the Borough desire to agree with Mahoning with respect to the manner in which Mahoning will participate in the annual costs of providing, operating and maintaining system and with respect to certain related matters:

NOW, THEREFORE, the Authority and the Borough, on the one hand, and Mahoning on the other hand, for and in consideration of the covenants and agreements herein contained, to be kept and observed, each intending to be legally bound hereby, covenant and agree as follows:--

SECTION 1. This Agreement is entered into by Danville Municipal Authority pursuant to a resolution duly adopted by its Board on Jan. 13 1968, by the Borough of Danville pursuant to an Ordinance duly enacted by its Council on Jan. 13 1968, and by Mahoning Township Authority pursuant to a resolution duly adopted by its Board on Jan. 13 1968.

SECTION 2. The initial term of this agreement shall commence with the date of the issuance of Bonds by Mahoning Township Authority for the purpose inter alia of providing funds to construct the Mahoning Sewage Collection System, said date of issuance to take place not later than Jan. 13 1968, and shall continue for forty (40) years thereafter.

SECTION 3. Mahoning agrees to construct the Mahoning Sewage Collection System in accordance with a sewerage permit to be obtained from the Sanitary Water Board of the Department of Health of the Commonwealth of Pennsylvania, and the drawings and specifications prepared by Kauffman

Naugle & Sheridan, of Lewisburg, Pennsylvania, Consulting Engineers of Mahoning Township Authority, and as approved by Gamett, Fleming Cordry and Carpenter, Inc., of Harrisburg, Pennsylvania, Consulting Engineers of Authority and Borough, and any modifications of said drawings and specifications which either do not make any substantial change in said system or are approved in writing by said Consulting Engineers of Mahoning and the Consulting Engineers of Authority and Borough.

SECTION 2. The Authority and the Borough covenant during the term of this agreement to receive, transport and dispose of all sewage and wastes collected by Mahoning, such receipt to be made at an already existing connection at the Borough - Mahoning Township boundary known as the "Spring Street Line" and a new connection to be made at the Borough - Mahoning Township boundary at Lower Street, and at such other points to be agreed upon by the parties hereto, provided, however, that this covenant shall be limited as follows:-

A. The quantity of sewage and wastes collected in the Mahoning Sewerage System, required to be received, transported, treated and disposed of by the Authority and the Borough, as appropriate, hereunder shall be limited to the following:-

MAXIMUM SEWAGE FLOWS

Per Capita Daily Sewage Flows (including infiltration)	100 Gallons
Average Peak	250 Gallons
Maximum Daily Infiltration Allowance	250 Gallons / Inch Diameter
Total Average Daily Flow	840,000 Gallons
Peak Instantaneous Flow	1,800,000 Gallons Per Day

MAXIMUM POLLUTION LOADINGS

Biochemical Oxygen Demand Per Capita Total	0.17 Pounds Per Day
	1.068 Pounds Per Day

Suspended Solids
Per Capita
Total

0.20 Pounds Per Day
1,280 Pounds Per Day

B. The sewage wastes collected in the Mahoning Sewerage System shall not contain any roof drainage water, storm water, surface drainage or building foundation drainage and shall not contain any sewage or wastes---

- (a) having a temperature higher than 140° F at the point of discharge to the sewer system;
- (b) containing more than 120 parts per million by weight of tar, oil and/or grease;
- (c) containing any gasoline, kerosene, naphtha, fuel oil or other inflammable or explosive liquids, solids or gases;
- (d) containing any garbage which has not been ground by a household type or other suitable garbage grinder;
- (e) containing any ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, cloths, feathers, tar, plastics, wood, punch manure, cotton, wool or other fibers or any other solid or viscous substance capable of causing obstruction or other interference with proper operation of the sewer system;
- (f) having a pH lower than 6.5 or higher than 9.0 or having any other corrosive property capable of causing damage or hazards to structures, equipment or personnel of the sewer system;
- (g) containing a toxic or poisonous substance in sufficient quantity to injure or interfere with any sewage or sludge treatment process, constitute a hazard to humans or animals, create any hazard in operation of the sewer system or create

any hazard in waters that receive treated effluent from the sewer system. Toxic wastes shall include, but not by way of limitation, wastes containing cyanide, chromium, nickel and/or copper ions.

