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Solicitor, Valley Township
Attorney's I.D. 16134

AGREEMENT

WHEREAS, Valley Township ("Valley"), is a Township of the Second Class, with Offices at 890 West Lincoln Highway, Coatesville, Pennsylvania 19320; and

WHEREAS, Sadsbury Township ("Sadsbury"), is a Township of the Second Class with Offices at 2920 Lincoln Highway, Sadsburyville, Pennsylvania 19369; and

WHEREAS, on November 1, 2011, Sadsbury, acting through its Board of Supervisors, enacted its Ordinance No. 2011-02 authorizing the assignment by Sadsbury to Valley of 2800 West Lincoln Highway, Sadsbury Township, Chester County, Pennsylvania (Tax Parcel No. 37-2-77), as a sanitary sewage customer; and

WHEREAS, on November 1, Valley, acting through its Board of Supervisors, enacted its Ordinance No. 2011-08 authorizing the acceptance of the assignment by Sadsbury of 2800 West Lincoln Highway, Sadsbury Township, Chester County, Pennsylvania (Tax Parcel No. 37-2-77) to Valley as a sanitary sewage customer.

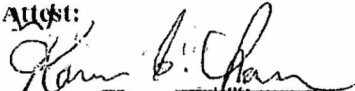
NOW, THEREFORE, BE IT AGREED, this 15 day of November, 2011, by and between Valley and Sadsbury as follows:

- (1) Sadsbury hereby assigns to Valley as a sanitary sewage customer the property at 2800 West Lincoln Highway, Sadsbury Township, Chester County, Pennsylvania (Tax Parcel No. 37-2-77), it being expressly understood that this assignment is subject to, and conditioned upon approval by the Commonwealth of Pennsylvania, Department of Environmental Protection.
- (2) Valley hereby accepts Sadsbury's assignment to it as a sanitary sewage customer the property at 2800 West Lincoln Highway, Sadsbury Township, Chester County, Pennsylvania (Tax Parcel No. 37-2-77); it being expressly understood that this acceptance is subject to, and conditioned upon, approval by the Commonwealth of Pennsylvania, Department of Environmental Protection.
- (3) It is further expressly understood by Sadsbury and Valley that the aforesaid assignment/acceptance is conditioned upon the reimbursement to the municipalities by the owners of 2800 West Lincoln Highway, Sadsbury Township, Chester County, Pennsylvania (Tax Parcel No. 37-2-77), of all engineering and legal fees and costs, including the costs of amending their Act 537 Plans.

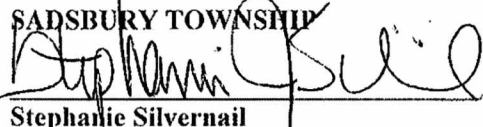
IN WITNESS WHEREOF, the parties hereto have set forth their hands and seals the date above written.

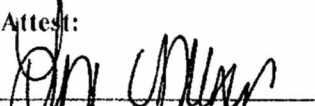
VALLEY TOWNSHIP

By: 
Chairman, Board of Supervisors

Attest:

Secretary

SADSBURY TOWNSHIP

By: 
Stephanie Silvernail
Chairman, Board of Supervisors

Attest:

Lisa Myers, Secretary



received
4/29/92

City of Coatesville Authority

April 28, 1992

Mr. John Emerson High, Attorney
28 North New Street
West Chester, PA 19380

Dear John:

Enclosed is a copy of the proposed Sewer Conveyance Agreement between CCA and Valley Township for the sewer connection by the Coatesville Country Club. This agreement was approved by the CCA Board of Directors last Thursday night. Please let me know before your next meeting on May 5 if you have any questions. We would appreciate your Board considering this at your earliest convenience.

The CCA Board did consider Valley's suggestion that they be allowed to serve the Coatesville Country Club individually. The Board decided to respectfully decline the suggestion. It is their belief the intermunicipal agreement should be kept in tact. As you remember, the intermunicipal agreements stipulate that Valley will not serve any water or sewer customers outside their corporate limits.

