DIRECT DIAL NUMBER:
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James J. Rodgers
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November 1, 2023

Administrative Law Judge Darlene Heep
Pennsylvania Public Utility Commission
Office of Administrative Law Judge
801 Market Street, Suite 4063
Philadelphia, PA 19107
dheep@pa.gov (via PUC E-Filing and email)

RE: IN RE: APPLICATION OF TOWAMENCIN TOWNSHIP, PURSUANT TO 66 PA. C.S. § 1102(A), FOR A CERTIFICATE OF PUBLIC CONVENIENCE TO OFFER, FURNISH, RENDER, AND SUPPLY WASTEWATER SERVICE TO THE PUBLIC IN CERTAIN PORTIONS OF WORCESTER TOWNSHIP, LOWER SALFORD TOWNSHIP, FRANCONIA TOWNSHIP AND LANSDALE BOROUGH, ALL IN MONTGOMERY COUNTY, PENNSYLVANIA

Docket No. A-2023-3040661

Dear Judge Heep,

Attached please find Towamencin Township's Amended Settlement Package. The Amended Settlement Package substitutes the Second Revised Proposed Initial Tariff, PUC e-filed and served earlier today, at Revised Exhibit T-6 of Appendix A - Joint Stipulation for Submission of Evidence.

As evidenced by the attached Certificate of Service, all parties to this proceeding are being duly served with copies of the Amended Settlement Package.

Very truly yours,

/s/ James J. Rodgers

James J. Rodgers

JJR/vah

cc: Ms. Athena Delvillar (via email)
Richard Kanaskie, Esquire (via PUC eService and email)
Sharon Webb, Esquire (via PUC eService and email)
Lauren Gallagher, Esquire (via email)
Samantha Newell, Esquire (via PUC eService and email)
Harrison Breitman, Esquire (via PUC eService and email)
Christopher Andreoli, Esquire (via PUC eService and email)
Darryl Lawrence, Esquire (via PUC eService and email)
Gregory Guilford, Esquire (via email)
James Garrity, Esquire (via email)
Robert Brand, Esquire (via email)
Eric Wert, Esquire (via email)
Mr. Brian Kalcic (via email)
Merle Ochrach, Esquire (via email)

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

IN RE: APPLICATION OF TOWAMENCIN TOWNSHIP, PURSUANT TO 66 PA. C.S. § 1102(A), FOR A CERTIFICATE OF PUBLIC CONVENIENCE TO OFFER, FURNISH, RENDER, AND SUPPLY WASTEWATER SERVICE TO THE PUBLIC IN CERTAIN PORTIONS OF WORCESTER TOWNSHIP, LOWER SALFORD TOWNSHIP, FRANCONIA TOWNSHIP AND LANSDALE BOROUGH, ALL IN MONTGOMERY COUNTY, PENNSYLVANIA	**DOCKET A-2023-3040661**

CERTIFICATE OF SERVICE

I hereby certify that I have this date, November 1, 2023, served a true copy of Towamencin Township's Amended Settlement Package upon the parties in the case, listed below:

Administrative Law Judge Darlene Heep
Pennsylvania Public Utility Commission
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James J. Rodgers, Esquire
Attorney for Applicant

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Administrative Law Judge
Darlene D. Heep

In re: Application of Towamencin Township, Pursuant to Section 1102(a), for a Certificate of Public Convenience to Offer, Furnish, Render, and Supply Wastewater Service to the Public in Certain Portions of Worcester Township, Lower Salford Township, Franconia Township and Lansdale Borough, All in Montgomery County, Pennsylvania	Docket No. A-2023-3040661

JOINT PETITION FOR APPROVAL OF
NON-UNANIMOUS SETTLEMENT OF ALL ISSUES

I. INTRODUCTION

Towamencin Township (the "Township") and the Office of Consumer Advocate ("OCA") (collectively, the "Joint Petitioners"), hereby submit this "Joint Petition for Approval of Non-Unanimous Settlement of All Issues" ("Settlement") and respectfully request that the Honorable Administrative Law Judge Darlene D. Heep (the "ALJ") recommend approval of, and the Commission approve, this Settlement without modification. The remaining parties to this matter, the Office of Small Business Advocate ("OSBA") and Upper Gwynedd Township ("Upper Gwynedd"), do not oppose the relief requested by the Joint Petitioners.

In support of the Settlement, the Joint Petitioners state the following:

II. BACKGROUND

1. The Settlement pertains to the application (as amended, the "Application") filed by the Township on May 15, 2023 pursuant to Section 1102(a) of the Pennsylvania Public Utility Code ("Code"), 66 Pa. C.S. § 1102(a) requesting (among other things) that the Commission issue a Certificate of Public Convenience to the Township regarding its provision of wastewater service to customers outside of its geographic boundaries.
2. On June 6, 2023, staff from the Commission's Bureau of Technical Utility Services ("TUS") notified the Township that they had performed a completeness review of the Application and determined that certain information was missing. TUS staff requested that the information be provided within ten business days (*i.e.*, by June 21, 2023). On June 21, 2023, the Township filed the information requested by TUS.
3. On May 31, 2023, the OSBA filed its Notice of Intervention, and Nakea S. Hurdle, Esq. entered her appearance on behalf of the OSBA. On June 15, 2023, Nakea S. Hurdle, Esq. withdrew her appearance, and Sharon E. Webb, Esq. entered her appearance on behalf of the OSBA.
4. On June 12, 2023, Upper Gwynedd Township filed its Petition to Intervene, and Lauren A. Gallagher, Esq. and Samantha L. Newell, Esq. entered their appearances on behalf of Upper Gwynedd Township.
5. On June 15, 2023, the OCA filed its Notice of Intervention and Public Statement, and Harrison W. Breitman, Esq. and Christopher M. Andreoli, Esq. entered their appearances on behalf of the OCA.
6. By Secretarial Letter dated June 13, 2023, the Commission notified the parties that a Prehearing Conference would be held On June 22, 2023. The ALJ issued her Prehearing Conference Order on June 12, 2023.
7. The Prehearing Conference was held as scheduled on June 22, 2023.

8. During the Prehearing Conference, the ALJ informed that parties that Her Honor did not intend the Township's contemplated abandonment of service and proposed rates to be effective January 1, 2024 as part of the Application.
9. On June 29, 2023, the ALJ issued her Prehearing Order.
10. A telephonic public input hearing was held at 6:00 p.m. on July 20, 2023.
11. On July 18, 2023, the Township filed a Petition for Partial Reconsideration of the ALJ's decision to exclude the Township's contemplated abandonment of service and proposed rates to be effective January 1, 2024 as part of the Application.
12. On August 2, 2023, the ALJ denied the Township's Petition for Partial Reconsideration.
13. On August 28, 2023, the ALJ entered an order requiring the Joint Petitioners to file settlement documents with the ALJ by September 25, 2023, including a joint stipulation of testimony and exhibits, a Statement in Support from each party signing the settlement, and a joint petition addressing the standards by which the PUC approves a settlement, the public interest served by the settlement, and the concerns raised during the July 20, 2023 public input hearing.

III. SETTLEMENT TERMS

The Joint Petitioners agree as follows:

A. Approval of Application

14. The Commission should approve the Township's Application for Certificate of Public Convenience, *nunc pro tunc*, seeking approval to offer, furnish, render, and supply wastewater service to the public in certain portions of Worcester and Lower Salford Townships, as well as to bulk customers that interconnect with the Township's sewer system outside of the Township's geographic boundaries.
15. This settlement in no way implies that the pending application by Pennsylvania American Water at Docket No. A-2023-3039900 to acquire the Township's wastewater system should

be approved or disapproved. The parties to this proceeding do not waive any rights to contest or support that application. The resolution of this matter only resolves the issue of Towamencin's compliance with the Public Utility Code.

B. Withdrawal of Abandonment of Service

16. Towamencin will withdraw its request for the Commission to conditionally approve its abandonment of service upon consummation of the proposed sale between Towamencin and Pennsylvania-American Water.

C. Abandonment of Stepped Rate

17. Towamencin will withdraw its request for the Commission to approve a stepped-rate which included the current rate and the rate to be effective January 1, 2024. Towamencin will seek the approval of only the current rate in its initial tariff.

D. Standard Settlement Conditions

18. The Settlement is conditioned upon the Commission's approval of the terms and conditions contained in the Settlement without modification. If the Commission modifies the Settlement, any Petitioner may elect to withdraw from the Settlement and may proceed with litigation and, in such event, the Settlement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission and served upon all Joint Petitioners within five (5) business days after the entry of an Order modifying the Settlement. The Joint Petitioners acknowledge and agree that the Settlement, if approved, shall have the same force and effect as if the Joint Petitioners had fully litigated this proceeding.

19. This Settlement is proposed by the Joint Petitioners to settle all issues in the instant proceeding. If the Commission does not approve the Settlement and the proceedings continue, the Joint Petitioners reserve their respective procedural rights, including the right to present additional testimony and to conduct full cross-examination, briefing and argument. The Settlement is

made without any admission against, or prejudice to, any position which any Petitioner may adopt in the event of any subsequent litigation of these proceedings, or in any other proceeding.

20. The Joint Petitioners have prepared Statements in Support, a Joint Stipulation of Proposed Findings of Fact, Proposed Conclusions of Law, and Proposed Ordering Paragraphs. The Joint Petitioners further agree that the facts agreed to in that Joint Stipulation are sufficient to find that the Settlement is in the public interest.

21. If the ALJ recommends approval of the Settlement without modification, the Joint Petitioners will waive their rights to file Exceptions.

IV. REQUEST FOR RELIEF

WHEREFORE, Towamencin Township and the Office of Consumer Advocate, by their respective counsel, respectfully request that:

a. The Honorable Administrative Law Judge Darlene D. Heep recommend approval of, and the Commission approve, this Joint Petition for Non-Unanimous Settlement of All Issues as submitted, including all terms and conditions thereof, without modification.

b. The Application filed by the Township on May 12, 2023, as amended, and as further amended by the Settlement, be approved.

c. The Commission issue a Certificate of Public Convenience, *nunc pro tunc*, under 66 Pa. C.S. §§ 1102(a) evidencing Commission approval of the Township's right to offer, furnish, render, and supply wastewater service to the public in certain portions of Worcester and Lower Salford Townships, as well as to bulk customers that interconnect with the Township's sewer system outside of the Township's geographic boundaries.

[Signatures appear on next page.]

Respectfully submitted,

/s/ James J. Rodgers Date: September 22, 2023

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Marc A. Feller, Esq. (PA ID 19545)
Elizabeth Preate Havey, Esq. (PA ID 80793)
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/s/ Darryl A. Lawrence Date: September 22, 2023

Darryl A. Lawrence, Esq. (PA ID 93682)
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Counsel for Office of Consumer Advocate

STATEMENT IN SUPPORT OF TOWAMENCIN TOWNSHIP

STATEMENT IN SUPPORT OF OFFICE OF CONSUMER ADVOCATE

STATEMENT OF NON-OPPOSITION OF UPPER GWYNEDD TOWNSHIP

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Administrative Law Judge Darlene D. Heep

In re: Application of Towamencin Township, Pursuant to Section 1102(a), for a Certificate of Public Convenience to Offer, Furnish, Render, and Supply Wastewater Service to the Public in Certain Portions of Worcester Township, Lower Salford Township, Franconia Township and Lansdale Borough, All in Montgomery County, Pennsylvania	Docket No. A-2023-3040661

STATEMENT OF TOWAMENCIN TOWNSHIP IN SUPPORT OF THE JOINT PETITION FOR APPROVAL OF NON-UNANIMOUS SETTLEMENT OF ALL ISSUES

James J. Rodgers, Esq. (PA ID 21635)
Marc A. Feller, Esq. (PA ID 19545)
Elizabeth Preate Havey, Esq. (PA ID 80793)
DILWORTH PAXSON LLP
1500 Market Street, Suite 3500E
Philadelphia, PA 19102
Counsel for Towamencin Township

September 22, 2023

I. INTRODUCTION

Towamencin Township (the "Township") files this Statement in Support of the Joint Petition for Approval of Non-Unanimous Settlement of All Issues ("Settlement") entered into by: the Township and the Office of Consumer Advocate ("OCA") (collectively, the "Joint Petitioners"). The Township respectfully requests that the Honorable Administrative Law Judge Darlene D. Heep (the "ALJ") recommend approval of, and that the Commission approve, this Settlement without modification, the terms of which are summarized in the foregoing Joint Petition for Settlement, Paragraphs 14 through 21. To limit duplication, this Statement in Support incorporates those paragraphs by reference as if fully set forth herein.

II. STANDARDS OF COMMISSION APPROVAL

The instant Settlement pertains to the application (the "Application") filed by the Township pursuant to Sections 1102(a) and 1103 of the Pennsylvania Public Utility Code ("Code"), 66 Pa. C.S.§§ 1102(a) and 1103, requesting (among other things) that the Commission issue a Certificate of Public Convenience, *nunc pro tunc*, for the Township to offer, furnish, render, and supply wastewater service to the public in certain portions of Worcester and Lower Salford Townships, as well as to bulk customers that interconnect with the Township's sewer system outside of the Township's geographic boundaries

The Joint Petitioners have agreed to a settlement of all issues in this proceeding. Commission policy promotes settlements. See 52 Pa. Code § 5.231. Settlements lessen the time and expense that the parties must expend litigating a case and, at the same time, conserve precious administrative resources. The Commission has indicated that settlement results are often preferable to those achieved at the conclusion of a fully-litigated proceeding. *See* 52 Pa. Code § 69.401. In order to accept a settlement, the Commission must determine that the proposed terms and conditions are in the public interest. *Pa. Pub. Util. Comm'n v. York Water Co.,* Docket No. R-

00049165 (Order entered Oct. 4, 2004); *Pa. Pub. Util. Comm'n v. C.S. Water and Sewer Assocs.*, 74 Pa. P.U.C. 767 (1991).

A. Public Interest Served

As an initial matter, the fact that the Settlement resolves all issues raised by all parties is, in and of itself, strong evidence that the Settlement is reasonable and in the public interest, particularly given the diverse interests of the Joint Petitioners and the active roles that each has taken in this proceeding. The Settlement was achieved through the hard work and perseverance of the Joint Petitioners. They have repeatedly demonstrated their good faith and willingness to cooperate to resolve this case within the six-month deadline mandated by the General Assembly in Section 1329 of the Code, 66 Pa. C.S. § 1329.

The Settlement reflects a carefully balanced compromise of the interests of the Joint Petitioners and satisfies the various requirements of the Code. The Settlement is in the best interest of the Township and its existing customers, and the public-at-large. It is in the public interest and, accordingly, should be approved.

III. CONCERNS RAISED DURING PUBLIC INPUT HEARING

On July 20, 2023, the ALJ presided over a telephonic public input hearing on the Township's Application for a Certificate of Public Convenience. At the hearing, the following concerns were raised:

1. **Notification to Rate Payers of Sewer Sale:** Mr. James Collins and Ms. Tina Gallagher, Towamencin Township customers, raised concerns that rate payers inside and outside of Towamencin Township have not received adequate notification or communication regarding the status of the sale of the sewer system. Towamencin Township believes these comments pertain to the application filed by Pennsylvania American Water at Docket No. A-2023-

3039900 under Sections 1102(a) and 1329 of the Pennsylvania Public Utility Code and are inapplicable to this proceeding. The Township has, and will continue to, abide by any and all notice requirements set forth by the Pennsylvania Public Utility Code, the PUC and other recognizable authorities within the Commonwealth of Pennsylvania.

2. **PUC Oversight of Municipal Authority Systems:** Mr. Kofi Osei, a non-customer Towamencin Township resident, and Ms. Jenifer Foster, a Towamencin Township resident and customer, raised concerns over whether the Township is required to seek a Certificate of Public Convenience, nunc pro tunc, to serve extraterritorial customers. Mr. Osei pointed out that neighboring jurisdictions such as North Penn, North Wales, and Bucks County do not have Certificates of Public Convenience because PUC oversight of their systems is too costly. Ms. Foster stated that the Township's service of extraterritorial customers without a Certificate of Public Convenience has been the status quo for decades. Towamencin Township seeks to comply with the mandate a 66 Pa. C.S. § 1103(a). In so doing, the Township will serve as an example to other municipalities that find themselves in similar situations. Additionally, the Township believes that all of its customers will benefit from the protections of PUC oversight.

CONCLUSION

The Joint Petitioners have arrived at a settlement that resolves all of the issues in this proceeding in a fair and equitable manner and the remaining parties are unopposed to the settlement. A fair and reasonable compromise has been reached in this case. As such, Towamencin Township fully supports the Settlement.

WHEREFORE, Towamencin Township respectfully requests that the Honorable Darlene D. Heep recommend approval of, and that the Commission approve, the Settlement, including all terms and conditions thereof, without modification, and enter an order consistent with the Settlement and the specific paragraphs set forth in its "Request for Relief".

Respectfully submitted,

/s/ James J. Rodgers Date: September 22, 2023

James J. Rodgers, Esq. (PA ID 21635)
Marc A. Feller, Esq. (PA ID 19545)
Elizabeth Preate Havey, Esq. (PA ID 80793)
DILWORTH PAXSON LLP
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Philadelphia, PA 19102
Counsel for Towamencin Township

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Towamencin Township	:	
Pursuant to 66 Pa. C.S., § 1102(a), For A	:	
Certificate of Public Convenience	:	
To Offer, Furnish, Render, and Supply	:	
Wastewater Service to the Public in	:	A-2023-3040661
Certain Portions of Worcester Township,	:	
Lower Salford Township, Franconia Township	:	
And Landsale Borough, All in Montgomery	:	
County, Pennsylvania	:	

STATEMENT OF THE OFFICE OF CONSUMER ADVOCATE IN SUPPORT OF SETTLEMENT

The Office of Consumer Advocate (OCA), one of the signatory parties to the Joint Petition for Settlement (Settlement), finds the terms and conditions of the Settlement to be in the public interest for the following reasons:

I. INTRODUCTION

Towamencin Township has provided wastewater service to customers outside its municipal boundaries of Towamencin Township since approximately 1969. On May 12, 2023, Towamencin Township (Township or Applicant) filed an Application for a Certificate of Public Convenience to offer, furnish, render, and supply wastewater service to the public in certain portions of Worcester Township, Lower Salford Township, Franconia Township and Lansdale Borough, all in Montgomery County, Pennsylvania pursuant to the Pennsylvania Public Utility Code. 66 Pa. C.S. § 1102(a). The Township also requested a Certificate to Abandon Service upon the closing of a proposed sale of substantially all of the Applicant's assets consisting of the Applicant's wastewater system to the Pennsylvania-American Water Company (PAWC) pursuant to 66 Pa. C.S. Section 1102(a). Additionally, as part of the Township's application, the Township requested

a phased-in rate increase. On June 15, 2023, the OCA filed a Notice of Intervention and Public Statement.

The parties to the proceeding have had numerous discussions that resulted in the proposed Joint Petition for Settlement. For reasons discussed in greater detail below, the OCA submits that the Settlement is in the public interest and the best interest of the Township's PUC-jurisdictional ratepayers, and should be approved by the Commission without modification.

II. TERMS AND CONDITIONS

A. Approval of the Application (Settlement ¶¶ 14-15)

The OCA agrees that the Application, now limited to only serving customers outside its municipal boundaries, should be approved as being in the public interest subject to other terms and conditions as discussed in the Settlement and in this Statement in Support. Under Section 1102(a)of the Public Utility Code, a Certificate of Public Convenience is required "[f]or any municipal corporation to acquire, construct, or begin to operate, any plant, equipment, or other facilities for the rendering or furnishing to the public of any public utility service beyond its corporate limits." 66 Pa. C.S. § 1102(a)(5).

Contrary to the Public Utility Code, Towamencin has been providing wastewater service outside of its municipal boundaries since approximately 1969. *See* Application at Ex. F. The Application, as modified by the Settlement, grants the Township a Certificate of Public Convenience so that the Township will be in compliance with the Public Utility Code. The Settlement also removes portions of the Application that were inconsistent with the Public Utility Code, such as the request of a rate increase and adandonment, as discussed in further detail below. As modified by the Settlement, granting a Certificate of Public Convenience to the Township without granting the Township a Certificate to Abandon Service and a phased-in rate increase is in the public interest.

B. Withdrawal of Abandonment of Service (Settlement ¶ 16)

In its initial Application, Towamencin requested that the Commission grant a Certificate to Abandon Service upon the closing of the proposed sale to PAWC of substantially all of its assets comprising its wastewater system. Application at 1. Under the Settlement, Towamencin withdraws its request for the Commission to conditionally approve its abandonment of service. Settlement ¶ 16. This provision ensures that there was no prejudgment of the likelihood of success of an as yet adjudicated application for sale to PAWC. This provision also ensures that ratepayers who are currently receiving essential utility service from the Township are not abandoned because of the Township's non-compliance with the Public Utility Code.

The OCA further notes that the Settlement contains a provision that that the settlement of this case in no way bears on the separate application of Pennsylvania-American Water to acquire Towamencin's sewer system at Docket No. A-2023-3039900. Settlement ¶ 16. The OCA and other parties have reserved all rights to contest the separate application. Continuing utility service for ratepayers currently served by the Township, and not pre-approving a Certificate to Abandon Service before any determination is made regarding a potential sale, is in the public interest.

C. Abandonment of Stepped Rate (Settlement ¶ 17)

Towamencin also agreed that it will withdraw its request for the Commission to approve a stepped-rate which included the current rate and the rate to be effective January 1, 2024. Settlement ¶ 17. In its initial Application, Towamencin proposed phased-in rates in which residential ratepayers would initially be charged the current rate of $450 per equivalent dwelling unit (EDU) with a phased-in rate increase of $590 per EDU effective January 1, 2024. Application at 6.

Under the Settlement, Towamencin will seek the approval of only the current rate in its initial tariff. Settlement ¶ 17. To implement a general rate increase, an investigation and analysis of a tariff filing to determine whether the requested rates are just and reasonable is required under

the Public Utility Code. 66 Pa. C.S. § 1308(d). A hearing determining the lawfulness of a Company's tariff filing and rate increase request is necessary under the Code. *Id.* Unless a majority of the Commissioners vote in favor of a tariff to become effective, the Code requires that the tariff be suspended for a period not to exceed seven months. *Id.* Moreover, the Public Utility Code requires public utilities to provide notice of proposed changes in rates to both the Commission and its customers. 66 Pa. C.S. § 1308(a). The OCA's position throughout this proceeding has been that Towamencin may only adopt its current rates and that any future rate increase for customers outside Towamencin's municipal boundaries must be filed pursuant to Section 1308 of the Public Utility Code.

This Settlement provision ensures that a request for a rate increase before the Commission, which was not in accordance with the Public Utility Code, is no longer a part of the Township's Application. Instead, the rates currently being charged to the Township's customers will continue to be charged. The OCA submits that this is the appropriate resolution of the rate issue in this proceeding as customers outside the municipal boundaries, who are unable to influence the political process associated with municipal rate increases, are protected by an appropriate process consistent with the provisions of the Public Utility Code.

III. CONCLUSION

The OCA submits that the terms and conditions of the proposed Settlement of this application represent a fair and reasonable resolution of the issues raised by the OCA in this proceeding. Therefore, the OCA submits that the Settlement should be approved by the Commission without modification as being in the public interest.

Respectfully submitted,

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Dated: September 12, 2023

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September 7, 2023

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
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Harrisburg, A 17120

Re: Joint Petition for Approval of Non Unanimous Settlement
Docket No. A-2023-3040661

Dear Secretary Chiavetta:

Please be advised that Upper Gwynedd Township has no objection to and does not oppose the Joint Petition for Approval of Non Unanimous Settlement, as jointly filed by the remaining parties to this application.

Very truly yours,

Lauren A. Gallagher

{01689415;v1}

LAG:sn

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Administrative Law Judge
Darlene D. Heep

Application of Towamencin Township, Pursuant to Section 1102(a), for a Certificate of Public Convenience to Offer, Furnish, Render, and Supply Wastewater Service to the Public in Certain Portions of Worcester Township, Lower Salford Township, Franconia Township and Lansdale Borough, All in Montgomery County, Pennsylvania	Docket No. A-2023-3040661

JOINT STIPULATION FOR ADMISSION OF EVIDENCE

I. INTRODUCTION

Towamencin Township ("Towamencin"), the Office of Consumer Advocate ("OCA"), the Office of Small Business Advocate ("OSBA"), and Upper Gwynedd Township ("Upper Gwynedd"), being all of the parties to the above-captioned proceeding (hereinafter collectively referred to as the "Stipulating Parties"), file this Joint Stipulation for Admission of Evidence ("Stipulation") in the above-captioned proceeding. In support of the Stipulation, the Stipulating Parties represent as follows:

1. Paragraphs 1 through 13 (regarding "Background") of the "Joint Petition for Approval of Non-Unanimous Settlement of All Issues", filed on this same date in the above-captioned proceedings are hereby incorporated by reference.
2. The Stipulating Parties hereby jointly stipulate to the authenticity of and admission into the evidentiary record in this matter of the filings, statements, and exhibits listed below. All such

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Administrative Law Judge
Darlene D. Heep

Application of Towamencin Township, Pursuant to Section 1102(a), for a Certificate of Public Convenience to Offer, Furnish, Render, and Supply Wastewater Service to the Public in Certain Portions of Worcester Township, Lower Salford Township, Franconia Township and Lansdale Borough, All in Montgomery County, Pennsylvania	:	Docket No. A-2023-3040661

JOINT STIPULATION OF PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW AND PROPOSED ORDERING PARAGRAPHS

Towamencin Township (the "Township") and the Office of Consumer Advocate ("OCA") (hereinafter, the "Stipulating Parties"), file this Joint Stipulation of Proposed Findings of Fact, Proposed Conclusions of Law and Proposed Ordering Paragraphs ("Stipulation") in the above-captioned proceeding, pursuant to Paragraph 20 of the Joint Petition for Approval of Non-Unanimous Settlement of All Issues (the "Settlement"). The remaining parties to this matter, the Office of the Small Business Advocate ("OSBA") and Upper Gwynedd Township ("Upper Gwynedd") do not oppose this Stipulation. In support of the Stipulation, the Stipulating Parties represent as follows:

1. Paragraphs 1 through 15 (regarding "Background") of the Settlement are hereby incorporated by reference.

2. Consistent with Paragraph 20 of the Settlement, the Stipulating Parties have jointly prepared **Appendix A - Proposed Findings of Fact, Appendix B - Proposed Conclusions of Law** and **Appendix C - Proposed Ordering Paragraphs**. The Stipulating Parties agree that the facts agreed to in this Joint Stipulation are sufficient to find that the Settlement is in the public interest.

3. This Stipulation is presented by the Stipulating Parties in conjunction with the Settlement, which is intended to settle all issues among the parties in the above-captioned proceedings. If the Commission rejects or otherwise modifies the Settlement, the Stipulating Parties reserve their respective procedural rights to submit testimony and exhibits, and cross-examine witnesses at on-the-record evidentiary hearings.

4. This Stipulation is being presented in conjunction with the Settlement only to support the proposed resolution of the above-captioned proceedings. Regardless of whether this Stipulation is approved, no adverse inference shall be drawn, nor shall prejudice result to any Stipulating Party in this or any future proceeding as a consequence of this Stipulation, or any of its terms or conditions.

5. Attached hereto as Appendix D is a proposed "Order Granting Joint Stipulation of Proposed Findings of Fact, Proposed Conclusions of Law and Proposed Ordering Paragraphs" for consideration by the Honorable Administrative Law Judge Darlene D. Heep.

WHEREFORE, the Stipulating Parties, by their respective counsel, respectfully request that the Honorable Administrative Law Judge Darlene D. Heep approve this Stipulation.

Respectfully submitted,

/s/ James J. Rodgers

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Elizabeth Preate Havey, Esq. (PA ID 80793)
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Counsel for *Towamencin Township*

/s/ Darryl A. Lawrence

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Counsel for *Office of Consumer Advocate*

APPENDIX A
PROPOSED FINDINGS OF FACT

Parties

1. Towamencin Township (the "Township") is a second-class township in Montgomery County, Pennsylvania. It has approximately 18,500 residents. It furnishes wastewater service to customers inside and outside of its geographic boundaries.

2. The OCA is a Commonwealth agency created by Act 161 of 1976 to represent the interests of consumers before the Commission. 71 P.S. § 309-2.

3. The OSBA is a Commonwealth agency created by Act 181 of 1988 to represent the interests of small businesses before the Commission. 73 P.S. § 399.41.

4. Upper Gwynedd Township ("Upper Gwynedd") is a first-class township in Montgomery County, Pennsylvania. The Township provides wastewater services to Upper Gwynedd residents pursuant to a 2015 Customer Service Agreement.

The System

5. The System is a wastewater collection and conveyance system. It is not a combined sewer system, nor is it a municipal separate storm sewer system. As of May 15, 2023, the System provided direct service to approximately 8,066 customers, including 310 customers in Worcester Township and 21 customers in Lower Salford Township.

6. Additionally, the Township provides wastewater service under bulk contracts with: (i) Lower Salford Township, pursuant to an agreement among the Township, Lower Salford Township, and Lower Salford Township Authority; (ii) Lansdale Borough, pursuant to an agreement among the Township, Lansdale Borough, Upper Gwynedd Township, and Lansdale

Sewer Authority; and (iii) one (1) commercial customer in Franconia Township, pursuant to an agreement among the Township, Franconia Township Authority, and JDJ Associates.

The Township's Financial Fitness

7. The Township has approximately $5.7 million in available funds in the sewer account dedicated to its wastewater service.

8. The Township has a Standard & Poor's credit rating of AA/Stable.

9. The Township has provided service to all of its customers without issue

10. The Township is a financially-sound municipality that can financially support the ongoing operating and investment commitments required to operate, maintain, and improve the System. The Township has provided wastewater service for over 50 years without financial issue.

The Township's Technical Fitness

11. The Township employs professionals with expertise in all areas of wastewater utility operations.

12. The Towamencin Township Wastewater Treatment Plant currently operates at approximately 52.3% of its capacity.

13. The Township has provided wastewater service for over 50 years without technical issue and demonstrated adequate fitness in doing so.

The Township's Legal Fitness

14. The Township is a Commission-regulated public utility with a history of compliance. There are no pending legal proceedings that would suggest that the Township is not legally fit to provide service to its customers. Continuation of the existing service in the applied-

for service territory is necessary for the accommodation, safety and convenience of the public because no other wastewater provider is currently available to provide the service to these customers.

Benefits of the Settlement

15. The Settlement will bring the Township into proper legal compliance. The Township is currently complying with a court order issued in *Bronia Sultanik v. Board of Supervisors of Towamencin Township & Towamencin Township*, Civil Action No. 1986-03576. The settlement and order resolving the litigation obligated the Township to provide wastewater service to customers living in Worcester Township.

16. The Settlement will bring extraterritorial customers under the legal protection of the PUC and other regulatory agencies.

APPENDIX B

PROPOSED CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the subject matter of, and the parties to, this application proceeding. 66 Pa. C.S. § 1102.

2. The Township has the burden of proof in this proceeding. 66 Pa. C.S § 332(a).

3. Commission policy promotes settlement. 52 Pa. Code § 5.231.

4. A settlement lessens the time and expense that the parties must expend litigating a case and, at the same time, conserves precious administrative resources. The Commission has indicated that settlement results are often preferable to those achieved at the conclusion of a fully-litigated proceeding. 52 Pa. Code § 69.401.

5. In order to accept a settlement, the Commission must determine that the proposed terms and conditions are in the public interest. *Pa. Pub. Util. Comm'n v. York Water Co.*, Docket No. R-00049165 (Order entered Oct. 4, 2004); *Pa. Pub. Util. Comm'n v. C.S. Water & Sewer Assocs.*, 74 Pa. PUC 767 (1991). The instant settlement is in the public interest.

6. The Commission may issue a certificate of public convenience upon a finding that "the granting of such certificate is necessary or proper for the service, accommodation, convenience, or safety of the public." 66 Pa. C.S. § 1103(a) ("Procedure to obtain certificates of public convenience").

7. A certificate of public convenience is required for "any public utility to begin to offer, render, furnish or supply within this Commonwealth service of a different nature or to a different territory than that authorized . . . ." 66 Pa. C.S. § 1102(a)(1).

8. An applicant for a certificate of public convenience must demonstrate that it is technically, financially, and legally fit to own and operate the acquired public utility assets. *Seaboard Tank Lines v. Pa. Pub. Util. Comm'n*, 502 A.2d 762, 764 (Pa. Cmwlth. 1985); *Warminster Twp. Mun. Auth. v. Pa. Pub. Util. Comm'n*, 138 A.2d 240, 243 (Pa. Super. 1958). The Township has demonstrated that it is technically, financially and legally fit.

9. The fitness of a currently certificated public utility is presumed. *See e.g., South Hills Movers, Inc. v. Pa. Pub. Util. Comm'n*, 601 A.2d 1308, 1310 (Pa. Cmwlth. 1992).

10. In granting a certificate of public convenience, the Commission may impose such conditions as it may deem to be just and reasonable. 66 Pa. C.S. § 1103(a).

11. The settlement and its proposed terms and conditions are in the public interest and, therefore, should be approved without modification.

APPENDIX C

PROPOSED ORDERING PARAGRAPHS

1. That the Honorable Administrative Law Judge Darlene D. Heep recommend approval of, and the Commission approve, this Settlement as submitted, including all terms and conditions thereof, without modification.

2. That the Application filed by the Township on May 15, 2023 be approved, subject to the terms and conditions contained in the Joint Petition for Settlement.

3. That the Commission issue a Certificate of Public Convenience under 66 Pa. C.S. §§ 1102(a) evidencing Commission approval of the Township's Application for Certificate of Public Convenience, *nunc pro tunc*, seeking approval to offer, furnish, render, and supply wastewater service to the public in certain portions of Worcester and Lower Salford Townships, as well as to bulk customers that interconnect with the Township's sewer system outside of the Township's geographic boundaries.

APPENDIX D

FORM OF ORDER GRANTING JOINT STIPULATION OF PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW AND PROPOSED ORDERING PARAGRAPHS

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Towamencin Township, Pursuant to Section 1102(a), for a Certificate of Public Convenience to Offer, Furnish, Render, and Supply Wastewater Service to the Public in Certain Portions of Worcester Township, Lower Salford Township, Franconia Township and Lansdale Borough, All in Montgomery County, Pennsylvania	:	Docket No. A-2023-3040661

ORDER GRANTING JOINT STIPULATION OF PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW AND PROPOSED ORDERING PARAGRAPHS

In connection with the Joint Petition for Approval of Non-Unanimous Settlement of All Issues (the "Settlement"), filed on September 22, 2023, Towamencin Township and the Office of Consumer Advocate (collectively, the "Stipulating Parties") also filed a Joint Stipulation of Proposed Findings of Fact, Proposed Conclusions of Law and Proposed Ordering Paragraphs ("Stipulation") in the above-captioned proceeding to which the remaining parties, the Office of the Small Business Advocate ("OSBA") and Upper Gywnedd Township ("Upper Gwynedd") do not oppose. Each of the Stipulating Parties agreed that the facts agreed to in the Stipulation are sufficient to find that the Settlement is in the public interest. The Stipulation is attached to this Order.

As this request is reasonable, it will be granted.

THEREFORE, IT IS ORDERED:

That the Stipulation, filed on September 22, 2023, is APPROVED.

Date: _____

_____
Darlene D. Heep
Administrative Law Judge

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

IN RE: APPLICATION OF TOWAMENCIN TOWNSHIP, PURSUANT TO 66 PA. C.S. § 1102(A), FOR A CERTIFICATE OF PUBLIC CONVENIENCE TO OFFER, FURNISH, RENDER, AND SUPPLY WASTEWATER SERVICE TO THE PUBLIC IN CERTAIN PORTIONS OF WORCESTER TOWNSHIP, LOWER SALFORD TOWNSHIP, FRANCONIA TOWNSHIP AND LANSDALE BOROUGH, ALL IN MONTGOMERY COUNTY, PENNSYLVANIA	**DOCKET A-2023-3040661**

CERTIFICATE OF SERVICE

I hereby certify that I have this date, September 22, 2023, served a true copy of Joint Stipulation of Proposed Findings of Fact, Conclusions of Law, and Ordering Paragraphs, upon the following:

Administrative Law Judge Darlene Heep
Pennsylvania Public Utility Commission
Office of Administrative Law Judge
801 Market Street, Suite 4063
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dheep@pa.gov
via email

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via email

James J. Rodgers
James J. Rodgers, Esquire
Attorney for Applicant

filings, statements, and exhibits are authenticated by the enclosed verifications from each supporting witness.

A. Direct Testimony of Towamencin Township:

1. Towamencin Township Statement WD-1, Direct Testimony of William Dingman, Towamencin Township Sanitary Sewer Engineer, together with Towamencin Exhibit 1 ("Ex. T-1"), Towamencin Exhibit 2 ("Ex. T-2"), Towamencin Exhibit 3 ("Ex. T-3"), Towamencin Exhibit 4 ("Ex. T-4"), Towamencin Exhibit 5 ("Ex. T-5"), and Towamencin Exhibit 6 ("Ex. T-6").
2. Towamencin Township Statement CF-1, Direct Testimony of Craig Forwood, Lower Salford Township Authority Operations Manager, together with T-5.

3. This Stipulation is presented by the Stipulated Parties in conjunction with the Settlement, which is intended to settle all issues in the above-captioned proceeding. If the Commission rejects or otherwise modifies the Settlement, the Stipulating Parties reserve their respective procedural rights to object to the admission of the above-referenced statements and exhibits, submit additional testimony and exhibits, and cross-examine witnesses at on-the-record evidentiary hearings.
4. This Stipulation is being presented, in conjunction with the Settlement, only to resolve issues in the above-captioned proceeding. Regardless of whether this Stipulation is approved, no adverse inference shall be drawn, nor shall prejudice result to any Signatory Party in this or any future proceeding as a consequence of this Stipulation, or any of its terms or conditions.
5. Two copies of the foregoing statements, and exhibits are being filed with the Commission's Secretary for inclusion in the official case record upon approval of this Stipulation.
6. Attached hereto as **Appendix A** is a proposed "Order Granting Joint Stipulation for Admission of Evidence" for consideration by the Honorable Administrative Law Judge Darlene D. Heep.