- (c) containing noxious or malodorous gases or substances,
- (f) containing solids of such character and quantity that special and unusual attention is required for their handling, or
- (j) containing substances or other matter having characteristics which violate provisions of the Ordinance of the Borough in effect at the time, governing the discharge of sewage and other wastes into the sewer system by residents of the Borough.

SECTION 5. Mahoning shall provide authorized representatives of Borough and Authority with access at all times to the Mahoning Sewage Collection System and the laterals connected thereto, and permit such representatives to inspect that which is accessible by virtue of the then existing manholes and also to permit such representatives to make tests of the flowage passing through the same.

SECTION 6. Mahoning covenants to maintain the Mahoning Sewage Collection System in good repair and operating condition, to operate the same continuously in an economical and efficient manner and to pay all costs of operation and make all ordinary repairs, renewals and replacements and all ordinary improvements and to generally maintain the system in order to maintain adequate service.

SECTION 7. Authority and Borough shall not be liable for any damages or demands whatsoever arising or growing out of the construction, operation, maintenance or repair of the Mahoning Sewage Collection System, nor for any damages or demands whatsoever in case of the failure or inadequacy of

the Authority and Borough Sewage System to receive, treat or dispose of Sanitary Sewage from Mahoning caused by reason of any condition beyond the control of Authority and Borough.

SECTION 8. Authority and Borough agree to indemnify and save harmless Mahoning against all losses, costs or damages on account of any injury to persons or property occurring in the performance of this agreement due to the negligence of Authority and Borough, its servants, agents or employees, or resulting in failure of the sewer system to function properly from any cause due to the negligence of Authority and Borough, its servants, agents or employees.

SECTION 9. Authority and Borough covenant and agree to keep their sewer lines and sewage disposal plant in a good and usable condition during the term of this agreement and they further covenant and agree that at all times during the period of this Agreement that they will maintain sufficient capacity in their lines and plant to properly receive, transport, treat and dispose of the sanitary sewage for Mahoning to the extent that the same must be or may be discharged thereto under the terms of this agreement.

Authority and Borough also agree to take all other action and perform all other acts at any time necessary during the term of this agreement to permit them to perform their obligation hereunder and that they will comply at all times with any requirements of the Sanitary Water Board of the Commonwealth of Pennsylvania or any other governmental agency having jurisdiction over it.

SECTION 10. Mahoning shall keep an accurate record of the number and location of the properties within Mahoning connected to the sewer system and will make such records available at reasonable times for examination by authorized representatives of Authority and Borough. Certified audits of appropriate records and accounts of Mahoning shall be made available to

part of the sewer system shall be provided and the matter in which
the station in which required work on the sewerage treatment plant construction
the Authority, the Borough, and the Borough Council shall be responsible for
shall retain a responsibility for the treatment of such sewage and water
County Department of Health or any other governmental body having jurisdiction
sewer system shall be limited to primarily a treatment and final disposal
and water collected in the sewerage system and discharged into the
that the Authority and the Borough's covenant shall be subject to the sewerage
SECTION 11. It is specifically agreed between the parties hereto

rate paid by the Borough to the Authority and the Borough
the Domestic rate shall cause adjustment in a corresponding manner in the
sewerage rate and shall be set forth in a separate schedule to
those fully detailed and set forth in Ordinance of the Borough of Seattle
state persons (25%). The present basis of charges to the sewer system has been
within the context of the sewerage system connected to the sewer system has been
sewerage collection system, the amount of money charged for a similar residence
quarter for each residence within the territory covered by the

SECTION 12. The Authority shall pay to the Borough and the Borough
the treatment plant and distribution system in Authority and Borough
The Authority has been paid in full. This certificate is a payment, which
term of years until expiration as all sewer revenue bonds previously issued
of One Thousand One Hundred Fifty-Dollars (\$1,155.00) each year for a

SECTION 13. The Authority shall pay to the Borough and the Borough
in such quarter
in writing of the number of properties having a sewer connection to the sewerage
of each quarterly annual period the Authority shall advise the Borough and the Borough
Authority and the Borough at least annually. Within ten (10) days after the end

Mahoning, the Authority and the Borough shall participate in costs and expenses thereof.