I would be happy to discuss this agreement with you and the Board of Supervisors if you wish. Thank you for your consideration

With best regards, I am

Sincerely,

Wayne G. "Ted" Reed
Executive Director

WGR/llm

Enclosure

cc: Mr. Alan P. Novak, CCA Solicitor
Mr. Alan Jarvis, Valley Township Solicitor

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SEWAGE CONVEYANCE AGREEMENT

WEST CALN CONNECTION

THIS AGREEMENT, is made on day of , 1992,
between the CITY OF COATESVILLE AUTHORITY, Chester County,
Pennsylvania (CCA) and VALLEY TOWNSHIP, Chester County,
Pennsylvania (hereinafter referred to as Township).

WHEREAS, CCA is a municipal corporation, organized and
existing under the laws of the Commonwealth of Pennsylvania, and
owns and operates a sewage treatment plant for service providing
public sewer service to various municipalities in and near the
City of Coatesville; and

WHEREAS, the Township is also a municipal corporation,
organized and existing under the laws of the Commonwealth of
Pennsylvania, and provides sewage collection service to
residential, commercial, and industrial users within the Township
connecting its collection system to CCA's sewage treatment plant
so that sewage and industrial wastes discharged by said users may
be received in said plant for treatment and disposal; and

WHEREAS, CCA and the Township entered into a Sewage
Treatment Agreement between the municipalities, which provides
for the conveyance of sewage from CCA customers from points
outside of Valley Township through the Valley Township sewage
system, subject to certain terms and conditions;

NOW THEREFORE, it is agreed as follows:

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ARTICLE I - DEFINITIONS.

The terms defined in this Article, wherever used or referred to in this Agreement, shall have the following respective meanings unless a difference clearly appears from the context.

Average Daily Flow - Average number of gallons per day of sanitary sewage determined by taking the total quantity of flow delivered to a point during a ninety (90) day period of time, and dividing by ninety (90) days.

Cost of Operation and Maintenance - A term used in the calculation of conveyance cost of jointly used sewage facilities in Valley Township. All costs incident to the operation of sewage collection lines and pumping stations which are commonly used by the parties for the conveyance of sewage from and by Valley Township as well as the conveyance of sewage through Valley Township by CCA, said operation to be performed in an efficient and economical manner and leading to the maintenance thereof in a state of good repair during such period. Such costs shall include the cost of all maintenance labor, repairs, normal recurrent replacements, and reconstruction (repairs to basic construction) as may be necessary, all taxes, engineering, legal and superintendence expenses, and casualty and other insurance premiums during the previous calendar year divided by four (4) for the purpose of calculating quarterly billing.

Domestic Waste - Customary wastes from kitchens, water closets, lavatories and laundries.

Industrial Waste - The liquid waste or liquid borne waste resulting from the processing employed by an industrial user, whether treated or untreated, is discharged into the Treatment Works.

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Point of Connection - Point or points at which CCA receives and conducts sanitary sewage or industrial waste from the Township's system to a point for treatment or disposal or where the Township receives sanitary sewage from CCA for conveyance through the Township's system.

Sanitary Sewage - All water-carried domestic waste from residences, offices, hotels, stores, restaurants, commercial establishments, industrial establishments, and similar users within the Township.

Slug - Any sanitary sewage discharge which, for a period of fifteen minutes, shall exceed five times the average daily flow. The term particularly applies to the sudden emptying of large vats, tanks or swimming pools into the sewerage system.

Treatment Plant - Existing sewage treatment plant and facilities owned and operated by CCA, together with any additions, modifications and/or improvements thereto.

ARTICLE II - STATEMENT OF INTENT.

The parties hereto agree that it is the intent of this Agreement to provide for the conveyance of sanitary sewage from a sanitary sewer system originating at the Coatesville Country Club in West Caln Township through a portion of the Valley Township Sewer System to the CCA sewer system in Coatesville and from there to the Treatment Plant owned by CCA for treatment and disposal of those wastes, in common with other wastes flowing through the CCA system and to provide for payment to the Township by CCA for an equitable share of the cost of operation and maintenance of the jointly used conveyance facilities.