WHEREFORE, the Stipulating Parties, by their respective counsel, respectfully request that the Honorable Administrative Law Judge Darlene D. Heep admit the foregoing statements and exhibits into the record in this proceeding on the terms and conditions set forth in the Stipulation.

Respectfully submitted,

/s/ James J. Rodgers Date: September 22, 2023

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Marc A. Feller, Esq. (PA ID 19545)
Elizabeth Preate Havey, Esq. (PA ID 80793)
DILWORTH PAXSON LLP
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Counsel for Towamencin Township

/s/ Darryl A. Lawrence Date: September 22, 2023

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/s/ Sharon E. Webb Date: September 22, 2023

Sharon E. Webb (PA ID 73995)
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Counsel for Office of Small Business Advocate

/s/ Samantha L. Newell Date: September 22, 2023

Lauren A. Gallagher, Esquire (PA ID 206113)
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Counsel for Upper Gwynedd Township

APPENDIX A

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Towamencin Township, Pursuant to Section 1102(a), for a Certificate of Public Convenience to Offer, Furnish, Render, and Supply Wastewater Service to the Public in Certain Portions of Worcester Township, Lower Salford Township, Franconia Township and Lansdale Borough, All in Montgomery County, Pennsylvania	Docket No. A-2023-3040661

ORDER GRANTING JOINT STIPULATION FOR ADMISSION OF EVIDENCE

On September 25, 2023, Towamencin Township, the Office of Consumer Advocate, the Office of Small Business Advocate, and Upper Gwynedd Township (collectively, the "Stipulating Parties") filed a Joint Stipulation for Admission of Evidence ("Stipulation") in the above-captioned proceeding. Each of the Stipulating Parties stipulated to the authenticity of the statements and exhibits listed in the Stipulation and requested that they be admitted into the record of this proceeding on the terms and conditions set forth in the Stipulation. The Stipulation is attached to this Order.

As this request is reasonable, it will be granted.

THEREFORE, IT IS ORDERED:

1. That the Stipulation, filed on September 25, 2023, is APPROVED;
2. The statements and exhibits listed therein are admitted into the record of this proceeding on the terms and conditions set forth in the Stipulation; and,
3. That two copies of each filing, statement, and exhibit listed in the Stipulation be filed with the Secretary's Bureau of the Commission, unless previously filed.

Date: _____

_____
Darlene D. Heep
Administrative Law Judge

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Administrative Law Judge
Darlene D. Heep

Application of Towamencin Township, Pursuant to Section 1102(a), for a Certificate of Public Convenience to Offer, Furnish, Render, and Supply Wastewater Service to the Public in Certain Portions of Worcester Township, Lower Salford Township, Franconia Township and Lansdale Borough, All in Montgomery County, Pennsylvania	**Docket No. A-2023-3040661**

DIRECT TESTIMONY OF WILLIAM DINGMAN

DATE SERVED: August 14, 2023 **Towamencin Township**

DATE ADMITTED: _____ **Statement WD-1**

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

IN RE: APPLICATION OF TOWAMENCIN TOWNSHIP, PURSUANT TO 66 PA. C.S. § 1102(A), FOR A CERTIFICATE OF PUBLIC CONVENIENCE TO OFFER, FURNISH, RENDER, AND SUPPLY WASTEWATER SERVICE TO THE PUBLIC IN CERTAIN PORTIONS OF WORCESTER TOWNSHIP, LOWER SALFORD TOWNSHIP, FRANCONIA TOWNSHIP AND LANSDALE BOROUGH, ALL IN MONTGOMERY COUNTY, PENNSYLVANIA	**DOCKET A-2023-3040661**

TOWAMENCIN TOWNSHIP
STATEMENT NO. 1

DIRECT TESTIMONY OF

WILLIAM DINGMAN

TOWNSHIP SANITARY SEWER ENGINEER

TOWAMENCIN TOWNSHIP

With Regard To

Towamencin Township's Wastewater Collection and Conveyance System and Operations

And Benefits of the Application

August 14, 2023

I. INTRODUCTION

Q. Please state your name and business address.

A. My name is William Dingman. I am a senior municipal engineer in the firm Gilmore & Associates. My business address is 184 W. Main Street Trappe, PA 19426.

Q. In what capacity are you affiliated with Towamencin Township?

A. I am the Township Sanitary Sewer Engineer for Towamencin Township ("the Township").

Q. Please provide a brief description of your education and work experience.

I have been a professional engineer since 1982, graduating from Union College in 1978 with a bachelor's degree in civil engineering and from Villanova University in 1981 with a master's degree in civil engineering. I have been the Towamencin Township sanitary sewer engineer since 1987. I have served as the engineer for numerous municipalities for the past 45 years with an emphasis on wastewater services.

Q. On whose behalf are you testifying in this proceeding?

A. My testimony is on behalf of the Township and in support of the application *nunc pro tunc* of the Township for a certificate of public convenience to provide wastewater collection and conveyance services in this proceeding.

Q. What is the purpose of your direct testimony? Please summarize the key points.

The purpose of my testimony is as follows: (1) to provide a description of the System and its history; and (2) to describe the background and extent of the Township's services to a limited number of customers situated outside the boundaries of the Township. I will also describe the Township's ability to continue to provide those services to customers situated outside the boundaries of the Township to describe the benefits to those customers, the municipalities in which they are situated, and to the Township and its residents of the

continued provision of wastewater services to those customers by the Township as opposed to the cessation of those services if the Application is denied. It is contemplated that the Township will continue to provide those services until the consummation of a sale of the System assets to Pennsylvania American Water Company (PAWC) under and in accordance with an Asset Purchase Agreement between the Township and PAWC (the "Proposed Transaction"). However, should that sale not be consummated, the Township is capable of continuing to provide wastewater services to the subject customers.

Q. Are you sponsoring any Exhibits with your testimony?

A. Yes, Applicant **Exhibits 1-6** as described later in my testimony.

II. DESCRIPTION OF THE TOWNSHIP AND ITS WASTEWATER SYSTEM

Q. Please provide a general overview of the Township.

A. The Township is located in central Montgomery County, Pennsylvania, north and west of the City of Philadelphia. It is a township of the second-class with a population of approximately 18,500 residents.

Q. Please provide a description of the Township's wastewater system and its history.

(a) The Applicant and Towamencin Municipal Authority (the "Authority") own and operate the wastewater system (the "System") and the Authority leases the System to Applicant pursuant to a Lease and Service Agreement. The System serves approximately 1,500 customers. The System is comprised of a wastewater collection and conveyance system as well as the Towamencin Township Wastewater Treatment Plant (the "WWTP" or the "Plant"). Originally, the Authority was a Joint Authority formed by both Towamencin and Upper Gwynedd Townships, known as the Upper Gwynedd - Towamencin Municipal Authority

(UGTMA). In 2015 Upper Gwynedd Township withdrew from the UGTMA and the Authority name was changed to the Towamencin Municipal Authority (TMA).

(b) Since 1964, Applicant has provided wastewater service within the entirety of its geographical boundaries. In addition, Applicant currently provides wastewater service (directly or indirectly) to customers situated in portions of Worcester Township ("Worcester"), Lower Salford Township ("Lower Salford"), Franconia Township ("Franconia"), the Borough of Lansdale ("Lansdale"), Upper Gwynedd Township ("Upper Gwynedd"), and Hatfield Township ("Hatfield"), all located in Montgomery County (collectively "the Applied-for-Territory".) A map depicting Applicant's current wastewater service area is shown on Exhibit 1.

(c) Applicant began providing wastewater services to customers in Worcester Township, Montgomery County as required under a court-approved stipulation entered into on March 30, 1987. The stipulation settled litigation in the Court of Common Pleas of Montgomery County, in a matter captioned *Bronia Sultanik vs. Board of Supervisors of Towamencin Township and Towamencin Township*, Civil Action No. 1986-03576. A copy of the stipulation is attached as Exhibit 2. The stipulation resolving the litigation obligated Applicant to provide wastewater services to customers living in what is now the Milestone development in Worcester and established the fee that those customers would pay for Applicant's wastewater services. The stipulation was not conditioned on compliance with the Code's requirement that a municipality obtain a Certificate of Public Convenience prior to providing utility service outside the municipality's boundaries. Pursuant to the March 30, 1987 Court Order, Applicant passed Resolution No. 89-12, which

provided that Applicant would provide wastewater services to customers living in the Milestone development. A copy of Resolution No. 89-12 is attached as Exhibit 3.

(d) After the Court Order regarding service to the Milestone development, Applicant began providing wastewater services to customers living in an additional development in Worcester Township, what is now the Hollis Hills development, because Worcester Township did not have the capability to provide wastewater service in that area. Applicant codified this service by adopting Ordinance No. 89-7. A copy of Ordinance No. 89-7 is attached as Exhibit 4.

(e) Applicant also provides direct service to 21 customers located in Lower Salford Township due to their proximity to Applicant's sewer mains and a corresponding lack of access to Lower Salford's mains. Applicant and Lower Salford Township agreed that Applicant would provide wastewater service directly to these customers via adoption of various sewage facility planning modules and a capacity purchase agreement. A copy of the agreement between Applicant, Lower Salford Township, and Lower Salford Township Authority is attached as Exhibit 5.

(f) In addition to the direct bill customers in Worcester and Lower Salford mentioned above, Applicant provides wastewater service under bulk contracts with (i) Lower Salford Township, pursuant to an agreement among Applicant, Lower Salford Township and Lower Salford Township Authority, (ii) Lansdale, pursuant to an agreement among Applicant, Lansdale, Upper Gwynedd, and Lansdale Sewer Authority and (iii) one commercial customer located in Franconia pursuant to an

agreement among the Applicant, Franconia Township Authority, and JDJ Associates. The points of interconnection of the System utilized to provide bulk service in the three municipalities of Lower Salford, Lansdale and Franconia are not located in Towamencin Township but instead are in those respective municipalities, which is why they are part of the Applied-for-Territory.

(g) In addition to the bulk service arrangements referenced above, the Township provides bulk service to Upper Gwynedd and Hatfield pursuant to bulk service agreements. The points of interconnection of the System are located in Towamencin Township so these two municipalities are not part of the Applied-for-Territory. The end users of those services are not billed by the Township, but by their respective municipalities, except Towamencin Township bills Clemens Food Group directly pursuant to an agreement.

Q. What is the reason for the Township's application?

A. Towamencin has been advised by the staff of the Commission that its provision of wastewater service to customers located outside the boundaries of the Township is subject to the requirement of a certificate of public convenience. In addition, Towamencin is a party to an agreement for the sale of substantially all of the assets of the System to PAWC. It is my understanding that, in order to assist with the transfer of the System, it is appropriate for the Applicant to hold a certificate of public convenience for the wastewater service provided to the customers described above in Worcester, Lower Salford, Franconia and Lansdale (the "Applied-For Service Territory").

Q. Please explain how Towamencin determined the wastewater service charge proposed in Applicant's Proposed Tariff to begin on January 1, 2024.

A. The Towamencin Township Sewer Advisory Committee tasked me with developing a ten-year study to determine how to adequately fund the System's operations in accordance with the ten-year capital plans set forth by the Township and the Authority, which collectively plan for $37 million in capital improvements for the System. I developed preliminary projections for this rate study. I then provided these preliminary projections to the Township to be adjusted for inflation, debt interest rate assumptions, and trial balance figures. The rate study determined that the rates included in the Township's Proposed Tariff were necessary to fund the System's capital improvements. A copy of the Township's Proposed Tariff is attached as Exhibit 6. These rates, proposed to begin on January 1, 2024, are as follows:

(a) Residential customers will be charged an annual fixed charge of $590.00 per Equivalent Dwelling Unit ("EDU").

(b) Commercial customers charged on a flat rate basis will be charged an annual fixed charge of $590.00 per EDU.

(c) Commercial customers charged on a metered basis will be assessed a metered rate equal to $0.06045 per cubic foot of water consumption with a minimum fee of $295.00 per EDU per billing cycle.

Q. Please explain how this Application is related to the Application of PAWC to acquire the Towamencin System.

A. The Application will enable Towamencin to convey to PAWC the assets that provide service to the Township's current customers situated outside its boundaries. If the sale of the Towamencin System is consummated, PAWC would assume the obligation of providing wastewater services to all customers currently served by Towamencin.

Q. Is this Application presented solely on a conditional basis, *i.e.*, only because of the pending proposed sale?

A. No. The Application seeks a certificate that would permit and obligate Towamencin to provide continued service to its customers outside the Township on a continuing basis unless the Commission would permit it to abandon such service in the future.

III. BENEFITS OF THE REQUESTED CERTIFICATE

Q. Please describe the benefits of the Proposed Certificate.

A. Granting the proposed Certificate will allow Towamencin to continue to provide wastewater service to its existing extra-territorial customers. This continued relationship is desired by the customers and by their respective municipalities, and is essential to avoid disruption of service and/or significant expenses being incurred by the customers and/or their respective municipalities.

Q. Please explain how denial of this application would adversely affect the customers presently being served by Towamencin.

A. If Towamencin were prohibited from providing continued service to these customers, they would be confronted with the need to obtain alternative sources of wastewater collection, conveyance and treatment, or to rely on newly installed on-lot disposal systems. The capital cost to construct alternative centralized wastewater collection, conveyance and treatment facilities for the customers would be substantial. The sewage facilities would need to be approved by PADEP through adoption of Act 537 sewage facility planning modules/studies and obtain PADEP Part 2 construction permits for new and/or expanded facilities. The existing small lot sizes on a majority of the properties served by the existing

public sewers would not support the installation of on-lot sewage disposal facilities even if the existing soils were considered to be suitable for on-lot sewage disposal (septic systems).

Q. Do you believe that the Application provides affirmative public benefits and is in the public interest?

A. Yes. For the reasons set forth above, the Application provides substantial affirmative public benefits and is in the public interest. I urge the Commission to promptly approve the Application.

VI. CONCLUSION

Q. Does this conclude your testimony?

A. Yes, it does. However, I reserve the right to file additional testimony at a later date as may be necessary or appropriate.

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American Water Company under Sections 1102(a) and 1329 of the Pennsylvania Public Utility Code, 66 Pa C.S. §§ 1102(a) and 1329, for approval of (1) the transfer, by sale, to Pennsylvania-American Water Company, of substantially all of the assets, properties and rights related to the wastewater collection and treatment system owned and operated by Towamencin Township and Towamencin Municipal Authority, and (2) the rights of Pennsylvania-American Water Company to begin to offer or furnish wastewater service to the public in the Township of Towamencin, portions of the Townships of Lower Salford, Franconia and Worcester and the Borough of Lansdale, all in Montgomery County, Pennsylvania	Docket Nos. A-2023-3040661

VERIFICATION

I, William Dingman, hereby state that the facts set forth in my Direct Testimony are true and correct to the best of my knowledge, information, and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Dated: 8/10/23

William R. Dingman PE
WILLIAM DINGMAN
G. Imore & Associates, Inc

Towamencin Township
Docket No. A-2023-3040661
Statement WD-1
Exhibit T-1

NOTE: All sewers and manholes in Hatfield Township are either owned by private owners or Hatfield Township Municipal Authority (HTMA).

FRANCONIA TOWNSHIP

HATFIELD TOWNSHIP

LANSDALE BOROUGH

TOWAMENCIN

LOWER SALFORD TOWNSHIP

SKIPPACK TOWNSHIP

WORCESTER TOWNSHIP

UPPER GWYNEDD TOWNSHIP

HTMA Connection Point

HTMA Connection Point

HTMA Connection Point

Clemens Food Group Connection Point

Lower Salford Township Connection Point

Low Pressure Sewer

Rittenhouse Road Pump Station Elevation: 186'

Dual 16" Force Main

Towamencin Municipal Authority WWTP Elevation: 190'

Molly's County Kennel Connection Point

4" Force Main

4" Force Main

Hollis Hills Pump Station Elevation: 262'

Milestone Pump Station Elevation: 282'

Meter Between MH 21.2 and 21.3 UGT Connection

Meter at MH 336 UGT Connection

To UGT Sewer System

From	To	Bearing	Distance (ft)
1	2	S54 30'12"E	1,225.53
2	3	S64 05'13"W	571.35
3	4	N37 31'20"E	610.43
4	107	N49 03'28"W	1,186.46
107	108	N34 35'14"E	610.59
108	109	S53 13'07"E	267.28
109	1	N37 25'04"E	400.07

From	To	Bearing	Distance (ft)
4	104	N37 31'20"E	1,306.96
104	105	N51 39'02"W	986.66
105	106	N42 47'44"E	1,327.43
106	4	S52 47'37"E	823.81

From	To	Bearing	Distance (ft)
93	94	N53 16'52"W	469.29
94	95	N37 06'45"E	133.04
95	96	N54 10'05"W	125.92
96	97	S35 38'31"W	456.04
97	98	N54 51'41"W	1,048.89
98	99	N12 18'45"E	369.17
99	100	N26 49'57"E	265.75
100	101	S54 49'22"E	1,235.79
101	102	N35 38'31"E	749.61
102	103	S52 47'37"E	569.59
103	93	N32 57'31"E	1,030.68

From	To	Bearing	Distance (ft)
89	90	N55 38'08"W	554.63
90	91	N35 16'40"E	601.94
91	92	S55 33'37"E	554.08
92	89	N34 20'49"E	594.33

From	To	Bearing	Distance (ft)
80	81	N43 16'11"E	330.41
81	82	N50 38'06"W	269.27
82	83	N37 23'27"E	303.79
83	84	S54 29'40"E	292.28
84	85	N38 04'45"E	200.76
85	86	N54 40'02"W	295.16
86	87	N37 29'24"E	209.59
87	88	S53 23'07"E	1,110.69
88	79	N38 26'26"	1,033.12
79	80	N54 40'02"W	794.92

From	To	Bearing	Distance (ft)
46	47	S35 33'17"W	1,270.21
47	48	N54 57'35"W	539.10
48	49	N86 06'24"W	154.67
49	50	N40 31'20"E	1,386.18
50	46	S51 06'49"E	557.60

From	To	Bearing	Distance (ft)
1	2	S36 00'45"W	1,032.68
2	3	S49 59'12"W	1,360.40
3	4	N78 45'03"W	157.38
4	5	S83 32'50"W	1,406.83
5	6	S32 28'49"W	945.13
6	7	N51 46'09"W	409.32
7	8	S36 24'58"W	533.97
8	9	N62 20'44"W	492.78
9	10	N25 38'09"E	305.00
10	11	N61 26'21"W	230.90
11	12	N37 05'27"E	684.20
12	13	S68 16'51"E	389.73
13	14	S36 18'54"W	503.93
14	15	S53 05'34"E	332.26
15	16	N36 52'45"E	1,566.41
16	17	N8 20'51"E	480.35
17	18	N32 24'28"E	315.53
18	19	S46 36'30"E	678.22
19	20	N56 13'06"E	115.00
20	21	S46 37'06"E	254.65
21	22	N50 19'36"E	195.24
22	23	N66 57'45"E	271.12
23	24	N30 59'50"W	275.97
24	25	N54 54'14"E	1,647.70
25	1	S52 07'51"E	702.64

From	To	Bearing	Distance (ft)
5	6	S53 06'52"E	303.40
6	7	S37 06'46"W	48.00
7	8	N53 17'35"W	302.87
8	5	N36 29'22"E	48.00
9	10	S53 22'50"E	321.86
10	11	S34 58'47"W	48.02
11	12	N53 22'50"W	323.13
12	9	N36 37'11"E	48.00
13	14	S52 32'54"W	249.86
14	15	S35 10'12"W	48.02
15	16	N52 50'19"W	250.94
16	13	N36 29'22"E	48.02
17	18	S53 15'18"E	242.58
18	19	S35 06'26"W	48.02
19	20	N53 22'51"W	239.54
20	17	N36 53'38"E	48.01
21	22	S53 41'14"E	271.19
22	23	S76 23'36"E	103.84
23	24	N70 45'17"E	87.83
24	25	N41 47'55"E	130.68
25	26	S54 14'51"E	50.06
26	27	S39 44'38"W	116.46
27	28	S63 39'17"W	123.18
28	29	N83 51'42"W	122.40
29	30	N54 43'10"W	310.05
30	21	N36 26'25"E	50.00

From	To	Bearing	Distance (ft)
32	33	S35 51'20"W	14,698.43
33	34	N77 04'44"W	464.61
34	35	S31 10'38"W	473.48
35	36	N55 51'43"W	925.61
36	37	S33 46'09"W	547.73
37	38	N57 32'43"W	1,075.21
38	39	N37 40'31"W	676.82
39	40	N3 00'22"E	590.68
40	41	N35 25'24"E	1,273.73
41	42	N52 39'55"W	663.74
42	43	S36 03'56"W	1,275.02
43	44	N53 19'14"W	326.28
44	45	N7 52'55"E	2,506.33
45	32	S53 53'42"E	5,353.50

Land Area Served in
Worcester Township: 336 Acres
Lower Salford Township: 80 Acres
Franconia Township: 28 Acres
Lansdale Borough: 8 Acres

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

Legend

- Meets/ Bounds
- Sanitary Manholes
- Discharge Location
- Effluent Sanitary Mh/ Junction Box
- Collector Laterals (Private)
- Effluent Sanitary Sewer
- Force Main
- Sanitary Sewers (Private)
- Sanitary Sewers
- Hydrology
- Sewer Service Area
- Franconia Township Service Properties
- Lansdale Borough Service Properties
- Lower Salford Township Service Properties
- Worcester Township Service Properties

TOWAMENCIN TOWNSHIP

SANITARY SEWER
SERVICE AREA MAP - PROPERTIES SERVED

TOWAMENCIN TOWNSHIP, MONTGOMERY COUNTY, PENNSYLVANIA

GILMORE & ASSOCIATES, INC.
ENGINEERING & CONSULTING SERVICES
65 EAST BUTLER AVENUE NEW BRITAIN, PA 18901-5106 - (215) 345-4330 - www.gilmore-assoc.com

JOB NO: 22-01077 | DATE: JUNE 2023 | 0 450 900 1,800 2,700 Ft

TOWAMENCIN000001

Towamencin Township
Docket No. A-2023-3040661
Statement WD-1
Exhibit T-2

IN THE COURT OF COMMON PLEAS, MONTGOMERY COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

BRONIA SULTANIK	: NO.86-03576
v.	
BOARD OF SUPERVISORS OF TOWAMENCIN TOWNSHIP AND TOWAMENCIN TOWNSHIP	: ATTY. I.D. NO. 09514 & 30036 : IN EQUITY

STIPULATION AND SETTLEMENT OF CASE

TO THE HONORABLE, THE JUDGES OF SAID COURT:

COMES NOW, the Plaintiff, BRONIA SULTANIK (herein "Sultanik");

AND

BOARD OF SUPERVISORS OF TOWAMENCIN TOWNSHIP AND TOWAMENCIN TOWNSHIP (herein COLLECTIVELY "Township").

MAR 30 3 03 PM '07
OFFICE OF THE PROTHONOTARY
MONTGOMERY CO., PA.
FILED

BACKGROUND:

1. Sultanik is the owner of Property located in Towamencin and Worcester Townships, which Property is contiguous to Morris Road, the dividing line between Worcester Township and Towamencin Township. A true and correct copy of the deed description of that portion of the Property located in Worcester Township is attached hereto, made a part hereof and marked Exhibit "A-1" (herein "Worcester Property"). A true and correct copy of the deed description of that portion of the Property located in Towamencin Township is attached hereto, made a part hereof, and marked Exhibit "A-2" (herein "Towamencin Property").

2. Sultanik has proposed to construct 277 single-family houses on that portion of the Property in Worcester Township and intends to construct 14 single-family houses on that portion of the Property in Towamencin Township.

3. Sultanik has requested the Township to provide sewer service through the Upper Gwynedd-Towamencin Municipal Authority for the residential development contemplated on the Property.

4. Sultanik, on November 28, 1977, entered into an agreement and did acquire and purchase an eight-inch sanitary sewerline and right-of-way from the Korman Corporation, which line originated in Morris Road adjacent to the Worcester portion of the Property and which ran Northwest to the trunkline of the Upper Gwynedd-Towamencin Municipal Authority (herein "Authority"). A true and correct copy of the aforesaid November 28, 1977 Agreement between Sultanik and Korman Corporation is attached hereto, made a part hereof and marked Exhibit "B".

5. Sultanik allegedly received assurance from the Township in 1977 that sewer capacity would be available for the Property via treatment at the Authority, if Worcester Township would consent to the Authority servicing the Property in Worcester Township and if Sultanik would obtain its rezoning from Worcester Township.

6. On October 2, 1985, this Court as of No. 81-20163, and as recorded in the Office of the Recorder of Deeds in and for Montgomery County, Pennsylvania, in Deed Book 4780, page 402, et seq., entered an Order rezoning the Worcester portion of the Property for 277 single-family units. A true and correct copy of the aforesaid Order dated October 2, 1985, is attached hereto, made a part hereof and marked Exhibit "C".

7. Worcester Township, in accordance with the Order dated October 2, 1985, set forth in Exhibit "C" attached hereto, filed with the Commonwealth of Pennsylvania, Department of Environmental Resources a 537 Plan Amendment, wherein and whereby Worcester Township agreed to the public sewer of the Township and the Towamencin/Authority to treat the sewer effluent from the 277 single-family homes on the Property located in Worcester Township.

Worcester Township further agreed that the "Property" is within the sewer service area of the Township/Authority. A true and correct copy of the 537 Plan as filed by Worcester Township is attached hereto, made a part hereof and marked Exhibit "D".

8. Sultanik proposes to construct 14 single-family units on the Towamencin portion of the Property. The Towamencin portion of the Property was originally part of the Sunny Ayr Farm tract, which comprises the Worcester portion of the

Property. The Towamencin portion of the Property shall be tied into the sewer lines of Towamencin/the Authority and capacity shall be guaranteed and issued to Sultanik for the sewer EDUs based upon the regular charges and connection charges for Township residences, which sum is currently TWO THOUSAND FOUR HUNDRED TWENTY DOLLARS ($2,420.00)(per EDU).

9. Based upon Sultanik's compliance with all of the covenants and conditions imposed by the Township in its alleged contract of 1977, Sultanik has requested 277 EDUs to provide sewer capacity for the "Property" in Worcester within the Authority's watershed as per the application for a 537 Plan Amendment; see Exhibit "D".

10. Upon the Township's failure to provide sewer access and capacity as requested by Sultanik, Sultanik filed a Complaint as of the above term and number in the Court of Common Pleas of Montgomery County, Pennsylvania, requesting specific performance of the alleged 1977 contract between Sultanik and Township.

11. Sultanik and Township have negotiated with the intent of settling the instant litigation pursuant to the terms and conditions hereinafter set forth. The parties desire that your Honorable Court, consistent with its continuing jurisdiction of this matter, approve this Stipulation by court order in the form set forth in Exhibit "E", attached hereto, and made a part hereof.

NOW, THEREFORE, intending to be legally bound, it is mutually covenanted, warranted, stipulated and agreed as follows:

I. SERVICE AREA. Sultanik and Township acknowledge and recognize that the Property is located within both the municipal boundaries of Towamencin and Worcester Townships, and that the Worcester portion of the Property is located partially within the Towamencin Creek watershed and the Towamencin portion of the Property is located within the sewer service area of the Township.

(a) The terms of this Stipulation are subject to an Authority joinder, agreeing to all relevant terms set forth herein, including but not limited to the Township or Authority's agreement to provide the necessary EDUs in order to accept the sewage flow from the Property, to be treated at the Authority's treatment facility.

(b) Township (and Authority by virtue of its joinder) agrees to execute any documentation, plan revisions, modules, agreements, and so on, as to reflect the fact that the Property is to be within the service area of the Township, and the sewage flow will be treated by them. Township agrees to modify its official Sewage Facility Plan (537 Plan) to include the Property within the service area of the Authority and file a water/sewer quality management permit application for its construction.

Sultanik shall file and prepare the necessary documentation for the water quality management permit. Such documentation for the water quality management permit shall be provided by Sultanik to the Authority, for Authority's timely review. At all times relevant hereto, Township and Authority shall cooperate with Sultanik with respect to the preparation of the aforesaid documentation.

(c) Township and Authority by virtue of its joinder herein agrees to submit any necessary information or documentation so as to cause the Township to revise its official plan so as to include the Worcester portion of the Property within the service area of the Municipal Authority in accordance with the requirements of 25 Pa. Code Chapter 71 et seq.

(d) The parties acknowledge that Sultanik, its successors and assigns will be receiving final building permits from Worcester Township as a result of the October 2, 1985 Court Order set forth in Exhibit "C" attached hereto. The parties further agree that Sultanik, its successors and assigns shall receive the sewer permits issued pursuant to Paragraph V of this Stipulation.

II. OWNERSHIP OF RIGHT-OF-WAY AND DEED OF DEDICATION.

Sultanik and Township agree that Sultanik is the owner of a right-of-way and sewerline beginning at Manhole No. 30.8 located on Morris Road adjacent to the Property, which line extends into

Manhole No. 30.3 in Towamencin Township and subsequently leads to an Authority trunkline. A true and correct copy of the description of this trunkline/right-of-way is delineated in Exhibit "B", the November 28, 1977 Agreement between Korman Corporation and Sultanik. Authority agrees to accept the Deed of Dedication and Bill of Sale transferring the line described in Exhibit "B" as set forth below:

A. Within one week after the execution of this Stipulation, Township and/or Authority Engineer shall inspect the trunk lines described in Exhibit "B", said portion of trunk line that is owned by Sultanik.

B. Township and/or Authority Engineer shall give Sultanik reasonable notice of the date of inspection, so that Sultanik or Sultanik's designated engineer, agent or expert can be present at the time of such inspection.

C. In the event that such inspection reveals that the trunk line owned by Sultanik set forth in Exhibit "B" requires no modifications or repairs, within thirty (30) days of the aforesaid inspection by Township and/or Authority Engineer, Authority shall accept the Deed of Dedication and Bill of Sale transferring the line described in Exhibit "B" and to record the same in the Recorder of Deeds Office in Norristown, Pennsylvania.

D. In the event that such inspection by the Township and/or Authority Engineer of the line owned by Sultanik described in Exhibit "B" reveals that the aforesaid "eight-inch" line requires repairs or modifications as the result of non-compliance with the reasonable requirements of the Upper Gwynedd-Towamencin Municipal Authority or Township, Sultanik shall employ a contractor of Sultanik's own choice to perform the reasonable repairs or modifications to the line described in Exhibit "B" owned by Sultanik. Sultanik's monetary obligation for the aforesaid labor, materials, repairs or modifications shall be limited to TWENTY FIVE THOUSAND DOLLARS ($25,000.00). In the event that the labor, materials, repairs or modifications require more than TWENTY FIVE THOUSAND DOLLARS ($25,000.00), Township, within thirty (30) days of demand by Sultanik, shall compensate Sultanik or Sultanik's contractor for reasonable labor and material costs in connection with the aforesaid repairs or modifications in excess of TWENTY FIVE THOUSAND DOLLARS ($25,000.00), upon proper presentation of invoices and/or bills by Sultanik or Sultanik's contractor to Township.

E. Within thirty (30) days after repairs or modifications are made to the line described in Exhibit "B" and after Township and/or Authority Engineer's inspection of the repaired or modified line, Authority shall accept the Deed of Dedication and Bill of Sale transferring the line described in Exhibit "B"

and to record the same in the Recorder of Deeds Office in Norristown, Pennsylvania.

F. Sultanik agrees to compensate Township for reasonable expenses incurred with respect to any such inspection, such expenses not to exceed FIVE THOUSAND DOLLARS ($5,000.00).

III. SECOND SERVICE LINE AND CROSS OVER RIGHTS.

A. Township and Authority stipulates that the Towamencin portion of the Property is adjacent to a second sewerline which is located in an approximate 100 foot wide easement located at or near the property line separating the Towamencin portion of the Property from the Brookside Farms tract at or near Morris Road in Township. Township and Authority agree that the second sewerline will be utilized by Sultanik or her assigns for the conveyance of sewage flow for the aforesaid 277 units in the Worcester portion of the Property as well as the 14 proposed units on the Towamencin portion of the Property, or a portion thereof. Said line is required in order to carry the sewage flow emanating from the proposed units to the Authority sewer treatment plant for the treatment of the sewage flow. Township and Authority hereby consent to Sultanik or her assigns' connection to the second sewerline which is in a right-of-way or easement owned by Township and/or Authority.

B. Township and/or Authority further grant Sultanik the right to have any cross over rights in the aforesaid second sewerline right-of-way and/or easement, as well as the right to connect to any adjacent sewer line so as to provide direct access for the sewage flow from the Property to the Authority sewer treatment plant for treatment of the sewage flow. Such cross over rights or rights to connect to sewer lines shall be subject to the reasonable rules and regulations of the Authority and/or Township and further shall not interfere with the operation or maintenance of the aforesaid Authority's and/or Township's sewerlines.

IV. CAPACITY RESERVATION. Township and Authority herewith consents and agrees to provide Permitted capacity at the Authority Sewer Treatment Plant approved by the Commonwealth of Pennsylvania, Department of Environmental Resources, sufficient to service 277 Worcester EDUs and 14 Towamencin EDUs, upon payment to Towamencin and Authority of the sums set forth below. Township and Authority who have joined herein stipulate and agree that the treatment capacity at the Authority treatment plant for houses and the EDUs are herewith reserved and guaranteed to Sultanik. Township's and Authority's obligations expressed herein are subject to and conditioned upon the necessary approvals of the Commonwealth of Pennsylvania Department of Environmental Resources and Upper Gwynedd Township's waiver of

its right of first refusal to 277 Worcester EDUs designated for Sultanik during the term of issuance of EDUs pursuant to this Stipulation.

V. EDU OWNERSHIP AND SEWER PERMIT DELIVERY REQUIREMENTS.

A. Township and Authority agree to reserve and guarantee 277 Worcester EDUs/sewage permits and 14 Towamencin EDUs/ sewage permits to Sultanik, which shall be issued upon the consummation of the following requirements:

(1) Commonwealth of Pennsylvania Department of Environmental Resources approval of the Amended 537 Plan as it affects solely the Sultanik Property.

(2) Approval of the planning module by the Commonwealth of Pennsylvania Department of Environmental Resources as it affects solely the Sultanik Property.

(3) Approval of the water quality management permit by the Commonwealth of Pennsylvania Department of Environmental Resources as it affects the Sultanik Property (herein collectively referred to as "Trigger Date"). Township's and Authority's obligation expressed herein are subject to and conditioned upon approval by the Commonwealth of Pennsylvania, Department of Environmental Resources of the amended 537 Plan.

B. Sewage permits equivalent to 30 EDUs shall be delivered to Sultanik immediately following notice of approval of the Amended 537 Plan as it affects the Sultanik Property,

approval of the planning module as it affects the Sultanik Property, and approval of the water quality management permit as it affects the Sultanik Property by the Commonwealth of Pennsylvania Department of Environmental Resources. Thereafter, the EDUs shall delivered to Sultanik following the schedule set forth in Article VIII herein.

C. Township and Sultanik agree that an EDU shall be defined as "a dwelling unit which is occupied by one or more persons as a family unit regardless of the sewage flow emanating from said dwelling unit and said EDU shall be owned by Sultanik or her nominee or assigns on payment of the consideration set forth hereinafter and as owners of the EDUs Sultanik shall have the right to sell or assign the same only in the event of and in conjunction with the sale of the Property" in either Worcester or Towamencin Township.

VI. 537 APPLICATION. Worcester Township has filed on behalf of Sultanik a 537 Plan Amendment for the Property by way of D.E.R. Code No. 1-46962-022-4, as set forth in Exhibit "D", evidencing that sewage flow from the Property shall flow to Township through the Township/Authority's lines into the Authority's treatment plant. Township herewith stipulates that it will agree and consent to the 537 Plan Amendment and that it and Authority will accept for treatment the sewage flow set forth in the 537 Plan Amendment relating to the Property.

Township and Authority agree by virtue of this Stipulation to execute any necessary documentation, Plan revisions, modules, agreements, and so on, so as to reflect the fact that the Property is within the service area of the Authority so that the 537 Plan Amendment will be granted by the Commonwealth of Pennsylvania, Department of Environmental Resources. Sultanik shall compensate Township for Township and/or Authority Engineer's reasonable expenses in connection with the 537 Plan Amendment as it solely affects the subject Property, so that the Worcester portion of the Property can be within the service area of the Authority.

VII. CHARGES AND FEES. Township stipulates that other than the consideration for capacity, EDUs and sewer permits set forth in Article VIII. of this Stipulation, no other charges or fees shall be imposed against Sultanik and the Property by the Authority, Township, with respect to the acceptance and treatment of the sewage flow by the Authority for the 277 Worcester EDUs and 14 Towamencin EDUs in question, except the annual household charge to be rendered to each resident.

VIII. CONSIDERATION FOR CAPACITY, EDUs AND SEWER PERMITS.

The sum of FOUR HUNDRED THIRTY-SIX THOUSAND FIVE HUNDRED DOLLARS ($436,500.00) shall be paid by Sultanik to Authority, which is the sum required for the 277 Worcester EDU permits and 14 Towamencin EDU permits calculated on the basis of ONE

THOUSAND FIVE HUNDRED DOLLARS ($1,500.00) per EDU. The sum of SIX HUNDRED TWENTY-THREE THOUSAND TWO HUNDRED FIFTY DOLLARD ($623,250.00) shall be paid by Sultanik to Township, which is the sum required for the 277 Worcester EDU permits, calculated at TWO THOUSAND TWO HUNDRED FIFTY DOLLARS ($2,250.00) per EDU. In addition thereto, the sum of TWELVE THOUSAND EIGHT HUNDRED EIGHTY DOLLARS ($12,880.00) shall be paid by Sultanik to Township, which is the sum required for the 14 Towamencin EDU permits at the rate of NINE HUNDRED TWENTY DOLLARS ($920.00) per EDU. Accordingly, a total of ONE MILLION SEVENTY-TWO THOUSAND SIX HUNDRED THIRTY DOLLARS ($1,072,630.00) shall be paid by Sultanik to Township and/or Authority, subject to the escrow requirements set forth in this Article, for which Authority and Township agree that 291 EDUs or sewer permits shall be issued for the 277 units in the Worcester portion of the Property, as well as the 14 units in the Towamencin portion of the Property; thus, the required capacity being herewith reserved, issued and guaranteed to Sultanik.