SECTION 14. It is expressly understood and agreed that the Geisinger Medical Center and the Danville State Hospital are excluded from the terms of this agreement and from the Mahoning Township Authority Sewer System and that Authority and Borough shall continue to consult directly with the Geisinger Medical Center and the Commonwealth of Pennsylvania, Department of Public Welfare for the Danville State Hospital.

SECTION 15. The parties hereto agree that if at any time disputes arise between them concerning the terms of this agreement, the matter of difference shall be referred to three (3) Registered Consulting Engineers, one (1) to be appointed by the Authority and the Borough, one (1) to be appointed by Mahoning, and a third to be agreed upon by the two (2) said appointees and the decision or award of the majority of said arbitrators shall be final and binding upon the parties hereto, their respective successors and assigns.

SECTION 16. This agreement shall be binding upon the parties hereto, their respective successors and assigns.

SECTION 17. The parties hereto agree that at the expiration of the term of this agreement the same shall be renewed and extended for a further period of five (5) years, subject to all of the terms and conditions herein contained, and so on for another five (5) year term unless and until either party hereto shall give to the other one (1) years written notice of an intention to terminate this Agreement prior to the expiration of the then current term.

SECTION 18. This agreement may be executed in any number of counterparts, each of which shall be an original, but such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Danville Municipal Authority and the Mahoning Township Authority each has caused this Agreement to be executed

in its name and in its behalf by its Chairman or Vice Chairman and its corporate seal to be affixed hereunto and attested by its Secretary or Assistant Secretary, and the Borough of Danville, Montour County, Pennsylvania, has caused this Agreement to be executed in its name and in its behalf by the President of Council, attested by its Secretary and approved by its Mayor, all as of the day and year first above written.

DANVILLE MUNICIPAL AUTHORITY
By: [Signature]
Chairman

Attest:
[Signature]
Secretary

(SEAL)

MAHONING TOWNSHIP AUTHORITY
By: [Signature]
Chairman

Attest:
[Signature]
Secretary

(SEAL)

BOROUGH OF DANVILLE
By: [Signature]
Chairman

Attest:
[Signature]
Secretary

(SEAL)

Approved:
[Signature]
Mayor

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AMENDMENT TO AGREEMENT OF
JANUARY 23, 1968, BETWEEN DANVILLE PUBLIC UTILITY COMMISSION
MUNICIPAL AUTHORITY, BOROUGH OF DANVILLE SECRETARY'S BUREAU
AND MAHONING TOWNSHIP AUTHORITY

WHEREAS, The Agreement dated 23 January 1968 between the Authority and the Borough and Mahoning is only for residential service and since industrial and other non-residential development is occurring and is planned for Mahoning Township; and,

WHEREAS, the parties to this Agreement desire to amend it to provide for industrial and other non-residential customers in Mahoning, this Agreement is amended as follows:--

SECTION 19: The total average daily flow stated in Section 4 is increased from 640,000 gallons per day to 940,000 gallons per day to allow for sewage and wastes from industrial and other non-residential customers in Mahoning. The corresponding total Peak Instantaneous Flow is increased from 1,600,000 gallons per day to 2,350,000 gallons per day. For the U. S. Route 11 connection, the Average Daily Flow discharged to the U. S. Route 11 (Walnut Street) sewer shall be 172,800 gallons per day, with a corresponding Peak Instantaneous Flow at this location of 360,000 gallons per day. In the event the average daily flow and corresponding peak instantaneous flow on the U. S. Route 11 connection should exceed the average daily flow of 172,800 gallons per day with the corresponding peak instantaneous flow of 360,000 gallons per day then Mahoning agrees to pay the entire cost of the installation of an auxiliary sewer line from the existing sewer connection on the Borough boundary

line to the intersection of Walnut Street and Railroad Street within said Borough