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ARTICLE III - TERMS OF AGREEMENT

Section 1 - This Agreement shall be effective as of the above date and shall continue for an indefinite period from said date. Any sewage treatment agreements now existing or to be reached by the Township and CCA shall affect this Agreement in that, should CCA terminate a Sewage Treatment Agreement, this conveyance agreement between CCA and the Township shall be subject to renegotiation at that time, but the Township shall have no obligation to continue the conveyance agreements. Should the Township terminate the sewage treatment agreement, the conveyance agreement between CCA and the Township shall continue in full force and effect.

Section 2 - The Township hereby grants to CCA the right to connect a sanitary sewer emanating from the Coatesville Country Club located in West Caln Township to a manhole located at the intersection Country Club Road and Mineral Springs Road in Valley Township for the purpose of conveying sewage through the Valley Township system from the connection point to the Valley Township Sewage Meter Pit at the connection to CCA system located in Rock ^{Run} ~~Rock~~ in Valley Township. The agreement by Valley Township to convey sewage shall be subject to the payment of equitable fees to the Township to provide for the operation and maintenance of the jointly used lines as provided herein. Sewage flows conveyed through the Township system for CCA shall be deducted from, and not included in, metered flow used for billing of Valley Township by CCA, this metered flow being measured at the connection to CCA's system at the above mentioned location in Rock Run, and shall not be included in the limitation on the Township's right to discharge sanitary sewage as provided in existing or future sewage treatment agreements and shall not be included in the calculation of any future tapping fees. For the purpose of determining the quantities of sewage to be conveyed from the Country Club Connection through the Valley Township Sewage System, a metering system, approved by Valley Township shall be

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installed on the Country Club property. Maintenance of such a meter and responsibility for determining the flows registered on the meter shall be as provided hereinafter.

Section 3 - If the Township, at any future time, shall transfer title to its sewage system to any municipality or authority by deed or otherwise, it shall assign all its rights and interests in and under this Agreement to said municipality or authority and, upon such assignment, the assignee shall be subject to all obligations and entitled to receive all the rights and benefits of this Agreement, and the Township thereafter shall cease to be a party to this Agreement. This Agreement also shall be binding upon and inure to the successors and assigns of any party to this Agreement.

Section 4 - CCA and the Township agree that rules and regulations which may be adopted for making of connections and use of the sewage system in conformance with the Sewage Treatment Agreement shall apply to the sewage system operated by CCA in West Caln. CCA also agrees to enforce the provisions of such rules and regulations at all times, and CCA agrees that the Township or its duly authorized representative shall have the right, at all times, to inspect sewage systems connected to Valley Township for conveyance and to compel the discontinuance of any connection which it finds to be in violation of this Agreement.

Section 5 - The parties hereto agree to comply with all applicable present and future Pennsylvania or United States laws, as well as any rules, regulations, permits, orders and requirements lawfully made by any governmental body having jurisdiction and all applicable grant agreements, unless the same are being contested in good faith by appropriate proceedings.

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ARTICLE IV - CONSTRUCTION OF COLLECTION AND CONVEYANCE FACILITIES - INTERCONNECTION

Section 1 - The parties hereto understand and agree it will be necessary for the Coatesville Country Club to design, layout, and cause to have constructed a sanitary sewer connection from the Club facilities in West Caln Township, such facilities to be subject to the approval of Valley Township. The ownership of said sewer connection shall be private and its maintenance and operation the responsibility of the Coatesville Country Club.

Section 2 - The sanitary sewer connection from the Country Club to the manhole at Country Club Road and Mineral Springs Road, the connecting point cited above, shall be constructed or caused to be constructed by the Coatesville Country Club.

Section 3 - Sanitary sewage from Coatesville Country Club shall be collected and conveyed to point of connection, as outlined on the final plans, approved by Valley Township and CCA.

Prior to the connection of the referenced facilities by the Coatesville Country Club (under the auspices of CCA) to complete this interconnection, the following activities will be carried out to determine the practicality of such an interconnection or increase in flow:

- A. The respective engineers of each party will meet to exchange technical data regarding the proposed interconnection. This data will include:
1. The proposed point of connection.
 2. Anticipated initial flow.
 3. Rate and frequency of discharge.