Sultanik agrees that upon formal consent to the Stipulation by the Township and the Authority, approval of the Stipulation by the Court of Common Pleas of Montgomery County, submission of the Township of an appropriate application to the Commonwealth of Pennsylvania Department of Environmental Resources to amend the Township's 537 Plan as it affects solely the Sultanik

Property, and upon approval of the 537 Plan as it relates to the Sultanik Property, the sum of ONE MILLION SEVENTY-TWO THOUSAND SIX HUNDRED THIRTY DOLLARS ($1,072,630.00) shall be placed in escrow with the mutually acceptable escrowee, Union National Bank and Trust Company of Souderton, 10 West Broad Street, Souderton, Pennsylvania, 18964. The aforesaid mutually acceptable escrowee, Union National Bank and Trust Company of Souderton, shall release the aforesaid sum of SIX HUNDRED THIRTY-SIX THOUSAND ONE HUNDRED THIRTY DOLLARS ($636,130.00) to Township and FOUR HUNDRED THIRTY-SIX THOUSAND FIVE HUNDRED DOLLARS ($436,500.00) to Authority upon the fulfillment of the following conditions:

A. Consent to the Stipulation by the Township and the Authority;

B. Approval of the Stipulation by the Court of Common Pleas of Montgomery County;

C. Submission by Township of an appropriate application to the Commonwealth of Pennsylvania Department of Environmental Resources of the Township's Amendment to its 537 Plan as it affects the Sultanik Property, so that the Sultanik Property shall be within the service area of the Authority

D. Approval of the Commonwealth of Pennsylvania Department of Environmental Resources of the 537 Plan as it affects the Sultanik Property;

E. Immediate issuance of no less than thirty (30) EDU permits to Sultanik, with appropriate reservations of capacity and guarantees to meet the schedule set forth in this Article to provide for an additional 261 EDU permits to Sultanik over the scheduled time period, or a total of 291 EDU permits guaranteed and reserved for Sultanik or her assigns.

The schedule relating to the issuance of the aforesaid EDU permits by Township to Sultanik shall be as follows, with certain EDU permits to be earmarked for the purposes of utilization on the Towamencin portion of the Property only:

SCHEDULE OF ISSUANCE OF EDU PERMITS

Trigger Date	Number of Permits to be issued by Township to Sultanik
Upon DER's approval of the planning module and water quality management permit as it affects the Worcester portion of the Sultanik Property	30 Permits (Worcester portion of the Property only)
Thirty (30) days following planning module and water quality management permit issuance with respect to the Worcester portion of the Sultanik Property	15 Permits (Worcester portion of the Property only)
Sixty (60) days following planning module and water quality management permit issuance with respect to the Worcester portion of the Sultanik Property	12 Permits (Worcester portion of the Property only)
Ninety (90) days following planning module and water quality management permit issuance with respect to the Worcester portion of the Sultanik Property	10 Permits (Worcester portion of the Property only)

One hundred twenty (120) days following planning module and water quality management permit issuance with respect to the Worcester portion of the Sultanik Property	10 Permits (Worcester portion of the Property only)
One hundred fifty (150) days following planning module and water quality management permit issuance with respect to the Worcester portion of the Sultanik Property	10 Permits (Worcester portion of the Property only)
One hundred eighty (180) days following planning module and water quality management permit issuance with respect to Worcester portion of the Sultanik Property	10 Permits (Worcester portion of the Property only)
Three hundred sixty-five (365) days following planning module and water quality management permit issuance with respect to the Worcester portion of the Sultanik Property	83 Permits (Worcester portion of the Property only)
Three hundred sixty-five (365) days following planning module and water quality management approval with respect to Worcester portion of the Sultanik Property; the reservation and issuance of these 14 EDUs is subject to Sultanik's compliance with the zoning, subdivision and land development ordinance, and other valid ordinances of Towamencin Township.	14 Permits (Towamencin portion of the Property only)
Seven hundred thirty days (730) days following planning module and water quality management permit issuance with respect to the Worcester portion of the Sultanik Property	97 Permits (Worcester portion of the Property only)
TOTAL	291 Permits

Towamencin EDUs

The issuance of 14 EDU permits pursuant to the Schedule set forth above, shall in no way be deemed to be an approval of Towamencin Township of 14 single-family dwellings on the Towamencin portion of the Property. Sultanik agrees to comply with the zoning and subdivision and land development ordinance of Towamencin Township, in connection with Sultanik's intent to construct 14 single-family dwellings on the Towamencin portion of the Property. The fact that Sultanik will receive or would have already received 14 sewer permits from Township/Authority will not prejudice Township in denying any subdivision submission of Sultanik, such denial to be based upon requirements in the then subdivision and land development ordinance or zoning ordinance of Towamencin Township. This paragraph shall be applicable not only to paragraph VIII of this Stipulation, but also to all paragraphs contained in this Stipulation.

REBATES

Towamencin Rebate

In the event that the Towamencin subdivision shall result in less than 14 lots upon final approval, Township shall have exclusive option to repurchase any and all of such unused EDUs hereby reserved for the sum of ONE THOUSAND EIGHT HUNDRED FIFTEEN DOLLARS ($1,815.00) per EDU, of which ONE THOUSAND ONE HUNDRED TWENTY-FIVE DOLLARS ($1,125.00) per EDU shall be reimbursed to Township by Authority.

Worcester Rebate

If, by reason of action or inaction by Township or Authority, Sultanik or their successors or assigns cannot construct 277 units or a portion thereof, in Worcester Township, of if Township should for any reason refuse to honor the guaranteed EDU permits to be issued herein, then in that event:

A. Township shall repay to Sultanik at the rate of THREE THOUSAND SEVEN HUNDRED FIFTY DOLLARS ($3,750.00) per EDU for all units not constructed by Sultanik in Worcester as the result of the action or inaction by Township or Authority or dishonor of the instant Agreement, (ONE THOUSAND FIVE HUNDRED DOLLARS ($1,500.00) of the aforesaid THREE THOUSAND SEVEN HUNDRED FIFTY DOLLARS ($3,750.00) shall be reimbursed by Authority to Township); and/or

B. Township agrees to consent to an expedited hearing before this Court, based upon this Court's retention of jurisdiction set forth in this Court's Order.

Failure to Build 277 Units for Reason Beyond Township's Control

If by reason of action or inaction by any municipal, governmental or regulatory authority other than Township or Authority, Sultanik cannot build 277 units in Worcester Township, then in that event:

A. Township shall repay to Sultanik at the rate of THREE THOUSAND SEVEN HUNDRED FIFTY DOLLARS ($3,750.00) per EDU, to the

extent of five (5) unbuilt units; (ONE THOUSAND FIVE HUNDRED DOLLARS ($1,500.00) of the aforesaid THREE THOUSAND SEVEN HUNDRED FIFTY DOLLARS ($3,750.00) per EDU shall be reimbursed by Authority to Township).

IX. SEWER REGULATIONS. Sultanik and his assigns and any grantees agree to be bound by the rules, regulations, ordinances or resolutions of Township and Authority as they relate to the installation, erection, construction and treatment of sewage flow and subsequent rental charges. Township agrees that upon payment of the aforesaid consideration, that no other charges will be imposed upon Sultanik, including but not limited to any connection fees, maintenance fees, EDU fees or any other fees or charges except the usual engineering testing fees required by the Township and/or Authority. This Stipulation shall supersede any existing or previously instituted resolutions of the Township governing the connection of sewer to the Authority's public system. Sultanik will, however, be obligated for payment of the usual, reasonable and customary legal fees charged by the Authority's Solicitor for his review of this Stipulation, as well as the reasonable legal fees of the Township's special counsel, Parker H. Wilson, Esquire, in connection with the herein Stipulation and attendant legal proceedings.

(a) Sultanik and his assigns agree that Township and/or Authority may impose a sewer district affecting the Worcester

portion of the "Property". Each deed conveying any part or sub-part of the Worcester portion of the Property shall contain a covenant that each resident for each residence occupied shall pay Township or its assigns a twenty percent (20%) surcharge in excess over the annual sewer treatment rates and charges calculated on the same basis as other sewer districts in Township, and that each grantee, their successors or assigns shall be bound by the rules, regulations, ordinances and resolutions pertaining to the new sewer district. This shall be a covenant running with the land and shall appear in every deed of conveyance for any of the lots on the 277 lots located in Worcester portion of the "Property".

X. DEDICATION. Sultanik agrees to convey by Deed of Dedication and by Bill of Sale the interior sewer lines and facilities on the "Property" set forth in the Worcester Sanitary Sewerline Plan and/or other facilities required for the conveyance of sewage flow to the Township or Authority. A true and correct copy of the Worcester Township Sanitary Sewerline Plan and Pump Station Description is attached hereto, made a part hereof and marked Exhibit "F" Subdivision Plan for Morris Valley as prepared by Urwiler & Walter Engineers, including and explicitly relating to the sewage sewer line pump station plans and specifications included in the Morris Valley subdivision application heretofore presented to Worcester Township and

approved by them. Such Deed of Dedication and Bill of Sale shall be prepared by Sultanik's attorneys and Township, in the form set forth in Exhibit "G", a copy of which is attached hereto, made a part hereof, and incorporated herein by reference. Township and/or Authority by virtue of its joinder agrees to accept such Deed of Dedication and Bill of Sale for the Worcester sanitary facilities as well as the sewer facilities that will be designed for the Towamencin portion of the Property.

A. Acceptance of Dedication of Worcester Interior Sewerlines. Township and/or Authority, by virtue of its joinder, agrees to accept such Deed of Dedication and Bill of Sale for the Worcester sanitary facilities, as well as the sewer facilities that will be designed for the Towamencin portion of the Property, as set forth in paragraph XI herein.

XI. INSTALLATION OF SEWERLINES. Sultanik or her assigns or grantees agree that they will install and construct at their expense all sewerlines within the residential streets, the Pump Station, and force mains in the Sultanik subdivision known as "Morris Valley Farms", as set forth in Exhibit "F", and otherwise on the Towamencin portion of the Property, such lines and facilities which are necessary to provide the sanitary sewer service for the entire Property. Such sewerlines will be

connected to the public sewerlines of the Township and/or Authority, at the locations set forth on Exhibit "F", and on the sanitary sewer plans as submitted in accordance with the subdivision plans prepared for the Towamencin portion of the Property. The installation of such sewerlines, pump station and force mains may be performed in phases as may be approved by Worcester Township, Towamencin Township, Township's and/or Authority's Engineer.

A. Such sewer lines from the Worcester portion of the Property shall connect to Manhole 30.8 of the Korman Corporation line set forth in Exhibit "B" or the second sewerline near the Brookside Farms property described in Article III. herein.

B. All sewage lines, pump station, force mains and laterals shall be constructed and installed in accordance with the plans prepared for Sultanik and in accordance with the current specifications of the Township's and/or Authority's Engineer. Said sewer plans shall conform to the same Township requirements as set forth in their rules, regulations, ordinances and resolutions applicable to other township residents. Sultanik or her grantees or assigns shall enter into the usual sewer development and escrow agreement required by other developers building within Township in accordance with Township requirements.

C. Worcester Township, by virtue of its review of the subdivision of Sultanik submitted in Worcester Township, has indicated that the review of the sanitary sewer plans set forth in Exhibit "F" shall be the responsibility and duty of Towamencin Township.

D. All installation work of the aforesaid sewer line shall be performed in accordance with the current specifications, regulations, ordinances and applicable rules of the Township and Commonwealth Department of Environmental Resources in effect as of the date of this Stipulation.

E. The Pump Station and force mains, as constructed, shall be subject to the inspection and approval by Township engineers during and after completion of the construction in accordance with the Authority's applicable and current rules and regulations.

F. Township and/or Authority agree to accept the dedication of the interior sewerlines depicted on Exhibit "F", upon the fulfillment of the following requirements:

(1) Sultanik shall complete the construction of the aforesaid interior sewerlines in phases, as approved by Worcester Township, Township's and/or Authority's Engineer.

(2) Township and/or Authority is agreeable to the acceptance of the dedication of the interior sewerlines in phases, upon completion of construction and in accordance with

the current specifications, regulations, ordinances and applicable rules of the Township and/or Authority and/or Commonwealth of Pennsylvania Department of Environmental Resources.

(3) Acceptance of the dedication of the residential streets in Worcester Township by Worcester Township.

G. The Pump Station and force mains to be located on the Worcester portion of the Property shall be constructed in accordance with the current specifications, regulations, ordinances and applicable rules of the Township and/or Authority. Acceptance of the dedication of the aforesaid Pump Station and force mains shall take place upon the completion of the construction in accordance with the current specifications, regulations, ordinances and applicable rules of the Township and/or Authority and/or Commonwealth of Pennsylvania Department of Environmental Resources, unless the Pump Station and force mains are located within residential streets; in such cases, the Pump Station and/or force main will not be accepted for dedication until Worcester Township accepts the dedication of the affected residential street.

H. With respect to the Towamencin portion of the tract, Township and/or Authority agree to accept the dedication of the interior sewerlines, based upon the usual and customary sewer development and escrow agreements required by other

developers building within Township, and in accordance with Township and/or Authority's requirements.

XII. MAINTENANCE PERIOD - SEWERLINES. Sultanik or her assigns agree that there shall be an eighteen (18) month maintenance period which shall commence from the time that Township and/or Authority accepts dedication of the sewerlines, Pump Station, force mains, and other related facilities, as set forth in paragraph XI herein.

A. During the aforesaid eighteen (18) month period of time, it shall be the duty and obligation of Sultanik or its assignees to provide for the proper maintenance of the lines and/or pump station and to operate the same or pay to Township and/or Authority sufficient funds in order to permit the Township and/or Authority to operate the pump station.

B. All of the maintenance and repairs shall be in accordance with the determination of Sultanik's or their assigns Engineers' and the Township's engineers and the Township's and/or Authority's Engineers.

C. In the event of any disagreement between the Township's and/or Authority's engineers and Sultanik's engineers as to any questions relative to the maintenance services to be required on the aforesaid lines to be installed by Sultanik, the same shall be submitted to this Court, and the parties agree to be bound by the decision of the Court in accordance with Article XIII herein.

D. Escrow Agreements are to be entered into with Towamencin Township and/or Authority by Sultanik or his assigns, escrowing fifteen percent (15%) of the cost of the project installation, which shall be held for the maintenance period of eighteen (18) months, in escrow by the Township and/or Authority under Township's and/or Authority's usual escrow requirements.

E. Township's and/or Authority's Engineer, upon request of Sultanik, shall promptly inspect and issue a Certificate of Completion upon the completion and testing of the interior sewerlines, pump station, laterals, or force main, so that the eighteen (18) month maintenance period, shall begin to run thereafter. At the end of the eighteen (18) month maintenance period, Township shall repay to Sultanik or her assigns the escrow fund in the event no sums are required to be used for repairs or maintenance.

XIII. TOWNSHIP'S AND/OR AUTHORITY'S ENGINEER'S SERVICES. The services of the Township engineer and Authority engineer for inspection and review of the plans and subsequent installation shall be billed to the construction escrow fund and shall be paid at the usual and current rates charged by the Township's and/or Authority's engineer to the Township for all other matters billed by the Township's and/or Authority's engineer for his services.

XIV. CONTINUING JURISDICTION. The parties stipulate that this Stipulation is conditional upon this Court entering the Form Order attached hereto, made a part hereof and marked Exhibit "E". It is further stipulated between Sultanik and Township that the Court of Common Pleas of Montgomery County, Pennsylvania, shall and may exercise continuing jurisdiction of this matter to facilitate, where necessary, the orders of this Court and the orderly implementation of the settlement pursuant to this Stipulation. Accordingly, either Sultanik or the Township may upon application with this Court request a resolution of any dispute which may arise hereunder which will be enforced by appropriate order of court without appeal.

XV. NOTATIONS ON THE SANITARY SEWERLINE PLANS. The printed notations appearing on the plans for the proposed sanitary sewerlines and the pump station (as set forth in Exhibit "F" and discussed in Article X of this Stipulation) are binding upon and agreed to by all of the parties hereto.

XVI. STIPULATION TO RUN WITH THE PROPERTIES. This Stipulation is intended to and shall at all times hereafter be appurtenant to, effect, touch and run with the Properties and every part thereof and shall be deemed to be a covenant running with the land.

XVII. STIPULATION CONTROLS. Notwithstanding anything else to the contrary, whether in this Stipulation or elsewhere, whether now or formerly existing or as may exist hereafter, Township and Sultanik expressly agree that this Stipulation shall control and govern the intent of the parties with respect to the subject matter hereof and in particular the sewage treatment for the 277 Worcester and 14 Towamencin units referred to in this Stipulation.

XVIII. CONSIDERATION AND RECORDING. The parties hereto execute this Stipulation for the consideration set forth hereinabove and agree that the same shall be approved by an Order of the Court as full settlement of the aforesaid litigation.

The parties hereby recognize and acknowledge that this Stipulation is intended to represent the mutual agreement and undertaking of the parties hereto, and in order to effect and implement the harmonious and orderly development of the Property consistent with the treatment of the sewer from the residents that in any situation or circumstance in which some or any part of an ordinance, code, law, regulation, resolution, rule, consent order, has been or may hereafter be adopted, enacted, amended or readopted, reenacted or substituted, may be its terms or interpretation conflict with or be inconsistent with this Stipulation, the provisions, terms, intent and conditions of this Stipulation shall control.

XIX. PARTIES IN INTEREST. This Stipulation shall be binding upon and shall inure to the benefit of the Township and Sultanik and each of their respective successors, heirs and assigns, including without limitation, the following:

A. In the case of Sultanik, each of its owners or heirs and assigns in the ownership of the Properties shall be bound by this Stipulation and Order and in any transfer or conveyance of the Properties or any portion thereof shall be a clear disclosure to any grantee or successor concerning the terms of the Stipulation and Order.

B. With respect to this Stipulation,

1. "Sultanik" shall mean Bronia Sultanik, Kalman Sultanik and Solomon Sultanik.

2. "Township" shall refer to each of its elected officials, each of its employees, agents, officers, boards, agencies, commissions and other instrumentalities and authorities, both direct and indirect, now or hereafter existing.

3. "Authority" shall refer to the Upper Gwynedd-Towamencin Municipal Authority, all of its officials, employees, officers, directors, board members, both direct and indirect, now or hereafter existing.

C. In the case of either party, the respective successors, assigns and heirs and personal representatives of any and all of the aforegoing.

XX. RECORDING. The parties hereto agree and request the Court to order that the Order approving this Stipulation and ratifying the same be recorded in the Office of the Recorder of Deeds in and for Montgomery County, Pennsylvania, as it affects the properties.

XXI. COUNTERPARTS. This Stipulation may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one in the same document.

XXII. AUTHORIZATION. Township and Sultanik hereby represent and warrant to the other that this Stipulation and its execution and delivery and submission to this Honorable Court has been duly approved and authorized, including in the case of the Township, in accordance with all applicable provisions, if any, respecting due notice, public hearings, publication, advertisement time periods, voting on one or more occasions, and other procedures and actions to be observed or enforced.

XXIII. MERGER AND INTEGRATION CLAUSE. This Stipulation constitutes the entire Stipulation between the parties hereto with respect to the matters contained herein. There are no claims, promises or representations not herein contained, either oral or written, which shall or may be charged or enforceable unless reduced to writing and signed by both of the parties

hereto, and the waiver of any term, condition, clause or provision of this Stipulation shall, in no way, be deemed to be considered a waiver of any other term, condition, clause or provision of this Stipulation, nor shall any such waiver or the failure of either party to insist upon strict performance of any of the provisions of this Stipulation, be construed as a waiver or excuse as to any subsequent default of the same or similar in nature.

XXIV. MISCELLANEOUS.

A. Headings. Section titles and headings hereof are for reference only and shall not affect the meaning or interpretation of this Stipulation.

B. Pronouns and Plurals. All pronouns and any variations thereof are deemed to refer to the masculine, feminine. neuter, singular or plural as the identify of the person(s) or thing(s) referred to may require.

C. Governing Law. This Stipulation shall be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania.

D. Invalidity. If any provisions of this Stipulation are determined to be invalid or unenforceable, such determination shall not affect the validity, enforceability, or effect of the remaining provisions hereof, all of which shall continue in

effect as if such invalid or unenforced provisions had not been included herein.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 10th day of March, 1987.

WITNESS:

Barbara J. Kirchmal

Bronia Sultanik (SEAL)
Bronia Sultanik

Jeffrey T. Sultanik, Esquire
Counsel for Bronia Sultanik

WITNESS:

TOWAMENCIN TOWNSHIP BOARD OF SUPERVISORS

Cecile M. Daniel

_____ (SEAL)

_____ _____ (SEAL)

_____ _____ (SEAL)

_____ _____ (SEAL)

_____ _____ (SEAL)

_____
John Martin, Esquire
Special Counsel for Towamencin Township

WITNESS:

UNION NATIONAL BANK AND TRUST COMPANY OF SOUDERTON

Kenneth M. McMahon, A.V.P.

_____ V.P. (SEAL)
Escrowee

JOINDER OF UPPER-GWNEDD-TOWAMENCIN MUNICIPAL AUTHORITY

The Upper Gwynedd-Towamencin Municipal Authority hereby executes this Joinder in the terms of the foregoing Stipulation of Settlement as if it were a party to the litigation and to the Stipulation, and herewith agrees to be bound by the terms of the Order of the Court and this Stipulation.

Dated:

WITNESS:

UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY

James A Davidson Jr

_____ (SEAL)

_____ _____ (SEAL)

_____ _____ (SEAL)

_____ _____ (SEAL)

_____ _____ (SEAL)

_____
Robert Kerns, Esquire
Counsel for Upper-Gwynedd-Towamencin Municipal Authority

_____
George B. Ditter, Esquire
Counsel for Upper-Gwynedd-Towamencin Municipal Authority

EXHIBIT LIST

Exhibit	Description
A-1	Deed description of Worcester portion of Sultanik property
A-2	Deed description of Towamencin portion of Sultanik property
B	November 28, 1977 Agreement between Bronia Sultanik and Korman Corporation
C	Order of the Court of Common Pleas of Montgomery County dated October 2, 1985 (Stipulation of Settlement between Bronia Sultanik and Worcester Township)
D	537 Plan Amendment submitted by Worcester Township
E	Form of Court Order
F	Worcester Township sanitary sewer-line plan prepared by Urwiler & Walter, Inc. on behalf of Bronia Sultanik
G	Form of Deed of Dedication and Bill of Sale for sewerlines and facilities on Bronia Sultanik tract

AGREEMENT

NOW, THIS AGREEMENT made this 28th day of November, 1977, by and between THE KORMAN CORPORATION, a Pennsylvania corporation, with its principal place of business at 101 Greenwood Avenue, Jenkintown, Montgomery County, Pennsylvania (hereinafter referred to as "Korman")

A N D

BRONIA SULTANIK, individually and trading as MORRIS VALLEY FARMS (hereinafter referred to as "Morris Valley".)

W I T N E S S E T H :

WHEREAS, Korman is the record title holder of a certain tract of ground located at the intersection of Morris Road and Valley Forge Road in the Township of Towamencin, County of Montgomery and Commonwealth of Pennsylvania, on which they are presently erecting single-family dwellings;

WHEREAS, Korman has erected and constructed certain on-site public improvements all in accordance with the plans prepared by Herbert H. Metz, Inc., Civil Engineer, Registered Professional Engineer, dated November 26, 1975, and construction plan dated November 26, 1975, last revised December 3, 1976, a true and correct copy of which is attached hereto and made a part hereof and marked Exhibit "A";

WHEREAS, Morris Valley is desirous of entering into a Contract with Korman for the exclusive acquisition and use of a certain sanitary "8 inch" sewer line located on a Plan of Subdivision for Korman dated October 23, 1976, last revised for a sanitary sewer design change on January 17, 1977, being the Plan of Herbert H. Metz, Job 2367, a true and correct copy of which is attached hereto, made a part hereof and marked Exhibit "B";

EXHIBIT "B"

WHEREAS, Korman has erected and constructed a sanitary sewer line in accordance with the aforesaid plans, which sanitary sewer line begins at Manhole Number M.H. 30.8 on said plan and extends in a northerly direction to and including Manhole M.H. 30.3 or as otherwise engineered by Korman;

WHEREAS, it is the desire of Korman to sell to Morris Valley all of its right, title and interest in the aforesaid sanitary sewer line from Manhole M.H. 30.8 to its terminus as it connects to the interceptor trunk line at or about Manhole M.H. 30.3, which shall include the right-of-way, pipes, manholes and appurtenances thereto;

WHEREAS, Korman desires Morris Valley will be provided access as well as the right to use the right-of-way in order to gain access to the Upper Gwynedd-Towamencin Sewer Authority Interceptor Line (hereinafter referred to as "Authority") which leads to the Authority's sewer plant.

NOW, THEREFORE, intending to be legally bound in and for the covenants and considerations set forth herein, the parties hereto agree as follows:

1. The Construction Improvement Plans dated November 26, 1975, as last revised December 3, 1976, as prepared by Herbert H. Metz, Civil Engineers and Surveyors, and all plans and profile sheets as well as the Plan dated October 23, 1976, as last revised for sanitary sewer design change on January 17, 1977, Job No. 2367 as prepared by Herbert H. Metz, Inc., Civil Engineers and Surveyors, entitled Exhibit "A" and Exhibit "B" which are incorporated herein by reference and made a part hereof.

2. Korman herewith grants all of their right, title and interest in the said sewer line and the use of said sewer

line unto Morris Valley and retains for themselves the right to continue to make use of said line. The purpose of this grant and transfer is to permit Morris Valley to drain its sewage from a tract of ground located in Worcester Township into said sewer line and convey the sewage from the said tract of ground via the line referred to herein.

3. Morris Valley hereby agrees to pay simultaneously with the execution of this Agreement and the receipt of the documents referred to hereinafter the sum of TWENTY-SIX THOUSAND THREE HUNDRED THIRTY-SIX DOLLARS AND FIFTY CENTS ($26,336.50) in exchange for the following:

(a) A Bill of Sale for the sale of the aforesaid line between manhole number M.H. 30.8 to and including manhole number M.H. 30.3.

(b) Written approval from Towamencin Township and the Authority of this Agreement.

(c) A right-of-way or easement agreement being 20 feet wide measured 10 feet to either side of the aforesaid sewage pipeline for the purpose of allowing Morris Valley to gain ingress and egress for the repair, maintenance, replacement, improvements and additions to the lines.

(d) An Assignment in transfer of the right-of-way secured by Korman from the owners of land formerly of Ralph A. and Mary A. Frederick, their successors and assigns permitting Morris Valley to gain access to the Authority interceptor referred to hereinabove.

(e) A certification by Korman that they have completed the sanitary sewage system and lines and manholes in accordance with the terms and conditions of certain Development and Escrow Agreement dated the 28th day of December,

1976 between Korman Corporation and the Township of Towamencin (a true and correct copy of which is attached hereto, made a part hereof and marked Exhibit "C") certifying that the said lines have been built and installed in accordance with the plans which have been approved by all regulatory agencies which have reviewed and approved such plans. Said certification shall state that said line has been built in accordance with the Upper Gwynedd-Towamencin Sewer Authority, requirements and that the said line is an "8-inch" line and has been engineered to receive the necessary sanitary sewer coming from the property located in Worcester Township for a maximum of 400 EDU's. In no event does Korman warrant or guarantee EDU's to Morris Valley by this Agreement.

4. Morris Valley and Korman agree that they will duly execute all of the necessary agreements to carry out the terms of the Development and Escrow Agreement dated the 23th day of December, 1976 and marked Exhibit "C" to dedicate the sanitary sewer line and easement running from the Manhole M.H. 30.3 on Morris Road northeastward to the trunk line and agree to provide to Township and Authority the necessary documentation to complete said dedication. When Korman delivers to Morris Valley the said Bill of Sale for the said sanitary sewer line, Morris Valley agrees that as to such sanitary sewer line so acquired that it will assume and be responsible for all instances of ownership, including but not limited to complying with all orders, directives, rules and regulations which might issue from any governmental agency, body, or authority vested with the power to regulate sanitary sewer lines and in particular shall be responsible for maintaining and utilizing said line so acquired so as not to prejudice or jeopardize Korman's obligations pertaining to the said

December 28th, 1976 Agreement.

5. This Agreement is conditioned upon the written approval of the Township of Towamencin and/or the Upper Gwynedd-Towamencin Municipal Authority. Said approval will recognize the capacity requirements of Morris Valley and the availability of sewer and the treatment plant of the Authority. However, the availability shall rest solely with and in the discretion of the Board of Supervisors of Towamencin Township.

6. Korman agrees that this Agreement shall not be interpreted or in any way waive any of the duties, liabilities or obligations of Korman with regard to the Township under the Agreement dated December 28, 1976. Morris Valley agrees that they will do nothing to burden or in any way change the liability of Korman with regard to the aforesaid Agreement.

7. Korman warrants that this job is DER approved and part of the approval letter for Sewerage Permit #4676422 as issued by DER dated December 6, 1976, is attached hereto and made a part hereof as Exhibit "D". Morris Valley agrees to pay the cost of any engineering required in order to complete the descriptions for the rights-of-way to be provided under the terms of this Agreement. The parties hereto agree that, in the event Korman is unable to provide the various items set forth in Paragraph 2 and the approvals simultaneously with the execution of this Agreement, the payment of the aforesaid sum of TWENTY-SIX THOUSAND THREE HUNDRED THIRTY-SIX DOLLARS AND FIFTY CENTS ($26,336.50) then, in that event, Morris Valley will place the said funds, upon execution of this Agreement, in an escrow account at the Philadelphia National Bank in the name of Berton E. Korman and Solomon Sultanik, which account will be an escrow account and said Escrowees shall hold the funds which may be invested in a savings account at the Philadelphia National Bank until the necessary approvals are secured by Morris Valley, at which time the Escrow Agents are directed to release the aforesaid

sum and any interest earned thereon to Korman.

8. The parties hereto agree that a letter from the Township Engineer approving the installation in accordance with the Land Development Agreement shall be satisfactory proof that all the conditions have been met. This Agreement shall be interpreted under the laws of the Commonwealth of Pennsylvania and shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. This Agreement shall be considered a covenant running with the land owned by Korman, however, this covenant running with the land shall not, in any way, encumber the title to any of the Korman property except the area designated "flood plain, drainage and sanitary sewer easement" on the aforesaid Plans.

9. The parties hereto agree that this Agreement shall be recorded in the Office of the Recorder of Deeds in and for Montgomery County, Pennsylvania.

IN WITNESS WHEREOF, the parties hereunto have set their hands and seals the day and year aforesaid, intending to be legally bound and agree to bind their successors and assigns.

As Partners:

Solomon Sultanik

& Bronia Sultanik (SEAL)
Bronia Sultanik, Individually

THE KORMAN CORPORATION

By: _____
President

Attest: _____
Secr./Asst.Secr.

(CORPORATE SEAL)

The aforesaid Agreement is herewith approved this _____ day of _____, A.D., 1977, by the Township of Towamencin.

By: _____
President

Attest: _____
Secretary

COMMONWEALTH OF PENNSYLVANIA:
: SS
COUNTY OF MONTGOMERY :

ON THIS 28TH day of November, A.D., 1977, before me, the subscriber, a notary public, personally appeared BERTON E. KORMAN who acknowledged himself to be the President of THE KORMAN CORPORATION and that he as such officer, being authorized to do so, executed the within instrument for the purposes therein contained by signing the name of the corporation by himself as such officer.

WITNESS my hand and official seal the day and year aforesaid.

Eleanor J. Kolosky

NOTARY PUBLIC

ELEANOR J. KOLOSKY

COMMONWEALTH OF PENNSYLVANIA:
:SS
COUNTY OF MONTGOMERY :

On this 22nd day of November, A.D., 1977, before me, the undersigned officer, personally appeared BRONIA SULTANIK, who, being duly sworn according to law, deposes and says that the foregoing instrument was duly executed by her and she desires the same to be recorded as such.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

Bronia Sultanik

Notary Public

Barbara G. [illegible], Notary Public
[illegible]
My Commission Expires November 6, 1979

COMMONWEALTH OF PENNSYLVANIA:
:SS
COUNTY OF MONTGOMERY :

On this day of , A.D., 1977, before me, the undersigned officer, personally appeared who acknowledged himself to be the Secretary of the Township of Towamencin, and he, as such Secretary, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the Township by himself as Secretary.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

Notary Public

DEVELOPMENT AND ESCROW AGREEMENT made this 28 day of DECEMBER, A. D., 1976, by and between the KORMAN CORPORATION, a Pennsylvania Corporation, with its offices 101 Greenwood Avenue, Jenkintown, Montgomery County, Pennsylvania, hereinafter referred to as "KORMAN," and the TOWNSHIP OF TOWAMENCIN, A Municipal Corporation organized under the laws of the Commonwealth of Pennsylvania, a Township of the Second Class, located in the County of Montgomery and Commonwealth of Pennsylvania, hereinafter referred to as "TOWNSHIP."

WHEREAS, the owner is the record title holder of a certain tract of ground located at the intersection of Morris Road and Valley Forge Road, in the Township of Towamencin, in the County of Montgomery and Commonwealth of Pennsylvania, as more particularly described in accordance with the plans attached hereto and made a part hereof; and

WHEREAS, it is the intention of KORMAN to erect single-family dwellings on the premises on sixty-nine (69) lots, all in accordance with plans made by HERBERT H. METZ, INC., Civil Engineers and Surveyors, Registered Professional Engineers, consisting of the following:

1. Title Plan - number of sheets, one; date, November 26, 1975.

2. Flood Plain/Recreation Area Plan - number of sheets, one; date, April 4, 1976.

3. Plan/Profiles - number of sheets, thirteen; date, February 18, 1967. Last revised December 3, 1976.

4. Construction Improvement Plan - number of

EXHIBIT "C"

sheets, one; date, November 26, 1975. Last revised December 3, 1976.

5. Erosion and sedimentation - number of sheets, one; date, November 26, 1975. Last revised December 3, 1976.

All of which plans are incorporated herein by reference and made a part hereof; and

WHEREAS, KORMAN has agreed in connection with the development of said tract to build, construct, and dedicate certain off-site and on-site public improvements, all in accordance with the aforesaid plans consisting of the securing and development of the necessary sewer right-of-way from lands now or late of MARY A. FREDERICK, adjacent hereto, widening of Morris Road and Valley Forge Road, curb and sidewalk, sanitary sewers, storm sewer, dedication of open space, development and dedication of recreational facilities, installation of impounding dam in accordance with the permit and specifications of the Department of Environmental Resources of the Commonwealth of Pennsylvania, and the erection of street signs and poles per approval of the TOWNSHIP; and

WHEREAS, KORMAN has agreed to secure an open letter of credit running to the TOWNSHIP from the PHILADELPHIA NATIONAL BANK in the amount of Four hundred eighty-eight thousand, six hundred thirty-six dollars ($488,636.00) to cover the cost of th installation of the aforesaid improvements, all in accordance with the estimate dated September 20, 1976, consisting of two (2 sheets, Job No. 2367, attached hereto and made a part hereof; ar

WHEREAS, parties desire to spell out the escrow agree-

ment to cover the construction for said improvements in the event the owner shall default in providing the facilities;

NOW, THEREFORE, THIS AGREEMENT WITNESSETH, for and in consideration of the approvals required under the Zoning Ordinance of the TOWNSHIP, and further consideration and mutual promises and covenants contained herein, the parties agree as follows:

1. KORMAN approves and submits herewith the plans and specifications above referred to, all of which are attached hereto and made a part hereof and intended to be binding upon the parties hereto.

2. KORMAN will provide, as a condition of this Agreement, an open letter of credit running to the TOWNSHIP in the amount of Four hundred eighty-eight thousand six hundred thirty-six dollars ($488,636.00) in accordance with a construction cost estimates aforesaid, to cover Excavation of Interior Roads, Morris Road, and Valley Forge Road, Erosion and Sediment Control, Concrete Curb, Concrete Sidewalk, Roadway Paving of Interior Roads, Morris Road and Valley Forge Road, Storm Water Facilities, Splash Chamber, D-W Endwall, Flared End Section, Rock rip-rap, Sanitary Sewer Facilities, Recreation Facilities, Contingency and TOWNSHIP Engineering Inspections, all as set forth in the plans attached hereto and made a part hereof.

3. KORMAN agrees that such facilities shall be completed on or before two (2) years from the date hereof and furth agrees that the aforesaid improvements shall not be deemed to have been completed unless and until KORMAN has paid the cost fo

inspection thereof and received final approval from the Township Engineer; and KORMAN further agrees that, if necessary, the TOWNSHIP may draw upon the open letter of credit for the completion of the aforesaid improvements, if said items have not been completed, or, in the TOWNSHIP's judgment, cannot be completed as of that date.

4. KORMAN agrees to submit to the TOWNSHIP evidence from the NORTH PENN WATER AUTHORITY that public water shall be supplied to the development, and from the PENNSYLVANIA POWER AND LIGHT COMPANY that electricity, underground, shall be supplied to the development within the construction period.

5. KORMAN agrees to complete the sanitary sewage system, including installation of the line through the Frederick property right-of-way to tie into the Trunk Line, all in accordance with Upper Gwynedd-Towamencin Municipal Authority specifications and regulations, and further agrees to secure for dedication, the collection lines, exclusive of service laterals, to the TOWNSHIP, and to secure a satisfactory sewer right-of-way to the Trunk Line and its branches, and to dedicate the sanitary sewer easement running from Morris Road, Northeastward to the Trunk Line, all to be dedicated to the TOWNSHIP.