SECTION 20: Mahoning shall pay to the Borough and Authority each quarter for sewage and industrial waste water generated by industries and other non-residential customers within the Township and connected to the Mahoning sewage collection system except for the Geisinger Medical Center and the Danville State Hospital as set forth in Section 14. The amount of money shall be based upon the prevailing Danville rate resolution plus twenty-five per cent (25%). Any further adjustment in rates for services in the Borough shall cause adjustment in a corresponding manner in the rates paid by Mahoning to the Borough and Authority. On each new non-residential user sewage flows shall be determined by the Consulting Engineers for Borough and Authority and these flows shall be made available to Mahoning.

SECTION 21: In all other respects the agreement dated January 23, 1968, shall remain in force and effect except as modified by this agreement.

IN WITNESS WHEREOF, the Danville Municipal Authority and the Mahoning Township Authority each has caused this Amendment to be executed in its name and in its behalf by its Chairman or Vice Chairman and its corporate seal to be affixed hereunto and attested by its Secretary or Assistant Secretary, and the Borough of Danville, Montour County, Pennsylvania, has caused this Amendment to be executed in its name and in its behalf by the President of

Council, attested by its Secretary and approved by its Mayor, all as of
this 27th day of April, 1981.

DANVILLE MUNICIPAL AUTHORITY

Attest:

By: _____

Chairman

Secretary

(Seal)

MAHONING TOWNSHIP AUTHORITY

Attest:

By: _____

Chairman

Theresa A. Krum
Secretary

(Seal)

BOROUGH OF DANVILLE

Attest:

By: _____

President

Secretary

(Seal)

Approved:

Mayor

Mah Pump

1985
1,113 M.G.D.

AMENDMENT TO AGREEMENT OF
JANUARY 23, 1968, BETWEEN DANVILLE
MUNICIPAL AUTHORITY, BOROUGH OF DANVILLE
AND MAHONING TOWNSHIP AUTHORITY

WHEREAS, the Agreement dated January 23, 1968, between the Authority, the Borough and Mahoning provides for residential sewer service and since industrial and other non-residential development as well as additional residential development is occurring and is planned for Mahoning Township; and,

WHEREAS, the parties to this agreement desire to amend it to provide for the industrial and other non-residential customers as well as additional residential customers in Mahoning; and,

WHEREAS, the Borough was required by the Environmental Protection Agency to meet the Federal Water Pollution Control Act standards for industrial pretreatment and has done so by amending Chapter 108 of the Danville Borough Code, this Agreement is amended as follows:--

SECTION 19: The total average daily flow stated in Section 4 is increased from ~~910,000~~^{910,000} gallons per day to 1,113,000 gallons per day to allow for sewage and waste from industrial and other non-residential customers as well as additional residential customers in Mahoning. The corresponding total Peak Instantaneous Flow is increased from 2,350,000 gallons per day to 2,780,000 gallons per day. In the event the average daily

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flow and corresponding Peak Instantaneous Flow on all connections to the Borough of Danville shall exceed the average daily flow of 1,113,000 gallons per day with the corresponding Peak Instantaneous Flow of 2,780,000 gallons per day, then the Authority, the Borough and Mahoning agrees to negotiate with respect to the manner in which required work on the sewage treatment plant constituting part of the Sewer System shall be financed and the manner in which Mahoning, the Authority and the Borough shall participate in costs and expenses thereof. In addition thereto, with respect to the trunk line on Route 11, Mahoning shall not be required to replace, enlarge or construct another trunk line unless the sewage flows from Mahoning on Route 11 exceed the rated sewage capacity of the existing trunk line and exceed the permitted allocation to Mahoning in the existing regular Borough line on Route 11.