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4. Anticipated ultimate flow.
 5. Adequacy of receiving sewer.
 6. Type of control and/or metering device.
 7. Estimated cost of downstream improvement, if required.
- B. The proposed interconnection flow will not be approved if the proposed discharge will overload the receiving sewer unless the CCA agrees to compensate adequately the Township for corrective measures necessary to make the receiving sewer adequate for the proposed discharge. If the receiving sewer is limited in capacity, discharge will be limited to the available capacity until such time as adequate capacity is made available.
- C. CCA or the Coatesville Country Club shall secure all necessary easements, rights-of-way, and permits from all sources whatsoever as may be required to deliver sewage to the point of connection to the Township sewage collection system. The consulting engineer of the Township shall have the right to approve the plans and to inspect the manner of the making of such connections between CCA and the Township sewers; the same shall not be used until such time as the Township shall receive written notice from the Township's consulting engineer that the construction of such connections has been accomplished in accordance with the approved plans and specifications relating thereto. Neither the Township nor its consulting engineer shall unjustifiably delay approval.

Section 4 - At or before the commencement of actual sewage disposal service CCA shall cause to have installed and thereafter at all times maintain the meter system cited in Section 2, Article III above. Said meter shall be subject to the approval

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of the Township. The expense of procurement, installation, and maintenance thereof shall be borne by CCA and the Coatesville Country Club.

- A. The device(s) shall be inspected and calibrated, and tested for accuracy at least once every six months by a person or entity competent in the inspection and testing of such devices. Certified reports of such inspections shall be mailed directly to the Township. The cost of such inspection and the cost of any repair or replacement shall be borne by CCA. All repairs of meters of any type shall be accomplished within 30 calendar days of receipt of the inspection company's report attesting to the meter's malfunction.
- B. In the case of missing flow records due to faulty meter registration or otherwise, an estimate of flows will be made for the purposes of determining volume of sewage discharged. This estimate will be based on an evaluation of past flow records as applied to present conditions, and as reviewed and approved by the engineers for both CCA and the Township.
- C. Meter records and the meter installations shall be made available and accessible to the Township. The record of sewage flow through recording meters operated and maintained by CCA will be read by CCA on the first days of January, April, July and October, showing the total and daily sewage flows discharged during the previous three-month period. The Township reserves the right to inspect and read meters upon 24 hour notice to CCA.
- D. The Township shall have the right, upon written request, to a calibration check of CCA's meter(s) at any time outside the normal scheduled calibration time for the purpose of checking its accuracy. This non-scheduled calibration will flows discharged during the previous three-month period.

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The Township reserves the right to inspect and read meters upon 24 hour notice to CCA.

- D. The Township shall have the right, upon written request, to a calibration check of CCA's meter(s) at any time outside the normal scheduled calibration time for the purpose of checking its accuracy. This non-scheduled calibration will be performed by CCA as described in Section 4.a hereof. If results of such non-scheduled calibrations show that the meter(s) was malfunctioning by variations from actual flow of more than five (5) percent, then all costs of the non-scheduled calibration and any repair or replacement will be paid by CCA. If no violation is found, then the Township shall pay all costs for the calibration.

Section 5 - Maximum flow rates at any point of interconnection shall not exceed 3.0 times the average daily flow rate at any time. Maximum flow rates equal to 3.0 times the average flow rate shall be limited to a duration of not more than 30 minutes in any day.

ARTICLE V - MAINTENANCE, SAVE HARMLESS AGREEMENT, INSURANCE.

Section 1 - CCA and the Township agree, in regard to their respective collection systems, to operate continuously and keep and maintain the same at all times in good repair and order, and in good and efficient operating condition, and to meet the standards prescribed by the Pennsylvania Department of Environmental Resources or of any other governmental authority having jurisdiction thereof.

Section 2 - The Township agrees to indemnify and save harmless CCA against all losses, costs, or damages on account of any injury to persons or property occurring in the performance of this Agreement because of the negligence of the Township, its

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respective servants, agents, or employees, or resulting from the failure of the treatment plant and lines leading thereto to function properly because of such negligence.

Section 3 - CCA agrees to indemnify and save harmless the Township against all losses, costs, or damages on account of any injury to persons or property occurring in the performance of this Agreement because of the negligence of CCA, its respective servants, agents, or employees, or resulting from the failure of the treatment plant and lines leading thereto to function properly because of such negligence.