6. KORMAN agrees to comply with all the requirements of the Department of Environmental Resources of the Commonwealth

of Pennsylvania with regard to erosion control and the development of the tract. Any violation of the aforesaid requirements will suspend the issuance of building permits until such time as the Department of Environmental Resources requirements have been fully complied with.

7. In recognition of the capacity requirements of the UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY, KORMAN agrees that the TOWNSHIP shall issue building permits and occupancy permits solely within its discretion pending the availability of sewage capacity at the UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY. The decision of availability shall rest solely within the discretion of the Supervisors of the TOWNSHIP. However, KORMAN's right to sewer shall be equal to any other development in the TOWNSHIP.

8. The parties agree that all telephone facilities servicing the development shall be underground.

9. KORMAN agrees to assume the cost of connection fees and inspection fees as required by the UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY and the TOWNSHIP during construction, and pay for the same within thirty (30) days of the receipt of an invoice from either the UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY or the TOWNSHIP. Failure to make prompt payments of these fees shall be sufficient for the TOWNSHIP to suspend all work on the project.

10. The parties agree that nothing in this Agreement

shall obviate or alter the requirements of the plumbing code, building code, UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY, or the requirements under the Zoning Ordinance of the TOWNSHIP.

11. KORMAN agrees to comply with the planting requirements as set forth in the subdivision and, in particular, plant the rear section of Lots Nos. 49, 48, 47, 46, 45, 44, 43, and 42, along Valley Forge Road, with trees and shrubs acceptable to the TOWNSHIP.

12. KORMAN agrees not, except for sales purposes, to occupy or allow occupancy on a permanent basis of any of the dwellings to be erected on the tract until such time as the off-site improvements necessary to serve the development have been substantially completed and acceptable to the TOWNSHIP, and until the sewer capacity requirements have been approved by the TOWNSHIP as aforesaid; PROVIDED, HOWEVER, in the event KORMAN is unable, through private negotiation, to secure the Frederick right-of-way, KORMAN agrees to cover, in toto, the cost of condemnation of the same and indemnify and save TOWNSHIP and UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY harmless from any costs in connection therewith, and to supply an additional letter of credit acceptable to the TOWNSHIP in the amount of Ten thousand dollars ($10,000.00) to cover the anticipated costs of condemnation proceedings. TOWNSHIP agrees any benefit accrued in connection with the cost of the line shall be credited to KORMAN during a period of ten (10) years from date of dedication of the line by KORMAN.

13. KORMAN agrees to provide the necessary permits

from the Commonwealth of Pennsylvania agencies requiring crossing and relocation of any streams in the development.

14. KORMAN agrees to dedicate the widening of Morris Road and Valley Forge Road and all interior roads to the TOWNSHIP, all as fully set forth in the plans referred to and made a part of this Agreement.

15. KORMAN agrees to reimburse the TOWNSHIP for all out-of-pocket expenses and miscellaneous costs incurred by the Township Engineer in inspecting the construction upon the tract and other official duties performed by the said Township Engineer in connection with the work.

16. KORMAN agrees it will pay for and install all street signs and poles required by the TOWNSHIP within the tract.

17. KORMAN agrees that all road curb, storm sewer construction, shall be under and subject to the supervision of the Township Engineer, and that the work completed by this Agreement shall conform with the requirements and specifications of the TOWNSHIP.

18. KORMAN agrees that all house numbers shall be assigned by the TOWNSHIP.

19. KORMAN agrees that it will perform all the undertakings of this Agreement at its own cost and expense, and at no cost and expense to the TOWNSHIP whatever.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound and to bind their successors and assigns, hereunto

affix their corporate seals, duly attested by their proper officers, the day and year aforesaid.

KORMAN CORPORATION

By: _____

Attest: _____

TOWNSHIP OF ABINGTON

By: _____

Attest: _____

COMMONWEALTH OF PENNSYLVANIA :

: SS.

COUNTY OF MONTGOMERY :

On this, the 11 day of January, A. D., 1977, before me, the undersigned officer, personally appeared JOSEPH W. KAPUSTA, who acknowledged himself to be the Secretary of the Township of Towamencin, and that he, as such Secretary, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the Township by himself as Secretary.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

Notary Public

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CONSTRUCTION ESTIMATE

ITEM	QUANTITY	UNIT	UNIT PRICE	AMOUNT
Excavation (approx.)				
Interior Roads	13675	C.Y.	$1.25	$ 26,250.00
Morris Road	7200	C.Y.		
Valley Forge Rd.	125	C.Y.		
Erosion & Sediment Control	L.S.	—	—	$ 15,000.00
Concrete Curb (7" x 8" x 18")				
Interior Roads	9590	L.F.	$4.75	$ 45,720.00
Morris Road	1840	L.F.		
Concrete Sidewalk				
4" thick				
Interior Roads	33924	S.F.	$1.00	$ 50,485.00
Morris Road	2260	S.F.		
6" thick				
Drive ramps	9536	S.F.	$1.50	
Roadway Paving (2½" ID-2 Surf. Crse on 8" Crushed Stone Base w/1" Screenings)				
Interior Roads	16,100	S.Y.	$5.75	$ 99,000.00
Morris Road	3300	S.Y.		
Valley Forge Rd.	400	S.Y.		
Storm Water Facilities				
15" ϕ, 18" ϕ, 54" ϕ RCCP Type A	228	L.F.	$11.00	$ 3168.00
	80	L.F.	$12.00	$ 960.00
	70	L.F.	$40.00	$ 2800.00
18" x 11", 22" x 13", 25" x 16", 29" x 18", 36" x 22", 43" x 27", 58" x 35" RCCPA Type A	149	L.F.	$11.00	$ 1639.00
	358	L.F.	$13.00	$ 4654.00
	1186	L.F.	$15.00	$ 17790.00
	742	L.F.	$16.00	$ 11872.00
	360	L.F.	$20.00	$ 7200.00
	411	L.F.	$25.00	$ 10275.00
	70	L.F.	$33.00	$ 2310.00
4-FT. SPEC. INLET	25	—	$850 ea.	$ 21,250.00
6-FT. SPEC. INLET	2	—	$1000 ea.	$ 2000.00
MH	1	—	$800	$ 800.00
DROP MH	1	—	$1000	$ 1000.00

ITEM	QUANTITY	UNIT	UNIT PRICE	AMOUNT	
SPLASH CHAMBER	1	—	$1500.00	$1500.00	
D-W ENDWALL	1	—	$2000.00	$2000.00	
FLARED END SECTION (plain galv.)	4	—	$400.00 ea.	$1600.00	
MISC. ITEMS					
Rock rip-rap		L.S.		$4000.00	
		STORM WATER FACILITIES SUB-TOTAL		$96,807.00	
Sanitary Sewer Facilities					
8"ϕ	6340	L.F.	$8.00	$55,520.00	$97,795.
Wyes & Stubs	69	—	$25.00 ea.	$1725.00	
6"ϕ Laterals	1900	L.F.	$6.00 ea.	$11400.00	
Manholes	31	—	$650.00 ea.	$20,150.00	
Bedding Stone	1320	TONS	5.00	$6600.00	
Conc Encasement	60	L.F.	$40.00	$2400.00	
Recreation Facilities					
Play Court / Parking		L.S.		$5200.00	
		TOTAL IMPROVEMENTS		$436,220.00	
Contingency		10%		43,622.00	
TOWNSHIP ENGINEER INSPECTION ESTIMATE				8,750.00	
		TOTAL		$488,636.00	

NOTE: DOES NOT INCLUDE PUBLIC WATER OR UNDERGROUND UTILITIES (ELECTRIC, TELE.

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF ENVIRONMENTAL RESOURCES
1875 New Hope Street
Norristown, Pennsylvania 19401
215 631-2405

December 6, 1976

Upper Gwynedd-Towamencin Municipal Authority
2225 Kriebel Road
Lansdale, PA 19446

Attention: H. Warren Dimmig
Chairman

RE: Sewerage Permit #4676422
The Korman Corporation
U. Gwynedd-Towamencin Municipal Authorit
Towamencin Township, Montgomery County

Gentlemen:

Above referenced permit is enclosed.

Please study the permit carefully and direct any questions to the Facilities Section of this office.

To become operative this permit must be recorded in the Office of the Recorder of Deeds in the county in which the discharge is located. Enclosed is a certificate and pre-addressed envelope for this purpose. Please have the Recorder of Deeds accomplis the certificate and return it within ten (10) days.

Very truly yours,

C.T. Beechwood
Regional Sanitary Engineer

Enclosures: Permit
Standard Conditions Relating to Sewerage
Standard Conditions Relating to Erosion Control
Recorder of Deeds Certificate with envelope
Notary Public Certificate

CC: Program Services Section, Water Quality Management
30 day hold
Regional File
Herbert Metz, Inc.
The Korman Corporation
Waterways Patrolman, Montgomery County and Pa. Fish Comm.
CTB/JAR/mc/lm

EXHIBIT "D"

tn pwq-15 Rev 9/73

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL RESOURCES
BUREAU OF WATER QUALITY MANAGEMENT

WATER QUALITY MANAGEMENT PERMIT

NO. 4676422

A. PERMITTEE (Name and Address)

Upper Gwynedd-Towamencin Municipal Authority
2225 Kriebel Road
Lansdale, PA 19446

D PROJECT LOCATION

Municipality: Towamencin Township
County: Montgomery County

C. TYPE OF FACILITY OR ESTABLISHMENT

sanitary sewer extension

D NAME OF MINE, OPERATION OR AREA SER

The Korman Corporation - 69 dwelling uni

E. THIS PERMIT APPROVES

1. Plans For Construction of

a. [X] XXXXXXXXXX SEWERS AND APPURTENANCES
b. [ ] SEWAGE TREATMENT FACILITIES
c. [ ] MINE DRAINAGE TREATMENT FACILITIES
d. [ ] INDUSTRIAL WASTE TREATMENT FACILITIES
e. [ ] OUTFALL & HEADWALL
f. [X] STREAM CROSSING

2. The Discharge of: N/A

a. [ ] TREATED
[ ] UNTREATED
b. [ ] INDUSTRIAL WASTE
[ ] MINE DRAINAGE
[ ] SEWAGE

3. The Operation of: N/A

[ ] MINE
MAXIMUM AREA TO BE DEE MINED _____
[ ] DAM

4. An Erosion and Sedimentation Control Plan [X]
PROJECT AREA IS 62 ACRE

5. Nature of Discharge or Impoundment: N/A

[ ] DISCHARGE TO SURFACE WATER [ ] DISCHARGE TO GROUND WAT
[ ] IMPOUNDMENT _____
(Name of Stream to which discharge or drainage area on which ground water discharge takes place or impoundment is located).

F. You are hereby authorized to construct, operate or discharge, as indicated above, provided that you comply with the following:

1. All representations regarding operations, construction, maintenance and closing procedures as well as all other matters set forth in your application and its supporting documents (Application No. 4676422 dated September 15, 1976), and amendments dated 10/13,22,25/76, 11/10,29/76
Such application, it's supporting documents and amendments are hereby made a part of this permit.
2. Conditions numbered 1 thru 9, 11 thru 14, 21, 22, 30 and 31, 32, 33 of the Sewerage Standard Conditions dated 1972
which conditions are attached hereto and are made a part of this permit.
3. Special condition(s) designated This permit is also subject to the Standard
which are attached hereto and are made a part of this permit Conditions Relating to Erosion Control

G. The Authority granted by this permit is subject to the following further qualifications: (1973)

1. If there is a conflict between the application or its supporting documents and amendments and the standard or special conditions, the standard or special conditions shall apply.
2. Failure to comply with the Rules and Regulations of the Department or the terms or conditions of this permit shall void the authority given to the permittee by the issuance of the permit.
3. This permit is issued pursuant to the Clean Streams Law, The Act of June 22, 1937, P.L. 1987 as amended and/or the Water Obstruction Act of June 25, 1913, P.L. 555 as amended.
Issuance of this permit shall not relieve the permittee of any responsibility under any other law.
This permit must be recorded in the Recorder of Deeds Office in Montgomery County.

PERMIT ISSUED
DEPARTMENT OF ENVIRONMENTAL RESOURCES

DATE 12-6-76 BY C.T.T...Lmp

EXHIBIT "D"

COMMONWEALTH OF PENNSYLVANIA :

: SS.

COUNTY OF MONTGOMERY :

On this, the 17th day of January, A. D., 1977, before me, the undersigned officer, personally appeared Burton E. Hoffman, who acknowledged himself to be the President of said Corporation, and that he as such President being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by himself as President

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

Notary Public

IN THE COURT OF COMMON PLEAS OF MONTGOMERY COUNTY, PA
CIVIL ACTION - LAW

BRONIA SULTANIK

v.

BOARD OF SUPERVISORS OF WORCESTER TOWNSHIP AND WORCESTER TOWNSHIP

NO. 81-20163 ON REMAND FROM CMWLTH. CT. DECISION IN 1737 C.D. 1982

I.D. NOS. 09514 & 30036

ZONING APPEAL

STIPULATION
AND
SETTLEMENT OF CASE

TO THE HONORABLE, THE JUDGES OF SAID COURT:

COMES NOW, the Plaintiff-Appellant, BRONIA SULTANIK, (hereinafter referred to as "Sultanik");

AND

WORCESTER TOWNSHIP and the BOARD OF SUPERVISORS OF WORCESTER TOWNSHIP (hereinafter COLLECTIVELY referred to as the "Township");

AND

Pursuant to the Pennsylvania Municipalities Planning Code (hereinafter "MPC") relating to curative amendment procedures, as well as the interpretive decisions thereunder, the parties do STIPULATE and agree that the background of this Stipulation is as follows:

A. On October 13, 1977, Sultanik filed a request for a curative amendment with the Township and a challenge to the constitutionality of the Worcester Township zoning ordinance of

BOOK 4780 PAGE 403

1953 as amended, pursuant to Sections 609.1 and 1004 of the MPC (PA. STAT. ANN. tit. 53 Section 10609.1 et seq., as amended). The tract of ground included in the curative amendment consisted of a 204.5 acre tract on Morris Road and Valley Forge Road in Worcester Township zoned AGR-agricultural.

B. The curative amendment and accompanying proposed ordinance called for 1,022 dwelling units in twin house residences on 192.5 acres of the land at a density of 5.3 units per acre, with bonus provisions permitting a total number of approximately 1,900 units and a related shopping center on the remaining 12 acres. A true and correct copy of the description of the property of Sultanik (hereinafter referred to as the "Property") is attached hereto, made a part hereof, and marked Exhibit "A". The curative amendment filed by Sultanik contended, inter alia, that the zoning ordinance of Worcester Township was exclusionary in purpose and effect in that it prohibited twin dwelling houses and as such, was an unconstitutional enactment under the statutes of the Commonwealth of Pennsylvania and the Pennsylvania Constitution. Sultanik further claimed that the Township's ordinance unlawfully excluded shopping centers.

Simultaneously with the curative amendment, Sultanik submitted a proposed development plan collateral to and as part

of its curative amendment which plan called for the construction of 1,022 dwelling units consisting of twin houses on the aforesaid 192.5 acres and a shopping center on 12 acres.

C. Although the Township refused to enact Sultanik's proposed curative amendment, it did find that its zoning ordinance was exclusionary by not providing for twin houses and issued an Order granting use of the Property for twin housing on 75 acres and zoned the Property for agricultural use and/or 60,000 square foot single-family detached dwellings. Sultanik appealed to this Honorable Court under the above caption and number, and this Honorable Court determined that the Township was correct in its decision.

D. Sultanik appealed the aforesaid decision of this Honorable Court to the Commonwealth Court of Pennsylvania which entered an Order vacating the decision of the Court of Common Pleas of Montgomery County, Pennsylvania dated July 14, 1982 and remanded to this Court the entire case for the following proceedings:

1. To make the mandatory finding required by Section 1011(4) of the MPC which requires, as a prerequisite to any relief, an affirmative finding of fact that Sultanik's certification as required by MPC 1004(2)(a) was, in fact, made and is true and correct.

BOOK 4780 405

2. If Sultanik elected to proceed further to establish that the zoning ordinance of Worcester Township is de facto exclusionary with respect to commercial retail use, to determine upon the present record, supplemented by receiving additional evidence if this Court deems it proper, whether such unlawful exclusion exists, and, if so, to proceed with respect to relief under MPC Section 1011(2).

3. To proceed under MPC Section 1011(2) to implement relief for the exclusionary effect of the Worcester Township zoning ordinance with respect to the twin house development proposed on the basis of the present record, supplemented by such additional evidence as this Court determines to be proper.

4. To retain jurisdiction, if after exercising this Court's functions and considering the factors listed in MPC 1011(2), this Court were to refer any elements of the proposed development to the Township for further proceedings, such as the adoption of alternative restrictions in accordance with this Court's opinion and order.

Ever since the remand aforesaid, Sultanik and the Township have been in open negotiation with the intent of agreeing upon an appropriate land use and development scheme for the Property in accordance with the decision and holding of Summit Township Taxpayers Association v. Summit Township Board of Supervisors, 49 Pa. Cmwlth. 459, 411 A.2d 1263, (1980), which

BOOK 4780 PAGE 406

approved lawful negotiated settlements of land development disputes in curative amendment controversies.

E. Sultanik and Township have now agreed upon the development of the Property pursuant to the terms and conditions hereinafter set forth, and desire your Honorable Court, consistent with its continuing jurisdiction over this matter, to approve by Court Order the provisions of the settlement between the parties.

NOW, THEREFORE, intending to be legally bound, it is mutually covenanted, warranted, stipulated and agreed as follows:

1. CONCEPT PLAN.

The Property and each part thereof shall be subdivided and developed generally in accordance with a certain concept plan prepared by Sullivan Arfaa, 2314 Market Street, Philadelphia, Pennsylvania, entitled "Morris Valley Farms dated August 30, 1985" (hereinafter referred to as the "Plan"), which Plan together with the printed notations placed thereon shall become a part of this Stipulation, attached hereto, incorporated herein by reference, approved by this Court and marked Exhibit "B".

2. SUBDIVISION APPROVAL.

The Plan (herein "Exhibit B") shall be deemed, by virtue of this Stipulation, to be the equivalent of a preliminary subdivision print duly accepted by the Township.

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The final subdivision plan shall be submitted by Sultanik by way of an amended application to its initial submission to the Montgomery County Planning Commission in accordance with the MPC and the Worcester Township Subdivision and Land Development Ordinance in effect as of August 1, 1985. In the event there is a conflict between the Worcester Township Subdivision and Land Development ordinance and this Stipulation, this Stipulation shall supersede any such requirements. The Township shall be required to process Sultanik's final subdivision plan with dispatch and approve the same for recording in Montgomery County Recorder of Deeds office. This Court shall retain jurisdiction over the final subdivision process in order to assure that it proceed with dispatch.

3. USES.

Permitted uses and occupancies and permitted construction, erection and improvements on the Property, in whole or in part, shall be located substantially as shown on the plan (subject to the provisions of this Stipulation and Order and compliance with all State regulatory requirements) and shall be for the following uses and for no other uses, as may be further described hereinafter:

A. Single family detached dwellings, as defined in Section 4 below.

BOOK 4780 PAGE 408

B. One or more playgrounds, swimming pools, tennis courts, related recreational facilities and open space as determined by Sultanik.

C. Pertinent utilities, cable television, telephone service, storm sewers and/or other storm water management facilities and appurtenant uses, conduits and other facilities (including swales, recharge areas and retention and detention ponds), sanitary sewers, drainage facilities, streets, roads, parking areas, driveways, access areas, walkways, trails and other uses customary, incidental and accessory to all of the uses permitted in this Section including the location of water lines from the North Penn Water Authority from either their Morris Road or Valley Forge Road supply lines.

D. The Township assumes no obligation for maintenance or acceptance for dedication of those facilities set forth in subparagraphs B and C above, other than streets and roads, and Storm sewers located therein.

4. DEFINITIONS.

As used herein, the following terms shall have the following definitions:

A. Dwelling, Single-Family Detached - A dwelling which is designed for and occupied by not more than one family and surrounded by open space or yards and which is not attached to any other dwelling.

BK 4780 PG 409

B. Height of the Building - The vertical measurement of the building from the mean level of the ground surrounding the building to a point midway between the highest and lowest points of the roof provided that chimneys, spires or similar projections shall not be included in calculating the height.

C. Lot Averaging - The development regulation which permits the subdivision of the Property so that lots that do not meet the minimum lot size requirement of this Stipulation shall be permitted, provided that for each such lot there shall be either a (1) corresponding or equal increase in other lots or (2) land set aside which cannot be used for future subdivision, or (3) any combination of (1) and (2) provided that there shall not be permitted any greater number of lots than would be permitted on the tract if the minimum lot size requirement were satisfied for each lot.

D. Impervious Surfaces - Those areas of the Property that do not absorb rain, such as buildings, parking areas, driveways, roads, sidewalks, and any areas in concrete or asphalt.

E. Length of Building - The greatest length of a single family home measured in any single dimension.

F. Open Space - One or more parcels of land or areas of water or combination of land and water within the Property designed and intended for passive recreational use and enjoyment of the residents of the Property and their guests and invitees,

BOOK 4780 PAGE 410

not including streets, roads, driveways, off-street parking areas, or undeveloped lots. "Open space" may contain:

(i) Such buildings, structures or other improvements as are appropriate for the use of such open space for passive recreational purposes, and

(ii) Such improvements thereon as are to be used in connection with and as are incidental to the installation, use, operation, maintenance and repair of:

(a) Underground utilities, telephone service, sanitary and water service to the Property and/or

(b) An appropriate storm water management plan for the Property which includes the underground pipes, conduits, swales above-ground or any other facilities such as retention areas, retention and detention ponds.

G. Snow Removal.

D. Sultanik shall disclose to the lot owners at the ends of the cul-de-sacs that snow removal may take place within the right-of-way of the cul-de-sac.

5. SITE REQUIREMENTS. The Property shall be developed and building, structures and other improvements thereon shall be constructed in general conformance with the Plan and subject only to the standards and provisions contained herein:

A. All dwellings shall be served by public water and sewer.

BK 4780 PG 111

B. The Property shall be developed and the building structures and other improvements thereon shall be constructed in accordance with the Plan subject to the provisions of this Stipulation.

C. There shall be two off-street parking spaces per dwelling, which shall be adequate for all the residents' and visitors' vehicles. Garages and driveways will be counted in meeting the minimum required parking standards of the Township.

D. Street patterns within the Property shall be established through safe and efficient circulation so as to serve all dwellings. No direct access to or from any individual dwelling driveway shall be provided onto Morris and Valley Forge Roads. Traffic shall be permitted to enter upon Morris Road and Valley Forge Road at the places provided for on the Plan or as modified by the Pennsylvania Department of Transportation. Access to lots abutting Fisher Road shall be provided by way of Fisher Road at the places provided for on the Plan.

The right-of-way of streets shall be constructed as shown on the Plan. The right-of-way width shall be fifty (50) feet and cartway widths shall be twenty-eight (28) feet. Combination curb and gutter shall be required on streets. Sidewalks shall only be required on one side of each street.

BK A790 412

E. The development shall, where and to the extent possible, preserve and incorporate existing natural features of the Property as set forth in the Plan.

F. Deed restrictions for each lot or dwelling to be conveyed shall set forth generally, or by reference to one or more recorded subdivision plans and shall set forth the environmentally sensitive areas appearing on the Plan and shall direct that no building shall be permitted on such environmentally sensitive areas and the homeowner maintain any detention basins located on the deeded property.

G. Township expressly waives the provisions of Sections 506A.b (excessive lot depths), 506A.d (corner lots) and 508D.a, (utility crossings) of its Subdivision and Land Development Ordinance.

6. PERFORMANCE STANDARDS. The Property shall be developed in accordance with the following performance standards:

A. Total number of dwelling units - There shall be no more than two hundred seventy-seven (277) dwelling units constructed on the Property.

B. A building may be erected, altered or used and a lot may be used or occupied for any of the following purposes and no other:

1. Single-family detached dwelling.

2. Signs subject to the provisions of Article XII of the Worcester Township Zoning Ordinance.

3. Accessory use on the same lot with and customarily incidental to any of the aforegoing permitted uses subject to the provisions of Article XVI of the Worcester Township Zoning Ordinance.

C. The Property shall be subdivided as follows:

1. Thirty thousand (30,000 s.f.) square foot minimum lots are required along a portion of the western property line as shown on the Plan. Lot averaging shall not be applied to these lots. The limits of this area are designated on the Plan.

2. Lands to the south of the Philadelphia Electric Company right-of-way line shall be subdivided into thirty thousand (30,000 s.f.) square foot lots, to which lot averaging can be applied, provided that under no circumstances shall any lot be less than twenty one thousand (21,000 s.f.) square feet. Such area has been designated on the Plan.

3. Lands directly contiguous to the northernmost Philadelphia right-of-way line shall be subdivided into thirty thousand (30,000 s.f.) square foot lots, to which lot averaging can be applied, provided that under no circumstances shall any lot be less than twenty thousand (20,000 s.f.) square feet. Such area has been designated on the Plan.

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4. The remaining Property area shall be subdivided into twenty thousand (20,000 s.f.) square foot minimum lots. Lot averaging shall not be permitted in the remaining Property.

7. SITE DEVELOPMENT STANDARDS - The following site development standards shall apply to all single-family detached dwellings on the Property. The parties stipulate to the following site development standards as well as the uses set forth herein. All requirements set forth in this Stipulation shall supersede any other ordinances of the Township.

A. Maximum height. The maximum height of buildings erected in this district shall be thirty five (35) feet.

B. Minimum Lot Width. A lot width of not less than one hundred (100) feet at the building line shall be provided for every single-family detached dwelling erected on the Property.

Front Yards: On each interior lot there shall be a front yard which shall not be less than fifty (50) feet in depth from the ultimate right-of-way, and in no case shall the building line be closer to the center line of the road than seventy-five (75) feet.

2. On each corner lot there shall be two (2) front yards. The first front yard, that abutting the front yard of an interior lot, shall not be less than fifty (50) feet in

depth from the ultimate right-of-way. The second front yard, that abutting the intersecting street and parallel with the side yard, shall not be less than thirty-five (35) feet in depth from the ultimate right-of-way.

D. Side Yards:

1. On each interior lot, excepting those lots set forth in subparagraph D.1.(a) herein, there shall be two (2) side yards having an aggregate width of not less than forty (40) feet, neither side yard having a width of less than fifteen (15) feet.

a. In the event that Sultanik elects to construct a structure with a side entry garage or a structure having a front elevation greater than or equal to fifty (50) feet in length, on each such interior lot, there shall be two (2) side yards having an aggregate width of not less than thirty-five (35) feet, neither side yard having a width of less than ten (10) feet, each interior lot [illegible] yard which

2. On each corner lot there shall be one (1) side yard, not abutting the street, which shall have a width of not less than ten (10) feet.

3. On any lot, in any side yard not abutting a street, a detached garage may be erected and maintained within the rear part of the lot, if not closer to the side lot than six (6) feet, and if not closer to the front lot line than one hundred ten (110) feet.

[illegible]

E. Rear Yards: There shall be a rear yard on each lot, the depth of which shall not be less than thirty-five (35) feet provided that an accessory use structure may be erected within the rear yard not closer to the rear property line than six (6) feet, and not closer than twenty (20) feet to any adjacent side or second front lot line.

F. Building Coverage: Not more than thirty percent (30%) of the area of any lot shall be occupied by buildings.

G. Minimum Frontage: The Plan shall not be modified to create any "flag lots".

8. SEWER APPROVAL - 537 PLAN.

A. Township agrees that they shall revise the existing 537 Sewage Facilities Plan to direct and authorize the inclusion of the Property to be within the authorized service area of the Upper Gwynedd - Towamencin Sewer Authority, so that the entire Sultanik Property shall be fed by gravity flow or pumped without any permit fees to Worcester Township where necessary to an interceptor located in Towamencin Township and then to the Upper Gwynedd - Towamencin Sewer Authority treatment plant.

B. Township shall cause its present 537 Plan to be revised, utilizing the services of the Township Engineer. Township Engineer shall be compensated for his reasonable charges by Sultanik. Such charges shall apply only to the preparation

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cost attendant to the modules that will be necessary for the revision of the 537 Plan applying to the Sultanik tract. Such payment of expenses shall be made to the Township upon the issuance of the building permits. Township shall within sixty (60) days after approval by this Court submit to the DER or any other governmental body having jurisdiction thereof, an application for a revision to the Township's 537 Plan (including modules) and duly approved by Worcester Township.

C. To the extent that any approvals for obtaining (1) water from the North Penn Water Authority or (2) sewer service from the Upper Gwynedd-Towamencin Sewer Authority are needed by DER, Sultanik, Towamencin Township, North Penn Water Authority, Upper Gwynedd-Towamencin Sewer Authority, or from any other authority or entity, Township stipulates to cooperate and will not oppose any such applications for approval or approvals for such sewer or water service in order to carry out the intent of this Stipulation. The sewer and water facilities will not be dedicated to Township, but will be owned by Sultanik under performance guarantees established by the respective authority until dedication and ownership by the respective authorities. Township assumes no obligation for maintenance or operation of sewer or water facilities, nor the permitting thereof other than the aforesaid 537 Plan amendment.

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9. CONTINUING JURISDICTION. It is agreed between Sultanik and Township that the Court of Common Pleas of Montgomery County Pennsylvania shall and may exercise continuing jurisdiction of this matter to facilitate, where necessary, the orders of this Court and the orderly implementation of the settlement pursuant to this Stipulation. Accordingly, either Sultanik or the Township may, upon application to this Court, request the resolution of any dispute which may arise hereunder which will be enforced by appropriate court order without appeal.

10. NOTATIONS ON THE PLAN. The printed notations appearing on the Plan are binding upon and agreed to by all the parties hereto.

11. STIPULATION TO RUN WITH THE PROPERTY. This Stipulation is intended to and shall at all times hereafter be appurtenant to, affect, touch and run with the Property and every part thereof and shall be deemed to be a covenant running with the land.

12. FURTHER ACTS AND ASSURANCES. Township shall cooperate fully in the development of the Property consistent with this Stipulation, including its subdivision, development, construction and completion and including specifically, without limitation, the grant of subdivision approval and building permits and the grant of each and every other permit, allocation, approval certificate and other grants of authority referred to herein

which may be necessary or desirable in furtherance of the development of the Property and in connection with such development, each of the foregoing without unreasonable delay, hindrance, conditions or expense and otherwise in accordance with the MPC and all applicable and properly adopted Township ordinances that are not inconsistent with this Stipulation and Court Order.

13. STIPULATION CONTROLS. Notwithstanding anything else to the contrary, whether in this Stipulation or elsewhere, whether now or formerly existing or as may exist hereafter, the Township and Sultanik expressly agree that this Stipulation shall control and govern the intent of the parties with respect to the subject matter hereof and, in particular, the development of the Property.

In consideration of:

A. The opinions and orders heretofore rendered in the litigation pursuant to which this Stipulation is executed and thereof and

B. The recognition of the parties that this Stipulation is intended to represent the mutual and dependent agreements and undertakings of the parties hereto, and in order to effect and implement the harmonious and orderly development of the Property consistent with the wishes of the Township and Sultanik, the parties agree that, in any situation or circumstance in which some or any part of an ordinance, code, law,

regulation, resolution, rule, consent, order, guideline, map, plan or other evidence of authority of the Township, including without limitation, the Township Zoning Ordinance, the Township Zoning Map, the Township Subdivision and Land Development Ordinance and all regulations issued thereunder as each has been or may hereafter be adopted, enacted, amended or re-adopted, renacted or substituted, may by its terms or interpretation conflict with or be inconsistent with this Stipulation, the provisions, terms, intent and conditions of this Stipulation shall control.

14. PARTIES IN INTEREST. This Stipulation shall be binding upon and shall inure to the benefit of the Township and Sultanik and each of their respective successors, heirs, and assigns, including without limitation, the following:

A. In the case of Sultanik, each of its owners, heirs and assigns in the ownership of the Property shall be bound by this Stipulation and Order. In any transfer or conveyance of the Property or any portion thereof, there shall be a clear disclosure to any grantee or successor concerning the terms of this Stipulation and Order.

B. With respect to this Stipulation, (1) "Sultanik" shall mean Bronia Sultanik, Kalman Sultanik and Solomon Sultanik; (2) "Township" shall refer to each of its elected officials, each of its employees, agents, officers, boards,

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agencies, commissions and other instrumentalities and authorities, both direct and indirect, now or hereafter existing.

C. In the case of either party, the respective successors, assigns, and heirs and personal representatives of any and all of the foregoing.

D. To the extent that such may hereafter be necessary or desirable (in the sole judgment of any party in interest) any of the foregoing persons and/or entities shall have and it is hereby agreed to have the requisite interest and standing to commence, prosecute, maintain and enforce judgment pursuant to this Stipulation and otherwise seek and secure the benefit of, any proceeding brought under the continuing jurisdiction of the Court hereunder; and each other party hereto and each other person and/or entity identified or referred to in this Section hereby agrees to submit to and be bound by any and all such jurisdiction, process and determination.

15. BUILDING PERMITS. Township stipulates that in consideration of the settlement of this case, conditional building permits for the total number of units set forth herein shall be issued by the Township within sixty (60) days after the date of the Court Order. The condition shall be fulfilled upon the submission of an approved final subdivision plan by Sultanik, execution and recording of a Subdivision Agreement, deposit of

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required escrows for improvements, obtaining approvals from the various regulatory authorities and payment of the Township Engineer's fees as set forth herein.

16. RELEASE OF TOWNSHIP. Sultanik stipulates that it will file its final subdivision approval application with Township within six (6) months from the date of this Stipulation. If (1) such application is not filed within that time; or (2) if so filed, when the time within which an appeal may be taken from the granting of final subdivision approval by the Township has expired without any appeal having been taken therefrom, or after a final and unappealable judgment validating said issuance of the final subdivision approval is rendered by a court having jurisdiction over any litigation concerning the same, Sultanik shall hereby release, remise and forever discharge Township, their respective officers, their attorneys, appointed officials, agents, aservants, employees and also their respective heirs, executors, administrators, successors and assigns, individually and collectively of and from any and all actions, causes of actions, suits, debts, dues, sum and sums of money, accounts, reckonings, controversies, liabilities, trespasses, damages, judgments, duties, contracts, agreements, promises, doings, commissions, omissions, executions, claims and demands whatsoever which Sultanik shall or may have for, upon or by reason of any matter, cause or thing whatsoever related to the

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above captioned matter, from the beginning of the world to the date of this Stipulation. Until the completion of such final subdivision approval process and any appeal period thereafter as set forth in this Stipulation, Sultanik will not commence any litigation against the aforesaid parties, other than for their non-performance of this Stipulation. It is understood by the parties to this Stipulation, however, in the event that Sultanik files its final subdivision approval application with Township within six (6) months from the date of this Stipulation, but the Township fails to approve the final subdivision in accordance with this Stipulation, the aforesaid Release granted by Sultanik shall be deemed to be null and void.

17. MISCELLANEOUS.

A. Headings. The Section titles and headings hereof are for convenience of reference only, and shall not affect the meaning or interpretation of this Stipulation.

B. Pronouns and Plurals. All pronouns and any variations thereof are deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person(s) or thing(s) referred to may require.

C. Governing Law. This Stipulation shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

D. Invalidity. If any provisions of this Stipulation are hereinafter determined to be invalid or unenforceable, such

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determination shall not affect the validity, enforceability or effect of the remaining provisions hereof, all of which shall continue in effect as if such invalid or unenforced provisions had not been included herein.

E. Merger and Integration Clause. This Stipulation constitutes the entire Stipulation between the parties hereto with respect to the matters contained herein. There are no claims, promises, or representations not herein contained, either oral or written, which shall or may be charged or enforceable unless reduced to writing and signed by both of the parties hereto and the waiver of any term, condition, clause or provision of this Stipulation shall, in no way, deemed to be considered a waiver of any other term, condition, clause or provision of this Stipulation, nor shall any such waiver, or the failure of either party to insist upon strict performance of any of the provisions of this Stipulation, be construed as a waiver or excuse as to any subsequent default of the same or similar in nature.

F. Authorization. The Township and Sultanik hereby represent and warrant to the other that this Stipulation and its execution and delivery and submission to this Honorable Court has been duly approved and authorized including in the case of the Township, in accordance with all applicable provisions, if any, respecting due notice, public hearings, publication, advertisement time periods, voting on one or more occasions, and other procedures and actions to be observed or enforced.

It is understood and agreed that any and all stipulations and contracts which may be or have been executed prior to the date and time of this Stipulation are null and void and have no force and effect to the extent that such conflict or conflicts exist.

G. Counterparts. This Stipulation may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document.

H. Recording. The parties hereto agree and request the Court to order that the Order approving this Stipulation and ratifying the same be recorded in the Office for Recorder of Deeds in and for Montgomery County, Pennsylvania, affecting the Sultanik Property.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the 11th day of September, 1965.

Witness:

BRONIA SULTANIK:

BRONIA SULTANIK (SEAL)

JULES PEARLSTINE, ESQUIRE
Counsel for Bronia Sultanik

Witness:

WORCESTER TOWNSHIP BOARD OF SUPERVISORS:

(SEAL)

(SEAL)

(SEAL)

PHILIP [illegible], Esquire
Counsel for Worcester Township

JOSEPH M. MANKO, Esquire
Counsel for Worcester Township

and seals the [illegible] day of [illegible].

Witness:

Code No. 1-46902-022-4

RESOLUTION FOR PLAN REVISION

RESOLUTION OF THE (SUPERVISORS) (COUNCILMEN) OF Worcester (TOWNSHIP) (BOROUGH) (CITY), Montgomery COUNTY, PENNSYLVANIA (hereinafter "the municipality").