SECTION 20: Mahoning shall pay to the Borough and Authority each quarter for sewage and industrial waste water generated by industries and other non-residential customers within the Township and connected to the Mahoning sewage collection system except for the Geisinger Medical Center and the Danville State Hospital as set forth in Section 14. The amount of money shall be based upon the prevailing Danville rate resolution plus twenty-five per cent (25%). Any further adjustment in rates for

services in the Borough shall cause adjustment in a corresponding manner in the rates paid by Mahoning to the Borough and Authority. On each new non-residential user sewage flows shall be determined by the Consulting Engineers for Borough and Authority and these flows shall be made available to Mahoning.

SECTION 21: Mahoning shall adopt and enforce an Ordinance that conforms to the minimum legal requirements contained in the General Pretreatment Regulations of 40 CFR 403.8 (f) (1).

SECTION 22: Mahoning shall adopt as part of its Ordinance specific discharge limits at least as stringent as the specific discharge limits established in the Ordinance of the Borough of Danville.

SECTION 23: Any authorized employee of the Borough of Danville may enter and inspect any part of Mahoning's sewer system at any reasonable time, and may take samples. Any authorized employee of the Borough of Danville may enter and inspect industrial premises that discharge to Mahoning's sewer system, and may take samples. Mahoning shall make any necessary arrangements for such inspections.

SECTION 24: Mahoning shall provide the Borough of Danville with copies of all industrial monitoring reports, records of violations, and other relevant information.

SECTION 25: Mahoning shall indemnify the Borough of Danville for all damages, fines and costs incurred as a result of industrial waste discharges originating in Mahoning.

SECTION 26: Borough of Danville may seek injunctive relief against any industrial user of Mahoning's sewer system if such user's discharge reasonably appears to present an imminent danger to the health or welfare of persons, or the environment, or if a discharge threatens to interfere with the operation of the wastewater treatment system.

SECTION 27: All other responsibilities under the industrial pretreatment program required by the Federal Water Pollution Control Act shall be administered by the Borough of Danville.

SECTION 28: In all other respects the Agreement dated January 23, 1968, shall remain in force and effect except as modified by this Agreement and the Amendment dated April 27, 1981.

IN WITNESS WHEREOF, the Danville Municipal Authority and the Mahoning Township Authority each has caused this Amendment to be executed in its name and in its behalf by its Chairman or Vice Chairman and its corporate seal to be affixed hereunto and attested by its Secretary or Assistant Secretary, and the Borough of Danville, Montour County, Pennsylvania, has caused this Amendment to be executed in its name and in its behalf by

the President of Council, attested by its Secretary and approved by its Mayor, all as of this 21st day of May, 1985.

DANVILLE MUNICIPAL AUTHORITY

Attest:

John E. Coonan
Secretary
(Seal)

By: Ragner Simon
Chairman

MAHONING TOWNSHIP AUTHORITY

Attest:

Robert W. Buehner
Secretary
(Seal)

By: Thomas D. Wright
Chairman

BOROUGH OF DANVILLE

Attest:

Gene Phoney
Secretary
(Seal)

By: Edward J. Garton
President

Approved:

James Owen
Mayor

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**AMENDMENT TO AGREEMENT OF
JANUARY 23, 1968 (AS AMENDED),
BETWEEN DANVILLE MUNICIPAL AUTHORITY, BOROUGH OF DANVILLE AND
MAHONING TOWNSHIP AUTHORITY**

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

THIS AMENDMENT to Agreement of January 23, 1968 (as amended), is entered into as of this _____ day of January, 2012, by and between the Danville Municipal Authority ("Authority"), the Borough of Danville ("Borough"), and the Mahoning Township Authority ("Mahoning").