Section 4 - CCA and the Township shall insure or cause to be insured their respective facilities (i.e., including but not limited to treatment plant, capital additions and interceptors) in a responsible company or companies authorized and qualified to do business under the laws of the Commonwealth of Pennsylvania against loss or damage by fire and against such other risks in such amounts as usually are carried upon, or with respect to, like property in Pennsylvania. Immediately after any loss or damage to either parties' facilities or any part thereof, the affected party will commence and duly prosecute the repair, replacement, or reconstruction of the damaged or destroyed portion of its facilities, all according to the provisions as previously defined. Both parties will also maintain liability insurance with an aggregate limit in the amount of \$2,000,000 against any loss or injury to third persons or property of third persons as a result of fire, explosion, and other risk and casualty occurring to their respective facilities.

ARTICLE VI - CHARGES AND PAYMENTS.

Section 1 - Quarterly billings to CCA for the conveyance of CCA sewage through the Township system shall be delivered by the Township and shall be payable as provided hereinafter. Billing shall be based upon the proportionate share of the operating and

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maintenance costs of the commonly used lines to be determined by the following formula:

$$\text{Cost of Conveyance} = \text{OM} \times \text{L1/L2} + \text{OM} \times \text{F1/F2}$$

OM is the cost of operating and maintenance for sanitary sewage collection lines in Valley Township. OM shall be determined by the Township subject to the review of the appropriate financial records by CCA.

L1 is the total length of commonly used lines.

L2 is the total length of all sewage collection lines in Valley Township.

L1 and L2 shall be determined from the mapping of the Township sewer system.

F1 is the flow into Valley Township as metered by CCA for determination of sewage flow. F1 shall be determined by meter readings.

F2 is the total flow in the commonly used lines. F2 shall be calculated by the Township subject to review and approval by CCA and using where appropriate metering records at the downstream Township points of connection with the CCA system.

The cost of conveyance shall be calculated on an annual basis or at the time of the connection made by CCA to the Township system or where significant changes (more than 10% of total connected daily flow) occur within the Valley Township system. Calculation for cost of conveyance shall be available for confirmation no less than thirty days before taking effect.

ARTICLE VII - MISCELLANEOUS.

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Section 1 - The failure of any party hereto to insist upon strict performance of this Agreement or any of the terms or conditions thereof shall not be construed as a waiver of any of its rights hereunder.

Section 2 - This writing constitutes the entire Agreement between the parties, and there are no other representations or agreements, verbal or written, other than those contained herein.

Section 3 - Whenever a notice is required to be given by mail, the following addresses shall be used unless a different address is specifically called for:

City of Coatesville Authority
114 East Lincoln Highway
Coatesville, Pennsylvania 19320

Valley Township
890 West Lincoln Highway
Coatesville, Pennsylvania 19320

Section 4 - This Agreement may be executed in any number of counterparts, each of which shall be properly executed by the Township and CCA, and all of which shall be regarded for all purposes as the original.

Section 5 - In the event that the Department of Environmental Resources of the Commonwealth of Pennsylvania, or any other regulatory body or governmental agency, shall fail or refuse to issue any permits for conveyance which may be necessary to accomplish the intent and purpose of this Agreement, the parties shall be relieved from further compliance with the terms of this Agreement until such time when such permit or permits shall be issued.

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Section 6 - In the event that any disputes shall arise relative to the interpretation and/or application of the terms of this Agreement, the parties hereof do hereby agree to the following procedure to settle such matters:

- A. The parties, operators, and/or managers will attempt to discuss and solve the problem.
- B. If Step "A" does not prove satisfactory, a joint committee comprised of three members (the solicitor, engineer, and an Authority Board member or supervisor) for each party will meet to attempt to solve the problem.
- C. If neither of the above steps proves successful, the dispute shall be resolved by decision of a panel consisting of the consulting engineer of each of the respective parties to the dispute, and an additional consulting engineer chosen by and acceptable to the parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their appropriate officers and their respective seals to be hereunto affixed on the day and year first above written.

Attest: _____

CITY OF COATESVILLE AUTHORITY

By: _____

VALLEY TOWNSHIP

By: _____

Attest: _____