WHEREAS Section 5 of the Act of January 24, 1966, P.L. 1535, No. 537, known as the "Pennsylvania Sewage Facilities Act", as Amended, and the Rules and Regulations of the Pennsylvania Department of Environmental Resources (Department) adopted thereunder, Chapter 71 of Title 25 of the Pennsylvania Code, require the municipality to adopt an Official Sewage Facilities Plan providing for sewage services adequate to prevent contamination of waters and/or environmental health hazards with sewage wastes, and to revise said plan whenever it is necessary to determine whether a proposed method of sewage disposal for a new development conforms to a comprehensive program of pollution control and water quality management, and

WHEREAS Bronia Sultanik (land developer) has proposed the development of a parcel of land identified as Morris Valley Farms (name of subdivision), and described in the attached Planning Module for Land Development, and proposes that such subdivision be served by Upper Gwynedd-Towamencin/Wastewater Treatment Plant (individual/community sewage systems, and

WHEREAS the municipality has reviewed the Planning Module for Land Development for the proposed subdivision and has determined that the proposed method of sewage disposal does not conform to and is not included in the approved "Official Plan" of the municipality Worcester Township Official Sewage Facilities Plan. (entitled),

WHEREAS, the Worcester Township (municipality) finds that the subdivision described in the attached Planning Module for Land Development conforms to applicable zoning, subdivision, other municipal ordinances and plans, and to a comprehensive program of pollution control and water quality management,

NOW, THEREFORE, BE IT RESOLVED that the (Supervisors) (COUNCILMEN) of the (Township) (BOROUGH) (CITY) of Worcester hereby adopt and submit to the Department of Environmental Resources for its approval as a revision to the "Official plan" of the municipality the above referenced Planning Module for Land Development which is attached hereto. The municipality hereby assures the Department of the complete and timely implementation of the said plan as required by law. (Section 5, Pennsylvania Sewage Facilities Act as amended)

I George R. Lewis, Secretary, Worcester Township Board of Supervisors (COUNCIL) hereby certify that the foregoing is a true copy of the Township (BOROUGH) Resolution # _____, adopted November 26, 1985.

George R. Lewis

Seal of Township or Borough

EXHIBIT "D"

DETERMINATION SHEET

The following questions are suggested as guidelines to aid the municipality in determining whether a proposal may qualify as a revision or supplement to its "Official Plan" for sewage facilities. If the answers to all the questions relating to the project proposal are positive or not applicable, the proposal may qualify as a plan supplement, provided there are no other relevent circumstances. If other relevant circumstances are identified by the municipality, they should be explained and attached to the module.

1. Has the location of the proposed development been designated as a growth area in the municipality's "Official Plan" for Sewage Facilities?

2. Is the proposed development compatible with existing zoning, land use plans, or other areawide comprehensive plans?

3. Has the area been programmed for the installation of sewerage services (private or municipal) or has the "Official Plan" adequately identified the soils in the area of the development as suitable for subsurface sewage disposal systems (i.e., plan programs development using on-lot subsurface disposal systems and correctly identifies soils as suitable for the type of proposed system(s); plan programs sewer extension or construction of a treatment facility - municipal or private)?

4. If there is an existing County or areawide Plan for Sewage Facilities; have special studies as recommended by the County Plan been completed?

5. Has a feasibility study for the installation of sewerage services been completed?

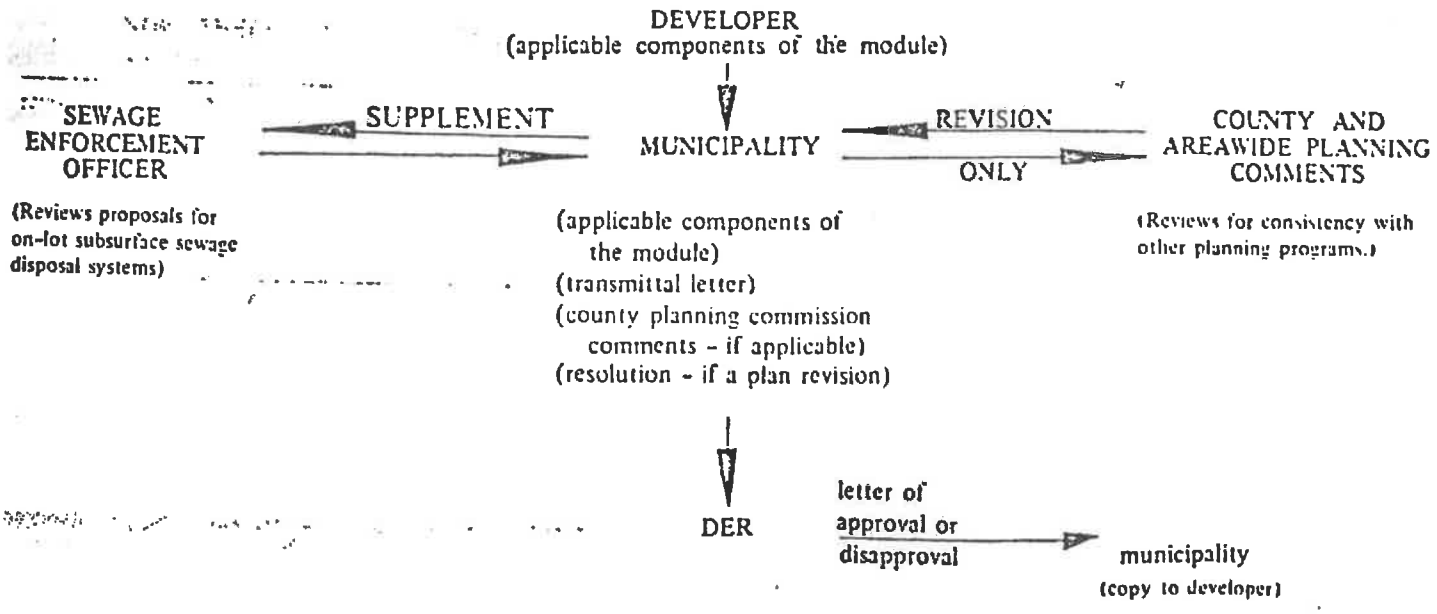
6. Is the municipality implementing its overall "Official Plan", or any follow-up studies related to the recommendations of the "Official Plan" in the area of the proposed development?

7. Is the municipality in phase with the time schedule for implementation of the "Official Plan" or applicable study related to the "Official Plan"?

8. If the "Official Plan" has programed the extension of sewerage services, does there presently exist sufficient interceptor size, pump station capacity, and treatment plant capacity to adequately convey and treat the anticipated flows generated from this development?

9. If the proposed development under consideration provides for the use of holding tanks, is there an acceptable schedule for replacing said tanks with sewerage services; and is there municipal assurance of the project's implementation?

Module for Land Development
ROUTING PROCEDURE



Transmittal Letter

Code No. 1-41-982-022-4
DER USE ONLY

To: Department of Environmental Resources or County Health Department
1375 New Hope Street
Norristown, PA 19401
(county office)

Date October 29, 1985

Dear Sir:

Attached please find a completed Planning Module for Land Development prepared by John G. Walter, Jr. (Name)

Professional Engineer (Title) for Morris Valley Farm (Name)

a subdivision, commerical, or industrial facility located in Worcester Township

Montgomery (City, Borough, Township) County.

Check one

☐ You are hereby notified that this proposed subdivision or facility conforms to and is included in our approved "Official Plan" and therefore the planning module and any appended material constitutes a supplement to our "Official Plan" in accordance with Chapter 71, Administration of the Sewage Facilities Program, Title 25, Pennsylvania Code.

You are hereby notifed that this proposed subdivision or facility does not conform to and is not included in our approved "Official Plan" and EITHER THAT:

☒ (i) the Planning Module, as prepared and submitted by the applicant, has been found to conform to applicable zoning subdivision, other municipal ordinances and plans; and is approved by the municipality as a proposed revision to its "Official Plan", and is adopted for submission to the Department of Environmental Resources in accordance with the requirements of Chapter 71 of the Title and the Sewage Facilities Act, supra: OR

☐ (ii) the Planning Module will not be approved by the municipality as a proposed revision to its "Official Plan" because the project described therein is unacceptable for the following reason(s) given and attached hereto.

Circle appropriate category(ies)

(a) Additional studies are being performed by or on behalf of this municipality which may have an effect on the Planning Module as prepared and submitted by the applicant. Attached hereto is the scope of services to be performed and the time schedule for completion of said studies.

(b) The Planning Module as submitted by the applicant fails to meet limitations imposed by other laws or ordinances, officially adopted comprehensive plans and/or environmental plans (e.g. zoning, land use, subdivisions, regulations, etc.). Specific reference or applicable segments of such laws or plans are attached hereto.

(c) Other (give specifics)

George R. Lewis (Municipal Secretary (print)) (Signature) November 26, 1985 (Date)

The municipality has attached a copy of the County Planning Agency's comments or has indicated the date of submission to the Agency for its review.

YES ☒ NO ☐

December 2, 1985
Date of Submission

Code No. [illegible]

PLANNING MODULE FOR LAND DEVELOPMENT

mponent II - General Planning Information (Return the completed module to the municipality)

A

AME OF SUBDIVISION, COMMERCIAL OR INDUSTRIAL FACILITY: Morris Valley Farms

UNICIPALITY(IES) Worcester
OUNTY(IES) Montgomery
WNERSHIP OF LAND DEVELOPMENT:
NAME(S) Bronia Sultanik
ADDRESS(ES) 120 East 81st Street
New York City, NY

YPE OF OWNERSHIP:

] INDIVIDUAL
] DOMESTIC CORPORATION
] FOREIGN CORPORATION
☐ PARTNERSHIP
☐ OTHER
(State of Incorporation _____)

REGISTER TO DO BUSINESS IN PA
☐ YES ☐ NO

F CORPORATION OR PARTNERSHIP GIVE NAMES AND TITLES OF PRINCIPAL OFFICERS AND PRINCIPAL PLACE F BUSINESS (IF OTHER THAN ADDRESS OF SUBDIVISION).

NAMES _____ TITLE _____

DDRESS OF SUBDIVIDER, OWNER, DEVELOPER OR RESPONSIBLE AGENT: John G. Walter, Jr.
c/o Urwiler & Walter, Inc., Sumneytown, PA
(City) (Boro) (State)

ELEPHONE NO. (215) 234-4562
(area code)

I-B

1. IDENTIFICATION, TYPE, OR NATURE OF DEVELOPMENT: (EXAMPLE: RESIDENTIAL, RESTAURANT, MOBILE HOME PARK, ETC.) Residential
   a. NUMBER OF DWELLING UNITS 277 AND/OR GALLONS OF SEWAGE FLOW FOR THE PROPOSED DEVELOPMENT – 97,000 GAL.
   b. TOTAL ACREAGE OF DEVELOPMENT 191.1 ACRES

2. LOCATION OF SUBDIVISION, COMMERCIAL OR INDUSTRIAL FACILITY:
   LANDMARK COORDINATES - EXAMPLE: (NORTH SIDE OF RT. 75, 2.7 MILES EAST OF THE INTERSECTION OF RTS. 75 AND L.R. 24222)
   Western side of intersection of Valley Forge Road and Morris Road, just Southwest of the Northeast extension of the Pennsylvania Turnpike.

3. TOPOGRAPHIC MAP IDENTIFICATION (COMPLETE SECTION (a) OR (b) BELOW OR SEE NOTE BELOW)
   a. TOPOGRAPHICAL MAP COORDINATES
      (1) USGS MAP QUADRANGLE Lansdale 7½' OR 15'
      (2) COORDINATES: 16 INCHES NORTH 12.5 INCHES WEST FROM SOUTHEAST CORNER OF MAP. (LOWER RIGHT HAND CORNER)
   b. ATTACH A COPY OF THE USGS QUAD SHEET OR EQUIVALENT FOR THE GENERAL AREA OF THE PROJECT PROPOSAL INCLUDING AN OUTLINE OF THE PROPOSED PROJECT AREA.

II-C

SEWAGE SERVICES AND WATER SUPPLY:

CHECK THE APPROPRIATE BLOCK AS IT REFERS TO SEWAGE DISPOSAL FOR THE PROPOSED DEVELOPMENT.

NOTE: INDIVIDUAL REFERS TO ALL PROPOSALS REQUIRING A PERMIT FOR A SUBSURFACE SEWAGE DISPOSAL SYSTEM FROM THE LOCAL AGENCY (MUNICIPALITY OR COUNTY)
PUBLIC REFERS TO ALL PROPOSALS REQUIRING A PERMIT FROM THE DEPARTMENT OF ENVIRONMENTAL RESOURCES, BUREAU OF WATER QUALITY MANAGEMENT TO DISCHARGE SEWAGE EFFLUENT TO THE SURFACE OF THE GROUND OR WATERS OF THE COMMONWEALTH.
INTERIM APPLIES TO FACILITIES THAT ARE INTENDED TO BE ABANDONED WITHIN (10) YEAR PERIOD.

	INDIVIDUAL	PUBLIC	NON-APPLICABLE
1. EXISTING SEWAGE FACILITIES	☒	☐	☐
2. INTERIM SEWAGE FACILITIES	☐	☐	☒
3. ULTIMATE PROPOSED SEWAGE FACILITIES	☐	☒	☐

CHECK THE APPROPRIATE BLOCK AS IT REFERS TO THE WATER SUPPLY FOR THE PROPOSED DEVELOPMENT.

NOTE: INDIVIDUAL REFERS TO ALL PROPOSALS THAT UTILIZE A WATER SOURCE SERVING LESS THAN 25 PERSONS/DAY OR PROVIDING LESS THAN 15 CONNECTIONS.
PUBLIC REFERS TO ALL PROPOSALS THAT UTILIZE A WATER SOURCE SERVING 25 OR MORE PERSONS/DAY OR PROVIDING 15 CONNECTIONS OR MORE

	INDIVIDUAL	PUBLIC	NON-APPLICABLE
4. EXISTING WATER SUPPLY	☒	☐	☐
5. INTERIM WATER SUPPLY (IF APPLICABLE)	☐	☐	☒
6. ULTIMATE PROPOSED WATER SUPPLY	☐	☒	☐

WILL A PUC LICENSE BE REQUIRED? ☐ YES ☒ NO

II-D

PUBLIC SEWERAGE FACILITIES:

1. ESTIMATED GALLONS OF SEWAGE TO BE GENERATED BY PROPOSED LAND DEVELOPMENT 97,000 GAL/DAY

II-2

2. DISTANCE TO AND SIZE OF NEAREST SEWER LINE 600 FEET OR MILES
IDENTIFICATION, TYPE OF LINE, 8" DIAMETER

4. BRIEF IDENTIFICATION OF WHERE SEWER LINE IS LOCATED IF APPLICABLE AND SOURCE OF INFORMATION trunk line along branch of the Towamencin Creek

3. WILL THE LAND USE BE SERVED BY SEWERS? ☒ YES ☐ NO

4. IF THE DEVELOPMENT PROPOSES TO UTILIZE MUNICIPAL SEWAGE FACILITIES HAVE:
APPROVALS BEEN OBTAINED FROM THE SEWER AUTHORITY? ☐ YES ☒ NO *
AGREEMENTS FOR CONNECTION BEEN ATTACHED? ☐ YES ☒ NO *

II-E

ENVIRONMENTAL ASPECTS - THE FOLLOWING QUESTIONS SHALL BE ANSWERED BY THE DEVELOPER AND CAREFULLY REVIEWED BY THE MUNICIPALITY FOR ACCURACY.

6. ATTACH

* PENDING

1. THE DEVELOPMENT PROPOSAL PROVIDES FOR THE DISPOSAL OF SEWAGE EFFLUENT IN ONE OF THE FOLLOWING WAYS -

	YES	NO
SUBSURFACE DISPOSAL	☐	☐
SPRAY IRRIGATION OF EFFLUENT	☐	☐
DIRECT DISCHARGE TO A STREAM VIA TREATMENT FACILITIES	☐	☐
OTHER Sanitary sewer extension	☒	☐

2. ARE ANY OF THE FOLLOWING WITHIN THE GENERAL LOCATION OF THE SEWAGE DISCHARGE -

	YES	NO
SURFACE WATER SUPPLY	☐	☒
PRIVATE OR PUBLIC WELL	☐	☒
NATURAL PUBLIC BATHING AREAS	☐	☒
CONSERVATION AREAS (TITLE 25, CHAPTER 93, PA CODE)	☐	☒

	YES	NO
3. DOES THIS PROPOSAL INTEND TO UTILIZE ON-SITE SUBSURFACE SEWAGE DISPOSAL?	☐	☒
IF YES -WHAT IS THE SOURCE OF DRINKING WATER?		
INDIVIDUAL WATER SUPPLY (WELL, SPRING, CISTERN)	☐	☐
PUBLIC WATER SUPPLY (MUNICIPAL, ASSOCIATION, FACILITY)	☐	☐

NOTE: SEE DEFINITIONS UNDER COMPONENT II-C

IF YES -WHAT IS THE SMALLEST LOT SIZE? _____ acres or sq. ft.

4. WHAT IS THE MAXIMUM ACREAGE THAT WILL HAVE ITS ORIGINAL VEGETATIVE GROUND COVER DISTURBED? (TITLE 25, CHAPTER 102, PA CODE)
   - ☐ 0 - 5 ACRES
   - ☐ 5 - 25 ACRES
   - ☒ MORE THAN 25 ACRES

5. WHAT APPROXIMATE PERCENTAGE 35 % OR ACREAGE _____ A OF THE PROPOSAL WILL HAVE ITS NATURAL PERMEABILITY EFFECTED BY THE COVERING OF THE GROUND SURFACE WITH IMPERMEABLE MATERIAL SUCH AS ROADS, PARKING LOTS, ROOF AREAS OF LARGE BUILDINGS, ETC.

ESTIMATED GALLONS OF SEWAGE TO BE GENERATED BY PROPOSED _____ GALDAY

6. WILL PROVISIONS FOR STORM WATER DRAINAGE BE PROVIDED? ☒ YES ☐ NO

7. ARE ANY AREAS OF THIS PROPOSAL LOCATED ON FLOODPLAIN SOILS AS CLASSIFIED BY TITLE 25, CHAPTER 73, STANDARDS FOR SEWAGE DISPOSAL FACILITIES, APPENDIX B, OR IN AN AREA DESIGNATED BY THE MUNICIPALITY AS A FLOODPLAIN? ☒ YES ☐ NO

8. INCLUDE A BRIEF DESCRIPTION OF THE ADJACENT LAND USE IN THE AREA OF THE PROPOSED DEVELOPMENT (EXAMPLE: 7 RESIDENTIAL PROPERTIES NORTH AND ADJACENT, 15 UNIT COMMERCIAL SHOPPING CENTER ACROSS THE STREET) Residential properties surrounding

F

/AILABILITY OF PUBLIC WATER SUPPLY:

1. ESTIMATED WATER USEAGE FOR THIS PROPOSAL 97,000 GAL/DAY

2. WILL THE PROPOSED LAND USE BE SERVED BY A PUBLIC WATER SUPPLY? ☒ YES ☐ NO

3. LOCATION AND NAME OF NEAREST PUBLIC WATER SUPPLY Valley Forge Road, North Penn Water Authority

4. IF PUBLIC WATER SUPPLY IS TO BE UTILIZED ANSWER THE FOLLOWING:

DISTANCE TO NEAREST CONNECTION TO A PUBLIC WATER SUPPLY 10 FEET.
lines in Morris and Valley Forge Roads

DOES THE PROPOSED WATER SUPPLIER HAVE ADEQUATE RESERVED CAPACITY TO SERVE THIS DEVELOPMENT? ☒ YES ☐ NO

HAS THE DEVELOPER RECEIVED APPROVAL FROM THE WATER SUPPLIER TO CONNECT TO THEIR SYSTEM? ☐ YES ☒ NO *

HAS A LETTER OF INTENT FOR THIS CONNECTION BEEN ATTACHED TO THIS MODULE? ☐ YES ☒ NO

SOURCES OF INFORMATION:

NAME(S) AND TITLE(S) North Penn Water Authority - Terry Gables
ADDRESS 2nd and Chestnut Streets, Lansdale, PA 19446
TELEPHONE AREA CODE

NAME AND TITLE OF INDIVIDUAL COMPLETING COMPONENT II OF THIS MODULE:
John G. Walter, Jr.

ADDRESS Urwiler & Walter, Inc., Sumneytown
TELEPHONE AREA CODE (215) 234-4562
DATE October 29, 1985

TO THE BEST OF MY KNOWLEDGE AND BELIEF, THE INFORMATION CONTAINED IN THIS MODULE IS TRUE AND ACCURATE

COMMONWEALTH OF PENNSYLVANIA REGISTERED PROFESSIONAL JOHN G. WALTER, JR. No. 11603-E

Signature Seal (if completed by a Professional Engineer or Surveyor)

October 29, 1985
Date

6. WILL PROVISIONS FOR STORM WATER DRAINAGE BE PROVIDED * PENDING

7.

8.

9. LOCATION

Component IV

THIS SECTION MUST BE COMPLETED BY A REGISTERED PROFESSIONAL ENGINEER FOR ALL SEWERAGE PROJECTS THAT REQUIRE THE ISSUANCE OR MODIFICATION OF A CLEAN STREAMS PERMIT, BY THE DEPARTMENT OF ENVIRONMENTAL RESOURCES.

NOTE: IF THE PROJECT INVOLVES THE CONSTRUCTION OF A NEW TREATMENT FACILITY OR MODIFICATIONS TO AN EXISTING TREATMENT FACILITY AND DISCHARGE REQUIREMENTS ARE NOT PROVIDED, CONTACT THE APPLICABLE REGIONAL OFFICE OF THE BUREAU OF WATER QUALITY MANAGEMENT FOR INFORMATION REGARDING TREATMENT AND DISCHARGE REQUIREMENTS.

1. CHECK ALL APPLICABLE BOXES CONCERNING THE PROPOSED FACILITIES.

☒ COLLECTION	☐ NEW SYSTEM	☒ EXTENSION TO EXISTING SYSTEM	☐ REPLACEMENT OF EXISTING SYSTEM
☐ CONVEYANCE	☐ NEW SYSTEM	☐ EXTENSION TO EXISTING SYSTEM	☐ REPLACEMENT OR RELIEF OF EXISTING SYSTEM
☐ TREATMENT	☐ NEW SYSTEM	☐ EXPANSION OF EXISTING PLANT	☐ UPGRADING OF EXISTING PLANT

PROVIDE A BRIEF NARRATIVE DESCRIPTION OF THE PROJECT - LOCATE SERVICE AREA(S), CONVEYANCE FACILITIES TREATMENT FACILITIES AND POINT OF DISCHARGE OF PROPOSED FACILITIES ON THE USGS QUAD SHEET OR EQUIVALENT MAP PROVIDED IN COMPONENT II OF THIS MODULE.

PROJECT AREA RESIDENTIAL POPULATIONS - PROVIDE ALL INFORMATION FOR THE MUNICIPALITY(S) IN WHICH THE PROJECT IS LOCATED. NOTE: IF THE PROPOSED PROJECT WILL PROVIDE SERVICE IN MORE THAN ONE MUNICIPALITY EITHER INITIALLY OR PRIOR TO THE DESIGN YEAR PROVIDE INFORMATION FOR EACH MUNICIPALITY SEPARATELY BY REPEATING THE TABLE THAT APPEARS BELOW ON A SEPARATE SHEET. IF THE PROPOSED PROJECT WILL MODIFY EXISTING FACILITIES, INDICATE THE TOTAL POPULATION SERVED BY THE FACILITIES AS MODIFIED.

MUNICIPALITY Worcester Township ____ CHECK HERE IF ADDITIONAL SHEETS PROVIDED

YEAR	TOTAL MUNICIPAL POPULATION	POPULATION SERVED BY SEWERS	POPULATION SERVED BY THIS PROJECT COLLECTION	CONVEYANCE	TREATMENT
CURRENT 1970	4243	NOT AVAILABLE			
1980	4660	NOT AVAILABLE	--		
1990	4800	"	970		
DESIGN YEAR 1985	4497	NOT AVAILABLE	970		

2. PROPOSED BASIS OF DESIGN - PROVIDE ALL APPLICABLE INFORMATION FOR JUST THE PROPOSED PROJECT. NOTE: IF THE PROPOSED PROJECT WILL MODIFY EXISTING FACILITIES INCLUDE THE TOTAL FLOWS AND TREATMENT LEVELS OF THE FACILITIES AS MODIFIED IN THIS SECTION.

A. ESTIMATED WASTE FLOWS - INDICATE VALUES AS GAL/CAP/DAY, GAL/ACRE/DAY OR GAL/DAY AS APPLICABLE.

RESIDENTIAL SEWAGE FLOWS

	Design Year	GPCD Per Capita Flow Average	GPCD Per Capita Flow Peak	Population Served Initial	Population Served Design	Total Residential Flow Average Initial	Total Residential Flow Average Design	Total Residential Flow Peak Initial	Total Residential Flow Peak Design
Collection	1985	100	400	970	970	97,000	97,000	388,000	388,000
Conveyance									
Treatment									

COMMERCIAL FLOWS

	Acreage Served Initial	Acreage Served Design	GPAD or GPD Unit Flow Average	GPAD or GPD Unit Flow Peak	Total Commercial Flow (gad) Average Initial	Total Commercial Flow (gad) Average Design	Total Commercial Flow (gad) Peak Initial	Total Commercial Flow (gad) Peak Design
Collection								
Conveyance								
Treatment								

INDUSTRIAL FLOWS

	Acreage Served Initial	Acreage Served Design	GPAD OR GPD Unit Flow Average	GPAD OR GPD Unit Flow Peak	Total Industrial Flow (gad) Average Initial	Total Industrial Flow (gad) Average Design	Total Industrial Flow (gad) Peak Initial	Total Industrial Flow (gad) Peak Design
Collection								
Conveyance								
Treatment								

TOTAL WASTE FLOWS (GPD)

	AVERAGE INITIAL	AVERAGE DESIGN	PEAK INITIAL	PEAK DESIGN
Collection	97,000	97,000	388,000	388,000
Conveyance				
Treatment				

ANTICIPATED AVERAGE RAW WASTE CHARACTERISITCS - INDICATE ALL VALUES AS mg/l

	RAW				TREATED	
	Residential	Commercial	Industrial	Combined Waste Stream	Proposed Effluent	Required (as specified by BWQM)
s @20° C	220			220		
olved Oxygen	--			--		
– N	20			20		
ended s	250			250		
lved s	500			500		
horous tal (P)	8			8		
erature	15			15		
(Specify)	--			--		

TE: FOR INDUSTRIAL FLOWS, CHARACTERISTICS SHOULD BE AS ANTICIPATED AFTER ANY REQUIRED PRETREATMENT.

☐ CHECK HERE IF PRETREATMENT WILL BE REQUIRED AND ATTACH APPLICABLE ORDINANCES.

ASSOCIATED FACILITIES - COMPLETE THIS SECTION ONLY IF THE PROPOSED PROJECT WILL TIE INTO EXISTING PROPOSED FACILITIES THAT ARE ESSENTIAL TO, BUT NOT INCLUDED IN THE PROPOSED PROJECT. (LOCATE ESE ASSOCIATED FACILITIES ON THE USGS QUAD SHEET OR EQUIVALENT MAP PROVIDED IN COMPONENT II THIS MODULE.)

E: IF SOME OF THE ASSOCIATED FACILITIES ARE PROPOSED WHILE OTHERS ARE EXISTING OR IF THE FACILITIES ARE OWNED BY TWO OR MORE PERSONS (AUTHORITIES) COMPLETE A SEPARATE SECTION 3 FOR EACH.

ASSOCIATED FACILITIES OWNER AND ADDRESS(ES)

Upper Gwynedd - Towamencin Township Municipal Authority
2225 Kriebel Road
Lansdale, PA 19446

TYPE AND STATUS OF ASSOCIATED FACILITIES
-CHECK ALL APPLICABLE BOXES

☒ CONVEYANCE ☐ TREATMENT
☒ EXISTING ☐ PROPOSED

ASSOCIATED FACILITIES FLOWS - PROVIDE ALL APPLICABLE INFORMATION IN GPD

	Design or Permitted Capacity		Present Flow		Anticipated Flow in 5 years without Proposed Project		Anticipated Total Flow in 5 years with Proposed Project	
	Average	Peak	Average	Peak	Average	Peak	Average	Peak
	MGD							
eyance								
ment	1.5	2.6	1.80	4.0	2.5	--	2.9	--

ARE THERE ANY CRITICAL SECTIONS IN THE EXISTING CONVEYANCE FACILITIES WHICH WILL HAVE INADEQUATE CAPACITY AS A RESULT OF THE PROJECTED FLOWS OF THE PROPOSED PROJECT? ☐ YES ☒ NO IF YES, EXPLAIN.

IF THE ASSOCIATED FACILITIES ARE PROPOSED, INDICATE BELOW THE DATE BY WHICH THEY ARE EXPECTED TO BE OPERATIONAL, AND IF THIS DATE IS DEPENDENT ON THE AWARD OF FEDERAL CONSTRUCTION GRANTS.
DATE ASSOCIATED FACILITIES ARE EXPECTED TO BE OPERATIONAL accelerated steoe plant expansion
IS THIS DATE DEPENDENT ON FEDERAL CONSTRUCTION GRANTS? ☒ YES ☐ NO 2.5 MG near complet

IF THE ANTICIPATED FLOW WITHIN 5 YEARS WITH THE PROPOSED PROJECT EXCEEDS THE DESIGN OR PERMITTED FLOW OF THE ASSOCIATED FACILITIES, ATTACH AN EXPLANATION OF THE STEPS THAT ARE BEING TAKEN TO PROVIDE ADDITIONAL CAPACITY. N/A

IF THE ASSOCIATED FACILITIES CONTAIN BY-PASS OR OVERFLOW POINTS, MARK THEIR LOCATIONS ON THE MAP. GIVE BRIEF DESCRIPTION N/A
DESCRIBE FREQUENCY OF USE

D. REPLACEMENT OF FACILITIES - IF THE PROPOSED PROJECT IS INTENDED TO REPLACE ALREADY PERMITTED FACILITIES (OWNED BY THE PROJECT SPONSOR OR OTHERS) N/A CHECK HERE, AND ATTACH A LISTING GIVING OWNERS NAME AND ADDRESS, FACILITY TYPE; ALSO INDICATE THEIR LOCATION ON THE MAP.

E. ALTERNATIVES TO THE PROPOSED PROJECT - IF ALTERNATIVE(S) TO THE PROPOSED PROJECT WERE EVALUATED. N/A CHECK HERE, AND ATTACH A BRIEF EXPLANATION THAT DESCRIBES THE ALTERNATIVE(S), AND WHY THEY WERE REJECTED. BE SURE TO INCLUDE ANY COST AND ENVIRONMENTAL INFORMATION THAT WAS DEVELOPED DURING THE EVALUATION. ALSO BE SURE TO LIST ALL APPLICABLE LOCAL, COUNTY, REGIONAL AND STATE WATER QUALITY OR WASTE MANAGEMENT PLANS THAT WERE CONSULTED DURING THE EVALUATION.

NOTE: STATE LAW REQUIRED THAT ALL REASONABLE ALTERNATIVES FOR AREA WIDE WASTE TREATMENT MANAGEMENT BE EVALUATED. FAILURE TO DO SO MAY RESULT IN THE REJECTION OF THIS PROPOSAL OR COULD CAUSE LENGTHY DELAYS IN APPROVAL. TO AVOID THESE POSSIBILITIES, CONSULT WITH THE LOCAL REGIONAL OFFICE OF THE DEPARTMENT OF ENVIRONMENTAL RESOURCES, AND WITH APPLICABLE MUNICIPAL, COUNTY AND REGIONAL PLANNING COMMISSION EARLY IN THE PLANNING PROCESS.

F. MUNICIPAL SPONSORSHIP - IF THE PROJECT SPONSOR IS A PRIVATE INDIVIDUAL (OR CORPORATION) _____ CHECK HERE, AND ON A SEPARATE SHEET INDICATE IF MUNICIPAL SPONSORSHIP OF THE PROPOSED PROJECT WAS SOUGHT TOGETHER WITH AN EXPLANATION OF WHY MUNICIPAL SPONSORSHIP IS NOT PRACTICAL.

G. PROPOSED PROJECT FINANCING

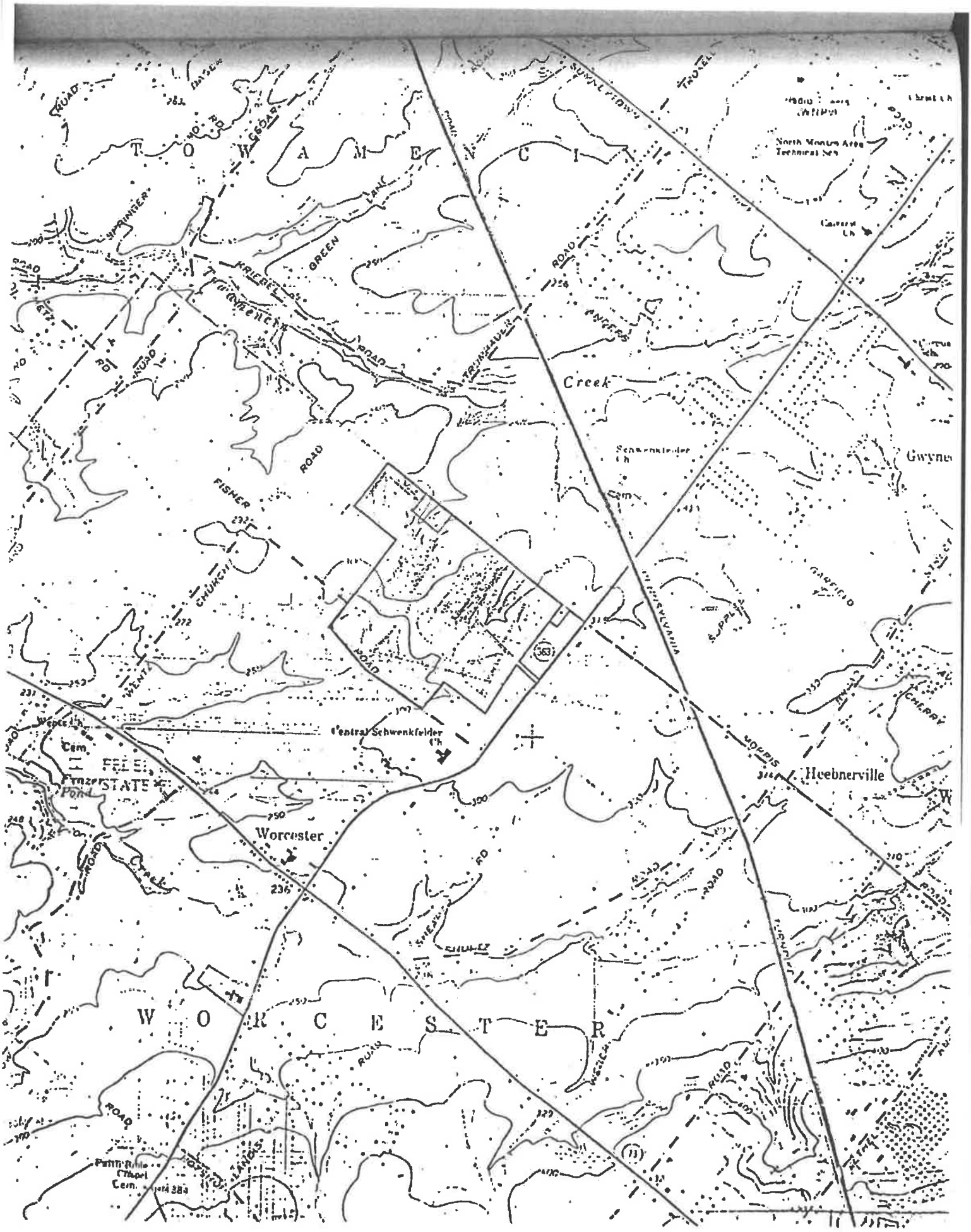
	Amount
☐ FEDERAL FUNDS	
☐ STATE FUNDS	
☐ LOCAL FUNDS	
☒ PRIVATE FUNDS	
TOTAL PROJECT COST	N/A

TO THE BEST OF MY KNOWLEDGE AND BELIEF THE INFORMATION CONTAINED IN THIS MODULE IS TRUE AND ACCURATE.