WHEREAS, the Agreement dated January 23, 1968 (as amended), between the Authority, the Borough, and Mahoning provides for the treatment and disposal of sewage and wastewater from Mahoning; and

WHEREAS, the initial term of the Agreement commenced on or about January 23, 1968, but not later than January 24, 1968, and continued for a period of forty (40) years thereafter; and

WHEREAS, Section 17 of the Agreement provides that at the expiration of the initial term of the Agreement the same shall be renewed and extended for a further period of five (5) years, and so on for another five (5) year term unless and until a party to the Agreement shall give one (1) year written notice of an intention to terminate the Agreement prior to the expiration of the then current term; and

WHEREAS, upon the expiration of the initial forty (40) year term of the Agreement (as amended) in January 2008, no party had given notice of an intention to terminate the Agreement (as amended), and consequently, the Agreement (as amended) was automatically renewed and extended for a period of five (5) years ending on or about January 23, 2013; and

WHEREAS, recognizing the pending deadline to provide written notice of an intention to terminate the Agreement (as amended) prior to the expiration of the current five (5) year renewal term, and the efforts of the parties to reach a new, mutually-acceptable, long-term agreement, the parties to the Agreement (as amended) desire to further amend the Agreement by providing a one-time, one (1) year extension of the automatic renewal period, effectively postponing the January 22, 2012 requisite notice period until January 22, 2013 and the termination date of the Agreement until January 23, 2014; and pursuant to same, notice of the intention to terminate the current Agreement by any party must be provided by January 22, 2013, or else the Agreement would be automatically extended for the same five (5) year period of time until January 23, 2019; and

WHEREAS, the parties agree that notwithstanding a one (1) year extension of the automatic renewal period and any of their efforts to reach a new, mutually-acceptable, long-term agreement, the parties may continue to pursue and commence whatever legal action they may deem necessary to protect their legal interests.

NOW, THEREFORE, the Authority, Borough, and Mahoning, for and in consideration of the terms, covenants and agreements herein contained, each intending to be legally bound, hereby agree to a one-time, one (1) year extension of the automatic renewal period set forth in

Section 17 of the Agreement (as amended), which said one (1) year extension effectively postpones the January 22, 2012 notice date until January 22, 2013, and effectively postpones the termination date of the Agreement (as amended) to January 23, 2014; said agreement by the parties being subject to an agreement by all parties to meet on a monthly basis (February 2012 through January 2013) to negotiate, in good faith, to develop a new, long-term, mutually-acceptable wastewater treatment agreement, with all parties reserving the right to be represented by legal counsel and/or engineering or other professional consultants during such meetings, and all parties reserving the right to pursue and/or commence whatever legal action they may deem necessary to protect their legal interests.

IN WITNESS WHEREOF, Danville Municipal Authority, Borough of Danville, and Mahoning Township Authority each has caused this Amendment to be executed in its name.

DANVILLE MUNICIPAL AUTHORITY

By: Walter R. Shultz
Name: Walter R. Shultz
Title: Chairman

ATTEST:

John E. Corman
Name: John E. Corman
Title: Treasurer/Asst. Secretary

BOROUGH OF DANVILLE

By: Richard Johns
Name: Richard Johns
Title: Council President

ATTEST:

Thomas Graham
Name: Thomas Graham
Title: Borough Secretary

MAHONING TOWNSHIP AUTHORITY

By: Thomas A. Hertz
Name: THOMAS A. HERTZ
Title: CHAIRMAN

ATTEST:

Edward P. Bruegel
Name: EDWARD P. BRUEGEL
Title: SECRETARY

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AMENDMENT TO AGREEMENT OF
JANUARY 23, 1968 (AS AMENDED),
BETWEEN DANVILLE MUNICIPAL AUTHORITY, BOROUGH OF DANVILLE AND
MAHONING TOWNSHIP AUTHORITY

THIS AMENDMENT to Agreement of January 23, 1968 (as amended), is entered into as of this 16th day of January, 2013, by and between the Danville Municipal Authority ("Authority"), the Borough of Danville ("Borough"), and the Mahoning Township Authority ("Mahoning").