Signature of Registered Professional Engineer

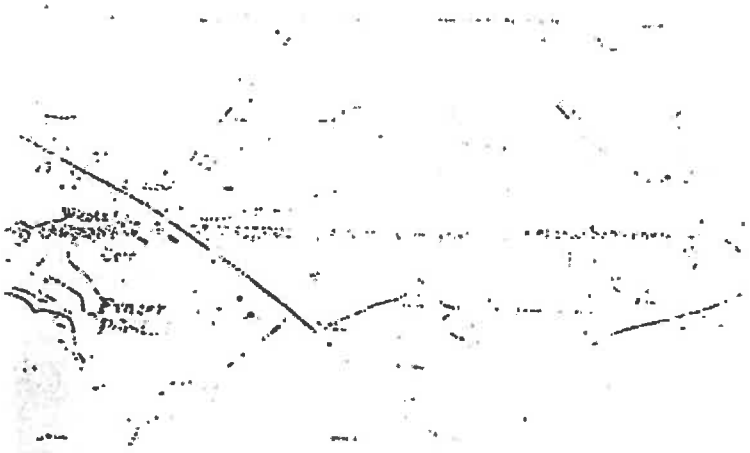
Date 10/29/85

Treatment


TOWAMENCIN
Creek
Worcester
WORCESTER
Central Schwenkfelder Ch
Schwenkfelder Cem.
Heebnerville
Penn Public (Chapel) Cem.
Fmr STATE Pond
Worcester Ch
Cem.
Gwynedd
North Montco Area Technical Sch
Camera Ch
Supplee
Garfield
Cherry
Morris
Pennsylvania
Fisher
Church
Wentz
Trinkhaus
Green
Springer
Sumneytown
Troxel
Angers
Road
Lane
Creek
Run
Lands
Hill
Valley
Forge
Cemetery
Ridge
Line
Pike
Turnpike
Expressway
Interstate
Township
Borough
Boundary
Municipal
Limits
Area
Park
Golf
Course
Recreation
Facility
Facilities
Building
Buildings
Hall
Library
Museum
Center
Centre
Campus
Complex
Stadium
Arena
Field
Fields
Court
Courts
Pool
Swimming
Tennis
Basketball
Baseball
Soccer
Football
Hockey
Track
Trail
Trails
Path
Paths
Bridge
Bridges
Dam
Lake
Pond
Ponds
Stream
Streams
River
Rivers
Marsh
Swamp
Wetland
Wetlands
Forest
Woods
Woodland
Woodlands
Tree
Trees
Grass
Grassland
Meadow
Meadows
Pasture
Pastures
Farm
Farms
Farmland
Farmlands
Agriculture
Agricultural
Crop
Crops
Livestock
Cattle
Horse
Horses
Sheep
Goat
Goats
Pig
Pigs
Chicken
Chickens
Poultry
Dairy
Milk
Cheese
Butter
Egg
Eggs
Honey
Bee
Bees
Hive
Hives
Apiary
Orchard
Orchards
Vineyard
Vineyards
Nursery
Nurseries
Greenhouse
Greenhouses
Garden
Gardens
Flower
Flowers
Plant
Plants
Seed
Seeds
Soil
Soils
Fertilizer
Fertilizers
Pesticide
Pesticides
Herbicide
Herbicides
Insecticide
Insecticides
Fungicide
Fungicides
Irrigation
Drainage
Tile
Tiles
Ditch
Ditches
Canal
Canals
Reservoir
Reservoirs
Water
Waters
Supply
Supplies
Well
Wells
Spring
Springs
Aquifer
Aquifers
Groundwater
Surface
Runoff
Flood
Floods
Flooding
Erosion
Sediment
Sedimentation
Pollution
Pollutant
Pollutants
Contamination
Contaminant
Contaminants
Hazard
Hazards
Hazardous
Waste
Wastes
Landfill
Landfills
Dump
Dumps
Recycling
Recycle
Recycled
Reuse
Reused
Reduce
Reduced
Conservation
Preservation
Protection
Protected
Restoration
Restored
Management
Managed
Plan
Plans
Planning
Planned
Development
Developed
Developing
Growth
Grow
Grown
Change
Changed
Changing
Trend
Trends
Forecast
Forecasts
Projection
Projections
Estimate
Estimates
Estimated
Model
Models
Modeling
Modeled
Simulation
Simulations
Simulated
Scenario
Scenarios
Alternative
Alternatives
Option
Options
Strategy
Strategies
Goal
Goals
Objective
Objectives
Policy
Policies
Regulation
Regulations
Ordinance
Ordinances
Law
Laws
Code
Codes
Permit
Permits
Permitting
Permitted
Application
Applications
Applicant
Applicants
Review
Reviews
Reviewed
Reviewing
Approval
Approvals
Approved
Approving
Denial
Denials
Denied
Denying
Appeal
Appeals
Appealed
Appealing
Variance
Variances
Exception
Exceptions
Waiver
Waivers
Modification
Modifications
Modified
Modifying
Amendment
Amendments
Amended
Amending
Revision
Revisions
Revised
Revising
Update
Updates
Updated
Updating
Comprehensive
Comprehensive Plan
Comprehensive Plans
Comprehensive Planning
Comprehensive Planned
Comprehensive Developing
Comprehensive Growth
Comprehensive Change
Comprehensive Trend
Comprehensive Forecast
Comprehensive Projection
Comprehensive Estimate
Comprehensive Model
Comprehensive Simulation
Comprehensive Scenario
Comprehensive Alternative
Comprehensive Option
Comprehensive Strategy
Comprehensive Goal
Comprehensive Objective
Comprehensive Policy
Comprehensive Regulation
Comprehensive Ordinance
Comprehensive Law
Comprehensive Code
Comprehensive Permit
Comprehensive Application
Comprehensive Review
Comprehensive Approval
Comprehensive Denial
Comprehensive Appeal
Comprehensive Variance
Comprehensive Exception
Comprehensive Waiver
Comprehensive Modification
Comprehensive Amendment
Comprehensive Revision
Comprehensive Update

PROJECT DESCRIPTION

This 191.1 acre tract is located on the Southwestern side of the intersection of Valley Forge and Morris Road in Worcester Township, Montgomery County. Two hundred seventy seven single family detached houses are proposed for the site. These proposed units will be serviced by a sanitary sewer system which will drain to the Upper Gwynedd - Towamencin Wastewater Treatment Plant.



IN THE COURT OF COMMON PLEAS, MONTGOMERY COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

BRONIA SULTANIK	: NO. 86-03576
v.	:
BOARD OF SUPERVISORS OF TOWAMENCIN TOWNSHIP AND TOWAMENCIN TOWNSHIP	: ATTY. I.D. NO. 09514 & 30036
	: IN EQUITY

ORDER

And now, this ____ day of _____, 1987, after a review of the pleadings and Stipulation of the parties, it is ordered and decreed as follows:

1. This Court accepts the Stipulation of the parties in the form attached and orders the parties, Bronia Sultanik, and the Board of Supervisors of Towamencin Township and Towamencin Township to abide by the terms of this Stipulation.

2. This Order is to be recorded in the Office of the Recorder of Deeds in and for Montgomery County, Pennsylvania, affecting this Property.

BY THE COURT:

_____
J.

EXHIBIT "E"

EXHIBIT "G"

FORM OF DEED OF DEDICATION

FOR SEWER LINES

THIS INDENTURE, made the _____ day of _____, A.D. 19__, between _____ (hereinafter referred to as "Grantor_"),, party of the first part,

A N D

TOWAMENCIN TOWNSHIP, Montgomery County, Pennsylvania, (hereinafter referred to as "Grantee"), a party of the second part.

W I T N E S S E T H :

THAT the said party of the first part, for and in consideration of the sum of ONE DOLLAR ($1.00), lawful money of the United States of America, unto it well and truly paid by the said party of the second part to the said party of the first part, at and before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, has granted, bargained, sold, aliened, enfeoffed, released and confirmed and by these presents does grant, bargain, sell, alien, enfeoff, release and confirm unto the said party of the second part, its successors and assigns,

ALL THAT CERTAIN tract or parcel of land, as well as sewer lines as described in Exhibit "A" attached hereto, as well as the sewer lines described in Exhibit "B" attached hereto.

TOGETHER with all and singular the ways, waters, water courses, rights, liberties, privileges, hereditaments, and appurtenances whatsoever thereunto belonging or in any way appurtaining, and the reversions and remainders, rents, issues, and profits thereof; and all the estate, rights, title interest, property, claim, and demand whatsoever, of the said party of the first part, in law, equity or otherwise, howsoever, of, in, and to the same and every part thereof.

TO HAVE AND TO HOLD the aforesaid lot or piece of ground above described unto the said Grantee, their successors and assigns, to and for the only use and behoof of the said Grantee, its successors and assigns, forever to be used as an open space retention basin or any public use and the said Grantor_, for themselves, their successors and assigns, do herewith covenant, promise and agree to and with the Grantee, their successors and assigns, that neither the Grantor__, nor their successors and assigns, shall nor will at any time hereafter ask, demand, or attempt to recover or receive of or from the said Grantee, its successors and assigns, any sum or sums of money as and for damages by reason of this dedication, that neither the said

Grantor nor its successors or assigns will at any time thereafter ask, demand, recover or receive any such damages.

AND the said party of the first part, for itself, its successors and assigns, does by these presents, covenant, grant, and agree to and with the said party of the second part, its successors and assigns, that it, the said party of the first part, its successors and assigns, all and singular the hereditaments and premises hereinabove described and granted, or mentioned and intended so to be, with the appurtenances, unto the said party of the second part, its successors and assigns, against it, the said party of the first part, its successors and assigns, and against all and every person or persons whomsoever lawfully claiming or to claim the same or any part thereof, by from, or under him, her, them or any of them, shall and will be these presents WARRANT and forever DEFEND.

IN WITNESS WHEREOF, the said Grantor__ have caused this Indenture to be executed on their behalf and their seal to be hereunto affixed the day and year first above written.

_____

_____

COMMONWEALTH OF PENNSYLVANIA)
: ss
COUNTY OF MONTGOMERY)

On the _____ day of _____, A.D., 198_, before me, a Notary Public for the Commonwealth of Pennsylvania, personally appeared _____, the Grantor___, known to me to be the person__ whose name subscribed to the within instrument and acknowledged that executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

_____
Notary Public

Towamencin Township
Docket No. A-2023-3040661
Statement WD-1
Exhibit T-3

TOWAMENCIN TOWNSHIP

RESOLUTION NO. 89-12

MILESTONE SANITARY SEWER DISTRICT
IN WORCESTER TOWNSHIP

WHEREAS, Towamencin Township entered into a Stipulation and Settlement of Case with Bronia Sultanik in accordance with the Montgomery County, Pennsylvania, Court Order, dated March 30, 1987, to provide sanitary sewer service to a tract of land in Worcester Township, commonly known as Morris Valley Farms and renamed "Milestone" by the project developer; and

WHEREAS, said Settlement Agreement permits the Township to establish a separate sanitary sewer district for the property in Worcester Township and requires each occupied residence in said district to pay Towamencin Township a twenty percent (20%) surcharge in excess over the annual sewer treatment rates and charges calculated on the same basis as other districts in the Township; and

WHEREAS, said sewer district, as referenced above, is outside Towamencin Township, thereby creating certain additional administrative costs and expenses and other review procedures that are beyond as normally anticipated throughout the rest of the current system and other sewer district.

NOW, THEREFORE, be it resolved by the Township Board of Supervisors the following:

1. The Milestone Sanitary Sewer District, consisting of 277 single residential lots in Worcester Township, as

shown on the Plans for Morris Valley Farms, originally dated December 20, 1985, which are herein incorporated by reference, prepared by Urwiler & Walter, Inc., is hereby established.

2. Said District shall be bound by all rules, regulations, ordinances and resolutions of Towamencin Township that are applicable to Towamencin ratepayers and to ratepayers of other sewer districts established by Towamencin Township.

3. Each residence in said District shall pay an annual sewer rental fee equal to 120% of the fee paid by a Towamencin Township ratepayer or by a ratepayer in another sewer district established by the Township, whichever is greater.

4. Said sewer rentals shall be billed in a manner and time frame similar to other sewer rental ratepayers utilizing the Towamencin sanitary sewer system.

5. Township agrees to operate and maintain sanitary sewer facilities, including the pump station, in accordance with said Settlement Agreement. Said Agreement specifically permits Township to collect funds from the project developer for a period of 18 months from date of dedication of sanitary sewer facilities to operate and maintain sewer lines and pump station.

6. The Township may assign the operation and maintenance of the pump station to the Upper Gwynedd/Towamencin Municipal Authority, in accordance with procedures similar to those previously established for the Wambold Road

and Skippack Creek Pump Stations.

7. The collection and nonpayment of the fees, as set forth herein, shall be in accordance with general municipal lien law and the Second Class Township Code, as last amended, including, but not limited to, the right to lien for nonpayment of said services.

RESOLVED, this 22nd day of February, 1989.

BOARD OF SUPERVISORS OF
TOWAMENCIN TOWNSHIP

Attest:

Towamencin Township
Docket No. A-2023-3040661
Statement WD-1
Exhibit T-4

TOWAMENCIN TOWNSHIP

ORDINANCE NO. 89-7

HOLLIS HILLS SANITARY SEWER DISTRICT IN WORCESTER TOWNSHIP

WHEREAS, the Pennsylvania Department of Environmental Resources has granted a revision to the Worcester Township Official Sewage Facilities Plan for adequate sewage facilities planning to permit the development of thirty (30) residential units on the Hollis tract project located on the east side of Bustard Road, 4,000 feet north of the intersection of Bustard Road and Route 73, which such project will generate 9,600 gallons of sewage per day to be treated at the Upper Gwynedd-Towamencin Municipal Authority's sewage plant; and

WHEREAS, the developer of the Hollis tract has agreed that Towamencin Township (the "Township") may establish a separate sanitary sewer district for the Hollis tract which is located in Worcester Township requiring each occupied residence in said sewer district to pay Towamencin Township a $290 surcharge in excess over the annual sewer treatment rates and charges calculated on the same basis as other districts in the Township; and

WHEREAS, said sewer district as referenced above is outside Towamencin Township, thereby creating certain additional administrative costs and expenses and other review procedures that are beyond those that are normally anticipated throughout the rest of the current system and other sewer districts.

NOW THEREFORE, be it ordained by the Township Board of Supervisors that following:

1. The Hollis Hills Sanitary Sewer District, consisting of thirty (30) single family residential lots in Worcester Township, as shown on the plans for Hollis Hills originally dated February 15, 1988, as amended, prepared by Momenee-King Associates, incorporated herein by reference, is hereby established.

2. Said District shall be bound by all rules, regulations, ordinances and resolutions of Towamencin Township that are applicable to Towamencin Township rate payers.

3. Each residence in said District shall pay an annual sewer rental fee equal to the fee paid by a Towamencin rate payer plus $290.

4. Said sewer rentals shall be billed in a manner and time frame similar to other sewer rental rate payers utilizing the Upper Gwynedd-Towamencin Sewer System.

5. Township agrees to operate and maintain sanitary sewer facilities located in the Hollis Hill development.

6. The Township may assign the operation and maintenance of the pump station to the Towamencin-Upper Gwynedd Municipal Authority in accordance with procedures similar to those previously established for the Wambold Road and Skippack Creek pump stations.

7. The collection and payment of fees as set forth herein and procedures pertaining to the nonpayment thereof shall be in accordance with general municipal lien law and the Second Class Township Code, as last amended, including but not limited to the right to lien for nonpayment.

ORDAINED and ENACTED this 26th day of July, 1989.

BOARD OF SUPERVISORS
TOWAMENCIN TOWNSHIP

Michael J. Becker, Chairman

ATTEST:
Gregory E. Prowant, Secretary/Manager

Towamencin Township
Docket No. A-2023-3040661
Statement WD-1
Exhibit T-5

jsm080889

TRANSPORTATION AND TREATMENT CAPACITY AGREEMENT

THIS AGREEMENT, made this 16th day of September, 1989 between TOWAMENCIN TOWNSHIP (hereinafter "Township"), the UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY (hereinafter "Authority"), LOWER SALFORD TOWNSHIP AUTHORITY (hereinafter "LSTA") and LOWER SALFORD TOWNSHIP (hereinafter "LST");

W I T N E S S E T H :

WHEREAS, Township is a body corporate and politic, organized and existing under the provisions of the second-class township code, and leases from Authority a sanitary sewer collection system and appurtenances thereto; and

WHEREAS, Authority is a municipal corporation, organized and existing under the provisions of the Pennsylvania Municipality Authorities Act, which owns and operates a sanitary sewage treatment plant and Skippack Creek Pumping Station located within Township; and

WHEREAS, LSTA is a municipal corporation organized and existing under the provisions of the Pennsylvania Municipality Authorities Act which desires to purchase transportation and treatment capacity in the collection system, treatment plant and Skippack Creek Pumping Station located within Township; and

WHEREAS, LST is a body corporate and politic, organized and existing in accordance with the provisions of the second-class

township code, which is responsible for enacting Ordinances and Resolutions relating to the method in which sanitary sewer service will be provided within LST to LSTA customers; and

WHEREAS, LSTA is desirous of connecting to Township's collection system and obtaining capacity in Authority's plant; and

WHEREAS, the parties are desirous of setting forth the terms and conditions under which LSTA will purchase transportation and treatment capacity from Township and Authority.

NOW, THEREFORE, in consideration of the premises contained herein, and intending to be legally bound hereby, the parties agree as follows:

SECTION 1 - DEFINITIONS

Average Daily Flow means the arithmetic mean of daily flow measurements taken over a calendar month.

Capacity means the amount of sewage flow available for use by LSTA in the collection system leased by Township and the Plant owned and operated by Authority. Capacity shall be measured by using a three (3) month maximum running average.

Collection System means the entire system of sewer pipes and all related facilities within the jurisdiction of each party referred to which are designed, constructed and used to transport Domestic Sewage and/or Industrial Waste (collectively herein called "Sewage") to the Plant.

Consulting Engineer means an engineer or engineering firm, registered and qualified to pass on sewage engineering

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questions, employed from time to time by the party to whom reference is made in connection with such term.

Domestic Sewage means sewage waste consisting of the normal, water-carried, household and toilet waste from residences, business buildings and institutions.

Equivalent Dwelling Units (EDU) - Two Hundred and Eighty (280) gallons per day of sewage flow and BOD and suspended solid levels not exceeding two hundred and fifty (250) mg/l.

Operations, Maintenance and Administration Charges means, in respect of a particular period of time, all costs and expenses necessarily incurred by Authority in connection with the operation, administration, and maintenance of the Skippack Creek Pumping Station and the metering facility constructed for the purpose of measuring flows from the LSTA system to the Township system which are properly chargeable thereto under sound municipal accounting practices.

Plant means the Sanitary Sewage Treatment Plant owned and operated by Authority located within Township from which LSTA desires to purchase capacity.

Sewage means a substance that contains the waste products or excrement or other discharge from the bodies of human beings or animals and noxious or deleterious substances being harmful or inimical to the public health, or to animal or aquatic life, or to the use of water for domestic water supply or for recreation, or which constitutes pollution under the Clean Streams Law.

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Skippack Creek Pumping Station means a recently constructed facility located at the intersection of Rittenhouse and Old Forty Foot Roads in Township which receives and subsequently transports sewage through Township's collection system to Authority's Plant.

SECTION 2 - PURCHASE OF CAPACITY

A. Subject to the terms and conditions set forth herein, Township and Authority hereby agree to sell and LSTA agrees to purchase 500,000 gallons per day of capacity (1,786 EDU's) in Township's collection system and Authority's Skippack Creek Pumping Station and Treatment Plant. It is understood that capacity is not guaranteed by the Authority until such time as the appropriate payment is made. It is anticipated that capacity will be drawn down by Lower Salford on an EDU basis as follows:

(i) Five Hundred and Thirty-six (536) EDU's immediately upon execution of this Agreement;

(ii) An additional Five Hundred and Thirty-five (535) EDU's within two years of the date of this Agreement;

(iii) An additional Seven Hundred and Fifteen (715) EDU's within ten years of the date of this Agreement.

B. LSTA agrees to provide Township and Authority with at least thirty (30) days written notice prior to its intention to draw down EDU's under this Agreement. The rights of LSTA to purchase capacity under this Agreement shall expire when the first of the following events shall occur:

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(i) The expiration of ten years from the date of this Agreement;

(ii) Sixty (60) days after receiving written notice from Authority that three months' maximum running average flows at the Plant have reached 5.5 m.g.d. LSTA will forfeit the right to purchase capacity under this Agreement as to any EDU's for which payment has not been made prior to the occurrence of either of the aforesaid events.

C. The parties recognize that certain weather conditions will influence flows into the system. LSTA shall be entitled to the same relative increase in flows, ie., the same ratio of wet weather to average daily dry weather flows, as experienced by the Treatment Plant. Peak flows from the LSTA system in excess of the ratio will not be permitted.

SECTION 3 - PAYMENT OF PURCHASE PRICE

LSTA agrees to pay Township a connection fee of Nine Hundred and Twenty Dollars ($920.00) for each EDU of capacity purchased. LSTA agrees to pay Authority a capital contribution of Three Thousand Nine Hundred Dollars ($3,900.00) for each EDU of capacity purchased. Payment for 536 EDU's shall be made to Township and Authority within ninety (90) days following DER 537 Plan approval and issuance of the permit authorizing the tie-in. Payment for the additional EDU's contemplated by this Agreement shall be made within sixty (60) days after LSTA provides Township and Authority with written notice of LSTA's intention to purchase same.

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SECTION 4 - ADJUSTMENT OF PURCHASE PRICE

Because LSTA is not immediately paying in full for the capacity it is purchasing pursuant to this Agreement, Township and Authority have the right to adjust the purchase price to LSTA to an amount equal to the connection fee or capital contribution being charged to residents of Township. Township and Authority agree to provide sixty (60) days written notice to LSTA of the date on which the purchase price will be adjusted. Upon receipt of notice, and prior to the price adjustment date, LSTA shall have the option to pay for some or all of the EDU's at the price in effect prior to the purchase price adjustment date. Any EDU's for which no payment has been made on or before the tenth anniversary date of this Agreement or sixty (60) days after receiving notification from the Authority that three month maximum running average flows at the Plant have reached 5.5 m.g.d., whichever occurs first, shall be forfeited.

SECTION 5 - LSTA CONNECTION

Township, Authority and LSTA agree that LSTA shall be permitted to connect to Township's Collection System at a point adjacent to LSTA's Mainland Pumping Station. Township and Authority agree to provide, at no cost to LSTA, those easements or rights-of-way necessary to allow the LSTA connection. LSTA agrees to provide Township and Authority Engineers with Plans for the proposed connection which shall be subject to said Engineers' approval, which shall not be unreasonably withheld.

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SECTION 6 - MEASURING FLOWS

The parties agree that sewage flows will be measured by a sewage flow meter, with recording and totalizing elements, which along with appropriate sampling devices, will be installed at or near any point of LSTA's connection to Township's system. The meter, meter pit and meter chamber shall be designed, constructed and installed by LSTA, at its sole expense, subject to Township and Authority Engineers' approval, which shall not be unreasonably withheld. Authority will obtain certifications and calibrations of the meter. The Authority will operate and maintain the meter. LSTA has the right to inspect the meter pit at all times, and Authority will provide copies of flow charts to LSTA.

The parties agree that the flow metering device will be maintained in a satisfactory state of repair at all times in order to ensure that an accurate record of the flow from the LSTA's collection system is maintained. Authority will cause the meter to be calibrated annually, or as reasonably necessary to maintain the accuracy of the meter, by a person or firm capable of certifying the meter calibration in question. A copy of the certified calibration report shall be provided to Township and LSTA. The costs of operating and maintaining the meter pit and metering device, including the costs of calibration, shall be borne solely by LSTA.

In the event of a malfunction of any meter, the parties will agree upon an estimated flow during the period of

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malfunction. All meter readings will be adjusted, as agreed by the parties, based upon rainfall data and peaking factors.

SECTION 7 - TREATMENT AND PUMP STATION CHARGES

LSTA agrees to pay Authority treatment charges equal to the non-residential sewer rental rate in effect, from time to time, in Township. The current rate is Two Dollars ($2.00) per thousand gallons of flow. In addition, LSTA agrees to pay Authority a pro-rata cost of the operation and maintenance charges of the Skippack Creek Pump Station. LSTA's costs shall be determined by multiplying the actual operations and maintenance costs by a fraction where the LSTA flow is the numerator and the total flow to the pumping station is the denominator.

SECTION 8 - EXCESS FLOWS

LSTA shall be permitted to discharge Average Daily Flows equal to the number of EDU's for which connection fees and capital contributions have been paid. If LSTA Average Daily Flows reach ninety percent (90%) of the capacity for which it has paid, LSTA agrees to either purchase additional capacity pursuant to this Agreement, under take negotiations to purchase additional capacity, submit a plan for inflow/infiltration identification and reduction (if conditions dictate) or submit a Plan indicating how the balance of capacity will be utilized to assure Township and Authority that the LSTA capacity will not be exceeded.

In the event LSTA exceeds its permissible Average Daily Flow due to inflow and infiltration problems which could be cost

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effectively resolved but for the refusal of LSTA to do so, and the parties cannot agree to an alternate method of resolving the excessive flow problem, UGTMA shall have the right to either (a) undertake the required repairs and invoice LSTA for the cost of same; or (b) assess LSTA additional capital contribution and connection fees for the number of EDU's by which LSTA exceeds its permissible capacity.

SECTION 9 - COLLECTION SYSTEM

The design, location and area of service of each party's Collection System shall remain and be wholly within its own discretion and control. Each party agrees that it will operate its Collection System continuously in compliance with all present or future laws and governmental regulations, will maintain the same in a state of good repair, and will make all renewals, replacements and ordinary improvements necessary to maintain adequate service.

SECTION 10 - ENACTMENT OF ORDINANCES, RESOLUTIONS AND REGULATIONS

LST agrees that it will enact an Ordinance which contains provisions at least as stringent as Township Ordinance 84.6 and subsequent updates thereto relating to sewage pretreatment, sewage surcharges, prohibition of the discharge of certain substances into the Collection System, and prohibition of the discharge of any sewage prohibited by any regulation of the Pennsylvania Department of Environmental Resources, the United States Environmental Protection Agency or any applicable state, federal or other regulatory body. LST and LSTA agree that

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Authority shall be delegated enforcement ability with regard to enforcement of sewage pretreatment matters and shall be permitted to bill any strength surcharges directly to LSTA customers discharging to the system tributary to Authority's Treatment Plant.

LST and Township agree that they will adopt appropriate Amendments to their respective 537 Plans to allow for the acquisition of capacity by LSTA contemplated by this Agreement. LST agrees to provide Authority with copies of all Planning Modules approved by LST which will result in the discharge of flows to Authority's Treatment Plant. LSTA agrees to provide Authority with copies of all sewer connection permit which will result in the discharge of flows to Authority's Treatment Plant. All parties agree to adopt those Regulations and Resolutions which are required to give effect to the terms and conditions of this Agreement. Prior to submitting any 537 Plan Amendments, Revisions or Supplements which will affect the physical facilities tributary to the interconnection with Township's system to DER, LST agrees to provide same to Township and Authority for their review and comment.

SECTION 11 - EXAMINATION OF RECORDS AND FACILITIES

The physical facilities of the interconnection and the Authority's records of the operation of same shall be open and available at all reasonable times to LST and LSTA as well as to its agents, employees and representatives. Each party may examine and inspect the other's facilities and records relating to the interconnection, and Authority may make periodic tests and

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measurements of sewage quality and flow in and from the LSTA Collection System tributary to the interconnection. Each party shall provide any relevant information requested by the other party.

SECTION 12 - ARBITRATION

Any disputes arising under this Agreement in connection with the construction or interpretation of the Agreement or the performance or breach of any term or condition of this Agreement may be submitted to arbitration by either party filing a written demand with the other party and with the President Judge of the Court of Common Pleas of Montgomery County. The President Judge, upon the request of either party, shall select one Arbitrator to hear and decide any said dispute or disputes. The decision of the Arbitrator shall be binding upon the parties. The Arbitrator's fees and costs shall be borne equally by each party. In the event the President Judge of the Common Pleas of Montgomery County refuses to appoint an Arbitrator, the parties agree to submit the matter to the American Arbitration Association for resolution in accordance with the Expedited Procedures of Construction Arbitration as set forth in the Construction Industry Arbitration Rules of the American Arbitration Association.

SECTION 13 - SEVERABILITY

Should any one or more of the provisions of this Agreement for any reason be held illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this Agreement; and this Agreement shall in such

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circumstances be construed and enforced as if such illegal or invalid provision had not been contained herein.

SECTION 14 - INTEGRATION

This Agreement contains the entire Agreement between the parties; there are no agreements, representations, warranties, oral or written, in existence which are separate and apart from this Agreement.

SECTION 15 - TERM OF AGREEMENT

This Agreement shall remain in effect for a period of one hundred (100) years from the date hereof, at which time it will renew itself for successive five (5) year periods. Either party to this Agreement may give notice of termination to the other party by providing written notice thereof at least six (6) months prior to the expiration of any then-current term of this Agreement.

SECTION 16 - COUNTERPARTS TO BE EFFECTIVE

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and be effective as an original, but all of which together shall constitute but one and the same instrument.

SECTION 17 - APPLICABLE LAW AND BINDING EFFECT

This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, and it shall be binding upon the successors and assigns of the parties hereto.

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SECTION 18 - AMENDMENTS

Any modifications to this Agreement must be in writing with duplicate originals being executed by all parties hereto.

SECTION 19 - EFFECTIVE DATE OF AGREEMENT

This Agreement shall be effective as of the day and year first above written, which shall be the date that the last subscribing party executes this document.

IN WITNESS WHEREOF, the parties hereto have caused the due execution and attestation hereof by their respective duly authorized officers.

TOWAMENCIN TOWNSHIP

By: _____

Attest: _____

UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY

By: _____

Attest: _____

LOWER SALFORD TOWNSHIP

By: _____

Attest: _____

LOWER SALFORD TOWNSHIP AUTHORITY

By: _____

Attest: _____

08/08/89

004070794

MODIFICATION AGREEMENT

THIS MODIFICATION AGREEMENT ("hereinafter Modification") is made on this 24th day of August, 1994, by and among **TOWAMENCIN TOWNSHIP** (hereinafter "Township"), **THE UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY** (hereinafter "Authority"), **LOWER SALFORD TOWNSHIP AUTHORITY** (hereinafter "LSTA") and **LOWER SALFORD TOWNSHIP** (hereinafter "LST").

BASIS OF AGREEMENT

A. On September 18, 1989, the parties to this Modification entered into a Transportation and Treatment Capacity Agreement (hereinafter "Agreement").

B. The Agreement provided for LSTA to purchase up to 500,000 gallons of capacity in Township's sewage collection system (hereinafter "Collection System") and Authority's Skippack Creek Pumping Station (hereinafter "Pumping Station") and sanitary sewage treatment plant (hereinafter "Treatment Plant").

C. In accordance with the Agreement, LSTA has paid for 150,000 gallons per day of capacity in the Collection System, Pumping Station and Treatment Plant.

D. LSTA intends to construct its own sanitary sewage treatment plant (hereinafter "New Plant"), but it is in need of purchasing additional capacity in the Collection System, Pumping Station and Treatment Plant on a temporary basis.

E. Township and Authority have agreed to sell additional capacity to LSTA on the terms and conditions set forth in this Modification.

F. All parties agree that to the extent that the Agreement contains terms and conditions which are inconsistent with this Modification, the terms and conditions of the Agreement must be modified.

NOW, THEREFORE, for the consideration set forth in this Modification and intending to be legally bound hereby, the parties mutually promise and agree as follows:

1. Purchase of Capacity - Township and Authority agree to sell and LSTA agrees to purchase 100,000 gallons per day of temporary additional capacity in Township's Collection System and Authority's Pumping Station and Treatment Plant for a minimum term of two (2) years and a maximum term of six (6) years from the date of this Modification. LSTA's right to use this temporary additional capacity shall terminate with the immediate secession of flows greater than the monthly average daily flow and daily peak flow which LSTA has purchased pursuant to the Agreement or this Modification upon the sooner of: a) six (6) years from the date of this Modification or b) six (6) months after Authority receives written notice from LSTA that LSTA is making its last semi-annual payment pursuant to this Modification.

2. Option to Purchase Capacity - In the event LSTA is not able to construct its New Plant within five (5) years and nine (9) months from the date of this Modification, LSTA shall have ninety (90) days thereafter within which to advise Authority and Township of the amount of additional capacity in the Collection

System, Pumping Station and Treatment Plant LSTA desires to purchase on a permanent basis. LSTA shall have the right, but not the obligation, to purchase up to 350,000 gallons (1,250 EDUs) on a permanent basis at the Township's then-current connection fee and Authority's then-current tapping fee if such capacity is available. All semi-annual payments made for temporary additional capacity shall be credited against the purchase price for permanent additional capacity. The provisions of this Paragraph shall constitute LSTA's sole right to purchase additional permanent capacity and shall render paragraphs 2A and 2B of the Agreement null and void and without further force and effect.

3. Previous Excess Flows - UGTMA contends that LSTA has, from time to time in the past, exceeded the flows to which LSTA is entitled pursuant to the Agreement. UGTMA asserts that there were overages in May and November of 1990, December of 1991, June, November and December of 1992 and January, March, April, September, November, and December of 1993 and January of 1994 resulting in excess flows of 32,127,000 gallons. In settlement of all claims relating to these excess flows, LSTA agrees to pay Authority the per diem per gallon charge subsequently set forth in this Modification for each of the aforesaid gallons of excess flow. LSTA further agrees to pay Authority the per diem per gallon charge for each gallon of excess flow generated between February 1, 1994 and the date of execution of this Agreement by all parties.

4. Excess Flows - LSTA shall be entitled to discharge monthly average daily flows of 250,000 gallons and shall be permitted to discharge daily peak flows of 750,000 gallons per day. Upon termination of its right to use temporary additional capacity pursuant to this Modification, LSTA shall be entitled to discharge monthly average daily flows equal to the amount of gallons it has permanently purchased and shall be permitted to discharge daily peak flows of three times the amount of capacity permanently purchased. Flows greater than this shall be deemed excess and subject to the per diem charge per gallon subsequently set forth in this Modification. Should excess flows result in any calendar month, LSTA shall pay the greater of:

A. The total amount calculated by adding the per diem per gallon charges for each day in the month in which there was excess peak flow; or

B. The total amount calculated by multiplying the number of gallons by which average daily flow was exceeded by the number of days in the month and further multiplying this result by the per diem charge per gallon.

5. Calculation of Charges - The charges which LSTA shall or may be required to pay to Authority shall be calculated as follows:

A. Per Diem Per Gallon Charge

Township Connection Fee	$ 856.00 per EDU
Authority Tapping Fee	3,450.00 per EDU

Total	$4,306.00 per EDU
Estimated Life of Plant	20 years
Number of Gallons per EDU	280
Days per Year	365

$4,306.00 ÷ 20 ÷ 280 ÷ 365 = $.0021 per diem per gallon charge

B. Annual Capacity Charge:

Per Diem per Gallon Charge	$.0021
Temporary Additional Capacity Purchased	100,000 gallons
Days per Year	365

.0021 X 100,000 X 365 = $76,650.00 annual capacity charge

C. Treatment and Pump Station Charges as set forth in Section 7 of the Agreement.

6. Payment of Charges - LSTA agrees to pay Authority or Township, as appropriate, the following charges at the times set forth below:

A. Annual Capacity Charge - LSTA agrees to pay the annual capacity charge in semi-annual installments, the first such payment to be made upon execution of this Modification, with subsequent payments to be made at six month intervals thereafter.

B. Per diem per Gallon Charges:

(i) Past Excess Flows - Upon execution of this Modification, LSTA agrees to pay $67,466.70 (32,127,000 X $.0021 = $67,466.70) for excess flows through January, 1994;

(ii) Current Excess Flows - Within ninety (90) days following the execution of this Modification, LSTA agrees to pay the per diem per gallon charge for each gallon of excess flow

generated between February of 1994 and the date of this Modification.

C. Future per diem per Gallon Charges for Excess Flows, Treatment and Pump Station Charges - LSTA agrees to pay per diem per gallon charges for excess flows and normal treatment and pump station charges pursuant to the current schedule as invoiced by Township. LSTA agrees to act upon these bills at the first meeting subsequent to receipt of invoices from Township (hereinafter "due date").

7. Guaranteed Revenue - Subject to the provisions of Paragraph 1 of this Modification, LSTA agrees that its annual capacity charges shall be paid for a minimum of two years regardless of the amount of flow actually discharged. In addition and regardless of the amount of flow actually discharged, LSTA agrees to pay Authority, for a term of two (2) years, a guaranteed minimum treatment and pump station charge calculated as if flows average 150,000 gallons per day. Should actual flows exceed 150,000 gallons per day, the guaranteed minimum will not apply and charges will be calculated based upon the actual flow discharged.

8. Payment Guarantee - LSTA agrees to enter into a Tri-Party Agreement with its Trustee, Harleysville National Bank, and Authority to set aside $76,650 in order to guarantee payment of the annual capacity charges required by this Agreement. The Agreement shall provide, inter alia, that if LSTA shall fail to make a semi-annual capacity payment, within thirty (30) days of

its due date, Authority shall receive payment from the Trustee by submitting a letter, signed by Authority's Chairman, that LSTA has failed to make the payment required by this Modification. LSTA must immediately replace in the fund set aside any sum paid to Authority by Trustee.

9. Prior Inconsistencies - Except to the extent that they are inconsistent herewith, all terms and conditions of the Agreement are hereby ratified and confirmed. The parties agree, as a result of this Modification, that the following Paragraphs of the Agreement are hereby deemed null and void: Paragraphs 2A, 2B and 2C, Paragraph 3, Paragraph 4, Paragraph 5 and Paragraph 8. In addition, the last sentence of the definition of the word "Capacity" appearing on page 2, in Section 1 of the Agreement is hereby deleted and deemed null and void.

10. Integration and Applicable Law - This Modification and the Agreement contain the entire understanding between the parties and there are no agreements, recitations, warranties, oral or written, in existence which are separate and apart the from the Agreement or this Modification. This Modification shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, and it shall be binding upon the successors and assigns of the parties hereto.

11. Effective Date and Counterparts - This Modification shall be effective as of the day and year first above written, which shall be the date of the meeting at which the last subscribing party executes this document. This Modification may

be executed in two or more counterparts, each of which shall be deemed an original and be effective as an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused the due execution and attestation hereof by their respective duly authorized officers.

TOWAMENCIN TOWNSHIP

Attest: _____ By: _____

UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY

Attest: _____ By: _____

LOWER SALFORD TOWNSHIP

Attest: _____ By: _____

LOWER SALFORD TOWNSHIP AUTHORITY

Attest: _____ By: _____

Lower Salford Township Authority

P.O. Box 243
Harleysville, PA 19438

PHONE: 215-256-8676 FAX: 215-256-6070

July 28, 2016

Rob Ford
Towamencin Township
P.O. Box 303
Kulpsville, PA 19443-0303

Re: Lower Salford Township Authority Sewer Billing

Dear Rob,

Thank you for taking the time to meet with us last week to discuss the proposed changes to the current sewer billing methodology used for the flow from the Lower Salford Township Authority (LSTA) interceptor line to Towamencin Township. By way of history, the semi-annual bill had been based upon the meter readings from an open channel flow meter. Due to the low flow from the three customers connected to the interceptor, the LSTA continues to encounter inaccurate readings from the flow meter. The LSTA's proposal for future billing would be based upon the water meter readings for the three customers listed below. Based on the prior six months data, the flow from the three customers averaged less than 3,000 gpd

- Terroir LLC, 17 Mainland Road
  Mainland Inn Restaurant serviced with public water by NPWA.

- Landtree LLP, 33 Mainland Road
  Home converted to 5 apartment units serviced by well with no meter. Assume 400 gpd for (5 units)

- Mellon Legacy Property LLC, 45 Mainland Road
  Former warehouse converted to music repair business serviced by well with a meter

Per your request, enclosed is a copy of the site plan which identifies the location of the open channel flow meter and the three customers connected to the interceptor.

On behalf of the LSTA, we appreciate your cooperation in accepting our proposal to modify the methodology used to calculate our future sewer invoices for the flow from the interceptor. Effective with May 2016 data, we will provide the monthly water meter records for the three customers to Towamencin Township.

Sincerely,

Connie Weimer

Connie Weimer

enclosure
cc: William Dingman, P.E.
File

TMA Meter Pit

Wednesday, July 27, 2016 8:02 AM

Towamencin Township
Docket No. A-2023-3040661
Statement WD-1
Revised Exhibit T-6

TOWAMENCIN TOWNSHIP MUNICIPAL AUTHORITY
(Hereinafter referred to as the "Company")

RATES, RULES AND REGULATIONS GOVERNING THE PROVISION OF WASTEWATER COLLECTION, TREATMENT AND/OR DISPOSAL SERVICE TO THE PUBLIC IN WORCESTER TOWNSHIP, LOWER SALFORD TOWNSHIP, FRANCONIA TOWNSHIP, AND BOROUGH OF LANSDALE, MONTGOMERY COUNTY ALL IN THE COMMONWEALTH OF PENNSYLVANIA

Filed in compliance with the Pennsylvania Public Utility Commission Order at A-2023-3040661, entered [DATE].

Issued: [DATE]

Effective: [DATE]

By: David Kraynik, Township Manager
Towamencin Township
1090 Troxel Road
Lansdale, PA 19606
215-368-7602 ext. 1201
dkraynik@towamencin.org

LIST OF CHANGES

Changes

This tariff is being originally filed as Tariff Wastewater PA P.U.C. No. 1, for the Towamencin Township Municipal Authority with Commission approval at A-2023-3040661 granting the Application Of Towamencin Township, Pursuant To 66 Pa. C.S. § 1102(a), For A Certificate Of Public Convenience To Offer, Furnish, Render, And Supply Wastewater Service To The Public In Certain Portions Of Worcester Township, Lower Salford Township, Franconia Township And Lansdale Borough, All In Montgomery County, Pennsylvania.

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PART I: SCHEDULE OF CHARGES

SECTION A: Wastewater Service Charge

1. Imposition of Charge: A wastewater service charge is hereby imposed upon the owner of each improved property which is connected to and who uses the wastewater system, whether such use is direct or indirect, for service rendered, and shall be payable as provided herein.

2. Wastewater Service Charge by Owner of Improved Property: The wastewater service charge shall be payable by the owner of each improved property commencing the earlier of:

    i. The date of actual physical connection of an improved property to the wastewater system; or

    ii. Forty-five (45) days from the date indicated on the notice to connect.

3. Wastewater Service Charge by Equivalent Dwelling Unit (EDU):

    a. Metered Rate Basis:

        i. Wastewater service charge for any improved property, in the discretion of the Company, may be determined on a metered basis. Each customer billed on a metered rate basis shall, nonetheless, be required to purchase and apply to each such improved property a specific number of EDUs which number shall be determined in the same manner as if the improved property were paying wastewater service charges on a flat rate basis. However, the actual wastewater service charge shall be calculated according to:

            1. Metered volume of potable water consumption by the improved property, adjusted, if appropriate by the Company; or

            2. Metered volume of wastewater discharged by the improved property into the wastewater system, but subject to a minimum wastewater service charge per EDU.

    b. Estimated Rate Basis: The wastewater service charge may be based upon the Company's estimate of potable water consumed or domestic sanitary wastewater or industrial wastes discharged by any improved property in accordance with the metered rate schedule provided herein.

4. Wastewater Service Charge per EDU:

    The wastewater service charge will be as follows:

    a. Flat Rate Basis:

i. Residential: For all residential customers, the current annual wastewater fixed charge of $450.00 per EDU.

ii. Commercial: For all commercial customers, the current wastewater fixed charge of $225.00 per EDU per billing cycle.

b. Metered Rate Basis:

i. Commercial: Commercial customers are assessed a metered rate equal to 0.04611 per cubic foot of water consumption with a minimum fee of $225 per EDU per billing cycle.

5. Slug Surcharge: A customer which allows a slug discharge, of either or both a hydraulic and/or loading nature, to occur shall be responsible for payment of the remedial cleanup costs, as well as any costs to or damages or losses suffered by the Company as a result of any interference in operation of the wastewater system.

6. Owner and/or Customer to Provide Information to Company:

a. The owner of any improved property and/or customer discharging wastewater into the wastewater system shall furnish to the Company all information deemed essential or appropriate by the Company for the determination of all applicable wastewater service charges and surcharges. The costs of obtaining such information shall be borne by such owner of the improved property and/or customer. The Company reserves the right to review the disposition of customer wastewaters at any time service is in force.

b. In the event of the failure of the owner and/or customer to provide adequate information, the Company shall estimate the applicable wastewater service charge and surcharge based upon available information or until such time as adequate information is received. There shall be no past rebate of past payment if the owner and/or customer refusal to provide such information results in overpayment.

SECTION B – Returned Check Charge

A charge of __ ($__.00) will be assessed any time where a check which has been returned to the Company for payment on account has been returned by the payer's bank for any reason.

SECTION C – Late Payment Charge

All amounts not paid when due shall accrue a late-payment charge at the rate of one-and-a-half percent (1.5%) per month. These charges are to be calculated on the overdue portions of the bill only. The interest rate of the Late Payment Charged, when annualized, will not exceed eighteen percent (18%) simple interest per annum.

SECTION D – Prohibited Infiltration/Inflow Waters Charge

The owner of an improved property who fails to repair or correct the defects causing infiltration/inflow waters to flow into a wastewater system within ninety (90) days, after having received proper notice from the Company, will be assessed a penalty of one hundred dollars ($100.00) per day, until such remedial action is satisfactorily completed.

SECTION E – Failure to Cleanup and Remedy Prohibited Discharges Charge

Failure of the owner of an improved property and/or customer to satisfactorily cleanup and remedy any prohibited discharge by act or omission, willfully, recklessly, or negligently as characterized in Part III, Section F, within twenty-four (24) hours, will result in a penalty of ___ dollars ($__.00), plus an additional ___ dollars ($__.00) for each day thereafter of non-compliance. The owner and/or customer shall additionally be responsible for payment of the remedial cleanup costs, as well as any costs to or damages or losses suffered by the Company as a result of any interference in operation of the wastewater system.

SECTION F – Connection Permit Application and Building Service Line Inspection Charge

The following charges will be assessed to the owner of an improved property to cover the costs incidental to the processing of a Connection Permit Application and the inspection of the building service line following installation: ___ dollars ($__.00) for Plumbing Permit; ___ ($__.00) for Sewer Collection Fee; ___ dollars ($__.00) for Inspection Fee; and ___ dollar ($__.00) for Customers Facilities Inspection Fee. These charges shall be payable when the Connection Permit Application is filed.

PART II – DEFINITIONS

The following words and phrases, when used in this tariff shall have the meanings assigned below unless the context specifically and clearly indicates otherwise:

1. Applicant: Any person, association, partnership, corporation, society, trust, religious organization or other group or entity, including municipalities, authorities, school districts, state or federal governmental agencies and other units of government who has an interest in improved property located within the service territory, including property owners, tenants renting under a lease of one year or longer, persons who have entered into an agreement, or other persons having a similar interest who apply to become a customer of the Company in accordance with Part III, Section A of this tariff. The term does not include

a customer who, within sixty (60) days after termination or discontinuance of service, seeks to transfer service within the service territory or to reinstate service at the same address.

2. Building Sewer or Lateral: The extension of the building drain from the curb line or property line to the public sewer or other place of disposal.

3. Code: The International Codes ™ regulations, subsequent amendments thereto, or any emergency rule or regulations that the administrative authority having jurisdiction has lawfully adopted.

4. Code Official: The officer or other designated authority charged with the administration and enforcement of the Code, or a duly authorized representative.

5. Commercial Establishment: Any room, group of rooms, building, or enclosure connected, directly or indirectly, to the Company's wastewater system and used or intended for use in the operation of a business enterprise for the sale and distribution of any product, commodity, article, or service.

6. Commercial Waste: Any and all wastes discharged from a commercial establishment other than domestic sanitary wastewater.

7. Commission: The Pennsylvania Public Utility Commission.

8. Company: Towamencin Township, acting through its properly authorized agents or employees, each acting with the scope of the duties entrusted to them.

9. Company Collection Mains: A network of pipes located in public highways, streets, alleys, or private right-of-ways for the purpose of gathering wastewater from individual structures or dwellings and conveying the flow to a wastewater pumping or treatment facility.

10. Company Service Lateral: The pipe or line extending laterally out from the Company Collection Main that connects to the building service line at the hypothetical or actual curb line, edge of the right-of-way, or the actual property line.

11. Customer: A natural person or entity who is an owner of an improved property connected to the Company's wastewater system or lessee and who contracts with the Company for or

receives wastewater collection, treatment, and/or disposal service whether or not such contract is in writing.

12. Customer Service Line: See definition for Building Sewer or Lateral.

13. Domestic Sanitary Wastewater: Normal water carrying household and toilet wastes discharged from any improved property.

14. Dwelling Unit: Any room, group of rooms, house trailer, or other enclosure occupied or intended for occupancy as a separate business or a separate living quarters by a family or other group of persons living together or by a person living alone.

15. Equivalent Dwelling Unit or "EDU": The unit of measure by which a wastewater service charge shall be imposed upon each improved property, as determined in Part I of this tariff, which shall be deemed to constitute the estimated, equivalent amount of domestic sanitary wastewater discharged by a single-family dwelling unit in a single day. One (1) EDU shall be equal to two hundred (200) gallons of wastewater per day for a three (3) bedroom residence.

16. Extension: An addition to the wastewater collection system to extend service into the Company's franchise territory in order to accommodate more than one connection.

17. Franchise Territory: The land area where the Company has the exclusive right to provide wastewater service depicted in Exhibit A. The boundaries of this land area were approved the Commission in an Order dated _____ in accordance with its Certificate of Public Convenience at Docket No. A-2023-3040661.

18. Garbage: Solid waste resulting from the domestic and commercial preparation, cooking, and dispensing of food and from the handling, storage, and sale of produce.

19. Headworks: The first treatment unit or wet well at the wastewater treatment plant.

20. Improved Property: Any property within the Company upon which there is erected a structure intended for continuous or periodic habitation, occupancy, or use by human beings or animals and from which structure sanitary wastewater and/or commercial or industrial wastes shall be or may be discharged.

21. Industrial Establishment: Any improved property, used or intended for use, wholly or in part, for the manufacturing, processing, cleansing, laundering, or assembling of any

product, commodity, or article, or any other improved property from which wastes, in addition to domestic sanitary wastewater, shall or may be discharged.

22. Industrial Waste: Any and all wastes discharged from an industrial establishment other than domestic sanitary wastewater.

23. Infiltration: Any groundwater entering the building service lines through defective joints and cracks in the pipes.

24. Inflow: Any water discharged into the building service lines from foundation and roof drains, floor drains, sump pumps, outdoor paved areas, cooling water from air conditioners, and unpolluted waters from commercial, educational, industrial, and institutional establishments.

25. Interference: A discharge, alone or in conjunction with a discharge(s) from other sources, which:

    a. Inhibits or disrupts the wastewater treatment facilities, its treatment processes, operations, or maintenance activities, or its sludge and resultant ash processes, use, reuse, recycling, or disposal;

    b. Is a clause of a violation of a requirement of the Company's NPDES permit – including an increase in the magnitude or duration of a violation – or of the preventions of biosolids use or disposal in compliance with the following statutory provisions and regulations or permits issues thereunder – or more stringent State of local regulations:

        i. Section 405 of the Clean Water Act (33 U.S.C.A. § 1345).

        ii. The Solid Waste Disposal Act (42 U.S.C.A. §§ 6901 – 6987), including Title II, more commonly referred to as the Resource Conservation and Recovery Act of 1976.

        iii. Regulations contained in the State's biosolids management plan prepared under Subtitle D of the SWDA, the Clean Air Act (42 U.S.C.A. §§ 6901 – 6987), the Toxic Substances Control Act (16 U.S.C.A. §§ 2601 – 2629), and the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C.A. §§ 1431 – 1434; 33 U.S.C.A. §§ 1401, 1411 – 1421, and 1441 – 1445).

26. Land Developer: An individual, a partnership, a limited liability company, or a corporation who acquires nature or unimproved land with no improvements or infrastructure and improves it with utility connections, roads, earth grading, covenants, and entitlements.

27. Meter: Any device for the purpose of recording water consumption or the volume of wastewater discharged.

28. Nonresidential Service: Wastewater service supplied to a commercial establishment, educational establishment, institutional establishment, industrial establishment, a trailer park, multi-tenant apartment building, or any customer who purchases wastewater service from the Company for the purpose of resale.

29. NPDES Permit: A permit or equivalent document or requirement issues by the United States Environmental Protection Agency, or if appropriate, by the Pennsylvania Department of Environmental Protection, to regulate the discharge of pollutants under Section 402 of the Clean Water Act (33 U.S.C.A. § 1342).

30. Nuisance: A public nuisance as known in common law or in equity jurisprudence; whatever is dangerous to human life or detrimental to health.

31. Owner: A person vested with the ownership, legal or equitable, sole or partial, of any property located in the Township.

32. Person: Any individual, partnership, company, association, corporation, or other group or entity.

33. Pollutants: Any liquid, solid, or gaseous materials, including but not limited to, dredged oil, solid waste, incinerator residue, sewage, garbage, sewage sludge, munitions, chemical wastes, biological materials, radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt, municipal, agricultural, commercial and industrial wastes, and certain characteristics of wastewater.

34. Premises: Unless otherwise indicated, the residence of the customers.

35. Properly Shredded Garbage: Garbage that has been shredded to such a degree that all particles will be carried freely under the flow conditions normally prevailing in the Company's collection mains, with no particle greater than one-half (1/2) inch in any dimension.

36. Public Utility: Persons or corporations owning or operating equipment or facilities in this Commonwealth for wastewater collection, treatment, or disposal to the public.

37. Residential Service: Wastewater service supplied to an individual, single-family residential dwelling unit, including service provided to a commercial establishment if

concurrent service is provided to a residential dwelling attached thereto. Wastewater service provided to a hotel or motel is not considered residential service.

38. Regulatory Agency: Agencies, including but not limited to, the Commission, the Pennsylvania Department of Environmental Protection, the United States Environmental Protection Agency, and the River Basin Commissions, which have authority over the operations and/or discharges into and/or from the Company's wastewater treatment facilities.

39. Service Territory: Is the actual land area where the Company has collection facilities available to provide wastewater service.

40. Sewage: Any substance that contains any of the waste products, excrement, or other discharge from the bodies of humans or animals, and any noxious or deleterious substance being harmful or inimical to the public health, or to animal or acquatic life, or to the use of water for domestic water supply or recreation.

41. Slug: Any discharge of water, wastewater, or industrial waste which, in concentration of any given constituent or in quantity of flow exceeds, for any period of duration longer than fifteen (15) minutes, more than five (5) times the average twenty-four (24) hour concentration or flows during normal operation.

42. Street: Any street, road, highway, land, avenue, court, cul-de-sac, alley, public way, or public square, including such streets as are dedicated to public use.

43. Storm Water Collection System: A separate network of gutters, ditches, swales, pipes, and inlets which receives discharges of storm water and/or conveys surface water, subsurface drainage, or storm water from buildings, grounds, parking lots, streets, etc. but excludes wastewater.

44. Tariff: All of the service rates, charges, rules, and regulations issued by the Company, together with any supplements or revisions thereto, officially approved by the Commission and contained in this document.

45. Termination of Service": Cessation of service, whether temporary or permanent, without consent of the Customer.

46. Toxic Substances: Any substances where gaseous, liquid, or solid waste which, when discharged to the Company's facilities in sufficient quantities, will be detrimental to any biological wastewater treatment process, constitute a hazard to human beings or animals, inhibit aquatic life, or create a hazard to recreation in receiving waters of the effluent from

the wastewater treatment plant, or as defined pursuant to PL 92-500 (Federal Water Pollution Control Act Amendments of 1972) or its amendments.

47. Wastes: Any liquid, gaseous, or solid substances or combination thereof which are discarded, leached, or spilled substances or combination thereof including domestic sanitary wastewater, but excluding unpolluted, storm, and ground waters.

48. Wastewater: A combination of the water-carried wastes from an improved property, together with such ground, surface, and storm water as may be present in Company collection mains and laterals.

49. Wastewater Service Charge: The service charge imposed by the Company hereunder, as amended from time to time, against the owner of each improved property and/or customer, for the use of the wastewater system, and against the owner of each reserved capacity EDU.

50. Wastewater System: All facilities, at any particular time, acquired, constructed, operated, and/or owner by the Company, for collecting, transporting, pumping, treating, and disposing of wastewater.

51. Unimproved Property: Any property upon which there exists no structure intended for continuous or periodic habitation, occupancy, or use by human beings or animals.

PART III: RULES AND REGULATIONS

SECTION A – Application for Service

1. Service Application Required: All applications for service must be in writing on an Application Form provided by the Company and signed by the owner or owners of the property to which wastewater service will be provided; except that where a lessee of property occupies or uses the property under a lease having a fixed term of one (1) year or longer, the lessee may request service as an applicant. An application for residential wastewater service shall only be made by an adult occupant whose name appears on the mortgage, deed, or lease of the property. The Company may, at its sole discretion, require that the applicant sign a separate contract for service.

2. Change in Ownership or Tenancy: All applications for service must be made to the Company upon any change in ownership where the owner of the property is the customer, or upon any change in the identity of a lessee where the lessee of the property is the customer. The Company shall have the right to discontinue or otherwise interrupt wastewater service in accordance with 52 Pa. Code § 56.91, if a new application has not been made and approved for the new customer.

3. Acceptance of Application: An application for service shall be considered accepted by the Company only upon written approval by the Company. The Company may provide service to the applicant pending formal review and acceptance of the application. The application may be approved or rejected by the company in accordance with 52 Pa. Code § 56.32, pertaining to credit standards. The person or persons making the application must sign the

same, and will be considered the customer(s) under the contract and will be responsible for all charges and proper observance of the Company's rules and regulations.

4. Application Form: An Application for Service form can be obtained at the Company's local business office, presently located at 1090 Troxel Road, Lansdale, PA 19446.

5. Temporary Service: In the case of temporary service for short-term use, the Company may require the customer to pay all costs of making the Company service lateral connection and for its removal and/or abandonment after the service has been discontinued, or to pay a fixed amount in advance to cover such expenses.

SECTION B – Construction and Maintenance of Owner's Facilities

1. Building Service Line Connection Permit Requirement: No building service line shall be connected to the Company's wastewater system without first obtaining from the Company a Building Service Line Connection Permit. Application for such permit must be in writing using the Application for a Connection Permit form provided by the Company and shall be signed by the owner(s) of the property. This permit only grants permission to connection to the Company's wastewater system and shall not be construed as authority to violate, alter, or set aside any of the provisions of the International Plumbing Code of Pennsylvania and any other applicable laws or ordinances. The permit is invalid unless the connection is made within one (1) year of permit issuance.

2. Building Service Line: The building service line shall be furnished, installed, maintained in good repair, and replaced, when necessary, by and at the sole expense of the owner. The Company shall rely on the regulations of the International Plumbing Code for the general requirements for the erection, installation, alteration, repairs, relocation, replacement, addition to, use of, and maintenance of the building service line. Connection to the Company's wastewater facilities may not occur unless the owner provides written proof (i.e., a notice of approval issued by the code official) that the building service line passed the testing and inspection requirements in accordance with Section 107 of the International Plumbing Code. The Company's authorized representatives or agents of the Company shall inspect the physical connection of the building service line with its service lateral before this work is backfilled.

3. Owner's Responsibilities: All building service lines, connections, cleanouts, traps, interceptors, separators, and screens furnished by the owner shall be maintained by the owner in good working order. All pipes, connections, couplings, valves, meters, and fixtures furnished by the Company and on property owned or leased by the customer shall be protected properly by the customer. When there is a backup in the premises, the customer should contact the Company's office to report the problem. The Company will dispatch an authorized representative or agent to inspect its facilities to insure that they are not the cause of the problem and will inform the caller of their findings. This inspection service is provided free of charge. The owner is responsible for the immediate repair of any leaks or blockages in the building service line. The Company shall not be liable for any damage or expense resulting from leaks, stoppages or defective plumbing or from any

other cause occurring to any premises or within any building or structure when such damage or expense is found to have resulted from stoppage, damage or defects in the building service line. The Company shall not be liable for a deficiency or failure of service when occasioned by an emergency, required repair, or failure from any cause beyond its control.

4. Right to Reject and Test: The Company may refuse to connect with any building service line or furnish service through a service line already connected if such service line is not properly installed, maintained, tested, repaired or replaced to the satisfaction of the Company. The Company at any time may request a Gravity Sewer Test be performed on the building service line, at the sole expense of the owner, whenever it has evidence the service line is leaking excessively. The leakage is excessive when the groundwater flow exceed one hundred (100) gallon per inch of nominal diameter per mile of pipe per day. The Gravity Sewer Test shall be in accordance with Section 312.6 of the International Plumbing Code.

5. Individual Building Service Line Requirements: Except as otherwise expressly authorized by the Company, each individual structure or dwelling shall be served only through a separate service line connected directly to the Company service lateral, and that this service line shall not serve any other structure or dwelling. No additional attachment may be made to any building service line for any purpose without the express written approval of the Company. The building service line shall not pass through or across any property other than that to be served.

6. Connection to Company's Collection Main or Service Lateral: No connection shall be made to the Company collection main, or to an existing Company service lateral, or detachment from it, except under the direction and control of the Company' authorized representative or it agent. All such connection shall be the property of the Company and shall be accessible to it and under its control. The Company will normally furnish, install and maintain all service laterals from the collection main to the curb, edge of right-of-way or property line and the connection fitting thereto.

7. Owner's Pumping Units: When a pump or ejector is required to use the Company's system, it shall be the owner's responsibility to purchase, install, operate, maintain, trouble-shoot, repair and replace the unit. The unit shall be designed to conform to the requirements of Section 712 of the International Plumbing Code.

SECTION C – Discontinuance, Termination, and Restoration of Service

1. Discontinuance by Exoneration: All requests for exoneration of the Wastewater Service Charges on the basis of a condition of vacancy existing at an improved property connected to the wastewater system must be in writing on an Application Form provided by the Company. When a customer requests exoneration, the following rules shall apply:

   a. The owner or owners of the property shall complete and submit an Application for Exoneration of Vacated Property. The Application forms can be obtained at the

Company's local business office, presently located at 1090 Troxel Road, Lansdale, PA 19446.

b. A customer who wishes to have service discontinued by exoneration shall prepare and submit an Application giving at least a three (3) days notice to the Company. The property shall have been vacated for a period of thirty (30) consecutive calendar days and all utilities such as water, gas, electricity, cable, etc. must have been disconnected during this period. In the absence of proper notice, the customer shall be responsible for all service rendered until the time that the Company shall have actual or constructive notice of the customer's intent to discontinue service. The customer shall not begin to use nor cease to use wastewater service without the prior written consent of the Company. A customer discontinuing service remains a customer for purposes of paying a billing service restoration charge pursuant to Rule 5 of this Section for a period of nine (9) months.

c. Where a customer requests the restoration of service within six (6) months of having the service discontinued, the customer shall be subject to monthly minimum billing for that period.

2. Termination by Company: Service to the customer may be terminated for good cause, including, but not limited to, the following:

a. Making an application for service that contains material misrepresentations;

b. Failure to repair any known leaks in building service lines;

c. Connecting, or failure to remove the connection, of any source of storm water, surface water, ground water, roof runoff, and/or uncontaminated water from air-conditioning systems, swimming pools, and so forth;

d. Tampering with any building service line, lateral connection, or installing or maintaining any unauthorized connection;

e. Theft of service, which shall include taking service without having made a proper application for service under Part III, Section A;

f. Failure to pay, when due, any charges accruing under this Tariff;

g. Discharge of any prohibited substance listed in Part III, Section F into the Company's system;

h. Failure to allow Company reasonable access to customer's property to inspect, investigate, read, sample, notify, maintain, repair, shutoff, etc.;

i. Receipt by the Company of an order or notice from the United States Department of Environmental Protection, a health agency, local code enforcement officer, or other similar authority, to terminate service to the property served on the grounds

of violation of any law or ordinance, or upon notice to the Company from any such authority that it has ordered an existing violation on the property to be corrected and that such order has not been complied with; or

j. Material violation of any provision of this tariff.

3. Notice: The Company will notify the customer in writing when a condition(s) that warrants termination is discovered. Notice of termination will be given in such a matter as may be specified in the Public Utility Code, 66 Pa. C.S. §§ 101 et seq.

4. Timing: Service will be terminated without notice for violations of Rule 2. a., d. and e. of this Section. A reasonable time will be allowed to investigate, correct or cure the condition(s) specified when the customer provides written notification to the Company of a realistic time schedule. A customer who does not notify the Company is subject to having its service terminated without further notice from Monday through Friday. The termination of service may also include the termination of water service to the premise.

5. Restoration of Service:

a. Conditions of Restoration: Whenever service is discontinued by exoneration or terminated pursuant to Rule 1 or Rule 2 of this Section, service shall be permitted by the Company only upon the payment by the customer of a billing service restoration charge, and if service was terminated under Rule 2, the curing of the problem(s) that gave rise to the termination.

b. Timing: When service to a customer has been terminated and, provided the Customer has met applicable conditions, the Company shall reconnect service as follows:

i. Within twenty-four (24) hours for erroneous termination or upon receipt by the Company of a valid medical certification from the customer;

ii. Within twenty-hour (24) hours for termination occurring after November 30 and before April 1;

iii. Within three (3) days for erroneous terminations requiring street or sidewalk digging;

iv. Within three (3) days from April 1 to November 30 for proper terminations; and

v. Within seven (7) days for proper terminations requiring street or sidewalk digging.

SECTION D – Billing and Collection

1. Issuance of Bills: The Company will bill each customer within fifteen (15) days of the last day of each billing period.

2. Billing Due Date: The due date for payment of a bill for nonresidential service shall be no less than fifteen (15) days from the date of transmittal. The due date for payment of a bill for residential service shall be no less than twenty (20) days from the date of transmittal. If the last day for payment falls on a Saturday, Sunday or bank holiday, or on any day when the offices of the Company are not open to the general public, the due date shall be extended to the next business day. Failure to receive a bill shall not relieve the customer from its payment obligation. The presentation of bills to customers is a matter of accommodation and not a waiver of this rule. For bills paid by mail, the date of the Postal Service postmark is considered the payment date.

3. Late-Payment Charge: All amounts not paid when due shall accrue a late- payment charge. The Company may not impose a late-payment charge unless payment is received more than five (5) days after the billing due date.

4. Change in Billing Address: Where a customer fails to notify the Company of a change in billing address, the customer shall remain responsible to remit payment by the billing due date.

5. Application of Payment: Utility bills rendered by the Company shall include only the amount due for wastewater service. Where a customer remittance to the Company includes payment for any non-wastewater services, proceeds will be applied first to pay all outstanding regulated utility charges.

6. Return Check Charges: The customer will be responsible for the payment of a charge, for each time a check presented to the Company for payment on a customer's utility bill, for either wastewater or non-wastewater service, if the check is returned by the payer bank for any reason including, but not limited to, insufficient funds, account closed, payment stopped, two signatures required, post-dated, stale date, account garnished, or unauthorized signature. This charge is in addition to any charge, which may be assessed against the customer by the bank.

7. Disputed Bills: In the event of a dispute between the customer and the Company with respect to any bill, the Company will promptly make such investigation as may be required by the particular case and report the result to the customer. The customer is not obligated to pay the disputed amount during the pendency of the Company's investigation. When the Company has made a report to the customer sustaining the bill as rendered, the customer shall have fifteen (15) days from the date of such report in which to pay the bill. If the Company determines that the bill originally rendered is incorrect, the Company will issue a corrected bill with a new due date for payment. Any amounts received by the Company in excess of

the amount determined to be due by the Company's investigation of the dispute shall be refunded to the customer.

8. Utility Bill Adjustment Policy for Metered Rate Customers: When a metered customer of the Company believes they are entitled to relief, they will present their facts in writing to the Business Office no less than ten (10) days from the date of the bill transmittal. Metered Rate bill adjustments will only be considered if the disputed monthly usage exceeds $50 over the previous three (3) months average billing. Only under extenuation circumstances, relief will only be considered for a single month. Metered Rate bill adjustments will only be considered if the metered usage for the quarter exceeds the previous quarter's usage by 20 percent or more. The Company at its discretion may charge a fee of up to $50 to research the issue and make adjustments to the bill. The customer whose rate is based on domestic water meter readings must prove the excess water usage did not enter the wastewater system to be considered for relief. Normal usage such as automobile washing or pool maintenance will not be considered for relief. The customer must respond to the possible leak and take corrective action in an expeditious manner as soon as they become aware of a problem. The customer must present information explaining the corrective action taken to prevent this problem from occurring again. The Company will notify customers of exceeding higher than normal meter readings. Any excess usage from neglect or failure to perform proper maintenance, after being notified by the Company of such maintenance concerns, will not be considered for relief. In the event a customer challenges the accuracy of the meter, the process and fee for testing will be as specified at 52 Pa. Code § 65.8. Meters.

SECTION E – Deposits

1. Residential Customers:

   a. New Applicants – The Company will provide service without requiring a deposit unless the applicant was terminated for nonpayment within the prior twelve (12) months or has an unpaid balance for prior service from the Company. The amount of the deposit will not be greater than an estimated average bill for one (1) billing period plus the estimated bill for one (1) additional month's service.

   b. Existing Customers – If a customer has paid late on two (2) consecutive occasions or a total of three (3) times within the prior twelve (12) month period, the Company may send a letter informing the customer that a deposit may be required if another late payment is received within the next twelve (12) months. An existing customer may be required to pay a deposit as a condition to having service restored after termination for non-payment or for failure to comply with a payment agreement. The amount of the deposit will not be greater than an estimated average bill for one (1) billing period plus the estimated bill for one (1) additional month's service.

   c. Deposit Refunds and Interest – A deposit will be refunded if service is discontinued and the final bill is paid or if the customer has paid the bills for the prior twelve (12) month period without having been late on more than two (2) occasions and is

not currently delinquent. Interest on deposits will be paid at the rate governed by 52 Pa. Code § 56.57. Interest rate. On deposits held for more than a year, the Company will pay to the depositor, at the end of each calendar year, the interest accrued thereon.

2. Nonresidential Customers:

   a. New Applicants – A deposit may be required from any new applicant who does not have prior satisfactory credit history with the Company. The amount of the deposit will not be greater than an estimated average bill for one (1) billing period plus the estimated bill for one (1) additional month's service.

   b. Existing Customers – Deposit requirements for existing nonresidential customers shall be as established for residential customers in Rule 1 of this Section.

   c. Deposit Refunds and Interest – A deposit will be refunded if the customer pays all bills on time over a twelve (12) month period or if service is discontinued and the final bill has been paid. There will be no interest paid on deposits for nonresidential accounts.

SECTION F – Wastewater Control Regulations

1. General Prohibitions:

   a. No customer shall introduce or cause to be introduced into the wastewater system any pollutant or wastewater that causes a pass through or interference. This applies to all customers whether or not they are subject to categorical pretreatment standards or any other National, State or local pretreatment standards or requirements.

   b. No storm water, surface water, ground water, artesian well water, roof runoff, subsurface drainage, swimming pool drainage, condensate, deionized water, non-contact cooling water, and other uncontaminated water unless specifically authorized in writing from the Company shall be admitted. The use of uncontaminated water to dilute other contaminated wastewater to comply with established limitations shall be prohibited.

2. Prohibited Wastewater Discharges: No person shall cause or permit to be discharged into the Company's wastewater system any pollutants, substances, or wastewater having any of the following characteristics:

   a. Wastewater containing any gasoline, benzene, naphtha, fuel oil or other explosive liquids, solids or gases which by reason of their nature or quality may cause a fire

or explosion, or be in any other way injurious to persons, the structures, or equipment of the wastewater system, or its operation1.

b. Wastewater, either liquid or vapor, having a temperature higher than 50º C (122º F). When higher temperatures exist, cooling methods shall be subject to the review and approval by the Company. In no case will discharged wastewater be allowed to cause the temperature of the wastewater at the headworks of the treatment plant to exceed 40º C (104º F).

c. Wastewater having a pH lower than five point zero (5.0) or higher than ten point five (10.5) standard units, or having any corrosive properties capable of causing damage or hazards to structures, equipment or personnel, or interferes with the proper operation of the wastewater system.

d. Wastewater containing noxious or malodorous gases or substances which, either singly or by interaction with other wastewater or other pollutants, is likely in the opinion of the Company to create a public nuisance or hazard to life, or prevent entry into the Company collection mains for their maintenance or repair.

e. Wastewater containing ashes, cinders, sand, litter, mud, straw, shavings, metal, glass, tar, rubber, plastics, wood, bottles, cans, utensils, shoes, rags, clothing, undergarments, hand towels, cotton, wool, or other fibers, chemical or paint residues, feathers, hair and fleshing, bone, entrails, whole blood, paunch, manure, butcher's offal, lime slurry or any other solid or viscous material of such character or in such quantity as in the opinion of the Company may cause an obstruction to the flow in the Company collection mains or otherwise interferes with the proper operation of the wastewater system.

f. Wastewater containing any food waste that has not been property shredded by household type garbage grinder. The installation and operation of any garbage grinder equipped with a motor of one (1-hp) horsepower or greater shall be subject to the review and approval by the Company.

g. Wastewater containing solids of such character and quantity that special and unusual attention is required for their handling.

h. Wastewater containing any pollutants or substances which may affect the effluent and may cause violation of the National Pollutant Discharge Elimination System Permit.

[1] All users of the system shall refer to NFPA 328, entitled "Recommended Practices for the Control of Flammable and Combustible Liquids and Gases in Manholes, Sewers, and Similar Underground Structures.", prepared by the National Fire Protection Association, Inc., for the proper approaches relating to the problem of fire and explosive hazards.

i. Wastewater containing pollutants or substances detrimental to the operation of the Company's wastewater treatment plant and/or collection mains causing erosion, corrosion or deterioration to the pipes, equipment and structures.

j. Wastewater containing fat, wax, grease, tar or oil of petroleum origin, whether emulsified or not, in excess of one hundred (100) mg/l, or petroleum oil, non-biodegradable cutting oil or petroleum products of mineral oil origin in amounts that will cause interference or pass-through at the wastewater treatment facilities.

k. Wastewater containing more than ten (10) mg/l of any of the following gases: hydrogen sulfide, sulfur dioxide, nitrous oxide, or any of the halogens.

l. Wastewater containing toxic or poisonous pollutants or substances, in a sufficient quantity to injure or interfere with any wastewater treatment process, constitute a hazard to humans or animals, or create any hazard in the Company collection mains. Toxic pollutants or substances shall include, but not be limited to wastewater containing cyanide, chromium, cadmium, mercury, copper, nickel, or materials listed as hazardous materials.

m. Wastewater containing any pollutant or substance which may cause the wastewater treatment process to be in noncompliance with biosolids use, recycling or disposal criteria pursuant to guidelines or regulations developed under Section 405 of the Federal Act, the Clean Air Act or criteria for biosolids management and disposal developed by the Department of Environmental Protection.

n. Wastewater containing any isotopes or other radioactive materials.

o. Wastewater containing any color which may not be removed in the wastewater treatment process.

p. Wastewater containing any pollutants or substances, including conventional pollutants or substances released at a flow rate and/or concentration that may cause interference with the operation of the wastewater system.

q. Wastewater containing pollutants or substances which may solidify or become viscous at temperatures between 0º C (32º F) or 60º C (104º F).

r. Wastewater containing pollutants or substances that alone or in combination may result in the release of toxic gases, vapors, or fumes in a quantity that will cause acute worker's health and safety problems.

3. Sampling and Analysis:

a. Where, in the opinion of the Company, a significant amount of wastewater is involved, the customer shall install, as part of the building service line, a manhole for the purpose of sampling, measurement, and observation of the discharge. The

manhole will be constructed according to Company specifications and in a manner that insures accessibility at all times.

b. All measurements, sampling, testing and analyses of the characteristics of waters and wastewaters to which reference is made in the Rules and Regulations of the Company, shall be determined in accordance with 40 CFR Part 136.

c. All inspections, measurements, sampling, testing and analyses deemed by the Company to be necessary under this Section or any other part of the Rules and Regulations of the Company, shall be done by the Company or its agents, employees or contractors. If the inspections, sampling, measurements, testing and/or analyses determine that a customer has created a situation which is in violation of any statute, ordinance, rule or regulation, then the customer shall be required to pay all costs incurred in remedying the situation. Otherwise, the costs involved are to be borne by the Company. Costs assessed against a customer pursuant to this Section, shall be in addition to any other fees charged by the Company. The costs shall be payable within thirty (30) days of presentation of an invoice to the customer at their current billing address.

d. Where the Company deems it advisable, it may require any customer discharging wastewater to install and maintain, at his or her own expense, in a manner approved by the Company or its representative, a metering device to continuously measure and record the flow of the wastewater so discharged. The customer shall have ninety (90) days from the date of notice to comply with the Company's directive.

4. Disposal of Wastes from Holding and Septic Tanks or Cesspools: No person shall dispose of wastes from holding and septic tanks, cesspools, or other such sources of domestic waste to the Company's wastewater system, except as designated by the Company.

5. Penalties: The Company reserves the right to deny wastewater service for violation of any provision of these regulations, subject to PUC rules and regulations.

6. Damage to System and Indemnification: In the event of any damage to the Company's wastewater system caused by a customer, such damage shall be immediately reported to the Company and said customer shall reimburse Company for the costs of repairs.