WHEREAS, the Agreement dated January 23, 1968 (as amended), between the Authority, the Borough, and Mahoning provides for the treatment and disposal of sewage and wastewater from Mahoning; and

WHEREAS, the initial term of the Agreement commenced on or about January 23, 1968, but not later than January 24, 1968, and continued for a period of forty (40) years thereafter; and

WHEREAS, Section 17 of the Agreement provides that at the expiration of the initial term of the Agreement the same shall be renewed and extended for a further period of five (5) years, and so on for another five (5) year term unless and until a party to the Agreement shall give one (1) year written notice of an intention to terminate the Agreement prior to the expiration of the then current term; and

WHEREAS, upon the expiration of the initial forty (40) year term of the Agreement (as amended) in January 2008, no party had given notice of an intention to terminate the Agreement (as amended), and consequently, the Agreement (as amended) was automatically renewed and extended for a period of five (5) years ending on or about January 23, 2013; and

WHEREAS, by a January 2012 amendment to the Agreement, the parties agreed to a one (1) year extension of the automatic renewal period set forth in Section 17 of the Agreement (as amended), which said one (1) year extension postponed a January 22, 2012 deadline to provide one (1) year written notice of an intention to terminate the Agreement prior to the expiration of the then current term until January 22, 2013, and postponed the termination date of the Agreement (as amended) to January 23, 2014; and

WHEREAS, recognizing the pending deadline of January 22, 2013 to provide written notice of an intention to terminate the Agreement (as amended) prior to the expiration of the current one (1) year renewal term, and the continuing efforts of the parties to reach a new, mutually-acceptable, long-term agreement, the parties to the Agreement (as amended) desire to further amend the Agreement by providing an additional one (1) year extension of the automatic renewal period, effectively postponing the January 22, 2013 requisite notice period until January 22, 2014 and the termination date of the Agreement until January 23, 2015; and pursuant to same, notice of the intention to terminate the current Agreement by any party must be provided by January 22, 2014, or else the Agreement would be automatically extended for the same five (5) year period of time until January 23, 2020; and

WHEREAS, the parties agree that notwithstanding a one (1) year extension of the automatic renewal period and any of their efforts to reach a new, mutually-acceptable, long-term agreement, the parties may continue to pursue and commence whatever legal action they may deem necessary to protect their legal interests.

NOW, THEREFORE, the Authority, Borough, and Mahoning, for and in consideration of the terms, covenants and agreements herein contained, each intending to be legally bound, hereby agree to an additional one (1) year extension of the automatic renewal period set forth in Section 17 of the Agreement (as amended), which said one (1) year extension effectively postpones the January 22, 2013 notice date until January 22, 2014, and effectively postpones the termination date of the Agreement (as amended) to January 23, 2015; said agreement by the parties being subject to an agreement by all parties to endeavor to meet on a monthly basis as necessary, appropriate, and mutually acceptable to negotiate, in good faith, to develop a new, long-term, mutually-acceptable wastewater treatment agreement, with all parties reserving the right to be represented by legal counsel and/or engineering or other professional consultants during such meetings, and all parties reserving the right to pursue and/or commence whatever legal action they may deem necessary to protect their legal interests.

IN WITNESS WHEREOF, Danville Municipal Authority, Borough of Danville, and Mahoning Township Authority each has caused this Amendment to be executed in its name.

DANVILLE MUNICIPAL AUTHORITY

By: *Walter R. [Signature]*
Name: *Walter R. [Signature]*
Title: *[Signature]*

ATTEST:

[Signature]
Name: *Edward L. Harris*
Title: *Secretary*

BOROUGH OF DANVILLE

By: *[Signature]*
Name: *Richard Johns*
Title: *Council President*

ATTEST:

[Signature]
Name: *Thomas B. Gasham*
Title: *Borough Secretary*

MAHONING TOWNSHIP AUTHORITY

By: *[Signature]*
Name: *Thomas [Signature]*
Title: *Engineer*

ATTEST:

[Signature]
Name: *Edward [Signature]*
Title: *Secretary*