7. Emergency Termination of Service: If a violation consists of the discharge of an explosive or flammable material or any other material which is highly toxic or creates a toxic gas so that there is imminent danger to the personnel, property or treatment process of the Company, or to the public or the environment, then the Company shall take whatever action is necessary to halt service and to protect the life and property.

SECTION G – Service Continuity

1. Regularity of Service: The Company may, at any time, interrupt service in case of accident or for the purpose of making connections, alterations, repairs or changes, or for other reasons. The Company will, pursuant to Commission regulations at 52 Pa. Code § 67.1

and as circumstances permit, notify customers to be affected by service interruptions. The Company reserves the right to restrict the use of wastewater collection service whenever the public welfare may require it.

2. Liability for Damages:

a. Limitation of Damages for Service Interruptions – The Company's liability to a customer for any loss or damage from any excess or deficiency in the wastewater collection service due to any cause other than willful misconduct or negligence by the Company, its employees or agents shall be limited to an amount no more than the customer charge or minimum bill for the period in question. The Company will undertake to use reasonable care and diligence in order to prevent and avoid interruptions in service, but cannot and does not guarantee that such will not occur.

b. Responsibility for Owner's and Customer's Facilities—The Company shall not be liable for any loss or damage caused by reason of any breaks, leaks, stoppages or other defects in a building service line, pipes, joints, fixtures or other installations except where the expense or damage is a result of the negligence or willful misconduct of the Company, its employees or agents.

SECTION H – Waiver

The Company may, at its sole discretion, waive any of the Rules contained herein that operate for the benefit of the Company; provided, that no such waiver will be valid unless in writing and signed by an authorized representative of the Company, and provided that no waiver will be allowed where the waiver would constitute a violation of the Public Utility Code, the regulations of the Commission or of any other applicable statute, law or regulation.

SECTION I – Amendment of Commission Regulations

Whenever Commission regulations in Title 52 of the Pennsylvania Code are duly amended in such a way as would produce a difference between Commission regulations and this tariff, this tariff is deemed to be amended so as to be consistent with the amendments to the regulations, except that if application of the amendment to Title 52 is discretionary, this tariff will remain unchanged.

SECTION J – Industrial and Commercial Establishment Service Limitations

The United States Environmental Protection Agency Regional Administrator has not determined that the Company needs a Pretreatment Program meeting the criteria established in Title 40 Code of Federal Regulations (CFR) Part 403. Therefore, the Company's NPDES permit currently does not required it to administer an approved Pretreatment Program to control the discharges from non-domestic sources. All industrial and commercial waste proposed for discharge into the Company's system shall be studied to determine the degree of pretreatment, if any, necessary in order that the waste will not adversely affect the collection system and/or the wastewater treatment facilities. The Company will have the authority to properly control any waste discharge into its system by

regulating the rate of any waste discharge, by requiring necessary equalization and/or pretreatment, and by excluding certain waste, if necessary, to protect the integrity of the system.

1. Customer Limitations: No commercial or industrial waste, whether pretreated or not, may be discharged without prior written authorization from the Company. Customers specifically agree that service applies exclusively for domestic sanitary wastewater. If any customer discharges industrial or commercial waste that:

    a. the existing wastewater treatment plant is unable to satisfactorily treat;

    b. is not in compliance with discharge permit standards, disrupts the normal functioning of the existing wastewater treatment plant;

    c. is more costly to treat than typical domestic sanitary wastewater; or

    d. requires the utilization of more wastewater treatment plant capacity per gallon of effluent than that required by average typical domestic sanitary wastewater, then;

    the customer shall provide, at the customer's own expense, such primary treatment as may be necessary before such waste is discharged into the Company mains.

2. Company Limitations: The Company will not be liable nor bound to increase wastewater treatment plant capacity and/or operations to accommodate industrial or commercial waste.

3. Specific Dangers: In general, any waste will be considered harmful to the Company wastewater system if it may cause any of the following damaging effects:

    a. chemical reaction either directly or indirectly with the materials of construction of the system in such a manner as to impair the strength or durability of the structures;

    b. mechanical action that will destroy the structures;

    c. restriction of the hydraulic capacity of the structures or system;

    d. restriction of the normal inspection or maintenance of the structures or system;

    e. danger to public health and safety; or

    f. obnoxious condition contrary to public interest

SECTION K – Privilege to Investigate / Right of Access

The Company's authorized representatives or agents of the Company shall have the right to access and/or enter at all reasonable hours, the customer's private property including the access to all parts of any premise connected to the system, for the purpose of examining and inspecting

connections and fixtures, including the water and/or wastewater metering arrangement, or for disconnecting service for any proper cause. The inspections of premises will occur on a regular basis. The inspection of nonresidential customers may also occur at any hour the facility is in operation to aid in compliance monitoring.

SECTION L – Rule Variance

No employee of the Company can vary these Rules and Regulations, and no authorized representatives, agent or employee of the Company can bind it by any agreement or representation except when authorized in writing by the Company.

The End.

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

IN RE: APPLICATION OF TOWAMENCIN TOWNSHIP, PURSUANT TO 66 PA. C.S. § 1102(A), FOR A CERTIFICATE OF PUBLIC CONVENIENCE TO OFFER, FURNISH, RENDER, AND SUPPLY WASTEWATER SERVICE TO THE PUBLIC IN CERTAIN PORTIONS OF WORCESTER TOWNSHIP, LOWER SALFORD TOWNSHIP, FRANCONIA TOWNSHIP AND LANSDALE BOROUGH, ALL IN MONTGOMERY COUNTY, PENNSYLVANIA	**DOCKET A-2023-3040661**

TOWAMENCIN TOWNSHIP
STATEMENT NO. 4

DIRECT TESTIMONY OF

CRAIG FORWOOD

LOWER SALFORD TOWNSHIP AUTHORITY

With Regard To

Towamencin Township's Provision of Wastewater Collection and Conveyance Services to Customers Located in Lower Salford Township and the Benefits of Continuing Those Operations

August 14, 2023

I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Craig Forwood. My current business address is: Lower Salford Township Authority, 57 Main Street, Harleysville, PA 19438.

Q. Are you serving as Operations Manager for Lower Salford Township Authority which handles the wastewater system in Lower Salford Township?

A. Yes. I am the Operations Manager for the Lower Salford Authority which oversees the public sanitary sewer system within Lower Salford Township.

Q. Please provide a brief description of your education and work experience.

A. I have a Bachelor of Science in Civil Engineering from Old Dominion University and have a professional Engineering License and Wastewater Operations License. I have worked for the Lower Salford Township Authority for the last 14 years. Prior to that I spent 5 years working for a water authority and 10 years as a consultant and municipal engineer.

Q. On whose behalf are you testifying in this proceeding?

A. My testimony is on behalf of Towamencin Township and in support of the application *nunc pro tunc* of Towamencin Township for a certificate of public convenience to continue to provide wastewater collection and conveyance services to its customers located in Lower Salford Township.

Q. What is the purpose of your direct testimony? Please summarize the key points.

The purpose of my testimony is (1) to provide a description of the services provided by Towamencin to residents of Lower Salford Township, and (2) the hardship that would result to those customers residing in Lower Salford Township if the present application is denied, and if the denial of that application resulted in the inability of Towamencin to continue to provide wastewater services to those customers in Lower Salford Township.

Q. Please describe the benefits of the Proposed Certificate to the Lower Salford Township residents who receive wastewater service from Towamencin.

A. Towamencin Township currently provides wastewater treatment services directly to 21 customers in Lower Salford Township, most of whom are billed directly by Towamencin. Towamencin began providing such service to customers in Lower Salford in the late 1980s all due to their proximity to Towamencin's sewer mains. In addition to these customers in Lower Salford mentioned above, Towamencin provides wastewater service to the Lower Salford Township Authority under a bulk contract by and among Towamencin Township, Lower Salford Township and Lower Salford Township Authority, attached and incorporated by reference as **Exhibit 5**.

Granting the proposed Certificate of Public Convenience will allow Towamencin to continue to provide wastewater service to the existing customers in Lower Salford. This continued relationship is desired by the customers and by Lower Salford Township Authority which handles sewer service for Lower Salford Township, and is essential to avoid disruption of service and/or significant expense being incurred by the customers.

Q. Please explain how denial of this application would adversely affect the customers presently being served by Towamencin.

A. If Towamencin were prohibited from providing continued service to these customers, the customers would be confronted with the need to obtain alternative sources of wastewater treatment, or to rely on newly-installed septic systems.

These customers would have to pay for necessary approvals, engineering, construction of a line extension, etc. in order to obtain sewer for their properties from Lower Salford Authority or alternatively they would have to obtain necessary approvals and then install on-lot systems. On-lot systems would only be possible if the conditions on the property permit such systems, i.e. the property is large enough and the soils perc. Both the extension of sewer lines and the on-lot systems would cost tens of thousands of dollars in expense per customer and likely not feasible for all of the customers.

Q. Do you believe that the Application provides affirmative public benefits and is in the public interest?

A. Yes. For the reasons set forth above, I believe that the Application provides substantial affirmative public benefits and is in the public interest. I urge the Commission to promptly approve the Application.

Q. Does this conclude your direct testimony?

A. Yes, it does.

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of Pennsylvania-American Water Company under Sections 1102(a) and 1329 of the Pennsylvania Public Utility Code, 66 Pa C.S. §§ 1102(a) and 1329, for approval of (1) the transfer, by sale, to Pennsylvania-American Water Company, of substantially all of the assets, properties and rights related to the wastewater collection and treatment system owned and operated by Towamencin Township and Towamencin Municipal Authority, and (2) the rights of Pennsylvania-American Water Company to begin to offer or furnish wastewater service to the public in the Township of Towamencin, portions of the Townships of Lower Salford, Franconia and Worcester and the Borough of Lansdale, all in Montgomery County, Pennsylvania	Docket Nos. A-2023-3039900 *et al.*

VERIFICATION

I, Craig Forwood, hereby state that the facts set forth in my Direct Testimony are true and correct to the best of my knowledge, information, and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Dated: 8/11/2023

CRAIG FORWOOD

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

IN RE: APPLICATION OF TOWAMENCIN TOWNSHIP, PURSUANT TO 66 PA. C.S. § 1102(A), FOR A CERTIFICATE OF PUBLIC CONVENIENCE TO OFFER, FURNISH, RENDER, AND SUPPLY WASTEWATER SERVICE TO THE PUBLIC IN CERTAIN PORTIONS OF WORCESTER TOWNSHIP, LOWER SALFORD TOWNSHIP, FRANCONIA TOWNSHIP AND LANSDALE BOROUGH, ALL IN MONTGOMERY COUNTY, PENNSYLVANIA	**DOCKET A-2023-3040661**

CERTIFICATE OF SERVICE

I hereby certify that I have this date, August 14, 2023, served a true copy of the written direct testimony of Craig Forwood upon the parties in the case, listed below:

Administrative Law Judge Darlene Heep
Pennsylvania Public Utility Commission
Office of Administrative Law Judge
801 Market Street, Suite 4063
Philadelphia, PA 19107
dheep@pa.gov
via email

Ms. Shalea Delvillar
Pennsylvania Public Utility Commission
Legal Assistant to ALJ Heep
801 Market Street, Suite 4063
Philadelphia, PA 19107
sdelvillar@pa.gov
via email

Richard Kanaskie, Esquire
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17105
rkanaskie@pa.gov
via PUC eService and email

Gregory Guilford, Esquire
1 Vine Street
Suite 201
Lansdale, PA 19446
greg@gsglaw.com
via email

Towamencin Township
Docket No. A-2023-3040661
Statement CF-1
Exhibit T-5

jsm080889

TRANSPORTATION AND TREATMENT CAPACITY AGREEMENT

THIS AGREEMENT, made this 16th day of September, 1989 between TOWAMENCIN TOWNSHIP (hereinafter "Township"), the UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY (hereinafter "Authority"), LOWER SALFORD TOWNSHIP AUTHORITY (hereinafter "LSTA") and LOWER SALFORD TOWNSHIP (hereinafter "LST");

W I T N E S S E T H :

WHEREAS, Township is a body corporate and politic, organized and existing under the provisions of the second-class township code, and leases from Authority a sanitary sewer collection system and appurtenances thereto; and

WHEREAS, Authority is a municipal corporation, organized and existing under the provisions of the Pennsylvania Municipality Authorities Act, which owns and operates a sanitary sewage treatment plant and Skippack Creek Pumping Station located within Township; and

WHEREAS, LSTA is a municipal corporation organized and existing under the provisions of the Pennsylvania Municipality Authorities Act which desires to purchase transportation and treatment capacity in the collection system, treatment plant and Skippack Creek Pumping Station located within Township; and

WHEREAS, LST is a body corporate and politic, organized and existing in accordance with the provisions of the second-class

township code, which is responsible for enacting Ordinances and Resolutions relating to the method in which sanitary sewer service will be provided within LST to LSTA customers; and

WHEREAS, LSTA is desirous of connecting to Township's collection system and obtaining capacity in Authority's plant; and

WHEREAS, the parties are desirous of setting forth the terms and conditions under which LSTA will purchase transportation and treatment capacity from Township and Authority.

NOW, THEREFORE, in consideration of the premises contained herein, and intending to be legally bound hereby, the parties agree as follows:

SECTION 1 - DEFINITIONS

Average Daily Flow means the arithmetic mean of daily flow measurements taken over a calendar month.

Capacity means the amount of sewage flow available for use by LSTA in the collection system leased by Township and the Plant owned and operated by Authority. Capacity shall be measured by using a three (3) month maximum running average.

Collection System means the entire system of sewer pipes and all related facilities within the jurisdiction of each party referred to which are designed, constructed and used to transport Domestic Sewage and/or Industrial Waste (collectively herein called "Sewage") to the Plant.

Consulting Engineer means an engineer or engineering firm, registered and qualified to pass on sewage engineering

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questions, employed from time to time by the party to whom reference is made in connection with such term.

Domestic Sewage means sewage waste consisting of the normal, water-carried, household and toilet waste from residences, business buildings and institutions.

Equivalent Dwelling Units (EDU) - Two Hundred and Eighty (280) gallons per day of sewage flow and BOD and suspended solid levels not exceeding two hundred and fifty (250) mg/l.

Operations, Maintenance and Administration Charges means, in respect of a particular period of time, all costs and expenses necessarily incurred by Authority in connection with the operation, administration, and maintenance of the Skippack Creek Pumping Station and the metering facility constructed for the purpose of measuring flows from the LSTA system to the Township system which are properly chargeable thereto under sound municipal accounting practices.

Plant means the Sanitary Sewage Treatment Plant owned and operated by Authority located within Township from which LSTA desires to purchase capacity.

Sewage means a substance that contains the waste products or excrement or other discharge from the bodies of human beings or animals and noxious or deleterious substances being harmful or inimical to the public health, or to animal or aquatic life, or to the use of water for domestic water supply or for recreation, or which constitutes pollution under the Clean Streams Law.

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Skippack Creek Pumping Station means a recently constructed facility located at the intersection of Rittenhouse and Old Forty Foot Roads in Township which receives and subsequently transports sewage through Township's collection system to Authority's Plant.

SECTION 2 - PURCHASE OF CAPACITY

A. Subject to the terms and conditions set forth herein, Township and Authority hereby agree to sell and LSTA agrees to purchase 500,000 gallons per day of capacity (1,786 EDU's) in Township's collection system and Authority's Skippack Creek Pumping Station and Treatment Plant. It is understood that capacity is not guaranteed by the Authority until such time as the appropriate payment is made. It is anticipated that capacity will be drawn down by Lower Salford on an EDU basis as follows:

(i) Five Hundred and Thirty-six (536) EDU's immediately upon execution of this Agreement;

(ii) An additional Five Hundred and Thirty-five (535) EDU's within two years of the date of this Agreement;

(iii) An additional Seven Hundred and Fifteen (715) EDU's within ten years of the date of this Agreement.

B. LSTA agrees to provide Township and Authority with at least thirty (30) days written notice prior to its intention to draw down EDU's under this Agreement. The rights of LSTA to purchase capacity under this Agreement shall expire when the first of the following events shall occur:

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(i) The expiration of ten years from the date of this Agreement;

(ii) Sixty (60) days after receiving written notice from Authority that three months' maximum running average flows at the Plant have reached 5.5 m.g.d. LSTA will forfeit the right to purchase capacity under this Agreement as to any EDU's for which payment has not been made prior to the occurrence of either of the aforesaid events.

C. The parties recognize that certain weather conditions will influence flows into the system. LSTA shall be entitled to the same relative increase in flows, ie., the same ratio of wet weather to average daily dry weather flows, as experienced by the Treatment Plant. Peak flows from the LSTA system in excess of the ratio will not be permitted.

SECTION 3 - PAYMENT OF PURCHASE PRICE

LSTA agrees to pay Township a connection fee of Nine Hundred and Twenty Dollars ($920.00) for each EDU of capacity purchased. LSTA agrees to pay Authority a capital contribution of Three Thousand Nine Hundred Dollars ($3,900.00) for each EDU of capacity purchased. Payment for 536 EDU's shall be made to Township and Authority within ninety (90) days following DER 537 Plan approval and issuance of the permit authorizing the tie-in. Payment for the additional EDU's contemplated by this Agreement shall be made within sixty (60) days after LSTA provides Township and Authority with written notice of LSTA's intention to purchase same.

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SECTION 4 - ADJUSTMENT OF PURCHASE PRICE

Because LSTA is not immediately paying in full for the capacity it is purchasing pursuant to this Agreement, Township and Authority have the right to adjust the purchase price to LSTA to an amount equal to the connection fee or capital contribution being charged to residents of Township. Township and Authority agree to provide sixty (60) days written notice to LSTA of the date on which the purchase price will be adjusted. Upon receipt of notice, and prior to the price adjustment date, LSTA shall have the option to pay for some or all of the EDU's at the price in effect prior to the purchase price adjustment date. Any EDU's for which no payment has been made on or before the tenth anniversary date of this Agreement or sixty (60) days after receiving notification from the Authority that three month maximum running average flows at the Plant have reached 5.5 m.g.d., whichever occurs first, shall be forfeited.

SECTION 5 - LSTA CONNECTION

Township, Authority and LSTA agree that LSTA shall be permitted to connect to Township's Collection System at a point adjacent to LSTA's Mainland Pumping Station. Township and Authority agree to provide, at no cost to LSTA, those easements or rights-of-way necessary to allow the LSTA connection. LSTA agrees to provide Township and Authority Engineers with Plans for the proposed connection which shall be subject to said Engineers' approval, which shall not be unreasonably withheld.

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SECTION 6 - MEASURING FLOWS

The parties agree that sewage flows will be measured by a sewage flow meter, with recording and totalizing elements, which along with appropriate sampling devices, will be installed at or near any point of LSTA's connection to Township's system. The meter, meter pit and meter chamber shall be designed, constructed and installed by LSTA, at its sole expense, subject to Township and Authority Engineers' approval, which shall not be unreasonably withheld. Authority will obtain certifications and calibrations of the meter. The Authority will operate and maintain the meter. LSTA has the right to inspect the meter pit at all times, and Authority will provide copies of flow charts to LSTA.

The parties agree that the flow metering device will be maintained in a satisfactory state of repair at all times in order to ensure that an accurate record of the flow from the LSTA's collection system is maintained. Authority will cause the meter to be calibrated annually, or as reasonably necessary to maintain the accuracy of the meter, by a person or firm capable of certifying the meter calibration in question. A copy of the certified calibration report shall be provided to Township and LSTA. The costs of operating and maintaining the meter pit and metering device, including the costs of calibration, shall be borne solely by LSTA.

In the event of a malfunction of any meter, the parties will agree upon an estimated flow during the period of

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malfunction. All meter readings will be adjusted, as agreed by the parties, based upon rainfall data and peaking factors.

SECTION 7 - TREATMENT AND PUMP STATION CHARGES

LSTA agrees to pay Authority treatment charges equal to the non-residential sewer rental rate in effect, from time to time, in Township. The current rate is Two Dollars ($2.00) per thousand gallons of flow. In addition, LSTA agrees to pay Authority a pro-rata cost of the operation and maintenance charges of the Skippack Creek Pump Station. LSTA's costs shall be determined by multiplying the actual operations and maintenance costs by a fraction where the LSTA flow is the numerator and the total flow to the pumping station is the denominator.

SECTION 8 - EXCESS FLOWS

LSTA shall be permitted to discharge Average Daily Flows equal to the number of EDU's for which connection fees and capital contributions have been paid. If LSTA Average Daily Flows reach ninety percent (90%) of the capacity for which it has paid, LSTA agrees to either purchase additional capacity pursuant to this Agreement, under take negotiations to purchase additional capacity, submit a plan for inflow/infiltration identification and reduction (if conditions dictate) or submit a Plan indicating how the balance of capacity will be utilized to assure Township and Authority that the LSTA capacity will not be exceeded.

In the event LSTA exceeds its permissible Average Daily Flow due to inflow and infiltration problems which could be cost

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effectively resolved but for the refusal of LSTA to do so, and the parties cannot agree to an alternate method of resolving the excessive flow problem, UGTMA shall have the right to either (a) undertake the required repairs and invoice LSTA for the cost of same; or (b) assess LSTA additional capital contribution and connection fees for the number of EDU's by which LSTA exceeds its permissible capacity.

SECTION 9 - COLLECTION SYSTEM

The design, location and area of service of each party's Collection System shall remain and be wholly within its own discretion and control. Each party agrees that it will operate its Collection System continuously in compliance with all present or future laws and governmental regulations, will maintain the same in a state of good repair, and will make all renewals, replacements and ordinary improvements necessary to maintain adequate service.

SECTION 10 - ENACTMENT OF ORDINANCES, RESOLUTIONS AND REGULATIONS

LST agrees that it will enact an Ordinance which contains provisions at least as stringent as Township Ordinance 84.6 and subsequent updates thereto relating to sewage pretreatment, sewage surcharges, prohibition of the discharge of certain substances into the Collection System, and prohibition of the discharge of any sewage prohibited by any regulation of the Pennsylvania Department of Environmental Resources, the United States Environmental Protection Agency or any applicable state, federal or other regulatory body. LST and LSTA agree that

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Authority shall be delegated enforcement ability with regard to enforcement of sewage pretreatment matters and shall be permitted to bill any strength surcharges directly to LSTA customers discharging to the system tributary to Authority's Treatment Plant.

LST and Township agree that they will adopt appropriate Amendments to their respective 537 Plans to allow for the acquisition of capacity by LSTA contemplated by this Agreement. LST agrees to provide Authority with copies of all Planning Modules approved by LST which will result in the discharge of flows to Authority's Treatment Plant. LSTA agrees to provide Authority with copies of all sewer connection permit which will result in the discharge of flows to Authority's Treatment Plant. All parties agree to adopt those Regulations and Resolutions which are required to give effect to the terms and conditions of this Agreement. Prior to submitting any 537 Plan Amendments, Revisions or Supplements which will affect the physical facilities tributary to the interconnection with Township's system to DER, LST agrees to provide same to Township and Authority for their review and comment.

SECTION 11 - EXAMINATION OF RECORDS AND FACILITIES

The physical facilities of the interconnection and the Authority's records of the operation of same shall be open and available at all reasonable times to LST and LSTA as well as to its agents, employees and representatives. Each party may examine and inspect the other's facilities and records relating to the interconnection, and Authority may make periodic tests and

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measurements of sewage quality and flow in and from the LSTA Collection System tributary to the interconnection. Each party shall provide any relevant information requested by the other party.

SECTION 12 - ARBITRATION

Any disputes arising under this Agreement in connection with the construction or interpretation of the Agreement or the performance or breach of any term or condition of this Agreement may be submitted to arbitration by either party filing a written demand with the other party and with the President Judge of the Court of Common Pleas of Montgomery County. The President Judge, upon the request of either party, shall select one Arbitrator to hear and decide any said dispute or disputes. The decision of the Arbitrator shall be binding upon the parties. The Arbitrator's fees and costs shall be borne equally by each party. In the event the President Judge of the Common Pleas of Montgomery County refuses to appoint an Arbitrator, the parties agree to submit the matter to the American Arbitration Association for resolution in accordance with the Expedited Procedures of Construction Arbitration as set forth in the Construction Industry Arbitration Rules of the American Arbitration Association.

SECTION 13 - SEVERABILITY

Should any one or more of the provisions of this Agreement for any reason be held illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this Agreement; and this Agreement shall in such

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circumstances be construed and enforced as if such illegal or invalid provision had not been contained herein.

SECTION 14 - INTEGRATION

This Agreement contains the entire Agreement between the parties; there are no agreements, representations, warranties, oral or written, in existence which are separate and apart from this Agreement.

SECTION 15 - TERM OF AGREEMENT

This Agreement shall remain in effect for a period of one hundred (100) years from the date hereof, at which time it will renew itself for successive five (5) year periods. Either party to this Agreement may give notice of termination to the other party by providing written notice thereof at least six (6) months prior to the expiration of any then-current term of this Agreement.

SECTION 16 - COUNTERPARTS TO BE EFFECTIVE

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and be effective as an original, but all of which together shall constitute but one and the same instrument.

SECTION 17 - APPLICABLE LAW AND BINDING EFFECT

This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, and it shall be binding upon the successors and assigns of the parties hereto.

08/08/89

SECTION 18 - AMENDMENTS

Any modifications to this Agreement must be in writing with duplicate originals being executed by all parties hereto.

SECTION 19 - EFFECTIVE DATE OF AGREEMENT

This Agreement shall be effective as of the day and year first above written, which shall be the date that the last subscribing party executes this document.

IN WITNESS WHEREOF, the parties hereto have caused the due execution and attestation hereof by their respective duly authorized officers.

TOWAMENCIN TOWNSHIP

By: _____

Attest: _____

UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY

By: _____

Attest: _____

LOWER SALFORD TOWNSHIP

By: _____

Attest: _____

LOWER SALFORD TOWNSHIP AUTHORITY

By: _____

Attest: _____

08/08/89

004070794

MODIFICATION AGREEMENT

THIS MODIFICATION AGREEMENT ("hereinafter Modification") is made on this 24th day of August, 1994, by and among **TOWAMENCIN TOWNSHIP** (hereinafter "Township"), **THE UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY** (hereinafter "Authority"), **LOWER SALFORD TOWNSHIP AUTHORITY** (hereinafter "LSTA") and **LOWER SALFORD TOWNSHIP** (hereinafter "LST").

BASIS OF AGREEMENT

A. On September 18, 1989, the parties to this Modification entered into a Transportation and Treatment Capacity Agreement (hereinafter "Agreement").

B. The Agreement provided for LSTA to purchase up to 500,000 gallons of capacity in Township's sewage collection system (hereinafter "Collection System") and Authority's Skippack Creek Pumping Station (hereinafter "Pumping Station") and sanitary sewage treatment plant (hereinafter "Treatment Plant").

C. In accordance with the Agreement, LSTA has paid for 150,000 gallons per day of capacity in the Collection System, Pumping Station and Treatment Plant.

D. LSTA intends to construct its own sanitary sewage treatment plant (hereinafter "New Plant"), but it is in need of purchasing additional capacity in the Collection System, Pumping Station and Treatment Plant on a temporary basis.

E. Township and Authority have agreed to sell additional capacity to LSTA on the terms and conditions set forth in this Modification.

F. All parties agree that to the extent that the Agreement contains terms and conditions which are inconsistent with this Modification, the terms and conditions of the Agreement must be modified.

NOW, THEREFORE, for the consideration set forth in this Modification and intending to be legally bound hereby, the parties mutually promise and agree as follows:

1. Purchase of Capacity - Township and Authority agree to sell and LSTA agrees to purchase 100,000 gallons per day of temporary additional capacity in Township's Collection System and Authority's Pumping Station and Treatment Plant for a minimum term of two (2) years and a maximum term of six (6) years from the date of this Modification. LSTA's right to use this temporary additional capacity shall terminate with the immediate secession of flows greater than the monthly average daily flow and daily peak flow which LSTA has purchased pursuant to the Agreement or this Modification upon the sooner of: a) six (6) years from the date of this Modification or b) six (6) months after Authority receives written notice from LSTA that LSTA is making its last semi-annual payment pursuant to this Modification.

2. Option to Purchase Capacity - In the event LSTA is not able to construct its New Plant within five (5) years and nine (9) months from the date of this Modification, LSTA shall have ninety (90) days thereafter within which to advise Authority and Township of the amount of additional capacity in the Collection

System, Pumping Station and Treatment Plant LSTA desires to purchase on a permanent basis. LSTA shall have the right, but not the obligation, to purchase up to 350,000 gallons (1,250 EDUs) on a permanent basis at the Township's then-current connection fee and Authority's then-current tapping fee if such capacity is available. All semi-annual payments made for temporary additional capacity shall be credited against the purchase price for permanent additional capacity. The provisions of this Paragraph shall constitute LSTA's sole right to purchase additional permanent capacity and shall render paragraphs 2A and 2B of the Agreement null and void and without further force and effect.

3. Previous Excess Flows - UGTMA contends that LSTA has, from time to time in the past, exceeded the flows to which LSTA is entitled pursuant to the Agreement. UGTMA asserts that there were overages in May and November of 1990, December of 1991, June, November and December of 1992 and January, March, April, September, November, and December of 1993 and January of 1994 resulting in excess flows of 32,127,000 gallons. In settlement of all claims relating to these excess flows, LSTA agrees to pay Authority the per diem per gallon charge subsequently set forth in this Modification for each of the aforesaid gallons of excess flow. LSTA further agrees to pay Authority the per diem per gallon charge for each gallon of excess flow generated between February 1, 1994 and the date of execution of this Agreement by all parties.

4. Excess Flows - LSTA shall be entitled to discharge monthly average daily flows of 250,000 gallons and shall be permitted to discharge daily peak flows of 750,000 gallons per day. Upon termination of its right to use temporary additional capacity pursuant to this Modification, LSTA shall be entitled to discharge monthly average daily flows equal to the amount of gallons it has permanently purchased and shall be permitted to discharge daily peak flows of three times the amount of capacity permanently purchased. Flows greater than this shall be deemed excess and subject to the per diem charge per gallon subsequently set forth in this Modification. Should excess flows result in any calendar month, LSTA shall pay the greater of:

A. The total amount calculated by adding the per diem per gallon charges for each day in the month in which there was excess peak flow; or

B. The total amount calculated by multiplying the number of gallons by which average daily flow was exceeded by the number of days in the month and further multiplying this result by the per diem charge per gallon.

5. Calculation of Charges - The charges which LSTA shall or may be required to pay to Authority shall be calculated as follows:

A. Per Diem Per Gallon Charge

Township Connection Fee	$ 856.00 per EDU
Authority Tapping Fee	3,450.00 per EDU

Total	$4,306.00 per EDU
Estimated Life of Plant	20 years
Number of Gallons per EDU	280
Days per Year	365

$4,306.00 ÷ 20 ÷ 280 ÷ 365 = $.0021 per diem per gallon charge

B. Annual Capacity Charge:

Per Diem per Gallon Charge	$.0021
Temporary Additional Capacity Purchased	100,000 gallons
Days per Year	365

.0021 X 100,000 X 365 = $76,650.00 annual capacity charge

C. Treatment and Pump Station Charges as set forth in Section 7 of the Agreement.

6. Payment of Charges - LSTA agrees to pay Authority or Township, as appropriate, the following charges at the times set forth below:

A. Annual Capacity Charge - LSTA agrees to pay the annual capacity charge in semi-annual installments, the first such payment to be made upon execution of this Modification, with subsequent payments to be made at six month intervals thereafter.

B. Per diem per Gallon Charges:

(i) Past Excess Flows - Upon execution of this Modification, LSTA agrees to pay $67,466.70 (32,127,000 X $.0021 = $67,466.70) for excess flows through January, 1994;

(ii) Current Excess Flows - Within ninety (90) days following the execution of this Modification, LSTA agrees to pay the per diem per gallon charge for each gallon of excess flow

generated between February of 1994 and the date of this Modification.

C. Future per diem per Gallon Charges for Excess Flows, Treatment and Pump Station Charges - LSTA agrees to pay per diem per gallon charges for excess flows and normal treatment and pump station charges pursuant to the current schedule as invoiced by Township. LSTA agrees to act upon these bills at the first meeting subsequent to receipt of invoices from Township (hereinafter "due date").

7. Guaranteed Revenue - Subject to the provisions of Paragraph 1 of this Modification, LSTA agrees that its annual capacity charges shall be paid for a minimum of two years regardless of the amount of flow actually discharged. In addition and regardless of the amount of flow actually discharged, LSTA agrees to pay Authority, for a term of two (2) years, a guaranteed minimum treatment and pump station charge calculated as if flows average 150,000 gallons per day. Should actual flows exceed 150,000 gallons per day, the guaranteed minimum will not apply and charges will be calculated based upon the actual flow discharged.

8. Payment Guarantee - LSTA agrees to enter into a Tri-Party Agreement with its Trustee, Harleysville National Bank, and Authority to set aside $76,650 in order to guarantee payment of the annual capacity charges required by this Agreement. The Agreement shall provide, inter alia, that if LSTA shall fail to make a semi-annual capacity payment, within thirty (30) days of

its due date, Authority shall receive payment from the Trustee by submitting a letter, signed by Authority's Chairman, that LSTA has failed to make the payment required by this Modification. LSTA must immediately replace in the fund set aside any sum paid to Authority by Trustee.

9. Prior Inconsistencies - Except to the extent that they are inconsistent herewith, all terms and conditions of the Agreement are hereby ratified and confirmed. The parties agree, as a result of this Modification, that the following Paragraphs of the Agreement are hereby deemed null and void: Paragraphs 2A, 2B and 2C, Paragraph 3, Paragraph 4, Paragraph 5 and Paragraph 8. In addition, the last sentence of the definition of the word "Capacity" appearing on page 2, in Section 1 of the Agreement is hereby deleted and deemed null and void.

10. Integration and Applicable Law - This Modification and the Agreement contain the entire understanding between the parties and there are no agreements, recitations, warranties, oral or written, in existence which are separate and apart the from the Agreement or this Modification. This Modification shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, and it shall be binding upon the successors and assigns of the parties hereto.

11. Effective Date and Counterparts - This Modification shall be effective as of the day and year first above written, which shall be the date of the meeting at which the last subscribing party executes this document. This Modification may

be executed in two or more counterparts, each of which shall be deemed an original and be effective as an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused the due execution and attestation hereof by their respective duly authorized officers.

TOWAMENCIN TOWNSHIP

Attest: _____ By: _____

UPPER GWYNEDD-TOWAMENCIN MUNICIPAL AUTHORITY

Attest: _____ By: _____

LOWER SALFORD TOWNSHIP

Attest: _____ By: _____

LOWER SALFORD TOWNSHIP AUTHORITY

Attest: _____ By: _____

Lower Salford Township Authority

P.O. Box 243
Harleysville, PA 19438

PHONE: 215-256-8676 FAX: 215-256-6070

July 28, 2016

Rob Ford
Towamencin Township
P.O. Box 303
Kulpsville, PA 19443-0303

Re: Lower Salford Township Authority Sewer Billing

Dear Rob,

Thank you for taking the time to meet with us last week to discuss the proposed changes to the current sewer billing methodology used for the flow from the Lower Salford Township Authority (LSTA) interceptor line to Towamencin Township. By way of history, the semi-annual bill had been based upon the meter readings from an open channel flow meter. Due to the low flow from the three customers connected to the interceptor, the LSTA continues to encounter inaccurate readings from the flow meter. The LSTA's proposal for future billing would be based upon the water meter readings for the three customers listed below. Based on the prior six months data, the flow from the three customers averaged less than 3,000 gpd

- Terroir LLC, 17 Mainland Road
  Mainland Inn Restaurant serviced with public water by NPWA.

- Landtree LLP, 33 Mainland Road
  Home converted to 5 apartment units serviced by well with no meter. Assume 400 gpd for (5 units)

- Mellon Legacy Property LLC, 45 Mainland Road
  Former warehouse converted to music repair business serviced by well with a meter

Per your request, enclosed is a copy of the site plan which identifies the location of the open channel flow meter and the three customers connected to the interceptor.

On behalf of the LSTA, we appreciate your cooperation in accepting our proposal to modify the methodology used to calculate our future sewer invoices for the flow from the interceptor. Effective with May 2016 data, we will provide the monthly water meter records for the three customers to Towamencin Township.

Sincerely,

Connie Weimer

Connie Weimer

enclosure
cc: William Dingman, P.E.
File

TMA Meter Pit

Wednesday, July 27, 2016 8:02 AM

COMMONWEALTH OF PENNSYLVANIA
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

IN RE: APPLICATION OF TOWAMENCIN TOWNSHIP, PURSUANT TO 66 PA. C.S. § 1102(A), FOR A CERTIFICATE OF PUBLIC CONVENIENCE TO OFFER, FURNISH, RENDER, AND SUPPLY WASTEWATER SERVICE TO THE PUBLIC IN CERTAIN PORTIONS OF WORCESTER TOWNSHIP, LOWER SALFORD TOWNSHIP, FRANCONIA TOWNSHIP AND LANSDALE BOROUGH, ALL IN MONTGOMERY COUNTY, PENNSYLVANIA	**DOCKET A-2023-3040661**

CERTIFICATE OF SERVICE

I hereby certify that I have this date, September 22, 2023, served a true copy of Joint Stipulation for Admission of Evidence, with Appendix A and all exhibits, upon the following:

Administrative Law Judge Darlene Heep
Pennsylvania Public Utility Commission
Office of Administrative Law Judge
801 Market Street, Suite 4063
Philadelphia, PA 19107
dheep@pa.gov
via email

Ms. Shalea Delvillar
Pennsylvania Public Utility Commission
Legal Assistant to ALJ Heep
801 Market Street, Suite 4063
Philadelphia, PA 19107
sdelvillar@pa.gov
via email

Richard Kanaskie, Esquire
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
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Harrisburg, PA 17105
rkanaskie@pa.gov
via PUC eService

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Attorney for Intervenor, Upper Gwynedd Township
via email

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swebb@pa.gov
via email

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DISCHELL BARTLE & DOOLEY P.C.
800 Pennbrook Parkway
Suite 200
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via email

James J. Rodgers
James J. Rodgers, Esquire
Attorney for Applicant